

INSERT TO DRAFT TESTIMONY OF ALICE RIVLIN

Before describing the drug control budget itself, I'd like to take a few moments to outline the context in which the budget was developed.

Recently released 1992 data confirm the continued increase in what we call "hard core" or heavy drug use has been on the rise, especially in our inner cities and among the more disadvantaged in our society. Many of these hard core drug users are people addicted to cocaine, especially crack cocaine. And heroin, our old nemesis of previous decades, is showing signs of making a deadly comeback, its popularity fueled by bumper crops from Asia, the Middle East, and Latin America, and by newly aggressive drug trafficking gangs seeking to develop and exploit new markets.

New data on drug-related medical emergencies for the third quarter of 1992 give graphic evidence of these trends, especially in the alarming jump in medical emergencies involving heroin. Among young people too there is cause for concern. The 1992 University of Michigan High School Senior Survey, released earlier this month, showed disturbing levels of the use of inhalents, marijuana, and LSD, especially among the youngest students in the survey, as well as a decrease in the number of eighth graders who regarded cocaine use as harmful.

With regard to so-called "casual" drug use -- that is, non-addicted use -- the trend lines have been declining for several years. Indeed, since 1988, current drug use decreased by 12 percent, current cocaine use by 35 percent, and current adolescent drug use by 27 percent.

The President's FY 1994 drug control budget responds to these threats.

**BRIEFING MATERIALS FOR CONGRESSIONAL
TESTIMONY ON DRUG PROGRAM**

The following briefing materials could be prepared in anticipation of the Deputy Director's testimony before the House Appropriations Treasury/Postal Subcommittee on April 29, 1993.

Draft Opening Statement

Facts Sheets

Tab A Office of National Drug Control Policy

Staffing History and Outlook
Special Forfeiture Fund
Operations & Authorities

Tab B Questions and Answers

Qs & As From Members [To be gotten from Kieffer]
Other Potential Questions

Tab C Federal Drug Funding

Summary of Federal Drug Spending [In Budget]
Annotated Drug Budget Table

Tab D Results & Current Statistics

High School/Household Surveys
Interdiction Results [e.g., seizures]
Treatment Growth

Drug Budget Summary

FEDERAL DRUG CONTROL FUNDING

Agency Summary (\$ Millions)

	FY 1991	FY 1992	FY 1993	FY 1994		
	Actual	Actual	Enacted	President's Budget	Change \$	Change %
Action	\$12.5	\$10.0	\$9.9	\$10.1	\$0.2	\$0.0
Agency for International Development	196.7	258.0	139.8	99.9	-39.9	-28.5%
Department of Agriculture						
Agricultural Research Service	6.4	6.5	6.5	6.5	0.0	0.0%
U.S. Forest Service	9.7	9.4	9.6	9.6	0.0	0.0%
Total, Agriculture	16.1	15.9	16.0	16.0	0.0	0.0%
Department of Defense	1,042.5	1,226.0	1,140.7	1,168.2	27.5	2.4%
Department of Education	683.3	714.7	700.4	708.8	8.4	1.2%
Dept. of Health and Human Services						
Administration for Children and Families	106.3	111.0	115.5	115.5	0.0	0.0%
Substance Abuse and Mental Health Administration & NIDA	1,531.1	1,620.1	1,707.3	1,825.2	117.9	6.9%
Centers for Disease Control	29.3	28.6	31.2	36.6	5.4	17.3%
Food and Drug Administration	6.5	6.7	6.8	6.8	0.0	0.0%
Health Care Financing Administration	190.8	201.8	231.8	261.2	29.4	12.7%
Indian Health Service	35.3	35.2	44.9	38.9	-6.0	-13.4%
Health Resources & Services Administration	13.1	16.5	20.9	39.5	18.6	89.1%
Total, HHS	1,912.3	2,020.0	2,158.5	2,323.8	165.3	7.7%
Dept. of Housing and Urban Dev.	150.0	165.0	175.0	265.0	90.0	51.4%
Department of the Interior						
Bureau of Indian Affairs	14.7	22.7	23.9	23.4	-0.5	-2.2%
Bureau of Land Management	6.9	8.9	10.0	5.2	-4.8	-47.9%
Fish & Wildlife Service	1.0	1.0	1.1	1.0	-0.1	-11.3%
National Park Service	11.3	11.1	9.1	9.2	0.0	0.4%
Office of Territorial and International Affairs	1.7	1.5	1.4	1.4	0.0	0.0%
Total, Interior	35.7	45.2	45.6	40.2	-5.4	-11.8%
The Judiciary	294.1	359.9	406.9	501.0	94.1	23.1%

Description of Major Changes

Reflects Overall Reduction In Security Assistance [-\$40M] To Andean Region

Inflationary Cost Increases Attributable to Detection and Monitoring

Inflationary Increases Attributable to Vocational Rehab. Programs

Administration's Investment In Drug Treatment Grows To \$800M By 1998
94 Treatment Improvem't [+ \$23M]; Capacity Expansion [+ \$67M] Which
Adds Capacity To Treat 30,000 More People in 1994
94 Prevention: High Risk Youth [+ \$13M]; Com'ty Prevention [+ \$12M]

Increase of [+ \$5.4M] For AIDS and Health Investment Initiatives

Increase [+ \$30M] for MEDICARE/MEDICAID Drug Treatment Grants
Reflects Completion of Construction of Regional Treatment Centers
Increase To Ryan White Act Funding for Drug Treatment/Prevention

Increase [+ \$90M] for Community Partnerships Against Crime (COMPAC)

Reflects 2nd Year of Construction Adding 2 Juvenile Detention Centers
Reduction [-\$4.8M & -15 FTE] In BLMs SW Border Enforcement Program

Increase [+ \$94M & +543 FTE] As a Result of Increased Drug Case Loads

FEDERAL DRUG CONTROL FUNDING
Agency Summary
(\$ Millions)

	FY 1991	FY 1992	FY 1993	FY 1994			Description of Major Changes
	Actual	Actual	Enacted	President's Budget	Change \$	Change %	
Department of Justice							
Assets Forfeiture Fund	421.1	412.0	498.3	469.8	-28.8	-5.7%	Reflects Reduced Collections and Transfers To The Treasury Forfeiture Fund
U.S. Attorneys	161.5	206.7	207.2	207.9	0.7	0.3%	
Bureau of Prisons	1,027.5	1,254.5	1,334.0	1,466.3	132.3	9.9%	Increased Costs [+ \$173M] Associated With Prison Activations and Population Growth; Reflects A Total of \$177M Drug-Related Prison Construction [-\$40
Criminal Division	18.5	20.2	19.2	20.4	1.2	6.0%	
Drug Enforcement Administration	692.4	709.8	756.1	773.8	17.7	2.3%	Increases For New Staff [+ \$17M & 60 FTE] For Diversion Control and
Federal Bureau of Investigation	180.3	204.8	218.9	217.5	-1.4	-0.6%	Steroid Act Enforcement
Immigration and Naturalization Service	130.7	141.2	146.1	152.9	6.7	4.6%	Increase [+ \$6M] For Processing Alien Detainees
Interpol	1.3	1.9	1.9	1.9	0.0	0.0%	
U.S. Marshals Service	202.5	217.6	234.5	235.1	0.6	0.3%	
Office of Justice Programs	535.7	543.1	541.3	541.9	0.5	0.1%	
Organized Crime Drug Enforcement	334.5	363.6	385.2	384.4	-0.9	-0.2%	
Support of U.S. Prisoners	135.1	164.1	190.6	253.4	62.8	33.0%	Costs Associated With Increase In Drug Prisoner Populations
Tax Division	1.1	1.1	1.2	1.3	0.1	9.0%	
Weed and Seed Program Fund		0.0	6.6	6.7	0.2	2.6%	
Federal/State Partnerships				12.5	12.5		New Program Providing Community Policing Grants To Local Law Enforcement
Total, Justice	3,842.1	4,240.7	4,541.1	4,745.6	204.5	4.5%	
Department of Labor	60.9	61.5	70.5	72.7	2.2	3.1%	
Off. of National Drug Control Policy							
Operations	17.3	18.7	17.5	5.8	-11.7	-66.9%	Reduced Operating Expenses Attributable To Staffing Reductions
High Intensity Drug Trafficking Areas	82.0	86.0	86.0	86.0	0.0	0.0%	
Special Forfeiture Fund	6.0	20.0	15.0	28.0	13.0	86.7%	A Total of \$28M Will Be Available For Allocation In FY 1994
Total ONDCP	105.3	124.7	118.5	119.8	1.3	1.1%	FY 1991 to 1993 Funds (Not Shown) Were Distributed To Drug Accounts FY 1991 to 1993 Funds Displayed Are For Drug Research & Development Which Are Administered By ONDCP
Small Business Administration	0.1	0.1	0.2	0.2	0.0	0.0%	
Department of State							
Bureau of International Narcotics Matters	150.0	144.8	147.8	147.8	0.0	0.0%	
Bureau of Politico/Military Affairs	107.6	75.3	52.3	38.7	-13.6	-26.1%	Reduction In Overall Assistance Levels [-\$13M] To Andean Countries
Emer. in the Dip. and Consular Service	0.0	0.0	0.3	0.3	0.0	0.0%	
Total, State	257.6	220.1	200.4	186.8	-13.6	-6.8%	
Department of Transportation							
U.S. Coast Guard	718.6	436.4	420.1	460.7	40.5	9.6%	Purchases 3 Replacement Helicopters [+ \$55M; Cutter Maintenance [+ \$16.8M]
Federal Aviation Administration	23.8	23.1	21.8	20.1	-1.8	-8.2%	Increases Offset By Non-recurring Costs [-\$30M]
National Highway Traffic Safety Administration	7.2	8.4	7.7	9.3	1.6	20.5%	
Total, Transportation	749.6	467.9	449.6	490.0	40.3	9.0%	

FEDERAL DRUG CONTROL FUNDING

Agency Summary

(\$ Millions)

	FY 1991	FY 1992	FY 1993	FY 1994			Description of Major Changes
	Actual	Actual	Enacted	President's Budget	Change \$	Change %	
Department of the Treasury							
Bureau of Alcohol, Tobacco, and Firearms	123.2	135.9	152.4	147.3	-5.1	-3.3%	
U.S. Customs Service	674.1	784.7	572.1	526.1	-48.0	-8.0%	Reflects Use of Unobligated Balances For Operations of Air/Marine Program [-\$35M]; and Reductions For One-Time Purchases [-\$11M]
Federal Law Enforcement Training Center	20.8	16.8	21.9	18.3	-3.6	-16.6%	
Financial Crimes Enforcement Network	12.8	14.1	16.9	14.6	-2.3	-13.5%	
Internal Revenue Service	93.2	102.8	115.5	112.9	-2.6	-2.2%	
U.S. Secret Service	53.6	42.9	54.2	57.9	3.7	6.8%	
Treasury Forfeiture Fund	0.0	0.0	191.6	208.6	16.9	8.8%	Reflects Full Utilization of Treasury Forfeiture Fund Deposits
Total, Treasury	977.6	1,097.3	1,124.6	1,085.6	-39.0	-3.5%	
U.S. Information Agency	7.3	9.7	10.1	10.6	0.5	5.2%	
Department of Veterans Affairs	610.6	841.7	903.1	943.8	40.8	4.5%	Increases [+ \$40M] For Expanded Drug Treatment For Veterans
Community Investment Program				253.4	253.4		New Program Providing Funds To State Law Enforcement [+ \$125M] Police Hires; Provides Grants To States and Localities [+ \$128M] For Drug Prevention Activities In Local Communities
Total Federal Program	10,954.3	11,878.3	12,210.8	13,041.4	830.5	6.8%	

Supply Reduction	7,262.6	7,788.0	7,909.9	8,301.5	391.5	5.0%
	66.3%	65.6%	64.8%	63.7%		
Demand Reduction	3,691.7	4,090.3	4,300.9	4,739.9	439.0	10.2%
	33.7%	34.4%	35.2%	36.3%		

DRAFT TESTIMONY

Introduction

Mr. Chairman, Mr. Lightfoot, and Members of the Subcommittee, I appreciate your inviting me here today to present the Fiscal Year 1994 budget request of the Office of National Drug Control Policy (ONDCP). As you know, the Administration has nominated XXXX as the future Director, and we look forward to speedy confirmation. With the appointment of a new Director, the Administration anticipates working closely with you in seeking resources needed for ONDCP.

New Drug Policy Direction

Before discussing the Administration's specific requests for ONDCP, however, I would like to comment generally on the Administration's drug policy. As we all know, the National Drug Control Strategy is intended to be a comprehensive and detailed document outlining all aspects of nation's drug control policy, and I am not prepared today to comment substantively on each and every item. The Administration is currently conducting an extensive review of both domestic and international drug control programs, and, when confirmed, the new Director will take up that task. Until then, we remain open to negotiating the fine print of a new Strategy with you and other Members of the Congress.

But I am here today to say that the President is committed to a drug policy that takes on new direction in the fight against illegal drugs, and that the Administration's drug policy will highlight as two of its key elements the goals of (1) providing "treatment on demand" and (2) putting more police officers on our streets in community policing roles.

Increased Demand Reduction

Despite the fact that a majority of our anti-drug resources have been allocated to domestic programs, past drug strategies have focused disproportionately on our efforts abroad. This Administration is committed to focusing on, and dramatically enhancing, our nation's demand reduction efforts.

Certainly, as the world's largest consumer of illegal drugs we have an important international responsibility in fighting illegal drugs. Moreover, we believe a comprehensive drug strategy must have an effective international component that both supports countries with the political will to fight against illegal drugs, and that attempts to limit the supply of illegal drugs entering our country. But with almost 90% of anti-drug resources being allocated right here at home -- and with Americans being impacted by illegal drug use and drug crime at the street and neighborhood level -- we strongly believes that the time has come to focus the drug strategy on our problems right here at home.

Thus, the Administration requests an overall increase of 10% in demand reduction programs. More and better drug treatment is good drug policy, good crime policy, good urban policy, and good health policy. We view this initial increase as a downpayment in meeting the pledge to provide "treatment on demand."

To fulfill this pledge over the long-term, the Health Care Task Force assembled a group of drug treatment professionals to develop options and make recommendations to the President and First Lady on just what type of a drug treatment benefit should be included in national health care legislation. While this proposal has not been announced and is not included in this year's budget submission, it will be a central element of the President's drug policy.

But meeting the goal of providing "treatment on demand" will mean little if we do not at the same time invest in drug education and prevention efforts. Children should be "inoculated" against the threat of illegal drugs as early as possible with drug education and prevention programs.

Police on Our Streets/Community Policing

Also central to the President's drug policy is his initiative to put more police on the streets and expand community policing. Community policing is a proven law enforcement strategy in helping to prevent drug-related crimes and reclaim drug-afflicted neighborhoods. It goes beyond simply increasing police presence to be able to quickly apprehend offenders. Community policing is a means of bringing neighborhood residents and local police together to work to prevent crime. By getting to know a particular neighborhood's residents, problems, trouble makers, and concerned citizens, police officers engaged in community policing are able to prevent and more effectively solve crimes. Police are more likely to see problems developing, and they are more likely to find appropriate solutions.

Focusing on putting more police on our streets to work with communities also represents a shift away from previous drug strategies, which "federalized" the government's response to the drug problem. We believe that its time to shift the drug strategy's focus from Washington and overseas, to city streets and local communities. That's why -- along with the \$200 million previously earmarked in the jobs package -- the Administration has proposed almost \$600 million in policing initiatives for next year alone.

ONDCP Funding

Mr. Chairman, this year's budget request for ONDCP reflects the reorganization of the White House outlined by the President on February 9th. On October 1, 1993, the Executive

Office of the President will be 350 people, or 25 percent less than its staffing on election day, not counting the OMB and Trade Representative's offices. As cabinet rank agencies, these officers are part of a larger plan to reduce the entire federal bureaucracy by 100,000 positions through attrition over the next four years.

The streamlined office of National Drug Control Policy will better serve the needs of the new President. As you know, we plan to elevate the drug director to a cabinet-level position, to ensure that the new director has the ear of the President, as well as the stature and access to effectively coordinate drug policy among the various cabinet departments and federal agencies. With a staff of 25, the office will be on par in size with the Domestic Policy Council and the new National Economic Council, two councils with tremendous weight on domestic and economic issues.

We expect the drug control office will have similar weight in fighting against illegal drugs in this country, and anticipate that the Drug Director will be a close partner with the heads of the policy councils, the Attorney General and other cabinet heads. Let me also say that I know that XXXX is looking forward to working with you and members of the Committee as he works to sharpen the nation's focus on effective drug control strategies. And we and the White House look forward to working closely with Members of the Senate and House to draft and introduce reauthorization legislation.

(Insert OMB description of S & E accounts here -- not language on overall drug budget)



OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
Washington, D.C. 20500



FACSIMILE TRANSMITTAL SHEET

NUMBER OF PAGES, INCLUDING COVER: 12

DATE: 4/26

TO: JOSE CERDA

FAX NUMBER: 456-7739

OFFICE NUMBER: 456-2564

COMMENTS: ① Budget hearing ~~to~~

② → Draft Statement

③ → correction

③ We need to be careful when talking about

FROM: the increase in demand is treacherous

FAX NUMBER: 467-9809 *not for 70*

OFFICE NUMBER: 467-9888

Ricia McMahon

April 26, 1993

NOTE TO JIM DUKE

Jim --

Here are edits from ONDCP. I've gone over these with Ricia. I'm also attaching 2 pages from the OMB drug budget for FY94, which conform with our numbers: note that while slots go up in FY94, the actual number of people treated drops. I think you need to be careful about how enthusiastically you promote the treatment \$ increase if the net outcome is that the President is requesting a budget that results in a cut in the number of people getting treated.

Also, I can remember when you guys wouldn't let us make a commitment one year out, and here you are making them 5 years out. I think you should be very careful about how much you commit the President to here, since so much of what happens in drugs is outside the control of the U.S.



Bruce

Attachments

III. Budget Summary

FY 1993 Program

- Although SAMHSA did not exist in FY 1992, for the purposes of clarity, SAMHSA has developed comparable estimates of program funding levels for FY 1992 from funds appropriated to the Alcohol, Drug Abuse, and Mental Health Administration.
- The FY 1993 program was funded at \$1,303.1 billion and 395 FTE. This level included funding for prevention services including High Risk Youth, Pregnant Women and Infants, and Community Prevention Services programs; and treatment services including Treatment Improvement Demonstrations, the Capacity Expansion Program (CEP), residential programs for Pregnant/Postpartum Women and their Children, and the Substance Abuse Block Grant.
- Substance Abuse Block Grant: \$803.5 million is provided for State allocations, a net increase of \$35.9 million from the 1992 level. Of this increase, \$21.9 million is provided for drug treatment. This means that an additional 3,973 drug treatment slots will be available serving 10,251 more people.
- Pregnant/Postpartum Women: \$26.0 is provided, a net increase of \$9.8 million from the 1992 level. In addition, \$22.1 million from the Block Grant set-aside is earmarked for this program. Funding will provide pregnant/postpartum women and their children with residential and outpatient treatment services.
- Criminal Justice Program: \$33.0 million is provided, a net increase of \$17.1 million from the 1992 level. This increase will provide funding for clients incarcerated in jails and prisons as well as those on probation and parole.
- Comprehensive Community Treatment Programs: \$21.3 million is provided, a net increase of \$9.2 million from the 1992 level. These funds will provide grants that are designed to improve the linkage between the primary health care and drug abuse treatment systems.

Treatment Capacity Information *

	1992 Actual	1993 Estimate	1994 Request	
<u>Treatment Equivalent Slots (PHS)</u>				
Drug Slots	94,135	100,360	109,907	
Other Slots ¹	<u>34,381</u>	<u>33,953</u>	<u>33,060</u>	
Subtotal	128,516	134,313	142,967	<u>SLOTS UP</u>
<u>Treatment Equivalent Slots (U.S. Total)</u>				
Drug Slots	560,000	566,000	575,000	
Other Slots ¹	<u>34,381</u>	<u>33,953</u>	<u>33,060</u>	<u>SLOTS UP</u>
Subtotal	594,381	599,953	608,060	

*But # TREATED
PRAPT.*

Number of Persons Served (U.S. Total)

Drug ²	1,455,000	1,433,000	1,438,000
Other ³	<u>106,581</u>	<u>105,254</u>	<u>102,486</u>
Subtotal	1,561,580	1,548,254	1,540,486
<u>Total Number of People to Benefit from Treatment ⁴</u>	2,591,000	2,543,000	2,496,000

¹ "Other Slots" include slots for treating secondary mental illness patients (e.g., alcohol).

² This calculation assumes that one slot can serve 2.63 patients per year in FY 1992, 2.5% patients per year in FY 1993, and 2.58 patients per year in FY 1994.

³ This calculation assumes that one slot can serve 3.1 patients per year.

⁴ This is an estimate of the total number of people in the U.S. with a diagnosable substance abuse problem who could benefit from treatment.

FY 1994 Initiatives Requested

- The FY 1994 drug budget for SAMHSA totals \$1,418 million, an increase of \$115 million, or 9%, over FY 1993.

Substance Abuse Treatment

- Including funds to treat persons with co-morbid substance abuse problems and youths under 21 years of age with alcohol problems, the FY 1994 budget requests a total of \$1,141 million (including \$22 million in treatment related program management) for drug related expenditures of the SAMHSA Center for Substance Abuse Treatment (CSAT). This is an increase of \$93 million, or 9%, over FY 1993. These additional funds will support creation and expansion of substance abuse treatment where it is needed most: for hard-to-reach populations, especially pregnant women, and low-income families and children.
- Of the \$93 million increase, \$23 million will be used to maintain residential treatment slots for pregnant and post-partum women, supported in FY 1993 by the one-time earmark of set-aside funds from the Substance Abuse Block Grant. An additional \$67 million will be used to increase funding for the Treatment Capacity Expansion Program to treat an additional 30,000 persons. In addition, \$7 million will be reallocated from expiring grants within the CSAP Pregnant Women and Infants program to the CSAT Capacity Expansion Program to partially offset the impact of inflation for this existing Federal treatment capacity.
- Within other treatment improvement programs, SAMHSA plans to phase out support for the Treatment Campuses Demonstrations in FY 1994 (-\$9 million). These funds will be reallocated to expand State Needs Assessment efforts to additional States (+\$5 million); and to support substance abuse data collection surveys in the Office of Applied Studies (+\$4 million) which are a part of the Program Management line of the SAMHSA budget.

Substance Abuse Prevention

- For SAMHSA's Center for Substance Abuse Prevention (CSAP), the FY 1994 budget includes \$262 million (\$276.5 including prevention-related program management), a net \$18

SENT BY:OMB

: 4-23-93 : 8:05PM :

2023957238-

2024879889:# 2

DRAFT**INTRODUCTORY STATEMENT:****PRESENTED BEFORE****THE HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE
AND GENERAL GOVERNMENT****BY****ALICE RIVLIN****DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET****APRIL 29, 1993**

Mr. Chairman, Representative Lightfoot, and Members of the Subcommittee, I appreciate your inviting me here today to discuss the Fiscal Year 1994 budget request for the Office of National Drug Control Policy (ONDCP). [As you know, the Administration has nominated XXXX as the future Director, and we look forward to speedy confirmation. With the appointment of a new Director, the Administration anticipates working closely with you on anti-drug abuse issues.]

New Drug Policy Direction

Before discussing the Administration's specific requests for ONDCP, I would like to comment generally on the Administration's

SENT BY:OMB

: 4-23-93 : 8:06PM :

2023957238-

2024678869:3 3

DRAFT

drug budget. As we all know, the National Drug Control Strategy is intended to be a comprehensive and detailed document outlining all aspects of the nation's drug control policy. I am not prepared today to comment on the Drug Strategy, which, by law, should be prepared by the Director of the Office of National Drug Control Policy. The Administration is currently conducting an extensive review of both domestic and international drug control programs, and, when confirmed, the new Director will take up that task. ~~Until then, we remain open to working with the Congress on drug funding issues.~~

But I am here today to say that the President is committed to a drug policy that takes on new direction in the fight against illegal drugs, and that the Administration's drug budget will highlight the goals of: (1) providing more emphasis on drug treatment and prevention, and (2) putting more police officers on our streets in community policing roles *to fight drug trafficking at the local level.*

Increased Demand Reduction

Despite the fact that a majority of our anti-drug resources have been allocated to domestic programs, past drug strategies have focused disproportionately on efforts abroad. This Administration is committed to focusing on, and dramatically enhancing, our ~~Nation's~~ ^{own} demand reduction efforts.

*Huh?**The increase is NOT dramatic.*

Certainly, as the world's largest consumer of illegal drugs, *again* I don't think it's true except for cocaine. I think more consume "drug" in Asian countries.

SENT BY: ONB

: 4-23-93 : 8:06PM :

2023857238-

2024879889: # 4

DRAFT

we have an important international responsibility in fighting illegal drugs. Moreover, we believe a comprehensive drug strategy must have an effective international component that both supports countries with the political will to fight against illegal drugs, and that attempts to limit the supply of illegal drugs entering our country. But with almost 90% of Federal anti-drug resources being allocated right here at home -- and with Americans being affected by illegal drug use and drug crime at the street and neighborhood level -- the time has come to focus the drug strategy on problems here at home.

Confusing Logic?

What?

The Administration requests an increase of 10% in 1994 drug demand reduction funding. More and better drug treatment is good drug policy, good crime policy, good urban policy, and good health policy. Drug treatment for 1994 is up 7% and the Administration projects significant additional increases through FY 1995 to close the gap between treatment available and treatment needed. We view this initial increase as a downpayment in meeting the goal of providing "treatment on demand."

in the

only the

downpayment

To meet this goal over the long-term, the Health Care Task Force assembled a group of drug treatment professionals to develop options and make recommendations to the President and First Lady on just what type of drug treatment benefit should be included in national health care legislation. While this proposal has not been announced and is not included in this year's budget submission, it will be a central element of the

considered

SENT BY: OMB

: 4-23-93 : 8:07PM :

2023857238-

2024678888:# 5

DRAFT

President's drug and health care policy.

But increased drug treatment funding will mean little if we do not at the same time invest in drug education and prevention efforts. Children should be "inoculated" against the threat of illegal drugs as early as possible with drug education and prevention programs. In furtherance of this goal, the Administration requests an increase of 16% in 1994 drug prevention funding.

but
why
reduce
DSCA?

Police on Our Streets/Community Policing

Also central to the President's drug policy is his initiative to put more police on the streets and to expand community policing. Community policing is a proven law enforcement strategy in helping to prevent drug-related crimes and to reclaim drug-afflicted neighborhoods. Community policing is a means of bringing neighborhood residents and local police together to work to prevent crime. By getting to know a particular neighborhood's residents, problems, troublemakers, and concerned citizens, police officers engaged in community policing are able to prevent and more effectively solve crimes. Police are more likely to see problems developing, and they are more likely to find solutions. I might add that John DiIulio, Jr., a colleague of mine at Brookings, recently wrote an article in Brookings Review that was favorable to the concept of community policing.

very
conser-
vative

2 Heck? Everybody supports it.

SENT BY: QMB

: 4-23-93 : 8:07PM :

20238572387

2024678808:W 0

DRAFT

Focusing on putting more police on our streets to work with communities also represents a shift away from previous drug strategies, which "federalized" the government's response to the drug problem. We believe that it is time to shift the focus from Washington and overseas, to city streets and communities. That's why -- along with the \$200 million previously announced for inclusion in the 1993 stimulus package -- the Administration has proposed almost \$600 million in policing and similar initiatives for FY 1994.

There is NOT all drug money.

ONDCP's Budget and Organization

Mr. Chairman, this year's budget request for ONDCP reflects the reorganization of the White House outlined by the President on February 9th. On October 1, 1993, the Executive Office of the President will have on board approximately 350 people, or 25 percent ~~less~~ ^{fewer} than its staffing on election day, not counting the OMB and Trade Representative's offices. These offices are part of a larger plan to reduce the entire federal bureaucracy by 100,000 positions through attrition over the next four years.

The streamlined Office of National Drug Control Policy will better serve the needs of the ~~New~~ President. As you know, we plan to ensure that the new Director has the ear of the President, as well as the stature and access to effectively coordinate drug policy among the various cabinet departments and federal agencies. With a staff of 25, the office will be on par

Who's we - OMB?

SENT BY: OMB

: 4-23-93 : 9:00PM :

2023957238-

2024070008: 7

DRAFT

in staff size with the Domestic Policy Council and the new National Economic Council, two councils with tremendous weight on domestic and economic issues.

We expect the Office of National Drug Control Policy will have similar weight in fighting against illegal drugs in this country, and anticipate that the drug director will be ^{in effect} ~~a close~~ partner with the heads of the policy councils, the Attorney General and other cabinet heads. I know that the new drug director is looking forward to working with you and the members of the Committee as he/she sharpens the nation's focus on drug control strategies. The Administration also looks forward to working closely with Congress to draft and introduce reauthorization legislation.

The President's request proposes 1994 budget authority of \$109,800,000 for the Office of National Drug Control Policy. Included in the request is \$5,800,000 for salaries and operating expenses of the Office, \$86,000,000 for the High Intensity Drug Trafficking Areas (HIDTA) Program, and \$28,000,000 for appropriations for the Special Forfeiture Fund (SFF).

The request provides for 25 full time equivalent (FTE) positions, a reduction of 121 positions divided among political, career, and detailee positions. It is the Administration's view that an experienced and dedicated staff of 25 is both appropriate and adequate to manage Federal drug control policy. The

64 opposed to who?

SENT BY: ONB

: 4-23-93 : 8:08PM :

2023857238-

2024678889: # 8

DRAFT

President intends to increase the viability of the Office of National Drug Control Policy by including within its ranks a cadre of dedicated and experienced drug control professionals.

in that Bureau?

The streamlining of ONDCP staff will have an effect upon how much it can do operationally. We anticipate that the new Director will prioritize his responsibilities and select a staff ~~appropriate~~ appropriate to those priorities. The 1994 request, however, does not take away any operational prerogatives of the new Director. *DOES NOT IMPROVE*

The High Intensity Drug Trafficking Areas request remains at \$86,000,000 and under the management of ONDCP. This is the same level appropriated for FY 1993. The split of these funds between Federal and State and local law enforcement will also remain at the Director's discretion.

The Special Forfeiture Fund request is lower for 1994. The \$28,000,000 requested for appropriation is consistent with the receipt levels we anticipate will be available for appropriation resulting from transfers of funds from the Department of Justice's Assets Forfeiture Fund. Unless Asset Forfeiture receipts are higher than projected, this is the maximum that can be appropriated for this account. No recommended allocation of these funds ~~have~~ *will* been made in this request. Thereby, the new Director will have maximum latitude in determining to what purposes these funds will be applied. For example, if it is determined that funding for the Counter-Drug Technology Assessment Center should be increased, some or all of the \$28,000,000 could

SENT BY:OMB

: 4-23-93 : 8:08PM :

2023957238-

2024678868:Z H

DRAFT

be applied to that program. Or if it is decided that it should supplement funding for drug demand reduction programs, it could be applied there.

Thank you for the opportunity to discuss the Federal Drug Control Budget and the ONDCP request. The Administration looks forward to working with the Committee, and I would be happy to address any questions you may have on ONDCP's budget.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

DRUG TEAM

725 17th St. N.W.
Room 9202 N.E.O.B.
Washington, D.C. 20503

FAX # - 202-395-7238
Alternate Fax # - 202-395-4797

Number of Pages: ☐ (including this page)

To: Jose Cerda, 7739

From: Jim Duke
202-395-3451

Martha M. Gagné
202-395-3452

Time Sensitive

Comments:

TO: ANDRE OLIVER
JENNIFER O'CONNOR
RICHIE McMAHON

FROM: JOSE CERDA

Note to the Deputy Director

From: Ken Schwartz, Jim Duke, Martha M. Gagné

Attached is draft testimony for you for your April 29th House Treasury Postal Appropriations Subcommittee hearing. White House Staff (DPC, OA, and Office of the Chief of Staff) have given us a significant amount of "political spin" input, which is largely included in this version. We are scheduled to meet with you on April 26 at 10:30 to discuss this draft and to present our initial briefing book materials. (A second briefing is scheduled for April 28)

DRAFT

INTRODUCTORY STATEMENT:

PRESENTED BEFORE

THE HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE
AND GENERAL GOVERNMENT

BY

ALICE RIVLIN

DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

APRIL 29, 1993

Mr. Chairman, Representative Lightfoot, and Members of the Subcommittee, I appreciate your inviting me here today to discuss the Fiscal Year 1994 budget request for the Office of National Drug Control Policy (ONDCP). [As you know, the Administration has nominated XXXX as the future Director, and we look forward to speedy confirmation. With the appointment of a new Director, the Administration anticipates working closely with you on anti-drug abuse issues.]

New Drug Policy Direction

Before discussing the Administration's specific requests for ONDCP, I would like to comment generally on the Administration's

DRAFT

drug budget. As we all know, the National Drug Control Strategy is intended to be a comprehensive and detailed document outlining all aspects of the nation's drug control policy. I am not prepared today to comment on the Drug Strategy, which, by law, should be prepared by the Director of the Office of National Drug Control Policy. The Administration is currently conducting an extensive review of both domestic and international drug control programs, and, when confirmed, the new Director will take up that task. Until then, we remain open to working with the Congress on drug funding issues.

