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U.S.-Supported Efforts in Colombia and Bolivia

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Comptroller General
of the United States

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To the President of the Senate and the
Speaker of the House of Representatives

The Anti-Drug Abuse Act of 1986 required us to examine the effectiveness of the international narcotics control assistance provided pursuant to the Foreign Assistance Act of 1961 (22 U.S.C. 2291) and to report to the Congress periodically as portions of our investigation are completed.

This report responds to the legislative requirement and covers our review of U.S.-supported drug control efforts in Colombia and Bolivia.

We are sending copies of this report to the Director, Office of Management and Budget; the Secretary of State; the Attorney General; and the Administrator, Agency for International Development.

Frank C Conahan

for Charles A. Bowsher
Comptroller General
of the United States

Executive Summary

Purpose

Section 2007 of the Anti-Drug Abuse Act of 1986 requires GAO to investigate the effectiveness of assistance provided through the U.S. international narcotics control program and to report periodically to the Congress on the results of its reviews. In response to the act, GAO reviewed the scope, purpose, and effectiveness of U.S.-assisted drug control programs in Bolivia, Colombia, Mexico, Burma, Pakistan, and Thailand.

This report focuses on U.S. efforts in Colombia and Bolivia—two key countries in the U.S. control program. An estimated 90 percent of the cocaine consumed in the United States originates from these two countries. Colombia is also the leading supplier of marijuana consumed by Americans.

This is the last in a series of reports on U.S. drug control activities in the six countries GAO reviewed.

Background

The Department of State's Bureau of International Narcotics Matters, the Drug Enforcement Administration, and the Agency for International Development (AID) share responsibilities under the international narcotics control program. This program assists in controlling drugs by providing financial and technical assistance for crop control and law enforcement activities, and in some countries, by providing development assistance. During fiscal year 1987, these agencies expended $33.8 million for programs and activities in Bolivia and Colombia to assist in crop control, interdiction, law enforcement, improvement of the administration of justice, training, and development assistance. These agencies planned to expend $41.6 million for programs and activities in the two countries during fiscal year 1988.

Results in Brief

U.S.-supported crop control, enforcement, and interdiction efforts in Colombia and Bolivia have not produced major reductions in coca and marijuana production and trafficking, and it is questionable whether major reductions will be achieved in the near future. Despite large-scale efforts by the government of Colombia to eradicate coca and marijuana cultivation and to interdict cocaine processing and trafficking, Colombia remains the principal source of cocaine for the U.S. market and the leading supplier of marijuana. Seemingly intractable problems, including political assassinations, threats and intimidation of Colombian officials, and corruption have impeded government efforts to control the narcotics trade. Further, the United States and Colombia have not identified an

effective herbicide to combat coca growth. Bolivia has no law restricting coca cultivation and its interdiction efforts have had no significant results.

Principal Findings

Narcotics Production in Colombia

Colombia has been making a significant attempt to combat its narcotics trafficking and production problems, but with little significant result. It's efforts have been constrained by the (1) unprecedented level of violence associated with narcotics control, (2) current absence of an enforceable extradition treaty for narcotics offenses with the United States, (3) general reluctance of the Colombian military forces to become involved in narcotics enforcement, and (4) lack of a safe and effective means of chemically eradicating the coca plant. GAO believes that the Departments of State and Justice should continue to pursue the efforts underway to assist the government of Colombia in developing legally acceptable ratifying legislation, which would re-establish a workable treaty with Colombia for the extradition of persons indicted for drug offenses.

U.S.-supported activities in Colombia could be more effective, however, by (1) more efficient use of U.S.-provided and supported aircraft, (2) improved logistics and maintenance support of aviation activities, and (3) better monitoring and verification of aerial eradication efforts.

Narcotics Production in Bolivia

Bolivia continues to produce large amounts of coca leaf, with 1988 production estimated at 62,060 metric tons, up from 56,420 metric tons in 1987. In August 1987, Bolivia agreed to eradicate 1,800 hectares (2.47 acres = 1 hectare) of coca by August 1988. This target was met during June 1988. However, the amount of new coca being planted far exceeded the amount being eradicated. During 1987, an estimated 3,300 additional hectares of coca were placed into production, bringing the total area under cultivation to 40,300 hectares. Bolivia's control program suffers from the lack of clear legislation outlawing coca cultivation and supporting government control and eradication programs. Other factors which hinder Bolivia's effective control efforts include (1) a relatively inexperienced and ineffective special narcotics police force, (2) limited government of Bolivia funding for program objectives, and (3) generalized corruption.

Evaluations and Financial Control

Program evaluations needed to assess progress against goals and objectives and to redirect project activities are not routinely performed. U.S. officials in Bolivia and Colombia believe the Department of State guidelines do not clearly establish responsibility for conducting evaluations. Also, adequate controls over U.S. cash advances in Bolivia were not maintained and some advances were liquidated without adequate documentation showing the use of the funds.

AID Activities

AID activities in Colombia are limited to narcotics awareness and administration of justice programs. Through these activities, AID is attempting to inform the Colombians of the adverse effects of narcotics consumption, production, and trafficking. It is also attempting to strengthen the Colombian judicial system through such means as training of judicial personnel, especially those associated with the criminal courts, and by analysis of the system's current weaknesses.

AID has supported U.S. narcotics reduction efforts in Bolivia through its $35.8 million development projects in the Chapare region and its narcotics awareness programs. These activities, however, have had little effect in reducing the production or flow of Bolivian coca, basically because of the lack of an effective and sustained coca control program. In late 1985 AID recognized that the original project goals and objectives were not being met, and suspended project disbursements pending re-evaluation of project aims and the government of Bolivia's commitment to eradication goals and procedures. In November 1987, AID authorized the resumption of project benefits to communities and individuals which eradicated 70 percent of their coca plantings. As of June, 1988, no community had qualified for these benefits, although several individual farmers had.

Recommendations

To improve the effectiveness of the U.S.-supported narcotics control effort in Colombia, GAO recommends that the Secretary of State take action to (1) ensure that eradication aircraft are used during the entire day and to spray early in the marijuana growing cycle, (2) increase U.S. monitoring of marijuana eradication activities, and (3) request the government of Colombia to use all of its resources, including its military force, more effectively in the fight against drug production and trafficking. To improve the efficiency of Colombia's U.S.-provided and supported narcotics control aircraft, GAO recommends that the Secretary of State take action to improve aircraft spare parts inventory management

policies and procedures and encourage Colombian officials to establish aircraft maintenance standards.

GAO also recommends that the Secretary of State (1) take appropriate measures to encourage Bolivia to improve the effectiveness of Bolivia's narcotics special police force and (2) initiate a review of procedures for accounting for cash advances and ensure that proper control of advances are instituted and maintained.

Agency Comments

The Department of State and AID generally agreed with GAO's findings and recommendations, and offered comments on GAO's draft report which updated and clarified information presented in the report. The Department of Justice felt the report accurately reflected the situation in Colombia and Bolivia.

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Abbreviations

AID	Agency for International Development
CRDP	Chapare Regional Development Project
DEA	Drug Enforcement Administration
FARC	Colombian Revolutionary Armed Forces
GAO	General Accounting Office
INM	Bureau of International Narcotics Matters
NAU	Narcotics Assistance Unit
NNICC	National Narcotics Intelligence Consumers Committee
SAPOL	Colombian Anti-Narcotics Airwing
UMOPAR	Bolivian Mobile Patrol Unit

Introduction

The U.S. international narcotics control program supports foreign governments' efforts to control the cultivation, production, refinement, and trafficking of illicit drugs. The program assists in narcotics control by providing financial and technical assistance for crop control and law enforcement activities, and in some countries, by providing development assistance. We examined narcotics control programs in Bolivia and Colombia to determine their effectiveness in controlling the production and export of narcotics.

U.S. Agencies Involved in International Narcotics Control

The major responsibilities for U.S. international narcotics control programs are assigned to three agencies: the Department of State's Bureau of International Narcotics Matters (INM), the Drug Enforcement Administration (DEA), and the Agency for International Development (AID).

INM has the lead role and is responsible for developing, coordinating, and implementing the overall U.S. international narcotics control strategy. INM carries out its responsibilities through diplomatic efforts, assisting host governments in crop control and interdiction, training foreign personnel, participating in international organizations, and providing technical assistance. INM is represented at the U.S. embassies in Bogota and La Paz by the Narcotics Assistance Unit (NAU), directed by a senior foreign service officer and supported by additional foreign service staff, local nationals, and advisers under contract with INM.

For fiscal year 1988, INM budgeted $98.7 million in narcotics control assistance for 11 major narcotics producing and transiting countries, several international organizations, and a number of lesser producing countries. Of the $98.7 million, about $26 million (26 percent) was provided to Colombia and Bolivia. Table 1.1 shows INM's actual and requested funding for fiscal years 1984 through 1989.

Table 1.1: INM Funding to Colombia and Bolivia

Dollars in thousands

Fiscal year	Colombia	Bolivia
1984 (actual)	$6,765	$2,670
1985 (actual)	10,650	1,537
1986 (actual)	10,600	3,875
1987 (actual)	11,553	12,540
1988 (estimate)	11,000	15,000
1989 (requested)	10,000	10,000
Total	**$60,568**	**$45,622**

DEA's international narcotics control efforts are implemented through its Foreign Cooperative Investigative Program. DEA provides expertise, technical assistance, and training to Bolivian and Colombian law enforcement officials; participates in collecting and sharing narcotics intelligence; and when authorized, assists in investigations. It also helps the host governments (1) develop programs to reduce the supply of drugs at or near their agricultural source, (2) immobilize refineries, (3) identify export staging areas, and (4) interdict illicit drug shipments.

In fiscal year 1988, DEA's Foreign Cooperative Investigative Program was funded at a level of $58.2 million, of which approximately $8.4 million was expended for DEA activities in Bolivia and Colombia. DEA has 25 special agents assigned to Colombia and 16 assigned to Bolivia.

AID addresses narcotics control in Bolivia through area development projects aimed at income substitution objectives and narcotics awareness activities. In Colombia, AID activities are limited to narcotics awareness and an administration of justice program. The AID mission in Bolivia consists of 20 U.S. personnel and 34 foreign nationals. AID does not have a mission in Colombia; however, AID activities are conducted by an AID representative at the U.S. Embassy. AID disbursements for area development and narcotics awareness projects are shown in table 1.2.

Table 1.2: AID Program Expenditures: Colombia and Bolivia

Dollars in thousands

	Fiscal years		
Activity	**1986**	**1987**	**1988 (est.)**
Income Substitution:			
Bolivia	$1,781	$2,022	$6,313
Drug Education:			
Colombia	96	200	350
Bolivia	105	444	500
Total	**$1,982**	**$2,666**	**$7,163**

Cocaine Production and Availability

Drug trafficking and abuse poses a serious threat to the health, welfare, and national security of the United States. Once considered a fashionable drug for the wealthy, cocaine is now used by individuals of all socioeconomic groups and is considered by drug experts to be the most serious drug problem confronting the United States. As shown by trafficking indicators presented in table 1.3, the availability and purity of

cocaine in the United States has steadily increased since 1981, while at the same time, the wholesale and retail prices have steadily declined.

Table 1.3: Cocaine Use and Trafficking Indicators, 1981-86

	1981	1982	1983	1984	1985	1986
Available for export to the United States (metric tons)	30–60	40–65	54–71	71–137	[a]	[a]
Cocaine retail purity (per cent)	25–30	30–35	35	35	50–60	55–65
Cocaine prices wholesale (per kg.) (thousands)	$55–65	$55–65	$45–55	$40–50	$30–50	$22–45
Cocaine prices retail (per gram.)	$100–150	$100–140	$100–125	$100–120	$100	$80–120

[a]Not reported.

Source: National Narcotics Intelligence Consumers Committee Reports, 1983, 1984, and 1985-86.

Cocaine Production

Cocaine is a chemical compound derived from the leaves of the coca plant, which has been cultivated for thousands of years in the Andean region of South America. The conversion of coca leaves to cocaine involves a relatively simple three-step chemical process. In the first step, coca leaves are mashed, then soaked in a solution of kerosene and sodium carbonate to precipitate out the alkaloid. The result is a compound called coca paste, which is about 40 percent pure cocaine. In the second step, paste is treated with sulfuric acid and potassium permanganate to form a cocaine base, which is 90-92 percent pure cocaine. The conversion of leaf to paste to base usually occurs near the cultivation site in rustic laboratories. In the final refining stage, which has traditionally been performed in Colombia, ether and acetone are used to convert the base into cocaine hydrochloride—the purest form of the drug.

The conversion of coca leaves to cocaine results in a tremendous reduction in the volume of the product. It takes typically 200-500 kilos of Bolivian or Peruvian coca leaves to make one kilogram of cocaine. The conversion ratio is higher in Colombia because Colombian leaves have a much lower cocaine content.

The world's cocaine supply originates exclusively from South America. Coca plants are raised principally in Peru and Bolivia, and are being increasingly cultivated in Colombia, which enhances Colombia's predominance in the world cocaine trade. The amount of coca leaf being produced in South America doubled between 1982 and 1987 and, according to intelligence analysts, is currently increasing by an annual rate of between 5 and 10 percent. As shown in table 1.4, 1988 coca leaf production estimates range from 183,650 to 213,650 metric tons.

Table 1.4: Coca Leaf Cultivation Estimates, 1985-88

Figures in thousands of metric tons

	1985	1986	1987	1988
Bolivia	42.0 – 53.2	44.0 – 52.9	46.0 – 67.0	50.0 – 73.7
Colombia	12.4	12.0 – 13.6	18.0 – 23.0	19.0 – 25.3
Peru	95.2	95.0 – 120.0	98.0 – 121.0	114.5
Ecuador	– 1.9	1.0	– 0.4	– 0.2
Total	**151.5 – 162.7**	**152.0 – 187.5**	**162.4 – 211.4**	**183.7 – 213.7**

Source: International Narcotics Control Strategy Report, Department of State, March 1988.

The coca leaves produced from this level of cultivation could be converted into between 367 and 427 metric tons of cocaine, as shown in table 1.5.

Table 1.5: Maximum Cocaine Production Estimates[a], 1985-88

Figures in metric tons

	1985	1986	1987	1988
Bolivia	84.0 – 106.4	88.0 – 105.8	92.0 – 134.0	100.0 – 147.4
Colombia	24.8	24.0 – 27.2	36.0 – 46.0	38.0 – 50.6
Peru	190.4	190.0 – 240.0	196.0 – 242.0	229.0
Ecuador	– 3.8	2.0	– 0.8	– 0.4
Total	**303.0 – 325.4**	**304.0 – 375.0**	**324.8 – 422.8**	**367.4 – 427.4**

[a]Based on the National Narcotics Intelligence Consumers Committee's average conversion rate of 500 kilograms of dry leaf = one kilogram of cocaine hydrochloride.

Source: International Narcotics Control Strategy Report, Department of State, March 1988.

Objectives, Scope, and Methodology

The objectives of our review were to evaluate the scope, purpose, and effectiveness of U.S. narcotics control efforts in Bolivia and Colombia. Our examination was focused principally on the programs funded by the Department of State and AID. We did not assess the effectiveness of DEA's international efforts. We interviewed representatives and reviewed records at INM and AID in Washington, D.C. We reviewed applicable foreign aid legislation, congressional reports, and congressional hearings. We also reviewed INM, AID, and DEA studies and reports and prior GAO reports relating to U.S. international narcotics control efforts.

In addition, we interviewed representatives and reviewed records from INM, AID, DEA, United States Information Agency, and host government narcotics control agencies in Colombia and Bolivia. We also made field visits to observe host government coca and marijuana eradication and control efforts in those countries.

In Colombia and Bolivia we examined the effectiveness of program activities and reviewed the adequacy and accuracy of reported information on the production, yield, and eradication of coca and marijuana in these countries. We performed field work in Colombia and Bolivia during March through June 1987. We conducted our work in accordance with generally accepted government auditing standards.

This is the last of a series of reports issued in response to section 2007 of the Anti-Drug Abuse Act of 1986. A listing of other reports issued under this mandate appears at the end of this report.

Narcotics Production and Control Activities in Colombia

Colombia is the world's largest producer of cocaine and the origin of 75 percent of the drug consumed in the United States. Colombia is also the leading source of marijuana consumed by Americans. During 1987, Colombia had the potential of producing 130 metric tons of cocaine and 5,595 metric tons of marijuana. Although it is the world's third largest producer of coca leaves, Colombia has traditionally relied on coca paste and cocaine base obtained from leaves grown in Bolivia and Peru. Colombian drug traffickers then refine these intermediate products into cocaine hydrochloride and distribute the finished product to international consumers.

