OVERSIGHT OF UNITED STATES/MEXICO COUNTERNARCOTICS EFFORTS

HEARING

BEFORE THE

SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES

OF THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED SIXTH CONGRESS

FIRST SESSION

MARCH 4, 1999

Serial No. 106–83

Printed for the use of the Committee on Government Reform

Available via the World Wide Web: http://www.house.gov/reform

U.S. GOVERNMENT PRINTING OFFICE

62–540 CC WASHINGTON : 2000

COMMITTEE ON GOVERNMENT REFORM

DAN BURTON, Indiana, *Chairman*

BENJAMIN A. GILMAN, New York
CONSTANCE A. MORELLA, Maryland
CHRISTOPHER SHAYS, Connecticut
ILEANA ROS-LEHTINEN, Florida
JOHN M. MCHUGH, New York
STEPHEN HORN, California
JOHN L. MICA, Florida
THOMAS M. DAVIS, Virginia
DAVID M. MCINTOSH, Indiana
MARK E. SOUDER, Indiana
JOE SCARBOROUGH, Florida
STEVEN C. LATOURETTE, Ohio
MARSHALL "MARK" SANFORD, South Carolina
BOB BARR, Georgia
DAN MILLER, Florida
ASA HUTCHINSON, Arkansas
LEE TERRY, Nebraska
JUDY BIGGERT, Illinois
GREG WALDEN, Oregon
DOUG OSE, California
PAUL RYAN, Wisconsin
JOHN T. DOOLITTLE, California
HELEN CHENOWETH, Idaho

HENRY A. WAXMAN, California
TOM LANTOS, California
ROBERT E. WISE, JR., West Virginia
MAJOR R. OWENS, New York
EDOLPHUS TOWNS, New York
PAUL E. KANJORSKI, Pennsylvania
GARY A. CONDIT, California
PATSY T. MINK, Hawaii
CAROLYN B. MALONEY, New York
ELEANOR HOLMES NORTON, Washington, DC
CHAKA FATTAH, Pennsylvania
ELIJAH E. CUMMINGS, Maryland
DENNIS J. KUCINICH, Ohio
ROD R. BLAGOJEVICH, Illinois
DANNY K. DAVIS, Illinois
JOHN F. TIERNEY, Massachusetts
JIM TURNER, Texas
THOMAS H. ALLEN, Maine
HAROLD E. FORD, JR., Tennessee

BERNARD SANDERS, Vermont (Independent)

KEVIN BINGER, *Staff Director*
DANIEL R. MOLL, *Deputy Staff Director*
DAVID A. KASS, *Deputy Counsel and Parliamentarian*
CARLA J. MARTIN, *Chief Clerk*
PHIL SCHILIRO, *Minority Staff Director*

SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES

JOHN L. MICA, Florida, *Chairman*

BOB BARR, Georgia
BENJAMIN A. GILMAN, New York
CHRISTOPHER SHAYS, Connecticut
ILEANA ROS-LEHTINEN, Florida
MARK E. SOUDER, Indiana
STEVEN C. LATOURETTE, Ohio
ASA HUTCHINSON, Arkansas
DOUG OSE, California

PATSY T. MINK, Hawaii
EDOLPHUS TOWNS, New York
ELIJAH E. CUMMINGS, Maryland
DENNIS J. KUCINICH, Ohio
ROD R. BLAGOJEVICH, Illinois
JOHN F. TIERNEY, Massachusetts
JIM TURNER, Texas

EX OFFICIO

DAN BURTON, Indiana
HENRY A. WAXMAN, California

ROBERT B. CHARLES, *Staff Director and Chief Counsel*
SEAN LITTLEFIELD, *Professional Staff Member*
AMY DAVENPORT, *Clerk*
MICHEAL YEAGER, *Minority Counsel*

CONTENTS

	Page
Hearing held on March 4, 1999	1
Statement of:	
Constantine, Thomas A., Administrator of the Drug Enforcement Administration, U.S. Department of Justice; and Rand Beers, Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State	7
Nelson, Benjamin, Director of International Relations and Trade Issues, National Security and International Affairs Division, U.S. General Accounting Office, accompanied by Ron Kushner, Assistant Director	112
Letters, statements, et cetera, submitted for the record by:	
Beers, Rand, Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State:	
Letters concerning decertification	49
Prepared statement of	61
Constantine, Thomas A., Administrator of the Drug Enforcement Administration, U.S. Department of Justice, prepared statement of	14
Gilman, Hon. Benjamin A., a Representative in Congress from the State of New York, article dated March 4, 1999	88
Kucinich, Hon. Dennis J., a Representative in Congress from the State of Ohio, prepared statement of	90
Mica, Hon. John L., a Representative in Congress from the State of Florida, prepared statement of	4
Mink, Hon. Patsy T., a Representative in Congress from the State of Hawaii:	
Chart concerning Mexican extradition statistics	57
Chart concerning Mexico eradication and seizure statistics	54
Nelson, Benjamin, Director of International Relations and Trade Issues, National Security and International Affairs Division, U.S. General Accounting Office, prepared statement of	114

OVERSIGHT OF UNITED STATES/MEXICO COUNTERNARCOTICS EFFORTS

THURSDAY, MARCH 4, 1999

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY,
AND HUMAN RESOURCES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The subcommittee met at 10:26 a.m., in room 2247 of the Rayburn House Office Building, Hon. John L. Mica (chairman of the subcommittee) presiding.

Present: Representatives Mica, Gilman, Souder, Hutchinson, Mink, Cummings, Kucinich, Blagojevich, and Turner.

Staff present: Robert B. Charles, staff director/chief counsel; Sean Littlefield, professional staff member; Rob Mobley, congressional fellow; Amy Davenport, clerk; Earley Green, minority staff consultant; and Michael Yeager, minority counsel.

Mr. MICA. I will call the hearing of the Subcommittee on Criminal Justice, Drug Policy, and Human Resources to order.

We have several other Members who are tied up in hearings and will join us shortly, but I am pleased to welcome you this morning to this hearing entitled the Oversight of the United States/Mexico Counternarcotics Efforts.

This morning I will start our subcommittee proceedings by making an opening statement and yield to other Members that are here. We will then hear from our witnesses and will probably defer other opening statements, since we have had a delay, until after we have heard from our witnesses. I appreciate their indulgence.

We did try to be tolerant of their other schedules this morning, but we must proceed.

I would like to start with my opening comments, again a very serious topic, a grave situation that we are dealing with, particularly the problems of drugs coming in from Mexico.

Drug abuse in America, especially among our youth, is at epidemic levels. The situation with international drug trafficking, I believe, is becoming a threat to our national security. Over 14,200 Americans lost their lives last year to drugs and drug-related crime at a cost of billions and billions of dollars, not to mention the cost to families and to communities in distress.

Despite a long and productive relationship with our ally to the south, Mexico, the hard river of drugs ending up on America's streets is coming across the Mexican border. Not only is Mexico the leading source of deadly hard drugs entering the United States, ac-

cording to DEA's signature program, Mexico has now become a major producer of high purity heroin.

If you wouldn't mind, let's hold this up here. This is a chart prepared on the source of heroin from 1997, and it shows Mexico is not only the major trafficker but it shows that it is now becoming a major producer of heroin. Of the heroin that is coming into the United States, 75 percent is produced in South America, and our DEA Administrator can elaborate on what is happening.

Not only do we have the transiting of this deadly heroin through South America, we also now have production, and we know this is accurate by the signature program that can determine the source of heroin.

Additionally, Mexico serves as the major source of foreign methamphetamine that is ravaging our midwest communities, the western part of the United States and is now spreading throughout the country. Of the cocaine on America's streets, 50 to 70 percent crosses our southwest border. This is an absolutely staggering figure and a staggering quantity of drugs, again all entering through Mexico.

Additionally, Mexico is, as I said, one of the major foreign sources of methamphetamine. A recent article in the Minneapolis Star Tribune stated that about 85 percent of the methamphetamine in Minnesota is smuggled through Mexico. This is just a little quote from the Minneapolis Star Tribune in September of last year. Drugs coming from Mexico undermine our communities. They spread and finance gang violence and, in fact, they are destroying young lives in America at a record level. Heroin deaths among our young have nearly doubled in the past few years. These are innocent, often unsuspecting youths.

In many cases, our young people are the greatest victims of this devastation being imported in large quantities, as I said, from Mexico. If nothing else, we should be concerned about young people who are at the center of this whole issue. Congress, and I believe the subcommittee, owe them our leadership.

The statistics on drug use, particularly among our young people, continue to be worrisome and should sober every American and every Member of Congress. Heroin use is up a staggering 875 percent among our teens. Today we should be appalled by the trends. Drug overdose deaths continue to plague our metropolitan areas and not just our inner cities, but, today, suburbs and our schools and almost every street in our communities.

Drug use is highest among our 12th graders with more than 50 percent of our 12th graders having tried an illicit drug and more than 1 in 4 labeled as current users.

Today, our subcommittee will examine Mexico's role in the fight against illegal drugs. Without question, no country in the world possesses a more immediate drug threat and national security danger to the United States.

In an effort to fully examine this issue, we will hear testimony from our DEA Administrator Tom Constantine, and Randy Beers from the State Department's Bureau of International Narcotics and Law Enforcement Affairs. They will be followed by the General Accounting Office who will outline Mexico's counternarcotics activities taken over the last year.

While some minor progress has been made against drug trafficking in Mexico, that country has, in my estimation, failed to live up to concerns expressed by Congress over 2 years ago. Despite some of the reports that progress has been made against drug trafficking in Mexico, Mexico still has not done the following things, and we talked about these and the House passed a resolution 2 years outlining these things.

Mexico still has not signed a bilateral maritime agreement. Corruption remains a major impediment. Additionally, U.S. drug enforcement agents are not allowed to adequately protect or defend themselves. Our agents still remain at risk. Mexico has failed to extradite a single major drug trafficker. What is even more troubling is that, for example, when money laundering was discovered among Mexican banking officials last year, rather than cooperate, Mexican officials threatened to indict United States Customs officers.

Now, what is of great concern to me is that Mexico has lost vast land areas, in fact, they have lost entire states and regions to the control of narco-traffickers. We have only to look at the Baja peninsula and the Yucatan peninsula for examples of areas completely lost to narco-traffickers. Under the reports we have received there are, again, complete areas under the control of narco-traffickers.

If this trend continues, Mexico could be on the verge of turning its sovereignty over to drug traffickers. It is difficult for me to believe that this administration would certify Mexico as fully cooperating if we just take a few minutes to look at what has taken place in the statistics. The statistics and facts are indeed troubling. Some of the statistics from 1998 are absolutely startling. Boat seizures were down last year in Mexico, 29 percent from 1997. On this chart are the basic facts of what took place 1997 and 1998 relating to major seizures of hard drugs—opium, heroin and cocaine. These statistics are mind boggling. A reduction in heroin seizures of 56 percent, a reduction in cocaine seizures of 35 percent.

These are issues that must really be faced and be at the top of our agenda today as we attempt to find solutions to this disastrous situation. We aren't here today to bash Mexico. We are here in an effort to find out what went wrong? Does the certification process work? And why is there such concern among our law enforcement officials and people on both sides of the aisle, Republican and Democrat?

I will close with the comments of our minority leader who said, "After reviewing the past year's record, I am compelled to disagree with the President's decision to certify Mexico as fully cooperating with our government in the fight against drugs," and that was by Mr. Gephardt.

So there is major concern on both sides of the aisle that this situation with Mexico may be out of control, that we may indeed have erred in certifying Mexico and that we need to get a real handle on what is going on and how we can work as partners with Mexico to bring this situation under control.

So with those opening comments this morning, I would like to yield to the ranking member of our subcommittee, Mrs. Mink, the gentlelady from Hawaii. You are recognized.

[The prepared statement of Hon. John L. Mica follows:]

Opening Statement of
Chairman John L. Mica
Subcommittee on Criminal Justice, Drug Policy and Human Resources
"Oversight of U.S./Mexico Counternarcotics Efforts"
March 4, 1999

Drug abuse in America, especially among our youth, is at epidemic levels. The situation with international drug trafficking is becoming a threat to our national security. Over fourteen thousand Americans lose their lives each year to drugs and drug-related crime at a cost of more than $67 billion.

Despite a long and productive relationship with our ally to the south---Mexico - - the river of hard drugs are ending up on America's streets and coming across the Mexican border. Not only is Mexico the leading source of deadly hard drugs entering the United States, according to DEA's heroin signature program, Mexico has now become a major producer of high purity heroin. Mexico is now the source of 14 percent of all the heroin seized in the United States. 50-70% of the cocaine on America's streets crosses our Southwest border.

Additionally, Mexico continues to serve as the major source of foreign methamphetamine that is ravaging our Midwest communities and the vital relationship with our ally to the South. A recent article in the *Minneapolis Star Tribune* stated that about 85 percent of methamphetamine in Minnesota is smuggled from Mexico.

Drugs coming from Mexico undermine our communities, spread and finance gang violence, and are destroying young lives at a record level. Heroin deaths among our young have nearly doubled in the past few years. These are innocent, often unsuspecting youth. In many cases our young people are the greatest victims of this devastation being imported from Mexico. If nothing else, we should be concerned about our young people at the center of this whole issue – and we owe them our leadership.

The statistics on drug use, particularly among our young people, continue to be worrisome and sobering to every American and every member of Congress. Heroin use is up a staggering 875% percent. Today we should be appalled by the trends. Drug overdose

deaths continue to plague our metropolitan areas, our suburbs and our schools. Drug use is highest among our 12th graders, with more than 50% of them having tried an illicit drug and more than one in four labeled as current users.

Today, our subcommittee will examine Mexico's role in the fight against illegal drugs. With out question, no country in the world poses a more immediate drug threat to the United States. In an effort to fully examine this issue we will hear testimony from DEA Administrator Tom Constantine and Randy Beers from the State Department's Bureau of International Narcotics and Law Enforcement Affairs. They will be followed by the GAO, who will outline Mexico's counternarcotic activities over the last year. While minor progress has been made against drug trafficking in Mexico, that country has failed to live up to concerns expressed by Congress over two years ago.

Despite some of the reports that progress has been made against drug trafficking in Mexico, Mexico still has not signed a bilateral maritime agreement; and corruption remains a major impediment. Additionally, U.S. drug enforcement agents are not allowed to adequately protect or defend themselves. Our agents remain at risk. Mexico has still failed to extradite a single major drug trafficker. What is even more troubling is that even money laundering with Mexican banking officials was uncovered last year. Rather than cooperate, Mexican officials threatened to indict US Customs officers.

Now what is of great concern to me is that Mexico has lost vast areas, states and regions to the control of narco-traffickers in the Baja and Yucatan peninsula. Under the reports we have received these areas are under the complete control of narco-traffickers. If this trend continues, Mexico could be on the verge of turning their sovereignty over to drug traffickers.

It is difficult for me to believe that this Administration would certify Mexico as fully cooperating. This is troubling. Some of the statistics from 1998 are even more troubling. Boat seizures last year were down 29% from 1997. Opium seizures were down 56%. Cocaine seizures were down 35%. These are some of the issues that remain at the top of our agenda and we hope today to find solutions to this disastrous situation and see progress on them in the near future.

Mrs. MINK. Thank you, Mr. Chairman.

I wanted to first note that Chairman Mica and six other Members of Congress have just returned from a very rigorous field trip to a number of countries, El Salvador, Panama, Colombia, Peru, Bolivia, and ending up with a 3-day visit in Mexico City before returning to the United States via El Paso. We did make a brief stop initially in Miami, also.

This trip certainly revealed to me the enormity of the traffic problem that we are faced with and the transit of drugs through Mexico was clearly evidenced in all of our discussions with our American officials and with the various country officials with whom we had the opportunity to meet.

I come to this subject area rather new, perhaps naive in many ways about the nature of the trafficking and the amounts and the course through which they penetrate our borders. But it certainly was not with any lack of understanding of the scourge that this country faces in terms of the victims, mostly our children and all of our communities who are affected by this drug trafficking.

So we have a unique opportunity, I think, in this committee and in the Congress to focus attention on both the matter that is at hand today in this hearing, and that is the trafficking problem through Mexico, and the debate that will ensue with reference to the President's decision to certify, and others who feel that they are in disagreement with that decision.

The other part of the triangle with which I am very much concerned, is to what extent we, in the United States, are mounting as vigorous as a battle as we can in the law enforcement area. We have focused our attention on education and treatment and other matters, but it seems to me that we need to now turn, as we are doing, to other countries. We need to determine exactly what we are doing with respect to other countries in the areas of detection, eradication, and penalties for the people that are responsible for the consumption of drugs by our constituents.

So I look forward to the testimony this morning, Mr. Constantine and Mr. Beers. You will certainly add light to the information that we have at hand, and I look forward to the opportunity to propound a number of questions.

Thank you very much.

Mr. MICA. I thank the gentlelady, and I am pleased to recognize the gentleman from Texas now, Mr. Turner, for an opening statement.

Mr. TURNER. Thank you, Mr. Chairman.

I appreciate the Chair having this hearing today. Coming from the State of Texas, that shares a border with Mexico, we are in Texas, of course, proud of our cultural and economic ties to Mexico, but also uniquely aware of the law enforcement burdens that come along with the problems of the narcotics traffic across our border.

We know and understand that the certification process is an awkward hammer and often difficult to use in a meaningful way. And we also, I think, in Texas, appreciate the fact that it is often important to understand that those who generate the demand for drugs share equally in the burden of finding solutions with those who generate the supply.

But I do think that as we have this hearing today it is important for us to understand that as we pursue our mutual goals of trying to eliminate drug use and abuse and of increasing our law enforcement efforts along the border that we must do so with an understanding of the other national interests that we have with Mexico and the ties that have existed for many years that we want to preserve.

So, Mr. Chairman, with that I appreciate, again, you hosting this important hearing.

Mr. MICA. I thank the gentleman. I am pleased now to recognize our two witnesses on our first panel this morning.

We are privileged this morning to have one of the most distinguished law enforcement officers of the United States, Mr. Tom Constantine, who is our Administrator of the Drug Enforcement Agency. We are also privileged to have an Assistant Secretary of the Bureau of International Narcotics and Law Enforcement of the Department of State, the Honorable Randy Beers, who has joined us.

As you may know, gentleman, in addition to having some authorizing ability in the national drug policy area, we are also an investigative and oversight subcommittee of Congress and we do swear in our witnesses. So if you would please stand up.

[Witnesses sworn.]

Mr. MICA. Let the record reflect that the witnesses answered in the affirmative.

Again, I am pleased to welcome one of the most courageous law enforcement officers, one of the most respected gentleman that I have seen. He accompanied me right after I was named Chair. We went together to a meeting in Europe in Baden, I believe it was, Austria, and met with officials from throughout the world, some of the drug czars, leaders, to begin my effort and renew his effort and others in this international war against illegal narcotics.

I was so impressed with his comments, his presentation, and the respect that he has, not only in this country, but throughout the world in this difficult battle. So I am absolutely pleased and delighted that you are joining us today and look forward to your testimony and comments. You are recognized, sir.

STATEMENTS OF THOMAS A. CONSTANTINE, ADMINISTRATOR OF THE DRUG ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE; AND RAND BEERS, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. CONSTANTINE. Congressman, thank you very much for your kind comments and to the other members of the committee.

I have submitted a fairly lengthy document detailing our analysis of the organized crime drug problem and especially as it impacts the United States and as the command and control is in Mexico, and I would ask your forgiveness to have that as my official submission.

Mr. MICA. Without objection that entire statement will be made part of the record.

Mr. CONSTANTINE. OK, thank you. The central theme of that presentation concerns really how major organized crime syndicates

are impacting the citizens of the United States and how the organizations that are based in Mexico have become so powerful in a relatively short period of time.

All of the information that is in that report and in this presentation is based on a complete and very detailed analysis of every major narcotics investigation conducted by the DEA, which involves organized crime groups that are headquartered in Mexico.

In addition to our own fact finding and analysis, we consulted with each of the Federal agencies in the law enforcement community and the intelligence community and we have also reviewed and discussed our analysis with all the major State, city, and local agencies throughout the United States.

As a side comment, we have been watching with some degree of concern over the last 2 or 3 years, a spread of the narcotics problem out of the urban areas of the United States into the rural mid-sized cities. As a result, we brought together about 100 police chiefs, sheriffs and prosecutors a little over a week ago to a hotel out by Dulles Airport. Prior to bringing them there, we submitted a fairly detailed survey form asking them to describe their narcotics situation in their city, county, town, or State.

Sixty-eight percent of those who came and replied indicated that the nexus of their drug trafficking outside of their immediate area was organized criminal groups from Mexico. This was later then played out in a series of workshops. And eventually we will be putting together a report within the next month explaining all of the problems that these smaller and mid-sized areas that are suffering, often without the necessary resources. By the way, that chart depicts kind of a spread, as you can see, of these cities, villages, towns and counties.

Our analysis of the problem really has focused on how sophisticated criminal organizations based in another country, in this case Mexico, can commit massive criminal activity within the United States. At present these syndicates, which are based in Mexico, in our opinion and in my opinion, pose the greatest drug trafficking threat to the citizens of the United States.

As a result of some excellent investigations by Federal, State and local law enforcement we now have a very clear picture of how these drug lords ship tons of narcotics into the United States, collect billions of dollars from United States citizens, and then, at times, arrange for the assassinations of either witnesses and/or public officials in both Mexico and the United States.

We have identified and in many cases acquired sufficient evidence to indict many of the key leaders of these organizations.

But so far, they have been able to evade arrest and prosecution. Like all organized crime systems throughout the history of the modern world, they have been able to succeed using traditional tools. Those tools are violence, intimidation and corruption.

Unfortunately, as I said last week before the Senate, as I testify on this issue of the problem and the impact on these organizations that are based in Mexico on the citizens of the United States, it has been interpreted by some as a criticism of the people of Mexico or the Government of Mexico. Nothing could be farther from the truth. I have great respect for the citizens of Mexico, and I have met with a number of public officials who I respect equally.

However, I have at several times in my law enforcement career taken an oath of office. I also administer that oath of office to new DEA graduates and at one time, State troopers. And that oath requires that we protect the citizens of the United States. I take that oath very seriously. I have dedicated my life to it. At times I have risked my life for those same principles.

So our analysis on this problem is not based on criticism of Mexico as much as it is based on the fact that there are criminal organizations and drug lords who live there who are doing a great deal of damage within the United States. Their operations are fairly traditional.

On any given day, probably as we are speaking here this morning, drug lords in Colombia and Mexico are involved in business transactions. The transactions that they are involved with is that they communicate with criminal operatives they have sent into the United States. These organizational operatives then arrange for the shipment and storage of tons of cocaine and hundreds of kilos of heroin and methamphetamine to be sold to our citizens.

The criminal organizations based in Mexico have matured from being merely a transportation agency for the Colombia organizations to become the dominant threat to the citizens of the United States. An example of one case on one organization on one subset of that organization, it is a group led by the Arellano-Felix brothers out of the Baja area of California, Tijuana, and Mexicali. They ship tons of cocaine into Los Angeles, Tucson, Chicago, Detroit, and Greensboro, NC.

We were fortunate enough in the investigation to see some of their records. We found that this one group, in 90 days, had shipped 10 tons of cocaine into the United States and taken $90 million in cash out of the United States back to their headquarters in Tijuana.

Mention was made of methamphetamine. They not only control 50 percent of the distribution of cocaine, they found that they had a drug that they could manufacture from the beginning, of which they did not have to share the proceeds with the criminal organizations from Colombia. We had a minuscule methamphetamine problem in this country until it was wide scale distribution developed from these criminal organizations.

To give you a sense of the growth and the explosion of that, in 1991, emergency room admissions in this country for methamphetamine were 4,900. By 1997, the emergency room admissions had gone to 17,400. In 1992, the seizures along our border with Mexico of methamphetamine were 7 kilos. In 1998, there were 1,400 kilos seized. So we've moved from small motorcycle gangs and relatively low level usage to widespread distribution and manufacture from organized crime groups in the distribution in the United States and it spread from California to every State in the union except for, strangely enough, the northeast quadrant exclusive of the Philadelphia area.

To give you an example of the impact in the middle part of this country, in Des Moines, IA, there are now more methamphetamine arrests than there are drunken driving arrests. In Marshalltown, IA, last year, a set of elected officials and teachers and police chiefs and sheriffs and county executives came to my office looking for as-

sistance anyplace they could find it. A community that never had a drug problem now all of a sudden had a major methamphetamine problem. And they have a high school there. There's 1,600 students in that high school. Over one-third of those students have now tried methamphetamine.

We have, in the course of our investigation, found major laboratories that are run by these criminal organizations that are in and of themselves very dangerous. We find that they build them and construct them in areas close to middle schools, in equestrian centers where young people are taking riding lessons, and all of them being driven by the heads of the criminal groups that are based in Mexico.

There is an incredible amount of violence always associated with organized crime. These groups, like all of their predecessors, whether in the United States, Italy or Colombia, rely on violence as an essential tool of their trade.

They use contract killers and brutal assassinations, and that is done for one reason, to intimidate. To intimidate the common citizen and to intimidate many public officials from providing witness information that is essential to arrest or prosecution. If these people are intimidated and do not provide us information, investigations will never be successful.

It is not only limited to their activities as they occur in Mexico. We also are increasing experience in violence and threats by these same groups against U.S. citizens in law enforcement along the border.

I mentioned in the beginning of my discussion the fact of what we are really dealing with is a powerful organized crime syndicate. And that is the key to understanding our adversaries, and it becomes much clearer and our strategies for dealing with it become more direct. For the first 70 years of this century, the primary drug of abuse in the United States was heroin and really heroin at a fairly low level of usage and low purity.

Recently, in the presentation that Congressman Mica talked about, we did some research in Baltimore in the mid 1950's. At that point in time the population was 949,000 people and the number of heroin addicts was 300 to 350. The population of Baltimore is now 675,000 people and there are 39,000 heroin addicts.

So the city of Baltimore, as for a heroin problem, has gone from 1 heroin addict for every 3,161 people in the 1950's to 1 heroin addict for every 17 people in the 1990's. That heroin traffic was driven by organized crime.

I have a chart up here of what it looked like then. The nexus and the command and control was, for the most part, in New York City. Those of you who have seen the movie the Godfather or looked at some of the arts and entertainment reconstruction of organized crime development in the United States would be familiar with that.

The source of Europe was the so-called French connection. The major crime families would then arrange for the distribution of the heroin throughout the United States. And, really, it was in the halls of Congress and in the Senate that finally we became aware and moved from a state of denial on organized crime to a recognition.

The hearings held in the late 1950's, especially by Senator McClellan from Arkansas, were key in being able to explain to the citizens of the United States how serious this problem was. Interestingly enough, if you go over those transcripts, which I have, you will find that the chief counsel for those hearings was Bobby Kennedy. He then moved from there to become Attorney General and implemented the types of investigative prosecutorial strategies that were essential to dismantling organized crime.

And we have done, I think, a tremendous job in reducing organized crime to what it is today. I watched television the other night. They depict organized crime as Skinny Joe Morleno from Philadelphia as being the head of organized crime, supposedly, in the United States, who will have little or no impact on anybody outside of south Philadelphia.

But if you look, and we see a change, the change occurs that despite those successes as we move from cocaine, we now find out that the nexus for organized crime in the United States is based in Colombia. They decided that they did not need any criminal organizations in the United States to set up their distribution or money collection. They established what we call cell structures. They went to major cities. They dispatched thousands of their own employees into the United States. The high level were trusted people. The low level people filled out work forms listing all of their biographic data so that they dare not testify and they dare not cooperate.

From there they would collect the money and then they would distribute the drugs throughout the United States. They are still very powerful. They are still a great danger. But a great credit to General Serrano and the head of the Colombia National Police and his policemen, working with the DEA and other governmental agencies, they have been able to arrest all of the major organized crime figures and have now become very aggressive in a proactive fashion despite major difficulties that they face today.

The picture of organized crime has now changed again, and the change is that the groups from Colombia originally entered into what they thought was a business arrangement with the organizations out of Mexico. And the groups from Mexico would transport the drugs for Colombia into the United States and turn it back over to Colombians for distribution in much like the previous chart.

It wasn't long before that changed, and now we see two parallel organizations in the United States for organized crime, one based in Colombia, one based in Mexico. The group from Mexico becoming increasingly stronger, the strength of the Colombian groups tending to be diluted over a period of time.

So there are some parallels between our experience in the United States with the Mafia and La Cosa Nostra and today's syndicates in Colombia and Mexico. However, there are some differences.

The amount of money that these organizations in Colombia and Mexico make, the impact on the communities and citizens of the United States, the violence and the corruption associated with these groups that we see today are nothing like we could have ever imagined in the 1950's and 1960's. They make the traditional organized crime or Mafia in the United States look like grade school children compared to what they do.

They have sophisticated intelligence systems. They have mansions, safe houses, planes, armored cars, security teams, encryption. Increasingly they use encryption to try to deflect what we do in the investigation.

The one thing that is constant and will always be constant in organized crime has been pointed out in every Presidential commission and every congressional hearing. Organized crime cannot and will not exist without the collaboration of corrupted law enforcement individuals who protect the criminals and condone criminal activity.

I have a very elaborate report on the major crime families that are in charge of this narcotics trafficking in my submission. Many of the key leaders that you see in that report in these organizations have been investigated continually within the United States, and we have been able to secure sufficient evidence to indict them. All that we need to do is to locate them and arrest them and bring them back to face justice between a jury of their peers of the community and the people they have injured.

I have privately and publicly thanked the Attorney General, Mr. Medrosa, from Mexico and his staff for their arrest this year of Jesus and Luis Amezcua. That was a very significant, important arrest. Unfortunately, the judiciary in Mexico has dismissed all of the criminal charges existing in Mexico. The only remaining charges are charges of investigations conducted in the United States and we are still waiting for the outcome of the extradition process.

The ability to deal with organized crime is, believe it or not, fairly direct. We have learned lessons over a period of time that these groups are not invulnerable.

They can be dismantled. They are not held together by any political or religious philosophy. They are only held together by greed and corruption.

We know that honest, hard working law enforcement officers and prosecutors can prevail. We have seen it in the United States. We have seen it in Italy. And we have seen it in Colombia. I also know from experience that if they are left unchecked, these drug lords and organizations will only grow more powerful and dangerous to the citizens of the United States and Mexico. The level of corruption, the level of violence that we see that they impact within Mexico will be the same strategy that they use in the border States and increasingly in the other States in the union.

Finally, we have to recognize this as a long, difficult process. We have invested in the DEA millions of dollars and tremendous efforts on the part of DEA agents to develop cooperative relationships.

However, honestly, these have had only limited success at present. Many of the joint ventures that we have established and begun to start have really been impacted by the fact that the traffickers are willing to spend hundreds of millions of dollars to corrupt law enforcement systems.

In the past year, we have encountered a significant setback. The setback was a unit that a great deal of money was expended and energy into a special vetted unit so that we could share information in a sensitive basis for high level targets. We now have found out

that significant people at senior levels in that unit appear to have been corrupted, which is a major disappointment to both the Government of Mexico and the United States.

There are many varied opinions that you will hear on this, as I do. However, I believe there is one fact that cannot be challenged. That is that these major organizations, the leaders of these organizations, are inflicting tremendous damage on the citizens of the United States. I also have to tell you that they have become more powerful each and every year that I have held this job as head of DEA. And, unfortunately, very few of them have been brought to justice.

I am often asked why I am so serious about this issue and why I am so direct. I believe it is important to note and to remember that every day and every night we are asking thousands of young American law enforcement officers to go out and to risk their lives to protect me, my family, and all of us from the danger of these powerful groups.

Over the course of a 39-year career in law enforcement, I have lost a number of friends, classmates, coworkers, and subordinates who have been killed in the line of duty. Often that requires you to sit down with the mother or father or husband or wife and try to, in their trauma and grief, explain the significance of the loss.

In the course of those conversations I am often asked, especially if it is related to narcotics, am I serious about this. Is the loss of their son, the loss of their daughter, the loss of their husband or their wife, sometimes their mother or father, has it been in vain or are we committed to somehow continuing this battle against the individuals responsible? I tell them I am serious.

We are serious. We will continue with all of our energy. However, if there is a continued ability of the drug lords who are really causing these deaths to evade arrest, extradition and prosecution, I think it makes it very, very difficult to reassure these families of our seriousness.

Thank you very much, Congressmen.

[The prepared statement of Mr. Constantine follows:]

Remarks by

Thomas A. Constantine
Administrator
Drug Enforcement Administration
United States Department of Justice

before the

House Government Reform and Oversight Committee's Subcommittee on Criminal Justice, Drug Policy and Human Resources

regarding

"Oversight of U.S./Mexico Counternarcotics Efforts"

Rayburn House Office Building
Room 2247
March 4, 1999
Washington, D.C.

NOTE: This is the prepared text and may not reflect changes in actual delivery

Statement
Administrator Thomas A. Constantine
Drug Enforcement Administration
before
The Subcommittee on Criminal Justice, Drug Policy and Human Resources
March 4, 1999

Chairman Mica, Members of the Subcommittee: I appreciate this opportunity to appear before the Subcommittee today to discuss the issue of drug trafficking in Mexico and the existence of the powerful organized criminal syndicates headquartered in Mexico. As I have done in past years, I will provide the Committee with information on how these major drug trafficking organizations impact on the United States, and present you with an insight into why these trafficking groups have become so powerful in a relatively short period of time. The information that I will provide is based on a comprehensive and detailed analysis of every major narcotics investigation conducted by the Drug Enforcement Administration that involved organized crime drug trafficking activity in Mexico. In addition, we have consulted with Federal, state and local law enforcement agencies prior to preparing this report for you today.

The organized crime syndicate leaders, who are currently based in Mexico, pose the greatest challenge to law enforcement agencies in the United States that are enforcing narcotics laws today. Since the mid-1990's we have watched with concern as powerful organized crime syndicates based in Mexico began to dominate the distribution of drugs within virtually every community in the United States. Through the dedicated efforts of Federal, state and local law enforcement agencies, we now have a clear picture of how these drug lords direct the sale of drugs within the U.S., how they collect their billions of dollars in drug profits, and how they arrange for the assassination of witnesses in both Mexico and the United States. These Mexico-based criminal organizations have rapidly become the primary entities responsible for distributing drugs to the citizens of the United States.

We have not only identified the drug lords themselves, but in most cases, the key members of their command and control structure. The combined investigations of DEA, FBI, the U.S. Customs Service and members of state and local police departments have resulted in the seizure of hundreds of tons of drugs, hundreds of millions of dollars in drug proceeds and most importantly, several significant indictments. In fact, some of the leaders of these organizations---Ramon and Benjamin Arellano-Felix, Jesus Amezcua-Contreras, Vicente Carrillo-Fuentes----have become almost household names in every major law enforcement department in the United States. Despite this evidence of the crimes they have committed within the U.S., and the

notoriety these traffickers have gained, they have been able to continually evade arrest and prosecution. The primary reason they have been able to avoid arrest and continue to ship drugs into the United States is attributable to their ability to intimidate witnesses, assassinate public officials and, as is well-documented, their ability to corrupt many of the civilian law enforcement agencies in Mexico on a systemic basis and often at the command level.

Unfortunately in the past, my testimony on the subject of organized crime in Mexico has been misinterpreted by some as a criticism of the people of Mexico, and of the Government of Mexico. That is not true. I have great respect for the citizens of Mexico and the public officials I have met. However, I have taken an oath to protect the citizens of the United States and over my thirty nine year career in law enforcement, I have dedicated my life, and sometimes risked it, for these principles. As a result, my primary concern has always been what these vicious, amoral criminals have done to the citizens of the United States. When they order members of their criminal organizations to distribute tons of drugs into our nation, they are directly involved in the addiction, injury and death of our citizens. My intention today, as it has been in past appearances before the U.S. Congress, is to shed some light on the power of these organized criminal groups in Mexico, and to provide testimony on how these organizations have transformed many Americans communities into places of despair.

The Damage to the United States

Most Americans are unaware of the vast damage that has been caused to their communities by international drug trafficking syndicates, most recently by organized crime groups headquartered in Mexico. In order to understand the extent and nature of this damage, it is instructive to look at how these organizations work, and how they infiltrate and establish themselves in U.S. communities in order to further their goals.

On any given day in the United States, business transactions are being arranged between the major drug lords headquartered in Mexico and their surrogates who have established roots within the United States, for the shipment, storage and distribution of tons of cocaine and hundreds of pounds of methamphetamine and heroin to trafficking groups in the United States. In the past, Mexico-based criminal organizations limited their activities to the cultivation of marijuana and opium poppies for subsequent production of marijuana and heroin. The organizations were also relied upon by Colombian drug lords to transport loads of cocaine into the United States, and to pass on this cocaine to other organizations who distributed the product throughout the U.S. However, over the past five years, Mexico-based organized crime syndicates have gained increasing control over many of the aspects of the cocaine, methamphetamine, heroin and marijuana trade, resulting in increased threats to the well-being of American citizens as well as government institutions and the citizens of their own country.

In the recent past, traffickers from Mexico had maintained dominance in the western part of the United States, and in some midwest cities. Today, after several years of amassing critical

investigative information, the Drug Enforcement Administration, along with other law enforcement agencies, has developed convincing evidence that surrogates of organized crime groups in Mexico have now established themselves on the East Coast of the United States, and for the first time, virtually dominate the nationwide drug trade.

