

USAID highlight

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Agency Intensifies Efforts in Anti-Drug Fight

As the U.S. Agency for International Development (USAID) works to help developing countries boost their economy and improve their standard of living, it faces many challenges.

Some are easily recognized, such as hunger, disease, illiteracy, lack of shelter and a small or nonexistent private sector. Although these problems are extensive, USAID has one advantage in dealing with them: They are out in the open and easy to identify.

But illegal narcotics activity, another serious problem, has not been so readily apparent. Drug production usually is based in remote areas that are heavily protected. Drug trafficking and use generally are done surreptitiously to avoid detection. Thus, drug activity is invisible to most, its insidious effects often appearing in the form of crime, corruption and addiction.

But this invisible invader in many respects poses as serious a threat to economic development as other, more obvious problems. Because illegal narcotics activities work against the goals that USAID and developing countries are pursuing, fighting them is an Agency priority, says Richard Bissell, the Agency's assistant administrator for the Bureau for Program and Policy Coordination.

"Drug production and trafficking divert scarce resources in Third World countries that might otherwise be used for development," he says. "That puts an extra burden on both USAID and developing countries."

Drug activity distorts a developing

USAID SPENDING ON NARCOTICS PROGRAMS			
FISCAL YEAR (Thousands of dollars)	1986	1987	1988 (est.)
DRUG EDUCATION PROJECTS			
Belize	209	196	220
Bolivia	105	444	500
Colombia	96	200	350
Ecuador	230	80	250
Jamaica	50	100	200
Mexico	0	100	300
Pakistan	0	160	800
Panama	47	0	125
Peru	0	917	983
Thailand	0	50	100
Asia Regional	0	0	850
Subtotal	737	2,247	4,678
INCOME SUBSTITUTION			
Bolivia	1,781	2,022 ^a	6,313 ^b
Pakistan	3,469	3,000	9,600
Peru	3,656	3,706	4,287
Thailand	1,905	350	200
Subtotal	10,811	9,078	20,400
TOTAL	11,548	11,325	25,078

a - Does not include \$7.16 million in local currency. b - Does not include \$7.3 million in local currency.

country's economy, adds Craig Buck, director of the Office of South American and Mexican Affairs in the Bureau for Latin America and the Caribbean. "It disrupts wage scales, harms productivity and drains health and social services budgets."

For example, in remote areas of Peru where drug producers are active, wages in the drug industry are up to three times the wage rate in the capital city of Lima. "People receive these high wages from a drug producer and then find that

legitimate wages are nowhere near that level," says Buck. "And, a distorted wage scale creates a false expectation by people elsewhere in the country and leads them to believe that the only way to make good money is to engage in illegal activity."

In addition, drug traffickers hurt the Agency's efforts to strengthen the private sector in developing countries. "By laundering their profits through 'front' businesses, drug traffickers can undercut and displace legitimate businesses," says Buck.

Drug activity imposes social costs as well, says John Champagne, narcotics coordinator for the Bureau for Asia and the Near East. "Drug treatment and rehabilitation drain the health and social services budgets of developing countries," he notes. "And, drug activity often causes a breakdown in family ties and in neighborhoods."

Finally, drug activity distorts the political process. "Drug traffickers have acquired significant political power through their corrupting influence on government officials," says Buck. "In many cases, traffickers operate as a law unto themselves. They—not the courts—mete out justice."

In some cases, drug producers threaten the very stability of the government, Buck notes. That is particularly true in countries such as Bolivia, Peru and Colombia where links have been reported between drug traffickers and terrorist groups.

Recognizing the harmful effects that narcotics activity has on development, the Agency, with the help and the cooperation of other federal agencies and developing countries themselves, is fighting back.

USAID has an active and expanding anti-drug program, says Joseph Esposito, the Agency's narcotics affairs coordinator, which includes efforts to wean farmers away from their economic dependence on drug crops, as well as an expanding narcotics education program in the Third World. The Agency also is



USAID is spending almost \$4.7 million in fiscal 1988 to increase the awareness of people in developing countries, like these children in Mexico, about the dangers of narcotics.

supporting legislative and judicial reform in developing countries aimed, in part, at drug producers and traffickers.

