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Drug Control: International Policy and Options

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CONTENTS

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SUMMARY

Efforts to reduce the flow of illicit drugs from abroad into the United States greatly have so far not succeeded. Moreover, over the past decade, worldwide production of illicit drugs has risen dramatically: opium and marijuana production has roughly doubled and coca production tripled. Also, street prices of cocaine and heroin have fallen significantly in the past 20 years, reflecting increased availability. A major area of ongoing concern is: how effective can international narcotics control programs be in helping to reduce consumption?

Despite national political resolve to deal with the drug problem, inherent contradictions regularly appear between U.S. anti-drug policy and other policy goals and concerns. Pursuit of these goals can sometimes affect foreign policy interests and bring political instability and economic dislocation to countries where narcotics production has become entrenched economically and socially. Drug supply interdiction programs and U.S. systems to facilitate the international movement of goods, people, and wealth are often at odds. U.S. international narcotics policy requires cooperative efforts by many nations which may have domestic and foreign policy goals that compete with the requirements of drug control.

The mix of competing domestic and international pressures and priorities has produced an ongoing series of disputes within and between the legislative and executive branches concerning U.S. international drug policy. One contentious issue has been the Congressionally-mandated certification process, an instrument designed to induce specified drug-exporting countries to prioritize or pay more attention to the fight against narcotics businesses. In a significant development Congress waived the drug certification requirements for 2002 in December 2001, while requiring the President, with certain exceptions, to designate and withhold assistance from countries that had failed demonstrably to meet their counternarcotics obligations.

P.L.106-246, "Plan Colombia," a $1.3 billion military assistance-focused initiative to provide emergency supplemental narcotics assistance to Colombia, was signed into law July 13, 2000. On April 9, 2001, President Bush unveiled an Andean Counterdrug Initiative (ARI) to succeed Plan Colombia, and requested $882 million in FY2002 funds for the program. On December 20, Congress appropriated $783 million for the program, $99 million below the President's request.

Policy options addressed in this brief include:
—Expansion of efforts to reduce foreign production at the source.
—Expansion of interdiction and enforcement activities to disrupt supply lines.
—Expansion of efforts to reduce worldwide demand.
—Expansion of economic disincentives for international drug trafficking.

For CRS products relevant to this subject, see CRS Issue Brief IB95025, *Drug Supply Control: Current Legislation;* CRS Report 98-159, *Narcotics Certification of Drug Producing and Trafficking Nations: Questions and Answers;* CRS Report RL30541, *Colombia: U.S. Assistance and Current Legislation;* and CRS Report RL31016, *Andean Regional Initiative (ARI): FY2002 Assistance for Colombia and Neighbors.*

MOST RECENT DEVELOPMENTS

An ongoing series of United States and Northern Alliance military victories against Taliban and al Qaeda forces in Afghanistan raise questions regarding the future of Afghanistan's lucrative illicit opium trade and the role of drug eradication and drug income-substitution programs in a post-Taliban Afghanistan. Also at issue, is the degree to which – if at all – counter-terrorism policy and programs should be linked efforts to curb illicit drug trafficking in regions such as Afghanistan, the Balkans, the Bekaa Valley, and Colombia. (See also CRS Report RS21041, Taliban and the Drug Trade*).*

In Colombia, on February 20, 2002, President Andres Pastrana decided to break off peace talks with the country's largest guerrilla group, the Revolutionary Armed Forces of Colombia (FARC) and to repossess a 16,000 square mile region that he had granted to the guerrillas three years before. The region reputedly had been used by the guerrillas as a both a staging area for military attacks and as a center of cocaine processing. The FARC and other armed groups are important players in the Colombian drug trade, earning hundreds of millions of dollars annually from the business. An important issue is whether reassertion of government authority over the Switzerland-sized haven could improve overall prospects for success of counternarcotics operations in Colombia.

On February 23, 2002, The President's Report to Congress on major drug- producing and -transit countries designated three countries – Burma, Afghanistan, and Haiti – as having "failed demonstrably" to meet their international counternarcotics obligations, making them liable for possible economic sanctions under U.S. law. However, the United States waived sanctions for Afghanistan and Haiti, considering continued U.S. economic assistance to these countries as vital to the U.S. national interest

U.S. government figures released in early March 2002 indicate that both coca leaf cultivation and production of refined cocaine reached an all-time high in 2001, respectively at 223,700 hectares and 930 tons. Cultivation in Colombia alone increased 25% to 169,800 hectares, despite a massive coca spraying effort.

BACKGROUND AND ANALYSIS

Problem

More than13 million Americans buy illicit drugs and use them more than once per month, spending by most conservative estimates over $60 billion annually in a diverse and fragmented criminal market. Such drugs are to varying degrees injurious to the health, judgment, productivity and general well-being of their users. Economic costs associated with drug abuse are estimated at $110 billion. The addictive nature of many of these drugs, their high price, and their illegality play a role in more than half the street crime in the United States. The U.S. illicit drug market generates enormous profits that enable the growth of diversified international criminal organizations, and extend their reach into local neighborhoods,

legitimate business, and even national governments. Such profits provide drug trafficking organizations with the resources to effectively evade and compete with law enforcement agencies, to penetrate legitimate economic structures, and, in some instances, to challenge the authority of national governments.