Statistics tell part of the story. From 1994 to 1998, Mexican citizens detained by U.S. authorities at the Southwest Border in connection with drug seizures increased dramatically from 594 in 1994 to 4,036 in the first ten months of 1998. DEA arrests of Mexican nationals within the United States increased 65% between 1993 and 1997. Most of these arrests took place in cities that average Americans would not expect to be targeted by international drug syndicates in Mexico---cities such as Des Moines, Iowa, Greensboro, North Carolina, Yakima, Washington, and New Rochelle, New York.

The damage that these traffickers have caused to the United States is enormous. Cities and rural areas from the east coast to the west are living with the havoc and erosion of stability that these individuals and organizations have caused. By understanding how organized crime groups in Mexico have infiltrated communities here, it is helpful to examine their role in the distribution of cocaine, and in the production, trafficking and distribution of heroin, marijuana and methamphetamine.

Approximately two-thirds of the cocaine available in the United States comes over the U.S.-Mexico border. Typically, large cocaine shipments are transported from Colombia via commerical shipping and "go fast" boats and off-loaded in Mexican port cities. The cocaine is transported through Mexico, usually by trucks, where it is warehoused in cities like Guadalajara or Juarez, for example, which are operating bases for the major organizations. Cocaine loads are then driven across the U.S.-Mexican border and taken to major distribution centers within the U.S., such as Los Angeles, Chicago or Phoenix. Surrogates of the major drug lords wait for instructions, often provided over encrypted communications devices-- --phones, faxes, pagers or computers---telling them where to warehouse smaller loads, who to contact for transportation services, and who to return the eventual profits to. Individuals sent to the United States from Mexico, often here illegally, contract with U.S. trucking establishments to move loads across the country. Once the loads arrive in an area which is close to the eventual terminal point, safehouses are established for workers who watch over the cocaine supplies and arrange for it to be distributed by wholesale dealers within the vicinity. These distributors have traditionally been Colombian nationals or individuals from the Dominican Republic, but recently, DEA has evidence that Mexican nationals are directly involved in cocaine distribution in New York City.

A recent DEA case illustrated just how broad-based and well-organized and efficient traffickers from Mexico have become in the cocaine trade. The operation targeted a Mexicali-based transportation and distribution organization associated with the Arellano-Felix organization. They arranged for the shipment of ton quantities of cocaine from Mexico, operating from safe locations in Tijuana and Mexicali, Mexico. They delivered multi-ton amounts of cocaine to Mexican and Colombian traffickers in Los Angeles, Tucson, Chicago,

Detroit, New York and Greensboro, North Carolina. The investigation ended this past summer with the seizure of 3,500 kilograms of cocaine, $15 million and the arrest of 55 defendants. Additional documentary evidence that was discovered as part of this investigation revealed that one facet of this trafficking organization had distributed approximately 7 tons of cocaine and returned $90 million dollars to Mexico within a 90-day time frame.

Methamphetamine trafficking works in a similar fashion, with major organized crime groups in Mexico obtaining the precursor chemicals necessary for methamphetamine production from sources in other countries, such as China and India, as well as from "rogue" chemical suppliers in the United States. "Super" methamphetamine labs, capable of producing hundreds of pounds of methamphetamine on a weekly basis, are established in Mexico or in California, where the methamphetamine is provided to traffickers to distribute across the United States. It is common now to find hundreds of traffickers from Mexico, again, most of them illegal aliens, established in communities like Boise, Des Moines, Omaha, Charlotte and Kansas City, distributing multi-pound quantities of methamphetamine.

The impact of methamphetamine on numerous communities has been devastating. In Iowa, health experts have expressed grave concerns over the 4000 infants affected by drugs, ninety-percent of which were exposed to methamphetamine. An expert associated with Marshall County Iowa's Juvenile Court Services estimated in 1998 that one-third of the 1,600 students at Marshalltown High School have tried methamphetamine.

The public safety is also affected by methamphetamine production. There have been numerous incidents where children have been injured or killed by explosions and fires resulting from their parents' methamphetamine cooking. In a major DEA case, a working methamphetamine lab established by traffickers from Mexico was discovered in an equestrian center where children were taking riding lessons. In another case investigated by the DEA, an operational methamphetamine lab, capable of producing 180 pounds of methamphetamine, was discovered within a thousand feet of a junior high school.

Just two weeks ago, the DEA office in Fresno, working with the California Bureau of Narcotics Enforcement, discovered working methamphetamine laboratories in Squaw Valley and Fresno. Six Mexican nationals were arrested, only one of whom was in the United States legally. Over 46 pounds of methamphetamine were seized, and we learned that the ultimate destinations for the methamphetamine were Oregon, Washington and states in the midwest.

Heroin from Mexico now represents 14% of the heroin seized in the United States, and it is estimated that organized crime figures in Mexico produced 6 metric tons of heroin last year. A current study being conducted by DEA indicates that as much as 29% of the heroin being used in the U.S. is being smuggled in by the Mexico-based organized crime syndicates. Mexican "black tar" heroin is produced in Mexico, and transported over the border in cars and trucks. Like cocaine and methamphetamine, it is trafficked by associates of the organized criminal groups in Mexico, and provided to dealers and users in the southwest, northwest, midwest areas of the

United States. At one time it was commonplace for couriers to carry two pounds or so of heroin into the United States; recently, quantities of heroin seized from individuals has increased as is evidenced by larger seizures in a number of towns in Texas. This heroin is extremely potent, and its use has resulted in a significant number of deaths, including the deaths of 25 individuals in Plano, Texas in the last 18 months.

Mexican black tar heroin is also common in the Pacific Northwest. Last January, officers from the California Highway Patrol working near Sacramento, stopped a speeding car driven by a sixteen year old Mexican national. He and a passenger were from Michoacan, Mexico. A search of the car yielded six kilogram packages of Mexican black tar heroin intended for distribution in Yakima, Washington.

Seattle, Washington has suffered from a dramatic increase in heroin overdose deaths. According to health experts, heroin deaths increased in 1998 to a total of 138. This figure represents triple the number of heroin deaths in Seattle during the 1980's. Experts also estimate that there are 20,000 heroin addicts in Seattle and the surrounding area. Traffickers from Mexico use the I-5 highway to bring their product to cities and suburbs in Washington State.

Marijuana from Mexico dominates the U.S. import market. Seizures of Mexican marijuana have increased from 102 metric tons in 1991 to 742 metric tons in 1998. Marijuana organizations from Mexico are very powerful and violent. In some places, traffickers from Mexico have established growing operations within the United States. In a recent case in Idaho, the DEA Boise office, working with other Federal, state and local law enforcement, arrested a group of illegal aliens from Zacatecas, Mexico. 114,000 marijuana plants, weighing almost 20 tons, were seized. This operation represented the largest marijuana seizure ever in Idaho.

It is important to note that although many of the transactions relating to the drug trade take place on U.S. soil, the major international organized crime bosses headquartered in Mexico direct the details of their multi-billion dollar business step by step. They are responsible not only for the business decisions being made, but ultimately for the devastation that too many American communities have suffered as a result of the influx of cocaine, methamphetamine, heroin and marijuana.

Violence Associated with Traffickers from Mexico in the United States

Organized crime groups from Mexico rely on violence as an essential tool of the trade. Much of the drug-related violence which has become commonplace in Mexico has spilled over to communities within the United States. Listed below are a few examples of recent violence committed by traffickers associated with major organized criminal groups in Mexico. Many of these acts of violence have been aimed at U.S. law enforcement personnel working along the Southwest Border. Since September 1996, DEA has recorded 141 threats or violent incidents against U.S. law enforcement personnel, their Mexican counterparts, public officials, or

informants in Mexico or on the Southwest Border. Of this number, 93 were received between March 1997 and January 14, 1999.

- The international border separating Cochise County, Arizona and the State of Sonora, Mexico, has developed into a most hazardous area for law enforcement officers operating on the Arizona border. The traffickers in this area are bold and confident and less hesitant to confront law enforcement officers. Since 1992, there have been 23 documented assaults and threats against law enforcement officers in the border area of Cochise County.

- The El Paso Intelligence Center reports that from January 1998 through November 1998, there have been a total of 54 incidences of violence or threats against both USG and GOM law enforcement officials and their sources of information along the Southwest border. During 1998, a relatively new trend involving armed attacks by Mexican traffickers on U.S. law enforcement officers continued with fatal consequences. Over the last two years, there have been many reports by U.S. law enforcement officials of gun battles between Mexican drug traffickers and U.S. law enforcement officials stationed along the border. These armed encounters always developed during the drug traffickers' attempts to avoid arrest while fleeing back to Mexico. Increasingly, these attacks have become more brazen and have resulted in fatalities.

- On June 3, 1998, along the Mexican border near Nogales, Arizona two miles north of the border, U.S. Border Patrol Agent Alexander Kirpnick and a fellow agent were attempting to arrest five Mexican males who were transporting marijuana north across the border when he was shot and killed. The suspect responsible for the murder of USBP Agent Kirpnick was later apprehended and confessed to the murder. The suspect is a member of a marijuana smuggling organization based in Mexico. He has been extradited to the United States and this action is much appreciated by law enforcement.

- On June 6, 1998, U.S.Customs Service agents were assaulted by drug traffickers when attempting to stop a vehicle they observed entering the U.S. illegally at the Naco, Arizona Port of Entry. Several shots were exchanged between the vehicle fleeing back to Mexico and the pursuing agents. No law enforcement officers were injured and approximately 1,000 pounds of marijuana was recovered from the abandoned vehicle.

- U.S. Border Patrol Agents were threatened in August, 1998 as they attempted to stop a pick-up truck approximately one mile northwest of San Luis, Arizona. As the vehicle was stopped, four suspects fled from the vehicle towards the Colorado River/Mexican border. As Border Patrol agents gave chase on foot, one suspect reportedly pointed an Uzi-type automatic weapon towards the agents. All suspects

were able to escape into Mexico. No USBP agents were injured. During a search of the suspect truck, Border Patrol agents discovered marijuana concealed in the bed of the vehicle.

- On December 27, 1998, Mexican law enforcement officials, Eleazar Hernandez-Pena and Joel Raul Rodriguez-Hernandez were abducted from the streets of Matamoros, Tamaulipas, Mexico, reportedly by a group of at least ten armed men. On January 8, 1999, the bodies of Hernandez and Rodriguez were found in a sand pit on U.S. soil, in an area of Brownsville, Texas which is a notorious corridor for alien and drug smuggling. Both men appeared to have been tortured before being executed. Hernandez is a former Matamoras commander for the INCD, the former federal agency that was disbanded due to systemic corruption. He was reportedly a close associate of a Mexican trafficker from the Matamoros area. Rodriguez, a nephew of Hernandez, was an active official of the Federal Judicial Police (PJF), although he is not documented as being associated with drug trafficking.

The American Experience with Organized Crime

The United States' experience with organized criminal activity provides some useful parallels to the situation we are currently facing as we deal with international organized criminal drug trafficking syndicates based in Mexican cities. Since the 1950's, American law enforcement, and the American public began to understand how organized crime groups operating in the United States used violence, intimidation and corruption to achieve their ends. During the 1963 Senate hearings conducted by Senator McClellan, and later in the 1986 report of the President's Commission on Organized Crime, it was obvious that organized crime could not flourish in America without the collaboration of corrupted law enforcement officials who protected the criminals and condoned their criminal activities. The 1986 report states that: **"Corruption is the central tool of the criminal protectors. The criminal group relies on a network of corrupt officials to protect the group from the criminal justice system. The success of organized crime is dependent upon this buffer, which helps to protect the criminal group from both civil and criminal government action."**

Through our long history with organized crime, it was also apparent that violence and the threat of violence were essential tools of these criminal organizations. The 1986 Presidential report also noted that: "Both are used as means of control and protection against members of the group who violate their commitment and those outside the group to protect it and maximize its power. Members were expected to commit, condone or authorize violent acts."

Under the leadership of Attorney General Robert Kennedy in the 1960's, the U.S. Government launched a major attack on organized crime through a series of important measures, including toughening laws, providing law enforcement with essential tools such as wiretap investigations, and establishing multi-jurisdictional law enforcement approaches to ensure that organized criminal groups could not find safehavens anywhere in the United States. Through diligent and consistent law

enforcement actions, American organized crime has for all intents and purposes, been reduced to a shadow of its former self. It is important to note that it took U.S. law enforcement several decades to eliminate the once-powerful American organized criminal groups, whose existence was denied until 1957.

While there are major parallels between American organized crime and today's international organized criminal groups based in Colombia and Mexico, there are some important differences. Even at the zenith of their power, American organized crime leaders did not wield the power and influence that the international drug trafficking organzations do at the current time. Unlike the American organized crime leaders, organized crime figures in Mexico have at their disposal an army of personnel, an arsenal of weapons and the finest technology that money can buy. They literally run transportation and financial empires, and an insight into how they conduct their day-to-day business leads even the casual observer to the conclusion that the United States is facing a threat of unprecedented proportions and gravity.

Organized Criminal Drug Trafficking Syndicates Based in Mexico

In my view, the Mexico-based drug trafficking organizations operating today are a perfect model for the description of organized crime that was offered in the President's Commission on Law Enforcement and Justice in 1967: "a society that seeks to operate outside the control of the American people and their Government. It involves thousands of criminals working within structures as large as those of any corporation."

A brief review of how these organized crime groups rose to power testifies to their adaptability and ruthlessness, two traits essential to their success. Traffickers from Mexico have traditionally been poly-drug smugglers, operating heroin and marijuana distribution organizations in the midwest and southwest regions of the United States. After a sustained period of intense law enforcement pressure during the 1980's, cocaine traffickers from Colombia entered a partnership with drug traffickers in Mexico who agreed to transport loads of cocaine into the United States, thus insulating Colombian traffickers from law enforcement attention. Eventually, traffickers from Mexico demanded payment in cocaine, rather than cash, from their sources in Colombia, and then assumed a direct trafficking role which they retain today. After the incarceration of the leaders of the Cali criminal group in 1995 and 1996, traffickers based in Mexico assumed positions of major suppliers of cocaine in numerous U.S. cities. Additionally, Mexico-based traffickers also began producing methamphetamine on a very large scale, establishing production facilities in Mexico and California.

The organizations based in Mexico work much the same way that their predecessors and mentors from Cali worked over the years. By maintaining their headquarters in foreign countries, and by conducting all the details of their business in a protected environment, the heads of organized criminal drug trafficking organizations in Mexico have been able to avoid arrest in the United States. Like their Cali counterparts, Mexico-based traffickers have developed an intricate system of cells within the United States through which the day-to-day operations in the U.S. are carried out.

Thousands of employees within the U.S., many of them here illegally, are responsible for transporting and storing drugs, distributing and, in some cases, manufacturing the product, and returning the organizations' profits to Mexico and Colombia.

The Arellano Felix Organization

The Arellano-Felix Organization (AFO) headed by Benjamin Arellano-Felix, continues to be one of the most powerful, aggressive and arguably the most violent of the drug trafficking organizations in Mexico. From strongholds in Tijuana and Mexicali, the AFO orchestrates the transportation, importation, and distribution of multi-ton quantities of cocaine, marijuana and large quantities of heroin and methamphetamine into the U.S. Violence, intimidation and corruption are the AFO trademarks. Utilizing these "tools of the trade," the AFO has developed an internal security apparatus to ensure not only the loyalty of fellow AFO members, but also to ensure compliance by non-AFO traffickers operating in Baja California corridor. Reportedly, in addition to being responsible for the murder and intimidation of numerous informants, Mexican law enforcement officials, rival drug traffickers and innocent citizens, the AFO's aggression has also crossed over the border into the U.S.

The Arellano-Felix Organization is responsible for smuggling multi-ton quantities of drugs yearly. While Benjamin manages this multi-million dollar business, his brother Ramon heads security-related operations. His functions include the recruitment of enforcers and killers from the streets of San Diego, such as the "Logan Calle 30" street gang, as well as Tijuana's affluent youth, known as the "Narco Juniors" and "Los Culiches", a group of prominent AFO assassins with roots in Culiacan, Sinaloa. For his notoriety, Ramon has been on the FBI's Ten Most Wanted list since September 1997.

The AFO's cocaine and marijuana distribution network has expanded to U.S. cities in the mid-west and the East coast during recent years. A recent DEA investigation revealed that a single AFO cell group based in Los Angeles, California was responsible for the distribution of cocaine in over 14 cities throughout the U.S. During raids executed in June 1998, the manager of this cell, Jorge Castro, and five of his associates were arrested by DEA in Los Angeles. These arrests followed the nationwide seizures of 3,500 kilograms of cocaine, $15 million USD, and the arrest of 55 organizational members. Beyond Mexico, the AFO has extended its ever growing sphere of influence into source countries in South America such as Colombia and Peru, as well as transhipment countries such as Panama.

In spite of existing U.S. warrants, Government of Mexico indictments and actionable investigative leads being provided to the GOM by US law enforcement, limited enforcement action has taken place within the last year against the AFO. The problem as it relates to the AFO is a consistent lack of success in gaining evidence, locating those already indicted, and arresting any major figures. The few arrests to date have not included the leaders and command structure of the AFO syndicate. The truly significant principals have not been arrested, and appear to be immune to any law enforcement

efforts. Additionally, the DEA requested the Mexican Government's assistance in apprehending another GOM and U.S. target, however, law enforcement officials told U.S. investigators that it would be difficult to apprehend this individual because he was too dangerous to pursue due to the number of bodyguards and corrupt law enforcement officials he employs.

In addition to this lack of effort, capability, or willingness on the part of law enforcement in Mexico to target the leaders of the AFO is the lack of prosecution or extradition for those that have been arrested. Despite numerous promises, the extradition case of Arturo Paez-Martinez, an AFO lieutenant, languishes on appeal in Mexico. Additionally, in an effort to assist law enforcement in Mexico, on May 8, 1998, AFO Associate Oscar Compillo-Valles was extradited from the U.S. to Mexico, for his involvement in the conspiracy to off-load 17 tons of cocaine in La Paz, Baja California Sur, in November 1995. Compillo was sent from San Diego, California to Almoloya high security prison in Mexico City for only a few days, before being released by a Mexican judge in Toluca, Mexico for "lack of evidence" linking him to the indictment in Mexico.

News Accounts, as well as sources of information for U.S. law enforcement, indicate that an estimated one million dollars per week is paid by the AFO to Mexican federal, state and local officials to ensure the continuous flow of drugs to gateway cities along the Southwestern border of the U.S.

The Carrillo Fuentes Organization (CFO)

The remnants of the Carrillo-Fuentes Organization (CFO) continue to be one of the most powerful drug trafficking organizations operating in the Republic of Mexico, despite the death of its leader, Amado Carrillo-Fuentes, in July 1997. The CFO has maintained its influence in drug smuggling operations throughout Mexico and the United States. Vicente Carrillo-Fuentes, brother of Amado, is now considered the leader of the CFO, or Juarez cartel. Intelligence sources indicate that Vicente Carrillo-Fuentes now oversees cartel operations, in association with regional managers who were loyal to the cartel before Amado's death. Vicente Carrillo-Fuentes is wanted in Mexico and is under indictment in the Western District of Texas in the United States for operating a Continuing Criminal Enterprise. Unfortunately, he has not been located or arrested.

In January 1998, the Government of Mexico secured arrest warrants against 65 members of the CFO under the 1996 Mexican new Organized Crime Law. Further, in March 1998, the Mexican Government announced a reward offer for the capture of six of the Juarez cartel main leaders. However, since the issuance of these arrest warrants, no significant cartel manager has been apprehended. Arrests have been limited to lower-to mid-level organizational members. U.S. law enforcement and Mexican investigations indicate that the Yucatan peninsula has become the gateway for drugs transiting Mexico en route to the United States by the Juarez cartel. Intelligence gained in these investigations shows that Alcides Ramon-Magana, "El Metro," and other former CFO associates have become increasingly powerful within the cartel and now controls the resort area of Cancun, Mexico. Due to increased cocaine trafficking in Cancun, the Government of Mexico has

focused recent investigative efforts there. In June 1998, Mexican authorities conducted a series of raids in Cancun, which led to the seizure of documents that corroborated the fact that this organization was transporting multi-ton quantities of cocaine via Mexico to various U.S. cities. One of the documents seized was a faxed copy of a criminal complaint filed in the U.S. District Court and made by a New York City detective assigned to the DEA New York Task Force. The complaint outlines three seizures of cocaine totaling 1,892 kilograms, and the arrest of four Mexican nationals which occurred in the New York area in February and March of 1997. These documents illustrate the magnitude of the Juarez cartel operations and their impact on the United States.

Despite the Mexican Government's counterdrug efforts in the Yucatan area, the organizational leaders have yet to be apprehended. Additionally, on more than one occasion, officials observed Ramon Magana and other significant cartel members, but failed to take any type of enforcement action against them. Information also indicates that Ramon Magana has gained strength by corrupting numerous police, military and political officials at various levels.

Despite the death of Amado Carrillo-Fuentes in July 1997, his organization has continued to flourish. This organization's drug shipments to the U.S. continue unabated under the leadership of his brother, Vicente Carrillo-Fuentes. The proximity of cities such as Ciudad Juarez, Mexico and Reynosa, Mexico to the United States allows the CFO command structure to maintain a "hands on" approach in conducting cross border operations. Lower-echelon members travel back and forth between Mexico and the U.S., while the leaders rarely venture into the U.S., preferring the sanctuary that Mexico provides. The CFO controls a significant portion of cocaine through Mexico into the U.S. This organization continues to maintain drug transportation and distribution cells in U.S. cities such as Los Angeles, Houston, Chicago and New York, with which it distributes its cocaine, or delivers the drug shipments to Colombian groups operating in the U.S.

Caro-Quintero Organization

Miguel Angel Caro-Quintero became the head of the Caro-Quintero organization after the 1985 imprisonment of his brother, Rafael Caro-Quintero, on drug violations and his involvement in the murder of Special Agent Enrique Camarena. In 1992, MCQ was charged in Mexico with Federal drug trafficking violations. This prosecution was to be conducted under the Article Four provision of the Mutual Legal Assistance Treaty (MLAT), which allows the Government of Mexico to prosecute Mexican nationals in Mexico for violations occuring outside of Mexico. After the U.S. Department of Justice provided the Mexican Government with valuable evidence to prosecute their case, it is alleged that Miguel Caro-Qunitero was able to use a combination of threats and bribes to have his charges dismissed by a Mexican Federal Judge in Hermosillo, Sonora, Mexico. Since thwarting the prosecution in 1992, he has operated freely throughout northwestern Mexico, and runs his drug smuggling activities from Caborca, Sonora, Mexico. U.S investigations have corroborated the fact that Miguel Caro-Quintero collaborates with some Mexican law enforcement officials as evidenced by photographs which have shown him meeting with police officials at his residence.

Miguel Caro-Quintero's actions over the past several years indicate that he apparently fears no repercussions from law enforcement in Mexico. In May 1996, during the 14th International Drug Enforcement Conference (IDEC) in Mexico City, Caro-Quintero was identified as one of several major drug traffickers in Mexico. Shortly thereafter, he called a local radio station to complain that his reputation was being tarnished. He then reportedly gave his address and invited law enforcement officials from Mexico and the U.S. to visit him. Furthermore, in February, 1997 he granted an hour long interview with the *Washington Post* during which he claimed to be an innocent rancher. In the article he said " every day, I pass by road blocks, police, soldiers, and there are no problems. How can they not find me? Because they are not looking for me."

Miguel Caro-Quintero controls the areas of Caborca, Sonora, Mexico, and works in conjunction with his brothers, Jorge and Genaro Caro-Quintero, and his sisters Maria Del Carmen Caro-Quintero and Blanca Lili Caro-Quintero. The organization also has strong ties in Hermosillo, Sonora, Mexico where two of Miguel's sisters, Melida Caro de Arce and Maria Manuela Caro de Sesteaga, reside with their husbands, who also participate in the activities of the MCQ Organization. The Caro-Quintero organization cultivates cannabis throughout Mexico, and smuggles marijuana, heroin and cocaine from Mexico into the U.S. To date Miguel Caro-Quintero has not been arrested.

The Amezcua-Contreras Organization

Prior to their arrest by the Government of Mexico, the Amezcua-Contreras brothers operated from Guadalajara, Mexico, and managed a methamphetamine production and trafficking organization with global dimensions. The organization was directed by Jesus Amezcua, and supported by his brothers, Adan and Luis. During the height of the organizations existence, the Amezcua drug trafficking organization was considered one of the world's largest smugglers of ephedrine and clandestine producers of methamphetamine. Information developed by U.S. and GOM investigations indicate that the Amezcua organization obtained large quantities of the precursor ephedrine, utilizing contacts in Thailand and India, which they supplied to methamphetamine laboratories in Mexico and the U.S. The organization utilized trusted associates in the U.S. to distribute ephedrine to Mexican methamphetamine traffickers operating in the U.S. The Amezcua brothers were also known to supply methamphetamine to the Tijuana Cartel run by the Arellano- Felix Organization.

Because of their direct impact on the United States, DEA financially supported the Government of Mexico's investigation in Guadalajara for over three years. As a result of this investigation, in January 1998, the Mexican Attorney General's office issued a warrant for the arrests of 17 members of the Amezcua Organization on charges of Organized Criminal Activity, and Operating with Resources from Illicit Gains. Mexican arrest warrants were issued for Luis, Jesus, and Adan Amezcua and several Amezcua family members. Following the arrest warrants, 103 properties belonging to various members of the Amezcua Organization were reportedly seized by Mexican authorities.

On June 1, 1998, Jesus and Luis Amezcua were arrested by Government of Mexico officials for Organized Criminal Activity and Operating with Resources from Illicit Gains. This was an important step on the part of the Mexican Government. However, no drug charges were ever filed against Luis and Jesus by the Government. Following their arrest, by October 1998, all criminal charges were dismissed against Jesus and Luis by a Guadalajara judge. The Government of Mexico re-arrested Jesus and Luis Amezcua on the USG Provisional Arrest Warrants. These warrants are based on the June 1998 indictment originating from the Southern District of California which charges Jesus and Luis Amezcua with operating a Continuing Criminal Enterprise to Manufacture and Distribute Methamphetamine and Conspiracy to Possess Ephedrine.

The Government of Mexico's efforts against the Amezcua brothers are noteworthy and they should be commended. It is essential that the progress in this case be followed up with extradition to the United States. Despite lengthy and expensive investigations, there are no existing prosecutable cases in Mexico.

The ultimate success of the commitment to the prosecution of the Amezcua brothers will be the extradition of these criminals to the United States to face the pending federal indictments. To date, the Mexican Foreign Ministry has approved the extradition of Luis and Jesus Amezcua. The Amezcua brothers have filed appeals in Mexican courts fighting the extradition order and this matter will most likely be a lengthy process with an uncerain result.

What is Required to Deal with Mexico-Based Organized Crime Syndicates that Commit Massive Criminal Activity in the United States

As our nation learned during the long reign of the American mafia, it is imperative to have strong institutions in place to minimize the damage that organized crime can inflict on a society. Aggressive, honest law enforcement, sophisticated legal tools and the will to mount a sustained attack against organized crime are essential to combat organized crime. History has taught us that organized crime groups depend on an environment of corruption and intimidation to thrive. Until the environment is changed—as it was in the United States, Italy and Colombia when the Colombian National Police emerged victorious in their long-term campaign against the Cali mafia---leaders of organized criminal drug trafficking syndicates are able to insinuate themselves into national institutions, and damage the foundations of any society they target.

There are numerous conditions in Mexico today that, unfortunately, have allowed the organized criminal drug trafficking syndicates to grow even stronger than I predicted a few years ago. It is almost as if members of the Arellano Felix, Carrillo-Fuentes, Caro-Quintero and Amezcua organizations have little to fear except the slim possibility that they will be extradited to the United States to face justice at the hands of a jury of their victims' peers. Because there is little effective law enforcement activity leading to the arrest of major traffickers in Mexico, investigations have been compromised in some cases, U.S. law enforcement must be and has been more aggressive in

identifying, targeting and arresting the highest level drug traffickers who are working in the U.S. at the behest of Mexican drug lords and their Colombian counterparts.

The U.S. was successful in attacking organized crime over a period which spanned several decades. This was done through a committed effort to professionalize law enforcement organizations and ensure that corrupt officials were weeded out; passing and enforcing laws which allowed us to mount effective investigations; and working closely with other governments, where necessary, to ensure that there were no safehavens for the heads of these criminal organizations.

Although I am not an expert on other nations, I am an expert on organized crime and know what is required to improve the dangerous environment we face today. If the Government and people of Mexico are to be successful in their efforts to eliminate organized crime from Mexico, it will take time, and many changes need to be made in law enforcement institutions in order to ensure that the rule of law is paramount in their struggle against these criminals. As I have said on past occasions, law enforcement reforms can take many years, and even under the best of circumstances, such change can be exceedingly slow.

The Drug Enforcement Administration recognizes the contributions that have been made by the Government of Mexico to this difficult struggle. The arrest of the Amezcua brothers is a good indication that action can and will be taken against the heads of the major organizations in Mexico. DEA was also initially optimistic about the prospects for long-term change after the arrest of General Rebollo in 1997, and the subsequent establishment of mechanisms within the law enforcement infrastructure, such as Binational Task Forces and the vetted unit program. We supported these programs financially and with other resources in the hope that our efforts would result in a successful attack against the drug lords who are creating so much damage to the citizens and communities within the United States. However, continuing reports of corruption and the rapidly growing power and influence of the major organized criminal groups in Mexico cause us great concern about the long-term prospects for success.

In February 1997, General Gutierrez Rebollo, the Director General of DEA's chief counterpart agency in Mexico, the INCD, was arrested for collusion with top echelon Mexican traffickers. As a result, the INCD was completely disbanded. At that time, we believed that with the dissolution of the INCD, and the subsequent creation of the elite FEADS and the vetted unit program, a new era of successful investigations between the U.S. and Mexican Governments would emerge. We worked diligently to train and equip these elite vetted units in support of the new Government of Mexico's counter-narcotics initiative. Accordingly, to date, DEA and the FBI have conducted 539 polygraph examinations of FEADS personnel which has resulted in 343 FEADS personnel being vetted under U.S. standards. DEA and the FBI working together have provided training in the U.S. for 176 vetted agents and prosecutors during five separate four-week schools. As of this date, 70 of these vetted and trained personnel have been assigned to the eleven vetted units in Mexico. In our attempt to improve cooperation and successful apprehensions, DEA has invested $4.5 million in these programs.

However, because of recent allegations of corruption involving vetted unit personnel, the ability of U.S. law enforcement agencies to share sensitive information with these officials has again been adversely affected. Future attempts to share important and sensitive investigative information will depend on elimination of corruption in these key law enforcement units.

In 1997, we entered into a joint agreement between the DEA, FBI, U.S. Customs and federal law enforcement in Mexico to establish joint binational task forces. Because we could not provide the U.S.-based agents appropriate physical and legal protections, this concept has been disbanded. In place of that program, the Government of Mexico has set up unilateral programs called BIU's. The Base Intelligence Units (BIUs) operate in nine locations throughout Mexico. The BIUs were originally envisioned and created to identify, investigate and arrest leaders and members of major drug trafficking organizations operating on both sides of the U.S. and Mexican border. In an effort to assist these units, DEA has provided extensive funding from our budget for screening and equipment. In addition, as a further attempt to improve cooperation, we have offered to make space available at our key border offices to improve joint investigations.

The BIU's achievements in attaining investigative goals to date have been minimal. Although the original purposes of these units was to target the major traffickers --- Arellano-Felix and Amado Carillo Fuentes ---there has yet to be a successful investigation, arrest, prosecution or conviction. Several of the BIUs collected useful intelligence information against the Amezcua-Contreras methamphetamine trafficking organization, but unfortunately all of the charges in Mexico were dismissed for insufficiency.

The Organized Crime Unit's Sensitive Investigative Unit (SIU) was created with a similar mission in mind: to identify, investigate and arrest leaders and members of the major drug trafficking organizations operating throughout Mexico. Although the SIU was one of the first counter-narcotics units to conduct court-authorized telephone intercepts under the new Organized Crime Law, there has been little success. The discovery during the last several months that significant drug-related corruption existed among law enforcement officials working in Mexico's OCU and SIU has been a major setback. These allegations of corruption were further corroborated during recent polygraph examinations which reflected deception on the part of the OCU and SIU members. Such corruption has damaged drug investigations in which the DEA provided support to the vetted units. This represents a serious setback to the vision of rebuilding the counter-narcotics units from the defunct units of the past, and causes great concern for the sharing of sensitive law enforcement information.

Anti-Corruption Initiatives: The ability of any government to attack powerful criminal organizations is dependent upon the existence of honest, dedicated law enforcement professionals. To attain this goal, meaningful anti-corruption initiatives which lead to sound criminal investigations and prosecutions of corrupt officials must be aggressively pursued. Only when implementation of these measures results in widespread behavioral changes can success be realized by a honest cadre of law enforcement officials against the major Mexican drug trafficking mafias.

Last year we were hopeful that a number of integrity assurance programs initiated in concert with law enforcement officials in Mexico would improve our ability to share information. In fairness, we also recognized that this was a difficult undertaking and would require a substantial period of time. Regretfully, when it became known that high level officials of the vetted Organized Crime Unit were associated with key lieutenants of one of Mexico's most powerful drug trafficking organizations, the Carrillo Fuentes Organization, it was a major setback for our efforts.

Examples of corruption include:

- In June 1998, four MFJP agents were arrested near Reynosa, Tamaulipas after they were found to be protecting tractor trailer loads of marijuana destined for the U.S. The agents admitted to providing protection to a Mexico-based drug syndicate responsible for the importation of approximately 10 tons of marijuana per week.

- Drug trafficking suspects arrested and held under the custody of law enforcement officers are frequently able to secure their release by paying a bribe. One illustrative case occurred on October 11, 1998, when two elite FEADS agents allowed major trafficker, Gilberto Garza-Garcia, an associate of Alcides Ramon-Magana, to escape from their custody for an alleged pay off of $38,000 USD. He has subsequently been arrested due to the continuing efforts of the PGR and the Mexican Military.

- In February, 1998, a FEADS commandante in Juarez, Mexico, was removed from his position as the lead investigator for the murders and kidnappings surrounding the drug war that erupted between rival groups following the death of Amado Carillo Fuentes. The commandante was arrested after GOM officials learned that he was associated with Rafael Munoz Talavera, the leader of one of the drug syndicates he was sent to investigate.

- During February, 1998 Fernando Gastellum-Lara, Chief of Public Safety for the State of Baja, California Sur, Mexico was arrested by PGR officials. His arrest stemmed from his involvement in the November, 1995 importation of 17 tons of cocaine just north of Cabo San Lucas, belonging to the Arellano-Felix organization. During the offload of the 17 tons of cocaine from an aircraft, Gastellum-Lara and three other police officials provided security to the traffickers. Gastellum-Lara is currently on trial in Mexico for his involvement in this operation.

In 1997, the Government of Mexico, as a result of continuing incidents of corruption in the civilian law enforcement institutions, transferred much of the narcotics enforcement efforts to the Government of Mexico military. We interact only with civilian law enforcement agencies

and are not able to evaluate properly the success of this transfer of responsibility, There are numerous reports of drug-related corruption involving military units and at least to date, they have not been successful in locating and arresting the leaders of the criminal organizations.

Elimination of Violence against Law Enforcement Officials and others: As long as an environment of intimidation and corruption exists, traffickers are able to prevent effective law enforcement efforts, silence witnesses and exact revenge on rivals and sources of information. In 1998, several incidents involving violence in Mexico were reported.

- Attempt on the Life of the Tijuana Police Chief: On May 17, 1998, AFO assassins, under the direction of AFO lieutenant Efrain Perez, attempted to kill Tijuana Police Chief, Jose Manuel Nieves-Retas. Chief Nieves' bodyguards were able to avoid the blockade of the assassins' vehicles and escape the potential assassination before any shots were fired. Nieves had received four telephone threats on May 16, 1998. The threat on Nieves' life stems from a seizure of two tons of marijuana taken from Perez, who was a lieutenant in the AFO, and the arrest of 10 of his associates on April 7, 1998. During the arrest of Perez's associates, several federal, state and local police officers who were providing an armed escort to the marijuana traffickers shot and killed a Tijuana police captain when he tried to arrest the criminals. Subsequent to the arrests, Perez sent emissaries to negotiate the release of the drugs and those arrested. Nieves refused to release either.

- Murder of Federal Transit Police Vice Commander: On July 7, 1998, Juan Manuel Garcia-Medrano, Vice-Comandante for the Federal Transit Police in the state of Chihuahua, was murdered in front of his house in Ciudad Juarez. He received multiple gun shots to the body. Witnesses stated that three young suspects waited for him in a neighboring unoccupied residence.

- Tamaulipas State Police Comandante Dies in House Bombing: A bombing/explosion occurred at the Reynosa, Mexico residence of Raul Ruiz-Guerra, a comandante of the Tamaulipas State Police stationed in Camargo, Tamaulipas, on August 25, 1998. Comandante Ruiz died in the bombing along with a female, presumed to be the house maid. Ruiz's pregnant wife and young son were seriously injured. Mexican law enforcement personnel stated that there were unconfirmed rumors that Ruiz was murdered as a result of a 600-kilogram cocaine seizure, which occurred approximately a month before in Mission, Texas.

