

CRS Report for Congress

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Colombia: Issues for Congress

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Summary

Recent debate on U.S. policy toward Colombia has taken place in a context of concern for the volume of drugs readily available in the United States and elsewhere in the world, and security concerns that have come into sharper focus after the attacks of September 11, 2001. The United States has made a significant commitment of funds and material support to help Colombia and the Andean region fight drug trafficking since the development of Plan Colombia in 1999. Congress passed legislation providing \$1.3 billion in assistance for FY2000 (P.L. 106-246) and has provided more than \$4 billion for programs in Colombia from FY2000 through FY2005 in both State Department and Defense Department counternarcotics accounts. Since 2002, Congress has granted expanded authority to use counternarcotics funds for a unified campaign to fight both drug trafficking and terrorist organizations in Colombia. In 2004, Congress raised the statutory cap on U.S. personnel allowed to be deployed to Colombia in support of Plan Colombia. The three main guerrilla groups in Colombia participate in drug production and trafficking and have been designated foreign terrorist organizations by the State Department.

President Alvaro Uribe, elected in 2002, is seeking to address the 40-year conflict with the leftist guerrilla organizations, as well as the rightist paramilitary groups that have been active since the 1980s. President Uribe enjoys high levels of popular support, but still faces challenges resulting from the defeat of an October 2003 referendum that would have strengthened Uribe's control of the budget and implemented government reforms. He also faces opposition to a controversial proposal to grant conditional amnesties to rightist paramilitaries that agree to demobilize.

The Congress has expressed concern with respect to a number of Colombia-related issues including human rights, the aerial eradication of illicit drug crops, interdiction programs, the situation of U.S. hostages, and funding levels for Plan Colombia. Moreover, Congress has debated U.S. policy options in Colombia on the basis of the country's prominent role in drug production, and the effects that drug trafficking has with regard to terrorism, regional security and oil production. U.S. policy in Colombia remains controversial, but inroads have been made with regard to the eradication of illicit drug crops and improved security conditions. However, nongovernmental organizations argue that U.S. policy does not rigorously promote human rights, provide for sustainable economic alternatives for drug crop farmers, or provide protections for Colombian nationals in the United States who fear returning to their homes. In 2005, Congress will likely consider the progress of U.S. programs in light of an anticipated Administration request to continue funding for the Andean Counterdrug Initiative.

For more information on legislation affecting Colombia and the Andean Counterdrug Initiative, see CRS Report RL32337, *The Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2005 Assistance* by Connie Veillette. This report will be updated as events warrant.

Contents

| | |
|--|----|
| Introduction | 1 |
| Conditions in Colombia | 1 |
| Illegally Armed Groups | 3 |
| The Revolutionary Armed Forces of Colombia (FARC) | 3 |
| National Liberation Army (ELN) | 4 |
| United Self-Defense Forces of Colombia (AUC) — “Paramilitaries” .. | 5 |
| The Uribe Administration | 5 |
| AUC Demobilization and Amnesty Proposal | 6 |
| Referendum and Local Elections | 8 |
| Issues for Congress | 9 |
| Colombia and Global Drug Trends | 11 |
| Aerial Fumigation and Alternative Development | 12 |
| Colombia and Terrorism | 14 |
| U.S. Hostages | 15 |
| Human Rights | 15 |
| Colombia and Regional Security | 17 |
| Cross-Border Incursions and Safe Havens | 17 |
| Drug Displacement | 19 |
| Refugees | 19 |
| Temporary Protected Status | 20 |
| Air Bridge Denial Program | 20 |
| Oil Production | 20 |
| Funding for Plan Colombia | 22 |
| List of Acronyms | 25 |

List of Tables

| | |
|---|----|
| Table 1. U.S. Assistance For Plan Colombia, FY2000-FY2005 By Agency ... | 24 |
|---|----|

Colombia: Issues for Congress

Introduction

The centerpiece of U.S. policy toward Colombia¹ has been to curb narcotics production and trafficking, and to promote democracy and economic development, which it is believed will strengthen regional security. Colombia's spacious, rugged and sparsely populated territory provides ample isolated terrain for drug cultivation and processing, and contributes to the government's difficulties in exerting control throughout the nation. The country is known for a long tradition of democracy, but has had to contend with continuing violence from leftist guerrilla insurgencies dating to the 1960s and persistent drug trafficking activity. Recent governments also have had to deal with rightist paramilitaries (or "self-defense" forces) formed in the 1980s. The two main leftist guerrilla groups are the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN), both of which regularly kidnap individuals for ransoms, and reap profit from their participation in the drug trade. Most of the rightist paramilitary groups are coordinated by the United Self-Defense Forces of Colombia (AUC) which has been accused of gross human rights abuses and collusion with the Colombian Armed Forces in their fight against the FARC and ELN. The AUC also participates in narcotics trafficking.

Conditions in Colombia

Colombia is the source for 80% of the world's cocaine hydrochloride, and significant quantities of high quality heroin entering the United States. Because narcotics trafficking and the guerrilla insurgency have become intertwined problems, the United States has exercised expanded authority, granted by Congress since 2002, for increased flexibility to use U.S. counterdrug funds for a unified campaign to fight drug trafficking and terrorist organizations.

Plan Colombia was developed by former President Pastrana (1998-2002) as a six-year plan to end the country's 40-year old armed conflict, eliminate drug trafficking, and promote economic and social development. In response to this strategy, the United States almost tripled its assistance to Colombia in 2000 when Congress approved Plan Colombia legislation (P.L.106-246) providing \$1.3 billion for counternarcotics and related efforts in Colombia and neighboring countries.

¹ For more information on legislation on Colombia, see CRS Report RL32337, *Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2005 Assistance*, by Connie Veillette, and CRS Report RL32021, *Andean Regional Initiative (ARI): FY2003 Supplemental and FY2004 Assistance to Colombia and Neighbors*, by K. Larry Storrs and Connie Veillette.

President Bush has continued support for the plan under the Andean Counterdrug Initiative (ACI). In 2001, the Bush Administration requested funding for FY2002 for the “Andean Regional Initiative,” which encompassed the Andean Counterdrug Initiative as well as other assistance programs, such as Development Assistance, Child Survival and Health, Economic Support Funds, and Foreign Military Financing (FMF). For FY2004, the budget request returned to using the term “Andean Counterdrug Initiative,” with non-drug funding that previously was part of ARI requested from regular accounts.



Source: Map Resources. Adapted by CRS. (K.Yancey 2/6/04)

Through the Andean Counterdrug Initiative and Foreign Military Financing, the United States supports the eradication of coca and opium poppy crops, the interdiction of narcotics trafficking, and the protection of infrastructure through training and material support for Colombia’s security forces. It also supports alternative crop development and infrastructure development to give coca and opium poppy farmers alternative sources of income, and institution building programs to

strengthen democracy. Components of U.S. assistance include human rights training in response to congressional concerns with regard to a history of abuses by security forces. Congress has prohibited U.S. personnel from directly participating in combat missions and has capped the number of U.S. military and civilian contractor personnel that can be stationed in Colombia in support of Plan Colombia at 800 and 600 respectively.

Illegally Armed Groups

The three main irregular armed groups active in Colombia, the FARC, ELN, and AUC, have been designated foreign terrorist organizations (FTO) by the Secretary of State, pursuant to section 219 of the Immigration and Nationality Act, as amended by the Antiterrorism and Effective Death Penalty Act of 1996 (P.L. 104-132). Additionally, the FARC and AUC have been designated Significant Foreign Narcotics Traffickers under the Foreign Narcotics Kingpin Designation Act (P.L. 106-120). As such, it is unlawful to provide them with funds or other material support. Members of these organizations can be denied visas or otherwise excluded from entering the United States, and U.S. financial institutions must block their funds and that of their agents.