Colombia has been the most cooperative of Andean governments in the fight for narcotics control and is viewed as the most important country in the U.S.-drug suppression campaign. At present, however, the government of Colombia is under siege by well-armed traffickers and insurgent groups who have intimidated the government through the assassination of police, judges, journalists, and government officials.

The United States provides Colombia with narcotics crop control and law enforcement assistance including training, equipment, and operational and technical support. The fiscal year 1989 international narcotics control budget for Colombia is $10 million.

Colombia's Role in International Narcotics

Colombia plays a major role in the international traffic of cocaine and, to a lesser extent, marijuana. Although Colombia participates in all stages of cocaine production, its forte is the final stage processing and the international distribution of the finished product. As in previous years, Colombia was the world's principal source of cocaine during 1987, and has the potential for producing an estimated 130 metric tons of the drug and exporting about 82 metric tons to the United States. The National Narcotics Intelligence Consumers Committee (NNICC)[1] estimates that three-quarters of the cocaine available in the United States during 1985 and 1986 originated from Colombia.

[1]The NNICC was established in 1978 to coordinate foreign and domestic collection, analysis, dissemination, and evaluation of drug-related intelligence. Membership consists of the U.S. Coast Guard; Customs Service; Departments of Defense, State, and Treasury; DEA; Federal Bureau of Investigation; Immigration and Naturalization Service; Internal Revenue Service; National Institute of Drug Abuse; and White House Drug Abuse Policy Office. The Central Intelligence Agency and National Security Agency participate as observers.

Cocaine Processing and Production

Colombian involvement in U.S. cocaine trafficking has been traced to the 1959 Castro takeover of Cuba, which resulted in a large number of drug traffickers fleeing Cuba and settling in the United States, Mexico, and Colombia. By the mid- to late 1960s, these Cubans, in concert with Colombian associates, had established a cocaine manufacturing capability in several Colombian cities.

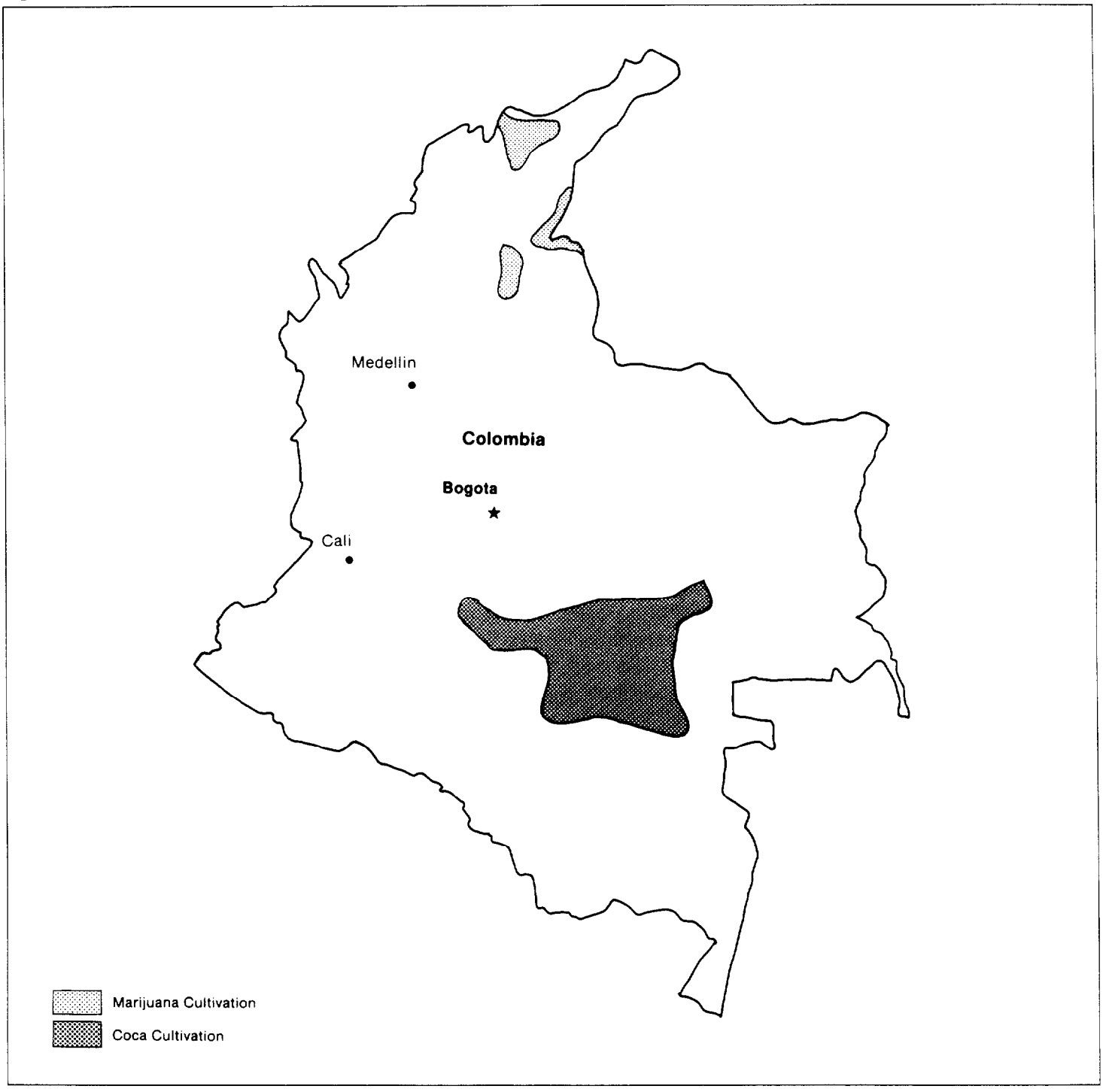
The Colombians learned to transform coca paste into cocaine from the Cubans, and were also introduced to Cuban coca paste suppliers in Bolivia and Peru. By 1978 Colombian traffickers had severed all ties with the Cuban refugees in their country and assumed the dominant role they now play in supplying cocaine to the American market.

While coca has long been grown in Colombia, the amounts being cultivated did not increase until the late 1970s. This expansion, according to INM, was in response to a rising U.S. demand and a desire by Colombian traffickers for greater domination of the cocaine trade from cultivation to wholesale marketing. At present, coca is primarily grown in the southern and eastern provinces of the country (see fig. 2.1). Coca fields, which are usually less than 2 hectares (5 acres), are generally found in clusters on newly cleared land in remote jungle areas.

Unlike their counterparts in Bolivia and Peru, Colombians bypass the coca paste stage and process their coca leaves directly into cocaine base. Base processing labs are primitive and generally small, with one processing site serving a few coca fields covering several hectares. INM estimates between 2,000 and 3,000 such processing sites are in operation at any one time. Domestically processed cocaine base and larger quantities of base imported from Bolivia and Peru are refined into cocaine in an estimated two dozen relatively sophisticated laboratories. These larger laboratories are usually found in isolated areas near remote, clandestine airstrips. Smaller operations are also being established on Colombia's northern coast and on farms near major metropolitan areas.

In the past, cocaine processing was conducted in large, factory-like facilities. However, a March 1984 national police raid on an elaborate cocaine processing complex in the jungle of southeastern Colombia caused cocaine processors to adopt a practice of using numerous, smaller facilities, and move their operations to other parts of Colombia, as well as to neighboring countries. This raid resulted in the seizure of 10 tons of cocaine and cocaine base and the destruction of 10 laboratories and 6 airstrips.

Figure 2.1: Major Narcotics Cultivation Sites in Colombia



The majority of cocaine trafficking is controlled by the "Medellin Cartel," a tightly knit group of criminal "families" based in the Colombian city of Medellin. This group is involved in all stages of the cocaine industry, including coca growing, importing coca paste and cocaine base from Bolivia and Peru, cocaine processing, and the distribution and importation of cocaine into the United States, and the laundering of drug profits. In August 1986, a federal grand jury issued an indictment which, for the first time, delineated the numerous illicit and violent cartel practices, including murder, terror, public corruption, and obstruction of justice. The indictment alleged that from 1981 to 1985, the cartel was responsible for the production, distribution, and transportation of at least 58 tons of cocaine. The "Medellin Cartel" is said to control 80 percent of the estimated 165,000 pounds of cocaine consumed in the United States annually, and is estimated to earn $7 billion annually from its illicit U.S. dealings.

Colombian Anti-Drug Programs

Colombian efforts to curb the production and flow of narcotics began in the late 1970s when the Colombian Army was dispatched to northern Colombia to stop marijuana cultivation and trafficking. The Army was subsequently withdrawn when it was alleged that its efforts had resulted in corruption within its ranks. Frustrated by the continued growth of Colombian involvement in the American drug market, the Congress authorized $16 million to support an expansion of the Colombian antinarcotics effort in fiscal year 1980. In late 1980, the Colombian government assigned primary responsibility for narcotics enforcement to the national police. According to INM, this designation was critical in that it initiated a consolidation of the antinarcotics effort into the agency which had both the nationwide organization, the logistical support, and, most importantly, the desire to take on the narcotics enforcement mission in Colombia. Prior to 1980, narcotics enforcement responsibility had been shared by a wide variety of agencies ranging from the Colombian military to the Colombian analog of the U.S. Immigration and Naturalization Service. A special antinarcotics unit was established within the national police and, in 1982, began operations against narcotics traffickers and producers. Since its inception, this unit has received most of the U.S.-provided narcotics control assistance.

The Colombian national police consolidated existing antinarcotics resources in early 1987, with the establishment of a Directorate of Anti-Narcotics. The Directorate consists of about 1,800 personnel and includes a tactical operations branch (e.g., the former special antinarcotics unit), an airwing (SAPOL), and an investigative and intelligence

branch. The tactical operations branch consists of 12 companies of approximately 100 personnel each and 14 intelligence units, and is located throughout Colombia. The tactical units are responsible for narcotics interdiction, and the manual eradication of coca and marijuana.

SAPOL is the fastest growing element of Colombia's antinarcotics program and provides the Directorate with an independent airlift and aerial eradication capability. SAPOL has 28 rotary and fixed-wing aircraft which are located at a central base in Bogota and three advance bases in key narcotics areas.

The Directorate commander makes the strategic decisions about where the narcotics control operational units and aircraft will be deployed. The Directorate's local zone commander makes the daily tactical decisions about when and how their resources will be used. For example, the Directorate's commander may decide to place a given number of aircraft along Colombia's northern coast for the aerial eradication of marijuana. The Directorate's zone commander for this area will then make the daily tactical decisions on when and how the aircraft will be used. NAU's involvement is at the strategic level as it discusses possible activities and targets with the Directorate's commander. Over the years, the United States has provided Colombia with 16 antinarcotics aircraft, 11 of which are currently in operation. Table 2.1 summarizes the origin and current status of the antinarcotics aircraft.

Table 2.1: Origin and Status of Colombian Antinarcotics Aircraft, as of January 1988

Aircraft Origin	Disposition	Aircraft available
Helicopters		
13 bought by the U.S.	5 crashed or destroyed	8
7 bought by Colombia	1 crashed or destroyed	6
1 confiscated		1
21	**6 crashed or destroyed**	**15**
Fixed-wing aircraft		
3 bought by the U.S.		3
5 bought by Colombia	1 crashed or destroyed	4
6 confiscated		6
14	**1 crashed or destroyed**	**13**

According to INM, the acknowledged single greatest weakness of the Colombian antinarcotics effort is the lack of an elite corp of investigators and prosecutors sufficiently trained, equipped, motivated, and protected to attack the drug trafficking infrastructure. Coupled with the

current inefficiency of the criminal justice system, such weakness clearly facilitates manipulation of the society by the major drug lords.

INM believes that the $48 million in antinarcotics assistance provided to the Colombian national police since 1980 has been a wise investment. During this period, the national police have (1) seized and destroyed over 17,000 metric tons of processed marijuana, (2) fumigated over 33,000 hectares of cannabis, (3) manually eradicated 8,000 hectares of coca, (4) seized and destroyed over 44 metric tons of cocaine and coca base, and (5) destroyed over 3,000 cocaine processing facilities. However, as discussed on pages 33 through 35, the accuracy of the national police-provided marijuana eradication statistics are essentially unverified by U.S. officials. Table 2.2 shows annual indicators of recent Colombian efforts to curb the production and trafficking of narcotics.

Table 2.2: Colombian Narcotics Interdiction and Eradication Statistics, 1985-87

Activity	1985	1986	1987
Cannabis (hectares fumigated)	6,000	9,700	8,000
Marijuana (metric tons seized)	1,009	1,369	1,276
Cocaine (kilograms seized—cocaine base and hydrochloride)	9,461	4,317	5,496
Cocaine labs (destroyed—cocaine base and hydrochloride)	653	550	1,355
Arrests	2,840	3,715	4,578

Source: Department of State

U.S. Narcotics Control Assistance to Colombia

U.S. antinarcotics assistance to Colombia began with the 1973 signing of a bilateral agreement. Under this agreement, the United States has provided aircraft, vehicles, and communication and investigative supplies and equipment to several Colombian narcotics control and law enforcement organizations. Since the initiation of the agreement, the United States has provided approximately $88 million in narcotics control assistance, half of which was provided between fiscal years 1985 and 1988.

Initially, U.S. narcotics control assistance was wide-ranging, because funds were provided to numerous Colombian military and law enforcement agencies. These early efforts reflected the diverse and often fragmented nature of Colombia's narcotics control effort and had little effect because the United States could find no Colombian agency to work with effectively. The 1980 Colombian action of placing primary responsibility for narcotics enforcement with the national police resulted in a consolidation of Colombian resources and U.S. assistance. During fiscal year

1989, the national police are scheduled to receive approximately $8.5 million of the $10 million in narcotics control assistance requested for Colombia.

The current U.S. assistance program centers on providing the Colombian national police with the logistical and operational support necessary to eradicate and interdict the flow of marijuana and coca-based narcotics. These resources have been concentrated within the national police airwing and tactical operation branches and include aircraft, vehicles, spare parts, communications and operational field equipment, and herbicide and herbicide spray equipment. The United States is also providing assistance and training to the investigative personnel of the national police and the Colombian judicial system through the narcotics control and Administration of Justice programs, respectively. A small amount of assistance is also provided to the Colombian government and private sector organizations to promote drug awareness and education activities.

U.S. Programs and Objectives in Colombia

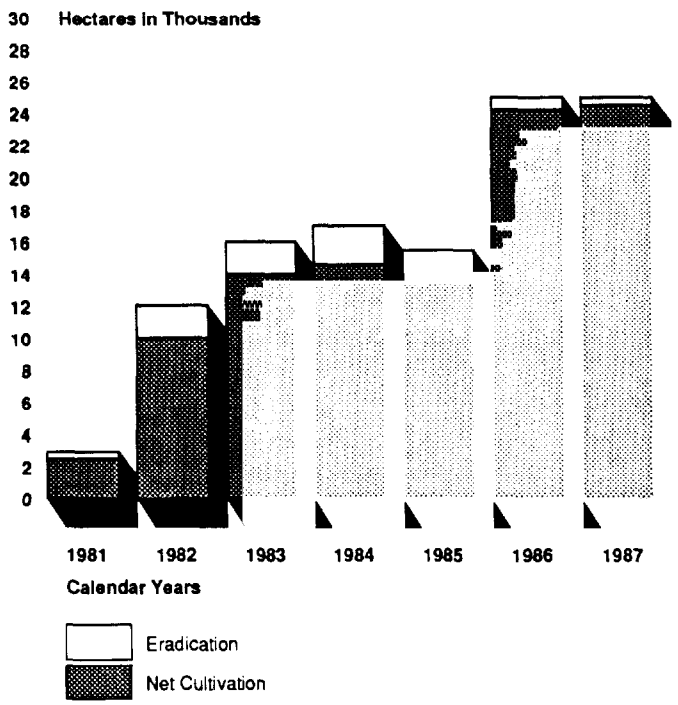
U.S. narcotics control assistance is designed to help Colombia (1) eliminate the production of narcotics and (2) interdict the movement of narcotic substances and precursor chemicals. The U.S. program also attempts to reduce the demand for narcotics in Colombia, as well as promote the investigation, arrest, and prosecution of Colombian drug traffickers.

Joint efforts to eliminate the production of narcotics have focused on the chemical eradication of marijuana and the manual eradication of coca. Acting on the premise that interdiction and manual eradication would not significantly reduce marijuana production, Colombia has adopted a strategy based upon the aerial application of the herbicide glyphosate. This strategy was initiated in July 1984, and through 1987, has resulted in the fumigation of more than 33,000 hectares of marijuana, the equivalent of more than 36,000 metric tons of potential marijuana production.