Measured in dollar value, at least four-fifths of all the illicit drugs consumed in the U.S. are of foreign origin, including virtually all the cocaine and heroin. Of the marijuana consumed in the United States, 25% to 35% is domestically produced and most of the hallucinogens and illegally marketed psychotherapeutic drugs and "designer" drugs are of domestic origin.

Drugs are a lucrative business and a mainspring of global criminal activity. The State Department estimates that 768 tons of cocaine potentially could have been produced from coca leaf grown in South America in 2000. If sold internationally at an average U.S. street price per gram of $100, the drug would yield a gross value of almost $77 billion, a figure exceeding the gross domestic product of many nations. Little is known about the distribution of revenues from illicit drug sales, but foreign supply cartels exercise considerable control over wholesale distribution in the United States and illicit proceeds are often laundered and invested through foreign banks and financial institutions.

The federal anti-drug initiative has two major elements: (1) reduction of demand and (2) reduction of supply. Reduction of demand is sought through education to prevent dependence, through treatment to cure addiction and through measures to increase prices and risk of apprehension at the consumer level. Reduction of supply (which generally accounts for about 67% of the federal anti-drug control budget) is sought by programs aimed at destabilizing the operations of illicit drug cartels at all levels and severing their links to political power, and by seizing their products, businesses, and financial assets. As most illicit drugs are imported, a major interdiction campaign is being conducted on the U.S. borders, at ports of entry, on the high seas, and along major foreign transshipment routes and at production sites. An international program of source crop eradication is also being pursued. In FY2002 approximately 12% of the federal drug control budget of $18.2 billion was spent on border interdiction and 6% on international assistance programs. The major international components of federal policies for the reduction of illicit supply are discussed below.

Current International Narcotics Control Policy

The primary goal of U.S. international narcotics policy is to reduce the supply of illicit narcotics flowing into the United States. A second and supporting goal is to reduce the amount of illicit narcotics cultivated, processed, and consumed worldwide. U.S. international narcotics control policy is implemented by a multifaceted strategy that includes the following elements: (1) eradication of narcotic crops, (2) interdiction and law enforcement activities in drug-producing and drug-transiting countries, (3) international cooperation, (4) sanctions/economic assistance, and (5) institution development. The U.S. State Department's Bureau of International Narcotics and Law Enforcement (INL) has the lead role coordinating U.S. international drug intervention and suppression activities.

In April, 2001, the President requested $882 million in economic and counternarcotics assistance for Colombia and regional neighbors as part of an Andean Regional Initiative

(ARI). The proposal differed from the Plan Colombia program in two key areas: (1) spending on economic and social programs would be roughly equal to the drug control and interdiction components that had been the primary focus of Plan Colombia; and (2) more than half of the assistance was targeted to neighboring countries experiencing spillover effects from Colombia's civil conflict and from narcotrafficking activities in that country. The enacted appropriations bill (P.L. 107-115) cleared by Congress on December 20, 2001, provided $783 million for the Initiative, a cut of $99 million from the President's request. Of the appropriation, not less than $215 million was to be apportioned directly to the Agency for International Development (AID) for economic and social programs. The enacted bill included conditions on the use of funds for purchase of chemicals for the aerial spraying program in Colombia, limited the number of U.S. civilian and military personnel involved in Colombia to 800, and blocked funding for restoration of flights in support of the Peruvian air interdiction program until a system of enhanced safeguards is in place.

Eradication of Narcotic Crops

A long-standing U.S. official policy for international narcotics control strategy is to reduce cultivation and production of illicit narcotics through eradication. In 2001, the United States supported programs to eradicate coca, opium, and marijuana in a number of countries. These efforts are conducted by a number of government agencies administering several types of programs. The United States supports eradication by providing producer countries with chemical herbicides, technical assistance and specialized equipment, and spray aircraft. The U.S. Agency for International Development (AID) funds programs designed to promote economic growth and to provide alternative sources of employment for the people currently growing, producing, or processing illicit drugs. AID also provides balance of payments support (especially to the Andean countries) to help offset the loss of foreign exchange (from diminished drug exports) occurring as a result of U.S.-supported anti-drug programs. U.S. eradication policy receives informational support from the State Department's Office of Public Diplomacy and Public Affairs (formerly the U.S. Information Agency (USIA)) which publicizes the dangers of drug abuse and trafficker violence. In addition, AID sponsors drug education and awareness programs in 33 Latin American, Asian, and East European countries. Requested FY2002 expenditures for eradication and alternative development globally total $332.9 million, compared to $76.0 million dispensed in 2001.