But I am here today to say that the President is committed to a drug policy that takes on new direction in the fight against illegal drugs, and that the Administration's drug budget will highlights the goals of: (1) providing more emphasis on drug treatment and prevention, and (2) putting more police officers on our streets in community policing roles.

Increased Demand Reduction

Despite the fact that a majority of our anti-drug resources have been allocated to domestic programs, past drug strategies have focused disproportionately on efforts abroad. This Administration is committed to focusing on, and dramatically enhancing, our nation's demand reduction efforts.

Certainly, as the world's largest consumer of illegal drugs,

DRAFT

we have an important international responsibility in fighting illegal drugs. Moreover, we believe a comprehensive drug strategy must have an effective international component that both supports countries with the political will to fight against illegal drugs, and that attempts to limit the supply of illegal drugs entering our country. But with almost 90% of Federal anti-drug resources being allocated right here at home -- and with Americans being affected by illegal drug use and drug crime at the street and neighborhood level -- the time has come to focus the drug strategy on problems here at home.

The Administration requests an increase of 10% in 1994 drug demand reduction funding. More and better drug treatment is good drug policy, good crime policy, good urban policy, and good health policy. Drug treatment for 1994 is up 7% and the Administration projects significant additional increases through FY 1998 to close the gap between treatment available and treatment needed. We view this initial increase as a downpayment in meeting the goal of providing "treatment on demand."

To meet this goal over the long-term, the Health Care Task Force assembled a group of drug treatment professionals to develop options and make recommendations to the President and First Lady on just what type of a drug treatment benefit should be included in national health care legislation. While this proposal has not been announced and is not included in this year's budget submission, it will be a central element of the

DRAFT

President's drug and health care policy.

But increased drug treatment funding will mean little if we do not at the same time invest in drug education and prevention efforts. Children should be "inoculated" against the threat of illegal drugs as early as possible with drug education and prevention programs. In furtherance of this goal, the Administration requests an increase of 16% in 1994 drug prevention funding.

Police on Our Streets/Community Policing

Also central to the President's drug policy is his initiative to put more police on the streets and to expand community policing. Community policing is a proven law enforcement strategy in helping to prevent drug-related crimes and to reclaim drug-afflicted neighborhoods. Community policing is a means of bringing neighborhood residents and local police together to work to prevent crime. By getting to know a particular neighborhood's residents, problems, troublemakers, and concerned citizens, police officers engaged in community policing are able to prevent and more effectively solve crimes. Police are more likely to see problems developing, and they are more likely to find solutions. I might add that John DiIulio, Jr., a colleague of mine at Brookings, recently wrote an article in Brookings Review that was favorable to the concept of community policing.

DRAFT

Focusing on putting more police on our streets to work with communities also represents a shift away from previous drug strategies, which "federalized" the government's response to the drug problem. We believe that it is time to shift the focus from Washington and overseas, to city streets and communities. That's why -- along with the \$200 million previously announced for inclusion in the 1993 stimulus package -- the Administration has proposed almost \$600 million in policing and similar initiatives for FY 1994.

ONDCP's Budget and Organization

Mr. Chairman, this year's budget request for ONDCP reflects the reorganization of the White House outlined by the President on February 9th. On October 1, 1993, the Executive Office of the President will have on board approximately 350 people, or 25 percent less than its staffing on election day, not counting the OMB and Trade Representative's offices. These offices are part of a larger plan to reduce the entire federal bureaucracy by 100,000 positions through attrition over the next four years.

The streamlined Office of National Drug Control Policy will better serve the needs of the New President. As you know, we plan to ensure that the new Director has the ear of the President, as well as the stature and access to effectively coordinate drug policy among the various cabinet departments and federal agencies. With a staff of 25, the office will be on par

DRAFT

in staff size with the Domestic Policy Council and the new National Economic Council, two councils with tremendous weight on domestic and economic issues.

We expect the Office of National Drug Control Policy will have similar weight in fighting against illegal drugs in this country, and anticipate that the drug director will be a close partner with the heads of the policy councils, the Attorney General and other cabinet heads. I know that the new drug director is looking forward to working with you and the members of the Committee as he/she sharpens the nation's focus on drug control strategies. The Administration also looks forward to working closely with Congress to draft and introduce reauthorization legislation.

The President's request proposes 1994 budget authority of \$109,800,000 for the Office of National Drug Control Policy. Included in the request is \$5,800,000 for salaries and operating expenses of the Office, \$86,000,000 for the High Intensity Drug Trafficking Areas (HIDTA) Program, and \$28,000,000 for appropriations for the Special Forfeiture Fund (SFF).

The request provides for 25 full time equivalent (FTE) positions, a reduction of 121 positions divided among political, career, and detailee positions. It is the Administration's view that an experienced and dedicated staff of 25 is both appropriate and adequate to manage Federal drug control policy. The

DRAFT

President intends to increase the viability of the Office of National Drug Control Policy by including within its ranks a cadre of dedicated and experienced drug control professionals.

The streamlining of ONDCP staff will have an effect upon how much it can do operationally. We anticipate that the new Director will prioritize his responsibilities and select a staff appropriate to those priorities. The 1994 request, however, does not take away any operational prerogatives of the new Director. The High Intensity Drug Trafficking Areas request remains at \$86,000,000 and under the management of ONDCP. This is the same level appropriated for FY 1993. The split of these funds between Federal and State and local law enforcement will also remain at the Director's discretion.

The Special Forfeiture Fund request is lower for 1994. The \$28,000,000 requested for appropriation is consistent with the receipt levels we anticipate will be available for appropriation resulting from transfers of funds from the Department of Justice's Assets Forfeiture Fund. Unless Asset Forfeiture receipts are higher than projected, this is the maximum that can be appropriated for this account. No recommended allocation of these funds have been made in this request. Thereby, the new Director will have maximum latitude in determining to what purposes these funds will be applied. For example, if it is determined that funding for the Counter Drug Technology Assessment Center should be increased, some or all of the \$28,000,000 could

DRAFT

be applied to that program. Or if it is decided that it should supplement funding for drug demand reduction programs, it could be applied there.

Thank you for the opportunity to discuss the Federal Drug Control Budget and the ONDCP request. The Administration looks forward to working with the Committee, and I would be happy to address any questions you may have on ONDCP's budget.

DRAFT

INTRODUCTORY STATEMENT:

PRESENTED BEFORE

THE HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE
AND GENERAL GOVERNMENT

BY

ALICE RIVILIN

DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

APRIL 29, 1993

Mr. Chairman, Representative Lightfoot, and Members of the Subcommittee, I appreciate your inviting me here today to present the Fiscal Year 1994 budget request of the Office of National Drug Control Policy and the Federal Drug Control Budget. I appear before you as the Administration's stand-in for the yet to be appointed Director of National Drug Control Policy. As you know, the Administration has nominated xxxx as the future Director, and we look forward to speedy Senate confirmation. With the appointment of a new Director, the Administration anticipates working closely with you in seeking resources needed for the Office of National Drug Control Policy.

DRAFT

The President's request proposes budget authority of \$109,800,000 for the management of Federal Drug Control Policy. This request is \$69,269,000 less than was appropriated for the management of drug control policy in 1993.

Included in the request is \$5,800,000 for salaries and operating expenses of the Office, \$86,000,000 for the High Intensity Drug Trafficking Areas (HIDTA) Program, and \$28,000,000 for appropriations from the Special Forfeiture Fund (SFF).

The request provides for 25 full time equivalent (FTE) positions, a reduction of 121 positions divided among political, career, and detailee positions. It is the Administration's view that an experienced and dedicated staff of 25 is both appropriate and adequate to manage Federal drug control policy. The President intends to increase the viability of the Office of National Drug Control Policy by elevating the status of its Director to Cabinet level and by including within its ranks a cadre of dedicated and experienced drug control professionals.

The streamlining of ONDCP staff will have an impact upon how much it can do operationally. We anticipate that the new Director will prioritize his responsibilities and select a staff appropriate to those priorities. The 1994 request, however, does not take away any operational prerogative of the new Drug Czar. The High Intensity Drug Trafficking Areas request remains at \$86,000,000 and under the management of ONDCP. The split of

DRAFT

these funds between Federal and State and local law enforcement will also remain at the Drug Czar's discretion.

The Special Forfeiture Fund request is lower for 1994. The \$28,000,000 requested for appropriation is consistent with the amounts we anticipate will be available for appropriation from the Department of Justice Assets Forfeiture Fund. No recommended allocation of these funds have been made in this request.

The Federal Drug Control Budget for FY 1994 is over \$13 billion, and increase of over \$830 million. Of this increase, over \$439 million will go to expand and improve demand reduction programs, 10 percent above 1993. For supply reduction programs the increase is \$391 million, or 5 percent above 1993. The President's request increases the overall percentage of demand reduction spending from 35 percent in 1993 to 36 percent in 1994, and reduces the supply reduction percentage from 65 percent to less than 64 percent. Given the Administration's prevention and treatment initiatives, this shift in the concentration of drug control resources is likely to continue.

For drug treatment and treatment research, the Administration is requesting \$2.8 billion, an increase of \$172 million or 7 percent. The increase includes an additional \$74 million to expand the nation's capacity to treat those who wish to be free of drugs; \$25 million more for treatment improvement targeted to pregnant and post-partum women; and nearly \$40

DRAFT

million more for treating our drug addicted veterans.

For drug prevention and prevention research, the Administration is requesting nearly \$2 billion, an increase of \$267 million, or 16 percent. The increase includes \$25 million more for programs targeted to community youth and high risk youth programs; \$90 million more for prevention and security programs in public housing areas; and nearly \$130 million for new community investment programs.

Supply reduction programs increased, but at a slower pace than in previous years. Increases include nearly \$200 million to address overcrowding in our prisons and for anticipated growth in drug prisoner populations; \$90 million more for the Federal Judiciary, and \$125 million more to support community policing initiatives. Funding for drug interdiction is nearly flat this year due to a lower request by the U.S. Customs Service, which will be expending approximately \$50 million in funds carried over from FY 1993 appropriations. Department of Defense and U.S. Coast Guard interdiction funding will increase by nearly \$60 million.

[Summary Remarks]

Thank you for the opportunity to discuss the Federal Drug Control Budget and the ONDCP request. The Administration looks forward to working with the Subcommittee, and I would be happy to address any questions you may have on either the ONDCP budget or larger Federal Drug Control funding for which the Office is responsible.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DEPUTY DIRECTOR

INTRODUCTORY STATEMENT:

PRESENTED BEFORE

THE HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE
AND GENERAL GOVERNMENT

BY

ALICE M. RIVLIN

DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

APRIL 29, 1993

Mr. Chairman, Representative Lightfoot, and Members of the Subcommittee, I appreciate your inviting me here today to discuss the Fiscal Year 1994 budget request for the Office of National Drug Control Policy (ONDCP).

New Drug Policy Direction

Before discussing the Administration's specific requests for ONDCP, I would like to comment generally on the Administration's drug budget. As we all know, the National Drug Control Strategy is intended to be a comprehensive and detailed document outlining all aspects of the nation's drug control policy. I am not prepared today to comment on the Drug Strategy, which, by law, should be prepared by the Director of the Office of National Drug Control Policy. The Administration is currently conducting an extensive review of Federal drug control programs, and, when nominated and confirmed, the new Director will take up that task. Until then, we remain open to working with the Congress on drug funding issues.

But I am here today to say that the President is committed to a drug policy that takes on new direction in the fight against illegal drugs, and that the Administration's drug budget highlights the goals of: (1) providing more emphasis on drug treatment and prevention, and (2) putting more police officers on our streets in community policing roles.

Increased Demand Reduction

Despite the fact that a majority of our anti-drug resources have been allocated to domestic programs, past drug strategies have focused largely on supply reduction. This Administration is committed to focusing on, and dramatically enhancing, our nation's demand reduction efforts.

Certainly, as the world's largest consumer of illegal drugs, we have an important international responsibility in fighting illegal drugs. Moreover, we believe a comprehensive drug strategy must have an effective international component that both supports countries with the political will to fight against illegal drugs, and that attempts to limit the supply of illegal drugs entering our country. But with almost 90% of Federal anti-drug resources being allocated right here at home -- and with Americans being affected by illegal drug use and drug crime at the street and neighborhood level -- the time has come to focus the drug strategy on problems here at home.

The Administration requests an increase of 10% in 1994 drug demand reduction funding. More and better drug treatment is good drug policy, good crime policy, good urban policy, and good health policy. Drug treatment for 1994 is up 7% and the Administration projects significant additional increases through FY 1998 to close the gap between treatment available and treatment needed. We view this initial increase as a down payment in meeting the goal of providing "treatment on demand."

To meet this goal over the long-term, the Health Care Task Force assembled a group of drug treatment professionals to develop options and make recommendations to the President and First Lady on just what type of a drug treatment benefit should be included in national health care legislation. While this proposal has not been announced and is not included in this year's budget submission, it will be a central element of the President's drug and health care policy.

But increased drug treatment funding will mean little if we do not at the same time invest in drug education and prevention efforts. Children should be "inoculated" against the threat of illegal drugs as early as possible with drug education and prevention programs. In furtherance of this goal, the Administration requests an increase of 16% in 1994 drug prevention funding.

Police On Our Streets/Community Policing

Also central to the President's drug policy is his initiative to put more police on the streets and to expand community policing. Community policing is a proven law enforcement strategy in helping to prevent drug-related crimes and to reclaim drug-afflicted neighborhoods. Community policing is a means of bringing neighborhood residents and local police

together to work to prevent crime. By getting to know a particular neighborhood's residents, problems, troublemakers, and concerned citizens, police officers engaged in community policing are able to prevent and more effectively solve crimes. Police are more likely to see problems developing, and they are more likely to find solutions.

Focusing on putting more police on our streets to work with communities also represents a shift away from previous drug strategies, which "federalized" the government's response to the drug problem. We believe that it is time to shift the focus from Washington and overseas, to city streets and communities. That's why -- along with the \$200 million previously announced for inclusion in the 1993 stimulus package -- the Administration has proposed almost \$600 million in policing and similar initiatives for FY 1994.

ONDCP's Budget and Organization

Mr. Chairman, this year's budget request for ONDCP reflects the reorganization of the White House outlined by the President on February 9th. On October 1, 1993, the Executive Office of the President will have on board approximately 1,044 people, which is 350 or 25 percent less than its staffing on election day. These figures do not count the Office of Management and Budget and U.S. Trade Representative which are part of a larger plan to reduce the entire federal bureaucracy by 100,000 positions through attrition over the next three years.

The streamlined Office of National Drug Control Policy will better serve the needs of the new President. As you know, we plan to ensure that the new Director has the ear of the President, as well as the stature and access to coordinate drug policy among the various cabinet departments and federal agencies effectively. With a staff of 25, the Office will be on par in staff size with the Domestic Policy Council and the new National Economic Council, two councils with tremendous weight on domestic and economic issues.

We expect the Office of National Drug Control Policy will have similar weight in fighting against illegal drugs in this country, and anticipate that the Director will be a close partner with the Attorney General and other cabinet heads as well as the heads of the policy councils. I am sure that the new Director will look forward to working with you and the members of the Committee as he/she sharpens the nation's focus on drug control strategies. The Administration also looks forward to working closely with Congress to draft and introduce reauthorization legislation.

The President's request proposes 1994 budget authority of \$119,800,000 for the Office of National Drug Control Policy. Included in the request is \$5,800,000 for salaries and operating expenses of the Office, \$86,000,000 for the High Intensity Drug

Trafficking Areas (HIDTA) Program, and \$28,000,000 for appropriations for the Special Forfeiture Fund (SFF).

The request provides for 25 full time equivalent (FTE) positions, a reduction of 121 positions divided among political, career, and detailee positions. It is the Administration's view that an experienced and dedicated staff of 25 is both appropriate and adequate to manage federal drug control policy.

The streamlining of ONDCP staff will have an effect upon how much it can do operationally. We anticipate that the new Director will prioritize ONDCP's responsibilities and select a staff appropriate to those priorities. The 1994 request, however, preserves the operational role of the new Director. The High Intensity Drug Trafficking Areas request remains at \$86,000,000 and under the management of ONDCP. This is the same level appropriated for FY 1993. The split of these funds between Federal and State/local law enforcement will also remain at the Director's discretion.

The Special Forfeiture Fund request is lower for 1994. The \$28,000,000 requested for appropriation is consistent with the receipt levels we anticipate will be available for appropriation resulting from transfers of funds from the Department of Justice's Assets Forfeiture Fund. Unless Asset Forfeiture receipts are higher than projected, this is the maximum that can be appropriated for this account. No recommended allocation of these funds have been made in this request. Thereby, the new Director will have maximum latitude in determining to what purposes these funds will be applied. For example, if it is determined that funding for the Counter Drug Technology Assessment Center should be increased, some or all of the \$28,000,000 could be applied to that program. Or if it is decided that it should supplement funding for drug demand reduction programs, it could be applied there.

Thank you for the opportunity to discuss the Federal Drug Control Budget and the ONDCP request. The Administration looks forward to working with the Committee, and I would be happy to address any questions you may have on ONDCP's budget.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DEPUTY DIRECTOR

INTRODUCTORY STATEMENT:

PRESENTED BEFORE

THE HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE
AND GENERAL GOVERNMENT

BY

ALICE M. RIVLIN

DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

APRIL 29, 1993

Mr. Chairman, Representative Lightfoot, and Members of the Subcommittee, I appreciate your inviting me here today to discuss the Fiscal Year 1994 budget request for the Office of National Drug Control Policy (ONDCP).

New Drug Policy Direction

Before discussing the Administration's specific requests for ONDCP, I would like to comment generally on the Administration's drug budget. As we all know, the National Drug Control Strategy is intended to be a comprehensive and detailed document outlining all aspects of the nation's drug control policy. I am not prepared today to comment on the Drug Strategy, which, by law, should be prepared by the Director of the Office of National Drug Control Policy. The Administration is currently conducting an extensive review of Federal drug control programs, and, when nominated and confirmed, the new Director will take up that task. Until then, we remain open to working with the Congress on drug funding issues.

But I am here today to say that the President is committed to a drug policy that takes on new direction in the fight against illegal drugs, and that the Administration's drug budget highlights the goals of: (1) providing more emphasis on drug treatment and prevention, and (2) putting more police officers on our streets in community policing roles.

Increased Demand Reduction

Despite the fact that a majority of our anti-drug resources have been allocated to domestic programs, past drug strategies have focused largely on supply reduction. This Administration is committed to focusing on, and dramatically enhancing, our nation's demand reduction efforts.

Certainly, as the world's largest consumer of illegal drugs, we have an important international responsibility in fighting illegal drugs. Moreover, we believe a comprehensive drug strategy must have an effective international component that both supports countries with the political will to fight against illegal drugs, and that attempts to limit the supply of illegal drugs entering our country. But with almost 90% of Federal anti-drug resources being allocated right here at home -- and with Americans being affected by illegal drug use and drug crime at the street and neighborhood level -- the time has come to focus the drug strategy on problems here at home.

The Administration requests an increase of 10% in 1994 drug demand reduction funding. More and better drug treatment is good drug policy, good crime policy, good urban policy, and good health policy. Drug treatment for 1994 is up 7% and the Administration projects significant additional increases through FY 1998 to close the gap between treatment available and treatment needed. We view this initial increase as a down payment in meeting the goal of providing "treatment on demand."

To meet this goal over the long-term, the Health Care Task Force assembled a group of drug treatment professionals to develop options and make recommendations to the President and First Lady on just what type of a drug treatment benefit should be included in national health care legislation. While this proposal has not been announced and is not included in this year's budget submission, it will be a central element of the President's drug and health care policy.

But increased drug treatment funding will mean little if we do not at the same time invest in drug education and prevention efforts. Children should be "inoculated" against the threat of illegal drugs as early as possible with drug education and prevention programs. In furtherance of this goal, the Administration requests an increase of 16% in 1994 drug prevention funding.

Police On Our Streets/Community Policing

Also central to the President's drug policy is his initiative to put more police on the streets and to expand community policing. Community policing is a proven law enforcement strategy in helping to prevent drug-related crimes and to reclaim drug-afflicted neighborhoods. Community policing is a means of bringing neighborhood residents and local police

together to work to prevent crime. By getting to know a particular neighborhood's residents, problems, troublemakers, and concerned citizens, police officers engaged in community policing are able to prevent and more effectively solve crimes. Police are more likely to see problems developing, and they are more likely to find solutions.

Focusing on putting more police on our streets to work with communities also represents a shift away from previous drug strategies, which "federalized" the government's response to the drug problem. We believe that it is time to shift the focus from Washington and overseas, to city streets and communities. That's why -- along with the \$200 million previously announced for inclusion in the 1993 stimulus package -- the Administration has proposed almost \$600 million in policing and similar initiatives for FY 1994.

ONDCP's Budget and Organization

Mr. Chairman, this year's budget request for ONDCP reflects the reorganization of the White House outlined by the President on February 9th. On October 1, 1993, the Executive Office of the President will have on board approximately 1,044 people, which is 350 or 25 percent less than its staffing on election day. These figures do not count the Office of Management and Budget and U.S. Trade Representative which are part of a larger plan to reduce the entire federal bureaucracy by 100,000 positions through attrition over the next three years.

The streamlined Office of National Drug Control Policy will better serve the needs of the new President. As you know, we plan to ensure that the new Director has the ear of the President, as well as the stature and access to coordinate drug policy among the various cabinet departments and federal agencies effectively. With a staff of 25, the Office will be on par in staff size with the Domestic Policy Council and the new National Economic Council, two councils with tremendous weight on domestic and economic issues.

We expect the Office of National Drug Control Policy will have similar weight in fighting against illegal drugs in this country, and anticipate that the Director will be a close partner with the Attorney General and other cabinet heads as well as the heads of the policy councils. I am sure that the new Director will look forward to working with you and the members of the Committee as he/she sharpens the nation's focus on drug control strategies. The Administration also looks forward to working closely with Congress to draft and introduce reauthorization legislation.

The President's request proposes 1994 budget authority of \$119,800,000 for the Office of National Drug Control Policy. Included in the request is \$5,800,000 for salaries and operating expenses of the Office, \$86,000,000 for the High Intensity Drug

Trafficking Areas (HIDTA) Program, and \$28,000,000 for appropriations for the Special Forfeiture Fund (SFF).

The request provides for 25 full time equivalent (FTE) positions, a reduction of 121 positions divided among political, career, and detailee positions. It is the Administration's view that an experienced and dedicated staff of 25 is both appropriate and adequate to manage federal drug control policy.

The streamlining of ONDCP staff will have an effect upon how much it can do operationally. We anticipate that the new Director will prioritize ONDCP's responsibilities and select a staff appropriate to those priorities. The 1994 request, however, preserves the operational role of the new Director. The High Intensity Drug Trafficking Areas request remains at \$86,000,000 and under the management of ONDCP. This is the same level appropriated for FY 1993. The split of these funds between Federal and State/local law enforcement will also remain at the Director's discretion.

The Special Forfeiture Fund request is lower for 1994. The \$28,000,000 requested for appropriation is consistent with the receipt levels we anticipate will be available for appropriation resulting from transfers of funds from the Department of Justice's Assets Forfeiture Fund. Unless Asset Forfeiture receipts are higher than projected, this is the maximum that can be appropriated for this account. No recommended allocation of these funds have been made in this request. Thereby, the new Director will have maximum latitude in determining to what purposes these funds will be applied. For example, if it is determined that funding for the Counter Drug Technology Assessment Center should be increased, some or all of the \$28,000,000 could be applied to that program. Or if it is decided that it should supplement funding for drug demand reduction programs, it could be applied there.

Thank you for the opportunity to discuss the Federal Drug Control Budget and the ONDCP request. The Administration looks forward to working with the Committee, and I would be happy to address any questions you may have on ONDCP's budget.

DRAFT

February 19, 1993

ASSESSING THE CURRENT DRUG SITUATION

The first National Drug Control Strategy was released on September 5, 1989. That Strategy presented a comprehensive view of America's drug problem and mapped out the general contours of a plan to address this problem. It used a holistic approach by adopting programs and policies to reduce both the supply and demand for illicit drugs.

- Demand programs reduce drug use by discouraging potential new users from starting and getting existing users to stop. Prevention programs target both the casual user and people who are at high risk of starting to use drugs. Treatment programs tend to target the heavier drug user.
- Supply programs also reduce drug use, but the connection is less direct: supply efforts reduce the availability of drugs on our streets, which increases illicit drug prices and reduces drug use.

The Strategy contains goals for reducing drug use in America (which is required by the 1988 Anti-Drug Abuse Act). Annually, two- and ten-year measurable goals are delineated in the Strategy, which are used to judge its success or failure. In essence, most of these goals measure progress in terms of changes in the number of drug users.

This paper explores the current situation with respect to supply and demand trends and the relationship between the two. Such analyses have never been accomplished before, yet they are critical to forming drug policy. The focus is principally on 1991, but enough information is now available to speculate about the situation in 1992. Finally, this paper concludes with a proposed framework for policy options that reflect the current drug situation.

I. Drug Use Trends

Prevalence: The principal measure of drug prevalence is the National Household Survey on Drug Abuse.¹ This survey measures

¹ Data from the Household Survey are nationally representative and cover the widest cross section of the general population in the coterminous U.S. Data are collected from households and noninstitutionalized group quarters, e.g., college dorms, homeless shelters, and estimates are available for 11 different years of data collection (and annually since 1990).

DO NOT
DISTRIBUTE

DRAFT

drug use among the American household population age 12 and older and includes people living in group quarters (but not military personnel, those incarcerated in jails and prisons, and those in residential treatment facilities) and the homeless (those who are in shelters). This survey is an excellent measure of casual drug use, which is defined as occasional drug use (use within the past year but less often than monthly) and current use (use within the past month).

The survey also measures heavy drug use (frequent or weekly drug use). However, this survey misses a large part of the heavy user population: those who are heavy drug users who do not reside in stable households or are unlikely to answer surveys. Consequently, other sources of data must be used to approximate this particular population.¹

In this section, we review trends in drug use as reported by the Household Survey. The data are based on the 1991 Household Survey, which is the most recently available published data. 1992 data are available on a preliminary basis, but they have not been publicly released. Under agreement with HHS, we are prohibited from reporting results in any document that could somehow become public. Consequently, we will provide hints about 1992 results, and will not present any point estimates.

Chart 1 shows the long-term trend in drug use for any illicit drug (all drugs), cocaine, and marijuana as a percent of the U.S. household population is down. Drug use is presented on a current basis (drug use reported by an individual within the past thirty days). The chart shows that since the enactment of the Anti-Drug Abuse Act of 1988 (the legislation that created the Office of National Drug Control Policy), i.e., between 1988 and 1991, the following has occurred:

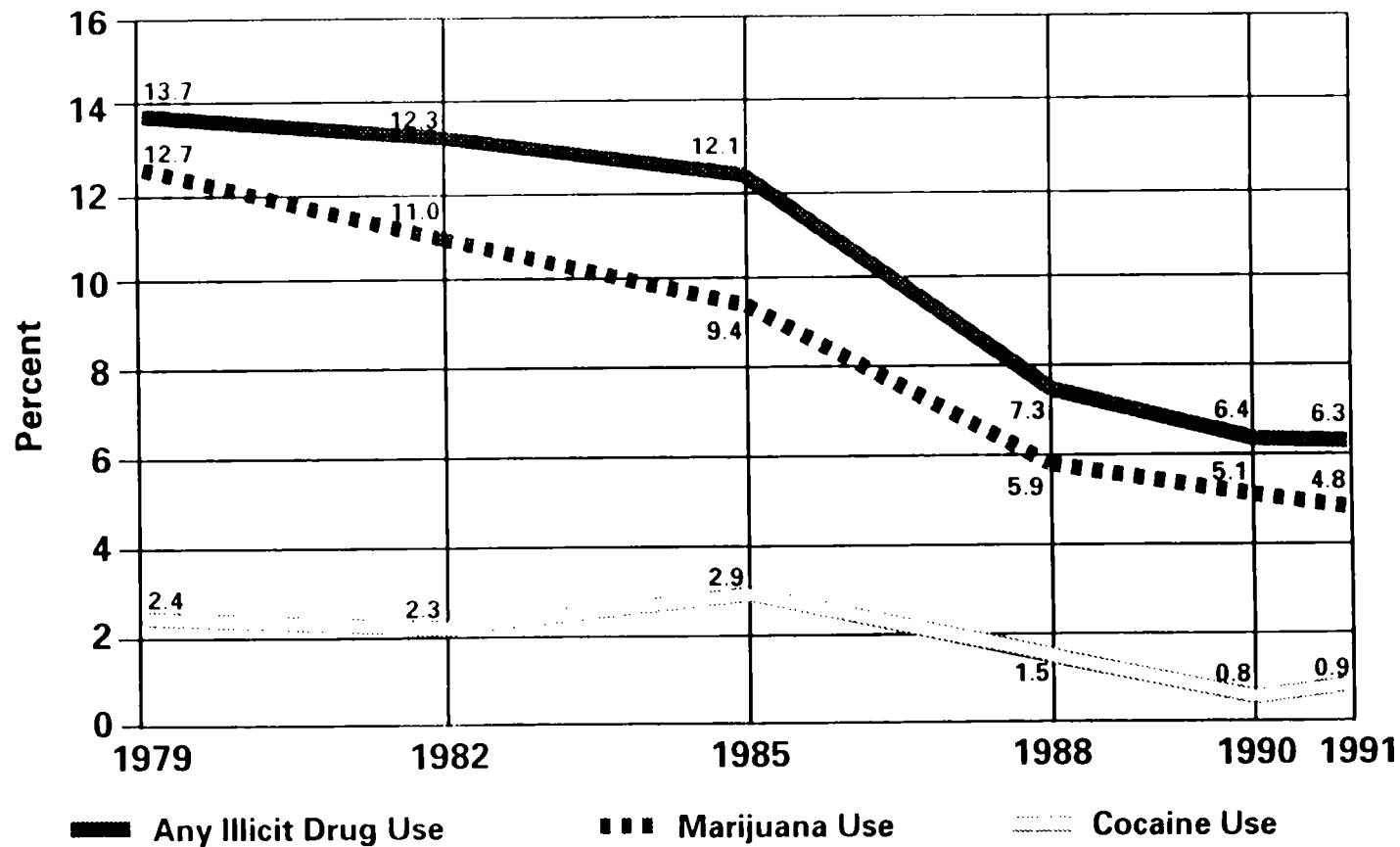
- Current overall drug use dropped from 7.3 percent of the total number of persons 12 and older to 6.3 percent.
- Current cocaine use dropped from 1.5 percent to 0.9 percent.
- Current marijuana use dropped from 5.9 percent to 4.8 percent.

¹ It is important to note that there are no surveys of drug prevalence that capture drug use by the total drug user population. To estimate the total user population, Abt and Associates, under contract to ONDCP, has developed a methodology that relies on many surveys. This methodology is discussed in the study, "What America's Users Spend on Illegal Drugs." More about this population is discussed below.

Chart 1

CURRENT USE OF ANY ILLICIT DRUG, 1979-1991

ESTIMATED PERCENTAGE OF PERSONS 12 AND OLDER



01-92 A-001.0 SOURCE: National Household Survey on Drug Abuse.
Estimates are subject to sampling and nonsampling errors.

DRAFT

DRAFT

Current cocaine use is well below its 1985 peak, and is lower than in 1988. However, it increased between 1990 and 1991 (from 1.6 million to 1.9 million users). The 1992 Household Survey projects it to be below the 1990 level in 1992.

Existing measures of heroin use are somewhat unreliable. Consequently, Chart 1 does not display information about heroin.¹

Chart 2 shows that although past month use of any illicit drug decreased from about 14.5 million people in 1988 to 12.8 million in 1991, the decreases for those under age 35 were much more pronounced. There were almost 3.0 million fewer users under age 35 between 1988 and 1991. The number of users 35 years and older actually increased by 1.1 million users over the same period.

Looking closer at age distribution of current users of any illicit drug, we see different trends in drug use from 1988 to 1991 among those 35 years and older compared to those under 35 years.

- Total use declined 12 percent for all age groups.
- It declined faster for those under 35, by 24 percent, from 12.2 million to 9.2 million.
- Use actually increased for those 35 and older, by 57 percent, from 2.3 million to 3.6 million.

Most drug users are under the age of 35. In 1991, those under 35 years of age represented 72 percent of the total users of any illicit drug.

Indeed, progress among younger people has been quite significant. **Chart 3** shows that, among adolescents, the use of any illicit drug is down significantly and steadily. According to the Household Survey, between 1988 and 1991, the number of users dropped from 1.9 million to 1.4 million, a decline of 27 percent. It is expected to be down even more in 1992.