It is illegal to cultivate coca in Colombia, although indigenous tribes grow and chew coca leaf. Illicit coca cultivation was estimated to be 25,000 hectares in 1987, up from an estimated 15,500 hectares in 1985. Since no herbicide for coca is environmentally safe and effective for aerial application, coca eradication must be conducted manually. INM reports that manual coca eradication is becoming increasingly risky

because most coca fields are located in guerrilla-occupied territory. During 1987, Colombia manually eradicated 457 hectares of coca, about 2 percent of the total cultivation. Figure 2.2 summarizes Colombian coca cultivation and eradication activities from 1981 through 1987.

Figure 2.2: Colombian Coca Cultivation and Eradication, 1981-87



Source: International Narcotics Control Strategy Reports, Department of State, 1985, 1986, 1987, and 1988.

Increased Narcotics Production Impedes Existing Control Efforts

For years, Colombia has been the most cooperative of Andean countries and according to INM, is the most important country to the U.S. drug suppression campaign. The United States provided Colombia with over $50 million in narcotics control assistance between 1984 and 1988 and has budgeted $10 million for 1989. Although the government of Colombia has shown a willingness to suppress narcotics trafficking, (1) the enormity of the problem, (2) the extensive resources available to narcotics traffickers, and (3) the degree of violence and intimidation used by the traffickers have all combined to diminish the effect of U.S. and Colombian narcotics eradication and enforcement efforts.

To date, U.S. and Colombian efforts to curb the flow of drugs have had minimal success because they have not, in most instances, been able to keep pace with increasing levels of narcotics production and processing. In virtually every instance since 1985, coca and cocaine production indicators have increased, while during the same period, control indicators have declined. For example, as shown in table 2.3, the area under coca cultivation has increased by more than 60 percent, and at the same time, eradication statistics have declined by more than 75 percent. This has resulted in a net coca leaf production increase of over 80 percent. The increased availability of coca leaves has resulted in double the amount of Colombian cocaine base available for final processing and a 30-percent increase in the overall cocaine production potential. The only control indicator to improve has been laboratory seizures, which have increased from 725 in 1985 to 1,360 in 1987.

Table 2.3: Trends in Colombian Narcotics Production, 1985-87

				Increase since 1985	
	1985	**1986**	**1987**	**Amount**	**Percent**
Coca and Cocaine					
Coca cultivated (hectares)					
Area cultivated	15,500	25,000	25,000	9,500	61
(-)Area eradicated	2,000	760	460	(1,540)	−77
Area harvested	**13,500**	**24,240**	**24,540**	**11,040**	**82**
Cocaine refining (metric tons)					
Colombian base available	20	40	40	20	100
(+)Imported base	80	80	90	10	13
Total base available	**100**	**120**	**130**	**30**	**30**
Cocaine potential (metric tons)	100	120	130	30	30
Enforcement statistics					
Seizures (metric tons)	9	4	6	(3)	(33)
Laboratories destroyed	725	540	1,360	635	88
Marijuana					
Marijuana cultivated (hectares)					
Area cultivated	8,000	12,500	13,085	5,085	64
(-)Area eradicated	6,000	9,700	8,000	2,000	33
Area harvested	**2,000**	**2,800**	**5,085**	**3,085**	**154**
Marijuana production (metric tons)					
Gross production	11,000	13,750	14,390	3,390	31
(-)Amount eradicated	8,250	10,670	8,800	550	7
Net production	**2,750**	**3,080**	**5,590**	**2,840**	**103**
Marijuana Seizures (metric tons)	1,010	1,370	1,290	280	28

Source: International Narcotics Control Strategy Reports, Department of State; 1987 and 1988.

Although marijuana control indicators improved during 1985-1987, production increased at a much faster pace. This resulted in a 154-percent increase in the area under marijuana cultivation and doubled Colombia's marijuana production potential. During 1987, the national police eradicated 85 percent of the marijuana under cultivation in the traditional growing areas of northeastern Colombia. This increase, however, was offset by marijuana growers who established major, new cultivation sites in other nontraditional areas of Colombia. INM views this shift in cultivation as a demonstration that traffickers will replant, often expanding the crop, when serious eradication and interdiction campaigns threaten their profits.

Various Conditions Affecting the Antinarcotics Program in Colombia

Several internal conditions/events in Colombia, although not necessarily part of the U.S. narcotics control program, greatly affect any success that will be realized through U.S.-Colombian efforts to curb narcotics processing and trafficking. The most significant of these conditions/events include

- the unprecedented level of violence associated with narcotics production and control efforts in Colombia,
- the current absence of an enforceable extradition treaty between the United States and Colombia,
- the general reluctance of the Colombian military to become involved in narcotics interdiction and enforcement efforts,
- the need for a safe and effective means of chemically eradicating the coca plant, and
- the current lack of administrative, technical and investigative capabilities among Colombia's judiciary personnel most concerned with narcotics matters.

Terrorists, Traffickers, and Violence

Colombia is confronted with the dual problem of trying to subdue an internal political insurgency, while at the same time, trying to suppress narcotics trafficking. The cost of its commitment to narcotics control has been extremely high because an unprecedented level of violence has spread to all levels of the Colombian government and its society.

Although Colombia has a long history of both narcotics production and political violence, not until recent years did the ties between political insurgent groups and drug traffickers become increasingly apparent. Since the early 1980s, Colombian insurgent groups have reportedly protected coca and marijuana fields, cocaine laboratories, and clandestine

Narcotics Production and Control Activities in Bolivia

Bolivia is the world's second largest producer of coca leaf and the second leading source of cocaine available in the United States. Bolivian coca leaf is the raw material used to produce an estimated 40 percent of the cocaine consumed by Americans. During 1987 Bolivia had the potential of producing 90 metric tons of cocaine. The current U.S. strategy for combatting coca production and processing in Bolivia centers around establishing an effective and sustained interdiction effort to reduce the economic incentives available to the growers of coca. In this regard, U.S. assistance is targeted towards developing and supporting a viable Bolivian narcotics interdiction and enforcement unit. As of July 1988, Bolivian narcotics interdiction efforts have met with minimal success; for example, 148 kilograms of cocaine hydrochloride were seized during 1987 and 22 kilograms have been seized during the first six months of 1988.

Many factors effecting the future success of any narcotics control effort in Bolivia are beyond the control of the United States, and include

- an unprecedented level of corruption which extends to virtually every level of the Bolivian government and Bolivian society,
- the inability of the Bolivian government to enact and enforce legislation outlawing the cultivation of coca, and
- the unwillingness of the Bolivian government to provide more than minimal support for the narcotics control effort.

Coca Cultivation and Processing in Bolivia

In Bolivia, as in neighboring Peru, the coca bush has grown wild and has been cultivated for over 2,000 years. The coca leaf has traditionally been chewed and used as a mild stimulant in these countries to overcome fatigue associated with high altitude and as an appetite suppressant. Over the past decade, Bolivia has witnessed a major increase in the cultivation of coca because the demand for cocaine and "crack," a highly addictive cocaine derivative, has risen in the United States and Europe. Bolivia is the second largest source of coca leaf, after Peru, producing an estimated 56,420 metric tons from 40,300 hectares of cultivation in 1987. After domestic consumption, Bolivia's net coca leaf harvest has the potential of producing 90 metric tons of cocaine. Figure 3.1 summarizes Bolivian coca cultivation and eradication activities from 1981 through 1987, and provides INM estimates for 1988 and 1989.

Though initially only a cultivator of coca leaf and processor of coca paste, which was smuggled to Colombia for further refining, Bolivia has

evaluation of strategic drug-related intelligence. The marijuana production estimate developed by NNICC reflects net production (i.e., gross production less seizures and consumption within the producing country) while the estimate developed by INM in its annual International Narcotics Control Strategy Report reflects gross production only. In its April 1988 report, NNICC estimated that 32.5 percent of the marijuana consumed in the United States during 1987 originated from Colombia while 27.9 percent originated from Mexico.

INM also stated that a safe and effective herbicide for coca exists, but none has been approved (registered) for use in the coca growing countries of South America. INM also noted that when discussing herbicides, it was important to note that all herbicides are toxic, i.e., they are manufactured to kill plant life. Herbicides vary in levels of toxicity as measured by factors such as soil persistence, translocation into the environment and water solubility. INM further commented that, given the test results to date, there are "safe and effective" herbicides when measured against these criteria. In subsequent discussions with INM officials, we were told that the "safe and effective" coca herbicides referred to in their comments were tebuthiuron and Garlon-4. However, INM officials agreed that additional testing of these herbicides is required to determine if (1) they are suitable for the tropical environment in which they will be used, and (2) they can be aerially applied in a safe and effective manner.

While the Department of Justice felt the report accurately reflected the situation in Colombia and Bolivia and generally agreed with the intent of the conclusions and draft report, it took exception to the wording used in our draft report regarding the re-establishment of a workable extradition treaty between the United States and Colombia. Justice felt that the report language implied that it and the Department of State had not taken adequate action to re-establish an extradition treaty with Colombia. The Department of State did not express any concern over this matter. However, we have revised our report to recognize that efforts have been underway to achieve an acceptable extradition treaty.

The key to any future reduction of coca being grown in Colombia, as well as other Andean countries, appears to be the development and use of an environmentally-safe and effective coca herbicide. In recent years, manual eradication has failed to reduce the overall amount of coca under cultivation and more importantly, has failed to keep pace with the amount of new coca being planted. Manual coca eradication efforts are labor-intensive and increasingly dangerous because eradication workers are often subject to ambush by narcotics traffickers and insurgents. Chemical eradication appears to be the sole remaining alternative. Latin American governments, however, have not yet accepted that the use of herbicide is a viable method for meaningful coca control.

The United States and Colombia have separate research efforts underway to identify a herbicide that can be used against coca. Once an acceptable herbicide has been developed, its use will greatly depend on the acceptability of this method of eradication by the coca producing country. The United States should initiate discussions with the applicable governments of the region to ensure that chemical eradication is accepted once a safe and efficient herbicide has been identified. INM should develop an operational plan for implementation of the chemical eradication effort, to include eradication time frames and expected results. The operational plan should also address producing countries' concerns over herbicidal eradication and efforts undertaken by the Department of State to ensure timely acceptance and use of this method of eradication.

Recommendations

We recommend that the Secretary of State instruct the Assistant Secretary for International Narcotics Matters to take action to (1) ensure eradication aircraft are used during the entire day and to spray early in the marijuana growing cycle, (2) increase U.S. monitoring of marijuana eradication activities, (3) encourage Colombian officials to establish aircraft maintenance standards, (4) improve aircraft spare parts inventory management policies and procedures, and (5) request the government of Colombia to use all of its resources, including its military force, more effectively in the fight against drug production and trafficking.

Agency Comments and Our Evaluation

In its comments on a draft of this report, INM questioned whether or not Colombia was the United States' leading supplier of marijuana. The statistics we used in our discussion of international production levels of marijuana and cocaine were obtained from reports of the NNICC, an interagency committee established to coordinate the collection, analysis and

In June 1987, the Colombian Supreme Court ruled that the legislation used to ratify the U.S.-Colombian extradition treaty was unconstitutional. The treaty, therefore, has become unenforceable. The absence of a workable extradition treaty between the two countries has deprived narcotics control and enforcement efforts of the weapon most feared by Colombian drug traffickers—trial in the United States. We believe the Secretary of State and the Attorney General should continue the efforts already undertaken to assist the government of Colombia in developing legally acceptable ratifying legislation which would re-establish a workable treaty with Colombia for the extradition of persons indicted for drug offenses.

Even though the Colombian Army had recently played a role in narcotics interdiction operations, other Colombian military organizations have been reluctant to become involved in such activities.

Our review showed that some U.S.-supported narcotics control activities could be improved. U.S. monitoring of the marijuana aerial eradication program is minimal, and could be enhanced by U.S. officials increasing their verification efforts and providing a closer review of Colombian-provided eradication statistics. The effectiveness of marijuana eradication efforts could be increased if herbicides were applied earlier in the growing cycle instead of waiting until the marijuana plant reaches full maturity. While this practice may result in some re-planting of previously fumigated fields, it would prevent the harvesting and sale of recently sprayed mature marijuana. The aerial eradication program could also be enhanced by eliminating time restrictions for aerial spraying.

In addition to operational activities, we found that improvements could be made in the maintenance of narcotics interdiction and eradication aircraft. The overall quality and timeliness of aircraft maintenance could be improved with (1) closer coordination between the air operations and maintenance units, (2) improved scheduling of maintenance activities, and (3) the adoption of standards to ensure that maintenance is of an acceptable quality. The primary maintenance problem we identified involved the management of spare parts and the need to improve the existing inventory management system. We found that aircraft were being grounded because items that should be basic to any maintenance activity were not in stock and were being purchased on an urgently needed, and more expensive basis. We also found that inadequate inventory practices had resulted in spare parts being ordered that were already in stock.

maintenance being performed at the Bogota air base that should be handled in the field. Furthermore, valuable time is wasted in ferrying aircraft to and from Bogota for minor maintenance.

According to NAU reports, there have also been problems with the distribution of fuel during antinarcotics operations. One NAU report stated that SAPOL's logistics system never supplied enough fuel at the right time for such operations.

Subsequent to our field visit to Colombia, the NAU retained an aviation consultant to evaluate SAPOL's operations in Bogota. The consultants December 1987 report concluded that the SAPOL operation did not possess "...the skill level necessary to operate or manage a safe, professional, and cost efficient maintenance/flight facility." The consultant made numerous recommendations that would improve aircraft operations and maintenance and, according to INM, the consultants recommendations are being implemented.

Conclusions

Colombia remains the primary source of cocaine and marijuana consumed in the United States, and program statistics indicate that the production of these drugs is increasing. Despite years of eradication and interdiction activities and significant U.S. assistance, efforts to curb the flow of drugs have had limited success, because they have not been able to keep pace with the increasing levels of narcotics production and processing. Marijuana producers have moved their growing sites to other parts of Colombia, rather than adopt licit agricultural crops after eradication of their initial marijuana crops. Since 1985, Colombia's cocaine production potential has increased by 30 percent, and net marijuana production has doubled.

The problems confronting the government of Colombia as it tries to curb the production, processing, and transshipment of narcotics are significant. Although the Colombians have shown a willingness to suppress narcotics trafficking, (1) the size of the problem, (2) the extensive financial and other resources available to narcotics traffickers, and (3) the degree of violence and intimidation used by the traffickers have all combined to diminish the effect of U.S. and Colombian narcotics eradication and enforcement efforts. U.S. expectations may also exceed the realistically achievable goals and the effect that a $10 million narcotics control program can have on a well-established, multi-billion dollar industry.

Overall Quality of Maintenance Is Inadequate

We identified several problems with the aviation maintenance and logistical supply systems which contribute to the inefficient use of aviation resources. For example, aircraft maintenance is scheduled and performed in a haphazard manner, which has resulted in aircraft spending too much time on the ground. In many instances, aircraft that should be inspected within a week often remain grounded for 3 to 4 weeks.

The overall quality of the maintenance performed by SAPOL is also questionable because there are no established maintenance standards. Furthermore, there is no quality assurance unit to ensure that the maintenance performed is of an acceptable quality.

Improvements Needed in Inventory Management and Spare Parts Procurement

We believe SAPOL could make several improvements in its inventory management and spare parts procurement processes that would save money and increase aircraft availability. For example, SAPOL has not adequately monitored its aviation supply and spare parts inventory. At the request of NAU, SAPOL began an inventory of its aviation supplies in November 1986. According to an NAU official, the inventory should have been completed in 10 days; however, at the time of our visit in June 1987, it had not been completed.

SAPOL's failure to adequately monitor its inventory of aviation supplies is reflected in its repeated need to order such basic maintenance supplies as seals, grease, and bolts on an urgently needed basis (i.e., urgent delivery is required because an aircraft is grounded until the part arrives). SAPOL should always stock and periodically reorder these basic items because of their frequent use. Furthermore, ordering basic supplies on an urgently needed basis is more costly. In many cases, an aircraft has been grounded for several days because a basic part had to be ordered in this manner.

According to U.S. officials in Colombia, the inadequate inventory management practices also have resulted in ordering many spare parts that were already on hand. NAU can exercise some control over this because it must approve all spare parts orders that are purchased with INM funds. According to an NAU official, the aviation adviser once disallowed SAPOL requests totaling $52,000 in unnecessary spare parts in 1 day.