The eradication program in the Andes resulted in the elimination of an estimated 110,000 hectares of coca in Peru and Bolivia between 1995 and 2001, or almost 70% of the combined cultivated area in those countries. Nevertheless, cultivation in Colombia increased by 119,000 hectares or 234% over the same period. The shift in cultivation has had implications for Colombia's civil conflict, putting more "taxable" resources into the hands of Colombia's leftist guerrillas. The State Department's International Strategy report for 2001 notes that "The Colombian syndicates, witnessing the vulnerability of Peruvian and Bolivian coca supply to joint interdiction operations in the late 1990s, decided to move most of the cultivation to Colombia's southwest corner, an area controlled by the FARC, the country's oldest insurgent group."

Interdiction and Law Enforcement

A second element of U.S. international narcotics control strategy is to help host governments seize illicit narcotics before they reach America's borders. A related imperative

is to attack and disrupt large aggregates of criminal power, to immobilize their top leaders and to sever drug traffickers' ties to the economy and to the political hierarchy. Training of foreign law enforcement personnel constitutes a major part of such endeavors. The Department of State funds anti-narcotics law enforcement training programs for foreign personnel from more than 70 countries. In addition, the Department of State provides host country anti-narcotics personnel with a wide range of equipment to perform effectively, and U.S. Drug Enforcement Administration (DEA) agents regularly assist foreign police forces in their efforts to destabilize trafficking networks. U.S. efforts to promote effective law enforcement against narcotics traffickers also include suggestions to nations on means to strengthen their legal and judicial systems.

International Cooperation

Essentially all elements of U.S. international narcotics control strategy require international cooperation. By use of diplomatic initiatives, both bilateral and multilateral, the Department of State encourages and assists nations to reduce cultivation, production, and trafficking in illicit drugs. These bilateral agreements and international conventions have thus far been largely ineffective in reversing the growth of international narcotics trafficking, in part because they lack strong enforcement mechanisms and are not uniformly interpreted by member nations.

U.S. international narcotics control strategy also requires cooperation among governments to coordinate their border operations to interdict traffickers. To this end, the U.S. government has provided technical assistance for anti-drug programs in other countries. For FY2003, the State Department's international narcotics control budget request totaled $878 million to assist programs globally, including $91 million for Bolivia, $135 million for Peru, and $439 million for Colombia. Also requested was $65 million for interregional aviation support, to provide aircraft for anti-drug programs in other countries. The United States also participates in multilateral assistance programs through the U.N. International Drug Control Program and actively enlists the aid and support of other governments for narcotics control projects. The U.N. currently assists 67 developing countries through development, law enforcement, education, treatment, and rehabilitation programs. For FY2003, the Bush Administration requested $51 million for general anticrime programs and $13 million for narcotics control-related contributions to international organizations; the majority of the latter constituted the U.S. voluntary contribution to the U.N. drug control program.

Sanctions/Economic Assistance

A fourth element of U.S. international narcotics control strategy involves the threat of, or application of, sanctions against drug producer or trafficker nations. These range from suspension of U.S. foreign assistance to curtailment of air transportation. Current law requires the President to submit to Congress by March 1 each year a list of major illicit drug-producing and transit countries that he has certified as eligible to receive U.S. foreign aid and other economic and trade benefits. This sets in motion a 30-calendar-day review process in which Congress can override the President's certification and stop U.S. foreign aid from going to specific countries.

Certification may be granted because a major illicit drug-producing or transit country has "cooperated fully" with U.S. narcotics reduction goals or has taken "adequate steps on its own" to achieve full compliance with the goals and objectives established by the 1988 U.N. anti-drug trafficking convention. A country not qualifying on this basis may escape imposition of sanctions if the President certifies U.S. "vital national interests" preclude implementation of sanctions on that country. (See "Certification Issues," below.)

U.S. sanctions policy has been augmented with programs of economic assistance to major coca producing countries (see "Use of Sanctions or Positive Incentives" and "Bush Administration Anti-Drug Strategy," below). For FY2003 the State Department requested for drug related alternative development: approximately $164 million for Colombia, $69 million for Peru, $42 million for Bolivia and $16 million for Ecuador.

Institution Development

A fifth element of U.S. international narcotics control strategy increasingly involves institution development, i.e. strengthening judicial and law enforcement institutions, boosting governing capacity, and assisting in developing host nation administrative infrastructures conducive to combatting the illicit drug trade. Institution development includes such programs as corruption prevention, training to support the administration of justice, and financial crimes enforcement assistance.

Policy Options

Overview

The primary goal of U.S. international narcotics control policy is to stem the flow of foreign drugs into the United States. A number of options have been proposed to reshape U.S. international narcotics control policy and implement it more effectively. Whatever options are selected will likely require funding on a scale sufficient to affect the drug problem. It is estimated that the illicit drug trade generates as much as $400 billion annually in retail sales worldwide. Policymakers face the challenge of deciding the appropriate level of funding required for the nation's international narcotics control efforts within the context of competing budgetary priorities.