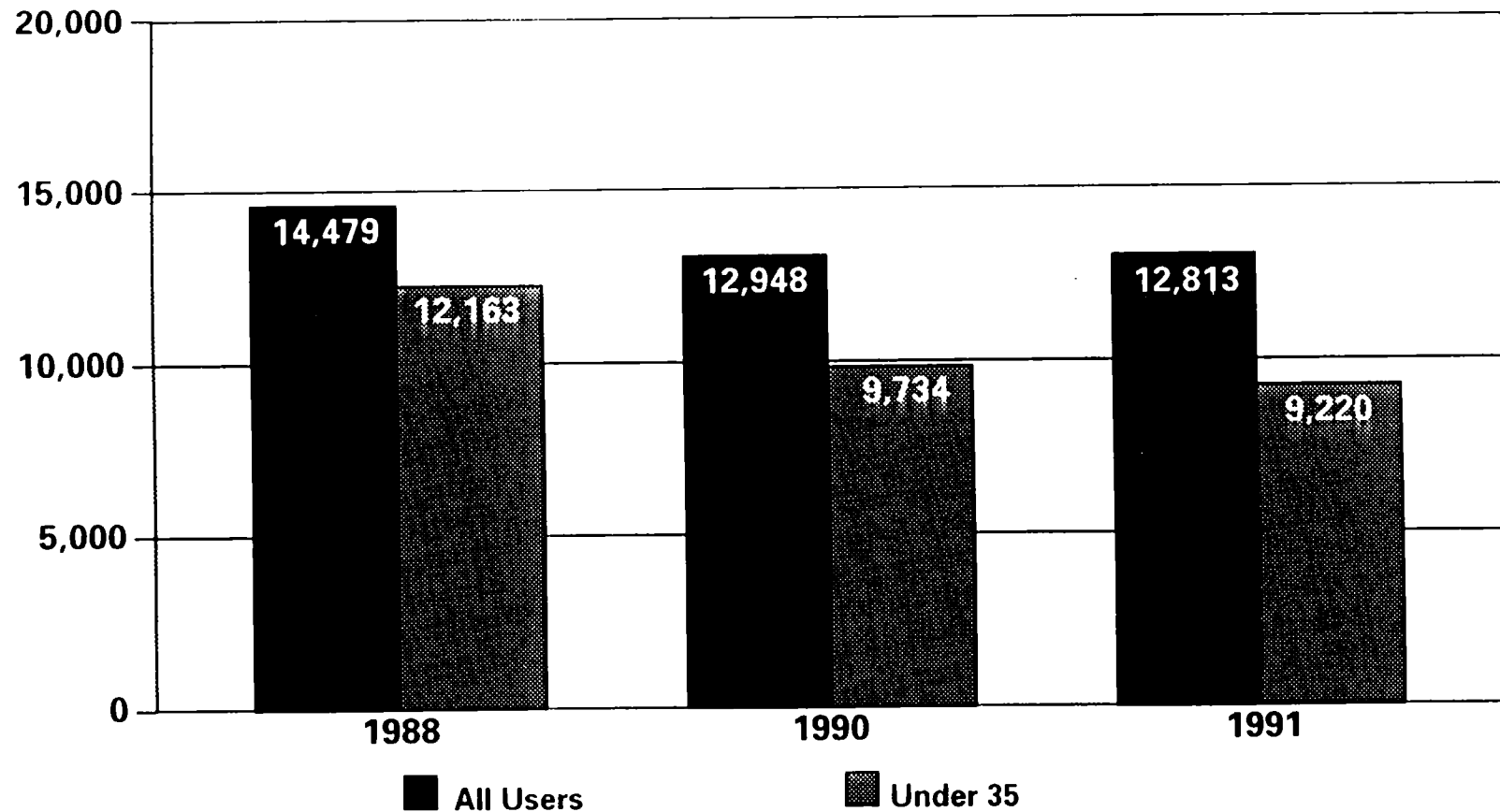
- This decline is more dramatic compared to 1985, when current use of any illicit drug by adolescents equalled

¹ Recent special studies conducted for ONDCP suggest consumption is on the rise, but by existing heroin users and by heavy cocaine users who are now beginning to use heroin. The Household Survey, however, presents conflicting evidence about heroin use trends. It estimates that annual use is down in 1991 compared to 1990 (from 471,000 to 381,000). However, it also reports that current use is up (from 48,000 to 83,000).

Chart 2

CURRENT USE OF ANY ILLICIT DRUG

(estimates in thousands of users)



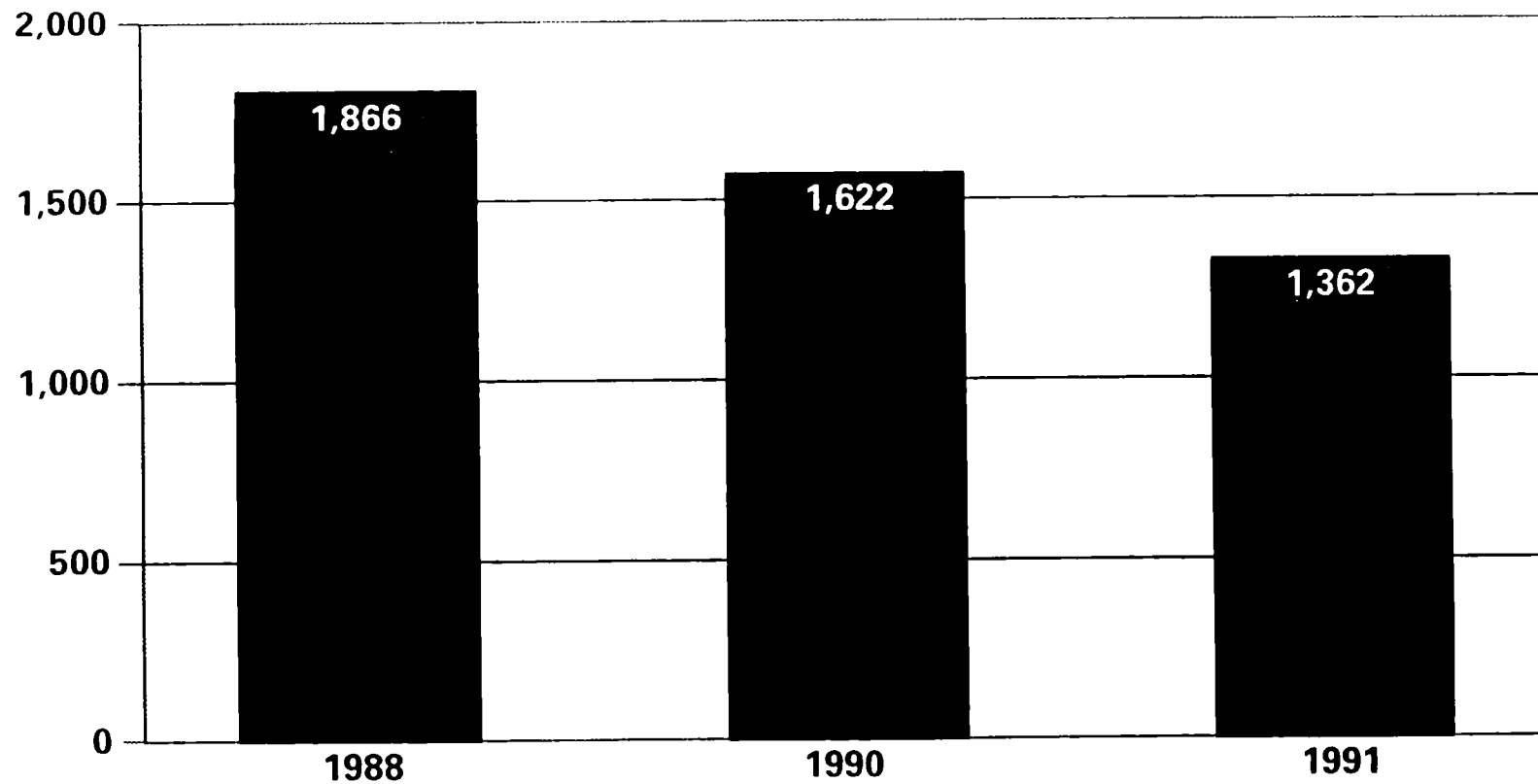
01-92 A-002.0 SOURCE: National Household Survey on Drug Abuse.
Estimates are subject to sampling and nonsampling errors.

DRAFT

Chart 3

CURRENT USE OF ANY ILLICIT DRUG AMONG ADOLESCENTS

(estimates in thousands of users)



01-92 A-021.0 SOURCE: National Household Survey on Drug Abuse.
Estimates are subject to sampling and nonsampling errors.

DRAFT

DRAFT

3.3 million. Use declined 58 percent between 1985 and 1991.

- This shows that prevention programs are working in the schools and that ultimately we are slowing down the pipeline into drug addiction.

Chart 4 shows the trend in annual cocaine drug use reported by the primary indicators of adolescent drug use. These indicators include the Household Survey, the Partnership for a Drug-Free America survey of 13-17 year olds, and the High School Senior Survey. All three surveys show the same downward trend as the previous chart did for adolescent cocaine drug use.

- The Household Survey shows annual use declining by slightly more than 50 percent between 1988 and 1991, from 2.9 million users to 1.5 million users.
- The High School Senior Survey shows the percent of all seniors reporting annual cocaine use has declined steadily. In 1988, 7.9 percent of seniors reported cocaine use on an annual basis; in 1991, this percentage dropped to 3.5 percent.
- The Partnership Impact Survey also shows the percentage reporting annual cocaine use in 1991 is half its 1988 level. It declined from 11.5 percent in 1988 to 5.2 percent in 1991. From all available indicators, use of cocaine by adolescents has also decreased markedly.

But as Chart 1 indicated, there was still an overall increase in past month use of cocaine. **Chart 5** shows that current use of cocaine -- use within the past thirty days -- rose from 1.6 million total users in 1990 to 1.9 million in 1991.

However, although the total number of users increased, this increase did not occur among users under age 35. Between 1990 and 1991, the total number of users under 35 declined slightly by about 50,000. Over the same period, the number of users over 35 increased by about 340,000.

Chart 6 shows that occasional use -- which is defined as cocaine use in the past year, but less often than monthly -- increased from 4.1 million in 1990 to almost 4.4 million in 1991. As with current cocaine use, this increase is attributable to users 35 years of age and older. Over this period, occasional use for this group increased from 643,000 to 1,197,000, or by 86 percent. Occasional use by those under 35 declined from 3.5 million to 3.2 million, or by 10 percent.

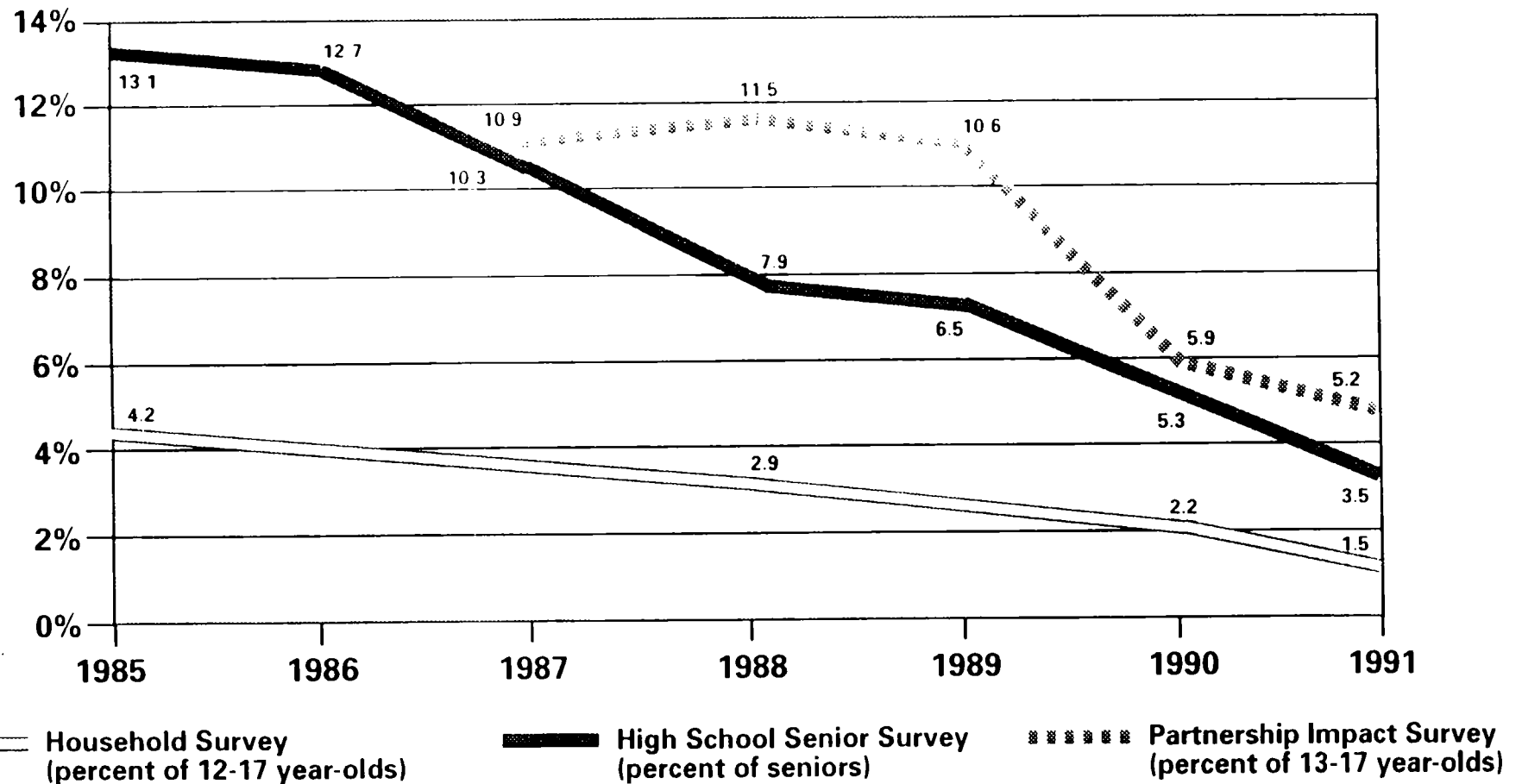
The age trend disparity raises the question: Why are older drug users so resistant to the anti-drug message and continue to

7
DRAFT

Chart 4

TRENDS IN ADOLESCENT COCAINE USE, 1985-1991

(annual use as measured by three indicators)



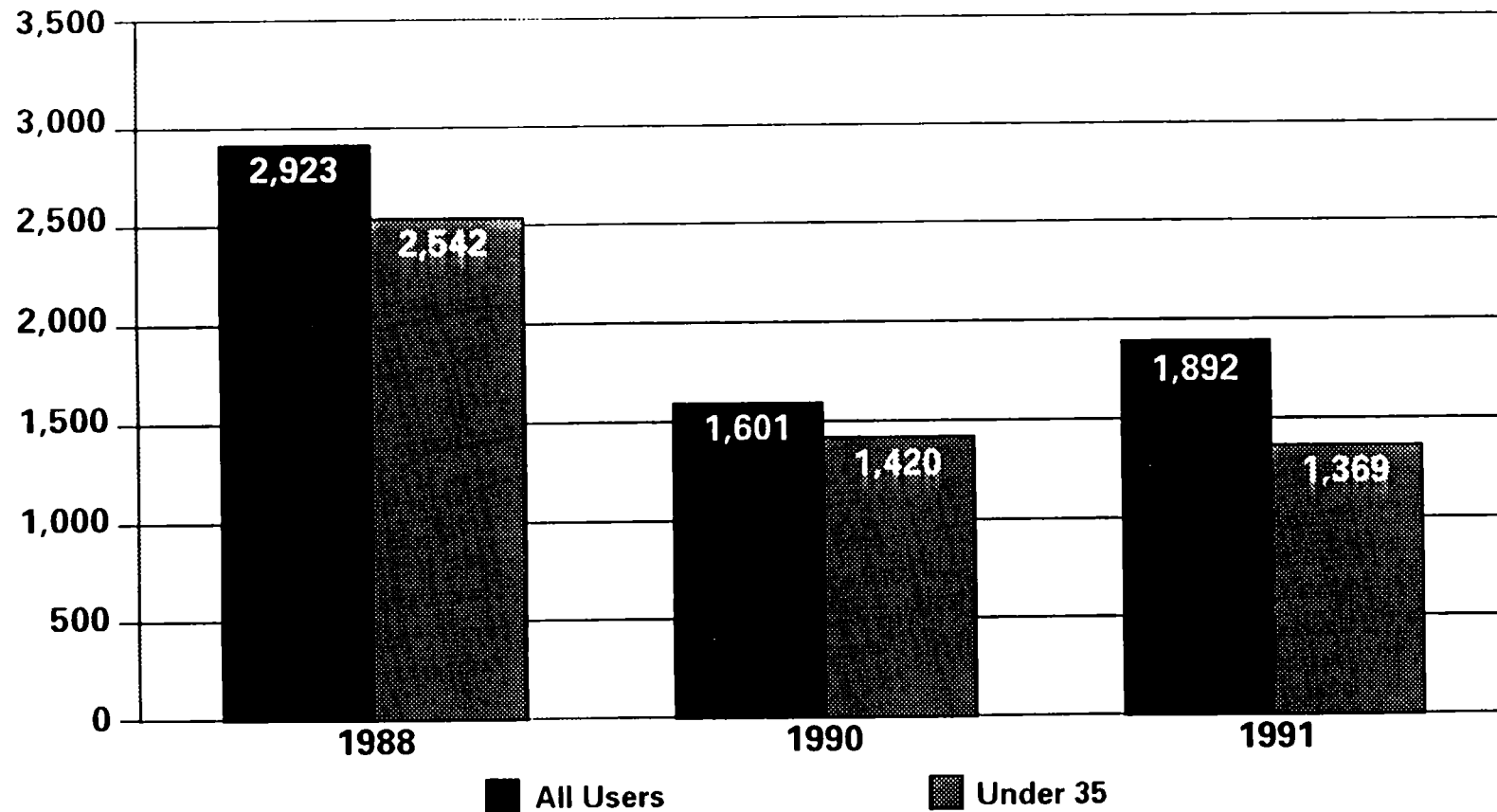
01-92 A-025.0 SOURCE: NIDA, 1988, 1991 Household Survey; 1991 High School Senior Survey; Gordon S. Black Corp. 1991 Partnership Survey.

DRAFT

Chart 5

CURRENT USE OF COCAINE

(estimates in thousands of users)



01-92
A-006.0

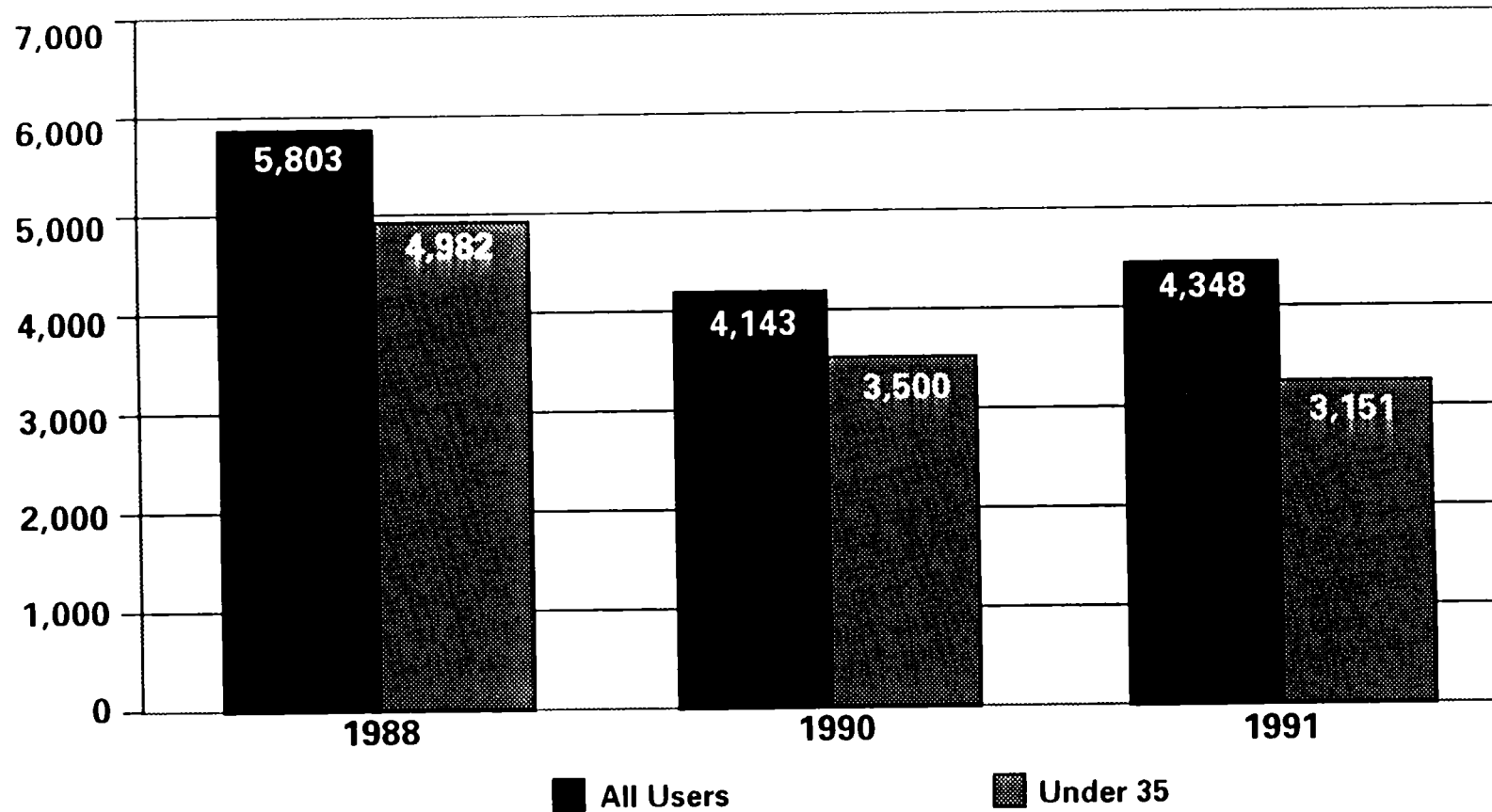
SOURCE: National Household Survey on Drug Abuse.
Estimates are subject to sampling and nonsampling errors.

DRAFT

Chart 6

OCCASIONAL* USE OF COCAINE

(estimates in thousands of users)



01-92
A-005.0

SOURCE: National Household Survey on Drug Abuse.
Estimates are subject to sampling and nonsampling errors.

*OCCASIONAL USE IS DEFINED AS USE OF COCAINE
IN PAST YEAR, BUT LESS OFTEN THAN MONTHLY.

DRAFT

DRAFT

use drugs? Are these recidivist drug users, conceivably people who are trying to kick the drug habit, but are not succeeding? In part, the National Drug Control Strategy anticipated that it would be more difficult to drive drug use numbers down as time progressed. Initially, quick reductions in drug use were expected among casual users. However, it was presumed that hard-core users would be more resistant to treatment programs and prevention messages, and slower progress was anticipated here.

Chart 7 shows a more favorable trend for frequent (weekly, or heavy) cocaine use. It declined between 1990 and 1991 by 37,000, from 662,000 in 1990 to 625,000 in 1991. However, the 1992 Household Survey projects heavy use to increase in 1991, possibly by more than the 1990 level.

It is important to note that frequent use is often used to indicate trends in heavy drug use. In this particular case, it reflects such use by users who reside in households, which is the basis of the survey that measures national drug use. This measure shows that frequent use decreased slightly.¹ And like the other measure of use, there is a marked difference in the trend between those under 35 years old and those 35 and older. Between 1990 and 1991, frequent cocaine use declined from 606 thousand to 516 thousand for those under age 35; it increased from 56 thousand to 109 thousand for those 35 years and older.

Consequence Measures: In addition to prevalence estimates, other surveys measure the consequence of drug use.² The best known survey is the Drug Abuse Warning Network (DAWN), which measures episodes related to drug use by users who go to hospital emergency rooms for medical assistance.³ It also includes information from medical examiner reports. DAWN data are

¹ This measure does not measure heavy drug use by users who are homeless (not in shelters) or certain institutionalize groups like those in prisons. More is discussed in the section on total population estimates below.

² Another survey is the Drug Use Forecasting System (DUF), which provides information about drug testing results of arrestees. This survey is not nationally representative and is not discussed here.

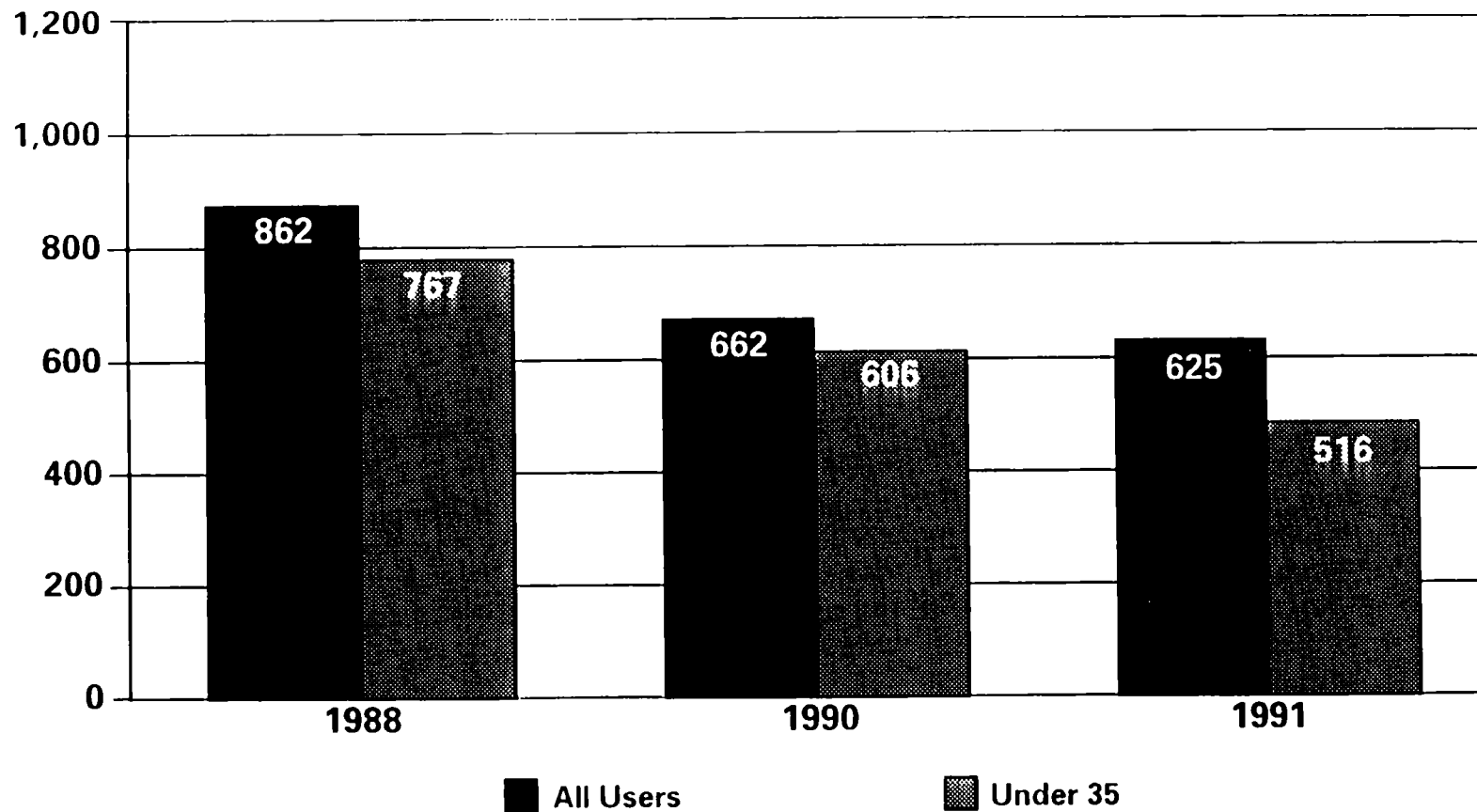
³ DAWN includes drug-related information from hospital emergency rooms and medical examiner reports. The emergency room component, which is reported in this analysis, is a nationally representative sample and estimates are available quarterly. DAWN data represent only those persons who seek help from an emergency room (or whose death is examined by a coroner). Data are available from 1988 through the first two quarters of 1992.

DO NOT
DISTRIBUTE

Chart 7

FREQUENT* USE OF COCAINE

(estimates in thousands of users)



06-92 A-009.0 SOURCE: National Household Survey on Drug Abuse.
Estimates are subject to sampling and nonsampling errors.

*FREQUENT USE IS DEFINED AS A TENDENCY
TO USE COCAINE ON A WEEKLY BASIS.

DRAFT

thought to generally portray a portion of hard-core drug users, and not necessarily casual users.

Chart 8 looks at what is happening in our hospital emergency rooms at annual intervals since the first National Drug Control Strategy was released. In particular, it looks at drug-related emergency room mentions, which are measured by the Drug Abuse Warning Network (DAWN). Mentions for a particular drug are recorded by hospital personnel for each drug detected in the system of the individual who is in the emergency room for a drug related reason. Several drugs may be "mentioned" for a single emergency room episode.

It shows that total emergency room mentions are down only slightly since 1988. However, between 1990 and 1991, there was an increase in drug-related medical problems. The 1992 data show total mentions continue to increase.

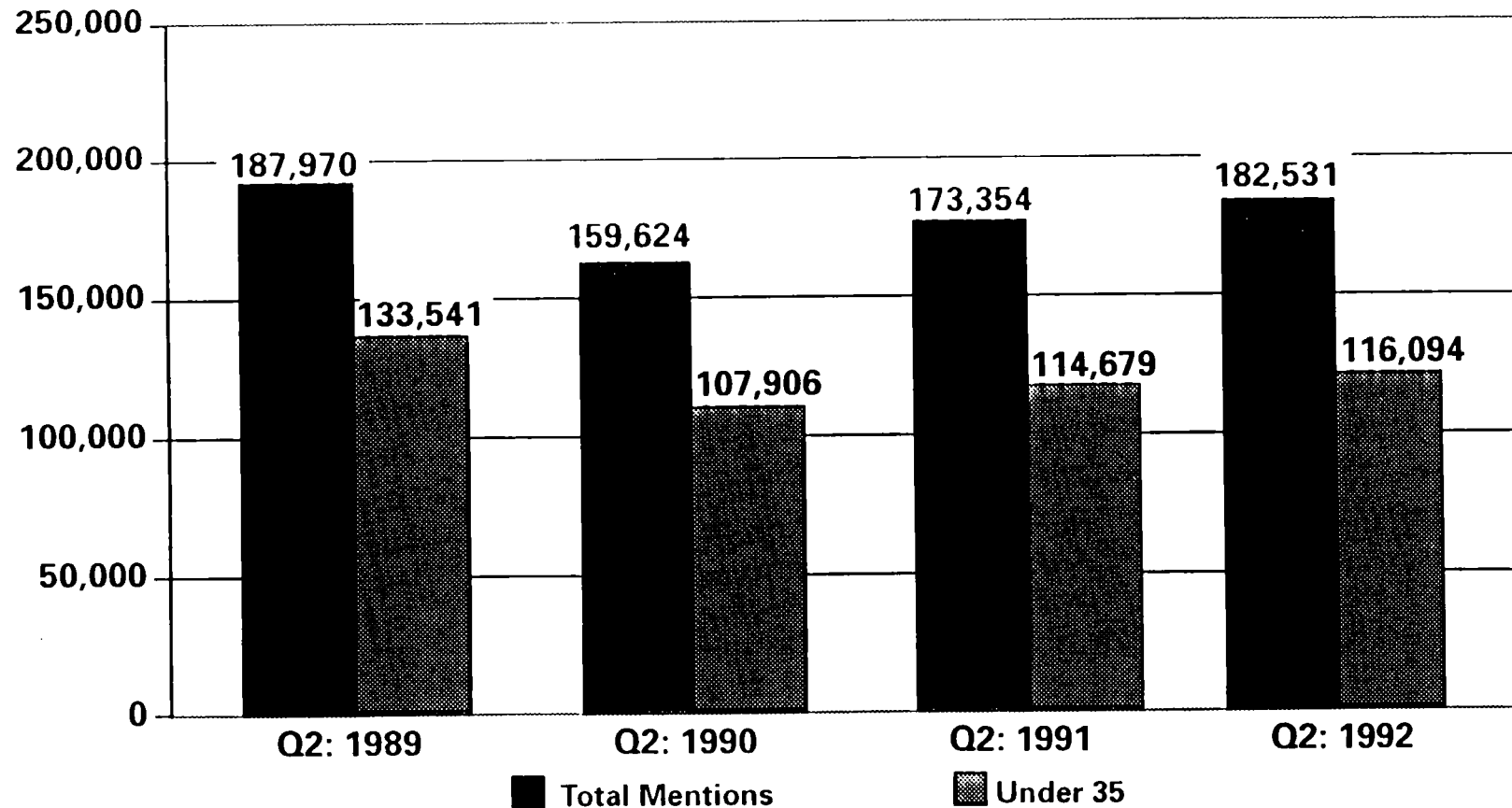
- Between 1990 and 1991, for those under age 35, mentions increased by 6 percent, from 107,906 to 114,679. However, the growth in mentions for those under 35 is slowing. Between 1991 and 1992, mentions increased by only 1.2 percent.
- Among those 35 years and older, the increase in mentions is larger; mentions grew by 12 percent, from 51,718 to 58,675, between 1990 and 1991. They grew even faster between 1991 and 1992, increasing by 13 percent from 58,675 to 66,437.