- MFJP Agents Murdered in Mexico City: On January 3, 1999, police commander and his associate were murdered in an ambush in front of the MFJP Headquarters in Mexico City. Jose Francisco Sanchez-Naves and one of his MFJP associates Gerardo

Valderrama-Aguilar were killed while sitting in a PGR Suburban in front of the PGR parking lot in downtown Mexico City. Sanchez had worked for the MFJP for many years, and as a First Commander in MFJP offices in the States of Chihuahua, Guerrero and Mexico, D.F. since 1995. Valderrama was identified as an Agent assigned to the MFJP Plaza in Ciudad Juarez, Chihuahua and allegedly associated to members of the CFO and supported drug trafficking activities.

- Officer Killed, Another Afraid for his Life, after Revealing Corruption in PFC: On January 14, 1999, the Mexican press reported the assassination of Mexican Highway Police (PFC) official Luis Antonio Ibanez in Chihuahua, Chihuahua, Mexico. Ibanez' death came approximately one month and a half after he had given an official statement to PGR officials, in which Ibanez implicated his superiors and peers within the PFC of assisting drug traffickers. Based on this statement, it was reported that PGR officials in Mexico City had initiated an investigation of the alleged corrupt practices of the implicated PFC officials. Ibanez was threatened with criminal prosecution and on November 17, 1998, and he decided to cooperate with the investigation. He provided Internal Affairs with a six-page statement detailing the manner in which Ibanez and his PFC associates received bribe payments for allowing drug loads to be transported through the State of Chihuahua, as well as providing escort services for these loads.

- Jaime Olvera-Olvera: Former MFJP officer and bodyguard for ACF's children, Jaime Jose Olvera-Olvera, cooperated with the GOM, the DEA and the FBI and was placed into teh Mexican witness protection program by the GOM. Olvera gave several lengthy and detailed statements demonstrating his knowledge of the ACFO, exposing his involvement, as well as implicating both civilian and military high-level officials, which included a multi-million USD bribe payment by the ACFO for protection from the GOM. Olvera was later kidnapped by three unidentified assailants on September 10, 1998, in a commercial section of a Mexico City suburb. Olvera's body was discovered in the area of Colonia de San Angel, south of Mexico City on the following day. He was found strangled with a cord around his neck and appeared to have sustained a single gunshot wound to the back of his head. The location of Olvera's body was approximately 45 yards from the site where a previous GOM protected witness associated with the ACFO, identified as Tomas Colsa-MacGregor, was found murdered in July 1997 subsequent to the death of ACF.

- The Murder of Rafael Munoz-Talavera: On September 10, 1998, Rafael Munoz-Talavera, one of the key figures in the struggle for control of the Juarez Cartel, was found dead. His body, with four gunshot wounds, was found in an armored vehicle parked in central Ciudad Juarez after police received an anonymous call. Shortly after the assassination of Talavera, an associate stated that Talavera had been responsible for the deaths of a number of ACFO members and that RMT had been killed outside Ciudad Juarez and his body brought back to the city as an

indication of the power and control of the Juarez drug trafficking corridor wielded by Vicente Carrillo-Fuentes, Juan Jose Esparragoza-Moreno aka El Azul, and others.

- Ciudad Juarez Deaths Escalate: Violence between drug trafficking organizations continued to escalate in 1998. From January 1, 1998 through September 15, 1998, approximately 29 murders were carried out in the Ciudad Juarez area. During the months of January and February of 1998, seven persons were reported kidnaped or disappeared. All of these incidents are believed to be drug-related, with the majority thought to be related to a power struggle between entities wishing to control the lucrative Juarez corridor, currently controlled by elements of the CFO.

- Attempted Assault on the Son of GOM official: On July 10, 1998, a GOM official reported a threat and attempted assault on his thirteen-year-old son. The official stated that the vehicle his son and two armed bodyguards were riding in was blocked from moving by an unidentified vehicle occupied by two unidentified armed men. The men exited the vehicle and fired one shot into the vehicle occupied by his son and bodyguards. The bodyguards returned fire and struck one of the assailants in the upper left shoulder. Both assailants returned to their vehicles and fled the scene. It is unknown if this was a random act of violence, or an assassination or a botched kidnaping attempt. The act may also be a warning as a result of recent enforcement actions directed against drug traffickers Alcides Ramon-Magana and Jose Albino Quintero-Meraz.

- Ensenada Massacre: On September 17, 1998, eleven individuals dressed in black went to Rancho Rodeo, Sauzal, Baja California Norte, Mexico and removed 22 people from their residences at this ranch. All 22 people, including women and children were placed in a line and executed by various caliber weapons. Of the 22 people, 20 died and two survived, but were in serious condition. One of the two survivors, Fermin Castro-Flores later died while hospitalized. Castro's primary responsibility, according to a DEA investigative information, was to steal drug loads from independent traffickers moving marijuana and cocaine through the AFO's territory without paying for the privilege. Investigative information also revealed that Castro guarded and harvested small marijuana plantations in the state of Baja California Norte.

Conclusion: Organized crime groups from Mexico continue to pose a grave threat to the citizens of the United States. In my lifetime, I have never witnessed any group of criminals that has had such a terrible impact on so many individuals and communities in our nation. They have infilitrated cities and towns around the United States, visiting upon these places addiction, misery, increased criminal activities and increased homicides. There is no doubt that those individuals running these organized criminal drug trafficking syndicates today---the Arellano Felix brothers, Vicente Carillo Fuentes,

the Amezcua brothers and the Caro Quintero family---are responsible for degrading the quality of life not only in towns along the Southwest border of the United States, but increasingly, cities in middle America.

The threat that these organized crime groups pose demands a decisive response. U.S. law enforcement agencies are working every day to identify and target those individuals associated with Mexico-based trafficking organizations. Because of the unparalleled levels of corruption within Mexican law enforcement agencies with whom we must work to ensure that these individuals are brought to justice, our job is made that much more difficult. Until we can work with our law enforcement counterparts in Mexico, in a relationship that is free from suspicion, the burden to bring the drug lords before a jury of their victims' peers will remain largely ours.

I believe it is important to note that every day we ask thousands of young law enforcement officers throughout the United States to risk their lives to protect us from these vicious international criminals. I cannot begin to list the numbers of my friends, who as Deputy Sheriffs, troopers or agents were killed in the line of duty. When I met with their families and loved ones, invariably they asked if this loss was worth it. They ask if we will continue to go after those who are responsible for this evil criminal activity. I believe it will be difficult to assure these families that we are committed if we allow those who are responsible for the control of this massive drug trafficking to live in their palatial mansions with millions of dollars in Swiss bank accounts, apparently virtually immune from sanctions. If our commitment does not follow through on bringing these drug lords to justice, it will be difficult to tell the survivors of these tragedies that we are serious.

Mr. Chairman, I appreciate this opportunity to appear before the Subcommittee today.

International Narcotics Control Strategy Report, 1998
Released by the Bureau for International Narcotics and Law Enforcement Affairs, U.S. Department of State
Washington, DC, February 1999

MEXICO

I. Summary

Taking full advantage of the approximately 2,000-kilometer border between Mexico and the United States and the massive flow of legitimate trade and traffic, well-entrenched polydrug-trafficking organizations based in Mexico have built vast criminal empires that produce illicit drugs, smuggle hundreds of tons of South American cocaine, and operate drug distribution networks across the continental United States. Mexico is the primary transit route for South American cocaine, a major source of marijuana and heroin, as well as a major supplier of methamphetamine to the illicit drug market in the U.S. Given the absence of adequate controls, Mexico has become a major money laundering center and a significant international placement point for U.S. dollars. Drug cartels launder the proceeds of crime in legitimate businesses in both the U.S. and Mexico, favoring transportation and other industries which can be used to facilitate drug, cash and arms smuggling or to further money laundering activities.

The Government of Mexico (GOM) continued to implement a comprehensive anti-drug strategy, encompassing efforts to attack the drug trafficking organizations, combat money laundering and chemical diversion, eradicate drug crops, interdict drug shipments, and increase public awareness. The GOM intensified its investigations of major narcotrafficking organizations, particularly the Juarez Cartel, the Tijuana Cartel, the Gulf Cartel, and the Caro Quintero Organization. The GOM arrested two major methamphetamine traffickers and founders of the Amezcua Organization (Colima Cartel), Jesus and Luis Amezcua Contreras. Mexican charges were subsequently dropped but the Amezcuas are still being held on U.S. provisional arrest warrants. Drug-related arrests and seizures of heroin and marijuana paralleled 1997 figures, but cocaine seizures were down 35 percent. Although overall eradication results also matched figures from the previous year, total opium cultivation increased by approximately 25 percent due to an increase in illicit cultivation. Mexican Attorney General Jorge Madrazo Cuellar continued his efforts to attack corruption within the criminal justice system. Persistent corruption at all levels of the justice sector and frequent changes in personnel have combined to hinder Mexico's ability to meet the goals of its anti-drug strategy.

During 1998, the U.S. -- Mexico High-Level Contact Group (HLCG) on narcotics control explored joint solutions to the shared drug threat, discussed the full range of narcotics issues, promoted closer law enforcement cooperation, and drafted performance measures of effectiveness or gauging implementation of

the U.S.-Mexico Bi-National Drug Strategy. The GOM extradited 12 fugitives to the U.S., including three Mexican nationals, one of whom was a narcotics trafficker sought for the murder of a U.S. Border Patrol agent.

II. Status of Country

Mexico, a key country for U.S. drug control policy, is a significant supplier of heroin and marijuana entering the U.S. market. The country also sits astride the main transshipment routes for cocaine being smuggled into the United States from source countries in South America. An extremely porous and lightly guarded 760-mile southern frontier with Belize and Guatemala, as well as 5,804 miles of coastline with innumerable clandestine landing spots, help make Mexico a primary trafficking route. Chronic problems of severe poverty, especially in rural areas, budget constraints and weak police and criminal justice institutions hamper Mexico's ability to combat drug trafficking effectively. The GOM still lacks the institutional capability to implement fully the strong anti-drug legislation passed by the Mexican congress in 1997.

Mexico is fully aware of the threat posed to its security and democratic institutions by drug traffickers operating throughout its national territory. President Zedillo has identified narcotics trafficking as Mexico's primary national security concern. Major transborder drug trafficking organizations based in Mexico generate violence, corruption, and other crimes in both countries. The GOM is responding by intensifying law enforcement actions against major drug cartels, strengthening its laws, and enhancing its cooperation with the U.S. and other countries to fight international narcotics trafficking.

Mexican criminal organizations have become the most significant distributors in the U.S. of methamphetamine and its precursor chemicals. The GOM moved to strengthen its controls on the diversion of precursor and essential chemicals. Mexico is also a significant producer of some "designer" drugs, illicit steroids, and pharmaceuticals, such as Valium and Rohypnol, which are smuggled into the United States and subject to abuse.

Drug abuse in Mexico is low compared with most countries in the Western Hemisphere, but the GOM is concerned about indications that it is increasing along its border with the U.S., in large metropolitan cities with a university population, and in heavily traveled narco-transit tourist areas. Abuse of inhalants among street children and other vulnerable population groups is prevalent in Mexico's large cities. Public and private sector programs aimed at increasing public awareness of drug and substance abuse are being established throughout the country. The GOM conducted a national drug use survey in 1998, which will provide a sharper picture of increases in drug consumption since the previous survey in 1993. Bilateral cooperation with the U.S. in demand reduction oriented matters, including epidemiological studies is excellent. Mexico also continues to participate actively in regional efforts in this area through the OAS.

Mexico is a major money-laundering center. Increasingly effective U.S. anti-money laundering measures are forcing money launderers to turn towards Mexico for initial placement of drug proceeds into the global financial system. Measures enacted by Mexico in 1996 and 1997 have provided the means for more effective control of money laundering. Court decisions, however, have made convictions difficult as judges have ruled that a prior conviction on illegal enrichment or other underlying offenses is necessary to convict on money laundering. The GOM has submitted legislation to the Mexican Congress to strengthen asset forfeiture regulations and allow Mexico to cooperate with other countries as well as participate more actively in international asset sharing.

III. Country Actions Against Drugs

Policy Initiatives. Mexico's national anti-drug strategy encompasses the full range of actions called for in

the 1988 UN Drug Convention and highlights the importance of international cooperation, particularly with neighboring states. As a follow up to the May 1997 "Declaration of the U.S.-Mexico Alliance Against Drugs" and the "U.S.-Mexico Bi-National Drug Threat Assessment," the two nations released the "U.S.-Mexico Bi-National Drug Strategy" in February 1998. Since then, working groups have drafted, and adopted in February 1999, performance measures of effectiveness to enhance implementation of the Strategy and permit the governments to evaluate progress toward its goals. In November, the GOM applied to the Caribbean Financial Action Task Force (CFATF) as a cooperating and supporting nation; if followed through, this indicates its interest in becoming more active in international money laundering fora.

Prompted by further revelations of official corruption, including within dedicated, elite counternarcotics units, the GOM intensified its efforts to purge its counternarcotics entities of corruption and strengthen their ability to combat narcotics trafficking and related criminal activities. The Office of the Attorney General's (PGR) Confidence Control Center, established in 1997, has screened more than 1,200 current and prospective members of the Office of the Special Prosecutor for Crimes Against Health (FEADS) and the Organized Crime Unit (OCU). This screening has led to the dismissal or reassignment of many members of these units and underscores the need for periodic re-screening and following up with swift remedial action.

In December 1997 and January 1998, the Zedillo Administration submitted to the Mexican Congress several ambitious legislative proposals to:

- Change the labor law so that corrupt police and military can be fired for cause without possibility of reinstatement;
- Regulate seized property to allow forfeited assets to be used in law enforcement activities and to be shared with other cooperating countries;
- Amend the criminal code, the code of criminal procedure, and the law protecting constitutional guarantees ("amparo") to ensure that the accused are tried and sentenced without escape on legal technicalities and that punishments are in proportion to the nature of the crime; and

- Modernize the code of criminal procedure by reducing the imbalance between the rights of accused criminals who can afford the best legal counsel and the ability of prosecutors and the judiciary to act against them;
- Reform the federal firearms and explosives law;
- Require enterprises manufacturing or selling motor vehicles to ensure the vehicles have been properly registered.

The Mexican Senate has passed some of these proposed laws, but none have become final.

The GOM played a major role in planning the June 1998 UN Special Session on Drug Control and in drafting the political declaration and action plans, which obligate participating states to carry out specific actions against narcotrafficking. Recognizing the threat to national sovereignty from criminal activities, the Zedillo administration proposed in November the formation of a 10,000-member national police force that would be charged with investigation and prevention of criminal activities that fall under federal jurisdiction. The GOM and the U.S. cooperated on a program of training for Mexican law enforcement personnel that concentrated on increasing capabilities and professionalism to enhance public confidence.

Accomplishments. In November, the GOM extradited Bernardo Velardes Lopez, a Mexican national narcotics trafficker charged with the murder of a U.S. Border Patrol agent. The case demonstrated Mexico's willingness to extradite Mexican national fugitives once legal barriers are overcome. The U.S. continues to press for the extradition of Mexican national drug fugitives.

According to the GOM, Mexican law enforcement and military entities seized or destroyed:

- 22.6 metric tons of cocaine (down 35 percent from 1997)
- 1,062 metric tons of marijuana (up 2 percent)
- 121 kilograms of heroin (up 9 percent)
- 150 kilograms of opium gum (down 54 percent)
- 96 kilograms of methamphetamine (up 146 percent)
- 7 clandestine laboratories (down 1 from 1997)

Jesus and Louis Amezcua Contreras, major methamphetamine traffickers and leaders of the Colima cartel, were arrested in 1998. They were subsequently cleared of Mexican charges and are being held solely pending extradition proceedings on U.S. charges. Besides the Amezcua brothers no other major cartel leaders were arrested in 1998. However, several significant traffickers, as well as former government officials who protected major traffickers, were arrested. Some 7,251 individuals, including 7,064 Mexicans and 255 foreigners, were arrested on drug-related charges in 1998 (down 7 percent). Some of the most significant of these arrests included:

- General Jorge Maldonado Vega, former military commander of Baja California, who aided and abetted drug traffickers, primarily the Amado Carrillo Fuentes Organization (ACFO);
- Adrian Carrera Fuentes and Ramon Baez Marquez, former Federal Judicial Police (FJP) chiefs who aided the ACFO, subsequently sentenced to four years incarceration;

Key convictions and sentences for drug-related crimes in 1998 include:

- Major drug trafficker brothers Pedro and Oscar Lupercio Serratos--prison terms of 13 years, 6 months each for narcotics trafficking activities;
- Former "Drug Czar" General Jesus Gutierrez Rebollo--sentence increased by three years for a total sentence of over 31 years;
- Francisco Cabrera, Tijuana Cartel hitman--40 years imprisonment for involvement in the 1996 murder of Tijuana FJP commander Ernesto Ibarra Santes;
- Former Army General Alfredo Navarro Lara--20 years for offering U.S.D one million monthly bribe to Army commanding general of Baja California to protect AFO operations;
- Carlos Enrique Tapia, reputed founder of Juarez cartel--27 years, 6 months for smuggling 6 tons of cocaine found in Los Angeles in 1989; and
- Ernesto "Don Neto" Fonseca Carrillo, arrested and serving time for 1985 murder of DEA agent Camarena--an additional 11 years, 6 months for cultivation of marijuana and illegal currency transactions to U.S.

Law Enforcement Efforts. Mexico's anti-drug enforcement actions included air, land, and maritime drug interdiction, organized crime investigations, a pronounced increase in the amount of seized property and assets, money laundering investigations (see money laundering annex), chemical diversion control (see chemical control annex), and other enforcement actions. In late 1998, the PGR seized 45 metric tons of marijuana and at least three luxury hotels, scores of homes, ranches, offices, restaurants, yachts, luxury cars, and other property from raids against suspected drug traffickers in 14 states in what the media termed a "pre-Christmas blitz". Narcotics investigations were carried out by the PGR's Organized Crime Unit (OCU), Special Investigations Unit (SIU), and Bilateral Task Forces (BTF) located in eight major cities. The GOM expanded and improved the capability of the FEADS and the OCU, but better equipment, more personnel, and improved training are needed to bring these units to full force.

The role of the Mexican military in counternarcotics continued to expand in 1998. The Secretaries of Defense and the Navy publicly acknowledged that counternarcotics issues are now the primary mission of their respective services. The Army and Navy were engaged in a cooperative effort to seal off Mexico's

large, isolated coastal areas from use by narcotraffickers. The Army took steps to create and equip a special amphibious force to operate in these areas and supplement the efforts of the Mexican Navy. The Mexican Navy continued its fleet modernization program, begun two years ago, by designing and producing medium-sized patrol boats with state-of-the-art electronics and intercept capability and by proceeding on the conversion of two Knox class frigates purchased from the U.S. for counternarcotics operations. While not related to drugs, Mexico's significant helicopter capability was mobilized during Hurricane Mitch to aid the Governments of Central America in conducting search and rescue missions.

On May 18, 1998, the U.S. Departments of the Treasury and Justice announced the culmination of a three-year Customs Service money laundering investigation, code named Operation Casablanca, targeting Mexico's Juarez and Colombia's Cali drug cartels. It was one of the largest drug money laundering case in U.S. law enforcement history, with scores of arrests, indictments against Mexican banks and bankers, and seizure of more than $100 million in drug proceeds. The GOM initially responded positively to operation Casablanca and provisionally arrested five bankers implicated in the case. It later strongly protested and criticized the operation after learning that U.S. agents had conducted part of the undercover operations in Mexico without approval of current GOM officials. Mexican authorities investigated the possibility of bringing charges against the U.S. agents and declined to provide assistance in locating and apprehending fugitives in the case (other than the five bankers arrested as part of the initial takedown). In February 1999, a Mexican judge denied extradition of the five bankers, but the GOM affirmed it would try the bankers in Mexico. The policy issues affecting the bi-national relationship were largely resolved through development of guidelines for consultation on sensitive law enforcement activities by the two Attorneys General as set forth in a July 2 letter to the Presidents and a bi-lateral agreement signed in February 1999. This incident was the low point of counternarcotics cooperation in 1998.

Corruption. Federal authorities have made combating corruption a top priority because of the threat it represents to Mexico's democratic institutions. The GOM investigated corruption cases and was active in multilateral fora against corruption. Mexico is a signatory to the anti-corruption agreements of the Organization of Economic Cooperation and Development.

Despite public statements and efforts by President Zedillo and other key government officials, corruption continues to be serious a problem in Mexican institutions, including federal, state, and local police agencies. The GOM has generally responded to revelations of corruption with administrative reorganization of the corrupted agency and dismissal or reassignment of the compromised officials. This situation is beginning to change because of better screening and internal controls as well as moves to prosecute corrupt officials.

In 1998, the GOM uncovered evidence of corruption in the special vetted units that had been specially created to avoid corruption. This appears to have resulted in the compromise of several investigations in which the U.S. supplied investigative information. Revelations of corruption at the highest levels of the OCU undermined the confidence of U.S. law enforcement in its working relationship with the unit. Law enforcement officials from both countries are working to restore mutual confidence.

In the past, most of the law enforcement personnel dismissed by Attorney General Madrazo and former Attorney General Lozano for corruption sought relief under Mexico's strong labor laws and many were reinstated. An encouraging sign has been the recent change in Mexican labor laws permitting corrupt police officers to be fired for cause without the possibility of reinstatement. Also, Mexico has made initial efforts to establish a national police registry and a Confidence Control Center to screen all officers.

In the fight against corruption, the new national registry of public security personnel was used to match active-duty police against those persons who had judicial proceedings pending against them. The Mexico Federal Judicial Police (MFJP), executing outstanding arrest warrants, conducted simultaneous raids on

police barracks in Mexico City as well as in the states of Mexico, Morelos, and Hidalgo in a concerted anti-corruption effort. Government Secretary Francisco Labastida declared these arrests the beginning of a fundamental and radical purge of the nation's police.

While there have been successful corruption investigations and prosecutions, more are needed - yet ensuring police integrity is only part of the solution. The Ministry of Government (SEGOB) plans to administer examinations to 47,000 auxiliary and judicial police nationwide in 1999. This will give SEGOB the opportunity to check whether the examinees have outstanding warrants against them and permit it to dismiss poor performers. Those who pass these exams will receive additional training, a pay raise, increased benefits, and will help bring about enhanced professionalism, performance, public image, and lifestyle.

The Mexican military, which traditionally has enjoyed a better reputation for integrity than the police, has not escaped the taint of narco-corruption. In August 1998, 14 enlisted personnel of the elite Airmobile Special Forces Groups (GAFES) assigned to the Mexico City airport were arrested on charges of drug trafficking and alien smuggling.

To date, successive reorganizations and announcements of new programs have only brushed the surface of corruption in Mexico. Combating corruption is a long-term challenge that requires sustained effort at all levels of government and society. The GOM has made progress through development of new personnel and information databases and institutional improvements to deter corruption. It is critical that Mexico continue to investigate all allegations of corruption and take strong action against personnel who have been compromised, both for the integrity of its institutions and the confidence of its international partners.

Agreements and Treaties. Mexico has bilateral narcotics accords with 22 countries. Colombia signed an additional agreement with Mexico in December to improve the exchange of information and technology to help fight drug trafficking.

Mexico is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. It also subscribes to regional drug commitments, including the 1996 *Anti-Drug Strategy in the Hemisphere* and the 1990 *Declaration of Ixtapa*, which commit signatories to take strong action against drug trafficking, including controlling money laundering and chemical diversion. Mexico and the U.S. are parties to numerous bilateral treaties and agreements relating to cooperation in law enforcement, including a 1987 Mutual Legal Assistance Treaty (MLAT), an executive agreement on asset sharing dated May 22, 1995, and the Financial Information Exchange Agreement (FIEA). The two countries worked toward the goals of the Bi-National Drug Strategy in 1998.

The U.S./Mexico extradition treaty dates from 1978. A U.S. -- Mexico Protocol to the Extradition Treaty permitting temporary surrender of fugitives was passed by the U.S. Congress in October 1998 and signed by President Clinton in January 1999. The GOM has not yet submitted the Protocol to the Mexican Congress.

The U.S. considers extradition an important tool in combating international drug trafficking and organized crime. At the end of 1998, there were approximately 45 persons in custody and subject to extradition proceedings in Mexico based on U.S. provisional arrest and extradition requests. In 1998, Mexico effected the extradition of three Mexican nationals to the U.S., one of whom was charged with the murder of a U.S. Border Patrol agent while attempting to smuggle drugs into the country and the others with the sexual assault of minors. Mexico also extradited six U.S. citizens and three third country nationals to the U.S. These persons were charged with drug trafficking (4), homicide (1), fraud (3), and sexual assault of a minor (1). Mexican drug traffickers whose extraditions were approved by the GOM in 1998, but who are

contesting their surrender to the U.S. through the Mexican judicial appeals process, include Jesus Amezcua Contreras, Florentino Blanco Mesa, and Arturo "Kitty" Paez Martinez.

There were also some setbacks in our bilateral extradition relationship in 1998. First, Mexican appellate courts, in two separate cases, overturned GOM decisions to extradite Mexican national narcotics traffickers Oscar Malherbe and Jaime Gonzales Castro. In these cases, the courts ruled that the Mexican Penal Code requires that Mexican nationals wanted for crimes committed abroad be prosecuted in Mexico, despite provisions in the U.S.-Mexico extradition treaty and Mexican extradition law that give the GOM discretion to extradite Mexican nationals in exceptional cases. Although these court decisions do not apply to any case other than the two that were handed down, they could affect future extradition cases. Because these decisions involve issues of statutory interpretation, the problem ultimately may need to be resolved legislatively.

A second extradition setback involved the issue of life imprisonment. In an appeal of a GOM decision to grant the extradition of two Argentine narcotics traffickers, who faced a maximum penalty of life imprisonment, a Mexican court ruled that the fugitives could not be extradited unless the U.S. provided an assurance that the fugitives would not receive life imprisonment. This decision was based on Mexican Supreme Court decisions from the 1930's holding life imprisonment unconstitutional in Mexico. As a result, Mexico has asked for life imprisonment assurances in at least one other extradition case, despite the fact that there is no basis for it in the extradition treaty. This development is especially troubling since the majority of fugitives currently in custody in Mexico for the purpose of extradition to the U.S. are charged with serious crimes that carry with them possible life sentences, precluding any U.S. assurances about limits on sentencing

Mexican concern over undercover activities during the Casablanca money laundering investigation led to a GOM investigation of whether U.S. Customs Service agents violated Mexican law. The Mexican Attorney General announced in February 1999 that there was no technical violation of Mexican law, but reasserted that such operations by foreign agents were unacceptable to Mexico.

Cultivation and Production. Mexico is a major producer of marijuana and a producer of heroin, most of which is destined for the U.S. Lands used for illicit cultivation are subject to seizure, but many drug crops are grown on public land to thwart tracing ownership. Mexico's eradication program is one of the largest, oldest and most sophisticated in the world. The aerial spray program conducted by the PGR now accounts for about 25 percent of eradication totals. The Army's considerable field presence in manual eradication operations, some 20,000 troops daily and more during peak seasons, combined with Mexican Navy eradication efforts in coastal areas and along navigable rivers, is responsible for about 75 percent of the eradication performed.

The GOM does not produce statistical estimates of illegal drug crop cultivation, but U.S. analysts estimate that in 1998 that Mexican growers cultivated approximately 15,000 hectares of opium poppy, up from 12,000 in 1997, and 14,100 hectares of cannabis, down from 15,300 in 1997. The increase in poppy cultivation is partially worrisome as it led to a net increase in heroin production despite a massive eradication effort.

The GOM reported that the PGR and military forces eradicated 17,449 hectares of opium poppy in 1998, down slightly from 17,732 in 1997, and 23,928 hectares of cannabis, also a minimal decrease from 23,578 in 1997. Incorporating this information, U.S. analysts estimate the GOM effectively eradicated (removed from production for a full growing season) 9,500 hectares of opium poppy, up from 8,000 in 1997, and 9,500 hectares of cannabis, down from 10,500 in 1997. This left approximately 5,500 hectares of opium poppy in production, up from 4,000 in 1997. This could have yielded 60 METRIC TONS of opium gum, up from 46 in 1997, or 6 METRIC TONS of heroin, up from 4.6 in 1997. For cannabis, it would have left

approximately 4,600 hectares of harvestable cultivation, down from 4,800 in 1997, which could have yielded 2,300 METRIC TONS of usable marijuana, up from 2,500 in 1997.

Drug Flow/Transit. Mexico is the principal transit route to the United States for cocaine produced in South American source countries. U.S. agencies estimate that almost 60 percent of the Colombian cocaine sold in the U.S., several hundred metric tons, passed through Mexico, most of it by land or sea, but also by small aircraft.

The detected use of general aviation aircraft to smuggle cocaine directly from Colombia has decreased dramatically in recent years due to the threat of interdiction by Mexican forces. However, cocaine now arrives in Mexico via every kind of commercial and non-commercial transportation means available. In 1998 this included: smuggling across the land border with Guatemala; entry in legitimate air or containerized maritime cargo; smuggling by fishing or other non-commercial vessels; non-commercial flights to clandestine landing points in Mexico; and air drops to go-fast boats off its coasts. Once inside Mexico, illegal drugs are moved to northern border areas for stockpiling and entry into the U.S. Cocaine is smuggled across the U.S. border in everything from containerized cargo, commercial trucks, rail cars, airplanes, automobiles, and off-road vehicles to willing and coerced human "mules," including undocumented migrants and children, who backpack or strap the drugs to their bodies.

The eastern Pacific is one of the principal transit corridors used by air and maritime drug traffickers because of vast ocean areas and a lack of natural choke points. Multiple maritime events are estimated to occur there monthly using go-fast boats, fishing vessels and commercial carriers.

Demand Reduction Programs. During a December seminar on the role of the media against drugs, Attorney General Madrazo warned of increased drug consumption in Mexico. Mexico now has an extensive network of government, volunteer and community organizations involved in drug prevention, research, education, treatment, and rehabilitation. A growing incidence of illicit drug or other substance abuse, especially inhalants and pharmaceuticals, has alarmed federal and state officials and strained available treatment resources.

Mexico and the U.S. have made considerable progress in enhancing cooperation and communication in demand reduction. The bilateral working group on demand reduction not only met several times during the year to exchange information, research findings and observations, and establish performance measures of effectiveness for the Bi-National Drug Strategy, but helped to generate a broader hemispheric dialogue on the subject through the OAS/CICAD experts group.

The Secretariat of Health conducted a national household drug use survey and continued the epidemiological surveillance system on addictions, drug information report system, and case reports from youth centers located in 56 Mexican cities. A handbook and guideline for the diagnosis of addictions will be developed in 1999 and made available to the health services in all Mexican states.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. U.S. narcotics control policy toward Mexico is aimed at supporting the political commitment and strengthening institutional capability of the GOM to take effective measures against drug production and trafficking and related crimes. U.S. policy seeks to work more closely with Mexico to apprehend and prosecute trafficker leadership, disrupt or dismantle their operations, combat money laundering and precursor chemical diversion, and reduce the demand for drugs. In addition, the U.S. seeks support the GOM's efforts to strengthen institutions to improve training for its personnel, to modernize the justice sector, and to initiate anti-corruption reforms. Developing cooperative initiatives along our common border to increase the effectiveness of counternarcotics operations is also a priority. The U.S. is committed

to ensuring that its interdiction activities along the border complement Mexican efforts.

Bilateral Cooperation. Senior GOM and USG officials held numerous consultations on narcotics issues throughout 1998. Counselor to the President and Special Envoy for the Americas Mack McLarty visited Mexico in January to discuss counternarcotics and other bilateral issues with key GOM officials. Presidents Zedillo and Clinton discussed combating narcotics at their June meeting in New York. The High-Level Contact Group (HLCG), led by Office of National Drug Control Policy (ONDCP) Director Barry McCaffrey, Mexican Foreign Secretary Rosario Green, and Attorney General Jorge Madrazo, met in April and December to discuss implementation of the Bi-National Drug Strategy through the preparation of performance measures of effectiveness (PMEs), to review progress on 1998 action plans and goals, and to develop priorities and means for cooperative action in the near future. HLCG working groups on money laundering, chemical control, demand reduction, and firearms control met throughout the year to develop PMEs and strengthen bilateral cooperation. In July, the two Attorneys General agreed to a process for enhanced consultation and cooperation in sensitive cross-border operations. ONDCP Director McCaffrey met with President Zedillo, Foreign Secretary Green and Attorney General Madrazo in October to discuss counternarcotics cooperation. Secretary of the Army Caldera visited Mexico in October to review military cooperation on counternarcotics issues, including helicopter operations, with senior Mexican officials of the Secretariat of National Defense. The GOM also hosted several U.S. Congressional delegations interested in narcotics control.

The sharing of narcotics smuggling information between the GOM and USG improved in 1998, with daily interaction becoming the norm. To counter illicit air traffic in northern Mexico border areas, FEADS placed a full-time official at the Domestic Air Interdiction Coordination Center in Riverside, California. USG/GOM teams visited Bilateral Task Force (BTF) units in four northern Mexico cities in May to observe facilities and USG-provided equipment. A similar team observed eradication in three Mexican states in September. USG officials received ready access to conduct technical observations and end-use monitoring of USG-owned UH-1H helicopters operated, maintained and supported by the PGR. All aircraft were found to be in good condition, well supported, and assigned to narcotics control missions.

In November U.S. and Mexican judges participated in a joint training seminar on the laws and procedures of both countries. Exchanges, like the Bilateral Seminar on Interdiction in Riverside, CA, highlighted new areas of interdiction interest, such as the recent surge in maritime trafficking. The U.S. and Mexico also began a joint training program for their federal law enforcement agencies on their respective laws, criminal procedures, and asset forfeiture at the Department of Justice training center in Columbia, South Carolina. Both sides deemed this a particularly valuable professional exchange.

The U.S. carries out more money laundering investigations annually with the Mexico than with any other country. The GOM's Treasury Ministry (Hacienda) and the PGR processed 17 major simultaneous, bilateral money-laundering investigations in 1998 in cooperation with USG agencies. The financial information exchange agreement between Mexico and the United States provided information on currency transactions through financial institutions. However, in late 1998 the GOM increased the amount of currency inbound to Mexico that requires a declaration from $10,000 (equal to the U.S. reporting requirement) to $20,000, potentially making it more difficult for the GOM to identify suspected money launders.

The USG worked with the PGR to determine requirements for FEADS' information and nation-wide communications networks to enhance CN operations, and with the BTFs, OCU and Special Investigative Unit (SIU) to provide equipment and training. Hacienda implemented a USG-supported project to facilitate the automated filing of currency transaction reports by the banking community to Hacienda's Financial Investigations Unit.

In March, Mexico and the U.S. held an epidemiological working group meeting in El Paso chaired by ONDCP Director McCaffrey and Mexican health secretary de la Fuente. The USG worked closely with the National Council Against Addictions (CONADIC) to coordinate drug demand reduction activities. The Health Secretariat conducted the 1998 National Household Drug Use Survey with some U.S. support. Two USG-financed NGO projects in Mexico City helped university-aged youth and street children avoid drug addiction through education and job training. A Chihuahua-based USG-funded NGO worked with communities in Chihuahua to discourage drug cultivation and promote sustainable development in the Sierra Madre Mountains.

The USG provided training to hundreds of GOM officials in areas such as air, land, and maritime interdiction; money laundering, and firearms identification investigative techniques; asset forfeitures; and customs fraud. Implementation of this training supported the Bi-National Drug Control Strategy. Sixteen Mexicans involved in school and community drug prevention and youth gang intervention attended a four-week, USG-sponsored regional demand reduction course in Roswell, New Mexico.

The Road Ahead. Mexico and the U.S. will continue to undertake activities to enhance cooperative efforts against drug abuse, trafficking, and production. The effectiveness of national and bilateral efforts will be judged largely on demonstrable efforts in disrupting and dismantling transnational narcotrafficking organizations. This includes apprehending, prosecuting, and convicting major drug traffickers identified in the bilateral drug threat analysis, and exposing and prosecuting individuals involved in critical support networks such as money laundering and front companies, security, transportation, and warehousing. Draft asset seizure and forfeiture legislation submitted to the Mexican congress, if passed, will provide an important source of funding for drug law enforcement, courtroom modernization, drug treatment and education, and alternative development. The U.S. welcomes the opportunity to expand the sharing of seized assets between our countries based on cooperation in the investigations and prosecutions leading to such forfeitures. Mexico's recent legislative changes on criminal investigations will significantly expand the sharing of law enforcement and legal information and evidence. Increased cooperation on post-seizure and post-arrest analysis will enhance investigations against major trafficking organizations.

Full implementation of Mexico's organized crime bill and penal code reforms will increase the effectiveness of Mexico's law enforcement and lead to improved bilateral cooperation with the U.S. and other countries. The development of significant investigations by vetted and technically proficient police units is key to achieving this. Very practical issues and problems need to be addressed such as ensuring the specialized units are fully equipped and maintain the highest levels of professionalism. Security for both Mexican and U.S. personnel is of paramount importance.