The Revolutionary Armed Forces of Colombia (FARC). The Marxist FARC was formed in 1964 as the military wing of the Colombian Communist Party. With membership estimated at around 17,000,² it is the oldest, largest, and best-equipped and financed guerrilla organization in Latin America. It mainly operates in rural areas, but has shown its abilities to strike in urban areas, including the capital of Bogotá. It conducts bombings, murders, mortar attacks, kidnappings, extortion, and hijackings against Colombian and U.S. targets. It is fully engaged in the drug trade, including cultivation, taxation of drug crops, and distribution, from which it reaps healthy profits. It is estimated that the FARC earns millions of dollars from the drug trade and ransoms. The Colombian Defense Minister reported that the FARC earned between \$742 million and \$1.32 billion in 2003, earning 46% from drug trafficking and 54% from extortion and kidnappings.³

During the Pastrana Administration, the FARC entered into peace negotiations under which it was granted control of a Switzerland-size territorial refuge while the peace process was underway. With continued FARC military activity, including the kidnapping of a Colombian Senator, President Pastrana halted the negotiations and ordered the military to retake control of the designated territory. During the inauguration of President Uribe on August 7, 2002, the FARC launched a mortar attack on the Presidential Palace that killed 21 residents of a nearby neighborhood. No current peace negotiations are being undertaken between the FARC and the Colombian government, although the FARC has said it is willing to negotiate the release of some 60 hostages it is holding in exchange for the release of about 500

² The State Department's *Patterns of Global Terrorism 2003* report estimates FARC membership at between 9,000 to 12,000 armed combatants, but notes that it has several thousand more supporters, largely in rural areas. Various press reports put FARC membership as high as 20,000.

³ "Colombia: FARC Funds Outlined," *Latinnews Daily*, August 16, 2004.

guerrillas imprisoned by the government. The FARC continues to hold three U.S. citizens hostage after their plane crashed in FARC-controlled territory in February 2003. The three are civilian contract employees working in support of Plan Colombia.

The State Department maintains that Cuba has provided some medical care and political consultation to the FARC and ELN. The State Department *Patterns of Global Terrorism 2002* report acknowledged that Colombia acquiesced to the presence of Colombian guerrillas in Cuba, and has publicly accepted Cuban mediation with the ELN in Cuba. The Cuban government maintains that it has been actively involved in hosting peace talks, and that its contributions to peace talks have been acknowledged by Colombia and the United Nations.⁴ In addition, three Irish nationals suspected of being Irish Republican Army members were arrested in Colombia in 2001 for providing explosives training to the FARC and traveling on false passports. Their trial concluded August 1, 2003, and on April 26, 2004, the court found the three not guilty of training FARC rebels in bomb making techniques but guilty on charges of using false passports to enter the country. They are required to remain in Colombia pending an appeal process.

National Liberation Army (ELN). The smaller ELN was formed in 1965, inspired by the ideas of Fidel Castro and Che Guevara. With a membership of 3,000 to 5,000, it is less active than the FARC, but has still been able to carry out a number of high profile kidnappings and bombings. Although they consider themselves as traditional rivals, the FARC and ELN announced in August 2003 that they would begin to coordinate their activities in their fight against the state. Such an association became evident on December 30, 2003, when combined FARC and ELN forces attacked three villages controlled by paramilitary forces. The ELN has also targeted the country's infrastructure, especially its oil and electricity sectors. Its operations are mainly located in the rural areas of the north, northeast, and southwest, and along the Venezuelan border. According to the State Department, the ELN earns funds from the taxation of illegal drug crops, although Colombian officials believe it is now engaged in all facets of the drug trade.⁵

In recent years, the ELN has shown more of a willingness to attempt peace negotiations with the government. In December 2003, President Uribe revealed that he had met with an ELN leader to discuss possible peace initiatives, but a subsequent ELN statement ruled out any possibility of demobilization. However, in 2004, the ELN and the Colombian government accepted an offer from Mexican President Vicente Fox to facilitate peace negotiations. In June, Mexico named Andres Valencia, a former Mexican ambassador to Israel, as its facilitator. Meetings with Valencia and the ELN have occurred, but the rebel group has rejected Uribe's offer

⁴ Cuban Ministry of Foreign Relations. "Declaration by the Ministry of Foreign Affairs: Cuba Has Nothing to Hide, and Nothing to Be Ashamed of," May 2, 2003.

⁵ Testimony of Vice President Santos-Calderon before the U.S. Senate Caucus on International Narcotics, June 6, 2003.

of a cease-fire.⁶ The Uribe government in June had also allowed the temporary release from jail of ELN's spokesman, Francisco Galán, to participate in a Colombian Senate hearing on the use of landmines in Colombia. Uribe has made a similar offer to FARC leaders. Most recently, the ELN has indicated its desire to participate in electoral politics by joining a coalition with several leftist parties that plan on fielding a presidential candidate in the May 2006 elections.⁷

United Self-Defense Forces of Colombia (AUC) — “Paramilitaries”.

Members of the AUC are commonly referred to as “paramilitaries.” The organization was formed in 1997 as an umbrella organization for a number of local and regional paramilitary groups operating in the country. Paramilitary groups trace their origins to the 1980s when wealthy ranchers and farmers organized armed groups to protect them from kidnappings and extortion plots by the FARC and ELN. The AUC believes its existence is necessary to fight these leftist groups, arguing that the government of Colombia has been unable to protect the interests they represent. The AUC has conducted massacres and assassinations of suspected insurgent supporters and has directly engaged the FARC and ELN in military battles. The Armed Forces of Colombia have long been accused of turning a blind eye to these activities. AUC leader, Carlos Castaño, claims that 70% of AUC funding comes from its participation in the drug trade. The State Department estimates that there are between 8,000 and 11,000 members of the AUC, although press reports use numbers ranging up to 12,000 or more. Its bases of operation are the departments of Antioquia, Cordoba, Sucre, and Bolivar. With President Uribe's increasing military engagement of the FARC and ELN, the AUC has begun a demobilization process, stating that its efforts may no longer be necessary. There are other paramilitaries operating in the country that are not a part of the AUC. Their membership is estimated at 5,000. (See “AUC Demobilization and Amnesty Proposal” below for more information on the status of the demobilization process.)

The Uribe Administration

Alvaro Uribe ran for the presidency as an independent on a platform focusing on defeating the guerrilla insurgents, eliminating the paramilitaries, and ending narcotics trafficking. Upon taking office on August 7, 2002, he took a number of steps, some of which have proven to be controversial.⁸ He promulgated a decree invoking emergency powers, allowing security forces to make arrests without warrants and imposing controls on movements in war-torn parts of the country. Under Colombia's 1991 constitution, states of emergency may be declared for 90 days, and then can be renewed for two additional 90-day periods. The country's constitutional court has, on several occasions, ruled unconstitutional components of the state of emergency that give security forces increased powers. In response, the

⁶ Kate Joynes, “ELN Rebels Rebut Colombian Government's Peace Pledge,” *WMRC Daily Analysis*, July 12, 2004.

⁷ Hugh Bronstein, “Colombian Rebels Want to Participate in Election,” Reuters News, January 13, 2005.

⁸ See CRS Report RS21242, *Colombia: The Uribe Administration and Congressional Concerns* by Nina M. Serafino.

Uribe Administration introduced legislation in April 2003, which the Congress passed late in the year, that would change the constitution in order to give security forces permanent powers to tap phones and search homes without warrants in all parts of the country. (See section on human rights for more detail.)

President Uribe has taken a hard-line approach to negotiations, declaring that the government would only negotiate with those groups who are willing to give up terrorism and agree to a cease-fire, including paramilitary groups, with which former President Pastrana had refused to negotiate. Uribe has increased the size of the military and police, largely through a one-time 1.2% war tax on wealthy individuals and businesses, and created a "civilian informers" program. This effort also entails the augmentation of Colombia's regular armed forces with "peasant soldiers" who receive less training than regular troops, and are based near their own hometowns. The Uribe Administration has inducted 10,000 peasant soldiers, each serving for two years, with plans to have a total force of 20,000. With regard to ending narcotics trafficking, President Uribe substantially increased resources for the aerial fumigation program, vowing to spray all coca crops by the end of his term in 2006.

There are indications that this hard-line approach has produced measurable results. President Uribe announced at the end of 2003 that 4,294 members of armed groups had deserted, an 80% increase over the previous year. Police are being redeployed to areas from which they had been previously ousted by guerrilla groups. The homicide rate dropped 22%, and the rate of rural massacres dropped by 37% from 2002. The number of kidnappings fell by 32% over the same time period. On the economic front, private investment increased 17% and the economy grew by 3.3% in 2003. Growth projections for 2004 are in the 3.5 to 4% range.⁹

Public approval ratings for President Uribe continue to be high, largely attributed to a greater sense of security in the country. Supporters of Uribe initiated a proposal to change the Colombian constitution to allow the consecutive re-election of presidents. In December 2004, the Colombian Congress approved the change, paving the way for Uribe to run for re-election in May 2006 balloting.