Chart 9 shows the trend in drug-related mentions for cocaine for the second calendar year quarter of each year since 1988. Cocaine emergency room mentions are down slightly for the overall period, compared to 1988, but have been growing steadily since 1990.

- Mentions reached a trough in 1990 at 19,453 and increased in 1991 by 28 percent to 24,970. They continued to increase between 1991 and 1992, but at a slower rate; they grew by 8 percent from 24,970 to 26,854.
- Cocaine mentions are increasing faster for those 35 years and older. Mentions for those over 35 years and older grew by 33 percent between 1990 and 1991 from 5,674 to 7,545; they grew another 24 percent between 1991 and 1992 from 7,545 to 9,342. For those under 35 years of age, cocaine mentions grew 26 percent between 1990 and 1991; they increased by less than one percent between 1991 and 1992.

Chart 8

DRUG-RELATED EMERGENCY ROOM MENTIONS

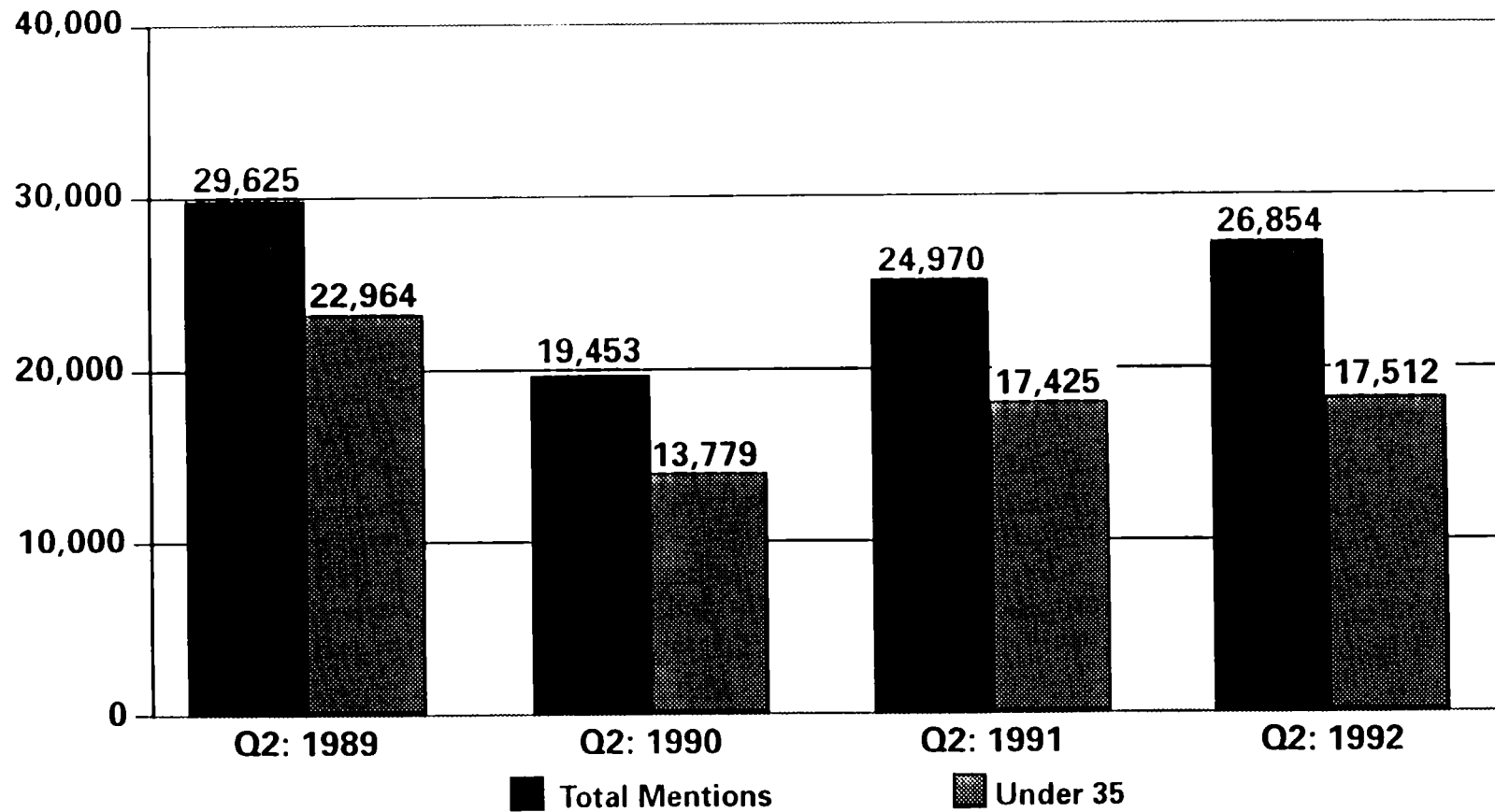


01-92 B-004.0 SOURCE: NIDA, DAWN, October 1991 data file.
Estimates are subject to sampling and nonsampling errors.

DRAFT

Chart 9

COCAINE EMERGENCY ROOM MENTIONS



01-92 B-013.0 SOURCE: NIDA, DAWN, October 1991 data file.
Estimates are subject to sampling and nonsampling errors.

020491

DRAFT

Total Population Estimates: This section presents estimates of the total cocaine user population. As was discussed previously, the National Household Survey on Drug Abuse, the most comprehensive of all the drug prevalence surveys, misses a part of the drug user population that is key to understanding drug use trends. This part represents users who do not live in households, who tend to be among the heaviest of drug users.

Abt and Associates, under contract to ONDCP, has developed total user population estimates that distinguishes heavy users from what Abt calls "casual" users. Heavy users are defined as individuals who use cocaine weekly. Casual users are defined as individuals who use less frequently than weekly, but used in the past year.¹

Table 1 below presents Abt's total population estimates for 1988, 1990, and 1991 (the years for which the Household Survey was conducted). It shows that, between 1990 and 1991, the number of heavy cocaine users increased from 1,965,544 to 2,142,597.² By comparison, the number of casual cocaine users declined from 5,585,000 in 1990 to 5,440,000 in 1991.³

TABLE 1

ABT TOTAL COCAINE POPULATION ESTIMATES, 1988 - 1991

	1988	1989	1990	1991
Heavy	2,082,321	2,334,509	1,965,544	2,142,597
Casual	7,347,000	6,466,000	5,585,000	5,440,000

¹ Abt estimates the number of casual users from the Household Survey. A population estimate for this group is calculated by subtracting the number of users who use on a weekly basis from those who report use in the past year. Heavy users, on the other hand, are estimated using numerous data sources (i.e., the Household Survey, the Uniform Crime Report, Drug Use Forecasting Data, BJS prison surveys, the High School Senior Survey). For more about Abt's methodology about how it estimates these populations, see, "What America's Users Spend on Illegal Drugs, 1988-1991," Draft paper prepared for ONDCP (January 1993).

² Over the same period, Abt estimates that the number of heavy heroin users increased from 515,487 to 586,132.

³ Abt also estimates that casual users of heroin equalled 381,492 in 1991.

DRAFT

DRAFT

The trend in casual cocaine use between 1990 and 1991 would appear to contradict earlier evidence from the Household Survey about trends in current and occasional use. Abt staff offer the following explanation for this discrepancy: a substantial portion of the increase reported by the Household Survey for current use is due more to heavy users than other less frequent users.¹

Table 1 also demonstrates that the user population mix is changing. In 1988, heavy users were 22 percent of the total cocaine user population; it is 28 percent in 1991. All indicators suggest the portion represented by heavy users will continue to grow in the next few years, while casual use continues to decline.

Given that the heavy user group tends to be strongly associated with high crime rates and health problems, the growth in this user population cannot be discounted.² Moreover, Abt estimates that this user group consumes most of the cocaine available for consumption (about 70-80 percent of all cocaine is used by heavy users). Consequently, the growth in this population does not bode well for drug policy.

Total Consumption Estimates: Prevalence estimates count individuals, but not the quantity of drugs they consume. This section presents estimates of the quantity of cocaine that casual and heavy users consumed in 1990 and 1991.

The algorithm used to estimate total consumption is simple: an individual's consumption of cocaine equals the average dosage of pure cocaine used per session (the dosage) times the number of sessions in a year (frequency). This result is then multiplied by the total number of individuals to devise an estimate of the quantity consumed by the total user population. Given that consumption practices vary markedly for casual and heavy users, this algorithm is applied to each group separately with different assumptions used for dosage and frequency for each.

¹ Another explanation, which we are exploring with HHS, is that the increase in current use reported in 1991 is incorrect. We should know more this month.

² According to the Abt study on the retail value of drug sold in the U.S., about half of the heavy cocaine users surveyed in the Household Survey had been arrested or booked at some time. In addition, National AIDS Demonstration Research data suggest that as much as 81 percent of the total number of heavy cocaine users had been arrested at some time in their lives. According to preliminary information from an HHS study being conducted by HHS for ONDCP, about 60 percent of heavy cocaine and heroin users reported some type of illegal activity in the past thirty days.

2025 RELEASE UNDER E.O. 14176

DRAFT

Statistical- or survey-based estimates of dosage or frequency are not available. However, dosage estimates can be derived by reviewing the expenditure habits of each user group, which is reported in a number of surveys, and from experts in the field (ethnographers). Frequency of use data are not available, except anecdotally. With respect to dosage, we assumed that casual users used one and a half grams of pure cocaine per month. For heavy users, we assumed a range of 1.134 to 1.750 pure grams per week. Both of these estimates are based on Abt's analysis of consumption patterns, which were used to estimate the retail value of drugs sold in the U.S.¹ With regard to frequency, we assumed that casual users used the one and a half grams each month; heavy users used the 1.134 to 1.75 grams each week.²

Table 2 shows estimates for 1990 and 1991 of total consumption for the cocaine user population, broken down by heavy and casual users. According to the estimates, heavy and casual users consumed between 233.8 and 297.1 metric tons of cocaine in 1991. This is up by almost 18 metric tons (17.4 to 17.7 metric tons) over the 1990 level. Most of this increase is accounted for by heavy users, who consumed about 16 metric tons of (15.8 to 16.1 metric tons) more in 1991 than they did in 1990. Casual users consumed more cocaine also, but slightly less than two metric tons more than in 1990. Thus, it appears that heavy users are at the root of increased use, at least as measured by the quantity of cocaine removed from the market for consumption.

¹ We cap heavy use at 1.75 grams based on Abt's assertion that consumption at this rate is too physiologically demanding. For more about this, see footnotes 11 and 25 in "What America's Users Spend on illegal Drugs," An Office of National Drug Control Policy Technical Paper (June 1991).

² Abt estimates that current users (past month users) use the equivalent of one gram of pure cocaine per month. We adjusted this upwards by 50 percent to reflect assumed consumption practices of occasional users, yielding an estimate of 1.5 grams of pure cocaine per month.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11-11-01 BY 60322 UCBAW

DRAFT

TABLE 2

ESTIMATED COCAINE CONSUMPTION BY HEAVY
AND CASUAL COCAINE USERS, 1990 - 1991
(metric tons of pure cocaine)

	1990	1991
Total Consumption:		
Low Range Estimate	216.4	233.8
High Range Estimate	279.4	297.1
Midpoint of Range	247.9	265.4
Casual Users:	100.5	102.1
Heavy Users:		
Low Range Estimate	115.9	131.7
High Range Estimate	178.9	195.0

Two-Fronts: Overall, the drug use data show that the cocaine-using population divides into two groups -- widely spread casual users (and here there is evidence of significant progress, particularly among young people) and hard-core, frequent cocaine users. We are seeing here in part the effects of long-term cocaine use. There is a gradually aging population of users, many minority, many inner city residents, who are finding it difficult to quit using cocaine. Many appear to relapse back into drug use after receiving treatment. Beating cocaine addiction is a long difficult process that can take years. And, of course, even though casual use is on the decline, some casual users are becoming heavy users. Given these trends, it is altogether likely that the heavy user population will continue to grow, slowly, over the next few years.

II. Estimating Cocaine Availability

What does the information on supply-related data tell us? Did something happen with the supply of cocaine in 1991 while the use of cocaine was increasing? Did supply increase or decrease?

Supply reduction activities seek to reduce the available drug supply in the U.S. The rationale behind this is that the reduced availability will in turn cause illicit drug prices to increase, and these higher drug prices will result in lower drug use, as users with limited incomes can afford to purchase only

COCAINE 1991

DRAFT

less than they did before the price increase.¹ So by reducing availability, drug use is lessened.

Total Worldwide Cocaine Production: The starting point of an analysis of the amount of cocaine available in the U.S. is an analysis of the total amount of cocaine produced for worldwide consumption. From this we can then estimate the amount of that consumption that is available to the U.S.

The Department of State's 1992 International Narcotics Control Strategy Report (INCSR),² a congressionally-mandated report that provides information on, among other things, cocaine production in South America, provides estimates of hectares under cultivation, eradication, leaf harvest, and estimates of potential cocaine HCL based on the leaf harvest.

Chart 10 shows total hectares of coca cultivation from 1986 through 1991. As can be seen, hectarage peaked in 1990 at 220,850 hectares. In 1991 it decreased by about 3.7% to 212,778 hectares.

Chart 11 shows the total hectares of coca cultivation by source country. Clearly most of the cultivation occurred in Peru (57% of the total cultivation in 1991), followed by Bolivia (25% in 1991).

Charts 12 and 13 show the number of hectares of coca eradicated in various years. As the charts indicate, the trend has been unsteady. Most recently, the amount of hectarage eradicated decreased from 9,030 hectares in 1990 to 6,538 in 1991 -- a reduction of about 2,500 hectares or nearly 28%. This problem is most pronounced in Peru, which accounts for more than half of the total coca cultivation, but has eradicated nothing in

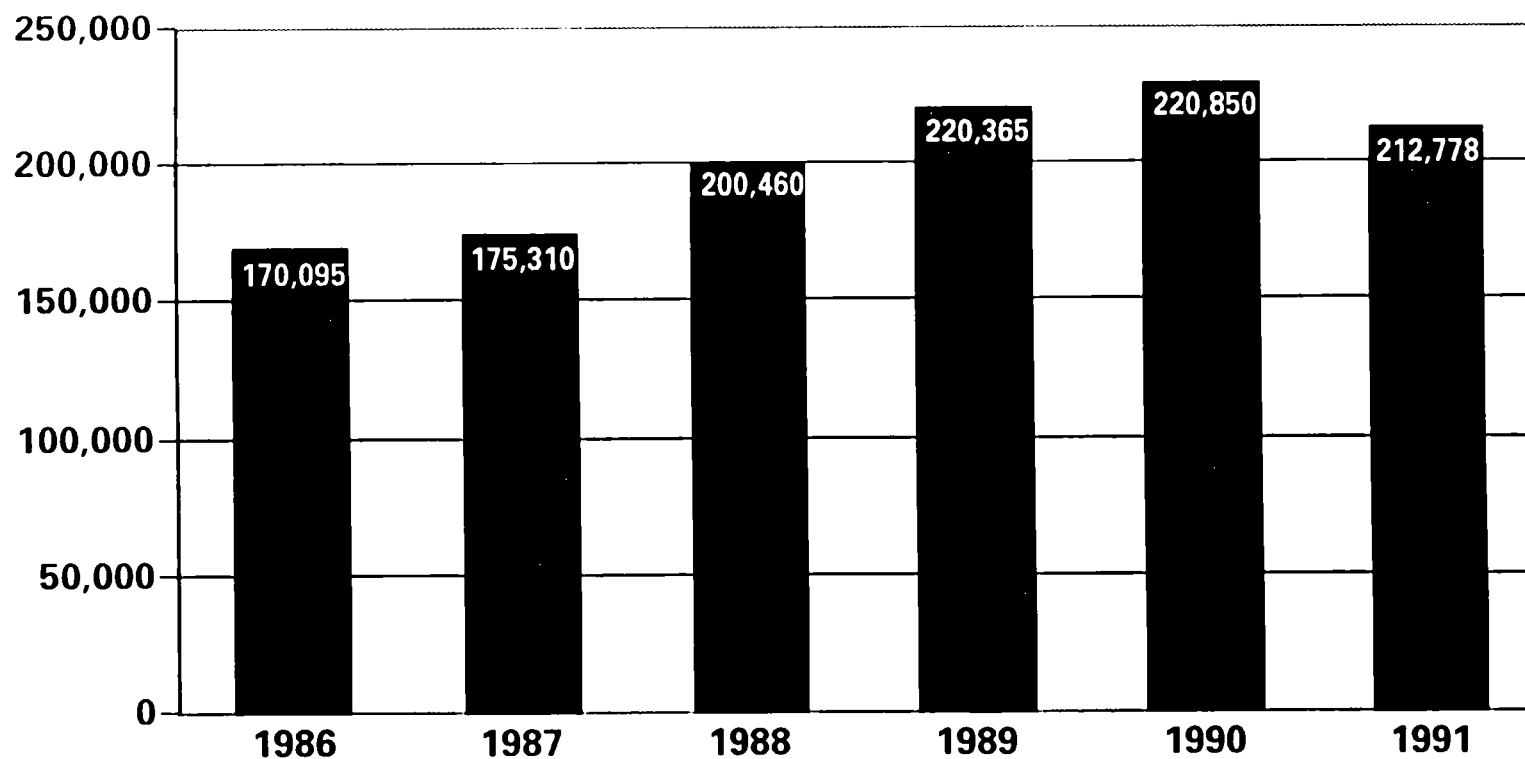
¹ This, of course, will be determined by the price elasticity of demand. The price elasticity of demand is one way of describing how changes in market price affects the quantity consumed. Currently, no empirical estimates of it are available.

² This report, prepared annually since 1989 by the State Department, is designed to provide the President with information on steps the drug-producing countries have taken to combat drug production, trafficking, and money laundering. It provides country estimates of crop production, crop yield, and indigenous consumption and is considered the best source of information on foreign activities in the drug war. Crop estimates reflect potential yield and not true production. The 1993 INCSR is scheduled for release April 1. It is likely that the report will revise historical production estimates to reflect methodological changes.

Chart 10

TOTAL COCA CULTIVATION

(hectares)



03-92 C-011.0 SOURCE: INCSR, 1990, 1992. NOTE: Reflects total area under cultivation in the countries of Bolivia, Colombia, Peru, and Ecuador.

DRAFT

TOTAL COCA CULTIVATION

(hectares)

	BOLIVIA	COLOMBIA	ECUADOR	PERU	TOTAL
1986	37,000	25,000	596	107,500	170,095
1987	40,300	25,000	510	109,500	175,310
1988	50,400	34,230	300	115,530	200,460
1989	55,400	43,040	240	121,685	220,365
1990	58,400	41,000	150	121,300	220,850
1991	53,386	38,472	120	120,800	212,778

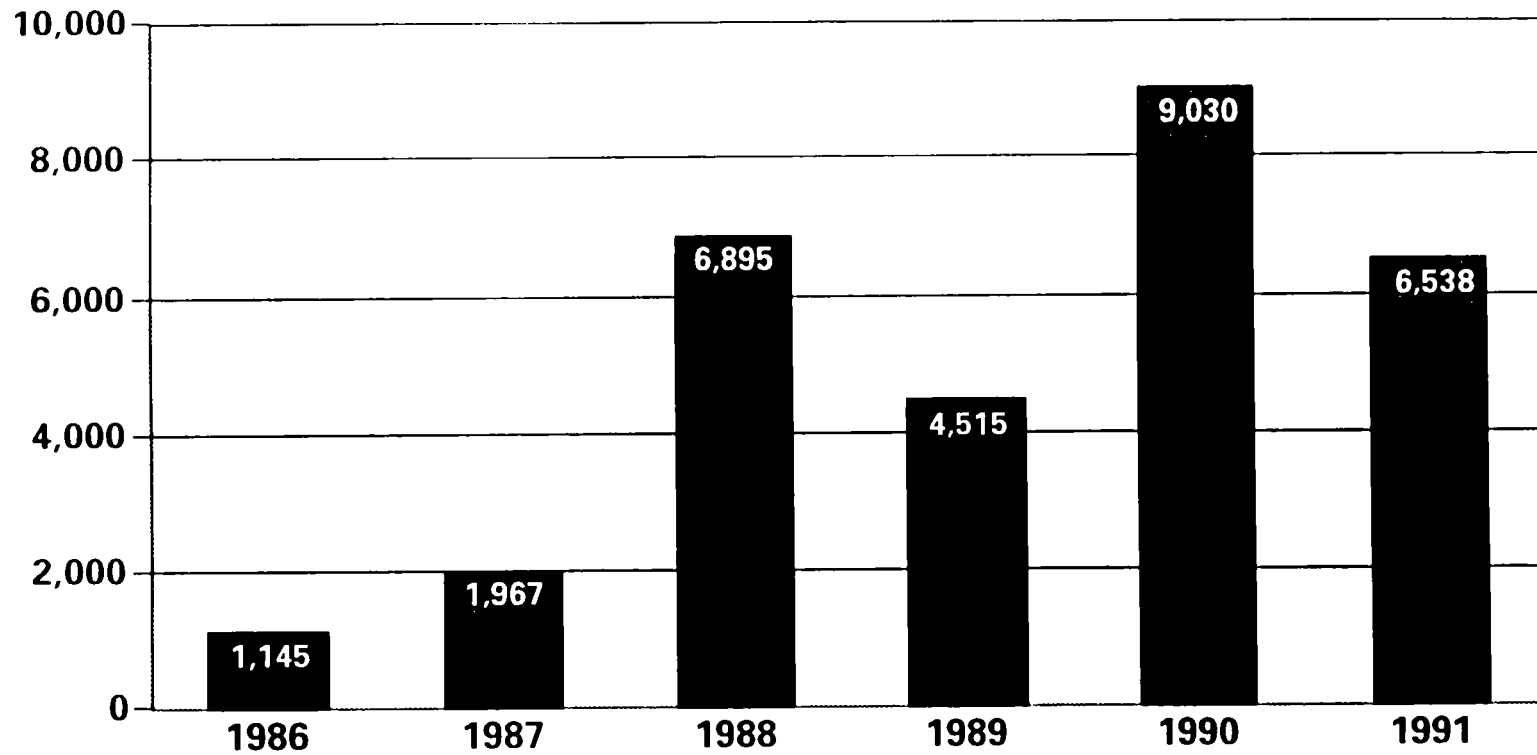
03-92 C-012.0 SOURCE: INCSR, 1990, 1992. NOTE: Reflects total area under cultivation in the countries of Bolivia, Colombia, Peru, and Ecuador.

DRAFT

Chart 12

TOTAL COCA ERADICATION

(hectares)



03-92
C-013.0

SOURCE: INCSR, 1990, 1992.

DRAFT

Chart 13

TOTAL COCA ERADICATION

(hectares)

	BOLIVIA	COLOMBIA	ECUADOR	PERU	TOTAL
1986	200	760	185	0	1,145
1987	1,042	460	110	355	1,967
1988	1,475	230	60	5,130	6,895
1989	2,500	640	90	1,285	4,515
1990	8,100	900	30	0	9,030
1991	5,486	972	80	0	6,538

DRAFT

the last two years. Bolivia's record is clearly the best so far -- in 1991 it eradicated 5,486 hectares.

Chart 14, which shows the impact of the coca eradication on the total cultivation available for harvest, indicates that harvestable cultivation peaked in 1989 at 215,850 hectares and has declined steadily since. This decline would appear to be good news -- at least when one projects this trend to what happened with cocaine supply. In fact, however, as **Chart 15** shows, the amount of coca leaf that was produced on these hectares actually increased in 1991 over the 1990 level -- as it has done for several years -- even though the amount of land under cultivation decreased. Reduced eradication coupled with a maturing, more productive plant contributed to this increase.

Chart 16 shows that the total leaf harvest equalled 331,140 metric tons in 1991, up eight percent over 1990. Not surprisingly, Peru is responsible for most of this harvest -- 67% in 1991. In fact, Peru's leaf harvest increased 13% from 1990 to 1991.

The 1991 leaf harvest could thus have produced a potential 995 - 1,170 metric tons of cocaine, after taking into account local consumption and local seizures. **Chart 17** shows that this range estimate is up 75 - 80 metric tons over the 1990 estimate of 880 - 1,090 metric tons.

In other words, cocaine production increased between 1990 and 1991, notwithstanding enormous U.S. resources applied against the problem. This could be a problem for the U.S. cocaine market. Presumably, some of the increased production would make its way to the U.S. market.

Cocaine Availability in the U.S.: How much of this cocaine was available to U.S. consumers? To answer this question, we developed a model that starts with coca leaf and ends with an estimate of the amount of cocaine that reaches the U.S. (after accounting for various losses along the way).¹

The model computes the inputs and outputs at several different steps in the processing of cocaine. Basically it begins with the INCSR estimates of the land area under cultivation and allows for losses from eradication and source country consumption and seizures (both within source and transshipment countries). It estimates quantities destined for the U.S. and other markets. An estimate of the amount available for the U.S. market is finally derived after subtracting amounts

¹ The model was developed by the RAND Corporation and modified by Abt and Associates for ONDCP.

SECRET

Chart 14

HARVESTABLE (NET) COCA CULTIVATION

(hectares)

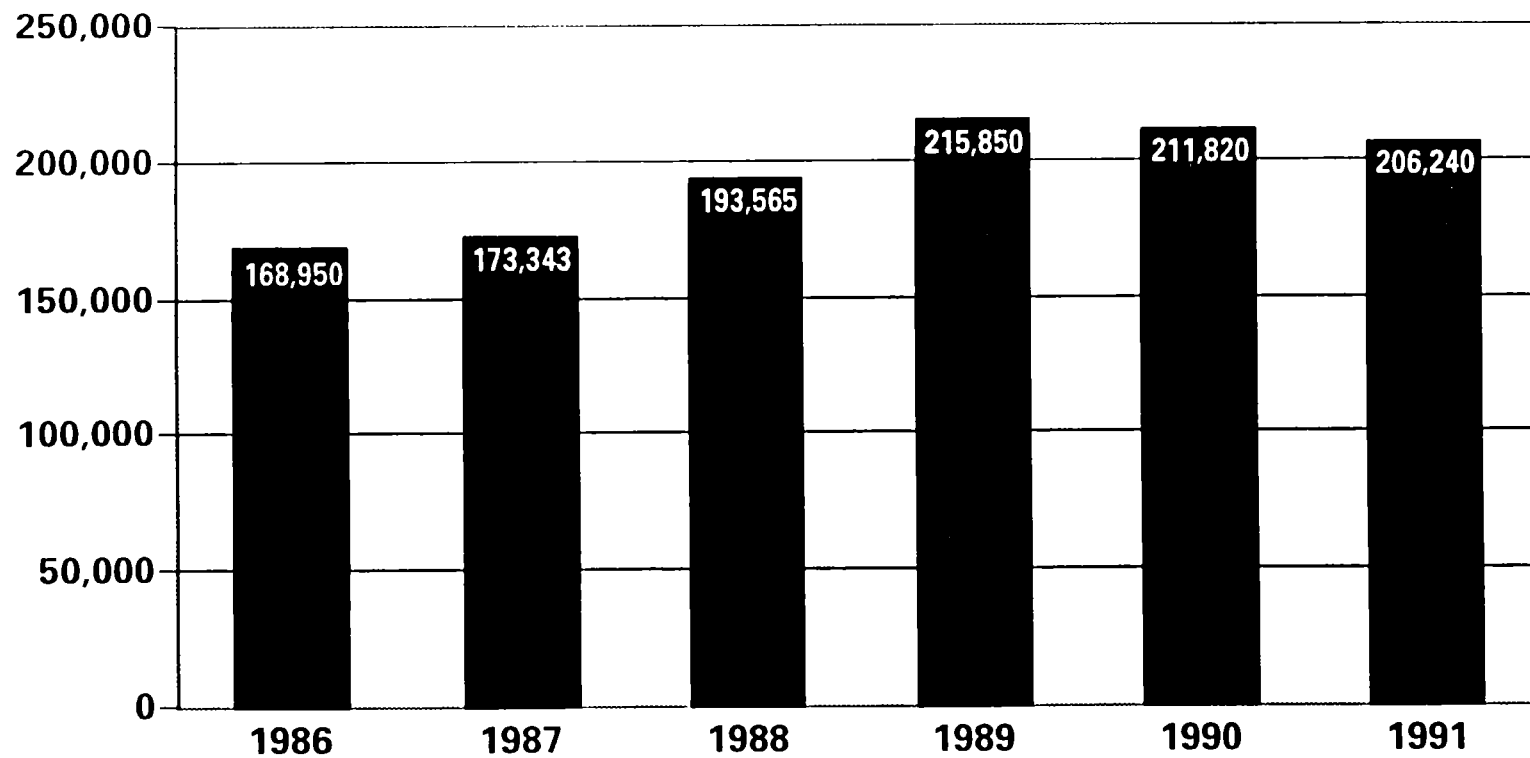


Chart 15

TOTAL COCA LEAF HARVEST

(metric tons)

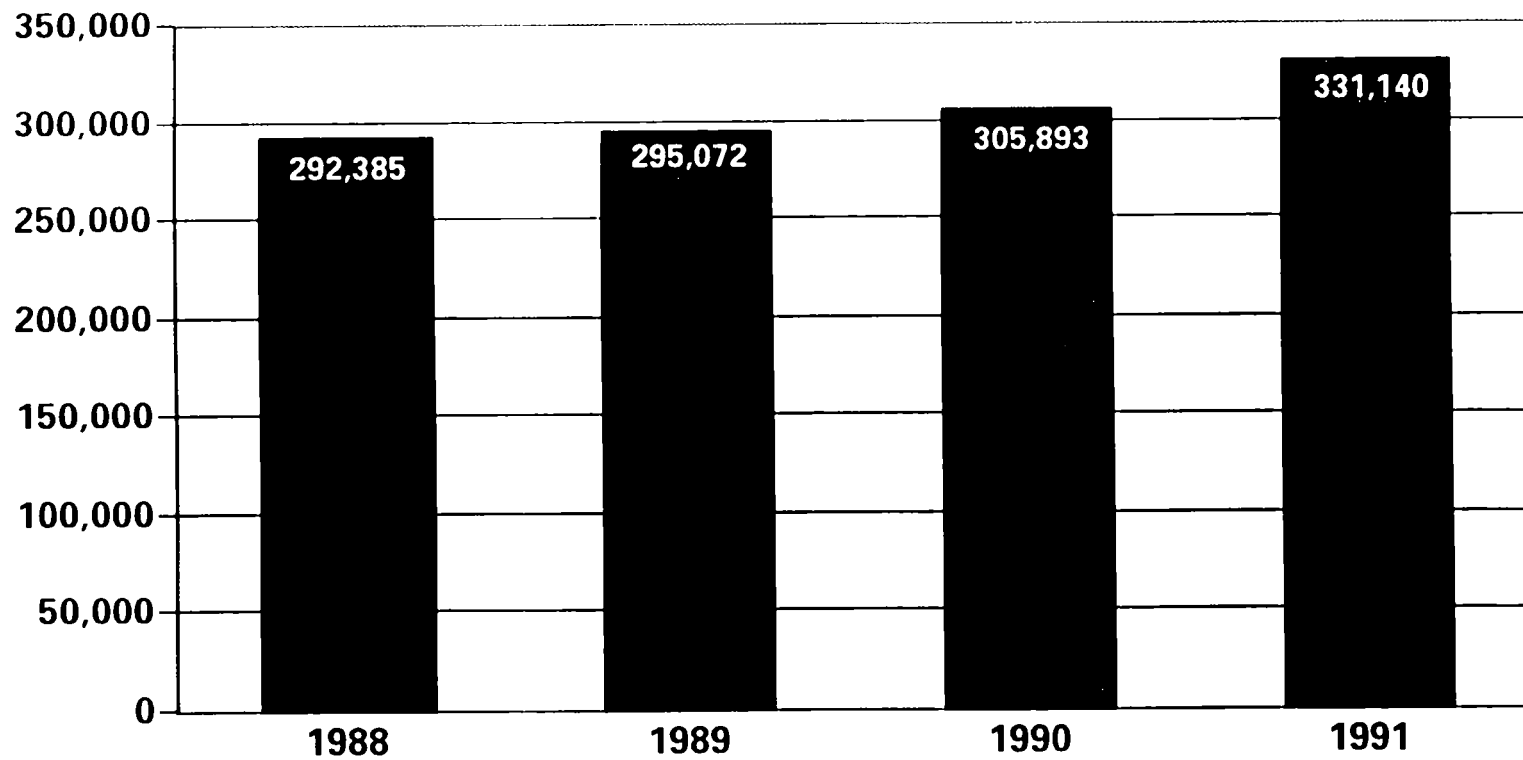


Chart 16

HARVESTABLE LEAF

(metric tons)

	BOLIVIA	COLOMBIA	ECUADOR	PERU	TOTAL
1986	51,520	20,000	677	n/a	n/a
1987	54,961	20,000	400	n/a	n/a
1988	77,245	27,200	240	187,700	292,385
1989	74,722	33,900	150	186,300	295,072
1990	76,773	32,100	120	196,900	305,893
1991	78,400	30,000	40	222,700	331,140

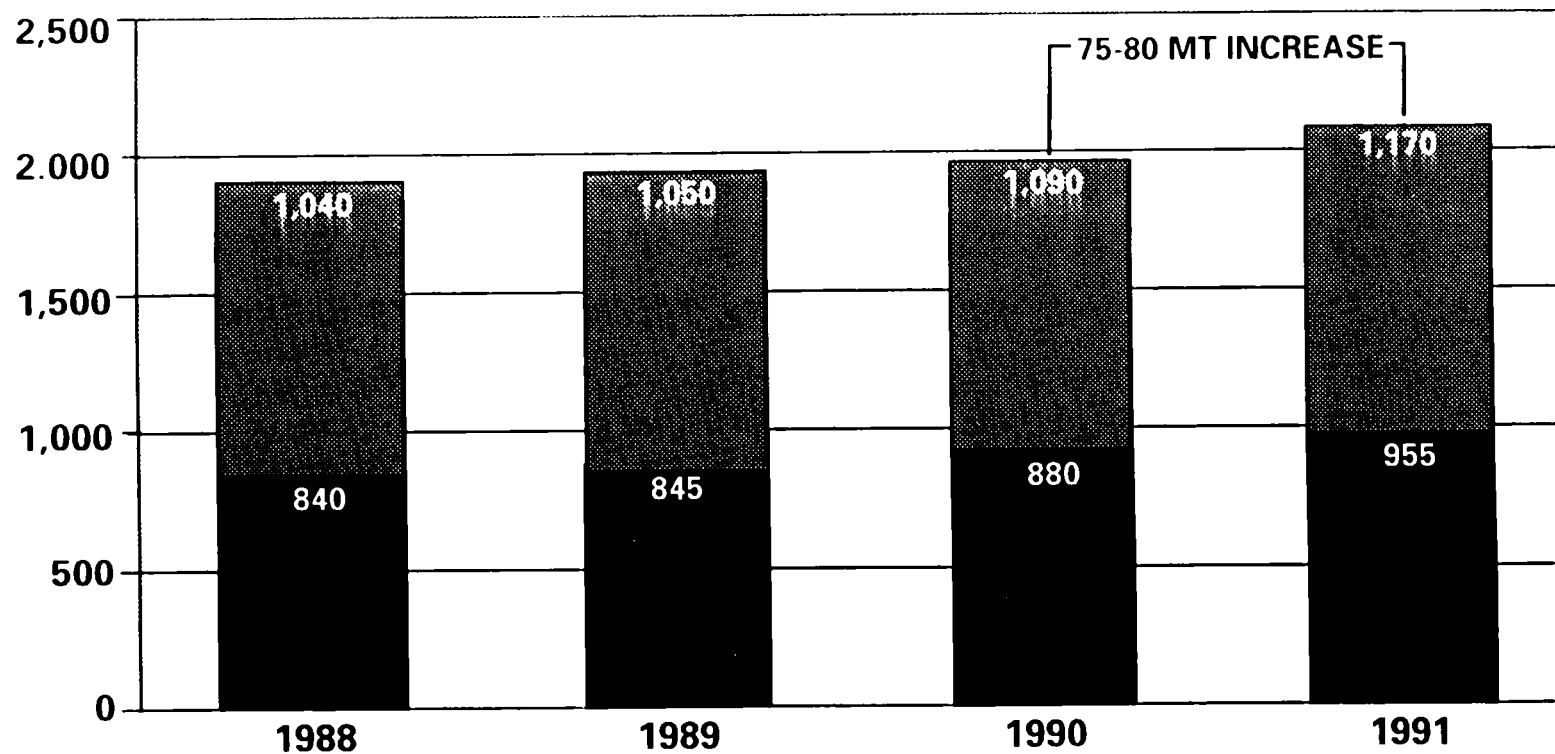
03-92 C-018.0 SOURCE: INCSR, 1990, 1992. NOTE: 1986 and 1987 estimates of leaf harvest for Peru were not reported using the "Mature Cultivation Method" for Peru in the 1991 INCSR.