In the past two years, Mexico and the U.S. have established channels of communications, procedures and a unified system of maintaining statistics in an effort to bring fugitives to justice. The objective now is continued progress in pending cases according to agreed priorities. It is important to establish a record of successful extradition of drug traffickers, regardless of nationality, such as through the expanded use of Mexico's "exceptional circumstances" standard to extradite Mexican nationals accused of drug trafficking and other heinous crimes.

Continued measurable progress in reducing the net production of illicit drugs and the flow of such drugs through Mexico into the U.S. has long been one of our shared objectives. The U.S. stands ready to exchange more information or experiences in specialized areas as well as to find ways to improve both countries' eradication programs. Progress can be demonstrated through reducing net production through eradication, by preventing growers from expanding cultivation to offset the eradication campaign, through increases in seizures of illicit drugs, drug crops, or precursors, and by increases in detection and destruction of clandestine laboratories. Narcotics smuggling, especially maritime trafficking, continues to pose a great challenge, which suggests that additional cooperative action is needed to address the threat of contraband

arriving by sea, air and land.

In 1999, the USG anticipates progress in initiating or implementing the following elements of the common strategy for cooperative bi-national action against illicit drugs:

- Reducing the demand for illicit drugs in both countries through intensification of anti-drug information and educational efforts;
- Reducing the production and distribution of illegal drugs in both countries;
- Focusing law enforcement efforts against criminal organizations and those who facilitate their operations;
- Strengthening U.S./Mexican law enforcement cooperation and policy coordination;
- Ensuring that fugitives are brought to justice expeditiously and with due legal process;
- Identifying sources of and deterring illegal trafficking in firearms;
- Increasing the abilities of our democratic institutions to attack and root out the corrupting influence of the illegal drug trade;
- Enhancing cooperation along both sides of our common border to increase security;
- Controlling essential and precursor chemicals and pharmaceutical drugs to prevent their diversion and illicit use, and improving the information exchange;
- Implementing more effectively the existing laws and regulations to detect and penalize money laundering;
- Seizing and forfeiting the proceeds and instrumentalities of drug trafficking, and directing them to drug prevention and law enforcement;
- Improving our respective capacities to disrupt drug shipments by air, land, and sea; and
- Implementing training and technical cooperation programs.

Despite the many significant counter-narcotics achievements realized by Mexico and the United States through close cooperation in 1998, traffickers continued to rapidly adopt new methods of operation to thwart law enforcement authorities. Mexico is still relatively open to money laundering and the diversion of precursor chemicals, and the corruption of public officials remains a serious problem. The USG will continue to offer technical support to Mexico in developing and strengthening its counternarcotics infrastructure, institutions and domestic interdiction capabilities.

Mexico Statistical Tables [Excel file 39.5KB]

Click here for continuation of Canada, Mexico and Central America

---

This is an official U.S.-Government source for information on the WWW. Inclusion of non--U.S. Government links does not imply endorsement of contents.

Statistical Tables

TABLES for CY		1998	1997	1996	1995	1994	1993	1992	1991	1990
OPIUM										
Potentially harvestable	[ha]	5,500	4,000	5,100	5,050	5,795	3,960	3,310	3,765	5,450
Eradication [a]	[ha]	9,500	8,000	7,900	8,450	6,620	7,820	6,860	6,545	4,650
Cultivation	[ha]	15,000	12,000	13,000	13,500	12,415	11,780	10,170	10,310	10,100
Potential Yield	[mt]	60	46	54	53	60	49	40	41	62
CANNABIS										
Potentially harvestable	[ha]	4,600	4,800	6,500	6,900	10,550	11,220	16,420	17,915	35,050
Eradication [a]	[ha]	9,500	10,500	12,200	11,750	8,495	9,970	12,100	10,795	6,750
Harvestable Cultivation	[ha]	14,100	15,300	18,700	18,650	19,045	21,190	28,520	28,710	41,800
Potential Yield*	[mt]	2,300	2,500	3,640	3,864	5,908	6,283	7,795	7,775	19,700*
Seizures										
Opium	[mt]	0.15	0.34	0.22	0.22	0.15	0.13	0.17	0.10	0.40
Heroin	[mt]	0.120	0.115	0.363	0.203	0.297	0.062	0.097	0.15	0.18
Cocaine	[mt]	22.6	34.9	23.6	22.2	22.1	46.2	38.8	50.3	48.5
Cannabis	[mt]	1,062	1,038	1,015	780	528	495	405	254.9	408.0
Methamphetamine	[mt]	0.096	0.039	0.172	0.496	0.265	-	-	-	
Arrests [b]										
Nationals		10,034	10,572	11,038	9,728	6,860	17,551	27,369	8,621	18,000
Foreigners		255	170	207	173	146	75	208	141	194
Total Arrests		10,289	10,742	11,245	9,901	7,006	17,626	27,577	8,762	18,194
Labs Destroyed										
Total Labs		7	8	19	19	9	5	4	9	13

(a) The eradication figures shown are derived by the USG from data supplied by Mexican authorities. The effective eradication figure is an estimate of the actual amount of a crop destroyed, factoring in replanting, repeated spraying of one area, etc.

(b) In its annual report for 1995 released in January 1996, the PGR revised the 1994 for national detainees from 14,968 to 6,860.

* Usable plant yield .56 mt/ha

2/27/99

Mr. MICA. Thank you for your testimony, and I am pleased now to recognize the Assistant Secretary of the Bureau of International Narcotics and Law Enforcement Affairs of the Department of State, Mr. Beers. You are recognized, sir.

Mr. BEERS. Thank you, Mr. Chairman, members of this committee.

Thank you for this opportunity to testify before you on what is, as the chairman so correctly indicated initially and Mr. Constantine has so much further indicated, a very, very serious problem, both to the United States and to Mexico. I have a longer presentation which I would like to have submitted for the record.

Mr. MICA. Without objection, so ordered. It will be made a part of the record.

Mr. BEERS. Thank you very much, sir.

We have been through a process, our certification process, which began in December and continued through until the President's announcement on February 26th. We had 28 countries to consider—4 were given national interest waivers and 2 were decertified.

We had 14 interagency meetings on this process at various levels. We had a unanimous recommendation of the four cabinet officials recommending from State, Treasury, Justice and Defense, as well as senior White House officials; and the President then recorded their views and certified or decertified or provided national interest waivers to the countries in question.

The basis under which we made those decisions comes from a law which you all have passed and it states that we should determine that a country has fully cooperated with the United States or taken steps on its own to achieve full compliance with the goals and objectives of the 1988 U.N. Drug Convention. With respect to this language and the decision which we are asked to make under it, we have asked our lawyers to give us their views on that statute; and while the statute says, "fully cooperating," we have determined that this is not a rigid or unrealistic standard.

First of all, achieving full compliance with all of the goals and objectives of the 1988 drug convention is an aspiration for all of our efforts, a goal that even the United States continues to pursue each year.

As to fully cooperating, we look at several indications. First of all, we review the challenges facing a country. Then we ask ourself whether the government has the ability to meet those challenges, whether the government is genuinely trying to meet the bench marks that we jointly establish with them, whether the country's attitude toward fighting narcotics trafficking is adequate, and whether or not the government performance, in light of the overall situation, is adequate.

It is on that basis that we make those decisions and on that basis that the President determined that Mexico was fully cooperating. He recognized that Mexico faces serious, very serious problems. Drug trafficking, transshipment, production, money laundering and corruption.

In addition to the President's decision, I would ask that we submit for the record letters from the Governors of Texas, Arizona, New Mexico, and California, all of whom state that it is their belief that decertification would jeopardize existing and future antidrug

and law enforcement relations between these two countries and indicating their full support for certification. I ask that these two letters be inserted in the record.

Mr. MICA. Without objection, they will be made a part of the record.

[The information referred to follows:]

GOVERNOR GRAY DAVIS

February 26, 1999

The Honorable William Jefferson Clinton
President of the United States
Washington, D.C. 20500

Dear Mr. President:

As you know, I recently undertook a trip to Mexico to begin improving relations between California and our neighbor to the south.

I believe strongly that the Republic of Mexico and California should treat one another in a civil and respectful manner.

During my visit, I had the opportunity to meet extensively with President Ernesto Zedillo, and I am convinced that he is a determined ally in our joint effort to combat drug trafficking.

There is no question that suppression of drug trafficking and drug use is extraordinarily important to both the United States and Mexico, and I support your proposal to redouble our efforts to combat this scourge on both sides of the border.

I am also convinced that we will be more successful if the United States and Mexico are allies rather than adversaries in this effort, and that failure to certify Mexico's efforts to combat drugs will only worsen the problem.

I join my fellow southwest border leaders, Governor Bush of Texas, Governor Hull of Arizona, and Governor Johnson of New Mexico in recommending that you certify Mexico for another year, in the belief that such action will more likely produce coordinated substantial and successful anti-drug efforts by both countries.

Sincerely,

Gray Davis

GRAY DAVIS

STATE CAPITOL • SACRAMENTO, CALIFORNIA 95814 • (916) 445-2841

STATE OF TEXAS
OFFICE OF THE GOVERNOR

GEORGE W. BUSH
GOVERNOR

February 22, 1999

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear President Clinton:

On behalf of the States of Arizona, New Mexico and Texas, we are writing to urge your support for full certification of Mexico as a responsible ally in the international war against drugs. We believe that under President Ernesto Zedillo's leadership, Mexico's commitment to and cooperation in counter-narcotics efforts has definitely improved. For this reason, we support full certification of Mexico.

We maintain that the United States should not undermine Mexico in its effort to control the drug trade, but should demonstrate confidence in Mexico's ability to cooperate and actively participate in a long-term counter-narcotics strategy. Mexico has clearly demonstrated a renewed commitment in the battle against drug trafficking by announcing a $400 million increase in funding for anti-drug operations and agreeing to improve cross-border undercover operations. In addition, Mexico's new three-year plan targeting early detection of drug flights and sea-shipments and an increased counter-narcotics role for the Mexican Army should make a significant impact in the number of seizures and arrests.

It is our belief that de-certification could jeopardize existing and future anti-drug and law enforcement efforts, ultimately impairing the positive relationship between our two nations. Moreover, as Governors of border states, whose economies are interdependent with Mexico, we support full certification because potential economic sanctions against Mexico and decreased development aid resulting from de-certification would have a direct negative impact to our states.

We have confidence in President Zedillo's efforts and commitment to a zero tolerance policy for drugs. Mexico has been steadily on its way back to economic recovery, and de-certification would only hinder Mexico's efforts to implement political and economic reforms.

We thank you in advance for your consideration of our joint position and look forward to working with you to ensure that our congressional leaders support full certification of Mexico as an ally in the war against drugs.

Sincerely,

George W. Bush
Governor of Texas

Jane Dee Hull
Governor of Arizona

Gary E. Johnson
Governor of New Mexico

POST OFFICE BOX 12428 AUSTIN, TEXAS 78711 (512) 463-2000

TOTAL P.2

JANE DEE HULL
GOVERNOR
STATE OF ARIZONA

February 25, 1999

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Clinton:

On behalf of the State of Arizona, I write to urge you to once again grant full certification of Mexico for their efforts to combat narcotics. The war against drugs is a process. It must be developed over time with new reforms, increased collaboration with the United States, further eradication and full fledged commitment of zero tolerance by the Mexican government.

Relations between the United States and Mexico are of critical importance to the border states. I have heard extremely positive reports from local border enforcement officials stationed in Arizona about the spirit of cooperation upheld by Mexican counterparts to assist in cross border counter-narcotics efforts. I believe that we are making progress and that progress depends upon our commitment to assist Mexico with their fight against narcotics.

I do not deny the fact that Mexico still has a critical problem with drug trafficking. I am confident, however, that recent efforts announced by President Ernesto Zedillo that focus on early detection of drug flights and sea-shipments, combined with a heightened counter-narcotics role by the Mexican military are positive tactics in the war against drugs.

With Mexico as Arizona's #1 export partner in 1998, our economy is interdependent with the Mexican economy. The State of Arizona values its relationship with Mexico, and is concerned that de-certification would send a very negative message to our #1 trading partner. Possible economic sanctions or decreased aid could impart a devastating economic effect on a nation that has shown tremendous promise and recovery over the past few years.

I believe that we must increase our partnership with Mexico in the war against drugs, not retreat in the form of de-certification. I believe we should oppose any de-certification action that might hinder President Zedillo's ability to carry through on his implementation of ambitious programs for drug policy, political stability and economic reform.

I thank you in advance for your consideration of Arizona's position on this matter.

Sincerely,

JANE DEE HULL
Governor

1700 WEST WASHINGTON, PHOENIX, ARIZONA 85007
(602) 542-4331 • FAX (602) 542-7601 • WWW.GOVERNOR.STATE.AZ.US

TOTAL P.04

Mr. BEERS. Thank you, sir. This is not to say that we or the Government of Mexico do not acknowledge, as Administrator Constantine has indicated, the very serious problems that do exist in Mexico. In a recent presentation—both governments agreed on five major elements which very closely parallel Administrator Constantine's point.

Serious crime in Mexico has nearly doubled in the past 7 years. That crime is more organized and more violent than ever before. Law enforcement agencies within Mexico generally proceed without adequate resources.

Those same law enforcement agencies also lack training, equipment, adequate salaries, and are, as Administrator Constantine indicated, extremely vulnerable to corruption. In addition to that, the courts also represent a problem. Their sentencing is inadequate to the crime, and there are not enough courts to deal with this problem.

This is a presentation that was made to us by the Government of Mexico as they presented to us their recent counternarcotics initiative. So there is no difference between our two countries. There is no denial in either country that the problems in Mexico are serious.

But we still continue to believe that Mexico is, in fact, fully cooperating. And let me try to indicate how we came to that decision. First and foremost, and I think there has been no disagreement among any of us, President Zedillo is fully committed personally to fighting drugs and to a strong antidrug alliance between the United States and Mexico. Senior officials in his administration—Administrator Constantine indicated Attorney General Medrosa as one. There are others as well—have a serious, long-term commitment that is real, vital and productive to cooperation with the United States and dedication to deal with the drug problem within Mexico.

In addition to that, last year in February, the United States and Mexico concluded a binational strategy which represents the basis of an antidrug alliance between the two countries. Following up on that alliance, over the course of the last year, the Government of the United States and the Government of Mexico have developed what we call performance measures of effectiveness which were concluded this February after approximately a year's worth of negotiation.

This commits both governments to looking at approximately 80 indicators of performance that both countries will collect data on and then both countries will discuss how progress has been made along these indicators, where shortcomings have existed along these indicators, and how these performance indicators might show better in the year ahead.

It is that embrace that countries who are both fully committed to cooperation would take. Countries that are in disagreement don't conclude this kind of agreement or don't conclude this kind of alliance. This is unprecedented in terms of cooperation between two countries, between the United States and any other country.

In addition to that, the Government of Mexico, as I indicated earlier, has just announced a major counternarcotics initiative, approximately $400 to $500 million investment in law enforcement

and infrastructure over the next several years. This is an announcement which was made public in February but was actually heralded by both a budgetary decision which their Congress passed in December and an earlier announcement in August.

This particular effort includes, first and foremost, a significant expansion of the anticorruption activities of the Government of Mexico. They will expand the number of personnel who will be vetted. They will fully screen officials who are currently performing counternarcotics activities. They will establish oversight mechanisms to insure the continuing reliability of those engaged in counterdrug activities.

There is no misunderstanding on their part about how serious the problem is. And as Administrator Constantine said, this is an action that is going to require years of work and they understand that and are not shying from that.

In addition to that, they have also added state-of-the-art technology in airborne surveillance, high speed patrol boats, helicopters and mobile x-ray units that will also be added to enhance the capabilities of better paid, better equipped, better trained and more professional law enforcement officials.

In addition to that, with that counternarcotics enhancement, Mexico now spends approximately 1.4 percent of its national budget on counternarcotics activities. That is, by way of comparison, larger than the 1 percent which the United States spends on its budget.

That is the heart of the argument in favor of full cooperation. But in order that we talk about the full range of performance, because it is not a perfect performance, I would also ask your indulgence to go over the two charts which I gave to you earlier.

First, we have this chart, which is an attempt to take our international narcotics strategy control report data and extend it back to 1986 so that you have 13 years of data. The first two points that I would make are on opium——

Mrs. MINK. Mr. Chairman, may I ask unanimous extent that that chart be inserted in the record at this point?

Mr. MICA. Without objection, so ordered.

[The information referred to follows:]

Mexico Eradication and Seizure Statistics
(1986 - 1998)

		1998	1997	1996	1995	1994	1993	1992	1991	1990	1989*	1988*	1987*	1986*
OPIUM														
Potentially Harvestable	ha	5,500	4,000	5,100	5,050	5,795	3,960	3,310	3,765	5,450	8,470	5,001	5,160	3,865
Eradication[a]	ha	9,500	8,000	7,900	8,450	6,620	7,820	6,860	6,545	4,650	1,130	2,737	2,200	2,135
Cultivation	ha	15,000	12,000	13,000	13,500	12,415	11,780	10,170	10,310	10,100	9,600	7,738	7,360	6,000
Potential Yield	mt	60	46	54	53	60	49	40	41	62	85	45-55	50	40
CANNABIS														
Potentially Harvestable	ha	4,600	4,800	6,500	6,900	10,550	11,220	16,420	17,915	35,050	42,115	5,003	5,250	5,460
Eradication [a]	ha	9,500	10,500	12,200	11,750	8,495	9,970	12,100	10,795	6,750	15,810	3,997	3,750	2,970
Harvestable Cultivation	ha	14,100	15,300	18,700	18,650	19,045	21,190	28,520	28,710	41,800	57,925	9,000	9,000	8,430
Potential Yield[c]	mt	2,300	2,500	3,640	3,864	5,908	6,283	7,795	7,775	9,700	47,590	5,655	5,933	6,170
SEIZURES														
Opium	mt	0.15	0.34	0.22	0.22	0.15	0.13	0.17	0.10	0.40	-	0.16	-	-
Heroin	mt	0.120	0.115	0.363	0.203	0.297	0.620	0.097	0.150	0.180	0.930	0.070	0.040	-
Cocaine	mt	22.6	34.9	23.6	22.2	22.1	46.2	38.8	50.3	48.5	38.1	15.4	9.3	-
Cannabis	mt	1,062	1,038	1,015	780	528	495	405	255	408	716	278	400	-
Methamphetamine	mt	0.096	0.039	0.172	0.496	0.265	-	-	-	-	-	-	-	-
Precursor Chemicals														
Sulfuric acid		0.666	-	-	-	-	-	-	-	-	-	-	-	-
Ephedrine		0.347	0.637	-	-	-	-	-	-	-	-	-	-	-
Iodine		0.813	0.100	-	-	-	-	-	-	-	-	-	-	-
Phenylpropanolamine	mt	1.000	0.041	-	-	-	-	-	-	-	-	-	-	-
LABS DESTROYED														
Total Labs Destroyed		7	8	19	19	9	5	4	9	13	17	9	7	12
ARRESTS[b]														
Nationals		10,034	10,572	11,038	9,728	6,860	17,551	27,369	8,621	18,000	15,849	14,000	12,888	9,800
Foreigners		255	170	207	173	146	75	208	141	194	292	275	247	300
Total Arrests		10,289	10,742	11,245	9,901	7,006	17,626	27,577	8,762	18,194	16,141	14,275	13,135	10,100

[a] The eradication figures shown are derived by the USG from data supplied by Mexican authorities. The effective eradication figures is an estimate of the actual amount of a crop destroyed, factoring in replanting.

[b] In its annual report for 1995 released in January 1996, the PGR revised the 1994 for national detainees from 14,968 to 6,860.

[c] Usable plant yield .56 mt/ha.

* Methodology for determining eradication statistics was revised. Calendar years 1990-1998 have been restated.

Mr. BEERS. Thank you. The first point that I would make refers to opium and cannabis cultivation. As you can see with respect to the 1998 column for opium, the amount of potentially harvestable opium has gone up from 1997 to 1998.

I think it is important to look at this time series data over the entire range. We are disappointed, the Mexicans are disappointed, that the amount went up. It represents above the mean but not far above the mean for the entire time data series. Equally important to remember, because we are talking about cooperation and effort, the eradication. The effective eradication on the part of the Mexican Government, you can see, has also gone up.

In fact, if you look at the time series data that effective eradication—and that's not information that we have taken from the Mexican Government. That is information which we have obtained by our own intelligence collection. Potentially harvestable crop has had effective eradication, which was 9,500 hectares this year.

In that context, it is important to remember that overall field size, as we have determined, has generally gone down. The amount of camouflage and intercropping has generally gone up. In addition, if you look at the cannabis production you will notice that that has generally come down over time. Eradication is up and down over that point in time. But the overall potential yield has come down, I think, significantly over that long-term time series.

With respect to seizures, opium and heroin both are not very favorable this year. The opium gum is down. The heroin is up, but not significantly. This is an area that we and the Mexican Government, I think, need to do better on. Cocaine, as you correctly indicated, has come down significantly from last year.

I think it is important to divide the time series into two large chunks of time. If you will go back to the time period from approximately 1989 to 1993, you will see quite large seizures. Those are the result of a cooperative effort between DEA and the Government of Mexico called the Northern Border Response Force, where we and the Mexicans, using helicopters that we generally provided, were able to interdict serious small plane incursion into northern Mexico.

The traffickers changed their pattern of activity as a result of that, and we and the Mexicans have not adapted effectively to be able to seize the same levels.

But if you look at the next 5-year time period, you will see, except for the spike in 1997, that we are talking about roughly the same overall performance level of cocaine seizures. With respect to cannabis, I think you can see that over the longer-term trend we are basically talking about a rising amount of cannabis seizures.

With respect to methamphetamine, which the Administrator has described as an exceedingly serious problem for the United States, while we had a modest increase in the amount of methamphetamine seized this year, over the longer term time series it is nothing to speak of. What has happened that is new and different, and I believe important, is that Mexico has now also criminalized precursor chemicals.

And for the 2-years of data that we have since they have undertaken this you will see that overall there is a rise in the amount of precursor chemicals that have been seized. With respect to labs,

they are down over the most recent years and that is a cause for concern and something we should look at.

With respect to arrests of nationals and foreigners, it is a relatively constant picture over time although there were some periods in which there were very high peak years.

I would like to go from that data to the second chart which I handed out, which refers to extraditions. This is a very serious problem, a very serious issue, and one which I think it is important that we all understand.

Mrs. MINK. Mr. Chairman, I ask that the chart be entered into the record.

Mr. MICA. Without objection, that chart will be made a part of the record.

[The information referred to follows:]

Mexican Extradition Statistics

	1998	1997	1996	1995
EXTRADITIONS[1]				
Mexican Nationals Authorized[2]	3	9	2	-
Foreign Nationals Authorized	16	12	9	-
Total Authorized	19	21	11	-
Mexican Nationals Extradited	3	-	1	-
Foreign Nationals Extradited*	9	13	11	4
Dual Nationals Extradited	-	-	1	-
Total Extradited	12	13	13	4
*Extradition based on Drug charges	5	7	6	-
DEPORTATIONS	20	10	3	2

[1] Persons extradited in a given year are not necessarily approved for extradition in the same year. Due to the appeals process, extradition may occur up to several years after approval is granted.

[2] No Mexican nationals were authorized for extradition prior to 1994.

Mr. BEERS. Thank you. As Administrator Constantine has indicated and as our government has indicated, this is a serious issue and one which we care about a great deal and talk with the Mexican Government a great deal. It is important, I believe, as we look at this process to consider that it is a two-part process.

The process as a whole generally involves the Mexican courts at a low level, first making a decision based on Mexican law that a Mexican national cannot be extradited. That decision by that lower court is then referred to the Foreign Ministry. The Foreign Ministry has an extraordinary power with respect to Mexican nationals to override that law and has done so in a number of occasions.

What we have gathered here and what we are trying to depict and what I will now explain is, first, the number of extraditions that the Government of Mexico, the executive branch, has authorized and the number of individuals that the Mexican court system have allowed to be extradited, and the number of deportations which the Government of Mexico administratively has authorized to come to the United States.

First, with respect to those who were authorized for extradition, I apologize we don't have data for 1995. We will try to update that. But if you look at that time series, you will see that the Government of Mexico as a whole has generally increased the number of individuals who have been authorized, and there have been Mexican nationals who have been authorized for extradition, including, as Administrator Constantine said, one of the Amezcua brothers.

The Mexican courts have not been as cooperative, shall we say, or at least have been unwilling to extradite at the same levels that the government has been willing to authorize extraditions. And you see below, a lower level of extraditions that were actually effected, individuals sent to the United States.

And as has been correctly noted throughout, although there are four Mexican nationals who have been extradited over the past 4 years, none of those individuals are major drug traffickers. There is one minor drug trafficker, but no major drug trafficker of Mexican nationality has been authorized for extradition. There was a major drug trafficker, Garcia Braggo, who was a dual national. That is the indication in the 1996 column. Overall, there have been drug traffickers but they have all been foreign citizens.

It is equally important, I believe, to also look at the deportations, which, as you can see, these are not Mexican nationals but they have risen over this timeframe. In addition to that, it is also important to note that we have, this year for the first time, two successful prosecutions under article IV of the Mexican constitution in which an individual who was denied extradition to the United States was successfully prosecuted within the Mexican court system and brought to justice.

So while we do not have what we believe to be an entirely adequate system of extradition, we are at least seeing cooperation with respect to the government in the prosecution of some individuals who have not been extradited.

In addition to that, we have the first money laundering prosecution after the money laundering laws have been established. We have vetted units that are coming on line. But that is not to say

that this is a perfect record, and Administrator Constantine, I think, has made that case quite clearly.

Particularly, we are concerned about the corruption that has been found in vetted units after they have been vetted. That said, those individuals have been moved to other assignments, perhaps not entirely adequate but at least out of the picture of working with us in those vetted units. Moreover, much of the information that we have is derived essentially from Mexican Government and law enforcement officials.

We have two significant negative court decisions regarding extradition of criminals to the United States. Having said that, the Mexican Government has indicated to us that those decisions will be appealed. And we have, as I indicated earlier, the rising opium poppy cultivation, which expanded despite an increased effort. These are issues and areas of concern.

But let me also come back for a moment and talk very briefly about the overall record in terms of trying to deal, on the part of the Mexican Government, with the senior levels of management of the various cartels which exist in Mexico.

First, the Juarez or Carrillo-Fuentes organization, the chief of security, Noe Breto was rearrested this year. General Jesus Gutierrez-Rebollo received 14 additional years making his term of sentence 30 years for the corruption that he undertook on behalf of this cartel.

Carlos Topillia, the reported founder of the cartel has received 27 years in prison for the result of his actions. Sixty-five members of the cartel have been indicted, although not yet arrested. And 111 cartel properties have been seized in 1998.

With respect to the Tijuana cartel or the Arellano-Felix organization, General Alfredo Navarro Larra received 20 years for bribery on behalf of the cartel. The two Arellano-Felix brothers have been formally indicted. Key security and money launderers have been indicted. The key lieutenant, Paez Martinez, has been approved for extradition. In the Sinaloa [ph.sp.] cartel or the Miguel Caro-Quintero cartel we have two key lieutenants arrested, R.C. Jucopo and Jose Soto-Soto.

We have two outstanding provisional arrest warrants for Miguel and Rafael Caro-Quintero and the youngest brother, Jose, remains in prison under arrest.

I think that in addition to that we have the Calima or the Amezcua Conteres cartel. The two brothers are arrested and remain in prison despite the dismissal by the Mexican courts of the Mexican charges, basically on the charges that we have brought against those individuals. Seventeen members have been indicted. The Addon Amezcua-Quintero, another brother has also been indicted for firearms violations.

In addition to that, a member of the Colombian Calle cartel, who is a lawyer operating in Mexico, William Moran, has also been arrested; and that was done at our request. This is a mixed record, but we believe that in total, with respect to the issue of fully cooperating, we have a Mexican Government that is committed to cooperation with the United States.

We have indications by that government of serious intent to do serious business and indications that they have done that serious

business. They are waging independently and in cooperation with us, a serious counternarcotics effort. It will require time. It will require effort. It will require commitment, and it will require cooperation by the United States with that government to develop the mutual trust that we need to make over the time ahead.

That concludes my presentation. Thank you very much for this opportunity to testify, and I would be happy to answer any questions that you might have.

[The prepared statement of Mr. Beers follows:]

Testimony of Rand Beers
Assistant Secretary of State for
International Narcotics and Law Enforcement Affairs
before the
House Government Reform and Oversight Committee
Subcommittee on Criminal Justice, Drug Policy
and Human Resources
March 4, 1999

Oversight of U.S.-Mexico Counternarcotics Efforts

Introduction

Thank you Mr. Chairman, Members of the House Government Reform and Oversight Committee Subcommittee on Criminal Justice, Drug Policy and Human Resources, for the invitation to meet with you today to discuss U.S.-Mexico counternarcotics cooperation. Mexico is one of the countries of greatest strategic importance to the United States and counternarcotics is one of the most critical aspects of that relationship.

I will provide a strategic overview of our relations with Mexico and a summary of Mexico's 1998 counternarcotics effort and key aspects of bilateral cooperation at the policy level. I will lay out for you the reasons for the President's decision to fully certify Mexico in the annual certification review and describe how the Executive Branch agencies worked together to prepare the annual narcotics report and the recommendations to the President. The other witnesses will focus on Mexico's counternarcotics performance and cooperation with the U.S. in their specialized areas.

Strategic Overview of Mexico

The relationship between Mexico and the United States is one of the most multifaceted and dynamic we enjoy with any other nation. New ties and relationships form every day.

Mexico became our second-largest export market in 1998, with $80 billion in U.S. exports. Exports to Mexico are growing faster than to almost all other countries and support nearly a million U.S. jobs. Because of adherence to sound macroeconomic policies, and because NAFTA linked Mexico to the growing U.S. economy, Mexico has been the

least affected of all major Latin American economies by the global financial crisis.

Trade is, of course, dependent on the efficient movement of legitimate commerce and people between the two countries. The U.S./Mexican border is the busiest border in the world with more than 250 million people, 75 million cars, 3 million trucks, and almost five hundred thousand rail cars crossing it each year. NAFTA has also brought about increased cooperation among authorities who are working together to promote legitimate commerce while improving the capabilities of their respective law enforcement agencies to combat drug trafficking and related crimes.

Mexico's 1999 budget is the most austere in decades. That said, over the past several years, crime and violence reached unacceptable levels prompting the Zedillo Administration, despite the budget crisis, to announce a massive $500 million investment in Mexico's law enforcement and counternarcotics infrastructure over three years. This is on top of a $388 million increase announced last August for enhancing law enforcement training, support, and benefits.

Although our overall relations with Mexico are in general very good, there are persistent, important areas of contention and relations remain subject to occasional reverses on particular issues. This is particularly true in the area of law enforcement and counternarcotics, where cooperation is made more difficult by periodic controversies. The major controversy in 1998 was the Operation Casablanca money laundering investigation; while a success from the law enforcement perspective, it highlighted the need to develop better mechanisms for communication and coordination in sensitive cross-border law enforcement operations.

The U.S. drug certification process is, of course, a perennial flash point for Mexican sensitivities and this year is no exception. The process is roundly criticized by the Mexican press, the public, academicians, and the political opposition.

The President's Decision to Certify Mexico

After carefully weighing all aspects of our bilateral relationship, the President determined that Mexico

cooperated fully with the U.S. on counternarcotics during 1998 and took steps to comply with the goals and objectives stated in the United Nations drug convention. He recognized that Mexico faces very serious drug-related problems, including significant drug production and transshipment, money laundering, and narcotics related-corruption. The Government of Mexico has acknowledged these problems also and has taken significant actions and made substantial commitments to address them.

The Importance of Counternarcotics Cooperation with Mexico

Few issues have as significant an impact upon the United States and Mexico - individually as nations and bilaterally as neighbors - than that of illicit drugs.

Still fewer issues have such an immediate impact on the lives of ordinary citizens on both sides of the border. Illegal drug trafficking and abuse generate crime, violence, corruption, and social decay wherever they occur. While both countries look upon the border as a symbol of national sovereignty, it is a thing invisible and irrelevant to transnational organized crime.

An Agenda for Cooperation

The United States and Mexico fully understand this and have forged a bilateral alliance to combat shared aspects of the problem which cannot be addressed individually, such as:

- drug shipments smuggled from South and Central America;
- chemicals shipped or diverted to illicit drug producers;
- the laundering of drug proceeds;
- illicit drug production;
- smuggling of illicit drugs, chemicals, drugs and cash across our shared maritime and land borders;
- border violence;
- rising drug abuse in border communities, and of course;
- the operation of trans-border criminal organizations.

While national and bilateral anti-drug efforts are critically important, the two governments also recognize that they must work intensively with countries throughout the hemisphere and around the world to combat international drug trafficking effectively and to begin to reverse its deleterious social, health, security, and economic effects.

We have therefore worked very closely together in international fora - notably the United Nations (UN) and the Organization of American States (OAS). I have worked personally with Mexican officials on important issues, such as the United Nations Special Session on Narcotics Control, the Santiago Summit, and the development of a Multilateral Evaluation Mechanism for Narcotics Performance within the OAS. They have been cooperative partners and the international counternarcotics alliance is stronger today for the energy and commitment that Mexico has brought to these efforts.

Nationally, Mexico has mounted one of the broadest and most multifaceted counternarcotics programs in the world, reflecting both the complexity of the drug problem there as well as the commitment of the Zedillo Administration to combat it.

Mexico's National Counternarcotics Effort

Mexico's comprehensive national counternarcotics program includes:

- A three-pronged interdiction program aimed at detecting and deterring the illegal entry of drug shipments into Mexican territory, airspace or waters;

- A longstanding eradication campaign which has destroyed more illicit drug crops than any country in the world;

- New specialized investigative units that, while encumbered by some setbacks, are building cases against the most significant drug traffickers and trafficking organizations, in close cooperation with U.S. law enforcement;

- A treasury ministry that is making headway in detecting suspicious transactions and combating money laundering.

- Law enforcement and health agencies which are working to detect and deter smuggling or diversion of chemicals used in drug production;

- A new nationwide drug abuse survey which has given new insights into the level of the abuse problem among

Mexico's 93 million people, half of whom are under the age of 21.

Mexico had some principal accomplishments in 1998:

- The world's highest combined total opium and marijuana eradication. Last year, Mexico was second only to Colombia, which achieved an unprecedented single-year success - due in large part to massive U.S. assistance.

- According to U.S. experts, Mexico effectively eradicated 9,500 hectares of opium - an increase of 1,500 hectares over 1997.

- Mexico's eradication program has drastically reduced marijuana cultivation over the past six years, and net production has dropped by more than half, from 7,795 metric tons in 1992 to 2,300 in 1998.

- Mexico seized 22.6 metric tons of cocaine, 1,062 metric tons of marijuana, and 96 kilograms of methamphetamine.

- Mexico arrested the key leadership of the Amezcua Contreras organization, leading methamphetamine traffickers in this hemisphere. While Mexican charges were dropped, the GOM continues to hold them under a provisional arrest warrant from the U.S.

- Mexico's ability to combat money laundering offenses increased again in 1998 with the establishment of an enforcement unit in the Attorney General's Office, complementing the financial intelligence unit established in the treasury ministry in 1997.

- Mexico instituted, for the first time, an intensive screening process for law enforcement personnel, particularly those in sensitive positions in counter-drug units.

- The GOM successfully prosecuted a number of significant narcotraffickers who received sentences ranging up to 40 years, including former national drug coordinator, Jesus Gutierrez Rebollo, who received an increase in his sentence to 30 years.

- Other key convictions for drug-related crimes in 1998 include Pedro and Oscar Lupercio Serratos (13 years), Francisco Cabrera of the Tijuana Cartel (40 years), General Alfredo Navarro Lara (20 years), Carlos Enrique Tapia, reputed founder of Juarez cartel (27 years), Ernesto "Don Neto" Fonseca Carrillo (an additional 11 years, 6 months).

- The GOM arrested several former senior officials on charges of aiding and abetting the drug cartels, including General Jorge Maldonado Vega, former military commander of Baja California and former federal police commanders Adrian Carrera Fuentes and Ramon Baez Marquez.

- Mexico extradited 12 fugitives to the U.S. in 1998, including three Mexican nationals. One of these was a drug trafficker sought by the U.S. for the murder of a U.S. Border Patrol agent, a case of great importance to the U.S. Government. The Executive Branch issued 15 extradition orders for fugitives from U.S. justice, some of which are still in the Mexican judicial appeals process.

It is important to note that these arrests and prosecutions include significant players in each of the leading drug cartels:

Juarez Cartel (Carrillo Fuentes Organization)

- Chief of Security Noe Brito re-arrested.

- General Jesus Gutierez Rebollo received 14 extra years for a total of 30.

- Carlos Tapia, reported to be the cartel's founder, received 27 years.

- 65 cartel members indicted in 1998.

- 111 cartel properties seized in 1998.

Tijuana Cartel (Arellano-Felix)

- General Alfredo Navarro Lara received 20 years for bribery on the cartel's behalf.

- Hitman Francisco Cabrera got 40 years for killing a federal police commander.

- Two of the Arellano-Felix brothers have been formally indicted.

- Key security and money launderers arrested.

- Key lieutenant Paez Martinez approved for extradition.

Sinaloa Cartel (Miguel Caro-Quintero)

- 2 key lieutenants arrested: Arce Jacobo and Jose Soto Soto.