AUC Demobilization and Amnesty Proposal. On July 15, 2003, the Uribe Administration announced an agreement with leaders of the AUC that would result in the demobilization of its members by the end of 2005. It is estimated that as many as 5,000 fighters operate outside of the AUC, some of whom are negotiating separately with the government, and others who are not participating at all. The Organization of American States established a Mission to Support the Peace Process in Colombia in February 2004 to mediate the demobilization process. The first demobilization took place in November 2003 when 855 members of the Cacique Nutibara Block operating in Colombia's second largest city, Medellín, laid down their arms. A second group of 155 fighters from the Cauca region followed suit soon after. This initial demobilization has not been without problems. Critics complained

⁹ "War-Torn Colombia Less Violent in 2003, Government Says," *Reuters*, January 6, 2004; "Colombia: 5-Year Forecast Table," *The Economist Intelligence Unit*, January 30, 2004; Carol J. Williams, "Colombia Sees Gains in Its War With Rebels," *The Los Angeles Times*, January 21, 2004.

that as many as 65 men from the Nutibara Block had police records for kidnapping, homicide, extortion, criminal conspiracy, theft and sexual assault, for which they have not been held accountable. Demobilized members complained about the difficulties of reinsertion into civilian life and the problems of obtaining employment. On January 3, 2004, just two months after the demobilization, the Cacique Nutibara Block's leader, Guillermo Echavarría, was assassinated in the streets of Medellín. Despite these difficulties, five other groups announced that they would begin demobilizing in October 2004. By the end of 2004, this resulted in the demobilization of an additional 2,624 members.

However, the demobilization process has been problematic as the AUC initially refused to enter a 222-square mile concentration zone established by the government. By mid-2004, the AUC leadership agreed to enter the zone with its protection provided by both its own troops internally, and Colombian military guarding the perimeter. Further, the organization seems to be preoccupied with internal struggles between factions who support the process and those who are identified with narcotics trafficking. This struggle manifested itself with an April firefight at the ranch of a prominent AUC leader, Carlos Castaño, after which his whereabouts have been unknown with rumors that he was executed by members who do not support the demobilization process. As he did with the ELN, President Uribe allowed three AUC commanders to address Congress, where they defended their operations and discussed the peace process.

As part of demobilization, President Uribe has proposed controversial legislation that would grant conditional amnesties to illegal combatants, which means that it could also apply to FARC and ELN fighters if they decide to enter into negotiations with the government. The United States has not publicly stated a position on the proposed legislation, although the State Department has denied a *New York Times* report that U.S. Embassy officials participated in writing the legislation.¹⁰ The United States has designated the AUC a foreign terrorist organization and has requested the extradition of two top AUC leaders, Carlos Castaño and Salvador Mancuso, on five indictments of conspiracy to import cocaine into the United States. The State Department has confirmed that the United States will not drop its requests for the extradition of any Colombians under indictment in the United States.

The Uribe Administration argues that without the inducement of conditional amnesties, paramilitary leaders and fighters will be unwilling to demobilize, and a spiral of violence will continue in Colombia. AUC leader Carlos Castaño has said that without amnesties, peace talks would “blow up in pieces.”¹¹ Critics of the proposal include Colombian legislators, political commentators, and international human rights organizations. They argue that AUC forces have been responsible for some of the worst violations of human rights, including massacres of civilians, and that the International Covenant on Civil and Political Rights, to which Colombia is party, requires that states will ensure that violators are brought to justice. The U.N.

¹⁰ U.S. Department of State Press Guidance, September 17, 2003; Juan Forero “Colombia Plans to Ease Penalties for Right-Wing Death Squads,” *The New York Times*, September 15, 2003.

¹¹ “No Peace Without Amnesty, Colombian Warlord Warns,” *Reuters*, September 4, 2003.

High Commissioner for Human Rights also criticized the bill because it “opens the door to impunity.”¹² Other critics argue that the government’s proposal will not hold paramilitaries accountable for their illegal activities.¹³

An initial bill was submitted to the Colombian legislature on August 21, 2003, but was met with congressional resistance and criticism from domestic and international nongovernmental organizations. It would have allowed the president to determine which members of illegal armed groups would qualify for suspended sentences. Combatants who qualify would have to agree to disarm and to demonstrate support for the peace process. Combatants would also agree to make reparations, of money or assets, to victims directly, or into a government fund for victims. A revised bill was introduced in April 2004 that would require a minimum prison sentence of between five and ten years. Time spent in government-designated concentration zones during the demobilization process would count toward prison sentences. Further revisions will be presented by the government at the Cartagena Meeting on International Support for Colombia on February 3-4, 2005. In the meantime, an alternative bill has been proposed by several Colombian Senators that many observers believe is stronger in its provisions to hold paramilitaries accountable for illegal activities and to ensure that they remain demobilized.¹⁴

Members of Congress have expressed concern with the amnesty and demobilization processes. The FY2005 Foreign Operations Appropriations Act, included as Division D in the FY2005 Consolidated Appropriations Act (P.L. 108-447), expressed concern that the demobilization process is not ensuring the dismantling of foreign terrorist organizations, is not deterring members from resuming illegal activities, and that the government of Colombia is not prosecuting those involved in drug trafficking and human rights violations. It recommends that the State Department not request FY2006 funds for demobilization unless the Department of Justice determines the activities to be consistent with U.S. anti-terrorism laws. It also makes a future request for demobilization support contingent on a number of conditions, such as adherence to a ceasefire and cessation of illegal activities, the continued adherence to the U.S.-Colombia extradition treaty, and the presence of a legal framework that prosecutes and punishes combatants in proportion to the crimes committed.¹⁵

Referendum and Local Elections. In August 2002, President Uribe called for a national referendum on questions of government reform and fiscal austerity, including measures to cut government spending and pension payments, to prohibit the re-election of corrupt officials. The referendum also included measures to restructure the Colombian Congress by reducing the number of representatives, restricting its budgetary powers, and allowing it to be dissolved by popular vote. The vote was held on October 25, 2003, to coincide with mayoral and gubernatorial

¹² “United Nations Slams Colombian Government Amnesty Bill,” *Reuters*, August 28, 2003.

¹³ Human Rights Watch, “Colombia: Letting Paramilitaries Off the Hook,” January 2005.

¹⁴ *Ibid.*

¹⁵ See CRS Report RL32337, *Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2005 Assistance* for details of the provisions.

elections slated for the following day. In order for the referendum to succeed, the law required 25% (6.3 million) of Colombian voters to participate. Not having received this minimum level of turn-out for all but one of the items (barring officials convicted on corruption charges from holding office), the referendum items failed, even though all received majority support of those voting, and polls consistently show President Uribe with popularity ratings of near 80%. The items relating to government spending were considered crucial to maintain the support of international financial institutions. President Uribe has since taken some of the same issues, including an increase in the value-added tax, a withholding tax on transfers and royalties, and a tax on assets, to the Colombian Congress for consideration.

In the weeks leading up to the October 26, 2003 municipal elections, the FARC threatened to kill all candidates and their families. In total, 25 candidates were killed and 160 withdrew their names from the balloting.¹⁶ In the elections, Luis Eduardo Garzon, known as Lucho, from the Independent Democratic Pole (PID) was elected as the first mayor of Bogotá from a party of the left. The office of Bogotá mayor is considered the second most important elected office after the presidency and as a springboard for aspirants to the presidency. Garzon's ability to govern the city would aid a presidential bid in 2006. Garzon has opposed President Uribe's military plan to fight the insurgents and openly campaigned against the referendum. Despite Garzon's opposition to many of Uribe's policies, he has adopted a pragmatic approach in order to demonstrate the PID's ability to govern, and has identified his politics as center-left.¹⁷ His election, as well as the election of leftist candidates as mayors of Cali and Medellín, and the governorship of Valle de Cauca, mark a change in the Colombian political spectrum where leftist candidates have often been labeled guerrilla sympathizers and threatened by rightist paramilitary groups.

Issues for Congress

Recent debate on U.S. policy toward Colombia has taken place in a context of concern over the sheer volume of illegal drugs available in the United States and elsewhere in the world, and security concerns that have come into sharper focus after the attacks of September 11, 2001. The U.S. policy debate has focused on a number of related issues, such as the effectiveness and implementation of the program in general, the nature of U.S. support to address what many consider to be a purely civil conflict, and the socioeconomic factors that many observers claim are the underlying cause of the continuing conflict. Because Plan Colombia was developed as a six year plan, Congress will most likely review its progress in light of considerations of proposals to continue U.S. assistance after 2005. In addition to the basic debate over what role the United States should play in Colombia's struggle against drug trafficking and illegally armed groups, Congress has repeatedly expressed concern

¹⁶ Jeremy McDermott, "Uribe Gains the Upper Hand in Colombia's Guerrilla War," *Jane's Intelligence Review*, December 2003.