SAPOL also has encountered problems in distributing aviation supplies to its field bases. According to NAU officials, logistics personnel at SAPOL's main base in Bogota are reluctant to send parts to the field bases because they believe the parts will be stolen. This has resulted in more

Improvements Can Be Made in the Operation and Maintenance of Narcotics Control Aircraft

Department of State officials believe the Colombian national police has a generally effective aviation program that can adequately perform most assigned tasks. The efficiency of narcotics control activities can be improved, however, through changes in some of the current aircraft operation and maintenance practices of the national police. NAU officials in Bogota stated that, although SAPOL's overall aircraft availability and utilization rates are far superior to those of the Colombia Air Force, improvements could be made to increase the aircraft's availability and use. Even though the national police aviation program has several positive elements, it also has several problems which impede a more efficient and effective program. Some of these problems include (1) insufficient use of available aircraft, (2) poor coordination between SAPOL operations and maintenance units, (3) the lack of quality control measures to ensure effective maintenance, and (4) inadequate control over spare parts procurement and inventory management.

Increased Use of Aircraft

U.S. officials believe the national police can improve the effectiveness of its operations by increasing the use of its aviation resources. These officials stated there is no shortage of targets (e.g., marijuana and coca fields, and cocaine processing facilities) for SAPOL operations. U.S. officials are attempting to convince the national police to increase aerial spraying during the early stages of the marijuana growth cycle. Officials believe this would be the most effective means of decreasing marijuana cultivation.

Better Operational and Maintenance Coordination Is Needed

U.S. officials believe aircraft availability for antinarcotics operations would increase with better coordination between the SAPOL operation and maintenance branches. The NAU aviation maintenance adviser believes both branches are responsible for the problem. Too often, the operations branch will not give the maintenance unit sufficient advance notice of upcoming antinarcotics operations. Consequently, the maintenance branch cannot guarantee that an adequate number of aircraft will be ready for the operation. On the other hand, the maintenance crews occasionally create deliberate delays to harass the operations branch. The aviation maintenance adviser has recommended that both branches resolve their coordination problems.

identified, Colombian officials are asked for clarifications. Our review of marijuana eradication statistics identified a number of inconsistencies in the data provided to NAU by the Colombians. Our review showed that the Colombians were using about 3.4 liters of herbicide to fumigate 1 hectare of marijuana. The statistics also showed several instances where varying amounts of the herbicide were used. For example, in one instance, 27 liters were used to fumigate 24 hectares (an average of 1.1 liters per hectare fumigated) and, 2 days later, 200 liters were used to fumigate 16 hectares (an average of 12.5 liters per hectare fumigated). In another instance, 285 liters of herbicide were used to fumigate 24 hectares of marijuana (an average of 11.9 liters per hectare fumigated). NAU officials stated that, although they did not know the specific reasons for the individual discrepancies, such variations could have been the result of changes in air speed, multiple spraying of marijuana fields, or more concentrated herbicide solutions. NAU officials acknowledged that a thorough review of the eradication statistics had not been conducted; however, they planned to conduct more detailed monitoring of the program.

Known Growing Areas Are Not Being Eradicated

Marijuana eradication targets are identified by national police spray pilots, aerial surveys, and information provided by other Colombians and U.S. personnel. According to U.S. officials in Bogota, the possible presence of insurgent groups has resulted in a reluctance by the national police to spray some marijuana cultivation sites. Although spraying operations involve two aircraft—one to spray while the other acts as an observer—there have been many instances where the spraying aircraft have been both fired upon and hit by hostile ground fire.

U.S. officials in Bogota are acutely aware that the Colombians are reluctant to fumigate certain growing areas, and according to these officials, they closely track the areas and regions that the Colombians refused to spray. These officials told us that they were not reluctant to question the Colombians about why certain targets were not fumigated.

Better Monitoring and Verification of the Aerial Eradication Program May Be Required

U.S. monitoring and verification of claimed results of the Colombian marijuana eradication program is informal and conducted on an infrequent basis. Although the government of Colombia provides NAU with detailed daily statistics on its spraying activities, U.S. officials do very little to ensure the accuracy of reported information.

Various units within the Colombian national police provide NAU with marijuana eradication statistics which describe where the spraying took place, the number of hectares sprayed, and the amount of herbicide applied. From these daily statistics, NAU develops cumulative and annual totals so that current year progress can be compared with that of previous years.

According to NAU officials, the number of hectares fumigated by a specific spray plane is determined by a simple mathematical formula known as the "flow through" calculation. This calculation compares the amount of herbicide necessary to eradicate 1 hectare of marijuana under normal conditions with the total amount used during the daily spraying activity for each type of spray aircraft. The disadvantage of this calculation is that estimates tend to be biased on the high-side, especially when the spray planes are flown by pilots who are less efficient than the more experienced pilots. NAU, therefore, reduces the Colombian-reported eradication amounts by 20 percent to compensate for the potentially inefficient spraying.

There is no formal verification procedure to ensure that areas claimed to have been fumigated were, in fact, sprayed or that the Colombian-provided eradication statistics are accurate. NAU performs verification on a very informal basis, through spot checks of marijuana fields previously reported to have been sprayed and the review of Colombian-provided eradication statistics. NAU contract field advisers usually conduct the spot verification checks during their visits to national police airfields. During these visits, the advisers may ask to be flown over fields recently reported to have been sprayed. An NAU official told us that the government of Colombia has never refused such a request and any hesitation on their part would be considered a reason for further investigation. An NAU contract adviser in Colombia told us that he has confidence in the eradication statistics provided by the Colombians and has rarely asked to be flown over marijuana fields to verify that they had been sprayed.

When reviewing Colombian-reported eradication statistics, NAU officials attempt to identify inconsistencies in the data. If inconsistencies are

effectiveness. These areas include (1) initiating the aerial spraying earlier in the plants' growing cycle and (2) increasing the length of the individual spraying flights so that the maximum amount of marijuana is sprayed.

The Need to Initiate Spraying Earlier in the Plant Growing Cycle

U.S. officials believe that aerial eradication efforts could be more effective if the Colombian national police increased its spraying activities during the early stages of the marijuana growing cycle. These officials also believe that many Colombian farmers are harvesting their marijuana crops immediately after the spraying and mixing them with unsprayed marijuana, and selling it as "good" marijuana. If the leaves are picked immediately after spraying, the herbicide will have very little effect on the plant itself. To convince the national police of this scenario, and that early spraying is advantageous, seized marijuana samples are being forwarded to the United States for analysis. However, early aerial eradication gives farmers the opportunity to replant their fields and to continue to grow some harvestable marijuana.

The Need to Extend Daily Spraying Activities

When the aerial spraying program was first being considered, a local Colombian environmental group recommended that all spraying be concluded by 9 a.m. This was based on the belief that as the day progressed, the winds in the mountain valleys and canyons where some of the marijuana is grown increased in velocity. This would, reportedly, affect the pilots ability to maneuver the spraying aircraft and cause the herbicide to drift away from the targeted field, possibly destroying nearby licit agriculture crops. According to U.S. officials, the recommendation that aerial spraying be terminated by 9 a.m. has evolved into a strictly adhered to internal policy of the Colombian national police. This policy, according to NAU officials, is applied to all marijuana spraying activities, to include those conducted on flat as well as mountainous terrain. These officials further stated that in some instances, the Colombian pilots spend more time in transit to and from a spraying target than they spend actually spraying marijuana.

In 1986 an NAU aviation adviser reported that the 9 a.m. spraying deadline was illogical, had never been properly examined, and was advantageous to the narcotics traffickers. During our field visit to Colombia, NAU officials stated that they would discuss the subject of increased daily spraying periods with Colombian officials.

Aerial Eradication of Marijuana

The government of Colombia's adoption of a program to eradicate marijuana by aerially spraying herbicides was a direct result of the narcotics-related violence that swept Colombia during 1984. This program was initiated in July 1984 and, through 1987, has been responsible for the fumigation of more than 33,000 hectares of marijuana, the equivalent of more than 36,000 metric tons of the drug.

The aerial eradication program is implemented by the national police airwing, SAPOL, which uses six U.S.-provided helicopters and a fixed-wing Turbo Thrush aircraft to apply the herbicide glyphosate. These aircraft are flown by national police pilots and operate from two air bases in northeastern Colombia. Aerial spraying activities usually parallel the April to December growing season, with any mandatory or extensive aircraft maintenance being conducted during the first 3 months of the year. Marijuana traffickers have reacted to the aerial eradication program by (1) planting in lower reaches of canyons, (2) reducing the size of the individual fields, (3) intercropping marijuana with legitimate crops, and (4) expanding cultivations outside of the traditional growing areas.

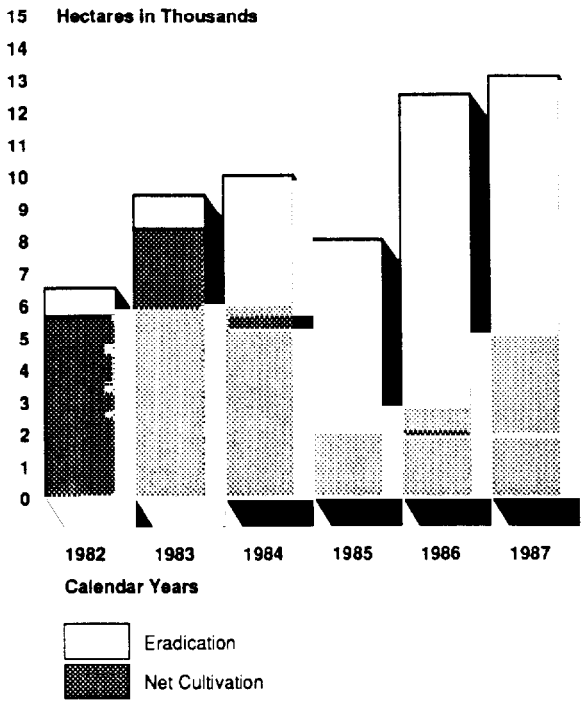
The marijuana eradication program in Colombia has been viewed as highly successful by INM. It has been credited with destroying 85 percent of the marijuana grown in traditional growing areas during 1987. Other indicators of a successful eradication program originate from the spray pilots, who have reported that fields previously devoted to marijuana are now being used for legitimate crops, and that the size of the average marijuana field has been reduced from about 1.3 hectares (3.2 acres) prior to the spraying program to about 0.4 hectares (1 acre) in 1986. However, according to NAU officials, growers have resorted more to numerous smaller fields, which are difficult to locate and spray, and have moved their marijuana fields to other areas of Colombia.

While the aerial eradication program has been successful in reducing the amount of marijuana grown in the traditional growing areas of northeastern Colombia, it has not been able to keep pace with the new planting in other nontraditional growing areas. Consequently, as shown in figure 2.3, net marijuana cultivation increased by more than 150 percent between 1985 and 1987.

During our review, we identified two areas in which improvements in the implementation of the eradication program could increase its overall

The majority of the marijuana grown in Colombia originates from traditional growing areas in the mountains of northeastern Colombia (see fig. 2.1). To offset the gains made by the aerial eradication program, marijuana farmers have moved to a number of new growing areas in regions previously free of marijuana cultivation. INM recently reported that these new and significant cultivations in the nontraditional growing areas would receive priority attention during the 1988 aerial eradication effort. Gross cultivation was estimated to be about 13,085 hectares in 1987. Figure 2.3 presents Colombian marijuana cultivation and eradication trends from 1982 through 1987.

Figure 2.3: Colombian Marijuana Cultivation and Eradication, 1982-87



Source: International Narcotics Control Strategy Reports, Department of State, 1985, 1986, 1987, and 1988.

require parallel enforcement efforts, development assistance, training, and public diplomacy.

According to INM, the National Drug Policy Board's goal to reduce coca cultivation by 50 percent will be virtually impossible to achieve unless the governments of coca growing countries are satisfied that a safe and effective herbicide is available, and decide to use it on the coca crop. However, as INM reported in March 1988, Latin American governments currently do not consider herbicidal eradication a viable method for coca control. Of the three primary coca growing countries, Peru is believed to be the most receptive and according to a cognizant INM official, is the only country to accept the possibility of using a chemical herbicide to eradicate coca. According to INM, Bolivia is the most reluctant of the coca producing countries to use chemical eradication because the government and the public consider it to be harmful to the environment and public health. In its March 1988 International Narcotics Control Strategy Report, INM stated that "(c)hemical eradication of coca crops is not an option that is currently acceptable in Bolivia." According to an INM official, Bolivia is expected to be the last producing country to accept chemical eradication as a means of reducing its coca crop.

INM recognizes that much has to be done before a political decision to employ herbicides against coca is possible. Once an effective and environmentally safe herbicide has been identified, the Department of State plans to seek permission from the governments of Bolivia, Colombia, and Peru to begin test programs, followed by full-scale application.

Marijuana Cultivation and Eradication Activities

Colombia is the leading source of marijuana consumed in the United States. Colombian involvement in marijuana trafficking dates to the mid-1970s when production was greatly increased to fill the supply void caused by reduced cultivation and production in the two major source countries, Mexico and Jamaica. The reduced production levels were the result of increased eradication and interdiction efforts by the two countries, and the general reluctance of American marijuana users to purchase a drug potentially tainted with the herbicide paraquat. These factors resulted in a simultaneous decrease in the availability of and the demand for Mexican and Jamaican marijuana. Colombian producers and traffickers quickly filled this production void. Colombia's share of the U.S. marijuana market peaked in 1981 when 79 percent of all marijuana consumed by Americans was of Colombian origin. Subsequent chemical eradication and interdiction efforts helped reduce the Colombian market share to 42 percent in 1984 and 32.5 percent in 1987.

back-pack and limited aerial application. While the results of the back-pack experiments were promising, the U.S. Embassy in Bogota felt that additional aerial testing was required before a full-scale aerial eradication program was initiated. In December 1985, 1,000 hectares of coca were aerially eradicated. This represented about 6 percent of the coca area estimated to be under cultivation in Colombia.

Further eradication, however, was halted when the U.S. manufacturer of Garlon-4 refused to provide additional quantities of the herbicide. According to INM, the manufacturer had just lost a major lawsuit over the use of another of its chemical products and was insisting upon a letter of indemnification from the U.S. Government to protect it from future legal action. INM continued negotiations with the manufacturer, as well as with the Department of Justice and the Congress, and limited amounts of the herbicide have been made available.

The Congress has recognized the need for an acceptable coca herbicide and through the Anti-Drug Abuse Act of 1986, directed that not less than $1 million be made available to finance research, development, and testing of safe and effective herbicides for use in the aerial eradication of coca. INM reported in March 1987 that research by the U.S. Department of Agriculture had revealed several potentially effective coca herbicides; however, problems remained in finding a method of safe aerial application. In January 1988, INM further reported that it was concluding a 2-year period of testing which involved 12 different herbicides. The search for an acceptable coca herbicide has been narrowed down to Garlon-4, hexazinone, and tebuthiuron. According to a cognizant INM official, field tests of hexayinone and tebuthiuron, and possibly Garlon-4, were expected to begin in Peru during May 1988. These tests have been postponed, however, because the U.S. manufacturer of tebuthiuron has refused to make the herbicide available to INM. According to a representative of the manufacturer, tebuthiuron has not been tested under the environmental conditions that exist in the coca growing regions of South America. The manufacturer, therefore, is concerned over the possible long-term environmental damage which could result from the aerial application of the herbicide.

The National Drug Policy Board recently issued a new international narcotics control strategy which emphasizes the chemical destruction of the coca plant. Recognizing that manual eradication has not reduced the availability of coca nor will it be able to, it is hoped that the new international strategy will reduce the net production by 50 percent by 1993. Attainment of this goal will center around chemical eradication and will

Initial Colombian Army involvement in narcotics interdiction operations was indirect and limited to controlling access into and out of the region where the national police were conducting interdiction operations. Since the spring of 1988, the level of cooperation between the Colombian antinarcotics police and the military has increased. For example, the Colombian Army supported recent police interdiction operations in central Colombia which resulted in the seizure of six tons of cocaine. INM reports that in some instances the Colombian Army has initiated and led operations against narcotics traffickers. This increased level of cooperation between the Colombian Army and the antinarcotics police is viewed as an encouraging development by INM.

Unlike the Colombian Army, the Air Force has shown little interest in assisting in such operations. One U.S. official in Bogota described the Air Force's general lack of cooperation to be almost obstructionistic, resulting in the national police airwing providing all aviation resources in the Colombian antinarcotics effort. U.S. officials believe this situation is the result of (1) ill will remaining from the period before the airwing was established, when the national police was dependent on the Air Force for all aviation support and (2) Air Force resentment over the superior aircraft availability and utilization statistics of the airwing. U.S. officials believe the Colombian purchase of Blackhawk helicopters and the provision of two AC-47 aircraft will increase the confidence of the Air Force and allow them to be more involved in narcotics interdiction operations.