Several other federal agencies are involved with USAID in the battle, particularly the State Department's Bureau of International Narcotics Matters, as well as the U.S. Information Agency, the National Drug Policy Board and the White House Office of Drug Abuse Policy.

USAID also works with international organizations such as the U.N. Fund for Drug Abuse Control and discusses drug issues with the Organization of American States and the Development Assistance Committee of the Organization for Economic Cooperation and Development, a group composed primarily of Western European and North American countries.

USAID's overseas missions, which carry out many of the anti-drug projects, are essential in the drug fight.

"They work with host countries in identifying problems and generate ideas for anti-drug policies," says Esposito. "They help the Agency build a worldwide anti-drug policy."

Congress also has passed legislation aimed specifically at countries that are the site of major narcotics production and trafficking.

Under the 1986 Omnibus Anti-drug Act, the President must report on whether drug-producing countries are taking steps to reduce narcotics problems within their borders and if they are cooperating with the United States to fight illegal drug production and use.

One-half of the economic assistance to those countries is held in abeyance until that report is made to Congress. If the President declines to certify that a country is cooperating fully in the anti-drug effort or Congress rejects the certification, the country loses the remaining half of the economic assistance.

Some countries have traditionally viewed drugs as an "American" problem caused solely by the demand for illegal narcotics in the United States, says Bissell.

"That view is untrue, particularly in recent years," he points out. In addition to their own awareness of the distortions caused by illegal drug activity, developing countries have found that drug abuse is proliferating among their own people.

For example, Esposito says, the level of addiction in Pakistan was minimal 10 years ago. Yet by 1985, Pakistan had 365,000 heroin addicts, and the number today is estimated at 450,000. Thailand, too, has seen heroin addiction grow in recent years to more than 350,000.

"Such statistics are forcing developing countries to view narcotics as a domestic problem," says Bissell. "These countries now realize that fighting drug production and trafficking is their problem, too."

And, says Buck, "these countries realize that when they can't afford to provide basic health care to many of their citizens, they are not going to be able to afford expensive drug rehabilitation programs."

That awareness translates into growing government cooperation with USAID's efforts, which Esposito says is essential if the problem is to be combated effectively.

"We have found most of the

Prevalence of heroin abuse in Pakistan and its trend

Year (End)	Heroin Abusers (Total No.)	All Drug Abusers (No. in 1000)	Heroin Abusers (% of all Abusers)
1980	5,000	1,240	0.4
1981	20,000	1,280	1.5
1982	50,000	1,320	3.8
1983	105,000	1,400	7.4
1984	225,000	1,500	15.0
1985	365,000	1,600	22.8

Source: PNCB, National Survey on Drug Abuse in Pakistan, 1986, pp. 314

countries to be very cooperative," says Esposito. "We have seen examples of tremendous courage on the part of some government leaders and officials as they have moved vigorously and, at times, at great personal risk to themselves to fight drug trafficking."

Although not a part of the Agency's anti-narcotics programs, USAID's Administration of Justice project complements that effort. The project is designed to strengthen judicial systems in Latin America and the Caribbean through legal reform, training, improved judicial recruitment and selection, and increased legal research.

In total, the Agency will spend **\$25 million** in fiscal 1988 on income-substitution and drug-education programs, says Esposito.

"We also are providing countries with field staff from USAID missions who are working with host government officials and farmers in carrying out anti-drug projects," he points

out. "We are making a significant contribution in personnel as well as in dollars."

And, the Agency's efforts have produced results.

Pakistan, for example, is making progress in its drug-fighting efforts, says Esposito. "Crop substitution is beginning to work there," he notes. "We've been successful in showing farmers that there are advantages to growing crops other than opium."

Further, survey results show that the level of awareness of drug problems is increasing in several Latin American and Asian countries, says Esposito, thanks in large part to USAID's efforts.

In addition, USAID's programs have helped officials in developing countries identify the nature and the extent of drug abuse in their countries, which will enable them to target programs and resources more effectively.

Much remains to be done, Esposito acknowledges, and it will require continued donor coordination as well as cooperation from host governments.

"Because of the huge amounts of money involved in drug trafficking, it's a tough problem to solve," says Esposito. "But we are making progress and seeing some success. Our policies are laying the groundwork for a long-term strategy to help reduce the worldwide drug menace."

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