¹⁷ Maria Cristina Caballero, "A Lefty Takes Bogotá: Mayor Luis Eduardo Garzon will Complicate Uribe's Agenda," *Newsweek International*, January 26, 2004; Andrew Selsky, "Leftist's Win in Bogotá Mayor Race Seen As Dawn of a New Political Era in Colombia," *Associated Press*, October 27, 2003.

with a number of related issues. These include continuing allegations of human rights abuses; the expansion of U.S. assistance for counterterrorism and infrastructure protection; the health and environmental consequences of aerial fumigation for drug control; the progress of alternative development to replace drug crops with non-drug crops; judicial reform and rule of law programs; the level of risk to U.S. personnel in Colombia and the continued captivity of several American hostages held by the FARC.¹⁸

Supporters of U.S. policy argue that Colombia is a beleaguered democratic ally under siege by powerful armed forces of the left and right fueled by drug money. In the context of the global war on terrorism, and with the growing recognition of the relationship between drug trafficking and the guerrilla insurgency, proponents argue that Colombia and its neighbors should be supported with counternarcotics and counterterrorism assistance before the situation deteriorates further. They favor expanding the scope of military assistance to strengthen the ability of Colombian security forces to combat the leftist guerrillas and to expand their control throughout rural areas, thereby undercutting the rationale and support for paramilitary groups. They also argue that guerrilla forces regularly cross borders using neighboring countries' territory for refuge and supplies, and that this has a potentially destabilizing effect in the region. The FARC and ELN have also claimed responsibility for attacking infrastructure necessary for Colombia's continued economic development. This is particularly important in oil exploration and transport. Colombia exported 195,000 barrels per day of crude to the United States in 2003, which is a 25% decline from 2002.¹⁹

Opponents of U.S. policy argue that the counterdrug program uses a repressive military approach to curbing drug production which could provoke a popular reaction in rural areas. They argue for halting aerial fumigation of drug crops and aid to the Colombian military, believing that coca farmers cannot be expected to abandon coca farming voluntarily until adequate economic alternatives are in place. They fear that forcing such farmers to give up coca growing will only drive many to the ranks of the armed groups, or to become displaced persons dependent on the state. Further, they argue that any decreases in coca cultivation in Colombia will be offset by increases in neighboring countries, as was witnessed in 2002 when reported acres of coca cultivation in Peru and Bolivia increased. Instead, many urge that counternarcotics policy should stress interdiction rather than eradication so that the direct costs to peasant producers would be less. Some critics of U.S. policy would support a policy that focuses largely on economic and social aid to combat what they consider to be the conflict's root causes, curbs the still rampant human rights abuses by paramilitary groups, provides vigorous support for a negotiated end to the fighting, and emphasizes illicit drug demand reduction in the United States. Still others urge a regional and multilateral approach, in which drug consuming countries would fund

¹⁸ For more information on these issues, see CRS Report RL32337, *Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2005 Assistance*, by Connie Veillette.

¹⁹ Energy Information Administration, U.S. Department of Energy, "Colombia: Country Analysis Brief," July 2004.

land reform and rural development programs, as complementary to interdiction efforts.²⁰

In response to an Administration request, Congress reconsidered the statutory caps on U.S. personnel allowed to be deployed to Colombia in support of Plan Colombia. The FY2005 National Defense Authorization Act (H.R. 4200; P.L. 108-375) raised the military cap from 400 to 800 and the civilian cap from 400 to 600. The cap does not apply to personnel conducting search and rescue operations, nor to U.S. personnel assigned as part of their regular duties to the U.S. embassy. During 2003, military personnel varied between 128 and 396, while the number of civilian personnel varied between 246 and 400. During the first six months of 2004, the number of military personnel reached 387, and civilian personnel 396. These numbers vary as programs are begun, expanded, or completed. General James Hill, then head of the U.S. Army Southern Command, stated in testimony to Congress that the cap had begun to hamper his ability to support Colombian military operations. There is no cap on the number of foreign nationals that can be used as civilian contractors.

Colombia and Global Drug Trends

Colombia's prominence in the production of cocaine and heroin is used as justification for the U.S. focus on anti-narcotics efforts in the Andean region. The United States considers cocaine, heroin, marijuana, and synthetic amphetamine-type stimulants (ATS) as the illegal drugs of most concern. Cocaine, heroin, and most ATS are imported from outside the United States. The principal international counternarcotics objective of the United States is to cut off this flow. It is estimated that cocaine is abused by 14 million people worldwide and heroin by 15 million people. The United States is the world's largest cocaine market, although recent reports note that the number of cocaine users has stabilized in recent years.²¹ According to the United Nations, more countries reported increases in drug abuse than decreases for 2002. The White House Office of National Drug Control Policy reports that 15.9 million Americans age 12 and older had used illicit drugs in the previous month. Of this amount, there were nearly 2 million cocaine users. In 2000, Americans spent \$36 billion on cocaine and \$10 billion on heroin. The overall cost of drug abuse to society is estimated at \$160.7 billion.²²

The world's supply of cocaine is produced by just three countries: Peru, Bolivia, and Colombia. Until the mid-1990s, Peru and Bolivia were the two major producers. Colombia eclipsed Bolivia in 1995 and Peru in 1997, the result of increased eradication programs in those two countries and the displacement of coca cultivation to Colombia. Cocaine production in Colombia increased fivefold between 1993 and 1999. Colombia now produces 80% of the world supply of cocaine; 90% of cocaine

²⁰ Ibid, Council on Foreign Relations Center for Preventive Action, January 2004.

²¹ United Nations Office on Drugs and Crime (UNODC), *Global Illicit Drug Trends 2003*.

²² U.S. Office of National Drug Control Policy (ONDCP), "Drug Policy Information Clearinghouse Fact Sheet, Drug Data Summary," March 2003.

entering the United States originates in or passes through Colombia.²³ The U.S. State Department reported a decrease in cultivation of 15% in 2002 and 21% in 2003. The U.N. Office on Drugs and Crime reports that Colombia has 212,506 acres of coca under cultivation, a 47% drop from 2000.²⁴ However, the DEA notes that cocaine prices in 2001 remained low and stable, not yet reflecting any significant reduction in supply.²⁵ For the period covering December 2002 through May 2003, the Office of National Drug Control Policy reports that prices for both cocaine and heroin remained stable, with prices falling in some of the 25 cities surveyed.²⁶

Global production of the opium poppy, from which heroin is produced, has remained stable since 1998. Its principal source countries are Afghanistan (76%), Myanmar (18%), Laos (2%), and Colombia (1%). Even though Colombia is not a major producer, it supplies a higher purity heroin, most of which is exported to the United States. The purity of heroin has risen in the last 20 years from 7% to 37% in 2000, largely attributed to the availability of high quality heroin from Colombia.²⁷ As was the case with cocaine, Colombia began outproducing Mexico in the cultivation of opium poppy in 1995, with total acreage covering anywhere from 12,913 acres to 18,162 acres. Reflecting increased eradication efforts, as of 2002, there were 9,459 acres of opium poppy under cultivation.²⁸ The State Department reports a decline in poppy cultivation of 24% in 2002 and 10% in 2003.

Upon taking office, President Uribe announced that aerial eradication,²⁹ along with alternative crop development, would form a significant basis of the government's efforts. The Plan Colombia eradication spraying program began in December 2000 with operations by the U.S. funded counternarcotics brigade in Putumayo. It is believed that the Plan Colombia goal of having sprayed 50% of the country's coca crop by the end of 2005 may have been accomplished two years ahead of schedule. It should be noted, however, that spraying does not prevent, although it may discourage, the replanting of illicit crops.

Aerial Fumigation and Alternative Development

The U.S. Agency for International Development funds programs to assist illicit crop farmers to switch to legal crops, and provides assistance with infrastructure and marketing. The alternative development program, in which farmers can get

²³ Ibid, UNODC.

²⁴ Veselin Toshkov, "Coca Cultivation Falls in the World's Three Biggest-Producers, UN Survey Says," *Associated Press*, June 17, 2004.

²⁵ U.S. Drug Enforcement Agency Briefs and Background, "Drug Trafficking in the United States," [http://www.dea.gov/concern/drug_traffickingp.html] accessed November 19, 2003.