DRAFT

Chart 17

TOTAL POTENTIAL HCL PRODUCTION, 1988-1991

(metric tons)



DRAFT

seized by Federal authorities and exports to other countries.¹
Chart 18 shows a schematic of the model.

One item of importance to the availability estimate is the level of seizures by foreign and Federal authorities. **Charts 19 and 20** show that cocaine seizures have been growing significantly in Latin America and worldwide. Cocaine seizures in Latin America grew at an average annual rate of 53 percent from 1988 to 1991, increasing almost fourfold from 57.2 metric tons in 1988 to 203.4 metric tons in 1991. By comparison, Federal seizures rose only marginally, especially in 1991 compared to 1990.²

But although overall seizures have risen, they apparently have not been sufficient to offset the increased production of cocaine. **As Chart 21** shows, the ONDCP availability model estimates that more cocaine was available for U.S. consumption in 1991 than in 1990.

- Estimated cocaine availability was 274 - 442 metric tons in 1991, an increase of 20 - 24 metric tons over the 1990 level of 254 - 418 metric tons, and about the same as the 1989 level of 281 - 449 metric tons.
- The increase in availability in 1991 reverses a downward trend since 1988 (estimates are not available prior to 1988).

III. Relating the Increased Supply to Increased Demand

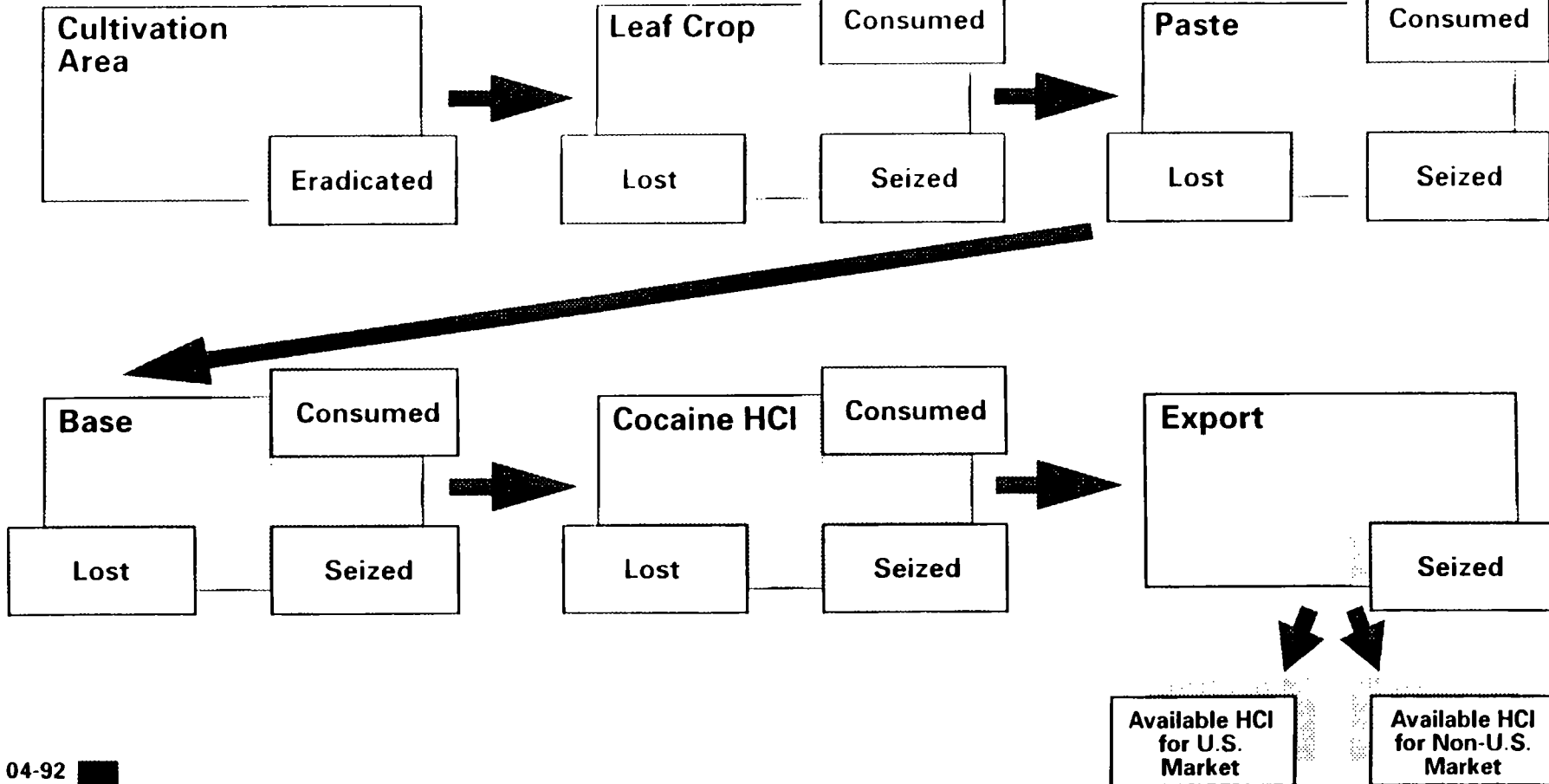
The increased availability of cocaine that occurred in 1991 correlates with the increase in cocaine use discussed earlier. Total potential availability increased by 20 to 24 metric tons in 1991 over the 1990 level. The total increase in consumption by

¹ Stated differently, the model estimates the amount of cocaine that reaches our shores and is introduced into the U.S. market. The amount available is disposed of in two ways: it is consumed by cocaine users and it is seized by State and local law enforcement authorities. Unfortunately, there are no estimates of the magnitude of State and local law enforcement seizures. Therefore, we cannot ascertain the extent to which such seizures might change over time and reduce the amount of cocaine available for consumption.

² The seizure estimates come from the Federal-Wide Drug Seizure System, which was instituted by Federal law enforcement agencies to overcome the problem of double counting. The Federal-wide drug seizure statistics cited on chart 23 are included in the total worldwide cocaine seizures. Federal seizures for 1992 are up dramatically over 1991. This is discussed below.

Chart 18

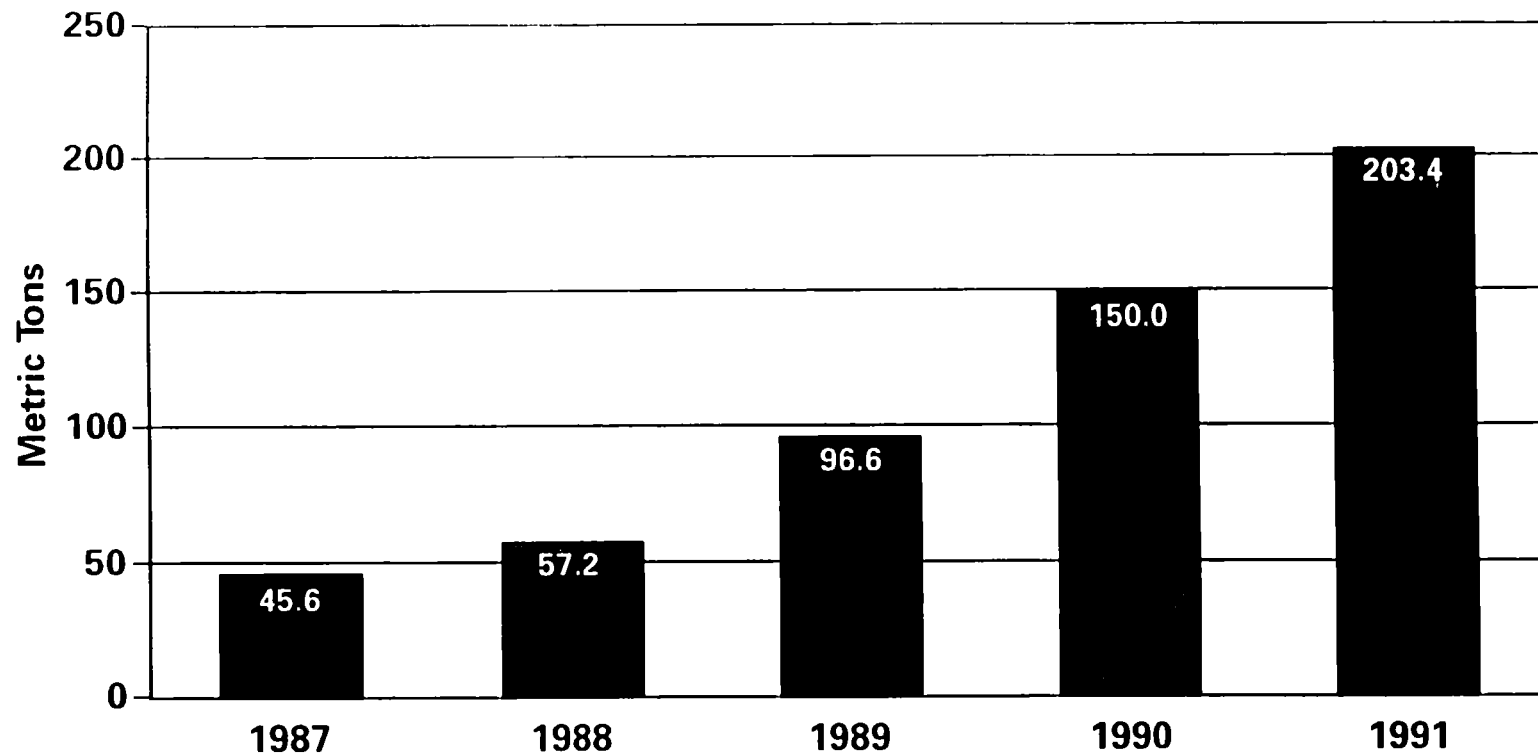
ONDCP COCAINE PRODUCTION MODEL



DRAFT

Chart 19

COCAINE SEIZURES IN LATIN AMERICA



03-92 C-025.0 SOURCE: Unclassified chart from CIA National Intelligence Estimate (NIE) 90/8-92, February 1992.
Totals are based on United States Department of State reporting from South and Central American countries.

DRAFT

Chart 20

SELECTED SEIZURE STATISTICS

(in metric tons)

ALL COCAINE SEIZURES:

1989	1990	1991
202.8	277.2	322.4

FEDERAL COCAINE SEIZURES:

1989	1990	1991
99.2	106.7	108.4

08-92
C-024.0

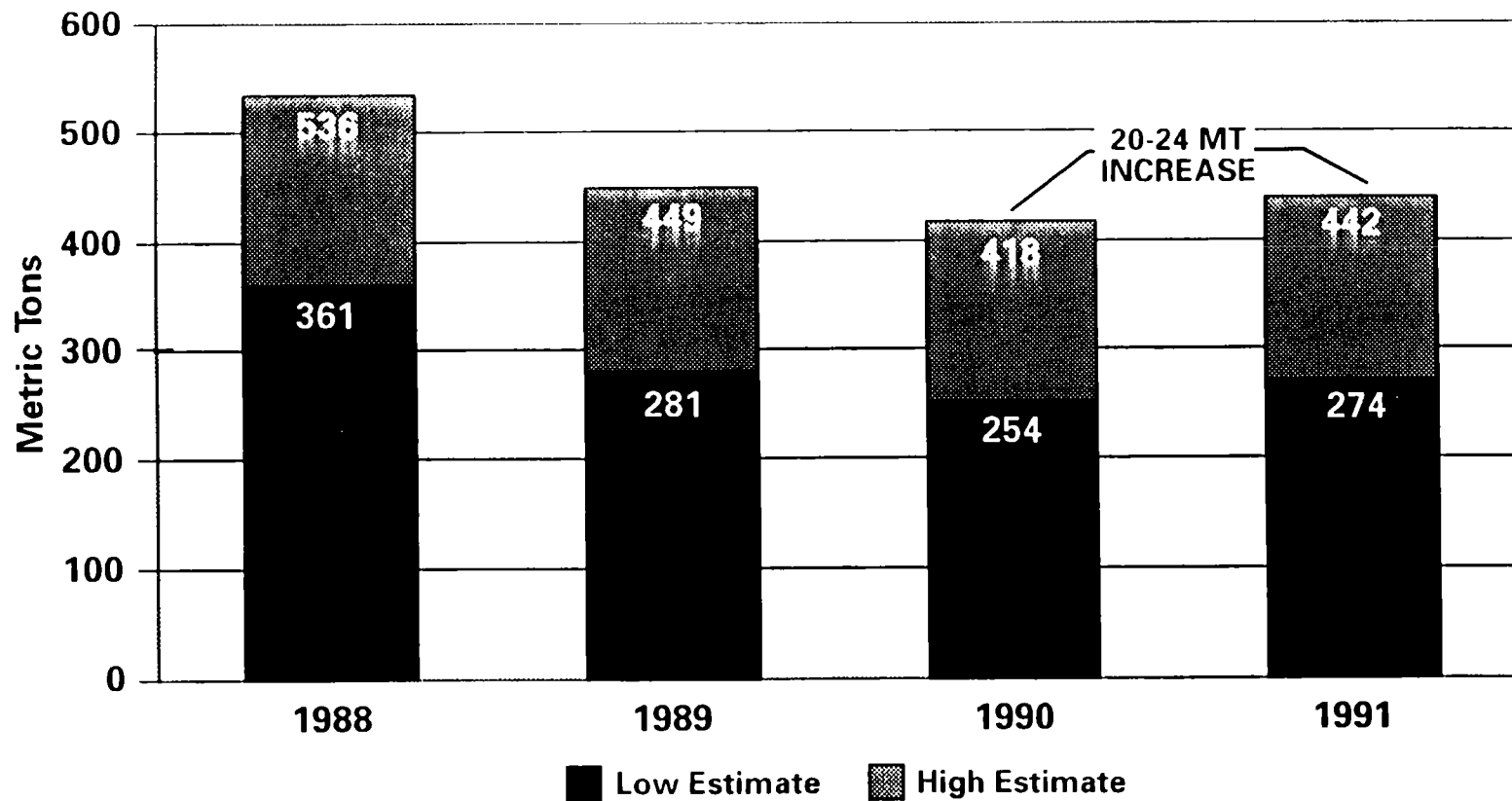
SOURCE: ONDCP compilation. All Cocaine Seizures include: United States Department of State embassy reported seizures by South American, Central American, and Caribbean countries; Interpol reported seizures in Europe; and Federal-wide Drug Seizure System (FDSS) reported seizures within the jurisdiction of the United States by DEA, FBI, and Customs, as well as maritime seizures made by the Coast Guard. Federal Cocaine Seizures include only the FDSS component of all Cocaine Seizures.

DRAFT

Chart 21

ONDCP COCAINE AVAILABILITY ESTIMATES

MAXIMUM POTENTIAL HCL



DRAFT

heavy and casual users ranged between 17.4 and 17.7 metric tons (see Table 2).¹ (Casual users used an additional 1.5 metric and heavy users accounted for 15.8 to 16.1 metric tons.)

The question we turn to now is, "Why did use increase?" Put another way, "what is the relationship -- if any -- between the increase in cocaine use and the increase in cocaine supply?" To the economist, the explanation is given by market forces: the decisions of buyers and sellers in a market are determined by changes in market price. If price increases, sellers seeking more profit will supply more to the market; buyers with limited incomes on the other hand will be able to afford less and will demand less. The final outcome is determined by a complex dynamic process, but eventually a price will emerge that achieves "market equilibrium" (where desires of buyers and sellers are the same).

A change in market price must be examined carefully to identify the extent to which the actions of buyers and sellers contribute to the change. All else being equal, an increase in supply will cause price to fall and a decrease in supply will cause price to rise. Equivalently, on the demand side, an increase in demand will cause price to rise and a decrease in demand will cause price to fall.

According to DEA data, the retail price of cocaine (adjusted for purity) fell in 1991, compared to 1990 when it reached a peak. If economic theory has proven anything, it is the theory of demand, which is that price and quantity demanded are inversely related. In this case, it would seem that the lower price in 1991 induced more drug use. The question is, "What caused price to decline?"

According to economic theory, we may assert that the decline in price in 1991 must have occurred because the available supply of cocaine in the U.S. increased. This assertion is based on the theory discussed above: a price decline could only have occurred if demand decreased or if supply increased in 1991 over the 1990 level. But demand increased, so the decline in price

¹ We cannot account for the entire 20 to 24 metric ton increase in supply, but we did not expect to. The estimate of cocaine availability does not reflect cocaine that is seized by State and local law enforcement authorities. Presumably, some of the additional 20 to 24 metric tons were subject to such seizures. Thus, taking this into account, it appears that the increase in availability in the U.S. in 1991 could have been consumed by cocaine users, mostly heavy cocaine users.

DRAFT

must have been induced by an increase in the available supply of cocaine.¹

Which came first -- the increase in availability in 1991 or the increase in demand?

As a general matter, it is difficult to distinguish supply-based changes from demand-based changes. The Abt Price/Purity study cited above concludes that supply-based changes more than demand-based changes led to reductions in drug use in the latter half of the eighties. Abt found that, based on a review of data between 1986 and 1990, as the price of cocaine went up, its purity went down, reflecting disruptions in supply. In fact, Abt² shows that an inverse relationship exists between cocaine price and the consequences of use, as measured by DAWN and DUF indicators (see Chart 22):

- Lower prices after 1986 were associated with an increased number of emergency room visits and medical examiner reports involving cocaine and a higher percentage of arrestees testing positive for cocaine use -- suggesting increased drug use.
- Higher prices after mid-1988 were associated with decreased drug use evidenced by a decreased number of emergency room visits and medical examiner reports involving cocaine and a decrease in the percentage of arrestees testing positive for cocaine.
- Lower prices in late 1990 and during 1991 were associated with large increases in emergency room mentions and medical examiner reports, and with more modest increases in the percentage of arrestees testing positive for cocaine.

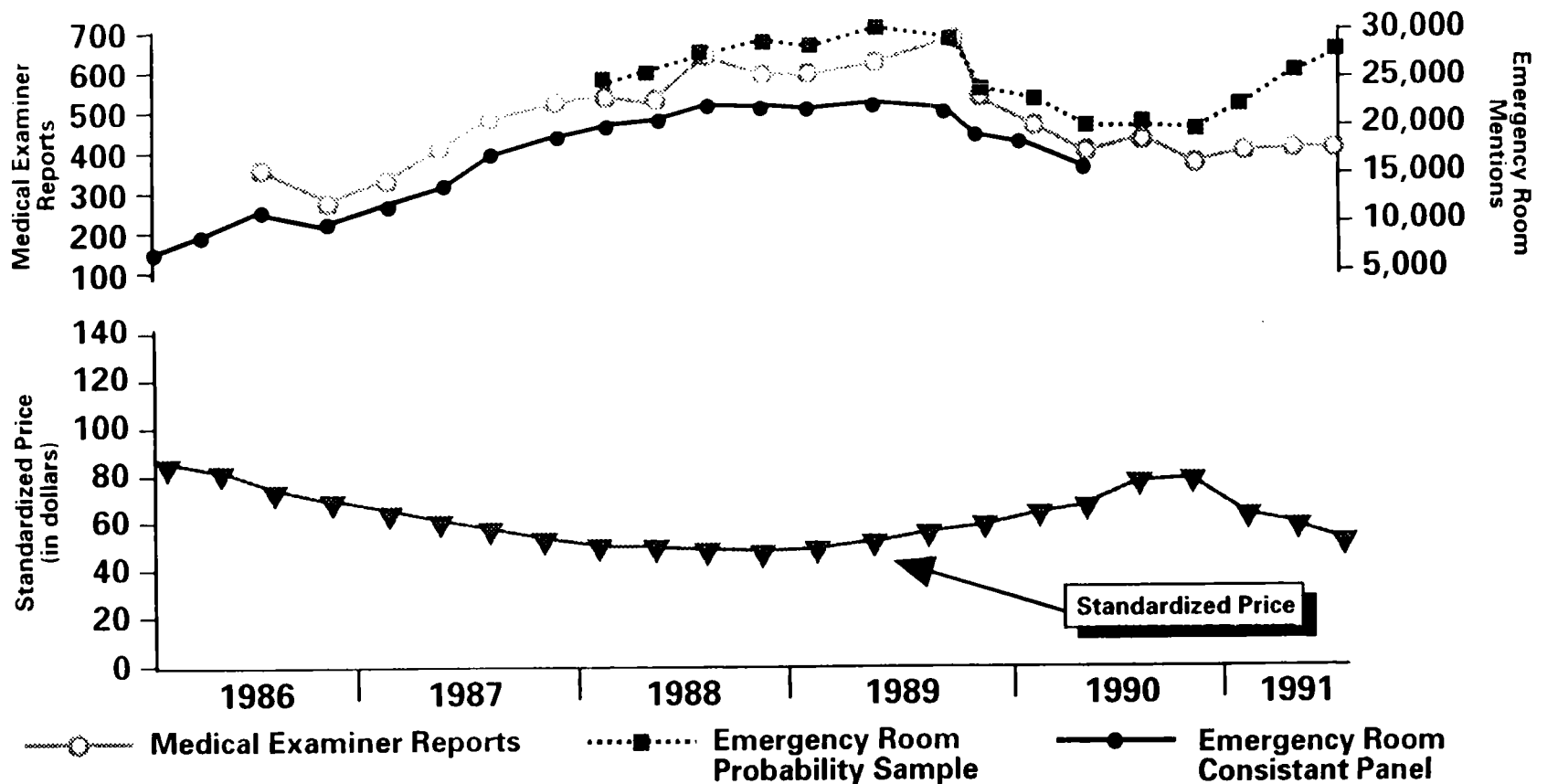
In other words, if demand alone were the driving force, then price would have increased as demand increased, and vice-versa.

¹ All else being equal, an increase in demand usually means that price will increase if the supply of the product in question is constant (or declines) over the relevant time period. A price decrease in the presence of an increase in demand, as was the case with cocaine between 1990 and 1991, means that supply must have increased.

² See "Price and Purity of Cocaine: The Relationship to Emergency Room Visits and Deaths, and to Drug Use Among Arrestees," a White Paper prepared under contract by Abt and Associates for the Office of National Drug Control Policy (October 1992).

Chart 22

EMERGENCY ROOM MENTIONS AND MEDICAL EXAMINER REPORTS INVOLVING COCAINE AND STANDARDIZED PRICE OF COCAINE BY QUARTER



04-92
F-012.0

SOURCE: Drug Abuse Warning Network and the System to Retrieve Information from Drug Evidence

DRAFT

DRAFT

Based on the above evidence about the relationship between cocaine price and consequence measures, Abt concludes the following:

"That all [consequence] measures decline when the price rises indicates that these patterns might be attributed to changes in the supply of cocaine. [C]hanges in demand alone (which undoubtedly occurred) do not explain the observed pattern between the . . . price of cocaine and ER mentions, ME reports, and the percentage of arrestees testing positive for cocaine.¹

Whether the increase in use in 1991 was demand-based or supply-based, supply-based changes can affect demand by changing cocaine price. To the extent that supply reduction increases price, use will be less.²

Thus, it would be fair to conclude that the source of the increase in demand in 1991 is the inability of supply reduction programs to sustain the increase in drug prices.³ Simply put, it seems that in 1991 cocaine use increased because its price declined, which was caused by the increased availability of cocaine (increase in supply).

There is other general evidence that increased availability can have this effect. A report prepared by NIDA for ONDCP delineating, among other things, the history of heroin use suggests that availability is a key factor in explaining increased drug use:

"During the early 1940's, narcotic addiction had declined considerably . . . [because the] war had cut off supplies of narcotics . . . and interrupted major trafficking routes."

¹ "Price and Purity of Cocaine: The relationship to Emergency Room Visits and Deaths, and to Drug Use Among Arrestees," p. 15.

² Changes in cocaine price and purity affect cocaine demand (use) in the same way that the change in the price of a legal product affects any consumer's decision about what quantity to demand. All else being equal, higher prices mean that users will demand less cocaine (they can afford less and will substitute other drugs, which are now relatively cheaper).

³ According to our analysis of DEA cocaine price data, cocaine prices at the retail level (per pure gram) peaked in 1990 at \$194. Cocaine price fell in 1991 to \$178.

3085 4010

DRAFT

"By 1948, narcotic routes . . . had been reestablished. . . Accompanying the increased availability of narcotic drugs was an increase in users."^{1, 2}

IV. What Does 1992 Portend?

Preliminary 1992 data about drug demand and supply are now available, and they can be used to assess drug use trends for 1992. HHS has yet to finalize its 1992 Household Survey estimates of drug use trends, but preliminary information suggests that use for most categories will be below 1991 levels. With respect to cocaine, current use is projected to be less than the 1990 level of 1.6 million users (from 1.9 million in 1991). Occasional cocaine use will also be less.

Heavy cocaine use in households, on the other hand, may be continuing to increase. Preliminary information from the Survey suggests that frequent (weekly or heavy) use will increase in 1992 above the 1991 level. While this only represents heavy users in households, it is probable that the total heavy user population will continue to increase.³

With respect to casual cocaine use, we estimate that the number of casual users will decline to 4,748,000 users in 1992, a drop of 692,000 from the 1991 level. (This is calculated using Abt's methodology, which is discussed in Section I above.)

We cannot estimate the total number of heavy users using the method discussed in Section I until certain data sources become available (e.g., final 1992 DUF data, the 1992 High School Senior Survey, 1992 FBI arrest data, and other data sets). Lacking a more precise methodology for estimating heavy users, we assume on

¹ See "Heroin Revisited: A Longitudinal Perspective on Heroin Abuse in the United States," Department of Health and Human Services (August 1992).

² In addition, a recent study by NIDA (led by Dr. George Uhl, Chief of the Molecular Laboratory) of addiction in twins concludes that about 30% of addiction can be explained by innate factors, but 70% can be accounted for only by environmental factors. Uhl believes that an increase in supply leads to increased use. To put it bluntly, when cocaine gets more available, use goes up. And that's what happened in 1991.

³ Preliminary DUF data for 1992, which is one component used by Abt to estimate heavy users, continues to show cocaine positive test results at or above 1991 levels reported for the DUF cities. This should contribute to a higher heavy user estimate in 1992.

DRAFT

an interim basis that the growth in the heavy user population that occurred between 1990 and 1991, which was 9 percent, (see Table 1) will occur again between 1991 and 1992. This means the total number of heavy users in 1992 will grow to 2,336,000, 193,000 more than the 1991 level of 2,143,000.¹

Change in Total Cocaine Consumption: Estimating total 1992 cocaine consumption requires an assessment of the effect of cocaine price changes in 1992 on cocaine use. If cocaine price declines, users can be expected to use more for two reasons: 1) they can afford to consume more, and 2) they will likely substitute cocaine for other drugs because cocaine's price relative to the prices of other goods will be less. These changes are captured by the price elasticity of demand, which is assumed to equal -0.5.²

With respect to cocaine price, we estimate that it will be slightly less than the 1991 retail level of \$178 per pure gram. According to three quarters of DEA price data for 1992, the average retail price of cocaine is about \$176. We will use this price until better information becomes available.

Using this price and the assumed value for the price elasticity of demand, we adjusted the average dosage for casual and heavy users upwards to reflect the 1.1 percent reduction in price estimated for 1992.³ We then used these new dosage estimates to derive total consumption estimates for 1992.

Table 3 presents estimates of consumption level for heavy and casual users for 1992. For purposes of comparison, we show 1991 estimates. According to our estimates, total consumption in 1992 is 3.5 to 1.4 metric tons less than the 1991 level. This

¹ This is an interim estimate that will be revised during the summer, once the necessary data become available. It is noteworthy that, according to the preliminary information from the 1992 Household Survey, the increase in the number of frequent users in households already accounts for about one-third of this increase.

² The price elasticity of demand measures the sensitivity of the demand for a product to changes in its price. Most economists who have studied the illicit cocaine market assert that this elasticity is about -0.5. This means that a one percent change in the price of cocaine will imply a one-half of a percent change in the quantity demanded.

³ The average dosage for casual users increased from 1 gram of pure cocaine per month to 1.005 grams. The range estimate for heavy users increased from 1.134 to 1.75 grams in 1991 to 1.14 to 1.7595 grams in 1992.

DRAFT

reduction is due entirely to the reduction in use by casual cocaine users who reduce their consumption by about 16 metric tons. Heavy cocaine users continue to be a problem, as their consumption increases by 12.6 to 17.6 metric tons.¹

TABLE 3

ESTIMATED COCAINE CONSUMPTION BY HEAVY
AND CASUAL COCAINE USERS, 1991 - 1992
(metric tons of pure cocaine)

	1991	1992
Total Consumption:		
Low Range Estimate	233.8	230.3
High Range Estimate	305.3	298.5
Midpoint of Range	269.5	264.4
Casual Users:	102.1	85.9
Heavy Users:		
Low Range Estimate	131.7	144.4
High Range Estimate	203.2	212.6

Availability Estimates: The 1992 INCSR (released March 1992) provided a preliminary estimate of coca leaf production for 1992, which says that the leaf crop will increase from 331,140 metric tons in 1990 to 337,100 metric tons in 1991.² Using the model to estimate cocaine availability in the U.S., we see that - unless foreign seizures and seizures by U.S. agencies increase significantly - all other things being equal, there will be an increase in the amount of cocaine available (see **Chart 23**).