The Need for a Coca Herbicide

The major obstacle to the eradication of coca in Colombia and other Andean countries is the absence of an environmentally safe and effective herbicide. Eradication efforts to date have been primarily manual, with only minimal effect on cultivation. Manual eradication is a very slow and laborious process and has become increasingly dangerous since most coca fields are located in guerrilla-controlled territories and are accessible only by helicopter. Consequently, individuals involved in manual eradication are vulnerable to attack by traffickers or insurgents.

Motivated largely by its recognition of an increasing domestic drug abuse problem, the government of Colombia initiated a program in 1984 to identify a herbicide that would effectively destroy the coca bush. While herbicides were available that could eradicate the coca leaf, the Colombians sought a herbicide that would destroy both the coca leaf and the coca bush. In 1985 Colombia identified a chemical, Garlon-4, which appeared to meet the environmental criteria and began experimental

treaty, the Colombian President refused to extradite Colombian nationals to the United States for the first 2 years of the treaty. This position was reversed after the Colombian Minister of Justice was assassinated in April 1984, by individuals reportedly in the pay of narcotics traffickers. The Colombian President announced that he would change his policy on extradition; and on January 5, 1985, four Colombian nationals were transferred to U.S. custody.

On June 25, 1987, the Colombian Supreme Court found the extradition treaty's ratifying legislation to be unconstitutional. According to INM, the government of Colombia agrees with the U.S. position that the extradition treaty remains in force under international law; however, the Supreme Court's decision has made the treaty unenforceable in Colombia. The government of Colombia has subsequently declared that there can be no further extraditions to the United States and that defendants subject to extradition will be prosecuted in Colombia. As of October 7, 1987, two defendants who were to be extradited to the United States were tried in Colombian courts, and both were found not guilty.

According to INM, the Colombian government has established a special commission to study the implications of the court's ruling and the alternatives that may be used to continue extradition. One alternative the commission is addressing is the possibility of extraditing individuals under the Montevideo Convention. In March 1988, INM reported that senior Colombian officials wanted to identify a legal basis for renewing extradition but have been unable to agree upon a feasible extradition instrument.

In commenting on a draft of this report, the Department of Justice noted that it and the Department of State have expended considerable resources and effort in attempts to gain a workable extradition treaty with Colombia, and said that these efforts would continue until a workable treaty is achieved.

The Need for Increased Military Involvement

Traditionally, the Colombian military has not played an active role in narcotics enforcement, because its resources have been targeted towards securing Colombia's borders and addressing the problems caused by the various internal insurgency groups. According to an INM official, this general lack of military participation in narcotics operations can be attributed to the current truce between the government and the FARC insurgents. This truce has made the military reluctant to operate in many areas where FARC forces may be near.

According to the Department of State, the January 1988 murder of the Colombian Attorney General was the twenty-second assassination of a high-ranking Colombian official in the past 3 years. Although not all drug-related, more than 200 deaths have been inflicted on the Colombian national police annually, during the last 3 years.

Narcotics-related violence has not been directed solely at Colombians. U.S. facilities and personnel have also become targets. For example, bombs were exploded at the U.S. Embassy and near the Ambassador's residence in May 1984, a car bomb was exploded outside the U.S. Embassy in November 1984, and two grenades were fired at the U.S. Embassy in March 1988. In addition, Colombian traffickers have reportedly offered a $350,000 bounty for the murder of any top DEA official in the United States or in Colombia.

According to a senior U.S. official in Bogota, the ability of the narcotics traffickers to bribe, threaten, or kill anyone in Colombia, including Supreme Court Justices, greatly limits the effectiveness of DEA's efforts. For example, intimidation and threats of violence resulted in the closing of DEA offices in Cali and Medellin, two major drug trafficking cities. This has caused DEA to limit much of its activities to major Colombian cities and urban areas.

The use of violence, or the threat of its use, has also made it extremely difficult for the government of Colombia to recruit qualified individuals to serve in police and judicial branch positions. According to one U.S. official in Bogota, Colombian police, judicial, and prison officials are often too frightened to attempt the arrest of any major traffickers. The financial resources controlled by the traffickers enable them to bribe and threaten; therefore, when faced with the choice of accepting a bribe or being killed, these officials often submit to the narcotics traffickers.

Extradition of Narcotics Traffickers

The weapon most feared by Colombian narcotics traffickers is the United States-Colombian Extradition Treaty, which was signed in 1979 and ratified in 1982. Under this treaty, 16 narcotics violators (13 Colombian and 3 foreigners) were extradited to the United States and 3 were extradited from the United States to Colombia.

Because of strong domestic public opinion against the extradition of Colombian citizens, the government of Colombia was very slow in implementing the treaty. Exercising the veto power provided for by the

air strips within their areas of control in exchange for cash and weapons.

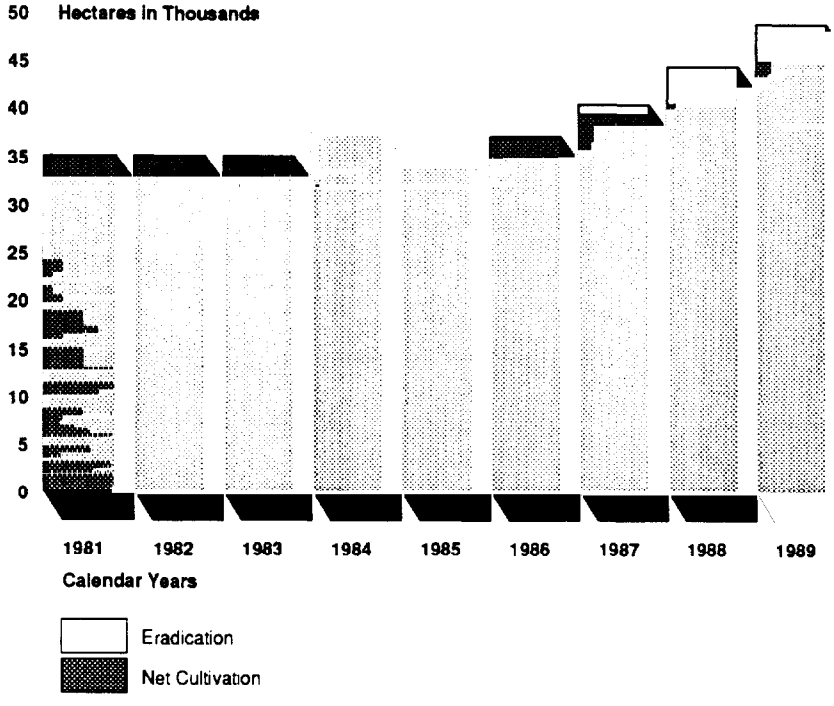
The Colombian Revolutionary Armed Forces—known by its Spanish acronym, FARC—is the largest, best-trained, and best-equipped guerrilla organization in Colombia. Although all of the major guerrilla movements are thought to be cooperating with drug traffickers, FARC is believed to be the most actively involved. FARC is primarily a rural organization, with about half of its 33 fronts located in marijuana and coca cultivation regions. As with other insurgent groups, FARC collects "protection" payments from growers and traffickers in its operating territory, thus deriving the financial means to buy arms and other supplies. According to INM, FARC's involvement in narcotics may be greater than initially envisioned, since recent information suggests that it may own and operate some cocaine laboratories.

The close association between narcotics traffickers and insurgent groups has increased the risk to law enforcement agencies and government officials. This is illustrated by the fact that 17 special antinarcotics policemen were killed and 41 injured during interdiction and eradication activities in 1986. DEA has reported that as recently as June 1987, 27 Colombian soldiers were attacked and killed by insurgents as they were undertaking a narcotics interdiction operation in southern Colombia.

Colombian narcotics traffickers have also used their enormous wealth to corrupt and intimidate Colombian judicial and government officials or, when this has failed, have resorted to assassinations. A chronicle of these acts of violence includes

- the murder of a minister of justice and the attempted murder of a former minister of justice, who was in the presumed safety of an eastern bloc country;
- the murder of 11 Supreme Court justices by insurgents reportedly in the pay of traffickers during the November 1985 occupation of the Colombian Palace of Justice;
- the murder of another Supreme Court justice who co-drafted the U.S.-Colombian extradition treaty;
- the January 1988 murder of the Attorney General;
- the assassination of the former chief of antinarcotics operations for the national police; and
- the murder of a newspaper editor, who was renowned for his campaign against narcotics traffickers.

Figure 3.1: Bolivian Coca Cultivation and Eradication, 1981-89



Source: International Narcotics Control Strategy Reports, Department of State, 1985, 1986, 1987, and 1988.

become a significant producer of cocaine base and cocaine hydrochloride. To maintain their profit levels, many Bolivian narcotics production organizations have expanded their operations to be involved from the coca paste buying stage through the final cocaine processing stage. NNICC estimates that 15 percent of the cocaine available in the United States during 1985 and 1986 was processed in Bolivia.

Coca cultivation is legal in Bolivia and anyone who chooses may grow, buy, and sell the coca leaf in any quantities without fear of government intervention. While it is illegal to process the leaf into such products as coca paste, cocaine base, and cocaine hydrochloride, the House Select Committee on Narcotics Abuse and Control reports that the risk of arrest and prosecution for illicit manufacture and trafficking of coca and cocaine at any level is remote.

Chapter 3

Narcotics Production and Control Activities in Bolivia

The Economic Effect of Coca Cultivation in Bolivia

Coca cultivation and processing has had a major effect on the Bolivian economy. According to a 1987 World Bank statement, Bolivia's illicit drug tr

Chapter 3

Narcotics Production and Control Activities in Bolivia

Figure 3.2: Major Coca Leaf Cultivation Sites in Bolivia, 1985

A 1987 INM-sponsored aerial survey indicated that 40,300 hectares (plus or minus 7,600) of coca were under cultivation in Bolivia. Table 3.1 presents the results of this survey.

Table 3.1: 1987 Bolivian Coca Cultivation, by Growing Region

Region	Area under cultivation (in hectares)	Coca Leaf production (metric tons)	Percent
Chapare	25,570	35,798	63.4
Yungas	12,680	17,752	31.5
Santa Cruz	1,890	2,646	4.7
Apolo	160	224	0.4
Total	**40,300**	**56,420**	**100.0**

Source: Department of State.

While most illicit coca cultivation and coca paste processing tends to be confined to a relatively small area of the Chapare region, cocaine base and cocaine hydrochloride processing takes place across a much broader region of the Beni and Santa Cruz Departments. Key precursor chemicals, such as acetone and ether, are smuggled into Bolivia across its contiguous borders with Argentina, Brazil, Chile, and Paraguay by road and/or by river. Processed coca products are usually moved by air because of their high value and relatively low weight.

Lack of Bolivian Commitment to Curbing Narcotics Production

Until early 1987, the government of Bolivia showed little commitment or capability to effectively control narcotics production. In the past, various Bolivian governments have (1) ratified international narcotics conventions, (2) entered into bilateral narcotics control agreements, and (3) issued domestic decrees to control and curtail the cultivation of coca and the production of coca-based narcotics. These agreements and decrees, however, have not been implemented. For example, although Bolivia ratified the Narcotics Control Conventions of 1912, 1926, and 1946, it did not ratify the Single Convention of 1961 until 1976. Under these conventions, Bolivia obligated itself to control the legal import

coups were viewed as the primary constraints on evaluating effective policies and actions to control narcotics production.

Over the years, the government of Bolivia signed several bilateral agreements with the United States, which linked U.S. assistance to reduced production levels of coca and coca-related products. For the most part, the goals outlined in the agreements were never attained and as a result, U.S. assistance to Bolivia was reduced. For example, in accordance with congressional sanctions, Bolivia's failure to meet the agreed upon control objectives outlined in a series of 1983 project agreements resulted in its losing one-half of its Economic Support Funds and military assistance for 2 consecutive fiscal years.

In May 1985, the Bolivian President signed an "Executive Decree" which restricted coca cultivation to the "traditional" growing areas and limited the amount grown to that necessary to meet the demand of domestic coca chewers and tea drinkers. All coca cultivation outside the "traditional" areas was to be declared illegal and subject to eradication. While the decree called for the delineation of traditional and nontraditional growing areas, such a delineation was never made. An NAU official in Bolivia told us that this decree was never ratified by the Bolivian Congress and, therefore, was never implemented. According to INM, this decree was viewed as insufficient by a subsequent Bolivian administration, which felt that a program including both voluntary and involuntary eradication was needed. A new law, in their opinion, was needed to sustain an enforced, involuntary eradication campaign. As of June 1988, such a law had not been enacted. A senior INM official concluded that the Bolivians were basically ignoring the decree.

In February 1987, the United States and the government of Bolivia established the framework for a new bilateral narcotics control agreement. This agreement was brought into force on August 13, 1987, when the two countries agreed to the annexes of the basic agreement, which outlined their mutual commitments to narcotics interdiction and the manner in which the two governments would carry out voluntary coca eradication. Under this agreement, the government of Bolivia has agreed to initiate an interdiction program, voluntarily eradicate 1,800 hectares of coca within 1 year, and pass a law which would ban the cultivation of all coca used in the manufacture of cocaine. A forced eradication phase will follow the 1-year voluntary eradication effort.

The voluntary eradication program set forth in the new bilateral agreement differs from past efforts, in that farmers will be compensated for

destroying their coca crops. The government of Bolivia is providing $1,650 in local currency cash payments to coca growers for each hectare they voluntarily eradicate. In addition, INM is providing the equivalent of $350 per hectare for the labor cost of eradication, for a total of $2,000 per hectare. Counterpart funds generated from Economic Support Fund dollars are used to fund multilateral development projects, thereby freeing Bolivian resources for compensatory payments to participating coca growers. According to NAU, the Bolivians have voluntarily eradicated 1,995 hectares of coca through June 30, 1988.

U.S. Narcotics Control Assistance to Bolivia

Since the early 1970s, the United States has provided over $47 million in narcotics control assistance to the government of Bolivia. This assistance, however, has had little effect on the amount of coca grown and processed in that country. To show its displeasure with the Bolivians' inability to curb narcotics production, the United States has resorted to such extremes as suspending its bilateral assistance program and more recently, imposing congressional sanctions on the amount of assistance that could be provided to Bolivia.

Early Control Efforts Have Little Effect on Narcotics Production

United States' narcotics control assistance to Bolivia began in 1972, with the initiation of a $200,000 AID public safety program. This was part of a series of programs launched in several South American countries during this period to assist police organizations in addressing illicit narcotics production and trafficking. This program was followed by a 1975 pilot crop substitution project sponsored by the Department of State. In 1977, the United States and Bolivia entered into bilateral agreements which provided assistance for narcotics control and a study of alternative crops. These and other U.S. activities were halted after a 1980 coup by General Garcia Meza, who was closely linked to cocaine traffickers. The United States refused to recognize the Meza government, and suspended its assistance for narcotics control and most other U.S. aid activities.

After a series of military governments, Bolivia returned to civilian control of the government in October 1982. The United States offered the new government approximately $130 million in various types of development assistance, which was to be provided in three segments. The third and largest segment was conditioned upon Bolivia's signing of a coca eradication agreement.

In August 1983, Bolivia signed four agreements with the United States that tied $30 million in narcotics control aid and $58 million in development assistance to meaningful narcotics control action by the Bolivian government. These agreements committed the Bolivian government to gradually reduce coca production in the Chapare region to what is required for legitimate purposes and to phase out and eradicate all other cultivation. Among other things, these agreements specifically required the Bolivian government to establish an effective police presence in coca-growing areas and to eradicate 4,000 hectares of illicit coca by 1985.

Inadequate eradication effort leads to funding restrictions

In an April 1985 report, the House Foreign Affairs Committee noted that during the 19 months since the 1983 agreements had been signed, Bolivia did not comply with any of the agreements, nor did it enact a law that would make at least part of the coca production illegal. The report further states that not 1 hectare of coca leaf was eradicated during this period.

In response to this lack of action, the International Narcotics Control Act of 1985 (Public Law 99-83) and the 1986 Foreign Assistance and Related Programs Appropriation Act (Public Law 99-190) made fiscal year 1986 Economic Support Fund and military assistance to Bolivia contingent on U.S. presidential certification that the Bolivian government had initiated a series of predetermined narcotics control actions. Under this legislation, up to 50 percent of the Economic Support Funds and military assistance allocated to Bolivia for fiscal year 1986 was conditioned on the government of Bolivia enacting legislation that would (1) establish its legal coca requirements, (2) provide for the licensing of the number of hectares necessary to produce the legal requirement, and (3) make unlicensed coca production illegal. The remaining amount of fiscal year 1986 assistance was conditioned on the government of Bolivia's achievement of eradication targets for calendar year 1985 contained in its 1983 narcotics agreements with the United States.