²⁶ U.S. Office of National Drug Control Policy (ONDCP), *Pulse Check: National Snapshot*, January 2004.

²⁷ ONDCP, March 2003, Drug Data Summary.

²⁸ International Narcotics Control Strategy Report 2003, U.S. Department of State.

²⁹ For more information, see CRS Report RL32052, *Colombia and Aerial Eradication of Drug Crops: U.S. Policy and Issues*, by Connie Veillette and José E. Arvelo-Velez.

assistance to grow substitute crops after agreeing to the eradication of their illicit crops, has been problematic. A U.S. Government Accountability Office³⁰ (GAO) report attributed the program's obstacles to inadequate security in coca-growing areas, where the Colombian government lacks control, and to the government's limited ability to carry out sustained interdiction operations. The State Department's annual International Narcotics Control Strategy Report for 2003 claims that more than 95,000 acres of licit crops have been planted in previous coca and poppy areas during 2003, an increase over the nearly 26,000 acres planted in 2002. In addition, the United States assisted with the establishment of 488 social and productive infrastructure projects that benefitted 31,170 families in 16 departments.

Proponents argue that both eradication and alternative development programs need time to work. In its response to the GAO report, the U.S. Agency for International Development argued that alternative development programs do not achieve drug crop reduction on their own, and that the Colombia program was designed to support the aerial eradication program and to build "the political support needed for aerial eradication efforts to take place."³¹ A more recent GAO report³² found that even while economic assistance programs were beginning to show results, they reach a relatively small number of people and may not be sustainable. Some of the challenges facing alternative development programs are the number of families that need assistance, the difficulty in marketing licit crops, and the operational problems of working in conflictive zones.

Aerial fumigation³³ has been controversial both in Colombia and the United States. Critics charge that it has unknown environmental and health effects, and that it deprives farmers of their livelihood, particularly in light of a lack of coordination with alternative development programs. With regard to environmental and health consequences, the Secretary of State, as required by Congress, has reported that the herbicide, glyphosate, does not pose unreasonable health or safety risks to humans or the environment. In the certification, the U.S. Environmental Protection Agency confirmed that application rates of the aerial fumigation program in Colombia are within the parameters listed on U.S. glyphosate labels. (The most recent certification was issued in December 2004.) However, press reports indicate that many Colombians believe the health consequences of aerial fumigation are grave, and many international non-governmental organizations criticize the certification for being analytically inadequate.

³⁰ U.S. Government Accountability Office, GAO-03-783, *Drug Control. Specific Measures and Long-Term Costs for U.S. Programs in Colombia Have Not Been Developed*, June 16, 2003.

³¹ Ibid. GAO.

³² U.S. Government Accountability Office, GAO-04-726, *Drug Control. U.S. Nonmilitary Assistance to Colombia Is Beginning to Show Intended Results, but Programs Are Not Readily Sustainable*, July 2, 2004.

³³ For more information, see CRS Report RL32052, *Colombia and Aerial Eradication of Drug Crops: U.S. Policy and Issues*, by Connie Veillette and José E. Arvelo-Velez.

A recent Government Accountability Office report³⁴ on aviation safety found that since FY2001, the United States has significantly increased resources for aerial eradication in Colombia, and that with increased operations, has come a commensurate increase in ground-fire hits on spray aircraft. (See section on “U.S. Hostages” below for more information.) The number of hits on aircraft averaged about 26 per month in 2003, an increase from 2002 of less than 10 per month. Ground-fire hits in the first half of 2004 has decreased, possibly due to decisions in 2003 to increase the number of escort aircraft for spray missions, and better coordination of intelligence information.

Colombia and Terrorism

The three main guerrilla groups in Colombia have been designated foreign terrorist organizations, and the threats that terrorism poses to Colombia and the Andean region are often cited as justification for U.S. involvement. The most widely accepted definition of terrorism is politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents.³⁵ The State Department’s 2003 *Patterns of Global Terrorism* (revised edition, June 22, 2004) report notes a 42% decrease in the number of terrorist incidents worldwide from 2001 levels to 2003, a decline from 355 attacks to 208. The largest decrease took place from 2001 to 2002 and, according to the 2002 *Patterns* report, was attributed largely to a marked drop-off in oil pipeline bombings in Colombia. The report indicates that worldwide deaths from terrorist activity were down as well from 725 killed in 2002 to 625 in 2003 (35 were Americans). Compared to other regions of the world, and with the exception of Colombia, terrorism in Latin America is not as prominent as in other areas. Asia, Eurasia and the Middle East are the top three areas with regard to both the number of attacks and deaths by region.

However, the Western Hemisphere has a number of domestic terrorist groups that operate in Colombia and Peru, and the Triborder Area of Argentina, Brazil and Paraguay is known as a regional hub for Hizbollah and Hamas fundraising. The State Department reports that there is no confirmed or credible information of an established Al Qaeda presence in Latin America, although it notes that terrorist fundraising continues to be a concern. Some press reports have quoted unnamed foreign security analysts as claiming a link between Al Qaeda and the FARC, but these reports have not been confirmed by official sources.³⁶ The Organization of American States (OAS) formed an Inter-American Committee Against Terrorism (CICTE is the Spanish acronym) in 1998 as a coordinating body for member states on counterterrorism issues. Its focus has been on information sharing, training, and strengthening of financial and border controls. OAS members signed an Inter-

³⁴ U.S. Government Accountability Office, GAO-04-918, *Drug Control. Aviation Program Safety Concerns in Colombia Are Being Addressed, but State’s Planning and Budgeting Process Can Be Improved*, July 29, 2004.

³⁵ For more information on terrorism issues in general, see CRS Issue Brief IB10119, *Terrorism and National Security: Issues and Trends* by Raphael Perl, and CRS Report RS21049, *Latin America: Terrorism Issues* by Mark P. Sullivan.

³⁶ Jacques Thomet, “Al Quaida, Una Nueva Amenaza Para America Latina,” *Agence France Presse*, October 29, 2003.

American Convention Against Terrorism in June 2002 with the objectives of improving regional cooperation by committing member states to deny safe haven to suspected terrorists. The Convention has been submitted to the Senate for its advice and consent. The OAS also held a Special Conference on Security in Mexico City in October 2003 where a Declaration on Security in the Americas was adopted. The Declaration identified threats as “terrorism, transnational organized crime, the global drug problem, corruption, asset laundering, illicit trafficking in weapons and the connections among these activities.”³⁷

U.S. Hostages

Concerns in the United States that greater U.S. involvement will result in a protracted commitment of indeterminate duration were fueled by incidents in 2003 in which U.S. citizens were killed or kidnapped. During the year, five U.S. civilian contractors were killed, and their aircraft lost. Three U.S. contractors are being held hostage. In the first incident, in February 2003, a Cessna 208 aircraft carrying both U.S. and Colombian personnel crashed in a FARC-controlled region. One American and a Colombian were murdered, and three are being held by the FARC. Another Cessna 208, with U.S. civilian contractors, crash landed in March 2003 during a subsequent search and rescue operation, killing three Americans. A fifth American contractor was killed on April 7, 2003 when his T-65 air tractor crashed during a spraying operation. While these flights were considered crashes, fumigation flights have been fired on, and since August 2003, two planes have been downed by hostile fire. On August 25, a spray plane piloted by a U.S. citizen was shot down, resulting in injuries to the pilot. An OV Bronco aircraft was downed on September 21, reportedly by hostile fire, killing its Costa Rican pilot.

Human Rights

Debate in Congress has continued to focus on allegations of human rights abuses by the Colombian Armed Forces, the FARC and ELN, and paramilitary groups. The Colombian security forces have often, it is argued, turned a blind eye to paramilitary activities, considering these groups as augmenting their fight against the FARC and ELN, despite a record of human rights abuses. U.S. policy has supported the creation and assistance for a Human Rights Unit within the Attorney General’s office, although some non-governmental groups have claimed that it is ineffective and has poor leadership.³⁸ Congress has annually required that the Secretary of State certify to Congress that the Colombian military and police forces are severing their links to the paramilitaries, investigating complaints of abuses, and prosecuting those who have had credible charges made against them. Congress has made funding contingent on these certifications. In the latest certification, issued on September 21, 2004, the Secretary of State asserted that the Colombian government and armed forces are meeting the statutory requirements with regard to human rights.

³⁷ Organization of American States. Declaration on Security in the Americas. October 28, 2003.

³⁸ Human Rights Watch, “A Wrong Turn: The Record of the Colombian Attorney General’s Office,” November 2002.