Another challenge facing the U.S. international narcotics control efforts concerns how to implement policy most effectively. Some observers argue that current U.S. policy is fragmented and overly bilateral in nature. These analysts suggest that to achieve success, policy options must be pursued within the context of a comprehensive plan with a multilateral emphasis on implementation. For example, they point out that some studies indicate that interdiction can actually increase the economic rewards to drug traffickers by raising prices for the products they sell. They agree, however, that interdiction as part of a coordinated plan can have a strong disrupting and destabilizing effect on trafficker operations. Some analysts suggest that bilateral or unilateral U.S. policies are ill-suited for solving what is in effect a multilateral problem. They cite the need for enhancing the United Nations' ability to deal effectively with the narcotics problem and for more international and regional cooperation and consultation on international narcotics issues. Proponents of bilateral policy

do not necessarily reject a more multilateral approach. They point out, however, that such multinational endeavors are intrinsically difficult to arrange, coordinate, and implement effectively.

Some analysts believe that current efforts to reduce the flow of illicit drugs into the United States have essentially failed and that other objectives, policies, programs, and priorities are needed. Four major options which have been suggested, in various combinations, as part of an overall effort are set out below.

Another congressional concern will be how to fund the new international initiative within existing budgetary constraints, and how other domestic, military, or foreign aid programs may be affected because of increased anti-drug expenditures.

Expansion of Efforts to Reduce Production at the Source

This option involves expanding efforts to reduce the growth of narcotic plants and crops in foreign countries before conversion into processed drugs. Illicit crops may either be eradicated or purchased (and then destroyed). Eradication of illicit crops may be accomplished by physically uprooting the plants, or by chemical or biological control agents. Development of alternative sources of income to replace peasant income lost by nonproduction of narcotic crops may be an important element of this option.

Proponents of expanded efforts to stop the production of narcotic crops and substances at the source believe that reduction of the foreign supply of drugs available is an effective means to lower levels of drug use in the United States. They argue that reduction of the supply of cocaine — the nation's top narcotics control priority — is a realistically achievable option.

Proponents of vastly expanded supply reduction options, and specifically of herbicidal crop eradication, argue that this method is the most cost-effective and efficient means of eliminating narcotic crops. They maintain that, coupled with intensified law enforcement, such programs will succeed since it is easier to locate and destroy crops in the field than to locate subsequently processed drugs on smuggling routes or on the streets of U.S. cities. Also, because crops constitute the cheapest link in the narcotics chain, producers will devote fewer economic resources to prevent their detection than to concealing more expensive and refined forms of the product.

Opponents of expanded supply reduction policy generally question whether reduction of the foreign supply of narcotic drugs is achievable and whether it would have a meaningful impact on levels of illicit drug use in the United States. They argue that aerial spraying in Colombia has failed to contain the spread of coca cultivation and point to drug syndicates' into opium poppy cultivation in Colombia and (more recently) Peru. They suggest that even if the supply of foreign drugs destined for the U.S. market could be dramatically reduced, U.S. consumers would simply switch to consumption of synthetic drug substitutes. Thus, they maintain, the ultimate solution to the U.S. drug problem is wiping out the domestic market for illicit drugs, not trying to eliminate the supply in source countries.

Some also fear that environmental damage will result from herbicides. As an alternative, they urge development, research, and funding of programs designed to develop and employ

biological control agents such as coca-destroying insects and fungi that do not harm other plants. Others argue that intensified eradication will push the drug crop frontier and the attendant polluting affects of narcotics industries farther into ecologically sensitive jungle areas, with little or no decrease in net cultivation.

Others question whether a global policy of simultaneous crop control is politically feasible since many areas in the world will always be beyond U.S. control and influence. Such critics refer to continuously shifting sources of supply, or the so-called "balloon syndrome": when squeezed in one place, it pops up in another. Nevertheless, many point out that the number of large suitable growth areas is finite, and by focusing simultaneously at major production areas, substantial reductions can be achieved if adequate funding is provided.

Some also question the value of supply reduction measures since world production and supply of illicit drugs vastly exceeds world demand, making it unlikely that the supply surplus could be reduced sufficiently to affect the ready availability of illicit narcotics in the U.S. market. Such analysts also suggest that even if worldwide supply were reduced dramatically, the effects would be felt primarily in other nation's drug markets. The U.S. market, they argue, would be the last to experience supply shortfalls, because U.S. consumers pay higher prices and because U.S. dollars are a preferred narco-currency.

Political and Economic Tradeoffs. Many suggest that expanded and effective efforts to reduce production of illicit narcotics at the source will be met by active and violent opposition from a combination of trafficker, political, and economic groups. In some nations, such as Colombia, traffickers have achieved a status comparable to "a state within a state." In others, allegations of drug-related corruption have focused on high-level officials in the military and federal police, as well as heads of state. In addition, some traffickers have aligned themselves with terrorist and insurgent groups, and have reportedly funded political candidates and parties, pro-narcotic peasant workers and trade union groups, and high visibility popular public works projects to cultivate public support through a "Robin Hood" image. Because many groups that benefit economically from coca are so well armed, if the United States were successful in urging foreign governments to institute widespread use of chemical/biological control agents, cooperating host governments could well face strong domestic political challenge and violent opposition from trafficking groups. Heavy military protection, at a minimum, would be required for those spraying or otherwise eradicating. It is possible that U.S. officials, businessmen, and real assets might not be immune to terrorist-style attacks by traffickers worldwide.