- 2 outstanding provisional arrest warrants for Miguel and Rafael Caro-Quintero.

- Jose Caro-Quintero, younger brother of Miguel and Rafael, was arrested.

Colima Cartel (Amezcua Contreras)

- Jesus and Luis Amezcua Contreras arrested.

- 17 members indicted (including Jesus and Luis).

- Adan Amezcua Contreras, another brother, indicted on firearms violations.

Cali Cartel (Rodriguez Orejuela Organization)

- Arrested, at U.S. request, William Moran, an American citizen lawyer to Colombian drug lords Miguel and Gilberto Rodriguez Orejuela.

Like most programs of its kind, Mexico's counternarcotics effort suffered setbacks as well as successes.

- In 1998, the GOM uncovered evidence of corruption in the special vetted units that had been specially created to avoid corruption. While we and Mexico strongly applaud the uncovering of this and any other corruption as the only way to demonstrate our joint commitment to the rule of law, this corruption may have resulted in the

compromise of several investigations in which the U.S. supplied information.

- Most of the law enforcement personnel dismissed by Attorney General Madrazo and former Attorney General Lozano for corruption sought legal relief under Mexico's strong labor laws and many were reinstated. That said, recognizing the need to adjust the balance between due process and anti-corruption efforts, the GOM has addressed the problem with legislation which, if enacted, will allow compensation other than reinstatement for officials improperly removed from their jobs.

- In August 1998, 14 enlisted personnel of the elite Airmobile Special Forces Groups (GAFES) assigned to the Mexico City airport were arrested on charges of drug trafficking and alien smuggling.

- While we made progress in our extradition relationship in 1998, Mexican appellate courts ruled that two Mexican drug traffickers should be tried in Mexico. Another appellate court decision now being appealed by the GOM is the case of two Argentine drug traffickers where extradition was denied without U.S. assurances that life sentences would not be imposed.

- Mexican concern over the Operation Casablanca money laundering investigation led the GOM to announce an investigation of whether U.S. Customs Service agents violated Mexican law. The Mexican Attorney General announced in February 1999 that there was no violation of Mexican law.

- While net production of marijuana dropped, opium poppy cultivation expanded despite increased levels of opium poppy eradication.

The Department's annual narcotics report (INCSR) provides a comprehensive overview of the results of Mexico's efforts over the past year and which I have summarized in my written submission today.

Views on Cooperation and Performance

Those of us testifying here today will be pleased to discuss in detail any issues about which you wish more

information and provide our individual perspectives on the status of counternarcotics cooperation with Mexico.

From the view of the Department of State, which is charged with coordinating interagency efforts in this area overseas, differences of viewpoint are normal extensions of the differences in agency missions, vantage points, and experiences. We have different viewpoints on specific issues or events, not because one agency is right and one is wrong, but because we are looking at them from different institutional perspectives.

Policymakers need this kind of input to understand complex situations better, to make or change policies, to determine priorities, and to balance competing interests.

Through the certification process, we consult each agency involved in international counternarcotics about its experiences with each of the Major Source and Transit Countries and its views about the level of cooperation it received from its counterpart agency in that country. It is not uncommon for one agency to have a more positive experience and another to have a more negative experience. From those views, a consensus emerges and a recommendation is made to the President whether those countries have "cooperated fully" with the United States.

This is a responsibility the Department of State takes very seriously and we work hard to ensure that each agency participates fully in reaching consensus. This recommendation does not reflect each participant's every view, but those views shared by most. This keeps the process objective, dispassionate, and balanced.

We do the same thing in compiling information for the International Narcotics Control Strategy Report. The Mexico chapter in the INCSR therefore represents the collective assessment of efforts and events.

What you will hear today are presentations on individual agency viewpoints that went into the development of the consensus report and the recommendation to the President. You will hear that Mexico made significant progress in some areas, and had a disappointing performance in others. You may even hear one agency characterize as a success something another agency views as a failure. Both are accurate and relevant - from their different perspectives.

From our different perspectives, however, we arrive at pretty much the same point - that, overall, Mexico continued to cooperate with us in fighting illegal drugs.

This does not mean that Mexico gave a stellar counternarcotics performance in 1998 or, for that matter, that we are resting on our own performance over the same period. It does not mean that Mexico agreed with the U.S. on all drug-related issues. It does not mean that Mexico did everything the United States asked of it in the counternarcotics effort. It does not mean that Mexico achieved as much success in combating corruption as we might have liked. It does not mean that there isn't a huge amount of work left to be done.

However, Mexico independently waged a serious effort to combat drug trafficking, production and abuse in concert with its obligations under the 1988 UN Convention. It took concrete and substantial steps to counter drug-related corruption and violence. It certainly cooperated with the U.S. on the full range of counternarcotics activities.

Building an Alliance

Looking at counternarcotics policies and programs from the beginning of the Zedillo Administration in December 1994, it is clear that Mexico has made significant progress. We are convinced that President Ernesto Zedillo is fully committed to fighting drug trafficking and to a strong counternarcotics alliance with the United States.

It is easy to question if nameless and faceless foreign politicians and bureaucrats could do more about drugs if they were really serious. For those of us who work counternarcotics issues day in and day out, Mexico's counternarcotics officials are not faceless, they are respected and indispensable colleagues. We see the impossible hours they work. We have witnessed how they continue to press ahead despite the constant threat of violence and intimidation - not just against themselves but their families. We have seen how devastated they were when other colleagues were gunned down by traffickers and how demoralized when their good efforts have been undercut by a officials who have succumbed to corruption.

There is no doubt in my mind about the commitment of such colleagues to the drug issue, and to their full cooperation with the U.S.

The relationships that have developed these past five years between President Zedillo and President Clinton, between Attorney General Madrazo and Attorney General Reno, between Secretaries of Health Shalala and de la Fuente, between Undersecretaries of the Treasury Johnson and Gomez Gordillo, between other Cabinet officers and their counterparts, and between many other officials at every level below them - **are real.**

They are not just two-dimensional "photo opportunity" relationships marched out for an annual bi-national event, but are vital, productive and continuing. Through the High-Level Contact Group and other mechanisms, we have attempted to harness this personal and professional dynamism into permanent frameworks for ongoing institutional cooperation. The Bi-National Anti-Drug Strategy and Performance Measures of Effectiveness codify shared goals and objectives and outline courses of action for reaching those objectives, and for measuring how well we are doing in reaching those objectives.

This is unprecedented in our counternarcotics cooperation with other countries, and, to my knowledge, has never been attempted between any two governments.

This support for cooperation with the United States is not only held by senior Mexican government officials, but also by the average citizen. A recent U.S. Information Agency poll of the Mexican public had some startling results. Ninety percent supported an increased role for the Mexican military in the anti-drug effort. Despite bilateral tensions over Operation Casablanca, and despite the hated certification process, 83 percent of the Mexican public endorsed increased cooperation between Mexico and the United States. This is up from just 47 percent in 1996. Why has support for bilateral cooperation nearly doubled in just two years?

This certainly reflects increased public awareness about the threat of drugs, but I am convinced that a significant factor is that the U.S. has changed its approach to one of engagement and not needless confrontation. We have encouraged, not criticized; we have asked, not demanded.

Mexico is a proud nation willing to work with us on a basis of respect and partnership. That is how Mexico defines cooperation.

Cooperation does not mean that there will not be occasional disagreements. Our cooperative relationship has suffered setbacks, and will again. The critical questions to ask are whether disagreements are resolved constructively and whether the partnership can rally and forge ahead after a serious setback. The answer is yes. This is quite an achievement, but it could easily be undermined by a return to an adversarial or punitive approach to counternarcotics cooperation.

We have a lot at stake in law enforcement cooperation with Mexico, too much to put at risk because of disagreement on one or another issue or general frustration over slow progress. Without cooperation, without a foundation of friendship and mutual trust, we would solve no disagreements and there would be no progress.

I believe that my duty in carrying out the certification law is to lay out the facts before you - good and bad - and then tell you what is being done about it. Where a country has not cooperated fully with the United States or taken adequate steps on its own to combat drugs - and shows no will to do so - I will not hesitate to advocate denial of certification or certification based on national interests. However, where the will to cooperate and to improve is genuine, I cannot in good conscience do other than recommend full certification.

Conclusion

The Department of State, and I daresay I speak for all of the agencies which work closely with Mexico, will continue to press for more effective action by both governments against the shared threat. It is in the U.S. national interests to do so.

The newly released Performance Measures of Effectiveness (PMEs) set targets for <u>both</u> governments by which you and the Mexican Congress can judge our performance. The first evaluation of the performance by the two governments in implementing the Bi-National Drug Strategy is scheduled for September. For most of the targets, there are objective criteria for measuring success; for others this was not

appropriate and other kinds of measures were developed. The objective is not to see whether we pass or fail, but to press both governments toward greater progress and to increase accountability to our nations.

I ask for your support as we move ahead. We welcome your constructive criticism and your assistance in keeping the strategy and the alliance focused on our duties to the American and Mexican people. I also ask that you help us use the certification process constructively, to become a positive force for partnership and performance.

Mexico is in the process of a profound political transition, which will, in the long term, assist in our joint accomplishment of the counternarcotics task. Over the next few years, the increasingly open and accountable government will strengthen the focus of Mexicans on the institutional renewal needed to combat the corrosive effects of drug trafficking and corruption.

As I indicated earlier, there is wide agreement in Mexico on the profound threat posed by narcotics trafficking to Mexican institutions and society and the critical need to confront this threat. Mexico is working to turn that wide agreement into concrete results. We can help this process by being a steady, dependable partner, by supporting the forces for change and reform. Returning to a time of finger pointing and sitting in judgment helps only those who wish to exploit the gaps or weaknesses in the partnership - principally transnational organized crime.

Thank you.

"The Certification Process"
1-Mar-99
Paper prepared by the Subcommittee on and Criminal Justice, Drug Policy and Human Resources

Summary

The "Certification Process," first enacted in 1986, culminates in the president's annual decision to certify or decertify countries which he determines to be either "major drug-transit countries" or "major illicit drug producing countries" (which together make up the so-called "majors list"). However, it is really a year long process which begins with the submission of the majors list.

The president submits the majors list to Congress on November 1. § 490 of The Foreign Assistance Act of 1961 (FAA) requires that 50 percent of the assistance appropriated for any country on the majors list not be obligated or expended unless the country is later certified.

By March 1 of each year, the president is required to submit certification decisions to Congress. The International Narcotics Strategy Report (INCSR, pronounced INK-sir), required by § 489, provides the justification for certification decisions.

Based on the INCSR, the president may choose any one of the following three courses of action:

- Certify that a country is fully cooperating with the U.S. or that the country has taken adequate steps on its own to comply with the UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (referred to as Fully Certified)
- Certify that vital national interests require that assistance not be cut off and that sanctions be waived (referred to as Certified with a National Interest Waiver or Decertified with a National Interest waiver, the first option being preferred)
- Take no action (referred to as Decertified)

If either certification is made, all assistance is released and no further action is required of the president unless Congress passes a joint resolution disapproving of the president's certification. If, on the other hand, a country is decertified, it loses the remaining 50 percent of aid for the current fiscal year and all assistance for future years until it has been certified. The U.S. is also required to

vote against the country in all multilateral development banks. A number of trade sanctions are also available for use at the discretion of the president.

In Fiscal Year 1995, decertification did not affect military or economic assistance for narcotics enforcement activities. However, the provision that waived § 490 for these two types of assistance lasted for only FY 1995.

Formulation of "Majors" List

The majors list includes 28 countries in 1999. A list of the countries and their certification status appears in the "1999 Certification Decisions" section in this paper.

The countries placed on the majors list are those that meet the definitions set out in § 481(e) of the FAA. The definition of "major illicit drug producing country" is set out in paragraph (2) as a country in which 1,000 hectares of illicit opium poppy or illicit coca is cultivated or harvested, or 5,000 hectares of illicit cannabis is cultivated or harvested, in any year. "Major drug-transit country," as defined in paragraph (5), is any country that is a significant direct source of drugs to the U.S. or a country through which drugs are transported. The president is required to notify Congress of what countries he has determined to be "major drug-transit countries" and "major illicit drug producing countries" by November 1 of each year.

Criteria for Certification

In order to determine whether a country on the majors list should be certified, the president must use the statutory criteria set out in § 490(b)(2) or provide the rationale for a national interest certification under § 490(b)(3). These requirements are substantially less cumbersome than those imposed by previous versions of the statute. The incorporation of the UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (UN Convention) has substantially simplified the process.

In making the determination on certification the president considers the extent to which a country has complied with the following: (1) the UN Convention, including its provisions on cultivation, production,

distribution, sale, transport, financing, money laundering, asset seizure, extradition, law enforcement, precursor chemical control and demand reduction; (2) the applicable bilateral agreement or multilateral agreement to which the U.S. is a party, and (3) the steps deemed necessary to eliminate corruption involving narcotics.

If the president makes a national interest certification, the certification must include an assessment of the vital national interest placed at risk by cutting off assistance and a statement weighing the risks associated with cutting off assistance and those posed by the country's failure to combat narcotics.

Congressional Disapproval

The result of decertification, described in the "Results of Non-certification" section of this paper, will not apply if Congress enacts a joint resolution expressing disapproval of the president's determination within 30 calendar days after the receipt of that decision. § 490(g) contains a fast-track procedure for consideration in the Senate, but the House fast-track provision was deleted by the International Narcotics Control Corrections Act of 1994. However, in the Senate, by law, only a resolution unconditionally disapproving of the certification can move to the floor under expedited procedures. A recent history of disapproval resolutions can be found in the "History of Recent Congressional Action" section of this paper.

Results of Non-certification

Any country not certified under either the cooperation or national interest standard is subject to the following specific sanctions in accordance with § 490 of the FAA:

- Loss of 50 percent of current fiscal year assistance § 490(a)(1)
- Loss of all future fiscal year assistance § 490(e)(1)
- US representative must vote against any assistance to the country by a multilateral development bank § 490(a)(2), § 490(e)(2)

The president has the authority to impose the following additional sanctions at his discretion in accordance with § 802 of the Trade Act of 1974:

- Deny preferential tariff treatment under GSP, CBERA, or

any other law § 802(a)(1)

- Increase duties on any dutiable product § 802(a)(2)
- Impose duties on one or more duty-free products § 802(a)(3)
- End any customs pre-clearance process § 802(a)(5)
- Suspend any aviation privileges of country's carriers to and from U.S. § 802(d)(1)
- Suspend any aviation between the country and the U.S. § 802(d)(1)
- Terminate any aviation agreement between the country and the U.S. § 802(d)(2)

Recertification

In addition to the annual certification decision mandated by the FAA, the president may certify a country at any other time, if, in addition to the normal requirements, the president certifies that either:
the country has undergone a fundamental change in government, or there has been a fundamental change in the conditions that justified the president's decision or the Congressional resolution of disapproval.
If the president issues a certification meeting these criteria, and Congress enacts a joint resolution approving the president's determination, the certification becomes effective and assistance can be restored.

1999 Certification Decisions

Afghanistan	Decertified
Aruba	Certified
The Bahamas	Certified
Belize	Certified
Bolivia	Certified
Brazil	Certified
Burma	Decertified
Cambodia	National Interest Certification
China	Certified
Colombia	Certified
Dominican Republic	Certified
Ecuador	Certified
Guatemala	Certified
Haiti	National Interest Certification
Hong Kong	Certified

India	Certified
Jamaica	Certified
Laos	Certified
Mexico	Certified
Nigeria	National Interest Certification
Pakistan	Certified
Panama	Certified
Paraguay	National Interest Certification
Peru	Certified
Taiwan	Certified
Thailand	Certified
Venezuela	Certified
Vietnam	Certified

History of Certification Law

The Certification Process as it currently exists has been amended since it was first introduced into the FAA in 1986. Most amendments have occurred in International Narcotics Control Acts. Many of the amendments were limited to certain fiscal years. Some have been renewed, others made permanent and others lapsed.

International Narcotics Control Act of 1986	PL 99-570 Title II (HR 5352)	Sets out original framework
International Narcotics Control Act of 1988	PL 100-690 Title IV (HR 4841)	Expands criteria for full certification, requires non-certified countries to sign bilateral agreement before being certified, extends congressional review period from 30 to 45 days, removes fast-track, waives certification requirements for certain countries
International Narcotics Control Act of 1989	PL 101-231 (HR 3611)	Technical and conforming amendments, extends waiver, defines drug-producing country by metric ton of production
International	PL 101-623	Extends waiver

Narcotics Control Act of 1990	(HR 5567)	
International Narcotics Control Act of 1992	PL 102-588 (HR 6187)	Adds compliance with UN convention to criteria, expands criteria for off-schedule recertification, restores congressional fast track procedure, adds rewrite never enacted into law
International Narcotics Control Corrections Act of 1994	PL 103-447 (HR 5246)	Extends current procedures, puts off rewrite, reduces review period to thirty days, deletes House fast-track, updates drug-producing definition by hectares of cultivation, waives assistance cutoffs with respect to counternarcotics law enforcement, economic assistance for FY95 only
Federal Reports Elimination and Sunset Act of 1995	PL 104-66	Strikes rewrites, uses current procedures without time limitation

Role of § 614

§ 614 of the FAA allows the president to authorize assistance under the FAA without regard to any limitation imposed by the FAA, the Arms Export Control Act, any revenue bill, or any authorization or appropriations act funding the provision of the FAA if the president determines that doing so is important to the security interests of the United States. The president must notify Congress of any such determination. There are numerous restrictions on this authority detailed fully in the FAA. § 614 applies to the restrictions imposed by the Certification Process in § 490. President Clinton utilized the authority vested in him by § 614(a)(2) on August 16, 1997 (Presidential Determination No. 97-31) to "make sales and extend credits to Colombia of up

to $30 million in Foreign Military Financing under the Arms Export Control Act, without regard to any provision of the law within the scope of § 614." In addition, the president also utilized the authority vested in him by § 614(a)(1) to "furnish up to $600,000 in Fiscal Year 1997 funds under Chapter 5 of part II of the Act for Colombia, without regard to any provision of the law within the scope of § 614."

History of Recent Congressional Action

In the second session of the 105th Congress, both the House and Senate introduced legislation expressing disapproval with the president's decision to fully certify Mexico. In the House, Representatives Clay Shaw and John Mica introduced a resolution (H. J. Res. 114) that would reverse President Clinton's action to certify Mexico but grant the president waiver authority for the economic penalties. H. J. Res. 114 was not taken up by the House International Relations Committee and did not reach the House floor for a vote. In the Senate, Senators Coverdell and Feinstein introduced S. J. Res. 42, to decertify Mexico, and S. J. Res. 43, to decertify Mexico but grant a national interest waiver. On March 26, 1998 by a vote of 45-54, the Senate rejected S. J. Res. 42. The Senate vote cut across ideological and regional lines. S. J. Res. 43 was not taken up by the Senate because the deadline for Congress to block Clinton's certification was March 28, 1998 and, by law, only a simple decertification resolution was protected against dilatory tactics that would have delayed any vote until time ran out.

In the first session of the 105th Congress, both the House and the Senate introduced legislation expressing disapproval with the president's decision to fully certify Mexico. Two types of legislation were introduced: (1) H. J. Res. 58 and S. J. Res. 21 would have reversed the president's favorable certification of Mexico, but would have allowed a one-year waiver based upon national security interests; (2) S. J. Res. 19 and S. J. Res. 20 would have simply decertified Mexico. Intended largely as symbolic gestures to our border ally, expressing pungent criticism of rampant corruption and inadequate efforts to cooperate with law enforcement authorities, the resolutions gained momentum due to initial bipartisan support.

Representative J. Dennis Hastert introduced an amendment to H. J. Res. 58 that would have allowed Mexico to avoid decertification if the president could obtain reliable assurances that Mexico would meet, in the next 90 days, certain criteria, such as permission for U.S. law enforcement officers to carry weapons and authorization for more Drug Enforcement Administration (DEA) agents. The amendment passed by the margin of 251-175; H. J. Res. 58 passed in the House by the slim margin of 212-205. Fearing a nationalist backlash and a deterioration in diplomatic and law enforcement relations between Mexico and the U.S., the Senate adopted a bipartisan amendment to H. J. Res. 58 introduced by Senators Coverdell and Feinstein. The resolution, a product of negotiations with senior administration officials, required that President Clinton report to Congress by Sept. 1 on progress made by Mexico in certain areas. The Senate passed H. J. Res. 58 by a broad margin of 94-5.

USIS Washington File

26 February 1999

TEXT: STATEMENT OF EXPLANATION FOR MEXICO DRUG CERTIFICATION

(White House issues annual report) (1010)

WASHINGTON -- Following is the text of the Feb. 26 White House Statement of Explanation regarding Mexico's drug-certification status:

(begin text)

STATEMENT OF EXPLANATION, MEXICO

Mexico made significant counter-narcotics progress in 1998. Building on presidential commitments made in May 1997, the United States and Mexico developed a Bi-National Drug Strategy -- released in February 1998 -- which identified sixteen areas for cooperation in reducing the illicit consumption, production and trafficking in drugs. Later in 1998, the two countries developed Performance Measures of Effectiveness for the Strategy to guide its implementation and to provide a means of monitoring progress. The Measures were formally adopted during President Clinton's trip to Mexico in February 1999. The U.S.-Mexico High-Level Contact Group on Narcotics Control (HLCG) and the Senior Law Enforcement Plenary continued to serve as the principal fora for coordination of bilateral counter-narcotics cooperation.

USG agencies enjoy productive working relationships with Government of Mexico (GOM) counterparts across a broad range of counter-narcotics programs. The two governments have established numerous mechanisms, both formal and

informal, to promote good communication and coordination.

The most serious obstacles to both bilateral counter-narcotics cooperation and the effectiveness of Mexican agencies in combating the major drug cartels relate to institutional weaknesses, such as lack of adequate resources and training and widespread drug-related corruption. The GOM took a number of important steps in 1998 to address these problems. For example, for the first time ever, the Office of the Attorney General (PGR) implemented an intensive screening process for recruits to law enforcement as well as for all personnel assigned to sensitive positions. This level of screening will eventually be expanded to all PGR personnel. These kinds of reforms, along with bilateral training activities, are helping to build confidence between USG and GOM authorities, resulting in improved bilateral cooperation.

The GOM also took steps during 1998 to implement important legislative reforms designed to enhance efforts against drug trafficking and organized crime. Among these steps were introduction of legislation regulating seized property to allow for asset forfeiture and sharing, streamlining the Mexican code of criminal procedure to facilitate prosecution of drug traffickers, and reducing the ability of employees dismissed for corruption to be reinstated upon appeal. In an effort to

enhance professionalism and increase capabilities, Mexican law enforcement and judicial officials participated actively during 1998 in various bilateral training programs designed to improve management of evidence, electronic surveillance, asset forfeiture, drug detection, and fraud investigation.

During 1998, Mexican authorities arrested numerous drug traffickers, including Jesus and Luis Amezcua (major methamphetamine traffickers wanted for extradition to the United States), twenty members of the Amado Carrillo Fuentes Organization (the Juarez Cartel), the former military commander of Baja California, and two Federal Judicial Police chiefs. Notable convictions and sentences for drug-related crimes in 1998 include former Drug Czar Army General Gutierrez Rebollo (sentenced to almost 14 years for offenses involving illegal possession and transportation of firearms and abuse of authority), and Ernesto "Don Neto" Fonseca Carrillo (sentenced on drug charges to 11 years, in addition to time he is serving for the 1985 murder of a DEA agent). Over 10,000 Mexican nationals and 255 foreign nationals were arrested on drug- related charges.

On the basis of legislation and regulations adopted in 1996-97, the GOM made progress last year in detecting and prosecuting instances of money laundering. The Financial Investigative Unit established in 1997 in Mexico's Finance Ministry continued to work closely with USG counterparts on money laundering investigations, providing leads, follow-up and access to witnesses. With informational assistance and technical support from the USG, the GOM increased seizures of drug traffickers' assets in 1998, including a $250 million seizure of assets connected to Alcides Ramon-Magana in Cancun. Mexico's first successful prosecution for money laundering demonstrated encouraging progress in 1998.

The GOM sustained its massive interdiction and eradication programs throughout 1998. For example, Mexican law enforcement and military personnel seized 22.6 metric tons of cocaine and over 1,000 metric tons of marijuana. They eradicated for an entire growing season approximately 9,500 hectares of opium poppy and 9,500 hectares of cannabis. The GOM continued cooperation with the USG in interdicting drug shipments throughout 1998. For example, during one major event, the GOM seized three tons of cocaine from a trafficking vessel forced to land by coordinated action by the U.S. Coast Guard and the Mexican Navy. In addition, bilateral cooperation in using U.S. air assets to detect and monitor drug flights increased in 1998.

Both governments recognize that much remains to be done to dismantle the major international drug cartels, which pose such a serious threat to both nations. The criminal organizations based in Mexico are well financed and violent, placing Mexican law enforcement and military personnel at grave risk. The persistent corrupting influence of these groups is also an important concern for the GOM.

President Zedillo has publicly underscored his commitment to combat drug trafficking and to strengthen Mexico's law enforcement institutions. He reaffirmed this commitment to U.S. officials, including in a June 1998 meeting with President Clinton at the UN General Assembly Special Session on Drugs. In February 1999, the GOM announced a major public security initiative which will significantly intensify the national anti-drug effort. Despite an austere budgetary situation, President Zedillo has directed the GOM to invest up to $500 million over the next three years on enhancements to the nation's capabilities to interdict drug shipments, to combat the major drug

trafficking organizations, and to counter the corrupting influences that these organizations exert in both the public and private sectors. The initiative also calls for a major effort to address street crime and violence.

The USG and the GOM have carefully nurtured positive working relationships, and the goodwill resulting from those efforts will remain essential as both Governments continue to confront the shared threat of international drug trafficking.

(end text)

Return to Washington File home page

Mr. MICA. I have questions for both of our witnesses, but I am going to yield for just a moment to the chairman of the International Relations Committee, Mr. Ben Gilman, who has joined us and who has a statement he would like to make. He has left a meeting to come here. And without objection, if I may, I would like to recognize him at this time.

Mr. GILMAN. Thank you, Chairman Mica.

I regret that I was delayed in coming up and I am going to have to return. We are conducting a mark up on several foreign policy measures down on my committee. And I want to thank you, Mr. Chairman, for your leadership in holding this important hearing on the President's, what I consider, ill-advised full certification of Mexico in our common fight against illicit drugs.

And I thank you for bringing two top notch panelists before us, Mr. Beers from our Department of State, and Tom Constantine, our DEA Director, both of whom have been highly instrumental in trying to formulate a more effective drug policy for our Nation. And I appreciate your long-time efforts, Chairman Mica, both in helping draft the original certification statute and working with me and so many others here in the Congress in trying to keep illicit drugs in the forefront of our foreign policy and our national security agenda.

Several Presidents in the past have said drug trafficking is a national security problem and too often we forget that issue. Your understanding about how the annual drug certification came about is important for those who wonder how we got here in today's measuring of Mexico's performance. And we in the Congress for far too long have heard many good words and pledges about fighting drugs together.

But very often, little concrete action was ever forthcoming for the major producer or source nations who often promise to help us. These very same producers are transit nations but also, of course, at the same time they enjoy the benefits of our taxpayers' largesse in the way of economic assistance, in the way of aid, trade, and multilateral loan guarantees and other benefits that we often consider as part of our foreign policy.

Congress in 1986, I think wisely, combined the need for full cooperation in our efforts against drugs with the major producer or transit nations' right to access some of American taxpayers' largesse. The American people have overwhelmingly supported certification since that time, and I also noted with some astonishment just last April in a Wall Street Journal poll that 65 percent of the people in Latin America agreed with the American public in that approach.

They also favored U.S. imposed sanctions on countries not doing enough to combat drug production and trafficking.

I remember at a recent, not too long ago, conference in Atlanta arranged by former President Carter in which we were debating the drug certification process. And there was some question raised as to whether or not that was beneficial to our policy. I happened to sit next to the former President of Bolivia, who leaned over to me and he said, "You know, if it wasn't for the drug certification problem, despite all the protests to the contrary, we wouldn't have passed very significant legislation in our parliament on asset sei-

zures and money laundering." He said it has been a strong motivation and I certainly agree with that.

The American people have been joined in support of certification by important groups such as the National Conference of Mayors and the National Narcotics Officers Association Coalition, and other police officials who daily face the brutal cost and the deadly consequences of the illicit drugs from abroad on the streets of communities of our Nation.

Simple, straightforward, and most importantly, always seeking our assurances from these producers and transit nations like Mexico that besides words, the President would be able to say to the Congress, we are getting full cooperation in our drug war. No challenge, I don't think, is more important than this vital fight against illicit drugs, especially in our own hemisphere.

Mexico is a neighbor to the south, an important neighbor and the gateway, regrettably, for nearly 60 percent—60 percent of the illicit drugs entering our Nation. And as good neighbors alone, never mind the multilateral loan guarantees they may receive from us, I think we are entitled to full cooperation and they to ours as well.

We are doing our share here at home with billions spent on demand reduction and treatment as well as reducing supplies. We have also provided assistance to the Mexican authorities in many areas to help them do a better job in fighting drugs.

I led the way when Mexico wanted to get its military more involved in fighting drugs in helping obtain 72 United States Army Huey helicopters for Mexico and were pleased—incidentally, Mr. Beers, we thank you for your help in the recent initiative to provide Hueys for Colombia. The Colombian narcotics police force that has been pleading for them for many months now—and we welcome the opportunity that we are providing to them to help them fight the war.

The "fully cooperating," and that is in quotes, certification decision of Mexico's dismal record for 1998 cannot and ought not stand unchallenged. The administration itself is now in the business of giving us mere words, not any evidence of any concrete deeds and action.

We understand a resolution of disapproval has already been introduced and wisely, I note, with a national interest waiver so we give Mexico the failing grade of F that they deserve for performance in the war on drugs without any adverse economic consequences.

I look forward to working closely with Chairman Mica in this area of disapproval in the days and weeks ahead. We need to sit down and we need to discuss our concerns with the Mexican Government. They are not apparently hearing what they need to hear from the administration.

It was very nice of them to say they have gotten some new equipment, new radar instruments, that are going to help in spending $400 million in that direction, but that's not the end all and that's not the most effective thing they should be doing.

And I welcome the statement this week of the minority leader, Mr. Gephardt, that he felt compelled—compelled to disagree with the President's certification of Mexico. This isn't partisan politics.

It is about our young people. It is about our communities. It is about our national security.

As I said yesterday at our own International Relations Committee hearing, the high level working groups that our Nation and the Mexican Government now routinely convene on cooperating and fighting drugs, and we are pleased they are doing that, are avoiding the reality and the poor record that is obvious to all of us. Perhaps the high attitudes of those working groups affected the judgment of the administration officials who recommended to the President—and they made a strong recommendation to the President and the President apparently relied on it—the totally unjustified decision to certify Mexico as fully cooperating in our common war on drugs.

And I will try to be brief in closing. The facts are very different in Mexico. Drug seizures are down. No major kingpins have been extradited to our Nation. The administration admitted as much yesterday, even with all the charts and graphs in trying to paint the best picture. In addition, the Mexican Government has yet to permit our courageous, dedicated DEA agents that Mr. Constantine has been seeking to carry sidearms with full diplomatic immunity in the dangerous drug war, permission that virtually every other cooperating government has provided. The head of the DEA, our lead drug fighting agency—and I am pleased he is here—Mr. Constantine, and we call him a cop's cop, has called the corruption in Mexico the worst criminal threat to our Nation that he has ever seen in nearly 40 years of law enforcement.

I ask unanimous consent that the hearing record, Mr. Chairman, include a column from today's Washington Post by Bob Novak. Mr. Novak has examined the DEA's Administrator's outstanding law enforcement record and is clear of unambiguous analysis of the situation in Mexico today, and he has concluded, as many have here in the Congress on both sides of the aisle, that the administration is also corrupting the certification process with this kind of full passing grade that it has provided to Mexico.

Mr. MICA. Without objection, that will be made a part of the record.

[The information referred to follows:]

THE WASHINGTON POST THURSDAY, MARCH 4, 1999 A21

Robert D. Novak

Certifiably Corrupt

Drug Enforcement Administration (DEA) chief Thomas A. Constantine, known as a cop's cop averse to political equivocation, will confront an unwelcome question today before the House subcommittee on drug policy: Do you favor certifying Mexico as "fully cooperating" in the war on drugs?

The decision was President Clinton's, who last Friday approved the ritualistic annual certification of Mexico that spares it from trade and other economic sanctions. But only two days earlier, Constantine, in a 20-page single-spaced statement to a Senate narcotics control caucus, candidly told of "unparalleled levels of corruption within Mexican law enforcement agencies." The corrupt police protect "Mexican-based criminal organizations" that now lead the world in distributing illegal drugs to the United States.

Those words were not welcome at the White House, and the congressional Republican leadership hardly seems engaged in fighting drugs. Mexican certification has been attacked by Rep. Benjamin Gilman of New York, chairman of the House International Relations Committee, and Rep. John Mica of Florida, who heads the drug policy subcommittee. But in the hypocrisy of today's Washington, poison pouring in from south of the border is less important than bilateral trade and the burgeoning Mexican American vote.

Constantine, a 60-year-old career policeman from Buffalo, N.Y., who was New York state superintendent of police before coming to Washington, would have been out of character if he had told the senators less than the truth. But had he obfuscated, he would have faced rebellion from DEA agents who are sickened by U.S. official tolerance of Mexican corruption.

Mexico shows signs of becoming a narco state. DEA sources indicate drug traffickers taking over most of the area west and south of Mexico City plus the Baja and Yucatan peninsulas (President Clinton gushed over Mexican President Ernesto Zedillo at their mid-February meeting in the Yucatan). The result: an outpouring to the United States of high-purity, low-price black-tar heroin, which can mean rapid addiction or, if overdosed, a quick death for American youths.

Constantine told the Senate that "the major international organized crime bosses headquartered in Mexico direct the details of their multibillion-dollar business" in America. It is his specifics that make such a charade of Clinton's embrace of Zedillo and the lack of outrage on Capitol Hill.

- Only "limited enforcement action has taken place" on the southwest U.S. border against the Arellano-Felix Organization, "arguably the most violent" of Mexican drug-trafficking cartels. Its leaders "appear to be immune to any law enforcement efforts." When the DEA requested the Mexican government's help in apprehending one such criminal, it was told that "would be difficult" because of "corrupt law enforcement officials" he employs. Members of this syndicate who have been arrested are neither prosecuted nor extradited. An estimated $1 million weekly is paid to Mexican officials to guarantee the drug flow along the southwestern U.S. border.
- Of 65 members from the Carrillo Fuentes Organization cited in Mexican arrest warrants a year ago, "no significant cartel member has been apprehended." Cartel leader Ramon Magana and his associates have been spotted by Mexican officials, who "failed to take any type of enforcement action." Magana has been "corrupting numerous police, military and political officials."
- Miguel Caro-Quintero, head of the Caro-Quintero Organization, "collaborates with some Mexican law enforcement officials." Based on his aggressive drug trafficking, "he apparently fears no repercussions from law enforcement in Mexico."
- Achievements by the Mexican government's new Base Intelligence Units, which replaced joint U.S.-Mexican operations in 1997 because American agents could not be guaranteed legal and physical security, "have been minimal." Corruption has recently been discovered in other Mexican intelligence operations.
- Although the Mexican government in 1997 transferred much of its narcotics enforcement to military units because of civilian corruption, "there are numerous reports of drug-related corruption involving military units." Not surprisingly, they have not arrested any drug kingpins.

Tom Constantine does not join Gen. Barry McCaffrey, the U.S. drug policy director, in echoing Clintonian happy talk in praise of Mexican drug enforcement. Characteristically blunt, he last week expressed "great concern about the long-term prospects" for stopping Mexican drug syndicates that "are responsible for degrading the quality of life" not only along the border but "increasingly [in] cities in middle America." Considering official Mexican complicity, that argues strongly against certification.

© 1999, Creators Syndicate Inc.

Mr. GILMAN. Thank you, Mr. Chairman.

And in closing, let me say much more needs to be done. Congress is going to have to help lead the way. And I look forward to today's testimony and I will have an opportunity to examine it on the conclusion.

I regret I am going to have to return to my International Relations Committee. But I want to thank you for this opportunity to appear and for giving me the opportunity to add my words to your important hearing.

Thank you, Mr. Chairman.

Mr. MICA. I thank Chairman Gilman and look forward to cooperation of our two committees—subcommittees in this effort.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. MICA. If I may, Mrs. Mink has a unanimous consent request.

Mrs. MINK. Congressman Dennis Kucinich asked unanimous consent to have his opening statement inserted.

Mr. MICA. Without objection, his statement will be made part of the record.

[The prepared statement of Hon. Dennis J. Kucinich follows:]

Congressman Dennis Kucinich:
Oversight Hearing on US / Mexico Counternarcotics Efforts
March 4, 1999

STATEMENT

Mr. Chairman, one of the most important oversight aspects of this committee is to ensure that the U.S. drug policy is effective in assessing the situation and addressing the problem.