While recognizing that more progress needs to be made, the certification noted the commitment of President Uribe to improve the country's human rights record. The certification was met with criticism from human rights organizations that claimed Colombia's record does not meet recognized standards of respect for human rights.³⁹ These groups were particularly displeased by comments made by President Uribe in 2003 that described some human rights organizations as defenders of leftist guerrilla groups.

As part of the Andean Counterdrug Initiative, the United States provides human rights training and vets units with regard to abuses before it authorizes support. In testimony before the Senate Foreign Relations Committee in October 2003, General James Hill, commander of the U.S. Southern Command (SouthCom) asserted that this training is successful. SouthCom assisted in developing a Colombian Judge Advocate General (JAG) school that provides courses on military justice, international law, and operational law. However, the Colombian Commission of Jurists argues that widespread and systematic torture is being committed by both the government and guerrilla forces.⁴⁰ Congress has regularly included the so-called Leahy amendment in foreign operations appropriations legislation that denies funds to any security force unit for which the Secretary of State has credible evidence of gross human rights violations. The Secretary may continue funding if he determines and reports to Congress that the foreign government is taking effective measures to bring the responsible members of these security forces to justice. In January 2003, the United States cut off support to the Colombian 1st Air Combat Command for the lack of progress in investigating and prosecuting members who allegedly bombed civilians in a December 1998 incident. Despite this action, human rights organizations claim that the U.S. government often turns a blind eye to questionable activities of Colombian security forces.

Relations between the Uribe Administration and human rights organizations have often been tense. In 2003, President Uribe questioned some NGO's impartiality in the highly politicized Colombian environment. Human rights organizations have claimed that critical statements from Uribe are endangering their workers and undermining their efforts. An August 2004 meeting between Uribe and representatives of Amnesty International marked an attempt to find common ground. Around the same time, the Inter American Court of Human Rights ordered Colombia to pay \$6.5 million in compensation for a 1987 massacre of 19 river traders by paramilitaries. The court ruled that in 1987, paramilitaries were not considered illegal by the Colombian government, and found the Colombian military complicit in the killing. Uribe accepted the ruling. The United Nations High Commissioner for Human Rights has also been critical, issuing an annual report on conditions in Colombia. The March 2004 report found that there were still ties between the military and paramilitary forces. Union leaders have been concerned with violence against their membership, claiming that 574 union members have been killed since

³⁹ The certification is available at the State Department's website, [<http://usinfo.state.gov>]. Opposing views can be found at [<http://hrw.org>], "Colombia: Flawed Certification Squanders U.S. Leverage," Human Rights Watch, January 23, 2004.

⁴⁰ "Rights Groups Say Both Sides in Colombia Conflict Use Torture," Voice of America Press Releases and Documents, November 12, 2003.

2000. On August 5, 2004, three union leaders were killed during an armed confrontation between the ELN and government forces. The Colombian military claims the union members were armed ELN members; others claim these were “extrajudicial” killings. A government investigation is underway.⁴¹

Human rights organizations have also expressed alarm at the passage of anti-terrorism legislation which grants Colombia’s security forces increased powers. The new law modifying the constitution passed the Colombian Congress in December 2003, and still needs to be approved by the Constitutional Court before it can be implemented. It allows security forces to detain suspects for up to 36 hours, to search homes, and to tap phones, without a legal warrant. The new law has been hailed by the Uribe Administration as necessary to fight terrorism in the country, while non-governmental organizations have expressed fear that it will promote human rights abuses and infringe on the civil rights of citizens.

Colombia and Regional Security

One of the justifications of U.S. policy is that drug trafficking and armed insurgencies in Colombia have a destabilizing effect on regional security. With porous borders amid rugged territory and an inconsistent state presence, border regions are seen as particularly problematic. Colombia shares a 1,367 mile border with Venezuela, approximately 1,000 miles each with Peru and Brazil, and much smaller borders with Ecuador and Panama. The conflict in Colombia and its associated drug trafficking have led to predictions of a spillover effect in Colombia’s neighboring countries. These predicted spillovers include a direct spread of fighting across Colombia’s borders and the use of neighboring countries’ territory by Colombian armed factions for safe havens, the displacement of the drug trade from Colombia, and the flight of refugees fleeing the conflict and economic displacement. There are indications that all of these activities are occurring, but various analyses dispute the degree and its importance to undermining regional stability.

Cross-Border Incursions and Safe Havens. The country most directly affected by cross-border military activity has been Venezuela. Press accounts in 2003 reported numerous incidents in which fighting between the FARC and paramilitaries occurred across the Colombia-Venezuela border. The State Department’s *2003 Patterns of Global Terrorism* report states that Venezuela is “unwilling or unable to systematically police the Venezuela-Colombia 1,400 mile border.” The report also states that both the FARC and ELN consider Venezuelan border territory as safehavens, but also notes that it is unclear to what extent the Venezuelan government approves or condones material support to either group. Late in 2003, Venezuelan officials accused paramilitary forces of killing seven of its National Guard soldiers.⁴² Tensions between Colombia and Venezuela heightened

⁴¹ “Colombian Military under Scrutiny for Deaths of Union Leaders,” *Intellibridge*, August 9, 2004, and “Colombia: Military Kills Trade Union Chiefs,” *Latinnews Daily*, August 6, 2004.

⁴² Scott Wilson, “Venezuela Becomes Embroiled in Colombian War,” *The Washington Post*, April 10, 2003. “Colombian Paramilitaries Clash With Venezuelan Troops,” *Agence France* (continued...)

in December 2004 when Colombia admitted to paying a reward for the capture of a high-ranking FARC official in Caracas, Venezuela. According to press reports, the FARC official was then turned over to Colombian authorities in Colombian territory. Venezuelan President Chavez condemned the action, recalled his ambassador in Bogotá, and suspended trade relations in January 2005.⁴³ Colombian paramilitaries have also been implicated in the creation of the United Self-Defense Forces of Venezuela (AUV), a newly formed paramilitary organization.⁴⁴ Opponents of President Chavez regularly accuse him of harboring FARC guerrillas, but these accusations have not been substantiated.⁴⁵ There are reports that the FARC has developed links to pro-Chavez Venezuelan guerrilla groups, such as the Popular Liberation Army and the Bolivarian Liberation Forces. It is also believed that paramilitary groups have crossed into Panama in pursuit of leftist guerrillas, leading the Panamanian government to reinforce police presence along the border. Brazil has also reinforced its borders in response to FARC incursions to recruit members of local indigenous communities.⁴⁶

Colombia's illegally armed groups routinely use neighboring countries for safe havens, resupply, and training. FARC camps have been detected in Ecuador's northern province of Sucumbios where it was reported that barracks, ammunition, explosives and radio equipment were found.⁴⁷ A controversial press report claims that there is evidence that as many as ten FARC camps are located on the Venezuelan side of the border.⁴⁸ The FARC has issued communiques in support of President Chavez' Bolivarian revolution, leading some analysts and Chavez opponents to believe that the Venezuelan government is turning a blind eye to the presence of guerrilla camps.⁴⁹

⁴² (...continued)

Presse, December 27, 2003. "Chavez Blames Colombian Paramilitary for 4 Troops' Deaths," *Dow Jones International News*, December 28, 2003.

⁴³ "Colombia Defends Rebel's Seizure After Venezuela Cuts Ties," Bloomberg, January 16, 2005.

⁴⁴ Mike Ceaser, "Neighbor's Fighting Spills Over Into Venezuela," *The Washington Times*, October 29, 2002, "Venezuelan Self-Defense Groups Report Existence of Guerrilla Camps," *BBC Monitoring Americas*, April 16, 2003, and "World Risk: Alert - A Tension Triangle: Colombia, Venezuela, & U.S.," *Economist Intelligence Unit*, August 28, 2003.

⁴⁵ See CRS Report RL32488, *Venezuela: Political Conditions and U.S. Policy* by Mark P. Sullivan, Specialist in Latin American Affairs.

⁴⁶ Jeremy McDermott, "Cross Border Activities Embroil Venezuela in Colombian Conflict," *Jane's Intelligence Review*, August 2003; *Ibid*, *The Washington Times*; "Special Report - Latin America and U.S. War on Terror: Spillover From Colombia," *Latin American Newsletters*, May 2003.

⁴⁷ *Ibid*. *Latin American Newsletter*, May 2003; "Colombian FARC Guerrilla Base Discovered in Ecuador," *EFE News Service*, November 21, 2003.