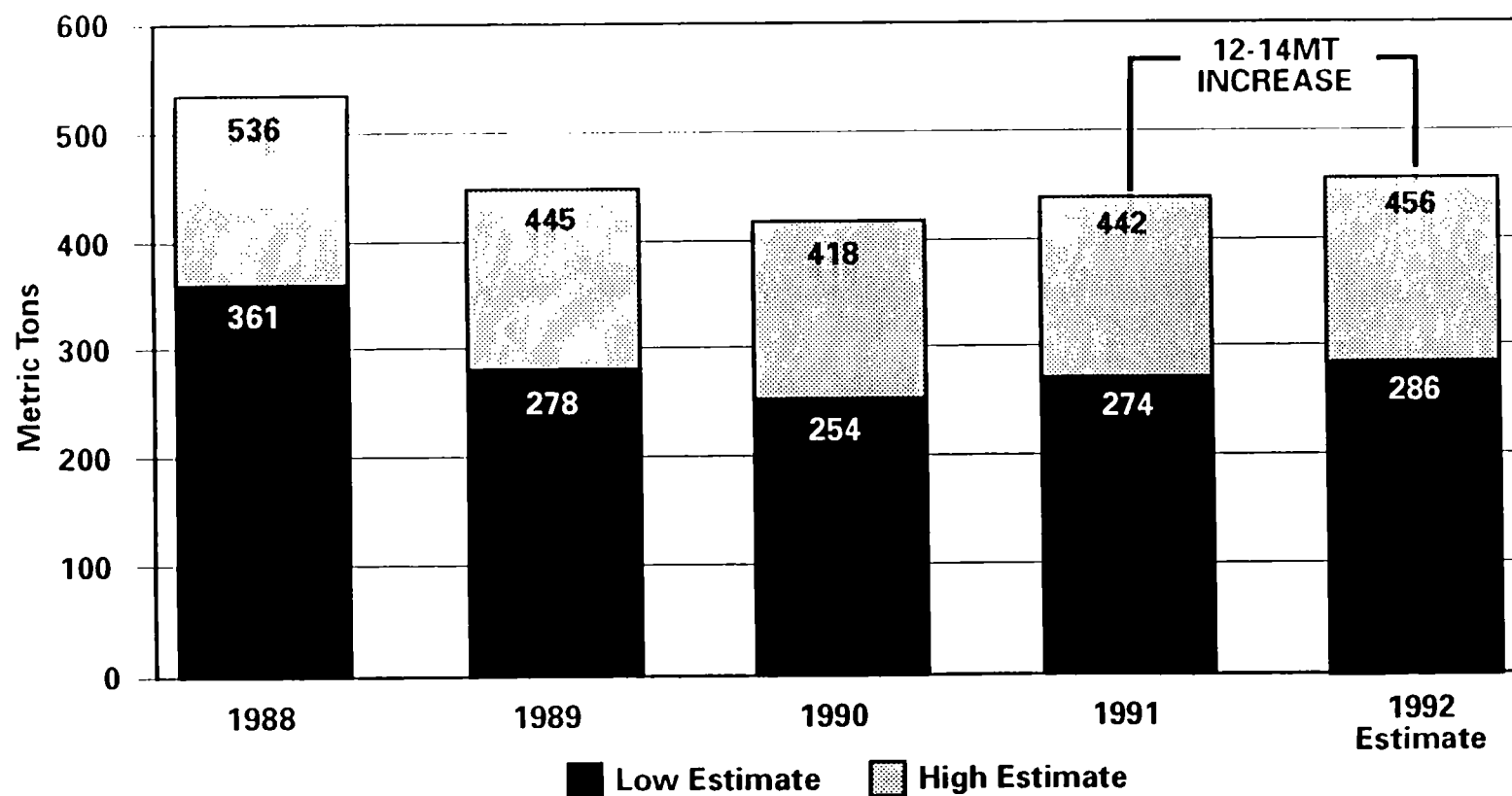
¹ It is important to emphasize that this is based on preliminary data from the 1992 Household Survey, which HHS is now reviewing. To the extent that estimates change, e.g., the number of casual users increases, then the reduction in consumption reported here will be reduced.

² Preliminary information for the soon to be released 1993 INCSR suggests this leaf estimate may be reduced to 333,046 metric tons. We are obtaining more detailed information about this change to factor into our model to estimate cocaine availability.

Chart 23

ONDCP ESTIMATE OF COCAINE AVAILABILITY IN 1992

POTENTIAL HCL



11-92 C-028.0 NOTE: The 1992 estimate uses the INCSR leaf crop estimate for 1992 of 337,100 metric tons and assumes no change over 1991 levels in Federal and foreign seizures.

DRAFT

- The chart shows the range estimate increases from 274 - 442 metric tons in 1991 to 286 - 456 metric tons in 1992. This is an increase of 12 - 14 metric tons.

In fact, for availability to remain at the 1991 level in 1992, total drug seizures will have to increase by about 10 percent. Preliminary seizure estimates for 1992 suggest this may indeed be the case. Total Federal seizures could increase from 108 metric tons in 1991 to an about 148 metric tons in 1992. Total foreign seizures are down slightly to about 188 metric tons from the 203 tons seized in 1991.¹ Together, the increase in seizures may be enough to result in cocaine availability being about 10 metric tons less than the 1991 level. Thus, it is possible that 1992 will see availability reduced, but the reduction will not be large.

A caveat is in order. At this time, the State Department is reviewing its methodology for estimating total potential production of cocaine. At the heart of the issue is evidence that cocaine producers are switching to more productive (efficient) techniques to convert coca leaf into cocaine. However, potential increases in processing efficiencies cannot be factored in the current efforts to update country estimates of cocaine production; this may be factored into the 1994 INCSR.

Conclusions about 1992: The evidence for 1992 suggests the following:

- 1) Total cocaine demand may be less than the 1991 level, although not by much. Heavy users will increase their use.
- 2) Availability will likely be less than the 1991 level, once new seizure data are considered, but not by much.
- 3) Cocaine price will likely be less than the 1991 level, but the change will not be large.

In any event, these changes suggest that the market will experience little disruption in 1992. None of the changes presented above is large. On the demand side, the user population mix continues to become increasingly comprised of heavy users, but overall drug use is down slightly. On the supply side, availability may be down because of increased Federal seizures, but the reduction is not large enough to cause prices to rise above 1991 levels. In short, things have not changed much in 1992.

¹ This seizure estimate is based on Abt's analysis of recent foreign seizure data. Abt notes that seizures in Mexico and Colombia are below the 1991 level.

V. Policy Assessment/Recommendations

What does the relationship between supply and demand, as shown in these circumstances, imply for drug policy and program options?

Progress in achieving the Strategy goal of reducing drug use in 1991 and 1992 is far from desirable. In 1991, the trends were in the wrong direction: both the demand for cocaine and cocaine availability increased. The good news for 1991 -- there is good news -- is that the number of casual users of cocaine, especially adolescents, declined. The heavy user population, however, continues to grow unabated.

The evidence is not solid for 1992, but it appears that total cocaine demand will decline. This decline will be driven by a large reduction in the number of casual cocaine users. Cocaine use by heavy users, however, continues to rise; given this population's propensity to crime and health problems, measures of the consequence of drug use will likely continue to record increases.

There will be a modest decline in cocaine price in 1992. Availability may be below the 1991 level, but a strong case cannot be made until we know more about the potential effects of improved production efficiencies. Suffice it to say, availability will be less in 1992, but not a lot less.

Demand-Side Options: Prevention and treatment programs have worked, but the present array of programs is not sufficient to produce a decline in hard-core use. Workplace programs, drug testing programs, public service messages, and education programs are reaching casual users, but cannot be reasonably expected to affect the hard-core user as currently designed.

- o A systematic evaluation of the treatment system could help determine what would make treatment more effective. Treatment providers argue qualitatively that treatment works, but hard evidence (outcome measures) would help make the case and persuade Congress to fund it.
- o Prevention programs could be targeted more at stopping existing users from progressing into more severe dependency. They could also target high-risk populations.
- o Regions and locations having high concentrations of hard-core users must be targeted better. Criteria to accomplish targeting must be developed that could be used to improve existing treatment funding mechanisms (the Substance Abuse Block grant, or the Capacity

DRAFT

Expansion Program) or to develop an alternative treatment grant program.

- o The criminal justice system has the ability to identify and affect long-lasting change over a large portion of the heavy user population. Where feasible, first time offenders should be given probation subject to the successful completion of a treatment program and the continuance of a drug free lifestyle.
- o Modifications of existing programs should be considered to meet the needs of the changing user population. For example, we could engage the Community Partnership program to be even more service oriented for heavy drug users by developing options to organize central processing services for people seeking treatment, providing transportation and child care services to those who seek treatment, and providing job training opportunities for those nearing the completion of treatment.

Supply Side Options: The current approach used by law enforcement to stem the flow of drugs has reached the point of diminishing returns. Marginal increases in supply reduction efforts, particularly interdiction, will not likely produce significant reductions in supply. Given the enormous relative costs of interdiction programs, we must evaluate the nature and extent of future efforts in these areas.

- o Supply reduction programs as currently configured will not contribute to a reduction in use, especially among hard-core users. More emphasis must be placed on supply reduction programs where we have more control. Rather than concentrating on interdiction and international efforts to stem the flow, we might focus more on disrupting local markets. Data show that such efforts can work (c.f. Chambers Brothers in Detroit).
- o To the extent we continue to support any international programs, we need to establish tough output measures for them that are rigorously linked to funding, e.g., numbers of hectares eradicated, etc.

HOW THE INTERIM STRATEGY DIFFERS FROM THE PAST STRATEGY

The Interim Strategy makes a significant change in emphasis from previous National Drug Control Strategies in the following ways:

- o **It shifts the focus away from the easy part of the drug problem, reducing casual or intermittent drug use, to the most difficult aspect, reducing drug use and its consequences by hard-core drug users.**
- o **It rejects the use of "war" analogies to discuss our nation's drug problems.**
- o **It recognizes that drug dependence is a chronic, relapsing disorder, and that users stand little chance of recovery without the benefit of treatment.**
- o **User Accountability no longer forms the core of the drug program. Hard-core users are now center stage. The departure from the "user accountability" theme means that there will be less emphasis on filling our jails and prisons with hard-core drug users and will work to fill treatment programs instead.**
- o **It views the drug problem not in isolation, but as inextricably linked to other domestic policy issues such as the health of the economy, violence, health care, family and community stability, and so forth.**
- o **It recognizes the need for grassroots level efforts rather than top down Federal-to-local programs to deal with the drug problem.**
- o **It proposes to mount an aggressive drug treatment strategy to reduce the number of hard-core drug users by expanding treatment capacity in general and for special populations such as those in the criminal justice system and pregnant drug users.**
- o **It proposes to give all drug users access to treatment services through Health Care Reform.**
- o **It supports efforts to reduce ready availability to guns, which play a significant role in drug-related violence. It supports the Brady Bill and proposes to do more by enacting a ban on all domestic assault weapons.**
- o **It supports Community Empowerment (local efforts that are based on strategic, comprehensive plans) as the best way to coordinate government efforts across program and jurisdiction lines.**
- o **It promotes Community Policing as a necessary first step to halt the cycle of community decay caused by drug use and trafficking.**
- o **It views alcohol use, especially underage drinking, as part of the drug problem.**

INTERIM STRATEGY TALKING POINTS

- o The Interim Drug Strategy is designed to give new direction to and reinvigorate national efforts to confront this crisis. We will do things differently.
- o Drug policy will be a cornerstone of domestic policy in general, and will be linked with efforts to spur economic growth, reform health care, curb youth violence, and empower communities.
 - Drug prevention programs will be focused on high-risk populations to deter new, high levels of first-time drug use.
 - Drug dependence will be recognized as a chronic, recurring disorder requiring treatment and aftercare.
 - We will target heavy drug users for intensive treatment and supervision to reduce their drug use and its consequences.
 - We will emphasize the importance of community programs, particularly as they relate to drug and violence control activities, such as community policing.
 - We will promote certain, swift, and appropriate punishment for drug offenders.
 - We will support research and evaluation, and build on programs that prove to be effective.
 - We will strengthen our international commitment to drug control and work with countries that demonstrate the political will to end drug trafficking.
- o The possession and use of illicit drugs will remain subject to appropriate punishment by criminal law. To adopt any other social policy would be to foster our self-destruction as a nation.

The Four Tracks

- o Our Strategy proceeds on four basic tracks. These are:

First, concentrating demand reduction efforts.

- We will mount an aggressive drug treatment strategy, with heavy or addicted drug use as its primary target. We plan to increase treatment capacity so that those who need treatment can receive it.
- We will give special, focused attention to solutions to the problem of heavy drug

use from both the criminal justice and health care perspectives.

- We will use all components of the criminal justice system to promote drug treatment, using innovative programs where these are shown to work.
- We will link habilitation, social, and vocational services to drug treatment, to ensure that heavy drug users receive the support and skills they need to prevent relapse and recidivism.
- We will focus on drug addiction as a health care problem and enact national health care legislation that makes drug treatment part of a basic health care package.

We will continue to assist businesses to ensure that drug distribution and use are not allowed to undermine the safety and productivity of America's workplaces. We will encourage drug-free workplace programs.

- We will pursue a national agenda for the education of our children that can be implemented by parents and communities, to give our young the skills necessary to resist drug use and live full, drug-free lives.
- We will seek to ensure that school-based programs are comprehensive, and effective. The President's National Service Initiative will serve to steer young people away from drugs and crime, and towards a productive future.

Second, reducing drug-related violence, and controlling and preventing crime.

- Government's first responsibility is to protect its citizens from criminal harm. Drug use is behind much of America's problem with crime and violence.
- We will pursue a comprehensive approach to criminal violence, involving law enforcement, educators, substance abuse treatment specialists, and religious and community leaders.
- We will emphasize innovative solutions that have proven effective. These include community policing efforts that involve police officers working with community residents to help resurrect and maintain neighborhoods and lay the foundation for constructive involvement by government, the private sector, and neighborhood residents.
- The Administration has made \$150 million available as a first step, to put additional police on the streets.

- We will build on this by enacting legislation to help communities add police, to permit local education and housing authorities to implement community policing principles in schools and public housing, and to give educational benefits to students willing to serve their communities as police officers and public safety volunteers.
- We will push hard to take guns out of the hands of criminals and children. We will urge the Congress to enact the Brady Bill immediately. We will seek to enact legislation that bans the domestic manufacture of all assault weapons.
- To help curb school violence, we will ask the Congress to pass the Safe Schools Act of 1993. We will develop initiatives to address the impact of drugs and violence on youth. We will teach our school children skills for the positive resolution of conflict and balance the need for swift, appropriate punishment, with the need to set them on the right track to productive living.
- We will seek to institute sentencing policies that ensure swift, fair and appropriate punishment for all convicted drug offenders. We will evaluate the impact of mandatory minimum sentences on crime, recidivism, and the resources of our criminal justice system.

Third, streamlining government and empowering communities.

- We will seek ways to make communities more active in combating drug trafficking and use.
- We will focus Federal efforts to eliminate duplication by government agencies and review the appropriate roles of Federal, State and local governments in controlling drugs.
- We will review existing interdiction organizations, resources and methods to ensure that they are operating in the most effective manner.
- We will aggressively pursue improvements to our intelligence systems, so that they provide the best possible all-source intelligence to Federal agencies. We will improve our data collection and research efforts to help Federal, State and local, as well as private organizations, obtain the best and most up-to-date information possible about the drug problem.
- We will look for concrete results from specific programs. We will establish performance standards for drug treatment providers.
- We will seek to empower communities to resist drug trafficking and use. Working through the Community Enterprise Board, we will seek to revitalize our cities through the President's economic plan that targets nine empowerment zones and 95 Enterprise communities across the nation.

- We will use research to promote concrete results. We will place emphasis on applied behavioral and biomedical research, and seek to evaluate new therapeutic approaches for their efficacy. Research will also focus on at-risk populations, medications evaluations, and new prevention strategies.
- We will establish an Advisory Group on State and Local Technology Needs, to help ONDCP's Counter-Drug Technology Assessment Center (CTAC) identify, define and develop new technologies for State and local law enforcement.
- We will seek to make Historically Black Colleges and Universities (HBCUs) partners in developing new counter-drug technologies and sophisticated prevention and treatment programs.
- We will work with the Hispanic Association of Colleges and Universities (HACU), to target prevention and treatment programs to the Hispanic community, which has the fastest-growing and youngest minority population in the United States.

Fourth, providing international leadership and support for international drug control actions.

- The international drug trade is a direct threat to the United States and to U.S. efforts to promote democracy, economic stability, human rights, and the rule of law. The unabated flow of drugs to the United States also undercuts the effectiveness of our domestic efforts to reduce drug supply and demand.
- To counter the cocaine and heroin trade, we will ensure a coordinated response by supply reduction agencies, and the strongest cooperation with other countries.
- To improve our national responses to organized international drug trafficking, there will be a controlled shift of emphasis from the transit zones to the source countries, focusing on democratic institution-building within law enforcement and judicial authorities.
- We will support counternarcotics programs in source countries that demonstrate the will to fight the drug trade, focusing on democratic institution-building. We will selectively support alternative development programs that are shown to be effective. We will emphasize assistance to international and regional institutions that conduct or support counternarcotics programs.
- We will continue diplomatic, public awareness and demand reduction efforts with key countries whose commitment to counternarcotics is not yet strong.
- We will strengthen and broaden international cooperation against the drug trade, and continue to lead the effort to develop an international coalition against drug cultivation, production, trafficking, and use. We will continue efforts through

international organizations, including the United Nations Drug Control Program, which currently provides drug control assistance to 97 different countries.

Conclusion

- o The Administration is committed to reducing the demand for drugs through comprehensive and aggressive prevention and treatment initiatives, with particular emphasis on heavy drug use and addiction and on seriously at-risk populations.
- o We will also work vigorously to suppress the traffic in drugs aimed at, and within, the United States. We will use the full force of the investigative and prosecutorial tools at our disposal to ensure that drug traffickers and drug trafficking organizations are disrupted, dismantled and destroyed.
- o Our anti-drug effort is not only a Federal undertaking. It must involve, State and local governments, the private sector, schools, religious and community groups, and the efforts of individual Americans.

ODR:10/15/93

Senators Hit Clinton on Drug Tactics

■ **Congress:** Democrats, Republicans on Judiciary Committee charge that the White House has cut vital funds. They point to 'a lack of determination.'

By RONALD J. OSTROW
TIMES STAFF WRITER

WASHINGTON—Democratic and Republican members of the Senate Judiciary Committee on Wednesday assailed the Clinton Administration's drug strategy, branding it a far-de without funding that shows "a lack of determination."

Sens. Joseph R. Biden Jr. (D-Del.), the committee chairman, and Dennis DeConcini (D-Ariz.) warned Lee P. Brown, director of the White House Office of Drug Control Policy, that Congress could refuse to renew his office when its five-year term runs out next month unless President Clinton restores resources and strengthens its authority.

The unusual criticism came in part from members of the President's own party as Brown outlined the Administration's interim strategy for combatting illegal narcotics. The hostile reception indicated that the Administration misjudged the level of interest that remains in countering illicit drugs when it decided that it needed to submit only a broad outline of its plans.

Committee members emphasized that they found no fault with Brown, who came to the job with an extensive background as a police executive, including serving as commissioner of the police departments in New York and Houston.

Sen. Orrin G. Hatch of Utah, the committee's ranking Republican, was the harshest critic. He declared that the strategy is "a political document so general as to be unhelpful and useful only to give the appearance of taking this issue as seriously as it should be."

Looking directly at Brown, Hatch said: "I commiserate with you." He noted that the White House had "slashed the drug [control] office to the bone—from 146 positions to 25," and that the Administration had agreed to a \$231-million cut in funding for drug treatment and education.

"You're hamstrung by an Administration that doesn't give a damn," he said.

Brown responded that some \$40 million of the treatment funding had been restored, but he did not address Hatch's contention that the Administration had gone along with the cuts.

The strategy outlined by Brown shifts emphasis from casual drug users to hard-core abusers, requiring substantial increases in treatment programs.

It also moves from attempts to interdict drugs headed for the United States to supporting anti-drug programs in source and processing countries.

DeConcini said he was surprised that Brown could put together even an interim strategy "with the decimation [of the office] that's occurred. I am very fearful that the Administration is drifting into a lack of determination" in fighting drugs.

Sen. Arlen Specter (R-Pa.) said he agrees with DeConcini about the Administration's "lack of determination" but added that he would apply it to Republican and Democratic administrations.

He urged Brown to endorse a shift in spending so that enforcement and treatment efforts receive the same amount—a departure from the current allocation of two-thirds for enforcement and one-third for treatment.

Brown noted that he was not involved in drawing up the current budget and that he favors deciding strategy first and then following with a budget.

He agreed to Specter's request "to focus [on the spending question] and give the committee as early a response as you can."

Brown also said he could not answer Specter's question on the cost of providing drug treatment under the Administration's proposed health care plan.

Brown's strongest comment came when Sen. William S. Cohen (R-Me.) asked what he thought of proposals to "take the profit out of drugs" by legalizing them. "It would be a terrible, terrible, terrible mistake to legalize illegal drugs," he said, "the moral equivalent of genocide . . . the pathway to destruction of our country."

Following Brown as a witness was the first director of the drug office, William J. Bennett, who was critical of what he said is Clinton's lack of commitment to fighting drugs.

CLINTON SETS OUT TO COMBAT DRUGS BY REHABILITATION

SHIFT FROM OLD STRATEGY

New Emphasis Is on Education and Treatment, but the Plan Provides Few Specifics

A By JOSEPH B. TREASTER
Special to The New York Times

WASHINGTON, Oct. 20 — President Clinton issued a national drug strategy today that echoed his campaign promises to increase drug rehabilitation but provided no details about how the plan would be paid for or carried out.

While acknowledging that the plan was short on specifics, the President's senior drug policy aide, Lee P. Brown, defended it as a blueprint of the Administration's intentions that would be refined in a new drug budget next February.

In a 31-page report that Mr. Brown released today, the Administration promised to focus on providing treatment for hard-core drug users and on dampening drug-inspired violence. The proposal suggested that rather than dealing with drugs in isolation, it would try to address them through such underlying social issues as housing, education, jobs and health care. He said the Administration also hoped to increase treatment in the nation's prisons, where 70 percent of the 1.4 million inmates have drug problems.

Shifting of Money

Mr. Brown, the former police commissioner of New York City, said the Administration intended to shift money away from heavily criticized efforts to intercept smugglers at the borders and on the seas and to increase financing for training of police and criminal justice officials in foreign countries.

But he gave no specifics. In an exchange with an increasingly testy panel of senators this morning, he refused to say whether the Administration planned to change the longstanding practice of directing 70 percent of Federal antidrug spending to law enforcement and 30 percent to treatment.

And while Mr. Brown described the strategy as a "new direction" and a departure from the heavy reliance of Republican administrations on law enforcement, he said in an interview: "We want to make clear we are not going to downplay law enforcement."

Widespread Criticism

Mr. Brown said that, as Mr. Clinton pledged in the Presidential campaign, the Administration intended to help cities put more police officers on foot patrols in what is known as community policing. In addition, he said, in an effort to restore credibility to the criminal justice system the Administration would seek ways to end the practice of punishing only the worst drug offenders, while those arrested for the first or second time on minor charges receive little or no penalty.

The Administration's plan was met with criticism today from Democrats, Republicans and drug experts who condemned the strategy as inadequate and symbolic of a general neglect of the

Clinton Planning to Combat Drugs With Strategy of Rehabilitation

Continued From Page A1

problem by the President. They pointed out that the strategy had been delivered nine months after a deadline set by Congress and said that while hard-core drug use has been increasing and young teen-agers are once again being attracted to marijuana and LSD, Mr. Clinton has rarely spoken out on the drug issue since taking office in January.

Criticism of President Clinton for failing to engage the drug issue has been growing among drug experts across the country. But the outburst today on Capitol Hill was the first from lawmakers and seemed particularly significant since it came from not only opponents of the President but also members of his own party.

"We desperately need Presidential leadership," Representative Charles E. Schumer, a Brooklyn Democrat, said at a hearing by the Senate Judiciary Committee on the drug strategy this morning.

Some drug experts interviewed today noted that despite Mr. Clinton's campaign promises, he presented a \$13.1 billion anti-drug budget in March that was nearly a carbon copy of the last one by the Bush Administration, which devoted roughly 70 percent of the money to law enforcement and the balance for rehabilitation and anti-drug education. Later, he agreed to Congressional proposals to cut \$243 million in treatment and anti-drug education funds from the budget.

Mr. Clinton did not appoint Mr. Brown as director of the White House's Office of National Drug Control Policy until late April, and Mr. Brown did not begin work until mid-June. The President elevated the drug job to Cabinet level, but as part of a plan to trim the

White House he cut the drug office staff to 25 members from 146.

President Bush made a practice of presenting his annual drug strategy at a White House ceremony and many drug experts said those events, as well as Mr. Bush's frequent condemnations of drugs, contributed significantly to the decline in casual drug use. In contrast, Mr. Clinton posed for a photograph with Mr. Brown at the White House yesterday but left the job of presenting the strategy to Mr. Brown.

Today, after members of the Senate Judiciary Committee repeatedly tried without success to get Mr. Brown to elaborate on the Administration's plan, the panel's chairman, Senator Joseph R. Biden Jr., Democrat of Delaware, said he did not think "the Administration has taken this seriously enough."

"I hope," he added, "that they are just getting to it. But I can't look the American people in the eye and say that with certainty."

Returning to another theme struck in the Clinton campaign, Mr. Brown said the Administration was firmly against legalization of drugs, a step that some advocates have said would result in regulated distribution and would eliminate gang-warfare over illicit profits.

In a debate during the campaign last year, Mr. Clinton referred to his brother, a recovering drug addict. "If drugs were legal," he said, "I don't think he would be alive today. I am adamantly opposed to legalizing drugs. He is alive today because of the criminal justice system."

During the Presidential campaign, Mr. Clinton often said, "We ought to have treatment on demand." Experts say that doing so would cost millions if not billions for the estimated four million to six million people who could benefit from treatment. Currently drug treatment center can accommodate

about 1.4 million men and women.

After unsuccessfully pressing Mr. Brown to explain whether the new strategy meant that financing for treatment would "go up or down next year and by how much," a frustrated Senator Orrin G. Hatch, Republican of Utah, said it was apparent that the new drug strategy was nothing more than a facade.

Mr. Hatch said Mr. Brown was not to blame for the new drug policy, but he said: "You are being hamstrung by an Administration that doesn't give a damn."

Mr. Brown asserted that the Administration was relying on its health care proposals to provide treatment for many drug users.

JOSEPH R. BIDEN, JR., DELAWARE, CHAIRMAN

EDWARD M. KENNEDY, MASSACHUSETTS
HOWARD M. METZENBAUM, OHIO
DENNIS DECONCINI, ARIZONA
PATRICK J. LEAHY, VERMONT
HOWELL HEFLIN, ALABAMA
PAUL SIMON, ILLINOIS
HERBERT KOHL, WISCONSIN
DIANNE FEINSTEIN, CALIFORNIA
CAROL MOSELEY-BRAUN, ILLINOIS

ORRIN G. HATCH, UTAH
STROM THURMOND, SOUTH CAROLINA
ALAN K. SIMPSON, WYOMING
CHARLES E. GRASSLEY, IOWA
ARLEN SPECTER, PENNSYLVANIA
HANK BROWN, COLORADO
WILLIAM S. COHEN, MAINE
LARRY PRESSLER, SOUTH DAKOTA

CYNTHIA C. HOGAN, CHIEF COUNSEL
CATHERINE M. RUSSELL, STAFF DIRECTOR
MARK R. DISLER, MINORITY STAFF DIRECTOR
SHARON PROST, MINORITY CHIEF COUNSEL

United States Senate

COMMITTEE ON THE JUDICIARY

WASHINGTON, DC 20510-6275

**CHAIRMAN JOSEPH R. BIDEN, JR.
SENATE JUDICIARY COMMITTEE
HEARING ON THE ADMINISTRATION'S INTERIM DRUG STRATEGY
OCTOBER 20, 1993**

Today, we meet to review the Administration's 1993 interim drug strategy -- "breaking the cycle of drug abuse." In this document, the Administration takes an important step -- though only the first step -- toward a national drug policy that works.

For the first time, we have an Administration strategy that takes on the right question: how can we effectively fight hard core drug addiction?

Why is this the right question? Hard core users must be our priority because they are the ones committing the crimes and causing the violence that now threaten us all.

Previously, much of our national effort was spent trying to reduce casual use of drugs -- an important goal, but one that I and many experts in drug policy have long believed must be secondary.

Without the right focus, despite enormous expenditures -- over \$38.5 Billion in four years -- we have not won the "war on drugs."

Hard-core drug addiction, drug-fueled crime and violence, and drug supplies have only worsened since the release of the first drug strategy in 1989. Today:

- * there are six million hard-core addicts in America;
- * violent, drug-related crime has turned many communities into war zones;
- * there is a drug treatment shortfall of at least 900,000 treatable hard-core addicts; and
- * more drugs are entering the nation now than before the first strategy was released.

To make a difference in this war, we must take aim at the problem of hard core abuse. Three steps -- which I have long supported -- form the basis of the Administration's approach.

First, we must put more police on the streets in community policing programs.

More police means fewer drug deals, fewer drug-related shootings, fewer crimes by those supporting hard core habits. Community policing programs put officers into neighborhoods where they can learn where the deals go down and who the dealers are.

Close to the source of the problems, these police can be much more effective in stopping it in the first instance.

For example, in my home state of Delaware, recent statistics show that drug-related complaints and arrests decreased over time in every neighborhood where community policing was in use.

Second, we must hold hard-core drug addicts accountable with certain punishment and we must force them into treatment.

Violent offenders belong off the streets and in secure prisons -- building more prisons is necessary. And we must also develop cost-effective alternative sanctions for nonviolent offenders.

Most importantly, the millions of hard-core drug addicts in our criminal justice system must get treatment. Today, 900,000 treatable hard-core addicts roam our streets.

Since the first drug strategy, at least 1,000,000 drug-addicted offenders were released from prison or jail without being treated.

Programs that provide drug treatment in prison substantially reduce the likelihood that an addict will return to drug abuse and crime after release from jail. Treatment is a key focus of an effective drug strategy.

We must also treat minor drug offenders who in most states now are simply released back onto the streets. Programs like the Dade County, Florida, drug court have successfully encouraged drug-addicted criminals to get treatment and quit their addiction to avoid jail.

Third, we must expand enforcement and prevention programs aimed at juveniles before we lose another generation to drugs and violence.

Juveniles are particularly susceptible to the lure of gangs and drug traffickers. We must provide secure facilities for violent juveniles, drug treatment for drug abusers, and prevention and education programs -- with proven track records --

for all children at risk.

To accomplish these steps, and the other goals of the Administration's strategy, we must allocate our resources wisely. We must take a hard look at what works, and what doesn't, and put our money where it counts.

This is the next step the Administration must take. And when it does, I hope the Administration will reallocate monies from efforts we know have not worked -- like much of the costly, foreign interdiction activities -- and into the programs I have outlined.

The Senate, and the Congress, must also take a critical next step -- passage of the crime bill I have introduced in the Senate. The bill will put into action the programs I have mentioned -- community policing, prisons with drug treatment for violent offenders, drug court programs for probationers, and anti-drug trafficking enforcement and prevention programs for juveniles.

Four years into our national drug strategy, four years of losing the war prove that we must focus on hard core addicts -- with the kind of tough enforcement, tough punishment, and tough treatment I have outlined.

I welcome Director Brown and former Director Bennett. I look forward to discussing with you how we can make a difference in this effort.

###

Contact: Bill Adams (202) 224-5225

Editor:

The Interim National Drug Control Strategy released by the White House this week has faced much scrutiny, which is important for any public policy to undergo, but it has also faced an undue amount of premature criticism. Before reproaching the plan and potentially damaging its vitality, we must recognize and support the truly remarkable advances that this policy brings forth.

The drug policy proposed by President Clinton and Lee Brown, director of the White House Office of National Drug Control Policy, represents a major philosophical shift from what was practiced by previous administrations. For the first time in our nation's lengthy "war on drugs," substance abuse is being placed in its proper context as a national social policy and public health problem, not simply a law enforcement issue.

The President's plan recognizes the need to reduce the demand for illicit substances by focusing efforts on prevention and treatment. In the past several years, casual drug use has declined, but casual users are not the people who are stealing our cars for drug money. The President's plan goes a step further than previous policies by specifically targeting those who are costing taxpayers the most -- habitual users who use drugs at least once a week. These users cripple our economy through underemployment; harm the safety and productivity of our workforce; bring crime and unrest to our communities; overburden our criminal justice system; and bring untold suffering upon themselves and their loved ones because of addictions that they are powerless to overcome without help.

The plan targets populations that are most in need of prevention and treatment services. Prevention efforts are focused on children, pregnant women, and other at-risk individuals. Early intervention is aimed particularly at younger and first-time users. And treatment for "hard-core" users is supported both inside and outside of the criminal justice system. This point is critical, for without treatment -- along with punitive sanctions -- we cannot possibly put any lasting end to the vicious cycle of drug-related crime. More than simply increasing services, however, the plan encourages *systemic* changes such as enhancing linkages between the criminal justice system and the substance abuse treatment system.