Bolivia received 50 percent of its fiscal year 1986 allocation after the President certified in December 1985 that Bolivia had met these conditions. The basis for this certification was the May 1985 "Executive Decree." However, as discussed on page 47 this decree was never ratified by the Bolivian Congress and has never been implemented or enforced. Bolivia's inability to achieve the eradication targets outlined in the U.S. legislation resulted in the loss of approximately $9.5 million in fiscal year 1986 Economic Support and military assistance.

Narcotics control related requirements were also attached to the Economic Support Funds and military assistance allotted to Bolivia for fiscal year 1987. As in the previous fiscal year, Bolivia did not meet the legislative conditions and received 50 percent of its funding allocation. Bolivia lost $8.7 million in allotted funding in fiscal year 1987.

Many have questioned the willingness of the government of Bolivia to mandate the eradication of coca. Regarding the eradication targets outlined in the 1983 bilateral agreement, INM has subsequently reported that U.S. and Bolivian representatives

> "...concurred that (the eradication of) 4,000 hectares over the first two-year time frame with 2,000 hectares (being eradicated) during the first year was impossible and absurd."

The report went on to state that the government of Bolivia had taken the course of least resistance by following the voluntary reduction process which required the approval of coca growers.

Current U.S. Narcotics Control Efforts in Bolivia

According to U.S. officials, a strong enforcement and interdiction effort is the key to reducing coca production in Bolivia. Through such a program, it is believed that coca producers will be more receptive to eliminating coca cultivations and adopting alternative crops and methods of generating income. The U.S. narcotics control efforts are, therefore, designed to improve the Bolivian's interdiction and enforcement capabilities through the provision of training and logistical support.

Reducing the Price Paid for Bolivian Coca Leaves

No single agricultural crop or combination of crops can provide a farmer with the income that can be earned from producing coca for the illicit market. Several alternative crops have been examined as substitutes for coca; however, none possess the financial return or comparatively little maintenance and labor associated with coca cultivation. While several new, nontraditional crops (e.g., macadamia nuts, cardamon, flowers, and tea) offer the Bolivian farmer increased income over the more traditional crops, they require the development of markets and may not be suitable for the varying agricultural conditions existing throughout the coca-growing region. Table 3.2 illustrates the relative profitability of selected alternative crops in comparison with coca.

In July 1986, the United States and Bolivia initiated Operation Blast Furnace, a joint operation designed to curb cocaine production by locating and destroying coca processing facilities. The operation took place mostly within Bolivia's Beni and Santa Cruz Departments and was complemented by INM-sponsored interdiction activities in the Chapare region. These actions virtually closed down narcotics processing and trafficking activities, and caused a sharp drop in the demand for coca leaves and, therefore, the price offered for the leaves. The initial uncertainty and confusion caused by this unprecedented operation in the coca community resulted in coca leaf prices falling to $14 per 100 pounds during July, the first month of the operation. Even though the price of the coca leaf rose above production costs in August, and gradually increased to a level of $60 to $88 per 100 pounds by the end of the 4-month operation, the experience was considered extremely significant. According to U.S. officials in Bolivia, the price drop provoked interest on the part of Chapare farmers in obtaining the legitimate crops developed and provided by AID. Furthermore, many coca growers did not harvest their leaves, because the required labor costs exceeded the expected financial returns.

Throughout 1987, coca prices rebounded from their Operations Blast Furnace low and remained relatively stable at between $50 to $100 per 100 pounds of coca leaf. Even though this price exceeded the cost of production, coca farmers no longer enjoy the sustained high profit margins of the early and mid-1980s. During the first half of 1988, coca leaf prices have fluctuated between $21 and $54 per 100 pounds. The average price being offered by the coca processor has been slightly more than the farmers production cost of $30 per 100 pounds during this six month period.

The need for a sustained interdiction effort is also illustrated by the experience gained during Operation Blast Furnace. Many coca producers chose not to harvest their leaves when the price was low, however, some did harvest their leaves and stored them until the price increased. According to NAU, the stored coca leaf turns black after about 1 week and has no value on the licit market for chewing or tea. Unfortunately, however, the black leaf does not lose its alkaloid content and can be used for conversion to narcotics. NAU further reports that the black coca leaf began to appear on the market in early November 1986, when the termination date for Operation Blast Furnace became known publicly.

Bolivian Narcotics Interdiction and Enforcement

Narcotics interdiction activities in Bolivia are conducted primarily by the Rural Mobile Patrol Unit (UMOPAR). Created in 1983, UMOPAR is charged with (1) the interdiction of coca processing facilities and laboratories in the Chapare region and the Beni and Santa Cruz Departments, (2) the control of precursor chemicals, and (3) the investigation and immobilization of drug traffickers. UMOPAR consists of 547 personnel, who are deployed in the main coca growing and processing areas. The majority of UMOPAR's forces are located in the Chapare region and Beni Department. During 1987, the government of Bolivia reported seizing 6,424 kilos of cocaine products (148 kilos of cocaine hydrochloride, 1,999 kilos of cocaine base, and 4,277 kilos of coca paste) and destroying 1,138 coca processing facilities (8 cocaine hydrochloride laboratories, 18 cocaine base processing facilities, and 1,112 coca paste processing facilities). Most of these activities were the result of UMOPAR activities. INM reported in March 1988, however, that few arrests of major narcotics traffickers were made and that few prosecutions or forfeitures of traffickers' assets were accomplished during 1987.

Improving Bolivian Interdiction and Enforcement Capabilities Through U.S. Assistance

Through the provision of logistical, training, and operational support, the United States has attempted to improve the interdiction and enforcement capability of UMOPAR. U.S. logistical support has involved the provision of everything necessary to outfit an interdiction and enforcement unit, except manpower and weapons. This has included such items as food, uniforms, housing, vehicles, aircraft, boats, communications equipment, and salary supplements.

To improve the effectiveness of UMOPAR's narcotics interdiction and enforcement efforts, the United States provides various types of training and operational support. As a follow-on to Operation Blast Furnace, INM leased six UH-1H helicopters from the Department of Defense to support narcotics interdiction efforts in Bolivia. INM has obligated $1.4 million for the maintenance of the helicopters and has trained 20 Bolivian pilots. INM has also provided funding for the training of UMOPAR interdiction personnel by members of the U.S. Special Forces. In May 1987, a Special Forces training team began a series of 5-week training courses in areas such as operations and small unit tactics, map reading, jungle survival, and communications. According to NAU, six such courses were provided in 1987—an additional six are planned for 1988.

Constraints to More Effective Narcotics Control Efforts in Bolivia

Several operational problems limit the effectiveness of U.S. and Bolivian narcotics control efforts including (1) extensive corruption at all levels of the Bolivian government, (2) the general lack of support for narcotics interdiction and control efforts by the government of Bolivia, and (3) the absence of adequate Bolivian narcotics control legislation.

Corruption Limits the Effectiveness of Narcotics Control Efforts

Narcotics corruption is viewed as the largest, single problem affecting U.S. narcotics control efforts in Bolivia. According to several U.S. and Bolivian officials, corruption exists within all levels of the Bolivian government and very few government officials can be trusted. U.S. officials in Bolivia told us that corruption is widespread and generally accepted within the Bolivian police, military, and judicial systems. According to another U.S. official, Bolivian police officers tolerate corruption among their peers and, in some instances, accept offers to protect narcotics traffickers.

Low per capita income and the large amounts of money offered by drug traffickers combine to make it all but impossible for Bolivian officials to refuse bribes, according to U.S. officials in La Paz. An example of this can be taken from the Department of State's 1987 International Narcotics Control Strategy Report, which noted that the average salary for an UMOPAR Lt. Colonel, the normal rank for a unit commander in the Chapare, was $440 per month. This notwithstanding, NAU and DEA personnel in the Chapare region reported that drug traffickers were offering from $20,000 to $25,000 for 72 hours of "protection," asking only to be left alone while airplanes were being loaded and during takeoff from clandestine airstrips, or during a major movement of coca paste during this period of time. NAU officials in La Paz stated that it was virtually impossible to detect such "protected" areas, since the Chapare is the size of New Jersey and is patrolled by only about 300 UMOPAR personnel.

Bolivian Government Support to Narcotics Control Activities Is Minimal

With a gross national product of $470 per capita, Bolivia is the poorest country in South America and one of the poorest in the world. Recognizing that the financial resources available for narcotics control are limited, the government of Bolivia can do more to support activities designed to reduce the amount of narcotics grown and processed in that country. For example, the government of Bolivia could provide the land necessary for UMOPAR camps and highway check points and increase the amount of logistical support it provides to the UMOPAR troops and units. According to U.S. officials in La Paz, Bolivian support of narcotics

interdiction and control efforts have been limited to providing personnel for the UMOPAR units and their salaries. Once a Bolivian national policeman has been assigned to UMOPAR, the provision of logistical support, clothing, feeding, and training becomes the responsibility of NAU. Personnel assigned to UMOPAR units also receive salary supplements from NAU.

The minimal level of support provided by the government of Bolivia is best illustrated by the recent relocation of an UMOPAR unit in the Chapare. The unit, located in a town which was openly hostile to the UMOPAR troops, moved during the summer of 1987 and began construction on a new base. According to NAU officials, the 50 acres of land required for the new base was not provided by the government of Bolivia; rather, it had to be purchased by NAU for $5,000. According to one U.S. official in Bolivia, the Bolivians are generally unwilling to provide logistical support, because they know that the United States will eventually purchase what is needed. NAU is considering the purchase of additional land in Bolivia.

A Bolivian Law Prohibiting the Cultivation of Coca Is Required

A major obstacle to current or future coca control efforts is the absence of a law which prohibits or restricts the cultivation and sale of coca leaves. As of June 1988, it was legal to grow, buy, and sell coca leaves in Bolivia; it was illegal, however, to process the leaves into coca-based narcotics. In March 1987, the Bolivian Senate passed a draft law that would basically (1) confine coca growing to an area where it has been traditionally grown and (2) limit the amount of coca that could be grown to that necessary for traditional uses. The draft law was then forwarded to the Bolivian Chamber of Deputies where, according to INM, a special committee revised and approved the bill, which will now be considered by the full Chamber.

A law prohibiting the cultivation and sale of coca is essential if progress is to be made in reducing the amount of coca leaf available for conversion into narcotics. Under the 1987 U.S.-Bolivian narcotics control agreement, the government of Bolivia has agreed to pass a law which bans the cultivation of all coca used in the manufacture of cocaine. Without such a law, U.S. officials in Bolivia believe that future narcotics interdiction and enforcement efforts will become a "charade." In March 1988, INM acknowledged that final passage of this law will be very difficult because of the opposition by very powerful peasant federations and coca-grower unions. The Department of State further notes that if the

bill fails to pass, the government of Bolivia hopes to begin enforcing executive decrees that make most nontraditional coca cultivation illegal.

Clearly, the key to success of the draft law, or any other narcotics control laws currently on the books, is the vigor with which they are enforced. In this regard, NAU in La Paz reports that Bolivia has not had notable success in this area in the past. NAU officials further believe that Bolivia's narcotics industry has been allowed to grow to its current proportions because the government of Bolivia (1) lacks the resources necessary to address the problem and (2) does not have the will to enforce existing laws.

Conclusions

Bolivia remains the world's second largest producer of coca leaf and the second leading source of cocaine consumed in the United States. Recent statistics indicate that Bolivian coca leaf production and cocaine processing will continue to increase. In 1987, Bolivia initiated a voluntary coca eradication program that resulted in the destruction of 1,040 hectares of coca, an all-time high for Bolivia. This, however, represents only 2.5 percent of the coca currently under cultivation and did not keep pace with the 3,300 hectares of new coca planted during the year. Bolivian narcotics interdiction efforts during 1987 were even less impressive since only 2 percent of the coca paste produced in Bolivia was seized, in addition to 148 kilograms of cocaine.

Coca cultivation is legal in Bolivia. Efforts to curb the production of coca leaves are not likely to succeed until the government of Bolivia enacts and enforces legislation which would limit production to amounts necessary for traditional uses. Such legislation has been pending for more than 1 year, and its approval appears doubtful. In the past, the government of Bolivia has shown little commitment or capability to control narcotics production or enforce existing narcotics laws and agreements. Without a coca control law and a willingness on the part of the government of Bolivia to enforce such a law, it will be impossible to control Bolivian coca production. Furthermore, future implementation of the 1987 U.S.-Bolivian narcotics-control agreement is doubtful because there will be no legal basis for the planned forced eradication of coca crops. It is essential that the Department of State redouble its efforts to achieve Bolivian legislative support for legislation which bans the cultivation of coca.

The U.S. narcotics control strategy in Bolivia centers around the establishment of an effective and sustained interdiction effort, which will

reduce the economic incentives available to coca growers, causing them to eradicate their coca and adopt alternative crops. The key to this approach is to keep the price of coca leaves near or below the cost of production. We found that this has occurred in only a few instances. During 1987, the profit margin available to coca growers fluctuated between 25 percent and 150 percent.

The U.S.-supported narcotics interdiction unit has been ineffective in stopping the production and flow of narcotics from Bolivia. During 1987 the interdiction unit was able to seize only 148 kilos of cocaine and destroy 8 cocaine laboratories, in a country that had the potential of producing 90 metric tons of cocaine. The United States has attempted to strengthen the interdiction unit's capability and effectiveness through the provision of all forms of logistical support and training. These efforts, however, have met with obstacles generally uncontrollable by the United States. Widespread corruption within all levels of the Bolivian government is viewed as the primary obstacle to more effective narcotics control activities. Another obstacle has been the general reluctance of the government of Bolivia to provide any type of support, other than personnel, for narcotics interdiction.

Recommendations

To obtain greater participation in the narcotics control effort, we recommend that the Secretary of State encourage the government of Bolivia to (1) improve the effectiveness of Bolivia's narcotics special police force, and (2) provide additional support for narcotics interdiction and enforcement activities. Such support does not have to be strictly financial, because several requirements for in-kind, logistical support can be provided by elements of the government of Bolivia at little or no additional cost.

Project Evaluations and Financial Control

As part of its responsibilities for overall direction and management of U.S. narcotics control activities in Bolivia and Colombia, NAUs are responsible for program oversight and performance, and accounting for U.S. funds in these countries. We found, however, that project evaluations are not being systematically conducted and that financial controls could be improved.

Project Evaluation

INM's 1982 programming system requires that INM-supported projects be evaluated once each fiscal year. The 1982 INM handbook further states that periodic evaluations are especially important because many projects are experimental and the outcome is not usually predictable. The programming guidance establishes several ways to conduct the annual evaluation, such as (1) a self-evaluation by mission personnel, (2) a joint evaluation by U.S. and host-country personnel, and (3) evaluations conducted by Washington staff or contractors. Regardless of the forum used, INM procedures establish that the evaluation should use a rigorous methodology which (1) measures progress toward goals and objectives, (2) examines performance of inputs and implementing agents, (3) questions the relevance of the project, and (4) challenges the adequacy of the project design. According to INM procedures, NAUs should coordinate their evaluation schedules with INM, which will provide the necessary guidance and training for conducting the evaluation.

U.S. narcotics project agreements with Colombia and Bolivia contain extensive information on goals and objectives, and establish the requirement for periodic and continuing evaluation. Similar requirements are also contained in the 1987 bilateral agreement between the United States and Bolivia.

In practice, however, we found that INM evaluation requirements are not followed. To date, INM has made only one country-wide evaluation—a 1984 review of the Colombia program. This assessment, which was never finalized, reviewed U.S. funding levels, examined performance of implementing agencies, and measured individual project goals and objectives. In summarizing the INM effort and the impact of the narcotics control assistance provided to Colombia through fiscal year 1983, the 1984 draft evaluation stated the following.

"In terms of overall program impact, INM's efforts in Colombia must be judged a failure. Despite the expenditure of almost $38,000,000 and the involvement of virtually every law enforcement agency in Colombia, that nation remains the prime supplier of foreign marijuana and cocaine to the United States."

Since 1984, the INM program in Colombia has been markedly expanded; yet, no further evaluation of its performance has been made. As of July 1988, no evaluations have been made of the Bolivia projects or program. NAU officials in Colombia and Bolivia told us that they were not sure about the responsibility for taking the lead to scheduling and conducting the evaluations called for in the INM guidance.

Financial Controls

NAUs in Bolivia and Colombia are responsible for the direction of all financial management functions relating to the U.S. narcotics control program, including fiscal accounting and monitoring. With regard to financial management, NAUs are required to maintain fiscal controls in a comprehensive, accurate, and current manner. INM's controller's office requires that NAUs submit monthly financial status reports, quarterly pipeline reports, and ad hoc status of funds reports.