Some critics have argued, with respect to Colombia, that eradication campaigns can have the unintended effect of aggravating the country's ongoing civil conflict. Since Colombia's guerrilla groups pose as advocates of growers, spraying may broaden support for guerrilla groups, thereby contradicting the objectives of the government's counterinsurgency efforts in the affected zones. Such observers believe that Colombia's enforcement priorities should shift to targeting critical nodes in transportation and refining and to the extent possible sealing off traffic routes to and from the main coca producing zones. The argument is made that interdiction can disrupt internal markets for coca derivatives and that, compared to eradication, it imposes fewer direct costs on peasant producers and generates less political unrest.

For some countries, production of illicit narcotics and the narcotics trade has become an economic way of life that provides a subsistence level of income to large numbers of people from whom those who rule draw their legitimacy. "Successful" crop reduction campaigns seek to displace such income and those workers engaged in its production. In this regard, these campaigns may threaten real economic and political dangers for the governments of nations with marginal economic growth. Consequently, many analysts argue that the governments of such low-income countries cannot be expected to launch major crop reduction programs without the substitute income to sustain those whose income depends on drug production.

Use of Sanctions or Positive Incentives. Those promoting expansion of efforts to reduce production at the source face the challenge of instituting programs that effectively reduce production of narcotic crops and production of refined narcotics without creating unmanageable economic and political crises for target countries. A major area of concern of such policymakers is to achieve an effective balance between the "carrot" and the "stick" approach in U.S. relations with major illicit narcotics-producing and transit countries.

Proponents of a sanctions policy linking foreign aid and trade benefits to U.S. international narcotics objectives argue against "business as usual" with countries that permit illicit drug trafficking, production, or laundering of drug profits. They assert that this policy includes a moral dimension and that drug production and trafficking is wrong, and that the United States should not associate with countries involved in it. Such analysts maintain that U.S. aid and trade sanctions can provide the needed leverage for nations to reduce production of illicit crops and their involvement in other drug related activities. They argue that both the moral stigma of being branded as uncooperative and the threat of economic sanctions prod many otherwise uncooperative nations into action. They further stress that trade sanctions would be likely to provide a highly effective lever as most developing countries depend on access to U.S. markets.

Opponents of a sanctions policy linking aid and trade to U.S. international narcotics objectives argue that sanctions may have an undesirable effect on the political and economic stability of target countries, making them all the more dependent on the drug trade for income; that sanctions have little impact because many countries are not dependant on U.S. aid; that sanctions historically have little effect unless they are multilaterally imposed; and that sanctions are arbitrary in nature, hurt national pride in the foreign country, and are seen in many countries as an ugly manifestation of "Yankee imperialism." Finally, an increasing number of analysts suggest that if sanctions are to be fully effective, they should be used in conjunction with additional positive incentives (subject perhaps to a congressional certification/approval process) to foster anti-drug cooperation.

Alternatively, some suggest positive incentives instead of sanctions. They believe that narcotics-producing countries must be motivated either to refrain from growing illicit crops, or to permit the purchase or destruction of these crops by government authorities. Many argue that since short term economic stability of nations supplying illegal drugs may depend upon the production and sale of illicit narcotics, it is unrealistic to expect such nations to limit their drug-related activities meaningfully without an alternative source of income. The House Appropriations Committee report on the 1993 foreign operations appropriations bill suggested that when it comes to narcotics related economic development "there is too little emphasis in either actual funding or policy."

It has been suggested by some analysts that a massive foreign aid effort — a so-called "mini-Marshall Plan" — is the only feasible method of persuading developing nations to curb their production of narcotic crops. Such a plan would involve a multilateral effort with the participation of the United States, Europe, Japan, Australia, other industrialized nations susceptible to the drug problem, and the rich oil producing nations. The thrust of such a plan would be to promote economic development, replacing illicit cash crops with other marketable alternatives. Within the framework of such a plan, crops could be purchased or else destroyed by herbicidal spraying or biological control agents while substitute crops and markets are developed and assured. Any such program would be coupled with rigid domestic law enforcement and penalties for non-compliance. Thus, it would require a U.S. commitment of substantially increased enforcement assets to be used against both growers and traffickers, and some observers assert it might require direct U.S. military involvement at the request of the host country.