I am deeply concerned with several aspects of U.S. counternarcotics policy towards Mexico. Namely, widespread corruption within the Mexican government hinders our efforts to work effectively in conjunction with the Mexican authorities. The internal corruption in Mexico has been classified by the government as the nation's principle national security threat. The president of Mexico has publicly acknowledged deeply rooted corruption within the government and has begun to implement reforms. Congress should closely monitor the developments of these reforms. While our policies towards Mexico are geared towards combating the problem from the suppliers, we need to devote more resources domestically to effectively address the demand for illicit drugs. Spoken plainly, the fact remains that no matter how vigorously we work towards eradicating drug trafficking from outside our borders, there will

continue to be a significant drug problem while there is a significant demand for drugs.

I look forward to the testimony of the witnesses and hope that the congress and this committee will closely evaluate the administration's drug policy towards Mexico.

Mr. MICA. If I may, I would like to proceed with questions. We can get right into it, and if Members have a comment or opening statement we would be glad to insert them in the record.

First of all, Administrator Constantine, Congress passed—the House of Representatives did—several years ago, a number of requests of Mexico. I think six very specific requests, that we wanted to see some cooperation on. I think it is almost exactly 2 years ago, in March. Can you tell me, as I go over these, whether anything has been done or not, to your knowledge.

First of all, a maritime agreement?

Mr. CONSTANTINE. You probably have to ask the Coast Guard or the State Department.

Mr. MICA. But to your knowledge, is there any progress in a maritime agreement?

Mr. CONSTANTINE. I couldn't say one way or the other, Congressman. I am not familiar with the progress on that.

Mr. MICA. Mr. Beers.

Mr. BEERS. We have begun over the course of the last year a——

Mr. MICA. Has a maritime agreement been signed between Mexico and the United States?

Mr. BEERS. No, sir. We are in the process of——

Mr. MICA. Thank you. Mr. Constantine, we asked for protection of DEA agents, another one. Has that been addressed?

Mr. CONSTANTINE. Well, I have always publicly tried to avoid the levels of protection so that I don't increase the threat to any of the agents. But the issues involve the——

Mr. MICA. Are they the same?

Mr. CONSTANTINE [continuing]. The safety of our agents has not been resolved as of yet.

Mr. MICA. Have we extradited one major drug trafficker? That was the third. You said no. Mr. Beers.

Mr. BEERS. Garcia Braggo, sir.

Mr. MICA. One—Mr. Constantine, one major Mexican?

Mr. BEERS. He is a dual national, sir. Excuse me, I don't mean to mislead.

Mr. CONSTANTINE. Not to my knowledge, Congressman.

Mr. MICA. Thank you. We had also requested not only enactment of money laundering and corruption laws which were done at that time of our request. I think these were already in place. But we asked for cooperation on money laundering. Mr. Constantine, have they been cooperating?

Mr. CONSTANTINE. It is my understanding that the law has been passed. We have not had any major investigations at the DEA.

Mr. MICA. Casablanca, what did they do with Casablanca?

Mr. CONSTANTINE. Casablanca was a Customs case, and I am not familiar with all the details with it, but I am aware of the issue.

Mr. MICA. Did they threaten to indict our officials?

Mr. CONSTANTINE. That is the report that I read, yes, sir.

Mr. MICA. Radar in the South, has there been any progress on radar? Putting radar in the South was another thing that was specifically mentioned.

Mr. CONSTANTINE. I am not familiar with that or what progress has been made.

Mr. MICA. Mr. Beers, is there radar in the South?

Mr. BEERS. No, sir, not to my knowledge.

Mr. MICA. Thank you. So in each of these areas we have seen almost no progress.

Mr. Constantine, are the figures that we have, are the seizures down on heroin? Are the seizures down on cocaine?

Mr. CONSTANTINE. The seizures, as reported by the Government of Mexico, on both heroin and cocaine are down, yes, sir.

Mr. MICA. Now, you gave me this chart that I held up on production. Is the production of heroin up or down?

Mr. CONSTANTINE. That's the signature analysis program.

Mr. MICA. That is, I should say, production. And you are seizing this, and this is what you can identify in the United States seized and its source?

Mr. CONSTANTINE. Let me give a little bit of context to that. There are three primary ways that we try to assess the source of heroin in the United States.

One is the signature analysis program. The signature analysis program is, as you said, seizures usually at ports of entry. The drug is then sent to our special testing laboratory and we get the results that way.

The second is what we call a domestic monitoring program, where we actually go out and buy heroin in selected cities in the United States and send that in for analysis.

Mr. MICA. Are we seeing more Mexican produced heroin or less?

Mr. CONSTANTINE. Yes, sir. That figure——

Mr. MICA. More or less, sir?

Mr. CONSTANTINE. More, sir.

Mr. MICA. OK.

Mr. CONSTANTINE. But to give you a sense——

Mr. MICA. Methamphetamine, you said that they are explosive?

Mr. CONSTANTINE. Well, there has been—in the United States we moved, in a 5 or 6 year period of time, from a very low level drug problem of the use and manufacture of methamphetamine to a substantial abuse problem. Within the United States there has been a change in the manufacture and the distribution system from the low level motorcycle gangs to major organized crime systems based out of Mexico.

Mr. MICA. Mr. Constantine, is there a single Government of Mexico law enforcement agency which your DEA agency has complete trust and confidence in?

Mr. CONSTANTINE. I would say, in working with the key people that I have worked with, Mr. Medrosa, Mr. Riberole, and Mr. Horan, I find them to be honest and trustworthy. The problem that they have and we have is that every major criminal investigation that we have conducted and that I know of, somewhere in the investigation involves a corrupt law enforcement official or systemic corruption.

So it's—we limited our information to a very select group of people that we think we can trust.

Mr. MICA. Mr. Constantine, am I correct that we have moved from corruption to a form of narco-terrorism? You cited the Baja peninsula. I also understand the Yucatan peninsula. Are these controlled by drug interests at this point and are there other areas controlled by drug interests?

Mr. CONSTANTINE. I wouldn't define either of those areas as narco-terrorism. What I would say in both of the areas that you have defined is that the level of drug trafficking, the power of the organizations, and the corruption that is occurring within the systems makes it difficult, and obviously by virtue of the fact that none of them have been arrested, virtually impossible to apprehend.

Mr. MICA. The situation has been reported out of control in the Yucatan peninsula particularly with the reports that the Governor there is closely linked to drug traffickers and because of connections with the government he may not even be subject to arrest. What is your take on that situation?

Mr. CONSTANTINE. I believe you are talking about the former Governor who leaves office.

Mr. MICA. Right.

Mr. CONSTANTINE. I think there was an election that was held. That is an investigation that was conducted—is being conducted by the Government of Mexico. I would not comment in a public forum about elected officials in an ongoing criminal investigation.

Mr. MICA. We will have an opportunity next Thursday. We are planning a closed briefing by you and others from the intelligence community on the situation. I just alerted the Members. Mrs. Mink and I had requested that and we are pleased that you are complying with that.

Mr. Constantine, based on your knowledge of the law—and the law is pretty simple. I helped draft it back in the 1980's, a certification law—it says a country must be certified as fully cooperating. Based on your knowledge of the law—and I don't want a political answer. I don't want a diplomatic answer. You are a chief law enforcement—you are the chief law enforcement officer we have to rely on in this entire illegal narcotics area.

Would you recommend certification or decertification of Mexico as fully cooperating?

Mr. CONSTANTINE. Congressman—and this is not a diplomatic or political answer, but it is the answer that I have articulated ever since I have been in Washington. I don't think it is the role of a law enforcement official to evaluate somebody for a public or political policy decision like certification. So all that I do is I provide the policymakers who make those decisions with what the picture looks like, how the criminal organizations operate, and how we respond to them. And I have very carefully avoided that——

Mr. MICA. Is the picture one of fully cooperating?

Mr. CONSTANTINE. No.

Mr. MICA. Thank you. I would like to yield now to the ranking member, Mrs. Mink.

Mrs. MINK. Thank you, Mr. Chairman. The testimony that you have provided this morning linking up the major organized crime families in Mexico with a distribution system within the United States is very terrifying and places a dual responsibility in your agency to not only help us understand the source issues within Mexico and how they are coming into the United States and where the control and corruption and trafficking is within Mexico, but also how that distribution system impacts our metropolitan areas and our cities and communities all over the country.

So I see this as a dual challenge to your agency. And you have very, very accurately described the dilemma of trying to indict or arrest or apprehend these foreign connections that are within our cities.

You indicated that many of them have been indicted but have fled and, therefore, the criminal justice system has not been able to bring them to trial and to so-called fulfill the justice responsibility; and that is very disappointing.

I have a very strong interest in this field. Because I believe that the frustration of the American public is that they are not aware of the great efforts of your agency, because we don't see the whole picture and the connection with the source and with this whole discussion about certification, which I believe is interconnected.

Now, following on the chairman's question, which you felt disinclined to respond to because the decision is not yours. It is something that all factors have to be put together and then the President makes his decision. But if the Congress were to decertify Mexico, may I ask you the question. What would be the impact of that decertification on the work of your agency?

Mr. CONSTANTINE. It would be difficult to predict. It would be based in part, I suspect, on the reaction of the Government of Mexico. I couldn't predict—those places where we have looked at this historically, at least since I have been in the city, Colombia, I think, is the classic example.

It resulted in increased cooperation and results and sharing of assets because of the reaction. That does not guarantee that there would not be a completely different reaction from the Government of Mexico. That, I think, is a question that we best ask to someone other than myself. I am not clairvoyant.

By the way, you are very perceptive for a new person who has read this, as you explained, to understand our problem. Our problem is exactly that organized crime situation. Because we invest a tremendous effort and amount of money in seizing drugs and arresting key individuals, but where we wind up, Congresswoman, is we wind up with mid-level people who we can find as operatives in the United States but their bosses hardly ever come here for fear of being arrested or indicted.

So whereas when Attorney General Kennedy had this approach of going after the leadership as the ultimate goal and we were successful, we are frustrated by the fact that the people we know are directing these operations literally, so far, are immune from sanction generally. So you have a very good grasp of what our problem is.

Mrs. MINK. Now when you talk about having indicted some of these traffickers, you are not then talking about the top of the rung but the middle level?

Mr. CONSTANTINE. No. We have arrested the middle level. We have indicted them and arrested them when we can find them in the United States. We have indicted the key leaders in the top of the organizations based on the things that they do. The acts they commit are part of a conspiracy within the United States. Those are the individuals who so far have been immune from sanction.

Mrs. MINK. Now is it possible for you to submit to the committee a list of these high level traffickers that you have indicted?

Mr. CONSTANTINE. I could give them to you by name and by rote. I know them. We all know them. They are written on our minds indelibly.

Mrs. MINK. If the committee would indulge me, we have that in the record right now. It is something that I am very, very much interested in having in the record.

Mr. CONSTANTINE. The two key people from the Arellano-Felix organization that control the whole Tijuana, Mexicali distribution system up into the West Coast have both been indicted.

Ramon Arellano-Felix is a top 10 fugitive in this country for the last 2 years. You have Rafael Caro-Quintero. He is in prison in Mexico in relationship to the murder of a DEA agent in the mid 1980's but he is still wanted here for crimes. Miguel Caro-Quintero, who Mr. Beers mentioned, of the Sinaloa group—to give you a sense of our frustration, he has been indicted again and again.

And when I mentioned his name as a potential target in Mexico City a little over 2½ years ago, he called a radio station to accuse me of slandering his reputation and said that he had routinely driven through police roadblocks and military roadblocks and was never challenged despite my comments. He then, a year later, gave an interview with the Washington Post about the same issue. He is a leader of a major organization.

We have Vicente Carvillo-Fuentes, the brother of the famous Carvillo-Fuentes organization, Eduardo Gonzalez-Quirarte, Oscar Majerbe. Arturo Paez-Martinez, who Mr. Beers mentioned, has been arrested but we are awaiting extradition. Jaime Gonzales-Castro, Jaime Ladino-Avila, Jose Gerardo Alvarez, William Brian Martin, Miguel Angel Martinez-Martinez.

These are all key figures, including the two Amezcua brothers, who are key. And I give great credit to the Government of Mexico for their arrest. But their extradition and return to the United States would be a major asset for us in these investigations. And there are a number of others and I will submit them on the record for you.

Mrs. MINK. You spoke in your testimony about the personal danger that many of the DEA agents are constantly under. I would like to ask you what personal dangers are you under as the person leading this agency?

Mr. CONSTANTINE. Well, I don't know. From time to time, obviously, there are people who would say it is dangerous. But I have been doing this for 39 years. Perhaps I am fatalistic and don't play the threats too low. I carry my own firearm and protect myself, as I have for all of those years.

I suspect the more I testify about these people, the more I explain who they are and the bigger danger they are to the United States, the greater danger perhaps I raise for myself. But I am more concerned about the people who work for me and who, as I mentioned in my conclusion, night and day are willing to protect us.

And many of them get killed in the line of duty, and the seriousness of that, and how serious we have to be to go after the leadership. I have two sons of mine who are in law enforcement. I probably worry about them more than I worry about myself.

Mrs. MINK. Thank you, Mr. Chairman.

Mr. MICA. I am pleased now to recognize for questions the gentleman from Arkansas, Mr. Hutchinson.

Mr. HUTCHINSON. Thank you, Mr. Chairman, and I appreciate both Mr. Constantine's and Mr. Beers' testimony today.

Let me followup with a very important line of questions that have been asked, which relate to extradition. It is probably the most critical weapon that we have in dealing with the foreign nationals who impact our drug importation into the United States in such a heavy degree.

As has been pointed out, the Government of Mexico has approved extradition in a number of cases but it has been blocked to this point by the judiciary.

First of all, Mr. Constantine, what is the impression of the judiciary? There has been corruption in the mid-level law enforcement branch in Mexico. How does the judiciary handle the potential of corruption? Is bribery a problem in the area of the judiciary?

Mr. CONSTANTINE. I'm not an expert, Congressman, on the judiciary or their corruption issue. There have been significant cases where certain traffickers have been released and there have been serious allegations of corruption on the part of the judiciary and significant bribes that were supposedly paid for their release. But that's all second-hand information for me.

Mr. HUTCHINSON. Mr. Beers, do you have a comment on that?

Mr. BEERS. Yes, sir, I do. I would support what Administrator Constantine said. There have certainly been reports of bribes. The Mexican Government has expressed concern to us about this particular issue. Whether or not there was a specific bribe associated with a specific extradition case, I do not have hard evidence to that.

But I think there is general agreement that it is a problem. The Mexican Government has recognized this problem, also, as I have said; and it has created the National Judicial Council, which is trying to reform the court system. But they have a long way to go.

Mr. HUTCHINSON. Well, I have traveled to some of the South American countries and listened to some of their leaders, and unless you have an honest judiciary you cannot maintain the integrity of any law enforcement system. And it is important that the Government of Mexico take steps in that direction.

Extradition is very, very important. And it is one thing for the government to approve it, and it is another thing for the judiciary to block it where the laws are in place to accomplish that.

Mr. Beers, you have mentioned the letters from the Governors that you put in the record, and I have respect for all those Governors. But are they not addressing the stability issue—in regard to our relationships with Mexico? And that really does not bear on the issue of whether the government is fully cooperating in the drug war, is that correct?

Mr. BEERS. Sir, I think the letter discusses stability as well.

Mr. HUTCHINSON. That is my point. The letters do address the stability issue. And for that reason, to me, that goes to a national security waiver. To me, the issue surrounding the certification process is whether they are fully cooperating. It is an objective standard that could be measured. You have put attitude in there

as an important part of it, but to me it is more of an objective issue.

And if they are not meeting that objective standard, then we should grant them a national security waiver for the purpose of stability. And I think that might be the point that the Governors are making.

I know that in reference to Colombia, you know, they were denied certification and they worked extraordinarily hard in order to be granted some assistance the next year and were granted a national security waiver. Was that not beneficial the way that we handled this with Colombia, Mr. Beers?

Mr. BEERS. I would agree with Administrator Constantine. I believe that the initial decertification of Colombia based on the corruption at the highest levels of the Government of Colombia, in fact, was appropriately determined and I think beneficial in overall terms, in terms of that government's, in particular that police force of that government, taking extraordinary efforts on behalf of that country and the world.

As with Administrator Constantine, I also believe that that is not necessarily a predictor of what the Mexican Government reaction would be, and I can't tell you either what exactly the Mexican Government reaction would be.

Mr. HUTCHINSON. Certainly that would be the case. But, you know, we should first follow the law very carefully and trust the wisdom of that law and respect that. And then, I think that even though it might not be protectorate, certainly I think it worked very well in regard to Colombia.

And I think that they are moving in the right direction because of the stand that we took and the compliance with the law.

Let me ask the question, again, to Director Constantine. In justifying the certification of Mexico, the administration has touted the Mexican Government's arrest of the Amezcua brothers——

Mr. CONSTANTINE. Amezcua.

Mr. HUTCHINSON. Known as the kingpins of methamphetamine. It is my understanding that all the drug charges against those three have been dropped and they remain in prison pending the resolution of the U.S. extradition warrants. Was there a trial for these men?

Mr. CONSTANTINE. I don't know what the judicial proceeding was, but it was found that they were not prosecutable in Mexico on the violations. Whether it was a lack of evidence or it was how the evidence was gained, the charges were all dismissed.

Mr. HUTCHINSON. Are they still in custody?

Mr. CONSTANTINE. Yes, sir.

Mr. HUTCHINSON. Pending the disposition?

Mr. CONSTANTINE. Pending the—one of them, I think it is. Jesus, is pending extradition to the United States. But both Jesus and Luis have pending charges in San Diego.

Mr. HUTCHINSON. Is there any evidence that these traffickers continue to operate from their jail cells?

Mr. CONSTANTINE. Not to my knowledge, Congressman.

Mr. HUTCHINSON. Is the prison system becoming more stable in terms of reducing the amount of corruption?

Mr. CONSTANTINE. I'm not an expert on their penal system. I just couldn't comment on it, to tell you the truth.

Mr. HUTCHINSON. And finally, because I know we have a vote that is going on, are there any mandatory minimum sentences in Mexico for drug traffickers or for possession of drug substances like we have in the United States? That has had such a beneficial impact in our country.

Mr. CONSTANTINE. I'd have to get back with you. I'm not aware of that myself.

Mr. HUTCHINSON. Do you know, Mr. Beers?

Mr. BEERS. Nor am I, sir.

Mr. HUTCHINSON. So, I mean, you recited somebody got 20 years. Do we know what that means? Does that mean they get out in one-sixth the time? Is there a mandatory period of time? Do they serve 20 years? What does that mean?

Mr. BEERS. Sir, I have to get back to you. I don't have the precise answer on that. But I would acknowledge, as did the Government of Mexico, that their sentencing system is inadequate with respect to the crimes. They have told us that, and they are looking to try to deal with that problem themselves.

Mr. HUTCHINSON. I think we ought to look into that, because it is not just sentencing but also how long they serve and what happens after that and whether we should encourage, you know, the use of mandatory minimums, more control over the sentencing process, more direction in that regard. And I thank the chairman.

Mr. MICA. I thank the gentleman from Arkansas.

I would ask our witnesses to remain, if they can. What I am going to do is recess the subcommittee for 15 minutes, approximately. We will try to reconvene at 12:50 and I will give you a quick break. We do have Members that have additional questions and we will try to expedite those upon our return. With that, this subcommittee stands in recess.

[Recess.]

Mr. MICA. I would like to call the Subcommittee on Criminal Justice, Drug Policy, and Human Resources back to order.

I am pleased at this time to recognize a gentleman who I have had the pleasure of working with as ranking member of the Subcommittee on the Civil Service when I chaired that subcommittee, and a gentleman who has very eloquently stated how the narcotics problem affects not only the Nation but specifically the area that he represents and that we have heard references to today, Baltimore. The gentleman from Maryland, Mr. Cummings, you are recognized, sir.

Mr. CUMMINGS. Thank you very much.

Mr. Chairman, I appreciate your comments, also. I must tell you, Mr. Constantine, your answer to a question a few moments ago really touched me when you talked about your life and your concern about the men and women who work for you. And I can only say that I am sure everybody up here feels the same way.

We really do care about the men and women who put their lives on the line every day to make our world a safer place, and I hope that you will express that to them on behalf of our committee, that we do appreciate what you do and what they do.

Mr. CONSTANTINE. Thank you.

Mr. CUMMINGS. I must tell you that I have a lot of concerns about whether Mexico should have been certified. Because as the chairman said, drugs affect my community probably as much as or more than any community or district in the United States. When I go home, I literally sleep in fear; because I am surrounded. My block is surrounded by folks who seem to deal in drugs 24 hours a day. So this is a very personal thing for me. And I wish everybody had cable TV so they could hear some of this testimony.

A lot of people, I don't even think they comprehend—I'm talking about good people, good, hard working people. The question that we get constantly is, well, what is the government doing about the drug problem? There are no boats or planes that the people in our neighborhood own. So how are these drugs getting in the country? And I wish they could hear and understand how massive and difficult these problems are.

When we talk about corruption, I think it is very difficult to penetrate it. But I think someone—I think it was Mr. Hutchinson or the chairman said something that I agree with. I can't think of too many other methods to get deep into effective corruption fighting than certification. And that leads me to my first question to both of you.

I mean, it seems as if the certification process—and I understand everything you have said about opinions, about governments. I understand that, and I respect that. And if I cross that line with my question, just let me know; because I certainly don't intend to.

But I am wondering, here we are. We sit, of course, as a Congress to the United States representing the people, and we have this problem which affects so many Americans. And I think we are always trying to figure out how we can be most effective.

I was just wondering of both of you, do you—I mean, the certification process is one thing. Can you think of any other ways we can kind of force governments or push them into greater cooperation? Without even—I am not even getting into whether Mexico is cooperating fully. I have my opinion on that—but I am just wondering if you all can see any way?

Because when I think about the corruption process, when you have threats of death and violence and then you have money, big money, being used, those are two very significant forces.

So I was just wondering if you all had any opinions as to other things that either the Congress could do with regard to making the certification process even stronger or more effective? Or is there something else that we can do?

Mr. CONSTANTINE. I think probably Mr. Beers would be better to talk about the process.

But let me explain to you a little bit about something that I think is important to note and I did earlier. These organizations that we deal with are not invulnerable. I have seen this again and again. They can be broken down. They can be brought to justice, and you can change the situation. There is not an infinite number of them.

In those countries who have experienced this before, the United States being one of them, Italy, Thailand, Colombia, a select group—and it doesn't have to be an army of them—of very honest, courageous people in law enforcement leadership positions, with

support, start to make the appropriate arrests of the key individuals, which sends a signal to the citizens that law enforcement can be trusted and that they can then provide information and witness information to honest, aggressive law enforcement officials.

In some cases—and you can kind of picture this in your life—those honest law enforcement officials appreciate some type of pressure from an external source to help change the situation. Now whether that is certification or decertification or what other processes are out there—I don't know, Congressman, I think it is one—trying to support those people or individuals who are in there in a cooperative or bilateral fashion for as long as you possibly can.

And if at the end of all of that effort that is not effective, then I think, speaking as a citizen rather than the head of DEA, that we have to do something as a Nation to insure these people are brought to justice.

I spent 8 years working for Governor Cuomo at the height of the crack problem in New York City and New York State. I can remember his speeches to this day, and everybody knows that he is a great speaker. But this one I remember. He would say, "They don't grow coca in the Bronx. They don't grow opium poppies in Brooklyn. These drugs are manufactured from someplace else and distributed from someplace else," and that we needed assistance at that time from the Federal Government in dealing with these issues external to the United States.

Now what that process would look like, there's a lot of people with better experience than I have in this and may know of previous negotiations. But I think there comes a point in time where crime leaders or leaders of these drug gangs who visit tremendous devastation to Baltimore or New York or to Newark or Boston, or whatever the city or town might be, have to pay a price for what they have done, or else the law enforcement system has virtually broken down completely. But I think Mr. Beers might be better able than I to talk about certification and alternatives.

Mr. BEERS. Thank you, Tom. I generally agree with what Tom said, and we were talking about this over the break, that both of us would agree that there is no single silver bullet solution to this.

But I think we also both agree that a system which will allow a government or governments to go after the leadership of trafficking organizations represents one of the premier policy choices in terms of dismantling and disrupting the largest trafficking organizations, and that it doesn't have to be a large army that does it. A small unit can do it.

But, then, that country has to have, also, I think, a criminal justice system that can also take the product of the work of that unit and turn it into the completion of the process. Which is to incarcerate those individuals and to take away their ill-gotten gains and give them back to the people who were hurt or the law enforcement officials who are paid to protect them.

I would add to what Tom said, and I don't think he would disagree with this, that in addition to that—and that's a national solution—we are absolutely dependent upon international cooperation. These criminals don't honor international boundaries. They move across them. We are sometimes thwarted in our ability to be able to respond effectively, because we all still exist in a world as

government officials in which borders do have meaning. And DEA and other organizations, just in this country, are looking at those problems. We are not by any means there, yet.

The third thing I would say in that—and it is in support of the international cooperation. And I spoke about it with respect to Mexico, but it is also not unique. And that is, in that form of international cooperation, the ability to sit down with one's counterpart, look at the problem, describe the problem accurately, look at the policy options for solutions, talk about what the objectives are, talk about what progress has been made, and then talk about where deficiencies were and where other things might be done better.

We are starting that process with Mexico. We are a little further behind in the hemisphere, but that is also an effort that has come out of the Summit of Americas in the Hemisphere.

None of this is going to solve the problem overnight. The corruption that Tom talked about is very serious. And Italy's ability to deal with that took how many years, Tom?

Mr. CONSTANTINE. Ten or fifteen years.

Mr. BEERS. So Mexico is at least indicating to us how much they recognize the problem and that they are committed to doing something about it. Now we have to allow them to get on with doing it and support them in doing it, and hopefully we'll have the same results and hopefully in a shorter amount of time.

Mr. CUMMINGS. Just one other question. You know, I was listening to you and Mr. Beers talk about extradition. You know, I couldn't help but think about this case in Maryland that upset so many of us with Israel, the young man who allegedly committed murder in Montgomery County, which is not very far from here. And we were very upset about that.

But when I thought about it, I thought about the five-judge panel that said in a 3 to 2 vote that the laws just would not allow them to grant the request of the United States. I said to myself, I said, "Well, those are the laws of that country and I guess we just have to live with them."

Do you in this situation—I mean, do you feel that when it comes to extradition that there is some unfairness with regard to Mexico? I mean, I'm just curious. In other words, do you think that it is weighted against—either one of you—against the United States?

Mr. CONSTANTINE. Let me say, and I have to make this clear, that the biggest problem for us is the key figures are never arrested. I mean, it never gets to an extradition question.

Mr. CUMMINGS. They don't even get to that point?

Mr. CUMMINGS. Because the key leaders in these organizations are very seldom ever arrested. And the reason they are not arrested is that they have either intimidated the witnesses or they corrupted the public officials.

Then once arrested, and if their charge is pending in the United States, as there are for many of them, then there would be a test of the extradition process. And there is one key individual who begins that process over the last several months, one of the Amezcua brothers. We will see how that works out.

But more important to me as a law enforcement official trying to deal with a major crime organization, when the leaders can continually, year after year after year, despite their names being men-

tioned, identified every place in the world, can avoid even a simple arrest by virtue of the fact that they drive around, Congressman, in a convoy of 50 to 80 heavily armed people.

A significant number of those heavily armed people are policemen, which means that a small group of honest law enforcement officials who try to make an apprehension are placed in great jeopardy.

We had in the Tijuana area this year, where a courageous captain from the city police department tried to make an arrest of a major marijuana shipment and was shot and killed, and two of the people who were involved in the convoy for the load of marijuana, who were involved in the killing of the captain, were highway patrol or State police officers from that area. And that's kind of the sense of the difficulty of the apprehension.

Mr. CUMMINGS. Thank you.

Mr. MICA. I thank the gentleman from Maryland. I am pleased to recognize the gentleman from Indiana, Mr. Souder.

Mr. SOUDER. Thank you very much.

It is good to see you both again, and I want to thank you both for your efforts. I have a number of questions. I know the corruption issue is very difficult. In fact, it is not even clear that in the United States we don't have more cabinet members and former cabinet members under investigation right now than Mexico, which is a troubling figure, not for narcotics, however.

One of the questions that I have regards directly this question of the impact of decertification. I thought I'd ask Mr. Beers first. Do you know of any country that we have actually decertified where there has been less cooperation after that? In other words, some haven't cooperated. If they were uncooperative, they continued to be uncooperative. They didn't all become more cooperative. But is there anybody who has become less cooperative after we have decertified?

Mr. BEERS. I don't think it is fair to say that Burma has been any more cooperative since they have been decertified over the process. We had formerly a good cooperative relationship with previous governments in Burma. But since they have been decertified, they have shown no indication of a greater willingness to cooperate.

Mr. SOUDER. Any country other than Burma? Because we decertify anywhere from three to six in given cycles.

Mr. BEERS. I would also add that Nigeria has not shown any further cooperation during the period in which they were——

Mr. SOUDER. Were they cooperating prior to that?

Mr. BEERS. Excuse me?

Mr. SOUDER. Was Nigeria cooperating prior to that?

Mr. BEERS. I am sorry. I just don't have the information about that.

Mr. SOUDER. Because it doesn't always have a positive benefit. But in trying to anticipate whether it has a negative benefit as well—or a negative result.

Mr. Constantine, I know from having talked with some of your agents in Southeast Asia that they, too, are concerned that Burma, which was human rights certification not narcotics cooperation decertification said—do you know any other case other than—I guess it is Myanmar rather than Burma—besides that country where we

have actually gone backward if we decertified? In other words, what is the risk here based on past experience that decertifying Mexico would have a negative?

Mr. CONSTANTINE. The only country that I think that has had a direct impact on drug trafficking within the United States and was decertified was Colombia. The reaction in Colombia as a result of the decertification was positive. And in my sense of talking with people in law enforcement and other aspects of the community, they saw the pressure from the United States as supportive when they were in a difficult situation. But that's the only—I take, first of all, the nexus of a country that impacts us greatly. I have only been here 5 years and that is the one that stands out significantly.

Mr. SOUDER. Mr. Constantine, didn't decertification not long ago result in one of your brave DEA agents, in fact, being released as part of the pressures of this process? I didn't say a country or anywhere but, in fact, there was a very practical impact on your agency?

Mr. CONSTANTINE. Well, there were a lot of people who played a major role in that. I think his name is Interforth, from the State Department, was fantastic, as well as the Ambassador, in fighting for us.

Congressman Gilman was special in that he very early took a very public stand and was very, very supportive of us. And I think combining that, the comments that I heard that it would be difficult to say that they are fully cooperative on a certification process if a DEA employee, a national, who was doing a drug investigation, was incarcerated for their efforts. And that is kind of my memory of how it all played out. And thank God from everybody's efforts it was successful and he has been released and is in the United States.

Mr. MICA. Mr. Souder, if I could intervene for just a moment. I am asked to chair another committee hearing right now. I have additional questions for both of the gentlemen. I will ask them in writing and also will direct some questions to Mr. Constantine next week in a closed session. I turn the chair over to you and I will try to return as quickly as possible.

If you would introduce our second panel when you conclude and recognize anyone from either side, I would appreciate it.

Thank you.

Mr. SOUDER. OK, thank you.

Mr. Beers, one of the things as we go through the decertification debate that—I am sorry. I missed both of your testimony and I am not sure if you gave this verbally. But in the written document there are a lot of things that trouble me. Because we just spent 3 days down in Mexico, met with a lot of the leaders.

I think that at the top, just like 4 years ago when I was there and met with President Zedillo, I think at the top there is a commitment. And one of the fundamental questions of this commitment is, are we strengthening those who are trying to clean up the system or weakening those who are trying to clean up the system?

Let me first ask the question. When we decertified Colombia they, in fact, continued to ship flowers and coffee into our country. Don't they? In other words, it doesn't end all trade.

Mr. BEERS. That is correct, sir.

Mr. SOUDER. And we continued to ship antinarcotics things to the Colombian national police, in other words, vetted units and so on. It isn't like it suddenly stopped?

Mr. BEERS. Counternarcotics assistance and humanitarian aid are not cutoff by decertification, yes, sir.

Mr. SOUDER. And it doesn't end all trade?

Mr. BEERS. No, sir, it does not. Although there is a provision which could be implemented which could have some trade impact. It is a separate provision by another law.

Mr. SOUDER. And while many in Congress who are not necessarily big boosters of NAFTA might like that, that is not likely to be a result. This isn't a straight NAFTA question of, if all of a sudden Mexico were decertified that NAFTA is over?

Mr. BEERS. That is correct, sir.

Mr. SOUDER. It would be optional whether you did additional?

Mr. BEERS. That is correct, sir. It is a separate decision.

Mr. SOUDER. One of the things that bothers me, because I am listening to the Foreign Minister, the Attorney General, the Interior Ministry, as well as the President seem to be committed. We have met with Members of Congress and the Senate. But in your document here you have a whole series of things.

For example, there are a lot of laws that they submitted to Congress but none become final. The Attorney General, I know, told us that part of the process that he is trying to follow the law but now it takes a number of years to pursue the extraditions. But in your document you also point out that they have this problem with the lifetime imprisonment clear, so it is not clear how extradition is going to actually work.

We, in our House decertification in the past, have had the maritime agreement, but they told us that we have never actually made an official request to them to sign the maritime agreement.

In here, you say in 1998, they uncovered evidence of corruption in special vetted units that were specially created to avoid corruption, which we didn't even have in Colombia. This is a new variable. Why wouldn't we at least, in an interim basis, not restricting the trade portions necessarily, say we appreciate that in February of this year you have some more initiatives.

We appreciate that you started some initiatives last year, but some minimum criteria here, like we go a year without your special vetted units being compromised.

There was one line in here that says, "to fight against corruption a new national registry of public security personnel was used to match active duty police against those persons who had judicial proceedings pending against them." Boy, that is a pretty basic thing that should have been being checked about, oh, 30 years ago.

Why wouldn't we have—not implying that they don't have their motives correct—but use this as a leverage, like we did in Colombia and like the administration did in Colombia, to say we want to see specific progress in your courts, specific progress in your legislature that you are actually moving things, that we are seeing specific progress on the actual extraditions as opposed to your starting the process.

Mr. BEERS. Sir, we do that and we have made some progress, and we believe that this year's certification decision is based on

some of that progress made. And we also believe that we have set up mechanisms that will allow that process to increase further over time. I spoke briefly at the beginning about these performance measures of effectiveness.

One of the purposes of this particular process is for both countries to develop an awareness of what is going on in each country, to talk about the objectives, to talk about the milestones to achieve those objectives, and then come back after a time period. We will come back at this in September and see what progress has been made and talk about a constructive criticism or cooperation which can improve that even further.

So I take your point to heart, sir, and we are trying to do that. And I do believe that is why we have made this decision this year in order to fully certify them.

Mr. SOUDER. I believe—I mean, I heard the presentation of that document and I do believe that not only Mexico but other countries are recognizing that they have a domestic problem as well as an international one, just like we have to do more on demand reduction.

At the same time, we clearly heard last week from the Foreign Minister this frustration that they aren't being given specifically the things on the decertification. And my other point regarding your comments is that a lot of what is in that document is regarding process.

In other words, if you introduce a bill rather than standards that the bill has been done, and because I agree with you one sign of good will is that a process starts. Another sign is actual results.

I also want to take—I will ask the chairman briefly whether this is in order—yes, it is. I am the chairman right now—and since I raised Colombia I actually have a question regarding Colombia. You and I have talked about Black Hawks until we are both blue in the face and Huey helicopters until we are blue in the face. And we are happy that we actually have six Black Hawks going to the Colombia National Police. I think we are starting to see the progress on the Huey upgrades.

When we met with people from your department and elsewhere in Colombia, I was concerned because I raised this question of the guns on the Black Hawks and making sure that they had the best they got, 19's rather than the M–60's, and would like to continue to point out that when we have spent this amount of money on the Black Hawks, and I heard the explanations that, yes, you are under cost pressure. Yes, there are ammunition questions.

But the practical matter is that my understanding is that the M–134's are from 1964 and they are having trouble getting spare parts, whereas the new guns are 1992. We have been told in Colombia that, for example, a Black Hawk helicopter that the military was using that had an M–60 on one side and a GAL–19 on the other, all the battlefield damage has been on the M–60 side because, in fact, even the narco-terrorists are figuring which side they don't want to go to. There is a substantive difference in the two types of guns.

And when we have invested this amount of money in the Black Hawks I would argue strongly and would like to hear any convincing evidence to the contrary that the amount of money that we are

talking in the differential between these guns once we are this far along is not worth the argument we are having.

Let's get them down there. Let's get them armed the best way, because long term and the relationship to Mexico is unless we can get control of the problems in Colombia, Mexico is going to continue to be a conduit. The United States is under direct pressure and, in my opinion, there is no more critical area of the world right now. Peru and Bolivia have made progress. Mexico and the Colombian Government are trying to make some inroads.

We have a war going on down there. We can talk about being a cancer to the United States. But there is an actual war. And if we don't arm them in the absolute best ways, the pressure is they are going to come to us like the people in Kosovo, the people in Bosnia, the people all over the world and say, hey, America, how are you going to help?

Because we have oil on the one side in Venezuela. We have drugs pouring in from Colombia. We have the canal on the other side. This is clearly a compelling national interest, and I don't understand the constant pressure with your funds not to impact Peru here and Boliva here and Mexico here and how are we going to keep the Caribbean front up?