The White House policy is indeed an interim strategy and must be refined and solidified before its final presentation in February. But its foundation is solid. We encourage our fellow service providers, criminal justice professionals and neighbors to support the proposed national drug control strategy, while reminding the Administration that the policy is good, but will only be effective if backed by adequate funding.

Melody M. Heaps
President
Illinois TASC

Reaction to intro of drug strategy

ABC news

10/20/93

Brown hearing

so far "futile" previous efforts

Legal Action Center — funding critique

no changes in spending

Mitch Rosenthal (treatment center)

disappointed in strategy — no change in spending

CBS

not war language

avoid finger-pointing

cut staff

senators warned of limiting authority

NBC

whenever talk of violence — drugs

no budget details — Clinton not serious

Deconcini — "fearful" about lack of determination

Bennett: Admin is "no-show" on issue

Date: 10/20/93 Time: 12:54

*Lin - Not a
Sud start. Adu*

Anti-Drug Plan Adds Prevention and Treatment to Enforcement

WASHINGTON (AP) The Clinton administration's interim drug plan targets hard-core addiction that is fueling violence throughout the nation, the top drug policy official said today.

The plan, released at a Senate Judiciary Committee hearing today, "shifts the focus to the most challenging and difficult part of the drug problem reducing drug use and its consequences by hard-core users, especially those in our inner cities, among the disadvantaged, and among the criminal justice population," Lee Brown, director of the Office of National Drug Control Policy, said in a prepared statement.

"Hard core drug use fuels the overall demand for drugs and is the primary cause for so much of the disruption we see in our social landscape today," Brown said.

He gave no estimate of how much the proposals would cost. The plan does not call for any across-the-board reductions in law enforcement efforts to pay for them.

Democrats in the past have complained that previous Republican administrations wrongly devoted 70 percent of the anti-drug budget to law enforcement and international efforts, leaving only 30 percent for reducing the demand for drugs through education and treatment.

The Clinton administration strategy relies on passage of the crime bill and its plan to fund 50,000 community police officers over the next few years, as well as the Brady Bill gun control measure, and President Clinton's health care plan, which would fund drug treatment.

The strategy would reduce interdiction efforts in favor of promoting additional crackdowns within drug-producing countries, something criticized by former drug director William Bennett, who led president Bush's war on drugs for two years.

Even the nomenclature is changing in the Clinton administration, which is rejecting the notion of a "war on drugs."

"The strategy rejects the use of 'war' analogies to discuss our nation's drug abuse policy," Brown said. "You cannot succeed in this effort by declaring 'war' on our own citizens."

Those hoping that the Clinton administration would reconsider legalizing drugs will be disappointed by the plan.

"The administration is without any reservation opposed to the legalization, decriminalization or medicalization of illegal drugs," Brown said, crediting laws against drug use for the declines in drug use that have occurred.

Rep. John Conyers, D-Mich., whose House Government Operations Committee helped create the drug policy office four years ago, praised the plan as "a step in the right direction towards reallocating the priorities to treatment and education if the funding matches the stated priorities."

It "finally targets the hard-core drug users who account for 70 percent of the drugs consumed," he said.

But Conyers criticized the plan for its continued support of efforts to prevent importation of drugs.

"The General Accounting Office testified before my committee just last week that our multibillion-dollar interdiction efforts have not led to any reduction in the estimated flow of cocaine onto American streets," he said in a statement.

Conyers said he believed the National Security Council had

reached a similar conclusion, ``yet the strategy provides for continued support of interdiction without even acknowledging such major critical evaluations.''

APNP-10-20-93 1253EDT

AM-Drug Plan, 530

Clinton Drug Plan Criticized In Congress

By CAROLYN SKORNECK= Associated Press Writer=

WASHINGTON (AP) Key Democratic senators questioned the Clinton administration's commitment to fighting illegal drugs Wednesday as the government's top drug policy official presented a plan that emphasizes prevention and treatment.

"I do not think they have taken this seriously enough," Sen. Joseph R. Biden Jr., D-Del., chairman of the Senate Judiciary Committee, said as the panel questioned Lee Brown, the administration's drug policy director.

Sen. Dennis DeConcini, D-Ariz., said he was "very fearful that the administration is drifting into a lack of determination in this area."

Both Biden and DeConcini suggested Congress might not extend legislation authorizing Brown's office beyond its scheduled expiration next month.

Far more blistering attacks on the Clinton administration's drug strategy came from Republicans.

Sen. Orrin Hatch, R-Utah, called the interim strategy "a placebo, a political document so general as to be unhelpful, and useful only to give the appearance of taking this issue as seriously as it should be taken."

The administration must "get real about it and stop acting like this is some sort of negligible problem," Hatch said.

There was little criticism of Brown, the drug policy director whose office was cut from more than 140 people during the Bush administration to 25 as part of President Clinton's pledge to reduce White House staffing.

"You're being hamstrung by an administration that just doesn't give a damn," Hatch told Brown.

Biden, who sponsored legislation creating the drug policy office, raised the possibility that Congress may not reauthorize the four-year-old position when the law expires next month.

DeConcini said he was "very dubious" about reauthorizing the position unless Brown were given more power.

As for the plan itself, Brown told the committee it "shifts the focus to the most challenging and difficult part of the drug problem reducing drug use and its consequences by hard-core users."

"Drug use fosters a culture that accepts violence and serious risk to oneself and others as a natural way of life," he said, adding that the plan will expand treatment capacity to provide it to those who need it, particularly those in prison.

At the same time, it would maintain law enforcement pressure to ensure that "drug offenders receive some type of sanction when they first encounter the criminal justice system," Brown said.

That may not mean jail, however. Instead, the interim strategy calls for special drug courts and alternative punishments for young nonviolent drug offenders.

The plan relies on congressional financing of 50,000 community police officers over the next few years and enactment of Clinton's health-care program to finance treatment.

The strategy calls for a "controlled shift of emphasis" away from interdiction in favor of new drug eradication efforts inside drug-producing countries.

But Brown said that "interdiction on our border will always be a part of our strategy."

While some senators praised this approach, Sen. Arlen Specter, R-Pa., said, "Interdiction is not worth the money we are spending on it."

Brown gave no estimate of the plan's cost or whether law enforcement budgets would be cut to pay for more prevention and treatment.

JOSEPH R. BIDEN, JR., DELAWARE, CHAIRMAN

EDWARD M. KENNEDY, MASSACHUSETTS
HOWARD M. METZENBAUM, OHIO
DENNIS DeCONCINI, ARIZONA
PATRICK J. LEAHY, VERMONT
HOWELL HEFLIN, ALABAMA
PAUL SIMON, ILLINOIS
HERBERT KOHL, WISCONSIN
DIANNE FEINSTEIN, CALIFORNIA
CAROL MOSELEY-BRAUN, ILLINOIS

ORRIN G. HATCH, UTAH
STROM THURMOND, SOUTH CAROLINA
ALAN K. SIMPSON, WYOMING
CHARLES E. GRASSLEY, IOWA
ARLEN SPECTER, PENNSYLVANIA
HANK BROWN, COLORADO
WILLIAM S. COHEN, MAINE
LARRY PRESSLER, SOUTH DAKOTA

CYNTHIA C. HOGAN, CHIEF COUNSEL
CATHERINE M. RUSSELL, STAFF DIRECTOR
MARK R. DISLER, MINORITY STAFF DIRECTOR
SHARON PROST, MINORITY CHIEF COUNSEL

United States Senate

COMMITTEE ON THE JUDICIARY

WASHINGTON, DC 20510-6275

CHAIRMAN JOSEPH R. BIDEN, JR.
SENATE JUDICIARY COMMITTEE
HEARING ON THE ADMINISTRATION'S INTERIM DRUG STRATEGY
OCTOBER 20, 1993

Today, we meet to review the Administration's 1993 interim drug strategy -- "breaking the cycle of drug abuse." In this document, the Administration takes an important step -- though only the first step -- toward a national drug policy that works.

For the first time, we have an Administration strategy that takes on the right question: how can we effectively fight hard core drug addiction?

Why is this the right question? Hard core users must be our priority because they are the ones committing the crimes and causing the violence that now threaten us all.

Previously, much of our national effort was spent trying to reduce casual use of drugs -- an important goal, but one that I and many experts in drug policy have long believed must be secondary.

Without the right focus, despite enormous expenditures -- over \$38.5 Billion in four years -- we have not won the "war on drugs."

Hard-core drug addiction, drug-fueled crime and violence, and drug supplies have only worsened since the release of the first drug strategy in 1989. Today:

- * there are six million hard-core addicts in America;
- * violent, drug-related crime has turned many communities into war zones;
- * there is a drug treatment shortfall of at least 900,000 treatable hard-core addicts; and
- * more drugs are entering the nation now than before the first strategy was released.

To make a difference in this war, we must take aim at the problem of hard core abuse. Three steps -- which I have long supported -- form the basis of the Administration's approach.

First, we must put more police on the streets in community policing programs.

More police means fewer drug deals, fewer drug-related shootings, fewer crimes by those supporting hard core habits. Community policing programs put officers into neighborhoods where they can learn where the deals go down and who the dealers are.

Close to the source of the problems, these police can be much more effective in stopping it in the first instance.

For example, in my home state of Delaware, recent statistics show that drug-related complaints and arrests decreased over time in every neighborhood where community policing was in use.

Second, we must hold hard-core drug addicts accountable with certain punishment and we must force them into treatment.

Violent offenders belong off the streets and in secure prisons -- building more prisons is necessary. And we must also develop cost-effective alternative sanctions for nonviolent offenders.

Most importantly, the millions of hard-core drug addicts in our criminal justice system must get treatment. Today, 900,000 treatable hard-core addicts roam our streets.

Since the first drug strategy, at least 1,000,000 drug-addicted offenders were released from prison or jail without being treated.

Programs that provide drug treatment in prison substantially reduce the likelihood that an addict will return to drug abuse and crime after release from jail. Treatment is a key focus of an effective drug strategy.

We must also treat minor drug offenders who in most states now are simply released back onto the streets. Programs like the Dade County, Florida, drug court have successfully encouraged drug-addicted criminals to get treatment and quit their addiction to avoid jail.

Third, we must expand enforcement and prevention programs aimed at juveniles before we lose another generation to drugs and violence.

Juveniles are particularly susceptible to the lure of gangs and drug traffickers. We must provide secure facilities for violent juveniles, drug treatment for drug abusers, and prevention and education programs -- with proven track records --

for all children at risk.

To accomplish these steps, and the other goals of the Administration's strategy, we must allocate our resources wisely. We must take a hard look at what works, and what doesn't, and put our money where it counts.

This is the next step the Administration must take. And when it does, I hope the Administration will reallocate monies from efforts we know have not worked -- like much of the costly, foreign interdiction activities -- and into the programs I have outlined.

The Senate, and the Congress, must also take a critical next step -- passage of the crime bill I have introduced in the Senate. The bill will put into action the programs I have mentioned -- community policing, prisons with drug treatment for violent offenders, drug court programs for probationers, and anti-drug trafficking enforcement and prevention programs for juveniles.

Four years into our national drug strategy, four years of losing the war prove that we must focus on hard core addicts -- with the kind of tough enforcement, tough punishment, and tough treatment I have outlined.

I welcome Director Brown and former Director Bennett. I look forward to discussing with you how we can make a difference in this effort.

###

Contact: Bill Adams (202) 224-5225

THE NEW YORK TIMES, SUNDAY, OCTOBER 31, 1993

EXITING DRUG CHIEF WARNS OF CARTELS

Former Head of D.E.A. Says
Agency Is No Match for
Colombian Drug Lords

By JOSEPH B. TREASTER
Special to The New York Times

ARLINGTON, Va. — Robert C. Bonner, who has headed the country's main drug-fighting agency for three years, says the United States is ill-prepared to do battle with the world's powerful, highly mobile and tightly managed cocaine trafficking organizations.

"I've had a devil of a time trying to respond to the traffickers," Mr. Bonner said in an interview shortly before stepping down as head of the Drug Enforcement Administration on Friday to join a Los Angeles law firm.

The 51-year-old former Federal prosecutor and judge said that in contrast to Colombia's drug lords, who can spend tens of millions of dollars and shift tactics in an instant without having to consult anyone, American law enforcement officials must develop agency budgets two years in advance and run a gauntlet of competing interests before they can strike out in a new direction.

"We're just not organized well enough in Washington to respond with any degree of alacrity," Mr. Bonner said.

Mr. Bonner, a Bush Administration appointee, said that like many drug experts outside the Government he had grave doubts about whether President Clinton was "serious about drug control" and wanted "to develop not just a drug strategy, but has the will to move Congress and the American people."

Alluding to Mr. Clinton's record of rarely mentioning drugs since taking office and of having quietly acceded to



Robert C. Bonner

Congressional cuts in his anti-drug budget, Mr. Bonner said he had seen little evidence that the President "considers this an important issue." In contrast, President George Bush doubled Federal spending to fight drugs to nearly \$12 billion.

Mr. Bonner, who reorganized the drug agency to focus on the major drug organizations in Colombia and de-emphasized marijuana raids to free resources for investigations against cocaine and heroin, said he believed that much of the Pentagon's \$1.17 billion drug budget was being wasted on efforts at intercepting drugs and that more of the military effort should go toward training and strengthening Latin American police forces and justice systems. He disagreed with some experts who say some Latin American governments are unreliable partners because of corruption and an unwillingness to challenge the traffickers.

On Thursday, the Pentagon announced that it was reducing its interception campaign with ships, planes and radar by 6 percent to 11 percent and increasing its support of Latin American police and other institutions by 5 percent.

Mr. Bonner said he was skeptical of current drug treatment methods but said he favored spending more on research to develop better approaches. He said he opposed shifting large amounts of law-enforcement money, as many have advocated, to provide more treatment, despite studies showing that heavy drug users consume most of the drugs in the United States and are responsible for most of the drug-inspired crime. At present there is room for about 500,000 people in residential and outpatient centers, but the population of heavy drug users is an estimated 4 million to 6 million, Federal health officials say.

Opposed Agency Merger

Mr. Bonner said he was pleased that the Clinton Administration had dropped plans to merge the Drug Enforcement Administration into the Federal Bureau of Investigation. But he said that appointing Louis J. Freeh, the Director of the F.B.I., to resolve jurisdictional disputes between the agencies was "comparable to telling the chairman of the board of I.B.M. to resolve disputes between I.B.M. and Apple."

Mr. Bonner, whose replacement has not been named, said he believed that overall authority for countering drugs should be concentrated in the hands of one official.

"You've got to place somebody in command," he said. "If you don't have that, it becomes a committee thing and a lot of initiatives are stalled by bureaucratic inertia and killed."

Congress created the Office of National Drug Control Policy five years ago with that concept in mind. But it did not give the head of that office, sometimes referred to as the drug czar, control of the Federal drug budget, which now totals \$13.1 billion. In the end, the drug czar, now Lee P. Brown, the former police commissioner in New York City, was armed with little more than the powers of persuasion.

BURRELLE'S

NEWS EXPRESS

PAGE 5 OF 7

Copyright © 1993 The New York Times

2

tributed at crack houses in major U.S. cities, and substantial increases in street-level purity of the drug.

At least part of the problem, Bonner said, is the lack of a vigorous international attack in the "source" countries. While the largest supplier of raw opium to the United States is Burma (Myanmar), that country's government "is not bearing any message from the U.S. government" on drugs because of what he contended was the State Department's preoccupation with human rights abuses.

Bonner's resignation comes shortly after he and his agency won a crucial bureaucratic victory, staving off a proposal by Vice President Gore to fold the DEA into the FBI. Instead,

Attorney General Janet Reno gave FBI Director Louis J. Freeh new powers to resolve operational disputes among all Justice Department agencies, including the DEA.

But Bonner said the new setup created many potential problems. Within hours of Reno making her announcement last month, DEA agents and FBI agents in one city began squabbling over who should prepare an affidavit—with bureau officials threatening to "take it up to the Freeh committee," Bonner said.

Designating the FBI director to adjudicate disputes between the FBI and DEA is like "trying to resolve disputes between IBM and Apple" by giving the job "to the chairman of IBM," he said.

²²
BURRELLE'S

NEWS EXPRESS

PAGE 4 OF 7

He said it represented "an abdication of the responsibility of the Justice Department," which he contended should "exercise civilian policy control over federal law enforcement agencies."

While Bonner expressed "the highest regard for Freeh," he said that "having the director of the FBI call the shots here certainly is not going to create the perception of impartiality, neutrality that I think is important."

Bonner said his Washington experience showed "that the agency that prevails when there is some dispute is the agency with the ear to the throne." In this case, senior FBI officials who meet with Freeh daily "will have the ear to the throne," he said.

He expressed concern that every minor dispute between the FBI and the DEA out in the field "now will be sucked up to the Freeh committee." He cited a recent dispute between the FBI and the DEA in San Francisco over submitting an affidavit to a court for authority to use a listening device.

Freeh said this was a minor dispute usually left to the local U.S. attorney to resolve, but that an FBI supervisor, whom he did not identify, said: "Either a bureau agent is going to sign the affidavit or we're going to take it to the Freeh committee. That's the mentality of the FBI."



BERNIE BOSTON / Los Angeles Times
Robert C. Bonner is stepping down as chief of the DEA to return to a private law practice.

7/2

4068

6

X

Drug Haze

WHEN LEE Brown, the president's drug policy director, testified before the Senate about President Clinton's interim drug strategy, the response was one loud catcall. Sen. Biden said the administration had "not paid enough attention" to the drug problem. Sen. DeConcini saw the administration as "drifting into a lack of determination in this area." Sen. Hatch denounced the strategy as "a placebo" and, more ominous, accused the administration of "slipping inexorably into the old permissiveness of the Carter era."

Mr. Clinton isn't "soft" on drugs. But the administration is beginning to run some real political and substantive risks by giving the impression that it doesn't much care about the drug issue. Drugs were propelled to the top of the nation's agenda because President Bush decided to put the issue there, and because Democrats such as Sen. Biden agreed it belonged there. There is no question that drug addiction is a serious problem, and so is the street violence spawned by the drug trade. Its victims are often innocent children who get caught in the middle when the bullets fly. But there has always been a chicken-and-egg debate over how to look at the problem. Should drugs be seen as the primary cause or the effect of problems, especially in the inner city?

Which set of assumptions you start from can influence where you end up. The Clinton administration suggests, without quite saying so, that it sees drugs in the context of other problems. Mr. Brown's drug strategy, for example, speaks not just of what the administration wants to do about drugs but also

of other aspects of Mr. Clinton's urban policy, including his proposal to use federal funds to put up to 50,000 more police on the streets, as well as its community banking, "empowerment zone" and health care initiatives.

The broader approach is perfectly rational. If that's how the administration wants to deal with the drug issue, it should say so explicitly. As it is, Mr. Brown is being forced to make small adjustments in policies inherited from Mr. Bush. He spoke to Congress in general terms about shifting the focus of drug treatment to "hard-core users" and called for a "controlled shift of emphasis" away from interdiction toward hitting drug producers in source countries. This week the administration announced the first fruits of its shift, scaling back the use of aircraft and naval ships for drug interdiction in the Caribbean, for a savings of \$200 million. The move was greeted harshly by Republican Rep. Clay Shaw of Florida, who charged that the administration was "in full retreat in the war against drugs."

That isn't true, but by failing to be more specific about its plans (including its spending proposals) and its underlying assumptions, the administration is turning itself into a large target. Mr. Brown, whose staff was cut from 140 people to 25 in Mr. Clinton's White House reorganization, is not the problem. The administration as a whole should read the warning signs: Democrats who care about the drug issue are discouraged, and Republicans sense a political opportunity. The administration's drug strategy needs fixing.

BURRELLE'S

NewsExpress

PAGE 5 OF 7

8

LOS ANGELES TIMES OCT 26 1993

COLUMN LEFT/
ALEXANDER COCKBURN

The Rambos Still Run Drug Policy

■ 'Czar' Brown is saddled with the same old billion-dollar sham confusing crime with economics.

The Clinton Administration's "drug czar," Lee Brown, came to Los Angeles over the weekend to explain the new policy. Earlier in the week he had unveiled it before a skeptical congressional committee, which posed simple but unanswered questions about the degree of budgetary commitment bolstering any new proposals.

And indeed, as expressed in Los Angeles, Brown's plan has all the hallmarks of a Clinton package: bracing rhetorical commitment to fundamental change; substantive adherence to business-as-usual.

The rhetoric proclaims a shift from "war" to rehabilitation. One of the Administration's favorite models is the drug court in Miami initiated in the late 1980s that has tried to clear the judicial logjam by putting drug-using offenders into rehab programs rather than prison.

But Brown's speech to an all-day "town meeting" on drug policy, co-sponsored by the ACLU and the Nation magazine, was a depressing affair.

Drug use, the former New York and Houston police chief asserted, "creates a culture where employment is scarce." This claim was greeted with open derision by an audience that knew firsthand the economic chronology in Los Angeles: de-industrialization of the inner city, particularly in auto and tire production; then metastasis of the drug culture.

At times Brown sounded like George Bush, with heavy pledges to attack drug problems at the source, in the export zones of Latin America. Governments there, Brown said, would be given the requisite assistance to combat the cartels.

After his 15-minute speech and a brief exchange with the audience, Brown was gone. In his wake, another police veteran remarked informally that the czar's substantive powers were tiny and that Brown was confessing privately that in bureaucratic battles with such behemoths as the Drug Enforcement Agency, he already had lost.

The tale of the DEA tells the whole story. Back when the "war on drugs" began, in the late 1960s, there were two federal agencies enforcing the drug laws on a total budget of less than \$10 million. Today there are 54 agencies involved, including every branch of the armed forces, and the overall budget is \$13 billion, with more than \$8 billion going to the DEA alone. None of this has had any noticeable

'In today's blighted inner cities there are no realistic economic strategies to substitute for the drug commerce.'

Impact on drug importation, distribution or consumption.

From the moment that "Operation Intercept" prompted, in 1969, a shift in smuggling from bulky marijuana bales—the "square grouper" beloved of Florida's fisherfolk—to compact cocaine, the war has been impotent, except in its impact on constitutional protections and guarantees.

Travel to Northern California in the fall and you will see U.S. Army helicopters used in police raids on marijuana gardens, in open violation of the law. As police roam and spy at will, constitutional guarantees of privacy and against unwarranted searches and seizures similarly are being flouted.

In the inner cities, the "drug war" has been an excuse for search-and-destroy missions against the poor, as "Operation Hammer," in the recent case of police chief Daryl Gates in Los Angeles, most blatantly

1/2

2063

attested.

A kindred cost of the war has been the corruption of police forces and the implication of U.S. government agencies in drug smuggling. The role of the CIA in Southeast Asia and Afghanistan has been amply chronicled. The day after Lee Brown's speech, newspaper headlines announced that the DEA was sharing information about drug shipments with Haitian military, even though it is well known that this same military controls the drug trade through Haiti.

Straightforward legalization, a strategy now urged by many respectable citizens, has one unremarked flaw. In peasant economies across the world, in the Andean nations, in Southeast Asia, not to mention rural counties in Northern California, cultivation of marijuana, coca or the opium poppy is either the major or sole economic standby. Often there are no realistic alternatives in an era when commodity prices have otherwise plunged.

Similarly, in today's blighted inner-cities there are no realistic economic strategies to substitute for the drug commerce that is often the only rational career option for urban youth. Certainly the tycoon impresarios of "Rebuild L.A." have come up with no alternative.

Legalization would mean government licensing of monopolies to large corporations, which would swiftly wipe out the small producers and vendors. A better answer is to decriminalize drugs, apply the sort of fines and penalties attached to illegal parking or speeding, declare the war over and move on.

Alexander Cockburn writes for the Nation and other publications.

7/2

3083

BALTIMORE SUN

DATE: OCT 26 1993

Send in the Guard? No, Dollars

Washington's mayor, Sharon Pratt Kelly, says her police department cannot control crime and needs the assistance of the National Guard. She said she needed the power (which governors have) to call guardsmen to active duty to fight crime, particularly in violent neighborhoods where drug-related crime is routine. President Clinton has responded by passing the issue off to Congress.

What the guardsmen would be expected to do, we are not sure. Nor are we sure the mayor is sure. She has said or implied that guardsmen would and would not be armed, would and would not patrol high crime streets, would and would not man roadblocks. She has even said she would just use the Guard for police administrative chores, thus freeing up police officers now doing those for street duty. (If that's the case, why the National Guard? Just send in the General Accounting Office.)

That something drastic needs to be done about violent street crime in Washington is obvious. There were 443 murders plus 16,237 other crimes of violence there last year. Clearly the local police force has failed. The city is a disaster area, and guardsmen and other troops often go to the rescue of communities hit by disasters. But there are many reasons why calling for the National Guard is not the right way to deal with this disaster.

For one thing, crime in Washington is chronic. Put guardsmen on patrol and even if crime goes down dramatically as a result, when the Guard leaves, criminal activity is likely to go back up. And

leave the Guard will. It is a civilian and part-time entity which politicians will not force to patrol dangerous streets or even safe ones for a long time.

Another reason the Guard is not the answer to urban crime is that Washington is not the only big city where crime has overwhelmed police. In Baltimore last year there were 335 murders and 1,464 other crimes of violence. Dozens of cities have destructive crime rates. It is politically impossible to put guardsmen in them all, even briefly.

Still another reason why Mayor Kelly's idea is a bad one is that most National Guard units are not trained for crime control.

The real crime crisis exists in big cities. What they need are more police officers. Most can't afford them. We wish we could believe the new crime bill now in Congress and touted by President Clinton would do what its supporters say: pay for 50,000 officers to do "community policing." It won't. To subsidize 50,000 cops, the federal government could give localities only \$12,000-\$14,000 per cop per year. Maybe Sheriff Andy Taylor can hire Barney Fife for that in Mayberry, but the police chiefs of Washington, Baltimore and other urban centers in desperate need of more cops on the beat surely can't do much with it.

Mayor Kelly has done the crime debate a favor by asking for so drastic a solution as military rescue. Maybe this will force Congress — and governors and state legislatures — to deal with urban crime with the sense of urgency that is required.

1061

DETROIT FREE PRESS

OCT 28 1993

DRUG WAR *a.14*

No quick victory, but nation needs clear strategy

Drug czar Lee Brown went up to Capitol Hill the other day and got bloodied by the Senate Judiciary Committee, whose members don't think he or his boss, Bill Clinton, are doing enough to fight the drug war.

The senators were miffed at the staff cutbacks in the drug policy office in the White House, as well as at the administration's failure to call for more federal substance abuse treatment funds.

The policy office has always been an exercise in public relations — who can remember anything that the first drug czar, William Bennett, did besides promote his own political fortunes? But the lack of support for substance abuse treatment borders on the tragic. The president is missing a beat if he does not reverse that trend and articulate his own drug policy more clearly. But what policy?

Unhappily, there is no silver bullet with which to slay the drug demon. You have only to look at our failure to curb alcohol abuse and its accompanying ravages to understand that drug abuse also will be a chronic, persistent cancer the country must cope with for years to come.

But we can try to curb the violence linked to the drug trade, to protect neighborhoods from the corrosion induced by the local crack house, and to offer treatment to users who want to kick the habit. We're talking, of course, about gun control, about banning the possession of handguns by juveniles, about forfeiture, community policing, mentoring, anti-drug

education and jobs for urban youths.

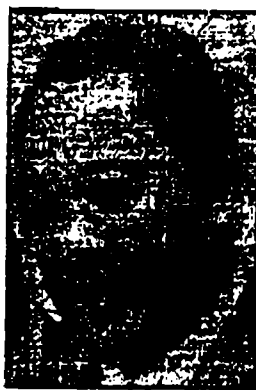
We're also talking about Congress and state legislatures doing less posturing, about wasting fewer resources on mandatory sentences for minor drug infractions, and instead finding more funds for meaningful probation and parole programs. Yes, there's a terrible triteness and lack of glamour to all these recommendations. That doesn't mean they wouldn't be helpful if they ever were funded adequately.

The president's health care plan, the last we heard, will include funds for substance abuse treatment. Reserving even a small chunk of the huge health care budget for such treatment will be a major advance. Meanwhile, we don't hear as much rhetoric about interdiction of drugs

from abroad or dropping paratroopers into Andean coca fields. If that means we're going to stop blaming Peru and Colombia for our own bad habits, and concentrate on reducing demand at home, that's good, too.

So the administration may have a de facto drug policy taking shape after all. If so, the president needs to articulate it more forcefully, to shape federal anti-drug efforts more clearly, and to give local communities more support and sense of direction. If Mr. Clinton has some better ideas in his back pocket, we're eager to hear those, too.

But he can't expect Mr. Brown to be an effective anti-drug crusader, in front of Congress or anywhere else, if he himself has not made the issue a priority and laid out a coherent policy to deal with it.



Brown: Be specific

BURRELLE'S

NEWS EXPRESS

PAGE 2 OF 4

3

THE NEW YORK TIMES FRIDAY OCTOBER 29, 1993

Pentagon Plans Shift in War on Drug Traffickers

By JOSEPH B. TREASTER

The Defense Department announced a modest shift yesterday away from its ineffective and heavily criticized attempts at intercepting drugs to a greater emphasis on helping countries in Latin America attack the major drug trafficking organizations. But drug experts said the change was likely to have little effect on the flow of illegal drugs into the United States.

Brian E. Sheridan, the Deputy Assistant Secretary of Defense for Drug Enforcement Policy and Support, said the military planned to cut spending on the interception of drugs, which now accounts for 71 percent of its \$1.17 billion anti-drug budget, by 8 to 11 percentage points. It intends to increase spending on training and equipment for countries that grow, refine and export illegal drugs to 16 percent, up by 5 percentage points.

The biggest impact on the military's anti-drug programs, which have repeatedly been criticized in Congress and by independent drug experts as among the country's most expensive and least effective anti-drug efforts, is being brought about by Congress. Pentagon officials said Congress was likely to cut the overall military anti-drug budget by as much as \$250 million, or nearly double what the Pentagon had recommended after an internal review.

Some drug experts said the Pentagon shift represented little change from that of the Bush Administration and pointed out that in making the announcement today, the Clinton Administration failed to address the main issue of debate: how much of the proposed \$13.1 billion annual drug budget should be devoted to law enforcement and how much to rehabili-

lation and other health measures.

The Clinton Administration's budget allocates about 65 percent to law enforcement and 35 percent to health measures, or about the same as the last Bush budget. Members of Congress and many drug experts have been urging a substantial increase for treatment, and some have suggested a 50-50 split.

The Administration issued a national drug strategy last week that

Stress on helping Latin countries fight the trade.

emphasized health issues. But the strategy was widely criticized by Democrats as well as Republicans and independent experts for not giving any indication of how spending would be apportioned.

Drug experts questioned the fundamental direction of the Pentagon's shift, saying corruption and a lack of enthusiasm for tackling the drug problem in some Latin American countries made putting more money into them an extremely questionable enterprise. Colombia has been the most cooperative by far in helping the United States achieve its goals in Latin America, they said, and it has focused almost entirely on quelling the domestic violence of drug gangs rather than on trying to destroy their ability to produce and ship drugs.

"They're taking money out of interdiction, which is good" said Peter Reuter, the director of drug policy

research at the Rand Corporation. "But they're moving it to an area that I think is even less promising: helping governments that don't want to be helped."

Mr. Reuter characterized the Pentagon's changes as "minor programmatic changes of the kind that go on every year without pronouncement."

Futile but Morally Essential

Rensselaer Lee 3d, a consultant on international drug issues and the author of "White Labyrinth: Cocaine and Political Power," said he regarded attempts at fighting drugs abroad and at intercepting drug shipments as futile but morally essential. "We have to show that we care, that we're taking a stand," he said.

Mr. Sheridan said the assistance to Latin American countries would probably include increases in United States Army Special Forces training teams and perhaps more radar equipment to help the countries track smugglers' planes. Drug Enforcement Administration officials say the radar sites are ineffective and should be shut down.

Mr. Sheridan said the Pentagon also planned to provide more intelligence information to the Latin American governments and to step up assistance in planning anti-drug investigations and raids. He emphasized that American forces would not be accompanying Latin American police and military units on operations.

To cope with a reduced total budget of \$900 million to \$950 million, Mr. Sheridan said the Defense Department was replacing some of its larger warships — cruisers and destroyers — on patrol in the Caribbean with smaller vessels that had been used to monitor Soviet submarines.

Copyright © 1993 The New York Times

BURRELLE'S

NEWS EXPRESS

PAGE 2 OF 17

5

er than law enforcement and interdiction.

"This just signals the Clinton administration is in full retreat in the war against drugs," said Rep. E. Clay Shaw Jr. (R-Fla.) "It's going to have a hell of an impact on South Florida. . . . I think it's absolutely outrageous that the White House would do this."

Shaw argued that the proposal to expand support for law enforcement efforts along the southwest border was only needed because Pentagon assets, which provide support for the Customs Service and Coast Guard, have helped disrupt trafficking patterns and forced smugglers to shift their routes there.

But Sheridan said a Pentagon review found that some of the Caribbean interdiction programs, such as use of sea-based radar balloons to detect drug smugglers, do not work and can be replaced by cheaper, more cost-effective initiatives such as land-based radar.