⁴⁸ Linda Robinson "Terror Close to Home," *U.S. News & World Report*, October 6, 2003.

⁴⁹ *Ibid*, *Jane's Intelligence Review*, August 2003.

Drug Displacement. One of the fears expressed by opponents of Plan Colombia is that it would drive coca cultivation to neighboring countries. A Central Intelligence Agency report written in 2000 noted the likelihood that reductions in coca cultivation in Colombia could result in increases in neighboring countries. There are conflicting indications that this may be occurring. Following stepped up eradication programs in Colombia, and a commensurate reduction in acreage of coca and opium poppy under cultivation at the end of 2003, the State Department reported that cultivation in Bolivia increased from 61,000 acres to a little over 71,000 acres, representing a 17% increase. This is the third consecutive year of increases, although the increases could also be due to a lessening of resolve on the part of the Bolivian government after a series of violent protests culminated in the resignation of President Gonzalo Sánchez de Lozada in October 2003 15 months after being elected. During the same period, cultivation in Peru was reduced by some 13,000 acres, representing a 15% decline. A troubling development in Peru is the resurgence of the Sendero Luminoso, or Shining Path, leftist guerrilla group. There are press reports that the FARC and Sendero have formed an alliance, and recent Sendero operations seem to be inspired by FARC tactics, including participation in the drug trade as a means to finance their operations.⁵⁰

Refugees. The U.S. Committee on Refugees, a nongovernmental organization, estimates that by the end of 2003, there were nearly 3 million displaced Colombians, with 200,000 refugees in neighboring countries. In 2002, it reported that the number of Colombians seeking formal asylum in neighboring countries included 9,000 in Ecuador, 7,600 in Costa Rica, and 1,000 each in Panama and Venezuela. However, the organization noted that those who seek asylum are a small percentage of those who seek refuge illegally. The total refugee population would total about 325,000 people, including 150,000 in the United States, 75,000 in Ecuador, 50,000 to 75,000 in Venezuela, 20,000 to 50,000 in Costa Rica, and 20,000 in Panama. The U.N. High Commissioner for Refugees in Ecuador reports that it is seeing about 1,000 Colombian refugees each month, a figure that the office expects to remain the same in 2004. The International Red Cross in Colombia reports that the number of people displaced by the fighting decreased by 80,000 from 2002 levels.⁵¹

⁵⁰ “CIA Foresaw ‘Balloon Effect’ Five Years Ago,” *Latin American Newsletter Weekly Report*, January 27, 2004; “U.S. Says Coca Area Up in Bolivia, Down in Peru,” *Reuters*, November 17, 2003; Jeremy McDermott, “The Shining Path Glimmers Again,” *Jane’s Intelligence Review*, January 2004. “Alliance Between Colombian, Peruvian Guerrillas,” *Spanish News Digest*, October 10, 2003.

⁵¹ *World Refugee Survey 2003*, and *World Refugee Survey 2004*, U.S. Committee on Refugees; Amy Taxin, “Ecuador Sees Steady Flow of Refugees in 2004,” *Reuters*, November 18, 2003; Nicole Karsin, “U.N. Refugee Official Visits Colombian Communities That Suffer Blockades,” *Associated Press*, January 24, 2004.

Temporary Protected Status⁵²

Due to the continuing conflict in Colombia, some, including the Colombian government, have called for the United States to provide Temporary Protected Status (TPS) to Colombians. There were bills pending in the 108th Congress that would have extended TPS to Colombian nationals (H.R. 2853, S. 986), but neither was enacted. TPS may be granted to certain populations if their home country is affected by an ongoing armed conflict or environmental disaster that would pose serious danger to their personal safety if deported. The United States currently provides TPS to nationals from Burundi, El Salvador, Honduras, Liberia, Montserrat, Nicaragua, Sierra Leone, Somalia, and Sudan. The Attorney General, in consultation with the Secretary of State, has the authority to grant TPS for periods of six to eighteen months, with extensions possible if conditions in the designated country have not changed. In November 2003, the State Department recommended that Colombian citizens not be granted TPS because of improved security conditions in Colombia. Supporters argue that the activities of the FARC, ELN, and AUC, and their control over sizeable portions of the country, create conditions in which the personal safety of returning Colombians is threatened. Opponents argue that conditions are improving and that granting TPS will only encourage more migration.

Air Bridge Denial Program

The Air Bridge Denial Program is a joint interdiction effort between the United States and Peru and Colombia that seeks to identify possible drug flights and to interdict them by forcing them to land, and if necessary to shoot down the aircraft. On April 20, 2001, a private aircraft flying over Peru and carrying American missionaries was shot down, killing two, after the Peruvian military, working with U.S. support, identified it as a possible drug trafficking flight. As a result, the so-called “Air-Bridge Denial Program” was halted in both Peru and Colombia, until the Secretary of State determined, as required by Congress, that a renewed program would incorporate safety enhancements. This determination was made on August 18, 2003 with regard to Colombia only. Having reached an agreement with Colombian authorities on operational aspects that would provide greater safeguards against accidental shootdowns, the program resumed in August 2003. The new safeguards include the requirement that only the commander of the Colombian Air Force can order a plane shot down, and then only if it has ignored radio warnings and warning shots from pursuit planes. The State Department’s *International Narcotics Control Strategy Report 2003* states that by the end of 2003, the program had destroyed four aircraft, captured three aircraft, seized one “go-fast” boat and more than five metric tons of cocaine.

Oil Production

Colombia is an important petroleum exporter, but political conflict brought on by the 40-year old leftist guerrilla insurgency, and by the more recently formed

⁵² For more information on Temporary Protected Status, see CRS Report RS20844, *Temporary Protected Status: Current Immigration Policy and Issues*, by Ruth Ellen Wassem, Specialist in Social Legislation.

rightist paramilitaries, has led to production decreases. The export of oil is the country's largest single source of foreign revenue, accounting for 28% of export revenues and 10% of government revenues in 2003. The armed conflict has impeded exploration for new reserves, and with disruptions to production caused by terrorist attacks, production has fallen. As of January 2004, Colombia had approximately 1.84 billion barrels of proven oil reserves. Its production has declined to 560,206 barrels per day (bbl/d) in 2003, from an all-time high of 830,000 bbl/d in 1999. It exported 195,000 barrels per day to the United States in 2003, a decrease of 25% from 2002, which was preceded by a 13.5% decline between 2001 and 2002. There are many unexplored and potentially hydrocarbon-rich areas in Colombia, which shares many of the geological features of its oil-rich neighbor, Venezuela. The country produces a lighter and sweeter crude (considered higher quality) than other major Latin American countries. Exports of crude are destined for the U.S. Gulf Coast. Colombia is not a member of the Organization of Petroleum Exporting Countries (OPEC) and so does not have to abide by OPEC-imposed production quotas.⁵³

U.S. Occidental and BP are the most active foreign oil companies operating in Colombia. A major problem in exploration and transportation is the ongoing armed conflict with leftist guerrilla groups. Both the FARC and the ELN have targeted oil pipelines, electricity transmission infrastructure, and oil wells, as well as engaging in kidnappings of oil company employees. Aggressive exploration of new reserves has been hindered by the fighting and the lack of effective government control of all parts of the country's territory. Colombian officials have warned that the country could soon become a net importer of oil if no new significant fields are found.⁵⁴

A repeated target for guerrilla groups has been the 490-mile Caño Limón Coveñas oil pipeline, which is operated by Occidental Petroleum and Ecopetrol, the state-owned oil company. When fully operational, it carries 106,000 barrels of crude oil daily. It was bombed 170 times in 2001, resulting in its shutdown for seven months at a cost of approximately \$500 million in revenues and royalties to Colombia. Attacks during 2001 spilled 400,000 barrels, about one and one-half times the amount discharged by the Exxon Valdez incident off the coast of Alaska in 1989. The Caño Limón oil fields account for about 20% of Colombia's oil production. Annual production in 2001 from Caño Limón was 19.5 million barrels. Proven reserves are estimated at 170 million, but the State Department reports that the field's oil potential is 300 million barrels. Approximately 55% of Caño Limón oil was exported to the United States in 2001.⁵⁵ Pipeline disruptions fell to 41 in 2002, perhaps reflecting the more aggressive security operations of the new government of President Uribe. In 2003, the United States allocated \$99 million in infrastructure protection assistance for the Caño Limón pipeline, and has proposed

⁵³ U.S. Energy Information Administration, U.S. Department of Energy, "Colombia: Country Analysis Brief," July 2004.

⁵⁴ Ibid.