Critics find much to be concerned about in these positive incentive concepts. They warn of the precedent of appearing to pay "protection" compensation — i.e., providing an incentive for economically disadvantaged countries to go into the drug export business. They also warn of the open-ended cost of agricultural development programs and of extraterritorial police intervention. Finding markets for viable alternative crops is yet another major constraint. Some experts argue that typical conditions of drug crop zones–geographical remoteness, marginal soils and, in certain countries, extreme insecurity–tend to limit prospects for legal commercial agriculture. Such observers believe that a more promising strategy is to foster development of the legal economy in other locales, including urban settings, in order to attract people away from areas that have a comparative advantage in coca or opium production. In the view of these analysts, the best "substitute crop" for coca or opium could well be an assembly plant producing electronic goods or automobiles for the international market.

Expansion of Interdiction and Enforcement Activities to Disrupt Supply Lines/Expanding the Role of the Military

Drug supply line interdiction is both a foreign and domestic issue. Many argue that the United States should intensify law enforcement activities designed to disrupt the transit of illicit narcotics as early in the production/transit chain as possible — well before the drugs reach the streets of the United States. This task is conceded to be very difficult because the United States is the world's greatest trading nation with vast volumes of imports daily flowing in through hundreds of sea, air, and land entry facilities, and its systems have been designed to facilitate human and materials exchange. This has led some analysts to suggest that the military should assume a more active role in anti-drug activities.

Congress, in the late 1980s and prior to appropriations for FY1994, had urged an expanded role for the military in the "war on drugs." The idea of using the military is not novel. Outside the United States, military personnel have been involved in training and transporting foreign anti-narcotics personnel since 1983. Periodically, there have also been calls for multilateral military strikes against trafficking operations, as well as increased use of U.S. elite forces in preemptive strikes against drug fields and trafficker enclaves overseas.

The military's role in narcotics interdiction was expanded by the FY1990-1991 National Defense Authorization Act. The conference report (H.Rept. 100-989) concluded that the

Department of Defense (DOD) can and should play a major role in narcotics interdiction. Congress, in FY1989 and FY1990-1991 authorization acts, required DOD to promptly provide civilian law enforcement agencies with relevant drug-related intelligence; charged the President to direct that command, control, communications, and intelligence networks dedicated to drug control be integrated by DOD into an effective network; restricted direct participation by military personnel in civilian law enforcement activities to those authorized by law; permitted the military to transport civilian law enforcement personnel outside U.S. land area; expanded the National Guard's role in drug interdiction activities; and authorized additional $300 million for DOD and National Guard drug interdiction activities.

DOD's total drug budget for 2002 was $1,009 million and requested funds for 2003 were $999 million.

Despite the military's obvious ability to support drug law enforcement organizations, questions remain as to the overall effectiveness of a major military role in narcotics interdiction. Proponents of substantially increasing the military's role in supporting civilian law enforcement narcotics interdiction activity argue that narcotics trafficking poses a national security threat to the United States; that only the military is equipped and has the resources to counter powerful trafficking organizations; and that counter drug support provides the military with beneficial, realistic training.

In contrast, opponents argue that drug interdiction is a law enforcement mission, it is not a military mission; that drug enforcement is an unconventional war which the military is ill-equipped to fight; that a drug enforcement role detracts from readiness; that a drug enforcement role exposes the military to corruption; that it is unwise public policy to require the U.S. military to operate against U.S. citizens; and that the use of the military may have serious political and diplomatic repercussions overseas. Moreover, some in the military remain concerned about an expanded role, seeing themselves as possible scapegoats for policies that have failed, or are likely to fail.

Expansion of Efforts to Reduce Worldwide Demand

Another commonly proposed option is to increase policy emphasis on development and implementation of programs worldwide that aim at increasing public intolerance for illicit drug use. Such programs, through information, technical assistance, and training in prevention and treatment, would emphasize the health dangers of drug use, as well as the danger to regional and national stability. The State Department's Office of Public Diplomacy and Public Affairs and AID currently support modest efforts in this area. Some believe these programs should be increased and call for a more active role for the United Nations and other international agencies in development and implementation of such demand reduction programs.

Expansion of Economic Disincentives for Illicit Drug Trafficking

Proponents of this option say that the major factor in the international drug market is not the product, but the profit. Thus, they stress, international efforts to reduce the flow of drugs into the United States must identify means to seize and otherwise reduce assets and profits generated by the drug trade. Some critics point out the challenges of tracking, separating out and confiscating criminal assets. These include the huge volume of all international electronic

transfers – more than $2 trillion each day – and the movement of much illegal money outside of formal banking channels (through hawala-type chains of money brokers).

Policymakers pursuing this option must decide whether laws in countries where they exert influence are too lenient on financial institutions, such as banks and brokerage houses, which knowingly facilitate financial transactions of traffickers. If the answer is "yes," national leaders would then take concerted action to promote harsher criminal sanctions penalizing the movement of money generated by drug sales, including revocation of licenses of institutions regularly engaging in such practices. Finally, those supporting this option favor increased efforts to secure greater international cooperation on financial investigations related to money laundering of narcotics profits, including negotiation of mutual legal assistance treaties (MLATs).