In Colombia, NAU has developed and implemented a comprehensive financial management system. It prepares a number of regular and specific budget reports that are submitted to Washington. The reports we reviewed contained an adequate discussion of internal controls and were submitted on time.

In Bolivia, while NAU prepares and submits its financial reports on time, problems over the accountability of U.S. funds remain. We found that cash advances to the Bolivian government were liquidated without requiring adequate documentation of the funds use, and large amounts of cash advances provided to Bolivian nationals for the support of UMOPAR operations remained open for extended periods. For example, of the total outstanding cash advances as of April 9, 1987, over half had been outstanding for more than 6 months and some for more than 2 years. The advances were primarily for food and fuel for the UMOPAR troops in the Chapare region and the balance outstanding for these advances exceeded $387,000. According to NAU officials in Bolivia, outstanding advances have been a continual problem for their office. Table 4.1 summarizes the outstanding cash advances of NAU in Bolivia, as of April 9, 1987.

Table 4.1: Outstanding Cash Advances Issued by the NAU in Bolivia, as of April 9, 1987

Period outstanding	Number of advances	Outstanding balance	Percent of total	
			Number	Balance
More than 2 years	3	$14,213	8	4
1 to 2 years	0	0	0	0
271 days to 1 year	9	77,191	23	20
181 to 270 days	8	53,016	20	14
91 to 180 days	14	151,509	36	39
Less than 90 days	5	91,233	13	23
Total	**39**	**$387,162**	**100**	**100**

Conclusions

INM and the NAU's do not systematically evaluate program/project performance to assess progress made against established goals and objectives or to redirect activities, as needed. While a limited evaluation of the Colombian program was made in 1984, little effort has been made since then to systematically assess performance. Also, INM guidelines do not clearly establish the responsibility for ensuring that evaluations are performed. NAU officials in Colombia and Bolivia understand that annual evaluations are indicated, but they feel that no clear guidance has been issued on the responsibility. We believe that routine, periodic program/project evaluations are an essential element of sound program management.

We also found that in Bolivia, financial controls over cash advances were inadequate and that accountability over cash advances had not been maintained.

Recommendations

We recommend that the Assistant Secretary of State for International Narcotics Matters (1) issue clear guidelines on the responsibility for conducting program/project evaluations, (2) establish an evaluation schedule, and (3) establish procedures to ensure that scheduled evaluations are performed.

We also recommend that the Assistant Secretary of State initiate a review of procedures for accounting for cash advances and ensure that proper control of advances are instituted and maintained.

Agency Comments

The Department of State concurred with our findings and recommendations. The Department stated it has instituted a project monitoring and

reporting system that requires the creation of project objectives, targets of performance, milestones and measures of effectiveness. This system requires quarterly reporting by the NAU's on progress toward attaining operating plan goals and will allow INM to take corrective action earlier in the fiscal year.

State also informed us that it annually sends personnel to posts to conduct field audits and review procedures and systems for handling procurement, personnel, and funds. Although these field assistance trips are not designed to provide impact assessments, they provide INM with information on project performance. The Department also said that it plans to create a four-person planning and evaluation division to conduct periodic project evaluations.

State is also correcting some of the financial management problems we identified in this report. For Bolivia, INM has taken such action as closing out old bank accounts, hiring an accountant to work with field personnel, and informing the NAU to liquidate all advances older than 30 days as soon as possible. INM has also assigned another employee to Bolivia to help monitor project activities and provide administrative oversight.

AID Narcotics-Related Programs

AID's role in the U.S. international narcotics control program is to provide development assistance to help reduce the illicit production of narcotics in countries where the crops are grown. AID's current involvement in narcotics production control originates from section 126 of the Foreign Assistance Act of 1961, as amended, which instructs AID to give "priority consideration to programs which would help reduce illicit narcotics cultivation by stimulating broader development opportunities." Most of AID's narcotics-related assistance has been targeted for people living in drug-producing regions, and has attempted to provide them with alternate sources of income and employment and to improve their standard of living. AID's policy is based on the premises that (1) narcotics production is, in part, a developmental problem because narcotics farmers are usually poor, with few viable economic alternatives, (2) interdiction and the enforcement of a ban or controls on narcotics production are essential for the success of a narcotics- related development effort, and (3) enforcement activities are the primary responsibility of the host government.

Types of AID Narcotics-Related Programs

AID's international narcotics control programs in Bolivia and Colombia consist of two types of activities—area development projects and narcotics awareness programs.

AID also sponsors an Administration of Justice program in Colombia, which seeks to improve the Colombian judicial system through the provision of law libraries, legal texts, and investigative training. Although this program was not conceived to support U.S. international narcotics control objectives, much of what it tries to accomplish supports the achievement of narcotics control objectives. For example, these objectives include more effective prosecution of narcotics traffickers.

AID's Role in Narcotics Control in Bolivia

The AID mission in Bolivia has supported the in-country INM effort through its development projects in the coca-growing Chapare region and its narcotics awareness programs. These AID activities, however, have had little or no effect in reducing the production or flow of Bolivian coca because of an ineffective and unsustainable coca control program. The AID programs in the Chapare region were designed with narcotics control as a major objective; however, many of the project activities had been suspended because of a lack of progress in coca control. As discussed below, AID recognized the shortcomings of its Chapare activities and has redesigned them to better support the emerging Bolivian narcotics control plan. AID is also using a private, non-government

organization in its narcotics awareness program because past efforts to channel funds through the Bolivian government were not successful.

AID Narcotics-Related Projects in the Chapare Region

AID devotes most of its narcotics control budget to two development projects, which are focused on the Chapare region—Bolivia's primary coca-growing region. The largest AID project in the Chapare is the $26.5 million Chapare Regional Development Project (CRDP). The other development activity in the region with some narcotics control elements is the $9.3 million Rural Roads II project. In addition to addressing narcotics control objectives, these projects play integral parts in the AID strategy of meeting infrastructural and other basic human needs of the Bolivians. Collectively, these projects, and the recently completed $4.3 million Rural Sanitation project, are known as the "Chapare Project."

CRDP, which became operational in August 1984, seeks to reduce farmer dependence on coca production by providing direct assistance and expanding markets for agricultural products. The project also includes supplying rural electricity and community self-help elements. The purpose of the Rural Access Roads II project is to upgrade the Chapare's roads so that farmers have access to markets, while the Rural Sanitation project seeks to increase the region's supply of potable water.

CRDP is not a typical AID development project because social and economic development are secondary to narcotics control goals. In this regard, project implementation is directly related to the Bolivian's progress in controlling and eradicating coca crops. The AID projects in the Chapare region were designed to provide a "safety net" to coca farmers to assist in their transition to legal income and employment. Project funding has been dependent on an annual assessment by AID of whether the Bolivian government is making an honest, concrete effort to reduce and control coca production. In the 1983 project paper, AID said that CRDP could not achieve its goals unless a sustained coca reduction and control effort took place. AID believes interdiction, which keeps the price of coca leaf below production cost, is the key ingredient in convincing farmers to abandon and eradicate their coca production. AID officials cite the success of Operation Blast Furnace in lowering coca leaf prices as proof of the validity of the interdiction strategy. AID officials told us that during Operation Blast Furnace, many Chapare residents came to AID-supported agricultural extension stations and expressed an interest in cultivating licit crops. This interest, however, ceased as soon as Operation Blast Furnace ended.

Problems and Progress in the Chapare

Although CRDP had been operational for nearly 3 years, delays in the implementation of the Bolivian government's narcotics control program have resulted in only a small amount of U.S. funds ($4.2 million of $16.9 million) being spent. Initial project disbursements were for a number of visible, but low-cost infrastructure activities (e.g., small-scale irrigation works, health clinics, potable water systems, schools, farm-to-market road improvements) to establish credibility with local farmers concerning the existence of development resources for the region.

Bolivia's lack of progress in eradicating coca resulted in AID placing an informal freeze on most infrastructure activities (i.e., electrification, community public works, and road building) in the Chapare region during late 1985. Agricultural research and some agricultural extension activities are the only elements of CRDP to proceed, with little interruption. Other activities have proceeded on a more limited scale because they offer little risk of assisting narcotics production and are generally well received by Chapare farmers. These activities include (1) some road maintenance to keep the Chapare's main road open for Bolivian narcotics enforcement personnel and (2) a small amount of agricultural credit, which has been distributed through the agribusiness component of the CRDP.

Effectiveness of Chapare Activities for Coca Control

AID's narcotics-related projects in the Chapare region were designed to work with INM and Bolivian government coca control efforts. Together, these projects had not reduced the region's production of coca. Measured solely in terms of hectares eradicated, the Chapare project has been ineffective. Prior to the initiation of the current voluntary eradication program in August 1987, only 315 hectares of coca had been eradicated in Bolivia—far below the eradication requirement of 4,000 hectares contained in the 1983 U.S.-Bolivian narcotics control agreement. The only significant eradication resulted from a 1986 quid pro quo road-improvement-for-coca-eradication agreement between the AID mission in Bolivia and a Chapare community. Under this agreement, AID agreed to upgrade and rehabilitate 1.5 kilometers of road for every 25 hectares of coca eradicated by the community. While this program met with initial success, it was eventually terminated when only a minimal amount of coca was eradicated. According to AID, a total of 175 hectares of coca were eradicated under this program.

From the beginning, AID said that to be effective, its Chapare projects had to be carried out concurrently with sustained and effective coca

control activities. Excluding a short period during Operation Blast Furnace, when the price of coca leaf fell below production cost, there had not been an effective and sustained coca control campaign in Bolivia. As a result, in late 1985, AID suspended many of its activities in the Chapare because of the Bolivian government's lack of progress in coca control. In the absence of such control, AID has tried to discontinue funding for infrastructure projects that could benefit narcotics traffickers (e.g., the use of an upgraded road as a landing strip for traffickers).

AID Changes Its Strategy in the Chapare

The lack of Bolivian progress in halting coca cultivation made it clear that if the Chapare project was to be successful, major revisions would be required in AID's overall development strategy. During the latter half of 1986, a number of critical events occurred, which led the AID mission in Bolivia to reconsider its narcotics-related development strategy and program. Principal among these were: (1) a mid-course evaluation of CRDP by an independent contractor, (2) the initiation of Operation Blast Furnace and the resulting drop in coca leaf prices, (3) a mid-October meeting of the U.S.-Bolivian bilateral narcotics commission, and (4) a 2-day meeting in November between various U.S. and Bolivian officials to review the AID mission's narcotics-related development strategy and programs.

During the November 1986 meeting, U.S. and Bolivian officials agreed that several incorrect assumptions had been made about developing the Chapare region. The ecology of the Chapare, because of its poor soil and excessive rainfall, was more fragile than previously believed. Given the ecological limitations of the region, it was estimated that the Chapare could support approximately 25,000 families through legal agricultural activities, if coca were totally eradicated. The presence of coca cultivation had resulted in an increase of the Chapare's population to an estimated 74,000 families, totaling from 220,000 to 270,000 persons. This total includes 30,000 to 80,000 temporary residents (i.e., merchants, narcotics middlemen, coca leaf stompers, etc.).

The AID mission and the Bolivian government believed that more needed to be done to discourage people from migrating to the Chapare region from the surrounding areas. Research revealed that 80 percent of the people had migrated from the Upper Valleys of Cochabamba. Incentives were also believed necessary to encourage the temporary residents to leave the Chapare and return to the Upper Valleys. It was also believed that if the Bolivian government ever instituted a coca control program, these people would need other jobs, preferably in the communities from

which they migrated. There was also a concurrence that nearly all infrastructure activities in the Chapare should remain suspended until coca production and drug trafficking in the region ceased.

AID's Chapare development strategy has also been modified so that it is more closely linked to narcotics control efforts, and expanded to include the Upper Valleys of Cochabamba. AID plans to use the CRDP funds to (1) support selected activities intended to improve the infrastructure and economic productivity in the High Valleys and (2) continue selected activities intended to provide viable alternatives for those farmers who remain in the Chapare, as they make the transition from coca production to licit agriculture. According to AID, these funds will only be used if the Bolivian government shows progress in coca eradication.

In response to the initiation of a voluntary coca eradication program by the government of Bolivia, AID authorized the resumption of Chapare project activities on November 18, 1987. AID instructed its mission in Bolivia to concentrate on highly visible, quick-impact community assistance in communities that have eradicated 70 percent or more of their coca crop. Communities and farmers that meet these targets would also be eligible for agricultural credit assistance and such community infrastructure activities as the improvement of secondary roads, water supply and sanitation systems. As of June 1988, no community had met the 70 percent reduction target, although several individual farmers had.

Progress on this project has been slow as the government of Bolivia has been unable to meet the coca control and eradication targets contained in the 1983 U.S. - Bolivian narcotics control agreement and U.S. foreign assistance authorization and appropriation legislation (see pages 49 and 50). In a side letter to the 1987 agreement, AID scheduled the release of $14.66 million in fiscal year 1987 Economic Support Funds to coincide with Bolivia's progress in coca eradication. This sideletter also established specific eradication milestones which would trigger the release of U.S. funds. During fiscal year 1987, Bolivia failed to meet the sideletter's eradication targets and the goals outlined in the U.S. legislation (i.e., enacting legislation which bans coca cultivation and requires the eradication of existing coca crops). As a result, $7.5 million in Economic Support Funds programmed for Bolivia in fiscal year 1987 were withdrawn and reprogrammed to another country.

Although U.S. legislation concerning the provision of fiscal year 1988 Economic Support Funds does not mandate specific coca control goals or targets, AID has required that Bolivia eradicate 1,800 hectares of coca as

a condition for the release of the second half of the Economic Support Funds allotted to Bolivia in fiscal year 1988.

Narcotics Awareness Projects

In addition to funding area development activities, AID provides narcotics control assistance to drug producing and transit countries through its narcotics awareness and education programs. These programs are designed to increase public awareness of the adverse effects that narcotics production, trafficking, and consumption have on the general public as well as the respective country. AID believes these programs have been effective, because many producing countries who once viewed the issue of drugs as a U.S. or European problem now recognize it as a matter of serious domestic concern as well.

In Bolivia, AID funds a $1.9 million narcotics awareness project and has reserved some of the local currency generated through its Economic Support Fund program to fund various narcotics awareness activities. AID has also participated in a $250,000 narcotics education project it started with the government of Bolivia in 1985. This project, however, has been phased out because of various project implementation problems. According to AID, the implementing agency within the Bolivian Ministry of Interior had shown little capacity or energy to mount a meaningful public awareness campaign. The $140,000 in unspent funds from this project were transferred to a private, non-government organization and were used to train personnel and assist in the transition activities associated with the United Nations Fund for Drug Abuse Control participation in Bolivia's narcotics control activities. This project was completed at the end of 1987 and $60,000 in project funds were deobligated.

In October 1986, AID initiated a $250,000 narcotics awareness project with a Bolivian private sector group to develop and implement a campaign against illicit narcotics use and trafficking. The group has started a media campaign and has coordinated mass rallies against drug abuse and trafficking in the cities of Cochabamba and La Paz. As of March 1988, the project has experienced no major implementation problems. The project received $900,000 in fiscal year 1987 funding and was scheduled to receive $750,000 in fiscal year 1988.

AID has reserved the equivalent of $2.18 million in Bolivian currency to fund economic development and narcotics awareness activities, which contribute to the Bolivian government's narcotics control efforts. These

activities have concentrated on (1) collecting data on the use and production of drugs in Bolivia and (2) using media products—TV, radio, and the press—to heighten the public's awareness to the dangers of narcotics use and trafficking. Several studies have been completed and are in use.

AID believes its narcotics awareness activities have had considerable impact on developing public recognition of the harmful consequences of drug production and trafficking on Bolivian society. AID further believes that these activities have mobilized community participation in anti-drug activities which have helped develop a constituency in support of more effective drug enforcement activities in Bolivia.

AID initiated its narcotics awareness program in Colombia in fiscal year 1986 by providing a $96,000 grant to a U.S. private voluntary organization that worked with several Colombian groups active in the narcotics awareness field. In fiscal year 1987, AID expanded this effort by providing a $200,000 grant to the private organization and giving $200,000 to a Colombian nonprofit narcotics awareness group. The Colombian group, Action Solidaria, seeks to increase the Colombian private sector's involvement in narcotics awareness activities. Through these efforts, AID is attempting to promote drug education among the Colombians and increase their awareness of the adverse effects narcotics production and trafficking has on Colombia. AID's narcotics awareness effort in Colombia has included (1) sponsoring anti-drug television commercials, (2) publishing a monthly narcotics awareness bulletin, and (3) sponsoring a University of Miami narcotics awareness course in Bogota. AID plans to provide $200,000 grants to each group in fiscal year 1988.