But I would argue that this is potentially penny-wise and pound-foolish if we don't get them the best guns on the Black Hawks.

Do you have any comments you would like to make?

Mr. BEERS. I would, sir. I agree with you that what we want to do is to give them the best weapons systems in association with the mission that they are asked to undertake. We have looked at this issue. We have favored the Mark–44. They have initially favored the Mark–44. They are looking at the issue again. It is not firmly and finally decided.

I spoke to General Serrano the day before yesterday on this very issue, and we have agreed to continue this subject under discussion.

But if I may make a simple point, and there is a lot more we could talk about. The simplest point from which we started, sir, was that with respect to the use of these two systems within the U.S. military, our special operations units used the Mark–44 on their Black Hawk helicopters and our army regular forces used the GAL–19 on their helicopters.

We have asked. We have talked. We have tried to understand why one unit, a highly specialized, elite set of units, have chosen to use the Mark–44, and we have asked why the army has chosen to use the GAL–19. The Mark–44 rate of fire is higher, almost twice as high as the rate of fire of the GAL–19. The GAL–19 shoots further. The GAL–19 round is heavier. Those are both indications that would seem to favor it.

They also mean that on a vessel—on a platform you cannot take as much ammunition of the heavier variety as you can of the lighter variety. So if you are talking about sustained fire power, I am told by our military that that is an argument in favor of the Mark–44. We haven't settled this finally. We will continue to discuss this. And I would be happy to give you a final report when we come to final solution on this, sir.

Mr. SOUDER. OK, I would like to continue to work with you, because General Serrano continues to request that the Colombia air force have that. And when we particularly go up to the higher elevations where the heroin is, as we make actual progress, the firing and the counterfire power is going to get greater, not less. I am confident that General Wilhelm is getting a handle on both the defense side and the Colombia National Police and they both need to be there. I am hopeful that we can make progress.

But at the same time, I want to make sure it is not a budgetary driven question, that it is in fact substantive, what is the best way to win this war? Because the price of us marginally making decisions is being slightly behind all the time. We don't want another Vietnam where we are always behind.

Mr. BEERS. You notice, sir, I did not argue the budget issue. I can make that argument, but I am starting from where you are starting, sir. What is the mission? What is the requirement?

Mr. SOUDER. And also not only what the current is, is that, I mean, we keep hearing about the potentiality and we know it is coming, the Stinger missiles and much more fire power in the hands of the FARC than we have seen. Because if we start to making inroads, it will become greater, not less. We need to prepare for the next step, not just where we currently are.

Mr. Cummings had some additional questions.

Mr. CUMMINGS. Thank you very much, Mr. Chairman.

Mr. Beers, when you were answering a question of the chairman, I guess over an hour ago now, he had asked you about a maritime agreement and you gave your answer and said there was no maritime agreement. It appeared that you wanted to say something else, and I want to give you that opportunity, whatever it may be, so that the record is clear.

Mr. BEERS. Thank you very much, sir. What I was intending to say is that we began last summer to negotiate a multi-lateral maritime agreement with Caribbean states of which Mexico is one. Mexico is a full participant in these maritime negotiations and our negotiator prognosticates that they expect to resolve this maritime agreement over the course of the next year. That is where we are today. We will continue to work on it and we are happy to report to Congress on any progress.

Mr. CUMMINGS. How important is that agreement?

Mr. BEERS. Sir, the agreement allows, in its most general sense, navies and coast guards around the world or in any water to fully cooperate across international boundaries.

That is the heart of it, which is if we see a problem and we are in pursuit and we are in international waters, we have a mechanism whereby we can communicate with a coastal State into whose waters those vessels may be proceeding. They will then activate their own law enforcement officials in order to respond to that, or if they are unable then there is a provision in which the coast guard, the international state, could pursue that vessel into territorial waters, always with the approval of the host nation, but a much easier process than otherwise. We have found this works very well with the Government of Colombia, where in almost every case the Government of Colombia, as a result of the cooperation mechanisms that have been set up, actually make the arrests.

They come out. They pursue. They arrest.

Mr. CUMMINGS. Are our agents receiving adequate protection when they are in Mexico?

Mr. CONSTANTINE. What I have commented before, and there is a closed session next week, I tried to avoid talking about all of the security issues for agents in open sessions.

However, there has been a lot of dialog going back and forth and both the diplomatic and physical security of our agents has not been resolved and I believe is insufficient for the task we are giving to them presently.

Mr. CUMMINGS. Overall would you say we have less cooperation than, say, a year or more or about the same?

Mr. CONSTANTINE. Well, as I mentioned before, I try to stay out of the cooperation issue because I think as a law enforcement official that is far afield. The one thing I will say——

Mr. CUMMINGS. Well, wait a minute. Wait a minute.

Mr. CONSTANTINE. The traffickers are much more powerful than they were 5 years ago and they have grown more powerful every year. And they have more wealth at their disposal to corrupt law enforcement officials, and they use violence. That is the experience that I see as a law enforcement official.

Mr. CUMMINGS. I still want to stay on this side of the line, because I don't want—I'm not trying to get you over across this line that you don't want to cross. But have you come to some conclusions as to why what you just said has happened?

Mr. CONSTANTINE. Well, the conclusions I draw is the people that I meet with, that I have respect for, the Attorney General of Mexico and his staff, want to do the right thing. But the machinery under them has been so badly infected by both corruption and intimidation it is difficult for them to achieve the things that they want and we want them to achieve. And I think that is the present situation as I see it in Mexico today.

Mr. CUMMINGS. When you have an opportunity to interact—I guess you do—with the Mexican people day to day, do you get the impression that they want to—and I know this may be a difficult question, but do you get the impression that they want to rid Mexico of this whole drug situation?

Mr. CONSTANTINE. I am not an expert on the culture of Mexico. The one thing I will notice is that the reaction to crimes of violence, police misconduct, crimes by policemen, and police corruption has received a great deal of attention in the way of public demonstrations, public outcry, concern by the citizens of Mexico concern the quality of law enforcement services that they have within the country. That I pick up from newspapers and translations.

Mr. CUMMINGS. When the General was arrested and convicted, there was some restructuring. Am I right?

Mr. CONSTANTINE. Yes, sir.

Mr. CUMMINGS. Do you think it is better now? And I know we have taken this one person out, removed him. But, then when you restructure, I guess the restructuring could be better or it could be worse. I mean, have you come to any conclusions on that?

Mr. CONSTANTINE. That is about the third or fourth restructuring that I have seen since I have been head of DEA. A lot of the re-

sponsibility in Mexico was taken away from civilian law enforcement because of the problems and given to the military.

We are hopeful that these new vetted units—in other words, we work with the Government of Mexico. We spend our money to make sure that these people have, as best as we can see, a very clean background and are not compromised. We bring them to a training facility in northern Virginia. The Justice Department, the DEA, and the FBI train them and return them so that we can have a unit that we can share very critical information with.

That received a major setback this year—I have to be honest with you—in which senior level people within those units by all indications and everything I could see had been seriously compromised by the traffickers. So we can't give up. We are going back and trying to rebuild a new and better system. But that was a sense of major frustration to us this summer.

Mr. CUMMINGS. I would imagine that when you have a situation like the one you just described or you have someone who has been working honestly and courageously, and the next thing you know harm is done to them, I imagine that that must be—those kind of events must really set back any kind of legitimate operation quite a bit. Was that a fair conclusion?

Mr. CONSTANTINE. No, that's a fair conclusion. There are a number of police officials and prosecutors in Mexico who have been assassinated by all that we can see as a result of a contract assassination by the major drug organizations.

And until those leaders are brought to the bar of justice and held responsible for that, I can just tell you as a policeman in the United States if I looked around and I saw my leadership core being regularly assassinated and bodies found in the fields, I would wonder how far will I go before I place myself or my family in the same jeopardy. And in my comments that is the very purpose of this violence. It is what the Mafia did in the United States. They never killed police officers, but they killed witnesses. And for a long time they had a code of silence until Attorney General Kennedy, I think, as I have said, turned that around.

But that violence is not always random. That has a purpose. And the purpose is so that nobody is willing to testify. The policemen, if they don't take a bribe and they want to be honest, then, are assassinated. I mean, at one time the police chief of Tijuana, back in 1995 or 1996, set out on a major strategy to go after the Arellano-Felix organization in Tijuana. He was, by all of the reports, approached by the trafficking organizations and offered substantial sums of money to stop doing that. He refused to do that. He was told you only get one chance, and what happened to him next, he was led to a phoney complaint and assassinated.

When that happens to a police chief, that has a serious damaging effect to other people at other levels of the organization. There is no doubt about it.

Mr. CUMMINGS. I was just curious—as you were talking, I have just two more questions. As you were talking, I couldn't help think about in Baltimore the police funerals that I have gone to and think about all of the—I mean, we see it all over the country. Police officers come from everywhere, and it is such a—I mean, it is taken very seriously. I mean, the citizens take it very seriously. I

guess it is because it is truly a thin, blue line, a very thin, blue line.

I am just wondering when damage to the police officers come in Mexico do you see the same kind of reaction. Do you know?

Mr. CONSTANTINE. I am not familiar with their system. I have been, as you have said, to far too many. Since I have had these two jobs, the Superintendent of State Police in New York and head of DEA, I have had 25 people killed in the line of duty and have gone to 25 funerals and met with 25 families. My roommate in State police school was shot and killed. I was lieutenant in charge of recruit training at the State police. I had one class of 120 kids. Three of them were shot and killed within 8 years.

All of those things have had an impact on me, and that is why I take this so seriously. I mean, that is why I find the Arellano-Felix brothers, Vicente Carvillo-Fuentes, Juan Aspergo, I find these to be despicable, evil people who have to be brought to justice and have to be penalized for that activity if we are going to have any sense of fulfilling the sacrifice that has been made by these individuals involved.

Mr. CUMMINGS. The last question, I am just wondering, when the Mexican—when you talk to higher ups and folks in the Mexican Government, I mean, do they know the lay of the land and what the problems are? I mean, do they say to you, look, you know, you have got to help us get around all of this.

We are just in fear. We are in fear for our families, for ourselves. The United States is probably the most significant law enforcement agency in the world. You know, help us. Do you get that or is it already assumed that you are going to do that?

Mr. CONSTANTINE. The individuals that I mentioned I am involved with, yes, you have those conversations, try to find help. I usually pay a big price every time I testify on this issue for months afterwards in that I think the relationship chills and then becomes cool for awhile, and I take a responsibility for that. But that is part of the job.

Yes, we talk about those things. I find them to be—the individuals that I have dealt with really want to do the right thing. I mean, but our frustrations are their frustrations. But eventually—I think somebody mentioned that somewhere down the line—I don't know when the year is. I don't know when the date is, and we talk about this for a lot of years—there is going to have to be an actual demonstration of the results, similar to that which we saw in the United States, similar to that which we saw in Italy, similar to that which we saw in Colombia. And then I think we will be making major progress and improvements.

Mr. CUMMINGS. I want to just thank both of you for your testimony and want to thank you for all that you are trying to do to make our streets safer and our lives better. I really appreciate it. I am sure I speak for all of us.

Mr. SOUDER. I will also thank you for how long you have been here and for taking the different questions. We have worked with both of you for a long period of time and not just on behalf of our citizens but also those in Fort Wayne, where we now have a DEA task force starting up. And, also, in the DEA and in the State Department employees as we have been in Central and South Amer-

ica and around the world, those people are right on the front lines. They have been very helpful, very forthcoming. I really appreciate the commitment.

We may have disagreements from time to time on how to do different things, how to balance all the financial things. But what we need to do is have a united American front, and I really appreciate the efforts of DEA around the world as well as domestically and in the State Department, not only in directly fighting narcotics but in helping with crop eradication and crop substitution where we are actually making progress in some countries.

And if we continue to make that progress and get the pressure on the transit zone and in Mexico and win the battle in Colombia, we will at least have moved it all to methamphetamine or something else. But it is a matter of this constant, and we thank you both for your leadership.

If the second panel could come forward, at this time I would like to recognize from the General Accounting Office Mr. Ben Nelson, the Director of International Relations, Foreign Trade, National Security, International Affairs Divisions. He is joined by his Assistant Director, Mr. Ron Kushner. And before you sit down, we need to swear in all of our witnesses. So would you raise your right hands.

[Witnesses sworn.]

Mr. SOUDER. Let the record show that the witnesses answered in the affirmative.

Mr. Nelson, would you commence with your remarks when you are ready.

STATEMENT OF BENJAMIN NELSON, DIRECTOR OF INTERNATIONAL RELATIONS AND TRADE ISSUES, NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION, U.S. GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY RON KUSHNER, ASSISTANT DIRECTOR

Mr. NELSON. Mr. Chairman and members of the subcommittee, I am pleased to be here to discuss our work on the counternarcotics efforts of the United States and Mexico.

My prepared statement, which I will veer away from a little bit in the interest of time, will highlight the findings from our ongoing effort to update our June 1998, report on this matter. This was requested by former Chairman Hastert and Senator Grassley.

My statement covers two broad issues, Mexico's efforts to address the drug threat and United States counternarcotics assistance provided to Mexico. You just heard administration witnesses provide their perspective on the drug problem facing our two countries. You heard about the threat.

Let me recount. Mexico is one of the largest centers for narcotics-related business in the world. Mexico is still the principal transit country for cocaine entering the United States. Mexico is either a producer, refiner or transit point for cocaine, marijuana, methamphetamine and heroin. It is also a major hub for the recycling of drug proceeds. Mexico's Juarez drug trafficking organization is as powerful and dangerous as Colombia's Medellin and Cali cartels used to be.

Mexico's poorest border and the daunting volume of legitimate cross-border traffic, some 86 million cars and 4 million trucks, pro-

vide near limitless opportunities for the smuggling of illicit drugs and the proceeds of the sales of those drugs.

You also heard discussion about the level of progress that has actually been made. You also were told by administration witnesses of the problem of corruption. Our own work indicates that drug traffickers spend approximately $6 billion a year to suborn various law enforcement and public officials. You have also heard today about the new initiatives that the Mexican Government plans to undertake to better address the problem.

What you have not heard was much discussion on United States assistance to Mexico.

In light of the fact that many of the key factors, the progress or lack thereof, have been well established, I would like to focus briefly on U.S. assistance, the usefulness of it—the nature of it, the usefulness, and trends in the provision of assistance. Since 1997, the Departments of State and Defense have provided the Government of Mexico with over $112 million worth of equipment, training and aviation spare parts for counternarcotics purposes. The major assistance included helicopters, aircraft and two Knox class frigates which were purchased by the Mexican Government through our foreign military sales program.

Last year, I testified that some of the assistance provided to the Mexican military was of limited usefulness due to operational and logistical support problems. In the past year, the two frigates have become operational. Unfortunately, the situation with the helicopters has gotten worse. All 72 of the helicopters provided to the Mexican military have been grounded because of air worthiness concerns. In addition, the four C–26 aircraft provided have not been used for counternarcotics operations.

Mr. Chairman, this concludes my opening statement. I or Mr. Kushner will be happy to respond to any questions that you may have.

[The prepared statement of Mr. Nelson follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Criminal Justice, Drug Policy, and Human Resources, Committee on Government Reform, House of Representatives

For Release on Delivery Expected at 10:00 a.m., EST Thursday, March 4, 1999

DRUG CONTROL

Update on U.S.-Mexican Counternarcotics Activities

Statement of Benjamin F. Nelson, Director, International Relations and Trade Issues, National Security and International Affairs Division

GAO/T-NSIAD-99-98

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss our work on the counternarcotics efforts of the United States and Mexico. My statement today will highlight the findings from our ongoing effort to update our June 1998 report,[1] as requested by former Chairman Hastert and Senator Grassley. I will discuss two broad issues: (1) Mexico's efforts in addressing the drug threat and (2) the status of U.S. counternarcotics assistance provided to Mexico.

SUMMARY

As I stated in last year's hearing,[2] drugs from Mexico represent a significant threat to the United States. That has not changed.

- Mexico is one of the largest centers for narcotics-related business in the world.
- Mexico is still the principal transit country for cocaine entering the United States.
- Mexico is either a producer, refiner, or transit point for cocaine, marijuana, methamphetamine, and heroin.
- Mexico is a major hub for the recycling of drug proceeds.
- Mexico's Juarez drug-trafficking organization is as powerful and dangerous as Colombia's Medellin and Cali cartels used to be.
- Mexico's porous border and the daunting volume of legitimate cross-border traffic provides near-limitless opportunities for the smuggling of illicit drugs and the proceeds of the sale of these drugs.

Because of these circumstances, the United States and Mexico face a formidable challenge in combating illicit drug trafficking.

---

[1] Drug Control: U.S.-Mexican Counternarcotics Efforts Face Difficult Challenges (GAO/NSIAD-98-154, June 30, 1998).

[2] Drug Control: Status of Counternarcotics Efforts in Mexico (GAO/T-NSIAD-98-129, Mar. 18, 1998).

Last year I testified that, with U.S. assistance, Mexico had taken steps to improve its capability to reduce the flow of illicit drugs into the United States. I also said that it was too early to determine the impact of these actions and that challenges to their full implementation remained. While some high-profile law enforcement actions were taken in 1998, major challenges remain. New laws passed to address organized crime, money laundering, and the diversion of chemicals used in narcotics manufacturing have not been fully implemented. Moreover, no major Mexican drug trafficker was surrendered to the United States on drug charges. In addition, during 1998, opium poppy eradication and drug seizures remained at about the same level as in 1995. I believe it is important to note that the heroin threat from Mexico appears to be increasing. Heroin from Mexico now represents about 14 percent of the heroin seized in the United States and Mexico's cultivation of opium producing poppies increased by 3,000 hectares in 1998.

Mexican government counternarcotics activities in 1998 have not been without positive results. One of its major accomplishments was the arrest of Jesus and Luis Amezcua who, along with their brother Adan,[3] are known as the "Kings of Methamphetamine." Although all drug-related charges against the two have been dropped, both are still in jail and being held on U.S. extradition warrants. The Mexican foreign ministry has approved the extradition of one of the traffickers to the United States, but he has appealed the decision. In addition, during 1998 the Organized Crime Unit of the Attorney General's Office conducted a major operation in the Cancun area where four hotels and other large properties allegedly belonging to drug traffickers associated with the Juarez trafficking organization were seized. Mexico also implemented its currency and suspicious transaction reporting requirements.

The Mexican government has proposed or undertaken a number of new initiatives. For example, it has initiated an effort to prevent illegal drugs from entering Mexico, announced a new counternarcotics strategy and the creation of a national police force.

---

[3] Adan Amezcua was arrested in 1997 on a weapons charge and is currently serving an 18-month sentence.

One of the major impediments to U.S. and Mexican counternarcotics objectives is Mexican government corruption. Corruption remains widespread within Mexican government institutions, including the criminal justice system. According to one U.S. estimate, Mexican narcotics traffickers spend as much as $6 billion a year to suborn government officials at all levels. Recognizing the impact of corruption on law enforcement agencies, the President of Mexico (1) expanded the role of the military in counternarcotics activities and (2) introduced a screening process for personnel working in certain law enforcement activities. However, neither of these initiatives can be considered a panacea for the narcotics-related problems confronting the United States and Mexico. Since these initiatives, a number of senior military and screened personnel were found to be either involved in or suspected of drug-related activities.

Since 1997, the Departments of State and Defense have provided the government of Mexico with over $112 million worth of equipment, training, and aviation spare parts for counternarcotics purposes. The major assistance included UH-1H helicopters, C-26 aircraft, and two Knox-class frigates purchased by the government of Mexico through the foreign military sales program. Last year I testified that some of the assistance provided to the Mexican military was of limited usefulness due to operational and logistical support problems. In the past year, the two frigates have become operational. Unfortunately, the situation with the helicopters has worsened. Since late March 1998, all of the 72 UH-1H helicopters provided to the Mexican military have been grounded because of airworthiness concerns.[4] In addition, the four C-26 aircraft are still not being used for counternarcotics operations.

BACKGROUND

The United States has assisted the Mexican government in its counternarcotics efforts since 1973, providing about $350 million in aid. Since the late 1980s, U.S. assistance has centered on developing and supporting Mexican law enforcement efforts to stop the flow of cocaine from Colombia, the world's largest supplier, into Mexico and onward to the

[4] In March 1998, the U.S. Army issued a "safety of flight" message that grounded all of its UH-1H helicopters due to mechanical failures in the engine. The Mexican military subsequently grounded its 72 UH-1H helicopter fleet, while the Mexican Attorney General's Office continued to fly most of its UH-1H helicopters on a restricted basis according to guidelines outlined by the manufacturer and the U.S. Army.

United States. According to U.S. estimates, Mexican narcotics-trafficking organizations facilitate the movement of between 50 and 60 percent of the almost 300 metric tons of cocaine consumed in the United States annually.

In the early 1990s, the predominant means of moving cocaine from Colombia to Mexico was by aircraft. However, a shift to the maritime movement of drugs has occurred over the past few years. In 1998, only two flights were identified as carrying cocaine into Mexico. According to U.S. law enforcement officials, most drugs enter Mexico via ship or small boat through the Yucatan peninsula and Baja California regions. Additionally, there has been an increase in the overland movement of drugs into Mexico, primarily through Guatemala.

Since 1996, most U.S. assistance has been provided by the Department of Defense to the Mexican military, which has been given a much larger counternarcotics and law enforcement role. On the other hand, the Department of State's counternarcotics assistance program has been concentrating on supporting the development of specialized law enforcement units, encouraging institutional development and modernizing and strengthening training programs. Table 1 provides additional information on U.S. counternarcotics assistance to the government of Mexico since 1997.

Table 1: U.S. Counternarcotics Assistance Provided to the Government of Mexico (fiscal years 1997-99)

Dollars in millions

SOURCE OF ASSISTANCE	FY 1997	FY 1998 (estimate)	FY 1999 (estimate)
Department of State	$ 5.0	$ 5.0	$ 8.0
Department of Justice			2.0
Department of Defense			
International Military Education and Training	1.0	0.9	1.0
Section 506 drawdown[a]	24.0	1.1	
Section 1004[b]	28.9	20.1	7.9
Section 1031[c]	8.0		
Subtotal, Defense	$61.9	$22.1	$ 8.9[d]
Total	$66.9	$27.1	$18.9

[a] Section 506(a)(2) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2318(a)(2), authorizes the President to approve the provision of U.S. military goods and services to a foreign country for counternarcotics assistance when it is in the U.S. national interest.

[b] Section 1004 of the Defense National Authorization Act for Fiscal Year 1991, as amended (P.L. 101-510) authorized the Secretary of Defense to provide counternarcotics training and other types of assistance to drug-producing countries.

[c] Section 1031 of the Defense National Authorization Act of 1997 (P.L. 104-201) authorized the Secretary of Defense to provide $8 million in counternarcotics assistance to Mexico in fiscal year 1997.

[d] For fiscal year 1999, the reduced U.S. training program will focus on providing Mexican personnel with more technical skills such as helicopter pilot training and helicopter and fixed-wing aircraft maintenance.

Sources: U.S. embassy in Mexico, the Defense Security Cooperation Agency and the Coordinator for Drug Enforcement Policy and Support, Department of Defense.

The Foreign Assistance Act of 1961, as amended, requires the President to certify annually that major drug-producing and -transit countries are fully cooperating with the United States in their counternarcotics efforts.[5] As part of this process, the United States established specific objectives for evaluating the performance of these countries. According to State Department officials, as part of the February 1999 certification decision, the United States essentially used the same objectives it used for evaluating Mexico's counternarcotics cooperation in March 1998. These include (1) reducing the flow of drugs into the United States, (2) disrupting and dismantling narcotrafficking organizations, (3) bringing fugitives to justice, (4) making progress in criminal justice and anticorruption reform, (5) improving money-laundering and chemical diversion control, and (6) continuing improvement in cooperation with the United States. On February 26, 1999, the President certified that Mexico was fully cooperating with the United States in its counternarcoitcs efforts.

MEXICO'S COUNTERNARCOTICS EFFORTS

Although there have been some difficulties, the United States and Mexico have undertaken some steps to enhance cooperation in combating illegal drug activities. Mexico has also taken actions to enhance its counternarcotics efforts and improve law enforcement capabilities. There have been some positive results from the new initiatives, such as the arrest of two of the Amezcua brothers and the implementation of the currency and suspicious transaction reporting requirements. However, overall, the results show:

- drugs are still flowing across the border at about the same rate as 1997,
- there have been no significant increases in drug eradication and seizures,
- no major drug trafficker has been extradited to the United States,

[5] Section 490 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2291j), requires the President to certify by March 1 of each year which major drug-producing and transit countries cooperated fully with the United States or took adequate steps on their own to achieve full compliance during the previous year with the goals and objectives established by the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances.

- money-laundering prosecutions and convictions have been minimal,
- corruption remains a major impediment to Mexican counternarcotics efforts, and
- most drug trafficking leaders continue to operate with impunity.

U.S.-Mexico Counternarcotics Cooperation

The United States and Mexico have cooperated in the development of a binational counternarcotics drug strategy, which was released in February 1998. This strategy contains 16 general objectives, such as reducing the production and distribution of illegal drugs in both countries and focusing law enforcement efforts against criminal organizations. Since the issuance of the binational strategy, a number of joint working groups, made up of U.S. and Mexican government officials, have been formed to address matters of mutual concern. A primary function of several of these working groups was to develop quantifiable performance measures and milestones for assessing progress toward achieving the objectives of the strategy. The performance measures were released during President Clinton's February 15, 1999, visit to Mexico. A binational law enforcement plenary group was also established to facilitate the exchange of antidrug information.

Despite these cooperative efforts, information exchange remains a concern by both governments because some intelligence and law enforcement information is not shared in a timely manner, which impedes drug trafficking operations. Operation Casablanca[6] created tensions in relations between the two countries because information on this undercover operation was not shared with Mexican officials.

In the aftermath of Operation Casablanca, the United States and Mexico have taken action to strengthen communications between the two countries. An agreement reached by the U.S. and Mexican Attorneys General (commonly referred to as the "Brownsville Letter") calls for (1) greater information-sharing on law enforcement activities; (2) providing advance notice of major or sensitive cross-border activities of law enforcement

[6] Operation Casablanca, a 3-year undercover operation led by the U.S. Customs Service that targeted money-laundering operations in Mexico, netted about $100 million in illicit drug proceeds.

agencies; and (3) developing training programs addressing the legal systems and investigative techniques of both countries.[7]

Data for 1998 show that Mexico has, for the most part, not significantly increased its eradication of crops and seizures of illegal drugs since 1995. While Mexico did increase its eradication of opium poppy, eradication of other crops and seizures have remained relatively constant. Cocaine seizures in 1998 were about one-third lower than in 1997. However, the large seizure amount in 1997 was attributable, in part, to two large cocaine seizures that year. (See Appendix I for eradication and seizure trend data.)

While Mexico's eradication of its opium poppy crop grew in 1998, its opium cultivation increased at a greater rate. As a result, the amount of heroin produced in Mexico rose from about 4.6 metric tons in 1997 to an estimated 6 metric tons in 1998. According to the Drug Enforcement Administration (DEA), almost all of this heroin will reach the U.S. market. Mexican heroin dominates the market in the western states and, according to DEA, Mexican-produced heroin represents 14 percent of all heroin seized in the United States. A current study by DEA indicates that as much as 29 percent of the heroin being used in the U.S. is being smuggled in by Mexican drug-trafficking organizations. DEA has also reported that these organizations are attempting to produce higher purity heroin. To do this, they are seeking the expertise of Colombian chemists to convert Mexican opium base into the much purer white heroin.[8]

Executive and Legislative Action

Last year I testified that the government of Mexico took a number of executive and legislative actions including initiating several anti-corruption measures, instituting extradition efforts, and passing various laws to address illegal drug-related activities. I also said that it was too early to determine

[7] On February 15, 1999, the Attorneys General of Mexico and the United States signed a follow-up agreement. The new agreement established points of contact, timing, and forms of notification and provides for the exchange of annual reports by the two Attorneys General on compliance.

[8] The purity of heroin causing the deaths of 25 individuals in Plano, Texas, during the past 18 months ranged from between 30 percent to 60 percent, with some heroin reaching a purity level of 70 percent.

their impact, and challenges to their full implementation remained. While some progress has been made, implementation challenges remain.

Anti-corruption

I testified last year that corruption was pervasive and entrenched within the justice system--that has not changed. According to U.S. and Mexican law enforcement officials, corruption remains one of the major impediments affecting Mexican counternarcotics efforts. These officials also stated that most drug-trafficking organizations operate with impunity in parts of Mexico. Mexican traffickers use their vast wealth to corrupt public officials and law enforcement and military personnel, as well as to inject their influence into the political sector. For example, it is estimated that the Arelleno-Felix organization pays $1 million per week to Mexican federal, state and local officials to ensure the continued flow of drugs to gateway cities along Mexico's northwest border with the United States. A recent report by the Attorney General's Office of Mexico recognized that one basic problem in the fight against drug trafficking has been "internal corruption in the ranks of the federal judicial police and other public servants of the Attorney General's Office."

As we reported last year, the President of Mexico publicly acknowledged that corruption is deeply rooted in the nation's institutions and general social conduct, and he began to initiate reforms within the law enforcement community. These include (1) reorganizing the Attorney General's office and replacing the previously discredited drug control office with the Special Prosecutor's Office for Crimes Against Health; (2) firing or arresting corrupt or incompetent law enforcement officials; (3) establishing a screening process to filter out corrupt law enforcement personnel; and (4) establishing special units within the military, the Attorney General's Office, and the Secretariat of Hacienda—the Organized Crime Unit,[9] the Bilateral Task Forces[10] and Hacienda's Financial Analysis Unit—to investigate and dismantle drug-trafficking organizations in Mexico and along the U.S.-

[9] The Organized Crime Unit was established through the Organized Crime Law to conduct investigations and prosecutions aimed at criminal organizations, including those involved in drug-trafficking activities.

[10] The Bilateral Task Forces are specialized units within the Special Prosecutor's Office for Crimes Against Health and are responsible for investigating and dismantling the most significant drug-trafficking organizations along the U.S.-Mexico border.

Mexico border and investigate money-laundering activities. Additionally, the President expanded the counternarcotics role of the military.

The Organized Crime Unit and the Bilateral Task Force were involved in several counternarcotics operations in 1998, for example, the capture of Jesus and Luis Amezcua and the recent seizure of properties belonging to alleged drug traffickers in the Cancun area, as well as the seizure of money, drugs, and precursor chemicals at the Mexico City Airport.

However, many issues still need to be resolved—some of them the same as we reported last year. For example,

- there continues to be a shortage of Bilateral Task Force field agents as well as inadequate Mexican government funding for equipment, fuel, and salary supplements for the agents. (Last year the DEA provided almost $460,000 to the Bilateral Task Force to overcome this lack of support);

- the Organized Crime Unit remains significantly short of fully screened staff;

- there have been instances of inadequate coordination and communications between Mexican law enforcement agencies, and

- Mexico continues to face difficulty building competent law enforcement institutions because of low salaries and the lack of job security.

Additionally, increasing the involvement of the Mexican military in law enforcement activities and establishing screening procedures have not been a panacea for the corruption issues facing Mexico. A number of senior Mexican military officers have been charged with cooperating with narcotics traffickers. One of the most notable of these was General Jesus Gutierrez Rebollo, former head of the National Institute for Combat Against Drugs--the Mexican equivalent of DEA. In addition, as we reported last year, some law enforcement officials who had passed the screening process had been arrested for illegal drug-related activities. In September 1998, four of the Organized Crime Unit's top officials, including the Unit's deputy director, were re-screened and failed. Two are still employed by the Organized Crime Unit, one resigned, and one was transferred overseas.

Extradition

Since my testimony last year, no major Mexican national drug trafficker has been surrendered to the United States. In November 1998, the government of Mexico did surrender to the United States a Mexican national charged with murdering a U.S. Border Patrol officer while having about 40 pounds of marijuana in his possession. However, U.S. and Mexican officials agree that this extradition involved a low-level trafficker who, unlike other traffickers, failed to use legal mechanisms to slow or stop the extradition process. According to the Justice Department, Mexico has approved the extradition of eight other Mexican nationals charged with drug-related offenses. They are currently serving criminal sentences, pursuing appeals, or are being prosecuted in Mexico.

U.S. and Mexican officials expressed concern that two recent judicial decisions halting the extradition of two major traffickers represented a setback for efforts to extradite Mexican nationals. The U.S. officials stated that intermediate courts had held that Mexican nationals cannot be extradited if they are subject to prosecution in Mexico. U.S. officials believe that these judicial decisions could have serious consequences for the bilateral extradition relationship between the two countries.

In November 1997, the United States and Mexico signed a temporary extradition protocol. The protocol would allow suspected criminals who are serving sentences in one country and are charged in the other to be temporarily surrendered for trial while evidence is current and witnesses are available. To become effective, the protocol required approval by the congresses of both countries. The U.S. Senate approved the protocol in October 1998; however, the protocol has not yet been approved by the Mexican congress.

Organized Crime Law

According to U.S. and Mexican officials, the 1996 organized crime law[11] has not been fully implemented, and its impact is not likely to be fully evident

[11] The Organized Crime Law was passed in November 1996 and authorized the use of plea bargaining and confidential informants, established a witness protection program, and allowed for the use of controlled deliveries and court-approved wiretaps. The Law also has provisions for asset seizures and forfeiture.

for some time. According to U.S. law enforcement officials, Mexico has made some use of the plea bargaining and wiretapping provisions of the law. However, U.S. and Mexican law enforcement officials pointed to judicial corruption as slowing the use of the wiretapping provision and have suggested the creation of a corps of screened judges, who would be provided with extra money, security, and special arrangements to hear cases without fear of reprisals. Additionally, results of Mexico's newly created witness protection program are not encouraging--two of the six witnesses in the program have been killed.

U.S. and Mexican officials continue to believe that more efforts need to be directed toward the development of a cadre of competent and trustworthy judges and prosecutors that law enforcement organizations can rely on to effectively carry out the provisions of the organized crime law. U.S. agencies continue to provide assistance in this area.

Money Laundering

Mexico has begun to successfully implement the currency and suspicious transaction action reporting requirements,[12] resulting in what U.S. law enforcement officials described as a flood of currency and suspicious transaction reporting. Mexican officials also indicated that Operation Casablanca resulted in a greater effort by Mexican banks to adhere to anti-money-laundering regulations. However, U.S. officials remain concerned that there is no requirement to obtain and retain account holders' information for transactions below the $10,000 level. No data is available on how serious this problem is and there is no reliable data on the magnitude of the money-laundering problem.[13]

---

[12] In May 1996, money laundering was made a criminal offense, with penalties of up to 22 years in prison. In March 1997 Mexico issued regulations requiring banks and other financial institutions to report currency transactions of over $10,000 U.S. dollars and to report suspicious transactions. Under the prior law, money laundering was a tax offense, there was no reporting requirement, and violators were only subject to a fine.

[13] We recently issued a report on alleged money laundering involving Raul Salinas. Private Banking: Raul Salinas, Citibank, and Alleged Money Laundering (GAO/OSI-99-1, Oct. 30, 1998).

Between May 1996 and November 1998, the Mexican government issued 35 indictments and/or complaints on money-laundering charges; however, only one case has resulted in a successful prosecution. The remaining 34 cases are still under investigation or have been dismissed.

Chemical Controls

Last year we reported that the new chemical control law[14] was not fully implemented due to the lack of an administrative infrastructure for enforcing its provisions. This is still the case. Mexico is currently in the process of developing this infrastructure as well as the guidelines necessary to implement the law. However, U.S. officials remain concerned that the law does not cover the importation of finished products, such as over-the-counter drugs that could be used to make methamphetamines.

New Initiatives

Over the past year, Mexico has announced a new drug strategy and instituted a number of new counternarcotics initiatives. The government of Mexico also reported that it has channeled significant funds--$754 million during 1998--into its ongoing campaign against drug trafficking. Mexico also indicated that it will earmark about $770 million for its 1999 counternarcotics campaign.[15]

During 1998 and 1999, the government of Mexico announced a number of new initiatives. For example,

- a federal law for the administration of seized, forfeited and abandoned goods that will allow authorities to use proceeds and instruments seized

[14] In May 1996, trafficking in drug precursor and essential chemicals was made a criminal offense. Although some chemicals that the United Nations recommends be controlled were not included in the law, Mexico passed additional legislation in December 1997 that included all chemicals, thus bringing Mexico into compliance with the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances and other international agreements. Mexico has also taken further action to control chemicals by limiting the legal importation of precursor and essential chemicals to eight ports of entry and by imposing regulatory controls over the machinery used to manufacture drug tablets or capsules.

[15] Prior years' funding information for Mexican counternarcotics activities is not available.

from crime organizations for the benefit of law enforcement is being considered,

- a federal law that will establish expedited procedures to terminate corrupt law enforcement personnel is also being considered, and
- the government of Mexico recently announced the creation of a new national police force.

In addition, the government of Mexico has initiated an operation to seal three strategic points in Mexico. The purpose of the program is to prevent the entry of narcotics and diversion of precursor chemicals in the Yucatan peninsula, Mexico's southern border, and the Gulf of California.