Bush Administration Anti-Drug Strategy

The direction of drug policy under President George W. Bush is not expected to be an immediate top administration foreign policy priority. To date, issues of international terrorism and homeland security appear to command more attention However, Bush administration officials are beginning to portray Colombia's counter-insurgency campaign as part of the broader worldwide campaign against terrorism. While Congress has stipulated that U.S. military aid to Colombia be dedicated to fighting drugs, support is growing in Congress and the Administration for providing direct support to Colombia's efforts to rein in the rebel groups. The extent of such support – and whether it might involve the use of American combat forces – remains to be determined.

Issues of concern to the 107th Congress relating to international drug control policy include the following:

(1) Can the Plan Colombia and the Andean Regional Initiative as currently envisioned have a meaningful impact on reducing drug shipments to the U.S. or in reducing the current level of violence and instability in Colombia? To what degree can a counter-drug plan which does not aim to deal a decisive blow to insurgent operations Colombia be expected to meaningfully curb drug production and violence there?

(2) To what degree might a more regional approach to the drug problem in Colombia prove more effective and how might such an expanded initiative be funded?

(3) How does U.S. involvement in anti-drug efforts in the Andean nations affect other aspects of American foreign policy in the region, and in Latin America generally? Does a concentration on drug-related issues obscure more fundamental issues of stability, governance, poverty , and democracy (i.e., to what degree are drugs a major cause, or result, of the internal problems of certain Latin American countries)? Do U.S. drug control objectives contribute to or conflict with efforts to resolve Colombia's ongoing civil conflict and in what ways?

(4) In the case of Colombia and other nations where insurgents are heavily involved in the drug trade, how can the United States ensure that U.S. military aid and equipment is in fact used to combat drug traffickers and cartels, rather than diverted for use against domestic

political opposition or used as an instrument of human rights violations? How great is the risk that such diversions could take place, and is the degree of risk worth the possible gains to be made against drug production and trafficking?

(5) How extensive is drug-related corruption in the armed forces and police of the Andean nations? What impact might such corruption have on the effectiveness of U.S. training and assistance to these forces?

(6) Will an active role for the military in counter-narcotics support to foreign nations (i.e. Colombia) result in U.S. casualties? If so, is there an exit strategy and at what point, if at all, might Presidential actions fall within the scope of the War Powers Resolution; i.e., does the dispatch of military advisers to help other governments combat drug traffickers constitute the introduction of armed forces "into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances"? (The War Powers Resolution requires the President to report such an introduction to Congress, and to withdraw the forces within 60 to 90 days unless authorized to remain by Congress.)

(7) Will the evolving strategy under the Bush Administration produce better results than previous strategies in reducing illicit drug use in the United States and in supporting U.S. narcotics and other foreign policy goals overseas? Is a proper balance of resources being devoted to domestic (the demand side) vs. foreign (the supply side) components of an overall national anti-drug strategy? Are efforts to reduce the foreign supply level futile while domestic U.S. demand remains high? Are efforts to reduce domestic demand fruitless as long as foreign supplies can enter the country with relative impunity?

(8) To what extent will the Administration's current priority in fighting terrorism affect implementation of antidrug policy? Has repositioning of equipment and resources to improve U.S. defenses against acts of terrorism, for example the shift of Coast Guard vessels from the eastern Pacific and the Caribbean to perform coastal patrols and port security functions, lowered defenses with respect to curbing drug flows?

(9) Should the aerial spraying program in Colombia be reappraised in the light of the continuing expansion of coca cultivation in that country – 25% last year and more than 200% since 1995?

Certification Issues

On March 1, 2001, President Bush certified 20 of the 24 designated drug-producing or transit countries as fully cooperative in counter-narcotics efforts, and he granted vital national interest certifications to Cambodia and Haiti. Only two countries – Afghanistan and Burma – were decertified and subject to sanctions. President Bush's determinations were very similar to the determinations of President Clinton in the previous year, except that Nigeria and Paraguay were elevated from national interest waiver status to fully cooperative status.

In the past, determinations to certify Mexico have often been the most contentious, and Mexico has been a focus of congressional attention and an important focus of U.S. foreign narcopolicy. While Mexico has been fully certified each year by a series of U.S. presidents, congressional resolutions to disapprove Mexico's certification were introduced in 1987, 1988,

1997, 1998, and 1999, and congressional criticisms of Mexico's certifications were voiced in many years. Resolutions of disapproval failed to reach floor action in most years, but both houses passed separate versions of weakened resolutions of disapproval in 1997, and a Senate resolution of disapproval reached the floor but was defeated in 1998. (For more detail, see CRS Report 98-174, *Mexican Drug Certification Issues: Congressional Action, 1986-2001*, by K. Larry Storrs.)