"I think there was a sense that we needed to adjust our efforts and our programs," said Sheridan. "Obviously, if something's not broke, you don't fix it. Clearly, there was a recognition that when the Latin American countries can produce somewhere around 1,100 metric tons of cocaine per year . . . unless you can interdict hundreds and hundreds of metric tons . . . you've got a lot of work to do."

Sheridan said many details had yet to be worked out and will ultimately depend on final congressional action on the department's appropriation bill. But compared with current \$1.1 billion anti-drug budget, Sheridan said the administration is planning on an anti-drug program for next year "that can be run somewhere in the \$900 million to \$950 million range."



REP. E. CLAY SHAW JR.
... sees "full retreat" in war on drugs

BURRELLE'S

NewsExpress

PAGE 2 OF 4

7

could be moved to an inpatient facility or we could intensify treatment," Mr. Carver said. The Department of Corrections has an inpatient facility available in Northeast. The outpatient treatment will be at 400 F St. NW, just a block from the courthouse.

"This Drug Intervention Program is an all-out effort to break the vicious cycle of drugs and crime," he said.

Last month, 61 percent of 15-year-olds entering the juvenile court system tested positive for drugs, according to Mr. Carver.

"We know that by virtue of an arrest, the criminal justice system can exercise a great deal of influence over a person," he said. "The court can encourage and even compel drug treatment. It can require drug testing. And, it can use its broad powers to sanction or punish violations of its orders."

"This is the first step in breaking an all-too-common problem we see here everyday — drug use," said Judge Ugast.

Miss Reno said failure can be expected by some defendants, but they should not be forgotten.

"If you have cancer, you get treatment and it can go into remission. If the cancer comes back, you don't stop treating it," she said. "Treatment, education and prevention are absolutely as critically important as our law enforcement efforts."

Federal drug czar Brown said it still is not clear to what extent the

■ "You don't have
to be a rocket
scientist to figure out
we have a serious
problem in our
nation and the
community."

drug court program will reduce jail population, court overload or savings to taxpayers.

"But, we clearly know the magnitude of our loss now," he said, noting that about \$170 million now is spent on alcohol and drug abuse.

"We cannot afford not to treat those who need it," he said.

Before leaving, Mrs. Kelly said the court system is overloaded so it's time to try something new.

"You don't have to be a rocket scientist to figure out we have a serious problem in our nation and the community," she said.

Drug courts are being used or formed in about 25 cities and counties. Most, including the District's program, were modeled largely on the one in Dade County, which includes Miami.

2/2

BURRELLE'S

NewsExpress

PAGE 3 OF 3

9

KANSAS CITY STAR

OCT 29 1993

'We must not fail,' says U.S. drug-control chief

**President's policy will cut
drug use, violence, he says.**

By KAREN DILLON
Staff Writer

p.c.1

President Clinton's proposed drug strategy could break the cycle of hard-core drug use and end the violence that is tearing apart African communities, a White House Cabinet member told the Kansas City Crime Commission on Thursday.

"Every person is responsible to battle drugs," said Lee Brown, director of the White House Office of National Drug Con-

trol Policy.

"The lives of our children and the future of our country depend on us," Brown said. "We must not fail."

Brown was in Kansas City to promote the president's plan and to speak at the Crime Commission's 44th annual luncheon. He also toured the Guadalupe Center, visiting with children and Hispanic community leaders.

The president's plan was criticized after Brown outlined it last week to a panel of senators in Washington. Republicans, Democrats and drug-fighting experts said it was inadequate.

But at a press conference Thursday,
See DRUG, C-2, Col. 2



TAMMY LUNDLAD/The Star

"Every person is responsible to battle drugs," said Lee Brown, flanked by County Executive Marsha Murphy (right) and Chris Medina of the Guadalupe Center.

12
BURRELLE'S

NEWS EXPRESS
2 of 9

CHICAGO TRIBUNE

OCT 29 1993

Haiti's drug role draws questions

By Nathaniel Sheppard Jr. 1/4
TRIBUNE STAFF WRITER

PORT-AU-PRINCE, Haiti—American drug-enforcement agents here share intelligence with the Haitian military, but a knowledgeable U.S. official says they don't get much information back.

Nor, he added, does the U.S. have a means of determining what happens to narcotics confiscated by the military, whom exiled President Jean-Bertrand Aristide has accused of deep involvement in narcotics trafficking.

The arrangement raises questions of whether the U.S. Drug Enforcement Administration inadvertently may be helping the movement of drugs through Haiti to the U.S. by divulging American surveillance capabilities.

U.S. authorities receive—but haven't been able to verify—regular reports that high-ranking Haitians were involved in the drug traffic, the official said, describing Haiti as a hub for Colombia's Cali cartel because of its proximity to the Windward Path, the shortest route from Colombia to Miami.

He said approximately a ton of cocaine is shipped there each month and "at any given moment, there are 4,000 kilos (4.4 tons) waiting to be shipped out, and drug merchants love it there:

"Having officials you know you can bribe, having a situation where control is only in the hands of a few, and having contact with officials who have contacts with the method of transportation."

U.S. congressional testimony in 1988 linked Haitian military officers to narcotics trafficking.

The next year, under U.S. pressure, then-military leader, Lt. Gen. Prosper Avril, dismissed 140 officers suspected of trafficking.

A General Accounting Office report alleges that Haiti's current army commander, Lt. Gen. Raoul Cedras, and police chief, Lt. Col. Michel Francois, protected narcotics deals.

About 18 military officers have been arrested on drug trafficking charges in the last few years, the U.S. official said. The highest-ranking is a captain.

Aristide and others have questioned how military leaders can afford luxurious homes and expensive vehicles on their small salaries. Cedras' official pay is \$800 a month.

Aristide told the United Nations Thursday that the military junta has been skimming off a profit of \$200 million a year from the estimated \$1.2 billion worth of cocaine that passes through Haiti on its way to markets in North America.

"As it stands now, the military is the law-enforcement arm so we must work with the military," the U.S. official said.

"We can't tell you what happens to seizures and have no idea of what methods of storage and destruction are used. We really don't know what the situation is here—and won't until there is a full flow of information between both sides."

1866

MIAMI HERALD OCT 29 1993

Sources: Haiti not haven for drug trade

Reports of bribe-taking disputed

By JEFF LEEN
Herald Staff Writer

A16

Reports that members of the Haitian military are receiving more than \$100 million a year in bribes from drug traffickers are "misleading, unfounded and mere speculation," law enforcement sources in South Florida said Thursday.

Some officials suggested the reports were being deliberately exaggerated to sway public opinion and the Clinton administration into military intervention against Haitian officers who oppose President Jean-Bertrand Aristide's return to power.

The Associated Press, quoting from a confidential three-page U.S. Senate report, reported Wednesday that Port-au-Prince police chief Lt. Col. Michel Francois receives more than \$100 million in bribes and that more

than 1,000 Colombians are working in the drug trade in Haiti.

Law enforcement officials in Miami and diplomatic sources in Haiti say they have no evidence that the Haitian military is reaping huge profits from the drug trade.

Not invasion-worthy?

"This is not a Noriega situation," said one official, speaking on condition of anonymity. He referred to the drug-trafficking allegations against Panamanian strongman Gen. Manuel Antonio Noriega that contributed to the U.S. invasion of Panama on Dec. 20, 1989.

"If a congressional informant is alleging this, I question the validity of that because we've never been told that," the official said. "You've got a lot of misinformation."

Thomas V. Cash, DEA special agent in charge in Miami, said he was unaware of the \$100 million figure even though he is responsible for U.S. drug enforcement in Haiti and recently returned from the nation.

"I certainly can't give any credibility to that because I don't know from whence it came," Cash said.

Cash also said another part of the Associated Press story was wrong — a statement from a Justice Department source saying that the DEA would be withdrawing its agents from Haiti soon.

"We have no intention of withdrawing those agents any time soon," Cash said. "I don't know where that's coming from."

\$100 million sounds real high

The Miami Herald has learned that DEA briefers have recently warned members of Congress to be wary of erroneous information on drug trafficking in Haiti.

Even for Colombian drug lords, \$100 million in bribes is an astonishingly high figure.

For example, Medellin Cartel leader Carlos Lehder, who ran an operation that shipped tons of cocaine out of the Bahamas in the 1970s, allegedly paid \$200,000 a month in bribes to Bahamian authorities.

Noriega, convicted of taking a cut of the action to let cartel traffickers smuggle drugs through Panama, received \$660,000 for allowing four 300-kilogram loads through Panama over a two-year period.

Law enforcement experts say both Lehder and Noriega serviced drug operations far larger than the current smuggling through Haiti.

No evidence of conspiracy

The Associated Press said the Senate report found little direct evidence to tie Haiti's military chief, Lt. Gen. Raoul Cedras, to drug money. But the report added: "Obviously, there is an arrangement" between Cedras and Francois.

Law enforcement officials knowledgeable about smuggling in the Caribbean said they have no evidence of such a conspiracy, however.

"People are always alleging that Cedras and Francois are involved in drug trafficking," said one source. "Yes, we have allegations, but it's been uncorroborated to date. But the same allegations were made when Aristide was in power about his administration. So that's really nothing new."

A U.S. Embassy official familiar with the drug situation in Haiti added: "We receive reports regularly that elements of the military are involved in drug trafficking. These reports have not been verified. We have no concrete proof... only information from time to time that there is some involvement of military officials."

1/2
BURRELLE'S

NewsExpress

PAGE 3 OF 17

14

Since the mid-1980s, Haiti has played an important role as a transshipment and refueling point for Colombian smugglers moving their cocaine to the United States. Haitian military involvement in the trade has been an ongoing problem.

In March 1988, a federal grand jury in Miami indicted Col. Jean-Claude Paul, commander of Haiti's most powerful battalion, for allegedly conspiring to ship 250 kilograms of cocaine to the United States. The next year four high-ranking Haitian military officers were fired for their alleged drug ties.

U.S.-Haiti cooperation

U.S. law enforcement sources say that since that time they have cooperated many times with Haitian military and police officers on drug investigations. From Oct. 31, 1989, to Aug. 20, 1993, roughly 20 seizures have been made, including 150 pounds of cocaine in June 1991 and 227 pounds in March of this year.

The sources say the Haitian military on its own is little threat to drug traffickers because it has few resources for catching planes that drop cocaine to boats waiting off the Haitian coast. In the past year, U.S. law enforcement has tracked two cocaine air drops into Haitian waters.

"Had the Haitians wanted to do something, they did not have the means to do it — no air force and their coast guard is out of gas," a source said. "They have been unable to do any drug interdiction."

Law enforcement sources say Haiti trails Puerto Rico and the Dominican Republic as drug-smuggling havens in the Caribbean.

"The U.S. government is not denying that cocaine is going from Haiti to the United States, but not in the massive quantities being quoted," a source said.

Some reports have put the amount of cocaine going through Haiti as high as four tons a month. But the DEA estimates a truer figure would be less than one ton.

"Puerto Rico has always been the No. 1 hot spot," said a source. "Then Santo Domingo is maybe coming in second. But Haiti is just a small portion."

Herald Staff Writer Don Bohning contributed to this report.

4/2
BURRELLE'S

NewsExpress

PAGE 4 OF 17

15

act on Aristide's request to tighten sanctions against Haiti, they foresaw a period of deepening misery and violence in the hemisphere's poorest country.

The Clinton administration, which has made Aristide's return a centerpiece of its Haiti policy "really underestimated the depths of division in Haitian society," said Richard Millett, a specialist in Latin military affairs at Southern Illinois University.

The U.N. Security Council reimposed an oil and arms embargo against Haiti Oct. 19 after Cedras refused to resign as he had pledged to do. The council is now drafting a total ban on all commerce with the nation but diplomats said they don't expect to bring the measure to a vote until next week.

Defiant flourishes missing

The United States, with six warships stationed near Haiti, is leading international efforts to enforce the current embargo. It was unclear Thursday whether the council would act on Aristide's call for an "air blockade" and suspend commercial flights to the country.



HANDSHAKE OF SUPPORT: Jean-Bertrand Aristide, left, meets with U.N. Secretary General Boutros Boutros-Ghali at U.N. Thursday.

Aristide, under pressure from U.S. officials to present a conciliatory image, delivered a somber speech Thursday that was devoid of the defiant flourishes that peppered his remarks before the General Assembly last year.

He stressed the need for national healing without violence or vengeance, and said the Governors Island agreement could still provide the framework for a settlement despite the missed deadlines.

"The agreement will always be viable," he said later at a press conference. "We believe in it. So

does the U.N. Those who have violated it, it is up to them" to honor their commitment.

The carefully sequenced accord reached an impasse this month when Haiti's Parliament failed to approve laws that would ratify an amnesty for all those involved in the 1991 coup that ousted Aristide and to legislate a police force that would be separate from the Haitian military and subject to civilian control.

Urges supporters to hang on

Several pro-Aristide lawmakers, citing fears for their safety in

2/3
BURRELLE'S

NEWS EXPRESS

PAGE 8 OF 17

WASHINGTON TIMES

OCT 30 1993

Overlooked Haiti tie to drug trafficking

President Clinton has not been very candid about what may be the most important element in Haiti's troubled politics: cocaine.

Haiti's ruling military elite, which runs its police department, has been linked repeatedly to the tons of Colombian cocaine that flow through Haiti every year on its way to American streets.

Colombian and Dominican Republic drug lords reportedly drop it off in waterproof bags or slip into remote ports, all of which are guarded by troops beholden to the kleptocracy that runs the country.

Longtime Haiti-watchers say interdiction of the cocaine by U.S. Drug Enforcement Administration agents working in cooperation with Haitian authorities improved during the rule of its elected President Jean-Bertrand Aristide, then dropped off substantially when Mr. Aristide was deposed two years ago by the military kleptocracy of Lt. Gen. Raoul Cedras.

A confidential DEA report recently supplied to Rep. John Conyers Jr., Michigan Democrat, who led a congressional delegation to Haiti, names alleged drug traffickers it says operate freely while American drug agents stand by helplessly.

The DEA's resident liaison, Tony Greco, unable to reach Haitian narcotics officials after a tip, watched helplessly in May 1991, as a plane dropped bales of cocaine to waiting boats, the report said.

Mr. Greco, whose information had led to the arrest of a Haitian army narcotics intelligence officer on drug charges, fled the country in September of last year after receiving a death threat against his family over a confidential telephone line at the American Embassy.

"Corruption levels within the narcotics services [run by the Haitian military are] substantial enough to hamper any significant investigation attempting to dismantle a Colombian organization" in Haiti, the DEA report says.

Rep. Charles Rangel, New York Democrat, who heads the House drug policy caucus, has been quoted in news reports as saying drugs and related shakedowns by Haiti's military elite were among Mr. Aristide's first targets, that they were an important factor in his ouster and that they remain an important factor in the stubbornness of Gen. Cedras.

General Accounting Office reports also have named Gen. Cedras and police chief Lt. Col. Michel Francois as allegedly protecting drug deals.

But, while DEA agents risk their lives in the war to stop Haitian drug traffickers, the agency itself is working hand-in-hand with their alleged protectors, providing information to the very same Haitian military officers who have been accused of trafficking the narcotics, according to a U.S. Embassy official, speaking to reporters last weekend in return for a promise of anonymity, in Port Au-Prince.

At a briefing in the Haitian capital, the official justified the practice as necessary, no matter what the reputation of the key officers, saying the DEA cannot operate unilaterally without the host country's cooperation. A DEA spokesman in Washington agreed, in an interview with the Los Angeles Times, calling the Haitian cooperation "reliable and good."

Even so, it is hard to believe that cocaine shipments estimated at 50 tons or more per year could slip through Haiti without the island's military elite knowing about it and cooperating with it.

It also makes you wonder about the CIA report, leaked through Sen. Jesse Helms, North Carolina Republican, a leading opponent of Mr. Aristide's return, that alleged Mr. Aristide had been treated for mental illness.

It turns out that the time during which the report alleges he was treated for mental illness at a Canadian hospital falls within the period from 1979 to 1982 when Mr. Aristide, a Roman Catholic priest, was studying and teaching in Israel.

Ah, well. Inaccuracies like that stand as one more embarrassment

for an intelligence apparatus that apparently was not intelligent enough to warn President Clinton of the hostile demonstrators waiting at the docks who recently turned away an aid ship loaded with American technical assistance troops.

What's the deal? Bill Clinton has been quite outspoken in his support for Mr. Aristide, despite sniping from the likes of Mr. Helms. He has pointed out quite properly that, whatever one may think of the man's politics (he comes from a socialist background that must have the conservative Mr. Helms chafing), he was elected by two-thirds of an electorate that defied a flood of propaganda and constant risks to their lives just to cast a vote.

In the post-Cold War world, cocaine is a good bet to replace communism as the most subversive force threatening American life. "Crack" cocaine is the major reason for the upsurge in savage, irrational street violence that has had kids killing kids, fueling street gang activity and catching Florida tourists in the cross-fire.

Cocaine was cited by former President Bush to justify his invasion of Panama and arrest of dictator Manuel Noriega. Much of that Panamanian traffic probably has been re-routed through Haiti, which sorely lacks such inconveniences to the traffickers as radar.

What will we do now?

Maybe that's why Mr. Clinton is so reluctant to talk about Haiti's cocaine. It might mean he'd have to do something about it.

Clarence Page is a nationally syndicated columnist.

BURRELLE'S

NEWS EXPRESS

PAGE 1 OF 7

42

BOSTON GLOBE NOV 01 1993

Experts criticize US foreign policy team

By Anthony Flint
GLOBE STAFF

When President Clinton took office in January, he recruited experts from the nation's universities, including a dozen from Harvard. But as the dust begins to settle after early stumbles in Bosnia, Somalia and Haiti, many scholars and policy intellectuals are suggesting that in the area of foreign affairs, Clinton's cultivation of academia was insufficient.

Since the president built a brain trust of scholarly experts to advise him on the economy, health care, the war on drugs and welfare reform, these scholars ask, where are the big-thinking people who could help forge a foreign policy for the post-Cold War world, or navigate the correct path in complex situations such as those in Haiti or Somalia?

Where is someone who could write the 1953 equivalent of the Mr. X article, George Kennan's celebrated treatise that framed the policy of Cold War containment?

"He didn't want to highlight foreign policy, but he's gone to the opposite extreme and chosen people who are almost not up to the task. He's got people who don't seem to realize they are at a historic turning point," said Jonathan Clarke, a former member of the British diplomatic service and a writer on foreign affairs in Washington.

Richard E. Neustadt, a professor of government at Harvard's Kennedy School of Government who has chronicled presidential teams, noted that most of Clinton's policy makers, particularly in the State Department, are from President

Carter's foreign-policy team. These advisers are not so much "academics but returnees, spoiling for a second chance," Neustadt said.

Expectations were initially high for National Security Adviser Anthony Lake, who was plucked from a political science professorship at Mount Holyoke College. Although Lake served under Nixon and as assistant secretary of state under Carter, he spent his time in exile at Amherst and Mount Holyoke after Carter's defeat in 1980 and is regarded as a well-schooled figure.

But Lake has kept a relatively low profile in Washington and has been criticized for deferring to Secretary of State Warren Christopher, the memory perhaps fresh in his mind of Carter-era squabbles between Cyrus Vance and Zbigniew Brzezinski. So the man academicians initially considered one of their own is better known for quiet consensus than vision or bold strokes.

"To the extent academics are appointed in the fields where they have expertise, one would expect them to have ideas, and a sense of how the problems might be dealt with, and would get off to a faster start," said Samuel P. Huntington, director of Harvard's Olin Institute for Strategic Studies, at the Center for International Affairs.

However, Huntington, who was a member of the National Security Council under Carter, maintained that many Clinton appointees who came from universities have been effective in the foreign policy arena. He cited Ashton Carter and Graham Allison of the Kennedy School and John Deutsch of the Massachusetts Institute of Technology, who all took top positions at the Department of Defense.

Some observers argue that because Clinton's

1/2

40 of 5

38

HOUSTON CHRONICLE OCT 30 1993

Focus on 'hard-core' drug user

New crime-fighting ideas needed, Brown says in talk here

By ERIC HANSON
Houston Chronicle

A 33

The country's drug czar, Lee P. Brown, said in a Houston speech Friday that drug abuse and the violence and crime associated with it are the nation's premier domestic problems.



Brown

Brown, who was chief of the Houston police department for eight years, outlined the Clinton administration's plan to combat drug use and crime.

He said that the time has come for government to come up with some new ideas in the war against drug abuse.

"Our policies will differ from those in the past in that we will focus on the hard-core drug user," Brown said.

Brown, who is the director of the Office of National Drug Control Policy, said heavy drug users consume the majority of drugs in the United States and cause the most crime.

"The senseless violence that takes place on the streets of America must stop," Brown said.

Brown said he plans to push forward a program that stresses drug prevention, education and treatment.

However, Brown said law enforcement will continue to play a large role in the battle and that interdiction of drug trafficking will remain a high priority.

He said that there will be a change in emphasis of the interdiction programs with law officers concentrating on aiding foreign governments in

the battles against drug producers instead of spending most of their time trying to intercept drug shipments.

"As we look at the vastness of our border, it's kind of like trying to catch the bees as they come across the border. It makes good sense to me to go to the beehive in the source country," Brown said.

But the drug czar said that prevention and education remain at the heart of his anti-drug programs and he said that instruction should start as early as possible.

He said that an educational program that begins at the kindergarten level and continues through the last year of high school should be in-

stalled in every U.S. school.

"We want to immunize our children from the allure of drugs, certainly from the mystique of drug use. To do that we intend to provide them with factual and accurate information that is relevant to their age group," he said.

"Any person that uses drugs has three choices: One, they can stop, which is what we hope they will do; two, they will end up in jail; and three, they will end up in the morgue," Brown said.

Brown was in Houston to address more than 1,000 volunteers in Houston Crackdown, a community-based anti-drug program.

BURRELLE'S

NEWS EXPRESS

PAGE 3 OF 9

WASHINGTON POST

OCT 31 1993

Departing DEA Chief Has Harsh Words for Clinton Anti-Drug Policy

By Michael Isikoff

Washington Post Staff Writer

AYG

Outgoing Drug Enforcement Administration chief Robert C. Bonner has accused the Clinton administration of permitting the country to "backslide" in the war against drug abuse by treating the problem as a "non-issue."

Amid signs that the use of heroin has reached record levels, Bonner said there has been a "vacuum" and "an absence of leadership" from the White House that has permitted Congress to "willy-nilly chop up" the budgets of federal agencies seeking to attack the drug problem.

"In terms of leadership at the White House, this is a non-issue," said Bonner, whose resignation takes effect today. "My perception is the drug problem is not only not a priority issue [at the White House], it does not appear to me to be an issue of any real importance."

Bonner also dismissed the administration's new anti-drug "strategy" as a largely rhetorical and misguided document that is "going to fail." By placing primary emphasis on the treatment of hard-core drug abusers, White House drug control policy director Lee P. Brown is ignoring that "there really isn't an effective treatment for cocaine and crack addiction."

"Drug treatment, particularly in this town, is the real feel good [method] for how you deal with the drug problem. It doesn't deal with any enforcement of the laws. It makes everybody feel all warm and fuzzy. . . . I think treatment is being oversold."

Bonner's comments were made during a two-hour interview last week in which he harshly criticized administration policies on a number of fronts. A former federal judge and U.S. attorney in Los Angeles who was appointed three years ago by President George Bush, Bonner said he is leaving of his own accord, although he acknowledged he had not

been encouraged to stay on indefinitely. The office has no fixed term. Stephen H. Greene, the deputy administrator, will become acting administrator.

"Perhaps I may be something of a voice in the wilderness here, but I still believe the drug problem in all its various dimensions is the greatest single threat facing America," Bonner said. After several years of a "strong clear signal" of social disapproval of drugs, "I'm very concerned that clear signal is becoming much more ambiguous and . . . muted and we're beginning to backslide."

Asked about Bonner's comments, Brown said: "I don't think there's any room for us to be engaged in rhetoric about who's tougher on drugs."

Brown said that, contrary to Bonner's assertions, President Clinton was "very, very concerned about this issue" and had demonstrated that by designating the drug policy director a member of the Cabinet. He also emphasized that while the administration's approach will place more emphasis on treatment of addicts, "we're not contemplating reductions for the law enforcement agencies."

Bonner said the most serious new drug threat has been a "dramatic" resurgence of heroin abuse, with many new users snorting or smoking the drug. After years of worldwide bumper crops of opium poppies in the late 1980s, "I would say from all the data I've examined there is more heroin available in the

United States today than perhaps at any time in the nation's history."

While acknowledging "there is no hard data," Bonner said he also believes the total number of users of heroin has expanded "well beyond" traditional estimates of 500,000 to perhaps 1 million.

Other federal officials and drug experts in recent months have said there is no accurate way to measure the number of heroin addicts and fears of a heroin "comeback" have been expressed by DEA officials for some time. But Bonner and other agency officials last week cited a number of statistics to back up their claims, including a record number of heroin emergency admissions to hospitals, reports of heroin being dis-

¹¹²
BURRELLE'S

NEWS EXPRESS

PAGE 3 OF 7

3

LOS ANGELES TIMES

OCT 31 1993

Departing DEA Chief Assails Clinton Drug Policy

Narcotics: Robert C. Bonner says government is not 'sending a clear signal' on problem. He questions focus on treatment of hard-core addicts.

By RONALD J. OSTROW
TIMES STAFF WRITER

WASHINGTON—Departing Drug Enforcement Administration chief Robert C. Bonner is warning that the government is no longer "sending a clear signal" on illicit narcotics, and he questioned the Clinton Administration's strategy of focusing its efforts on treatment of hard-core drug addicts.

In an interview last week—held for publication until today, when he officially steps down—Bonner said that emphasizing treatment for hard-core abusers "is doomed to failure" if it means curtailing money for efforts to curb casual use.

As a result, he said, a steady stream of less-addicted users would more than replace the ranks of cured addicts.

Moreover, he maintained that "the success record of treatment programs is not very good."

Bonner, a former federal judge and U.S. attorney in Los Angeles, has headed the DEA since August, 1990. He has said he decided to leave the DEA to return to a private law practice, where he expects "to be handling high-stakes kinds of litigation matters." No successor has been named.

The focus on hard-core addicts was the centerpiece of the interim drug strategy that Lee P. Brown, director of the White House's Office of National Drug Control Policy, presented to the Senate Judiciary Committee earlier this month.

Brown, acknowledging that some progress had been made in reducing casual or intermittent drug use, said that emphasis now must be placed on reducing the hard-core abusers who are responsible for a large portion of cocaine use.

Bonner said he does not oppose drug treatment or research into treatment methods, but he does not believe that the government should pay for such programs by shifting money from enforcement.

He also said the government is sending out a "more ambiguous and muted" signal about drugs than it once did. The Administration has been criticized for failing to draw up a clear, strong drug policy.

Bonner did not place the blame entirely on President Clinton. "Backsliding" began during the George Bush Administration, around the time of the buildup for the Persian Gulf War, he said.

As evidence, Bonner cited previously reported surveys indicating increasing drug use among eighth graders and "the beginning" of a very significant increase in the number of heroin abusers in the United States.

Bonner said the increased heroin use also reflects "that there is an absolute glut of heroin" in the country.

He also called for reducing the emphasis on interdicting drugs by locating and seizing shipments. That approach plays to the strength of the major trafficking organizations, he said.

"We are playing into their hands because they have the financial capability and the organization simply to increase the production

of cocaine relatively quickly to make up for losses, and the profits are so great that there's no problem doing it," he said.

He said large amounts of resources could be moved from expensive interdiction efforts to "a more highly focused attack on the leadership, key members and infrastructure of these major trafficking organizations." This is the "kingpin" strategy the DEA emphasized under Bonner.

The Administration has already announced a "controlled shift of emphasis" away from interdiction toward pursuing drug producers in source countries. Last week, it scaled back the use of aircraft and ships for drug interdiction in the Caribbean, claiming a savings of \$200 million.

Previously reluctant to discuss turf wars that have hampered the nation's anti-drug efforts, Bonner addressed the friction among the DEA, the FBI and the U.S. Customs Service, the federal agencies most involved in fighting drugs.

While noting that he was pleased by Atty. Gen. Janet Reno's decision not to merge the DEA into the FBI, Bonner said he found fault with her naming of FBI Director Louis J. Freeh to head a new Justice Department office devoted to mediating disputes involving the FBI, the DEA, the U.S. Marshals Service and the Border Patrol.

5

3068

The Washington Post

AN INDEPENDENT NEWSPAPER

Drug Haze

WHEN LEE Brown, the president's drug policy director, testified before the Senate about President Clinton's interim drug strategy, the response was one loud catcall. Sen. Biden said the administration had "not paid enough attention" to the drug problem. Sen. DeConcini saw the administration as "drifting into a lack of determination in this area." Sen. Hatch denounced the strategy as "a placebo" and, more ominous, accused the administration of "slipping inexorably into the old permissiveness of the Carter era."

Mr. Clinton isn't "soft" on drugs. But the administration is beginning to run some real political and substantive risks by giving the impression that it doesn't much care about the drug issue. Drugs were propelled to the top of the nation's agenda because President Bush decided to put the issue there, and because Democrats such as Sen. Biden agreed it belonged there. There is no question that drug addiction is a serious problem, and so is the street violence spawned by the drug trade. Its victims are often innocent children who get caught in the middle when the bullets fly. But there has always been a chicken-and-egg debate over how to look at the problem. Should drugs be seen as the primary cause or the effect of problems, especially in the inner city?

Which set of assumptions you start from can influence where you end up. The Clinton administration suggests, without quite saying so, that it sees drugs in the context of other problems. Mr. Brown's drug strategy, for example, speaks not just of what the administration wants to do about drugs but also

of other aspects of Mr. Clinton's urban policy, including his proposal to use federal funds to put up to 50,000 more police on the streets, as well as its community banking, "empowerment zone" and health care initiatives.

The broader approach is perfectly rational. If that's how the administration wants to deal with the drug issue, it should say so explicitly. As it is, Mr. Brown is being forced to make small adjustments in policies inherited from Mr. Bush. He spoke to Congress in general terms about shifting the focus of drug treatment to "hard-core users" and called for a "controlled shift of emphasis" away from interdiction toward hitting drug producers in source countries. This week the administration announced the first fruits of its shift, scaling back the use of aircraft and naval ships for drug interdiction in the Caribbean, for a savings of \$200 million. The move was greeted harshly by Republican Rep. Clay Shaw of Florida, who charged that the administration was "in full retreat in the war against drugs."

That isn't true, but by failing to be more specific about its plans (including its spending proposals) and its underlying assumptions, the administration is turning itself into a large target. Mr. Brown, whose staff was cut from 140 people to 25 in Mr. Clinton's White House reorganization, is not the problem. The administration as a whole should read the warning signs: Democrats who care about the drug issue are discouraged, and Republicans sense a political opportunity. The administration's drug strategy needs fixing.



Tinted

It is unfortunate that over D.C. Cropp's pro-dows on ca: Courtland f Oct. 20], ha on the polic enforce the

The gang hide behind tute an unde an underw paradoxical nymity. The lent youth a create tensic our neighbo draw streng of our fear.

This prop powering our against viole nals to face i terrorize. M it would enal tact with c members— openin

Those Reactors at Chernobyl

that as another
noted

Ukraine's dependence on these defective plants is
collapse into

PHOTOCOPY
PRESERVATION

October 22, 1993

NOTE FOR JOSE

FROM: JOHN

SUBJECT: NEW Q&A'S

THESE ARE OUR ONLY TWO NEW Q&A'S. WE DON'T HAVE A COPY OF ANY
THAT JIM MILLER MIGHT HAVE DEVELOPED.

INTERIM STRATEGY SPECIFICS

QUESTION:

The Interim Strategy is long on ideas but short on specifics. How do you intend to implement this Strategy?

ANSWER:

- o The Strategy I presented to Congress is intended to provide the **blueprint** for the Strategy. It explains how the Clinton Administration will conduct its drug program.
- o Senators Biden and Hatch, former Director Bill Bennett, and others are all in accord with the direction it provides. I know they are concerned about the lack of specific funding detail, but this document was not intended to provide such detail.
- o Program specifics will be incorporated in the full Strategy that the Administration will submit to Congress on February 1, 1994. This Strategy will include the budget plan to implement the Strategy.
- o The President is committed to ensuring that resources be amply provided to support our priority areas: treatment; prevention, especially prevention aimed at youth most at-risk for drug abuse and violence; and education.

SHIFT IN BUDGET RESOURCES

QUESTION:

Will the Strategy propose shifts in budget resources?

ANSWER:

- o We are now developing the FY 1995 budget, which will present the detailed budget plan to implement the National Drug Control Strategy.
- o I intend to place more resources on the demand side for treatment, prevention, and education in support of the priorities defined by the Interim Strategy.
- o On the supply side, programs in drug producing countries are a priority and you can expect to see more resources in these areas.
- o However, with respect to other supply programs, I will fund those program that work. Programs that do not contribute to the goal of reducing drug use and availability be not be given priority.
- o I can't say for certain how the budget will turn out. As you know, the Strategy supports community-based programs, such as community policing, that score as law enforcement even though they clearly have a prevention aspect. Such programs point out why we should focus our attention less on supply/demand ratios and more on the programs that the budget supports.