⁵⁵ U.S. Department of State Report to Congress, *Colombia: Cano Limon Pipeline*, January 2003.

spending \$147 million in FY2004, leading critics to claim that the United States is protecting the assets of oil companies.

Funding for Plan Colombia

From FY2000 through FY2005, U.S. funding for Plan Colombia totals approximately \$4.5 billion in State Department and Defense Department programs. Most U.S. assistance is provided through the Andean Counterdrug Initiative account of the State Department. In addition, support for aerial eradication programs is provided from the State Department's Air Wing account. The U.S. Agency for International Development (USAID) provides support for alternative crop development and economic development programs, with some funding transferred from the ACI account. The Defense Department requests a lump sum for all counternarcotics programs worldwide under Sections 1004 and 1033, and under Section 124, of the National Defense Authorization Act. DOD can reallocate these funds throughout the year in accordance with changing needs. While not considered a formal component of the Andean Counterdrug Initiative, the Defense Department has provided Colombia with additional funding for training and equipment for a number of years, as well as the deployment of personnel in support of Plan Colombia.

Below is an outline of funding levels approved by Congress as part of the Andean Counterdrug Initiative and related funding programs. See the table at the end of this memo for allocations by agency.

- Under the P.L. 106-246 Plan Colombia funding, Colombia received \$832 million in State Department funds for assistance to the Colombian police and military, economic and alternative development assistance, aid for displaced persons, human rights, administration of justice, and other governance programs. In addition, \$300.6 million was appropriated to the Defense Department to assist the Colombian military's anti-drug efforts through interdiction support and the training and equipment of Colombian counternarcotics battalions. This amount also included support for Andean regional counternarcotics programs.
- Under ACI allocations for FY2002, Colombia received \$373.9 million, with \$243.50 million in counternarcotics assistance and \$137 million in economic and social programs.
- Under the Emergency FY2002 Supplemental, the Administration requested \$4 million of International Narcotics Control and Law Enforcement (INCLE) funding for police post support in areas of weak government control, \$6 million of FMF funding (which Congress directed to be transferred to the INCLE account) for counter-terrorism equipment and training, and \$25 million of Nonproliferation, Anti-Terrorism and Demining (NATD) funding for counter-kidnapping training. The enacted legislation specifically provided \$6 million for infrastructure protection for the Cano-Limón Coveñas oil pipeline, and fully funded the other accounts.

- For FY2003, Colombia received \$526.2 million in ACI funding for Colombia, including \$377 million for narcotics interdiction and eradication and \$149.2 million for alternative development. The FY2003 Emergency Wartime Supplemental included an additional \$54 million in ACI and FMF funding, bringing the total to \$580.2 million. In addition, \$110.1 million in FMF funding was provided to train and equip a Colombian army brigade to protect an oil pipeline in the country.
- For FY2004, the Administration estimates spending a total of \$463 million for ACI, consisting of \$150 million for alternative development, and \$313 million for narcotics interdiction and eradication programs. The estimate for FMF is \$109.4 million.
- For FY2005, the Administration requested \$463 million in ACI funding, consisting of \$150 million for alternative development and \$313 million for narcotics interdiction and eradication. The request for FMF was \$108 million. Congress approved \$466.5 million in ACI funding and \$100 million for FMF.

Table 1. U.S. Assistance For Plan Colombia, FY2000-FY2005 By Agency
(in millions \$)

| | State Department ^a | | | | USAID | | | DOD ^b | Total |
|---------------------------|-------------------------------|-------------------|------------------|------|-----------|-------|-------|------------------|---------|
| | ACI ^c | AirWing | FMF ^d | NADR | Alt. Dev. | Dem. | IDP | | |
| FY2000 | 49.0 | 38.0 | | | 5.0 | 6.1 | | 128.5 | 226.6 |
| P.L. 106-246 ^e | 699.0 | | | | 65.0 | 45.5 | 22.5 | 300.6 | 1132.6 |
| FY2001 | 48.0 | 38.0 | | | | | | 190.2 | 276.2 |
| FY2002 | 272.0 | 38.2 | | | 49.9 | 28.0 | 24.0 | 119.1 | 531.2 |
| FY2002 Supp. | 4.0 | | 6.0 | 25.0 | | | | | 35.0 |
| FY2003 | 311.0 | 41.5 | 93.0 | | 60.2 | 24.0 | 38.0 | 131.0 | 698.7 |
| FY2003 Supp. | 34.0 | | 37.1 | | | | | 34.0 | 105.1 |
| FY2004 | 340.8 | 45.0 | 109.4 | | 60.2 | 24.0 | 38.0 | 122.0 | 739.4 |
| FY2005 | 313.0 | 70.0 ^f | 100.0 | | 54.3 | 25.0 | 43.0 | 200.0 | 805.3 |
| Total | 2,070.8 | 270.7 | 345.5 | 25.0 | 294.6 | 152.6 | 165.5 | 1,225.4 | 4,550.1 |

Sources: Figures for the State Department and USAID are drawn from annual Budget Justifications for USAID and the Department of State International Narcotics and Law Enforcement Affairs for fiscal years 2002 through 2004. Figures for the division of funding in P.L. 106-246 are from the State Department's Washington File, "U.S. Support for Plan Colombia, FY2000 Emergency Supplemental Appropriations," July 5, 2000. Prepared by CRS, October 16, 2003, and updated August 17, 2004. Columns may not total due to rounding.

- a. For FY2000 and thereafter, Plan Colombia funds are all assigned to the State Department's International Narcotics Control and Law Enforcement (INCLE) or the Andean Counterdrug Initiative (ACI). The State Department transfers funds to other agencies carrying out programs in Colombia with these funds, of which USAID has received the largest portion. Other departments that have received some funds from ACI are Treasury, Justice, and Labor.
- b. Defense Department funding is from its Counter Narcotics account. These figures are from "Drug Control: Financial and Management Challenges Continue to Complicate Efforts to Reduce Illicit Drug Activities in Colombia," General Accounting Off., GAO-03-820T, June 3, 2003, and Department of State's Washington File, "U.S. Support for Plan Colombia, FY2000 Emergency Supplemental Appropriations," July 5, 2000. All figures were confirmed by DOD. FY2003 and FY2004 figures were provided by DOD. The figure for FY2000 includes an appropriation of \$300.6 million in legislation providing funds in support of Plan Colombia. (P.L. 106-246) These funds were used for drug interdiction and military support in the Andean region. The Defense Department reports that of the \$300.6 million, it allocated \$100.7 million for programs in Colombia. For FY2004, estimates vary between \$122 million and \$160 million. FY2005 is also an estimate.
- c. U.S. assistance to Colombia is appropriated to the State Depart., from which funds are transferred to USAID for alternative development (Alt. Dev.), democracy/institution building (Dem.), and internally displaced persons (IDP) programs. ACI figures in this column reflect mainly the counternarcotics component, but also reflect smaller sums for democracy/institution building, and internally displaced persons that State administers itself.
- d. FY2002 Supplemental and FY2003 funding include support for infrastructure protection, such as the Caño-Limón oil pipeline. Legislative language allowed \$6 million in the FY2002 Supplemental, \$93 million in the FY2003 regular appropriations, and \$20 million of the \$37.1 million in the FY2003 Supplemental to be transferred to ACI.
- e. P.L. 106-246, signed into law on July 13, 2000, included FY2000 emergency supplemental funding for U.S. support of Plan Colombia, as well as the FY2001 Military Construction and Foreign Operations Bills. Funding levels here are listed under FY2000, even though some of the funding was obligated in FY2001.
- f. A portion of the \$70 million for the State Department's Inter-regional Aviation Support also supports activities in Pakistan.

List of Acronyms

| | |
|-------|---|
| ARI | Andean Regional Initiative |
| ACI | Andean Counterdrug Initiative |
| ATS | Amphetamine-Type stimulants |
| AUC | United Self-Defense Forces of Colombia |
| AUV | United Self-Defense Forces of Venezuela |
| CICTE | Inter-American Committee Against Terrorism |
| DEA | U.S. Drug Enforcement Agency |
| ELN | National Liberation Army |
| FARC | Revolutionary Armed Forces of Colombia |
| FMF | Foreign Military Financing |
| FTO | Foreign Terrorist Organization |
| IMET | International Military Education and Training |
| INCLE | International Narcotics Control and Law Enforcement |
| NADR | Nonproliferation, Anti-Terrorism and Demining |
| OAS | Organization of American States |
| TPS | Temporary Protected Status |