Following the July 2000 election of opposition candidate Vicente Fox as President of Mexico, a number of legislative measures were introduced to modify the drug certification requirements, and these initiatives were mentioned when President Bush met with President Fox in Mexico in mid-February 2001. Although President Bush certified Mexico as fully cooperative in drug control efforts on March 1, 2001, a number of legislators continued to press for modification of the existing certification process. In December 2001, legislation was enacted that included elements of Senate versions. Congress waived the drug certification requirements for FY 2002. It required the President to withhold assistance from the countries most remiss in meeting their international drug-fighting obligations, but apparently did not require Congressional approval of the President's selection of what countries to put in the "worst-offending" category. The new law also seems not to require the United States to vote against loans to such countries by multinational banking institutions. Such changes may reflect the fact that spokesmen from many countries have complained for years about the unilateral and non-cooperative nature of the drug certification requirements, and have urged the United States to end the process or at least to replace it with multilateral evaluation mechanisms.

On February 23, 2002, the President issued a Report to Congress on Major Drug Transit or Drug Producing Countries, under the FY2002 modified guidelines for certification described above. The report designated Afghanistan, Burma, and Haiti as countries that had "failed demonstrably" to adhere to their obligations under international narcotics agreements. However, the Report stated that continued provision of counternarcotics assistance to two of the countries – Afghanistan and Haiti – was in the vital national interests of the United States.

A multilateral [drug performance] evaluation system (MEM) has been established under the auspices of the Organization of American States (OAS). This mechanism is seen by many as a vehicle to undermine and facilitate abolishment of the existing U.S. sanctions-oriented unilateral certification process which is often viewed as an irritant to major illicit drug-producing countries, and which, opponents argue, does little to promote anti-drug cooperation.

Plan Colombia

On July 13, 2000, U.S. support for Plan Colombia was signed into law (P.L. 106-246). Included was $1.3 billion in emergency supplemental appropriations in equipment, supplies, and other counter narcotics aid primarily for the Colombian military. The plan aims to curb trafficking activity and reduce coca cultivation in Colombia by 50% over five years. Plan components include helping the Colombian Government control its territory; strengthening democratic institutions; promoting economic development; protecting human rights; and providing humanitarian assistance. Included as well is $148 million for Andean regional drug

interdiction and alternative development programs. Some observers speculate that without enhanced U.S. aid, Colombia risks disintegration into smaller autonomous political units — some controlled by guerrilla groups that are heavily involved in drug trafficking and violent crime -for- profit activity. Other observers caution that narcotics-related assistance to Colombia can, at best, produce serious reductions in illicit drug production only within a multi-year timeframe and warn against enhanced U.S. involvement in a conflict where clear cut victory is elusive and to a large degree dependant on reduction of so far intractable U.S. domestic appetite for illicit drugs. Moreover, of growing concern in the Administration and in Congress is the so called "spillover" effect of Plan Colombia on neighboring nations such as Ecuador where narco-linked insurgents and paramilitaries increasingly operate. For additional data on proposed aid to Colombia, see CRS Report RL30541, *Colombia: Plan Colombia Legislation and Assistance (FY2000-FY2001)*. See also CRS Report RS20494, *Ecuador: International Narcotics Control Issues.*

Andean Regional Initiative

In December 2001, Congress passed the Foreign Operations Appropriations bill for FY2002, allocating $783 million to the Andean Regional Initiative. Of the $783 million, 49% was provided to Colombia and the rest to Colombia's regional neighbors. Of the Colombia funds, 36% were earmarked for economic and social and governance purposes and 64% for counternarcotics and security, a ratio largely reflecting the enforcement orientation of Plan Colombia. In the case of Peru and Bolivia, the economic and social share was significantly higher – 61% in both countries. For further information, see CRS Report RL31016, *Andean Regional Initiative (ARI): FY2002 Assistance for Colombia and Neighbors.*

FOR ADDITIONAL READING

CRS Reports

CRS Report RL30541. *Colombia: U.S. Assistance and Current Legislation*, by Nina M. Serafino.

CRS Report RS20494. *Ecuador: International Narcotics Control Issues*, by Raphael Perl.

CRS Report 98-174. *Mexican Drug Certification Issues: U.S. Congressional Action, 1986-2001*, by K Larry Storrs.

CRS Report 98-159. *Narcotics Certification of Drug Producing and Trafficking Nations: Questions and Answers*, by Raphael Perl.

CRS Report RS20051. *North Korean Drug Trafficking: Allegations and Issues for Congress*, by Raphael F. Perl.

CRS Report 96-671. *International Drug Trade and its Impact on the United States*, by Raphael Perl, Jennifer Neisner, and David Teasley.

CRS Report 98-159. *Narcotics Certification of Drug Producing and Trafficking Nations: Questions and Answers*, by Raphael Perl.

CRS Report RL30886. *Mexico's Counter-Narcotics Efforts under Zedillo and Fox, December 1994 to March 2001,* by K. Larry Storrs.

CRS Report RL30892. *Drug Certification Requirements and Proposed Congressional Modifications in 2001*, by K. Larry Storrs.

CRS Report RL31016, *Andean Regional Initiative(ARI): FY2002 Assistance for Colombia and Neighbors*, by K. Larry Storrs and Nina M. Serafino.