Administration of Justice Programs in Colombia

In fiscal year 1986, AID initiated two Administration of Justice projects in Colombia. One project involves the provision of $290,000 in grant funds to the Colombian Foundation for Higher Education for various activities to improve the administration of the Colombian judicial system. These funds have been used to construct three law libraries, purchase legal texts and computers, and sponsor a study on how the Colombian legal system could be improved. The second project is funded by AID at a level of $100,000 and consists of providing training, equipment, and technical support for the protection of judges. Responsibility for administering the project has been transferred to INM which used approximately $14,000 fund a study by the U.S. Marshall's Service of judicial protection needs in Colombia. After the study was completed, the U.S. Embassy and the U.S. Marshall's Service could not agree on how

the remaining $86,000 could best be spent. A U.S. Embassy official told us that the amount provided by the United States for judicial protection in Colombia is too small to have much effect when compared to the financial resources commanded by the narcotics traffickers.

Conclusions

AID projects in Bolivia, in support of narcotics reduction goals, have not had any notable success. Although issues of faulty project design and inadequate administration have limited accomplishments, AID efforts have failed, principally, due to the unwillingness or inability of the government of Bolivia to introduce and implement effective coca control and enforcement measures anticipated in the project assumptions.

Nevertheless, progress has been made toward coca eradication objectives in Bolivia. It remains uncertain, however, whether the government of Bolivia will enact legislation which bans additional coca cultivation and requires eradication of existing coca plantings. We believe, therefore, that AID needs to closely monitor project and Economic Support Fund disbursements against narcotics control program goals and objectives and be prepared to suspend disbursements if substantial progress is not achieved.

Comments From the Department of State

United States Department of State

Comptroller

Washington, D.C. 20520

JUL 19 1988

Dear Mr. Conahan:

I am replying to your letter of June 1, 1988 to the Secretary which forwarded copies of the draft report entitled "Drug Control: U.S.-Supported Efforts in Colombia and Bolivia" (Code 472148) for review and comment.

The enclosed comments on this report were prepared in the Bureau of International Narcotics Matters.

We appreciate the opportunity to review and comment on the draft report.

Sincerely,

Roger B. Feldman

Roger B. Feldman

Enclosure:
As stated.

Mr. Frank C. Conahan,
Assistant Comptroller General,
National Security and
International Affairs Division,
U.S. General Accounting Office,
Washington, D.C.

GAO DRAFT REPORT COMMENTS: DRUG CONTROL: U.S. SUPPORTED EFFORTS IN COLOMBIA AND BOLIVIA (GAO CODE 472148)

INM has reviewed the draft GAO report on Colombia and Bolivia and appreciates the opportunity to provide comments prior to final publication of the report. Our remarks fall into two categories: substantive corrections and editorial comments. We have provided our editorial comments directly to GAO; included in this memorandum are our substantive problems. Additionally we are attaching some information to update coca prices in Bolivia.

Comments on Colombian Program.

First, contrary to the statement in the report, INM believes that a safe and effective herbicide for coca does indeed exist, but none has been approved (registered) for use in Colombia. When talking about herbicides, it is important to note that all herbicides are toxic, i.e., they are manufactured to kill plant life. Yet herbicides vary in levels of toxicity as measured by such factors as soil persistence, translocation into the environment and water solubility. Given the test results to date, there are "safe and effective" herbicides when measured against these criteria.

Second, it is unclear whether Colombia indeed remains the leading foreign supplier of marijuana. In light of the 1987 marijuana eradication statistics stated in the 1988 INCSR, more marijuana may actually be coming from Mexico than from Colombia; i.e., after the 1987 eradication campaign, Mexico marijuana production was 900 metric tons more than Colombia.

Third, the report should also reflect that INM believes the marijuana eradication program to be a true success story. More than 80 percent of marijuana cultivation has been destroyed during the past year's growing cycle.

Fourth, GAO highlights several problems relating to inefficient use of aircraft, insufficient coordination of the maintenance and operating personnel, and poor monitoring of eradication efforts. Recognizing these problems, the NAU contracted an aviation consultant to study the issues December 1987. A 40 page report was written and the post is in the process of implementing the recommendations.

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Now p. 28.

Finally, the report should reflect the increased level of cooperation between the police and military which is a new and encouraging development since the spring of 1988. An example of this increased cooperation is the Antioquia military sweeps in the Cauca region in which the military supported police operations and seized over six tons of HCL. The military have also participated independently in antinarcotics operations, raiding Pablo Escobar's ranch, seizing property, and developing detailed intelligence. Fears regarding the Air Force's use of the AC-47s have been unfounded--they are on-call for National Police antinarcotics operations always. In general, the report's comments on the military cooperation needs to be updated to reflect these significant new achievements.

Comments on Bolivia Program.

Now p. 52.

First, the section on the price of coca leaf (page 87) needs to be updated and GAO should refer to the latest cable detailing prices each month in 1988 (attached). In essence, price of coca leaf has been kept below the cost of production much longer than the report implies (while estimated costs of production have been reduced from $40 dollars per hundred weight to $30 per hundred weight). Second, the report's description of the Supreme Decree on page 73 should be modified to describe more accurately the contents of the supreme decree. Attached for GAO consideration is a summary of the 1985 Supreme Decree which may be useful in clarifications.

Now p. 47.

General Comments.

The report discusses the role of interdiction and development assistance and describes the critical role of both to the success of the U.S. Government narcotics control goals and objectives. Although the GAO mandate did not include assessing in depth the effectiveness of DEA's international efforts, INM notes that GAO refrained from drawing even any general summary assessments of the effectiveness of these efforts in either Colombia or Bolivia. In the Bolivian program, the development efforts play a significant role in the long term success of any narcotics control efforts.

The draft report also discusses the need for more consistent program evaluation and enforcing better controls over cash advances. INM agrees with these general comments and

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during the past 12 months has taken several steps to address these issues. We have instituted a project monitoring and reporting system that requires creation of project objectives, targets of performance, milestones and measures of effectiveness with quarterly reporting required. Quarterly reporting on progress toward operating plan goal accomplishment will allow INM to take corrective action earlier in the fiscal year.

Annually the Bureau also sends personnel to posts to conduct field audits and review procedures, and systems for handling procurement, personnel and money. Although these field assistance trips are not designed to provide impact assessments, they do provide data on project performance and function as a "checks-and-balance" system for field operations. The Bureau has also received four new positions to staff a planning and evaluation section within the Bureau to conduct periodic project evaluations.

In Bolivia, cognizant of the financial management issues, the Bureau has also closed out old bank accounts, hired an experienced accountant to work with field personnel, commissioned the banks (as opposed to contract personnel) to disburse cash based on signatures and informed the NAU to liquidate all advances older than 30 days as soon as possible. We have also assigned a narcotics specialist to a newly created third position to help monitor project activities and provide effective administrative oversight.

Attachments:

As stated above.

Jerrold Mark Dion, Acting
Assistant Secretary
Bureau of International Narcotics
Matters

Comments From the Department of Justice

Note: GAO comments supplementing those in the report text appear at the end of this appendix.

U.S. Department of Justice

Washington, D.C. 20530

JUL 13 1988

Mr. Richard L. Fogel
Assistant Comptroller General
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Fogel:

This letter responds to your request to the Attorney General for the comments of the Department of Justice on your draft report entitled "Drug Control: U.S.-Supported Efforts in Colombia and Bolivia." Overall, the report is consistent with the Department's understanding of the situation in Colombia and Bolivia. While we generally agree with the intent of the conclusions and recommendations of the report, we take strong exception to the manner in which one recommendation is presented relating to the efforts of the Departments of Justice and State to establish a workable extradition treaty with Colombia and suggest that it be deleted or revised.

Extradition Treaty with Colombia

The extradition treaty recommendation mentioned above first appears in the Executive Summary of the report and states:

> GAO [General Accounting Office] recommends that the Departments of State and Justice take action to assist the government of Colombia in developing legally acceptable ratifying legislation which would re-establish a workable extradition treaty with Colombia for the extradition of persons indicted for drug offenses. . . .

This recommendation suggests to the reader that GAO devoted considerable effort to a study of the problems encountered in the establishment of an extradition treaty between the United States and Colombia. Yet the report discusses the extradition treaty in two lines on page 39, outlines a short history of Justice and State's extradition relations with Colombia since 1979 on pages 43-45, and provides a short paragraph on page 65 of the Conclusions section of the draft report restating the fact that the extradition treaty is not viable at this time. In essence, the report is completely silent with regard to Justice and State's continuous efforts to reestablish extradition relations with Colombia.

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The recommendation, which is repeated again on page 68, is worded in such a way as to suggest that the Attorney General and Secretary of State have not taken any action to move U.S. extradition relations with Colombia back on track. That is not the case. The Departments of Justice and State have expended considerable resources and efforts in attempts to gain a workable extradition treaty with Colombia. These efforts are not reflected in the GAO report either because the GAO auditors, in drafting the report, did not think it necessary to include such a recitation, or because they did not make sufficient inquiry to recognize that efforts were made and are continuing in this area.

Regardless of the reason, the Department is strongly of the view that the recommendation relating to the Colombian extradition treaty should not remain in its present form. If it does, it will create unnecessary burdens for both Justice and State in explaining the recommendations to the reader--who may or may not peruse the rest of the report--that the Attorney General and Secretary of State have already attempted to do what the report recommends, and that these efforts will continue until a workable extradition treaty with Colombia is achieved.

See comment 1.

Accordingly, since the recommendation, as written, is not in consonance with the supporting facts as to what already has been done in response to the problem, we suggest that it be deleted.

If GAO believes it is necessary to have a recommendation relating to extradition, we suggest that the current recommendation on pages 8 and 68 of the report be amended along the following lines:

> GAO recommends that the Departments of State and Justice continue the efforts already undertaken to assist the government of Colombia in developing legally acceptable ratifying legislation which would re-establish a workable extradition treaty with Colombia for the extradition of persons indicted for drug offenses. . . .

Intelligence Gathering Operations

Of particular note with respect to this report is the lack of mention of the efforts, especially the Drug Enforcement Administration's (DEA) efforts, to develop an intelligence gathering and reporting system to identify and neutralize trafficking organizations within each country to complement the mission of the other agencies. Additionally, although the major drug problems addressed in the report are outside the scope of the Federal Bureau of Investigation's (FBI) National Drug Strategy (NDS), the FBI's NDS was specifically designed to develop drug intelligence, and the FBI is cooperating with DEA,

Richard L. Fogel 3

the Bureau of International Narcotics Matters (INM), and the Agency for International Development (AID), in the continuous development of drug-related intelligence. GAO's study concentrated primarily on the efforts of DEA, INM and AID to enlist the services of the Colombian and Bolivian military to eradicate cocaine and marijuana production. We believe that GAO's failure to address and document DEA's intelligence gathering efforts lessens the impact of the report.

See comment 2.

General Comments

The following suggested changes are offered to improve the accuracy of the report:

Now p. 10.

Page 14 -- Table 1.1 does not show both actual and proposed funding for INM as stated in the narrative section of the report. There could be a significant difference in these figures.

Now p. 11.

Page 15 -- FY 1988 funding figures for DEA should include OPERATION SNOWCAP data. The combined figures will more accurately reflect DEA expenditures as compared to those of INM. Also, the staffing figures for Colombia and Bolivia are not accurate and should be revised to show 25 Special Agents in Colombia and 16 Special Agents in Bolivia.

We appreciate the opportunity to provide comments on the report while in draft form. Should you have any questions concerning our response, please feel free to contact me.

Sincerely,

Harry H. Flickinger
Assistant Attorney General
for Administration

The following are GAO's comments on the Department of Justice's letter dated July 13, 1988.

GAO Comments

1. GAO recognizes the action being undertaken by the Departments of State and Justice and has deleted the recommendation. We believe the two Departments should continue their efforts in this area.

2. This area was not covered in our review as it was outside the general parameters established by section 2007 of the Anti-Drug Abuse Act of 1986.

Comments From the Agency for International Development

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON D C 20523

JUL 15 1988

Mr. Frank C. Conahan
Assistant Comptroller General
United States General Accounting Office
National Security and International Affairs Division
Wasnington, D.C. 20548

Dear Mr. Conahan:

Thank you for the opportunity to provide comments on your draft report entitled Drug Control: U.S.-Supported Efforts in Colombia and Bolivia.

Colombia

While the section of the draft report dealing with Colombia is accurate, we believe that several points should be noted with respect to A.I.D.-financed Administration of Justice activities. While other U.S. agencies are involved principally in interdiction, eradication and investigations, specific criminal activities brought to light by these actions eventually end up on the hands of the Colombian judiciary. Consequently, we believe that efforts we are supporting to improve the administration of justice should be noted. We recommend consideration of the following additions:

Now p. 2.

-- On page 3, add to the last sentence of the first paragraph to state: "During FY 1987, these agencies provided $_____ million to Colombia and Bolivia to assist in crop control, interdiction, law enforcement, improvement of the administration of justice, especially in criminal courts, and training and development assistance."

Now p. 4.

-- On page 7, the third sentence should be changed to read: "Through these activities A.I.D. is attempting to inform Colombians of the adverse effects of narcotics consumption, production and trafficking. It is also striving to strengthen the Colombian judicial system through such means as training of judical personnel, especially those associated with the criminal courts, and by analysis of the system's current weaknesses."

Now p. 19.

-- On page 30, after the sentence starting "According to INM...", add the following sentence: "Coupled with the current inefficiency of the criminal justice system, such weakness clearly facilitates manipulation of the society by the major drug lords."

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Now p. 25.

-- On page 39 add the following to the list of conditions/events: "--the current lack of administrative, technical and investigative capabilities among Colombia's judiciary personnel most concerned with narcotics matters."

Bolivia

Now on p. 44.

-- On page 72 the draft report makes reference to a 1987 World Bank statement to the effect that earnings from cocaine exports are estimated at $3 billion. We are not familiar with the Bank document, and question the very high estimate. Our information indicates that earnings from cocaine exports from Bolivia are in the range of $300-600 million, only a portion of which actually enters the Bolivian economy.

Now on p. 68.

-- On page 105, in the final paragraph the document states that A.I.D. activities have had little or no effect in reducing the production or flow of Bolivian coca because of an ineffective and unsustainable coca control program. While this is accurate, the report should note that A.I.D.'s narcotics awareness activities have had considerable impact on developing public recognition of the harmful consequences of drug production and trafficking on Bolivian society. Further, they have mobilized community participation in anti-drug activities which have helped develop a constituency in support of more effective drug enforcement activities.

Now on p. 63.

-- On page 109, in the first full paragraph, the report implies that the purpose of A.I.D.'s narcotics control projects was to reduce coca cultivation. I believe the report should recognize that the Chapare Regional Development Project was to provide a safety net to farmers to assist their transition to legal income and employment, and that the project itself would not result in coca eradication. Further, the report should recognize that project activities would not be fully successful until sustained and effective enforcement measures were carried out. Dwight Ink, A.I.D.'s Assistant Administrator for the Bureau for Latin America and the Caribbean, made this point on July 15, 1987 in a statement to the House Select Committee on Narcotics Abuse and Control when he said: "Enforcement of Bolivia's narcotics laws and more effective interdiction efforts are key to the eradication of the country's coca crop. Only with these measures will A.I.D. be able to move forward on developmental programs to provide a safety net of services, infrastructure and new sources of employment for former coca growers."

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Now p. 66.

-- On page 113, in the top paragraph, the report should note that we have required that Bolivia eradicate 1,800 hectares of coca plantings as a condition for release of the second half of FY 1988 ESF.

I hope you will take these comments into account in preparing the final report.

Sincerely,

Richard E. Bissell
Assistant Administrator
Bureau for Program and
Policy Coordination

Recent GAO Reports Mandated by the Anti-Drug Abuse Act of 1986

Drug Control: U.S.-Mexico Opium Poppy and Marijuana Aerial Eradication Program (GAO/NSIAD-88-73, Jan. 11, 1988).

Drug Control: U.S.-Supported Efforts in Burma, Pakistan and Thailand (GAO/NSIAD-88-94, Feb. 26, 1988).

Drug Control: River Patrol Craft for the Government of Bolivia (GAO/NSIAD-88-101FS, Feb. 2, 1988).

Drug Control: U.S. International Narcotics Control Activities (GAO/NSIAD-88-114, Mar. 1, 1988).

*U.S. G.P.O. 1988-241-164:80305

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