Furthermore, the Mexican government recently announced a counternarcotics strategy to crack down on drug traffickers. Mexico indicated that it plans to spend between $400 million and $500 million over the next 3 years to buy new planes, ships, radar and other military and law enforcement equipment. In addition to the new spending, Mexico reported that its new antidrug efforts will focus on improving coordination among law enforcement agencies and combating corruption more efficiently. A senior Mexican government official termed this new initiative a "total war against the scourge of drugs."

STATUS OF U.S. ASSISTANCE

Last year we noted that while U.S.-provided assistance had enhanced the counternarcotics capabilities of Mexican law enforcement and military organizations, the effectiveness and usefulness of some assistance were limited. For example, two Knox-class frigates purchased by the government of Mexico lacked the equipment needed to ensure the safety of the crew, thus making the ships inoperative. We also reported that the 73 UH-1H helicopters provided to Mexico to improve the interdiction capability of Mexican army units were of little utility above 5,000 feet, where significant drug-related activities and cultivation occur. In addition, we noted that four C-26 aircraft were provided to Mexico without the capability to perform intended surveillance missions and without planning for payment for the operation and maintenance of the aircraft.

Mr. Chairman, let me bring you up to date on these issues. The two Knox-class frigates have been repaired and are in operation. According to U.S. embassy officials, the government of Mexico is considering the purchase of two additional frigates. However, other problems remain. For example, in late March 1998, the U.S. Army grounded its entire UH-1H fleet until gears within the UH-1H engines could be examined and repairs could be made. The government of Mexico followed suit and grounded all of the U.S.-provided UH-1H helicopters until they could be examined.[16] The helicopters were subsequently tested, with 13 of the Attorney General's 27 helicopters and 40 of the military's 72 helicopters receiving passing grades. According to Department of Defense officials, the helicopters that passed the engine tests could be flown on a restricted basis. U.S. embassy officials told us that the Office of the Attorney General has been flying its UH-1H helicopters on a restricted basis, but the Mexican military has decided to keep its entire fleet grounded until all are repaired. Finally, the four C-26 aircraft still are not being used for counternarcotics operations.

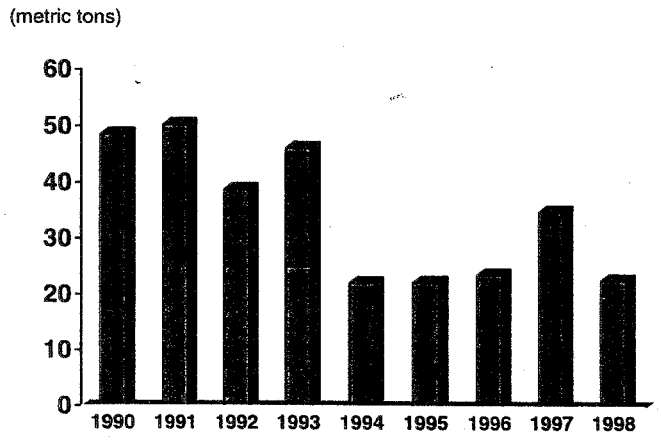
---- ---- ---- ---- ----

This concludes my prepared remarks. I would be happy to respond to any questions you may have.

(711411)

[16] To assist the government of Mexico in its drug interdiction and eradication efforts, the United States has provided 33 UH-1H helicopters to the Attorney General's Office and 73 UH-1H helicopters to the Ministry of Defense since 1989. One Ministry of Defense helicopter and 6 Attorney General helicopters were subsequently destroyed in accidents.

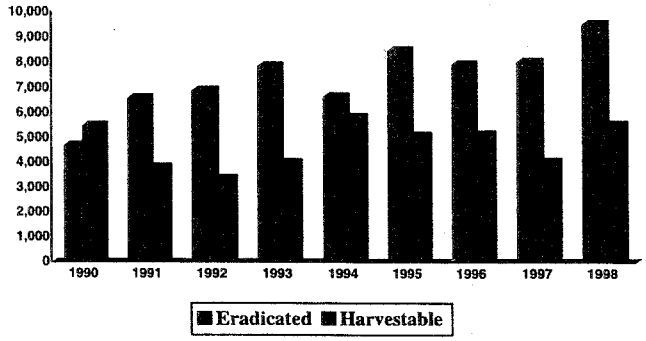
Figure 1: Mexican Cocaine Seizures, 1990-1998



Source: Department of State.

Figure 2: Opium Poppy Eradication and Available Harvest, 1990 -1998

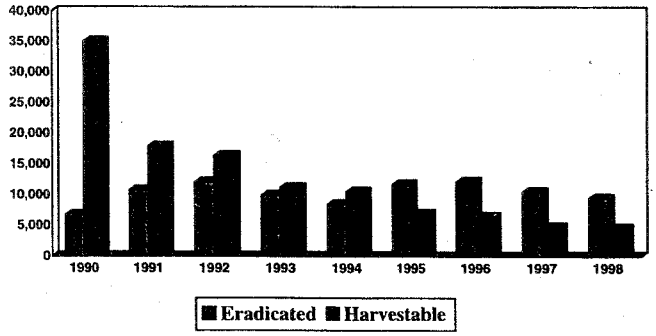
(hectares)



Sourcc: Department of State.

Figure 3: Marijuana Eradication and Available Harvest, 1990-1998

(hectares)



Source: Department of State.

Mr. SOUDER. I want to ask an initial question. I will go to Mr. Cummings and then come back. You just alluded to these helicopters.

Mr. NELSON. Yes, sir.

Mr. SOUDER. I have visited Colombia, actually four times now, and have been to their facilities where they are repairing these things. If they think they can get it off the ground, the helicopter goes up. They borrow parts from all sorts of things to get their helicopters flying. You have a statement here that says, in addition, four C–26 aircraft are not being used for counternarcotics operations. Right before that you said all of their Hueys are grounded because of air worthiness concerns, which is an American problem as well in trying to get that up.

What about these four C–26. Could they fly?

Mr. NELSON. Yes. The problem with the C–26's—and Mr. Kushner can add to my statement since he has been down to Mexico. But the problem is not a mechanical problem. It is the mission. It is whether those aircraft can be suited for a counternarcotics mission in their current state.

Mr. KUSHNER. So they are not configured for surveillance type operations. It would cost about $3 million per aircraft to reconfigure those so the Mexicans could use them for surveillance type operations. They received four of them, as we testified. One of them is completely down. I understand that the nose gear is collapsed and has not been repaired. And the three other ones, they are operational. They may fly them for transport purposes, but no counternarcotics missions are being flown.

Mr. SOUDER. Have they requested funds for these or have they done anything in their own government to try to get them ready? They are just letting them sit there? Why did we give them to them if they are just going to sit there?

Mr. KUSHNER. That is a good question. It is negative to both your questions. As far as we know, the Mexicans have not specifically requested funds to fly the C–26's nor has the United States Government provided funds to maintain and get those things operational. It is another thing, you can fly those aircraft but they also have to be maintained. It is kind of a complex aircraft and normally it would have a contractor come in and do the maintenance of them. There is no contractor down there maintaining those aircraft.

Mr. SOUDER. Did they request these?

Mr. KUSHNER. As far as I know, sir, no.

Mr. SOUDER. So will you——

Mr. KUSHNER. We have four aircraft down there, sir, that are just basically not being used for counternarcotics purposes. As we reported last year and we made a recommendation to the Department of Defense and Department of State, that better planning and coordination is needed when you are considering the type of packages you are going to provide for counternarcotics purposes.

Mr. SOUDER. Were they ever even consulted about these?

Mr. KUSHNER. I can't answer that, sir. I do not know whether the Mexicans were consulted about their need for a C–26 or not.

Mr. SOUDER. The bottom line is that it looked good for us to send the stuff down there like there was an antinarcotics effort going on,

but they didn't request it. There is no money in their budget for it. There is no money in our budget to get them up to speed. They are sitting on the ground and they are not being used for counter-narcotics. Is your general impression—have you looked at Colombia as well as Mexico in other research? Do you think that Colombians would have these things sitting on the ground?

Mr. KUSHNER. I have not looked at Colombia personally, but Mr. Nelson knows a little bit more about that than I do.

Mr. SOUDER. Mr. Nelson, do you think the Colombians would have these sitting on the ground without a request in? I mean, do you know of any case where there is a Colombian helicopter sitting on the ground that can fly?

Mr. NELSON. Well, to your first question, I can't answer whether, you know, this would be the case in Colombia. But I do not know of any helicopters that are sitting on the ground in Colombia that are not being used.

Mr. SOUDER. And when we were just in Mexico we were told that they were going for more go-fast boats. They were looking for different surveillance equipment, and they were putting certain things in their budget. Now all this happened 10 days before certification was due.

Mr. NELSON. Correct.

Mr. SOUDER. But that they had, because they are concerned about being able to control these coasts, wouldn't these four C–26 help with that?

Mr. NELSON. If they were fitted with the——

Mr. SOUDER. In other words, if these were fitted properly, would these help with those efforts?

Mr. NELSON. Yes. I would agree.

Mr. SOUDER. I will yield to Mr. Cummings.

Mr. CUMMINGS. I only have a couple of questions. I understand these gentlemen have to get over to the Senate. Is that right?

Mr. NELSON. Yes, sir.

Mr. CUMMINGS. Let me ask you this. Why is the organized crime unit short of fully screened staff? Do you know what the hold-up is?

Mr. KUSHNER. I think it revolves around having personnel to do the final screening of them. Those questions have come up over the last 6 or 7 months. With the rescreening of some of the individuals within the organized crime unit who actually failed the rescreening process, there are questions about how they are going to proceed again. So it has been slowed down somewhat. But 50 percent of the OCU staff are not fully screened.

Mr. CUMMINGS. Also in the report it talks about how you think that Mexico needs a sufficiently screened, better paid core of judges to hear drug cases. And I take it that this is not an idea that is brand new. What is the hold-up there?

Mr. KUSHNER. That hasn't been really pursued by anyone as far as we know within the Government of Mexico. The screening process the Government of Mexico has instituted down there, it is staffed but it is a limited staff and it has limited equipment availability, meaning polygraph-type machines. And these people have to be trained on the use of those machines.

So I would say it is a resource constraint as well as just prioritizing the people within Mexico and the law enforcement community and the judicial community that you are going to screen. They elected to go with the law enforcement and the specialized units initially.

Mr. CUMMINGS. So you said initially. And then what happened when it got past the initially?

Mr. KUSHNER. The intent, as far as we know, is to continue this screening process certainly within the Attorney General's office. Now, the specialized units make up just a small part of the Attorney General's office. I believe the total staffing within the Attorney General's office is upwards of 17,000 people. We have been told that their goal is certainly to screen all those individuals and they will move on.

Mr. CUMMINGS. Mr. Nelson, did you have something to add?

Mr. NELSON. Yes, sir. I believe you raised a very important issue there with respect to the judges and not having a cadre of professional judges. First of all, I think the screening process—some judges may not have to, or it doesn't cover judges. The issue with the judges is critical in that other law enforcement actions, their effectiveness is reduced if, in fact, you capture the drug traffickers and bring them before a judge who will not mete out the proper sentence or that the traffickers are basically not convicted. And corruption in the judicial branch is a critical issue in Mexico.

Mr. CUMMINGS. So you said judges aren't screened?

Mr. NELSON. No. The judges are not screened.

Mr. CUMMINGS. You know, you would think that with all the problems that they have had and all the corruption that it might move to that level. How do you define screening?

Mr. NELSON. Basically, it is a test to determine whether an individual is connected with a trafficking organization or whether they have something in their past that would raise questions about their trustworthiness. As Mr. Kushner said, it involves lie detector tests and some other steps.

Mr. KUSHNER. Psychological profiles, social and financial background checks, medical and physical history. Those are the types of areas that they cover during the screening process, as well as the polygraph.

Mr. CUMMINGS. So how are judges elected, then? I mean, do they have to go through a process like Federal judges do here, for example?

Mr. KUSHNER. I am not too familiar with the process of selecting judges in Mexico, but I believe a good number of them are appointed.

Mr. CUMMINGS. OK, I don't have anything else. Thank you all very much.

Mr. NELSON. Mr. Souder.

Mr. SOUDER. Yes.

Mr. NELSON. I have a response from staff back there on your question regarding helicopters in Colombia. I guess there is a big problem with the Hueys.

Mr. SOUDER. Yes. That is universal in our military, too.

Mr. NELSON. Right. Only a third of those in Colombia were fully operational last year.

Mr. SOUDER. The reason I moved to the C–26's is that even our military, our guard units, all have a problem right now getting them—we've grounded. So some countries have continued to fly those but against our own advice.

I have a couple of additional questions, just to review the summary of your testimony here.

In your testimony, both written and much of what you gave, you said in 1998, no major Mexican drug trafficker was surrendered to the United States on drug charges.

You said the heroin threat from Mexico appears to be increasing. The cultivation of opium in Mexico producing poppies increased by 3,000 hectares in 1998.

You said that corruption remains widespread within the Mexican Government institutions including the criminal justice system. You said that a number of senior military and screening personnel were found to either be involved in or suspected of drug-related activities.

You said that the helicopters weren't in the air, particularly the C–26's. The Mexican narcotics trafficking organizations facilitate the movement of between 50 and 60 percent of almost 300 metric tons of cocaine consumed in the United States.

You said that drugs are still flowing across the border at the same rate approximately as 1997. You said there have been no significant increases in drug eradication and seizures. I think the statistics we were given even by the Mexican Government said that cocaine and opium gum seizures declined. In their statistics they gave us maritime interdiction also declined.

You said that money laundering prosecutions and convictions have been minimal. You said that corruption remains the major impediment to Mexican counternarcotics efforts. And you said that most drug trafficking leaders continue to operate with impunity.

As far as results, have you seen any good results or any signs that they are fully cooperating from a results side?

Mr. NELSON. Well, there were some results last year. And the witnesses here have pointed out the situation in Cancun, where the property of drug traffickers was confiscated. And, of course, there was another initiative—what was the second one?

Mr. KUSHNER. Well, I think one of the major accomplishments that happened in Mexico this year, as was pointed out by Mr. Constantine this morning, was the arrest of Jesus and Luis Amezcua, and previously they arrested his brother Rodon. That is considered, I think, certainly within the law enforcement community, a major accomplishment. The operation in Cancun was a major undertaking this past fall, where about $200 million worth of property has been seized, including 4 hotels, a number of restaurants, a number of yachts, and about 22 residences.

Mr. SOUDER. Anybody arrested?

Mr. KUSHNER. Pardon me, sir?

Mr. SOUDER. Anybody arrested, government or political officials?

Mr. KUSHNER. No, sir. As far as we know, there has been no major arrest made in the Cancun operation. That doesn't mean that there haven't been any small operators arrested. I don't think there have been any major operatives in Cancun or in the Yucatan that have been arrested.

Mr. NELSON. I might add, though, that the arrests could be viewed as a positive. It has been established here that the charges against both have been basically dropped and it is only the U.S. request that is holding them in jail at this point.

Mr. SOUDER. I mean, it is a problem for those of us in Congress who represent districts where—in my district there has been a shift in where the drugs are coming from. They are mostly coming from Mexico. And as we see particularly heroin pouring into our country that is native to Mexico, it isn't even just a transit zone. And that, in effect, what you are telling us is that the heroin threats increase and the cocaine threats are increasing. They are not doing the helicopters. They are having problems screening their people. Corruption is widespread in their courts. They have actually gone down or at least not had any increases in eradication and seizures. They are plowing across the border. They are threatening to sue us over a money laundering prosecution that—their drug leaders continue to operate in impunity. And the two good signs are that in Cancun they started a process, although they haven't arrested anybody. And in the other place they have started a process but we don't know whether they are going to be prosecuted. And furthermore, in their constitution they don't have life imprisonment.

You know, looking at it as an official here, this politically isn't that hard that, in fact, when we were just down on the Texas border I was told by an official, which is broad enough to cover all the departments so they can't find the person, that they refer to it as the North American Free Drug Trading Act. Because they don't know how to control the border, because it is so massive and the cooperation is there.

Do you have any suggestions about our ability to monitor both the southwest border as well as the Pacific and Atlantic Coasts unless we can get a higher rate of cooperation?

Mr. NELSON. Well, I believe that certainly you can't tackle the problem without a lot of cooperation. But there are barriers to that cooperation, and they are on both sides. On our side it is how much information can we share at the operational level without compromising our activities.

I think you will hear statements of cooperation at the highest level of government but you must translate that down to the operational level to attack the traffickers, the organizations, to carry out seizures and so forth. And that is problematic. I am very familiar with the situation on the southwest border, and we have a major conflict there between our goals of facilitating the free movement of goods across the border and consistent with both our objectives for economic development. At the same time, it provides limitless opportunities for drug smuggling.

I have been down to the border area and you can see the various means that people use to get the drugs into the commercial traffic and across the border.

Mr. SOUDER. What you are saying is very troubling, because are you saying that the two goals are mutually exclusive?

Mr. NELSON. I am not saying that they are mutually exclusive, but I do think that it represents a situation where they can come into conflict, but I don't think the country can back away from ei-

ther of those goals and it is going to require much greater cooperation between the two countries to address it.

Mr. SOUDER. Because in Fort Wayne I don't want the choice of whether to have kids die, people shot in streets, gangs selling drugs, for a few additional jobs. In actuality, we probably lose in net jobs.

But even from a national American perspective, these are tough tradeoffs. I mean, some of this, when we were at the Juarez-El Paso border and you see there is one free bridge backed up for hours, the pressure on those people to expedite the cars through when you don't see the lines at the bridges that have a fee, but then the pressure that goes on those agents to accelerate or the confusion that occurs, as we've heard in other border crossings where they will send somebody who is, in effect, a decoy with a light load to then slip it in because it backs up and the pressure gets on and people get upset in their cars. It's human nature, then, and it limits our ability to do that.

We have to have the will, I believe, which is what is lacking in your tradeoff, to say either we are going to have more border crossing places with more equipment. Because you have almost set up a, oh, this is a trade or drugs. But aren't there some things that we could aggressively do that could potentially get at the drugs more, even if we were going to allow the border crossings?

Mr. NELSON. I agree with you. The situation along the border is very daunting. One only has to be there to see the trucks backed up for miles to see the hard work of the drug enforcement agents and the Customs people trying to make sure that drugs are not getting into the country. One only has to go there to understand the task at hand.

I think a preliminary kind of effort would be to enhance, through more technology and other means, the ability of our people on the border to do their job of detecting illicit drugs. There are other steps that I believe can be taken including increasing cooperation with United States counterparts in Mexico. There are a number of steps that I think can be taken that would tend to ameliorate the problem, but I don't think they will fully eliminate the problem of trying to facilitate the movement of goods while at the same time trying to protect this country from the scourge of drugs.

Mr. SOUDER. Do you see any signs on the Mexican side of the border that they are doing things? For example, when we—I mean, anybody driving down the highway can see we have places where trucks go over to get checked for weight. Do you see any signs that before any of their vehicles are heading toward America that they are doing any antidrug screening? Is there anything on the other side of the border crossings that show that they are committed to trying to reduce the number of narcotics coming into our side?

Mr. NELSON. I am personally not aware of any effort on the parts of the Mexican Government. I do know that the United States has a proposal or is considering some type of system of preclearance for trucks and drivers that have been precleared in Mexico to ease the inspection at the border. I am not sure of the status of that. I was told that that is one of the proposals being considered and that they are testing certain technology to try to see if this will, in fact, be practical.

Mr. SOUDER. If you were looking at this, in your opinion, are they full cooperating?

Mr. NELSON. I am not in a position to answer that question. What I can do is say when you look at tangible results in terms of seizures, law enforcement activities, people who have gone to jail, there are not many very firm, tangible results that you can point to over the last couple of years.

Mr. SOUDER. If I may ask one last question that we constantly heard in almost every meeting when we were just recently in Mexico and we hear this—we have heard this before—is let's don't talk about what has happened in the past. We are committed to change.

Now as Mr. Constantine said, this is the fourth round of this. And you made an allusion, Mr. Nelson, just a few minutes ago, that we have to know that our information isn't being compromised. But, in fact, when they had a drug czar who was in an apartment owned by a cartel owner and they didn't know that and we didn't know that and we heard it in front of this committee before that our administration is concerned that every single piece of material had been compromised, every potential witness, every potential informant, all of our uncover agents had been compromised and, that, in fact, history sometimes can be a projection and sometimes it isn't a projection of what is going to happen next.

But wouldn't you recommend, based on what you have seen, that to some degree history says that we should be cautious before we do too many exchanges and build on some record of success here, and it is not completely irrelevant?

Mr. NELSON. Yes. I would agree with you that you have to be cautious. But I think that the U.S. law enforcement community is very much aware of the problem and that they tend to factor this into the level of cooperation, what they share and what they do not share and so forth.

I think the issue of corruption runs through all of the processes, all of the steps and all of the institutions that you have to use to attack the problem.

Mr. SOUDER. As an auditor, if you were looking at them, and let's say we shared all of our information sources with them this year and then had problems, wouldn't you come back here as GAO and say why did you share all of that information given the past history?

Mr. NELSON. It's a choice between making some progress and having basically an arm's length relationship. I think both countries have to work together.

The endemic corruption in the institutions, I think, is going to be there. It is going to take awhile. And we have to basically work to achieve what we can, but we need to stay on a course of showing some progress. I think that is where we need to establish a good game plan for attacking the problem, including giving them equipment and assistance that works and holding the government accountable for achieving some positive outcomes as the only way of dealing with what is a long-term problem that is going to require sustained effort on the part of both governments.

Mr. SOUDER. Well, I thank you for your comments, and Mr. Kushner's. Because there is no question what you say is true. I mean, Mexico is not going to disappear.

It is clear in North America and Central and South America unless we work together in this hemisphere in trade questions and in our people moving back and forth across the borders, we have to learn how to get along. It is more a question of how fast, in what way.

Mr. NELSON. At the General Accounting Office, I have responsibility for a lot of issues where U.S. objectives can only be achieved through cooperation and coordination with either multilateral institutions or other countries. And when you look at the range of issues we have with Mexico, I think that cooperation, sincere cooperation, at all levels is going to be required to address some of the fundamental issues that go to trade, to immigration, law enforcement. Just a number of key United States policy objectives play out on the Mexican border, including environmental issues, labor issues, and so forth.

Mr. SOUDER. Well, once again, I thank you for your testimony. There is no question from what we have heard both in the first panel and the second panel that we have a very difficult decision facing us in the House, because while we can agree that there have been attempts to make progress, the results haven't been particularly impressive. And we need to sort through this decertification process, not because it is fun to go through but because we are very concerned about the drug problem in this country facing our kids, facing our families, what it has done to our country, what it has done in corrupting Mexico, what it is doing and has corrupted Colombia in the past. We have seen success stories in Peru and Bolivia.

There is no doubt that as those governments have gone after it, we have seen changes in those countries. We have seen when we have put up efforts at interdiction we can actually reduce the flood into our country and drive the prices up, which by driving those prices up and what they can pay by forcing them into river traffic as opposed to air traffic, we then result in the people on the ground being paid less, which means that they look for alternative crops.

There are successes. We need to do more in demand reduction in our country, and we are working on that, on treatment and prevention programs. Enforcement, drug testing in a variety of different forms.

These are very difficult issues. But one of the fundamental questions we have to ask is if we have a drug certification process, as I favor and as Chairman Mica originally put in as a staffer when he was over in the Senate, if we favor this and you never implement it even when there aren't results, do you lose the effectiveness of the whole process, a process that has served us, in my opinion, well as a country, especially when, as we heard earlier in this hearing, that, in fact, it wouldn't cutoff all trade. It doesn't cutoff all assistance. And if you aren't willing to make some steps, are we really ever going to get the results?

So we appreciate your participation in the hearing today and the report that you gave us. We will leave the record open for 2 weeks for additional questions in written form and additional comments from our members. And with that, our hearing stands adjourned.

[Whereupon the committee was adjourned at 1:43 p.m., subject to the call of the Chair.]

[Additional information submitted for the hearing record follows:]

AMERICA FIRST

REVOLTING GRANDMA'S

Mary Quartiano, Spokesperson
Muriel Watson, Political Adviser

E PLURIBUS UNUM

March 10, 1999

The Honorable John Mica, Chairman
The House Government Reform and Oversight Subcommittee on
National Security, International Affairs and Criminal Justice
B-373 RHOB
Washington, D.C. 20515

Attn: Majority Staff Director, Robert Charles

Dear Mr. Chairman Mica:

Re: Recertification of Mexico

We agree with your position regarding recertification of Mexico. Mexico should **not** be re-certified. Moreover, our precious tax dollars could, and should, be spent more wisely.

The enclosed sampling of letters clearly indicate that we have done a considerable amount of research in an attenpt to alert elected officials, and others, regarding the interactive relationship between **illegal immigration** and **drug trafficking**.

Sincerely,

Mary Quartiano

Mary Quartiano

PS: Please note: As we understand it, along the border region, in this past year alone over 300 Mexican law enforcement officers have been killed. Some blatantly executed. Moreover, as we understand it, the Ariano Felix brothers drug cartel has an operating budjet **(bribe money)** of 10-million dollars per month.....

With rampant corruption along the border region, it is a simple matter of survival for most Mexican law enforcement officers. --- Take the money, or your dead!!

CC: Congressman Duncan Hunter, 52nd. District CA.
Attn: Gary Beck

Enclosures: (12)

4080 Hancock Street, Suite 4311 * San Diego, CA 92110-5145 * Tel/Fax: (619) 226-6536
The Very Independent Revolting Grandma's

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY
Washington, D.C. 20503
February 27, 1998

Dear Ms. Quartiano:

Appreciate your letter and video dated February 2, 1998. Identifying problems with our borders is an important link in the criminal justice system.

Agree we must always look for new means of effectively reducing the number of illegal crossings at our borders. Believe we must also focus on long term solutions that inhibit the illegal entry of contraband while respecting the rights of individuals. One of the primary goals of our National Drug Control Strategy is to *Shield America's air, land, and sea frontiers from the drug threat.*

Keep up the good work. Your efforts are making a difference.

Best wishes,

Dennis Greenhouse
Assistant Associate Director
Bureau of State and Local Affairs

Ms. Mary Quartiano
4080 Hancock Street
Suite 4311
San Diego, CA 92210-5145

COMMONWEALTH of VIRGINIA

Office of the Governor

George Allen
Governor

Patricia L. West
Secretary of Public Safety

November 21, 1997

Ms. Mary Quartiano
Revolting Grandma's
4080 Hancock Street, Suite 4311
San Diego, California 92110-5145

Dear Ms. Quartiano:

This is in reply to your recent letter to Governor Allen regarding illegal immigration migration.

As you mentioned, Governors of states have the authority to deploy National Guard troops within the jurisdiction of their respective state unless there are other legal authorities upon which National Guard troops may operate outside the state. The use of National Guard troops is generally restricted to the state from which those troops are located. In the past, Virginia has sent some National Guard troops along the southwestern border to assist the border patrol. These missions have previously and are presently limited in their nature due in large part to decreased federal funding. At this time the Allen administration is not in a position to undertake additional deployments; however, we do support your efforts to bring attention to this serious issue.

Thank you for writing and I hope this information is helpful to you.

Very truly yours,

Joyce G. Fogg

Joyce G. Fogg
Assistant Secretary

JGF:sw

c: General Carroll Thackston
Adjutant General, Department of Military Affairs

Encl. Page 2

P.O. Box 1475 • Richmond, Virginia 23218 • (804) 786-5351 • TDD (804) 786-7765

COMMONWEALTH of VIRGINIA

Office of the Governor
Transition Office

James S. Gilmore, III
Governor-elect

804 786-4044
804 786-4862 (TDD)
804 786-4843 (FAX)

January 13, 1998

Ms. Mary Quartiano
Revolting Grandma's
4080 Hancock Street, Suite 4311
San Diego, CA 92110

Dear Ms. Quartiano:

Thank you for writing to me to express your concerns. As Governor-elect, I value your input and consider citizen involvement an important part of my administration. Moreover, I am committed, as Governor, to addressing the issue that you have raised in your letter.

I will be sworn into office on January 17, 1998. As Governor, I will work to address your concerns. Your continued advice will be a valuable asset as we keep Virginia moving forward.

Sincerely,

James S. Gilmore, III
Governor-elect
Commonwealth of Virginia

Encl. Page 3

P.O. Box 1190 • Richmond, Virginia 23218

COMMONWEALTH OF KENTUCKY

DEPARTMENT OF MILITARY AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

FRANKFORT 40601

December 24, 1997

Ms. Mary Quartiano
4080 Hancock Street, Suite 4311
San Diego, California 92110-5145

Dear Ms. Quartiano,

Thank you, on behalf of Governor Patton, for your recent mailing of very informative video and text media. I applaud your efforts, and those of your group, to increase national awareness of illegal immigration activities and the unacceptable conditions our border state citizens are experiencing.

Governor Patton, and all southern governors, support the reestablishment of an effective and orderly immigration process. Your video segments represent a situation out of control, with great potential for loss of life or property.

Governor Patton, unfortunately, cannot order Kentucky National Guard personnel to another state in support of border patrol operations. There are many aspects of the special roles of each states National Guard that make them very responsive to the Governor and citizens of their respective states, but preclude their involvement in other states activities.

Please keep Governor Patton, and this office, posted on pending legislation, either supportive or obstructive, affecting your efforts. Kentucky fully endorses the maintenance of, and funding for, a strong National Guard force in every state as a primary deterrent to those who would participate in or promote illegal immigration.

Sincerely,

John W. Smith
Colonel, Kentucky National Guard
Chief of Staff

CF:
Governor Paul E. Patton

AN EQUAL OPPORTUNITY EMPLOYER M/F/D

Frank Keating
Governor

November 7, 1997

Mary Quartiano
4080 Hancock St., Suite 4311
San Diego, CA 92110-5145

Dear Ms. Quartiano:

Governor Keating has asked me to review the information you provided as well as applicable Oklahoma law. I have read the literature and watched the video you sent. Your concerns about illegal immigration are shared by this Office. As you point out, however, protecting the borders from illegal immigration is within the jurisdiction of the U. S. Immigration and Naturalization Service. States are without authority in immigration control beyond patrolling and protecting their own borders. Because Oklahoma does not border a foreign country as Texas does, the Governor of Oklahoma will only deploy the Oklahoma National Guard for action within another state upon an invitation from that state.

If you have any questions regarding the limitations placed on the Governor in these matters, please feel free to contact me at (405) 523-4253.

Sincerely,

Judy A. Terry
Deputy General Counsel

Encl. Page 5

STATE CAPITOL BUILDING • OKLAHOMA CITY, OKLAHOMA 73105 • (405) 521-2342 • FAX (405) 521-3353

147 8-21-97

STATE OF TEXAS
OFFICE OF THE GOVERNOR

GEORGE W. BUSH
GOVERNOR

September 18, 1997

Ms. Mary Quartiano, Spokesperson
Revolting Grandma's
4080 Hancock Street, Suite 4311
San Diego, CA 92110

Dear Ms. Quartiano:

Thank you for your letter about immigration.

I strongly oppose illegal immigration, and I have often urged the federal government to do its job of enforcing our borders. Because Texas has a 1,200-mile border with Mexico, we need more federal manpower to enforce the laws against illegal immigration.

"Operation Hold-the-Line" in El Paso is an example of a program that works. U. S. Border Patrol agents are deployed along the border to stop illegal immigrants before they enter Texas cities. The federal government should expand this program beyond El Paso to other high-traffic border crossing points.

With respect to the children of illegal immigrants, I believe that once a child is living in Texas, it is in our own best interests to educate that child. An educated child is less likely to commit a crime or join a gang and more likely to be productive.

I appreciate your bringing your concerns to my attention.

Sincerely,

GEORGE W. BUSH

GWB:smg

Encl. Page 6

POST OFFICE BOX 12428 AUSTIN, TEXAS 78711 (512) 463-2000 (VOICE)/(512) 475-3165 (TDD)

11-03-97

EXECUTIVE CHAMBERS
HONOLULU

BENJAMIN J. CAYETANO
GOVERNOR

December 5, 1997

Ms. Mary Quartiano
Spokesperson, Revolting Grandma's
4080 Hancock Street, Suite 4311
San Diego, CA 92110-5145

Dear Ms. Quartiano:

This is in response to your letter of November 3, 1997, requesting the deployment of National Guard troops as support personnel for the U.S. Border Patrol. Thank you for sharing the video and news clips on the illegal immigration problem. I certainly agree that this is a significant problem that must be solved.

As you know, the security of our borders with Mexico and Canada is a responsibility of the Federal government and not within my purview as the Governor of the State of Hawaii. I recommend that you continue your efforts with your elected Federal officials and with the Federal organizations responsible for the prevention of illegal immigration.

Again, thank you for the information and best wishes in your efforts.

With warmest personal regards,

Aloha,

Benjamin J. Cayetano

BENJAMIN J. CAYETANO

GREG COX
CHAIRMAN
San Diego County Board of Supervisors

March 9, 1998

The President
The White House
Washington, DC 20500-0001

Dear Mr. President:

The Board of Supervisors of the County of San Diego respectfully requests that you take the following actions to reduce the incidence of illegal immigration and drug smuggling in San Diego County:

- Assign additional Border Patrol resources to the eastern region of San Diego County;
- Support deployment of California National Guard or other appropriate personnel to man scopes used to detect fires, deter illegal immigration, and/or aid in drug interdiction efforts; and
- Deploy additional law enforcement personnel, and augment fire prevention and resource protection personnel to the Cleveland National Forest

The Board of Supervisors has a long history of support for efforts to stop illegal migration and to mitigate the impact of illegal immigrants on local governments. In response to these efforts, and the efforts of many others, the federal government has increased resources dedicated to stopping illegal immigration. Operation Gatekeeper is a good example of these increased efforts. However, illegal immigration has shifted to the east and continues to impact residents and property owners in the remote regions of San Diego County.

The Board is concerned that Operation Linebacker in the Cleveland National Forest lost its funding. The 20 law enforcement officers of Operation Linebacker detained more than 16,000 illegal aliens and turned them over to the Border Patrol in 1997. In addition, fire prevention and resource protection personnel who were funded well below FY 1997 levels disposed of more than 14,000 tons of trash and put out more than 1,400 campfires that burned over 260 acres.

County Administration Center • 1600 Pacific Highway, Room 335 • San Diego, CA 92101-2470
(619) 531-5511 Fax (619) 235-0644 www.co.san-diego.ca.us

Further, the number of personnel who staffed the scopes used to detect and deter illegal immigration and drug smuggling, have been reduced.

Now is not the time to cut back on resources that help protect the border between Mexico and the United States. We have seen a reduction in the number of the illegal aliens apprehended in the San Diego County region. However, those numbers are still too high, and the County continues to incur costs resulting from illegal immigration.

Sincerely,

Greg Cox

GREG COX
Chairman

CITY OF SOLANA BEACH
635 SOUTH HIGHWAY 101 * SOLANA BEACH, CALIFORNIA 92075-2215 * (619) 755-2998

March 2, 1998

Mary Quartiano
4080 Hancock Street, #4311
San Diego, California 92110-5145

Dear Ms. Quartiano:

At the regular City Council meeting of the City of Solana Beach held on February 24, 1998, the Council adopted Resolution No. 98-10 entitled "A Resolution of the City Council of the City of Solana Beach, California, Urging Deployment of National Guard Troops to the United States/Mexican Border" for administrative purposes only.

At that meeting, Council took action to send letters to Governor Wilson and to the San Diego Region's 18 cities. On recommendation of the City Manager, Robert W. Semple, a copy of this resolution is being forwarded to you for your information.

If you have any questions regarding this resolution, please contact Mr. Semple at this office at (619) 755-2998.

Very truly yours,

Kathryn A. Kirk
City Clerk

Enclosure

Encl. 10

PRINTED ON RECYCLED PAPER

RESOLUTION NO. 98-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, URGING DEPLOYMENT OF NATIONAL GUARD TROOPS TO THE UNITED STATES/MEXICAN BORDER

WHEREAS, our porous southern border causes significant national security risks; and

WHEREAS, the costs and rate of transborder crimes to persons and property are escalating; and

WHEREAS, when Operation Gatekeeper was implemented, no provisions were put in place to prevent illegal border activities from moving to eastern San Diego and Imperial Counties; and

WHEREAS, as stated by Governor Wilson, the costs of illegal immigration to the State of California have been estimated at approximately three billion dollars per year, even without consideration of the additional costs faced by counties, cities, and other local governments; and

WHEREAS, the cost of sending National Guard Troops to the border will be recovered over time due to the prevention of future criminal activities; and

WHEREAS, it is the Federal government's duty to protect the borders and sovereignty of the United States of America.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does hereby urge deployment of the National Guard to the United States/Mexican border to provide support, such as transportation of supplies, maintenance of equipment, and facilities needed by those agencies directly involved in stemming the continual flow of illegal aliens and drugs into the United States.

PASSED, APPROVED AND ADOPTED this 24TH day of February, 1998.

PAUL S. TOMPKINS, MAYOR

ATTEST:

KATHRYN A. KIRK, CITY CLERK

APPROVED AS TO FORM:

CELIA A. BREWER, CITY ATTORNEY

Resolution No. 98- 10
Deployment of National Guard Troops
Page 2 of 2

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss
CITY OF SOLANA BEACH)

I, Kathryn A. Kirk, City Clerk of the City of Solana Beach, California, DO HEREBY CERTIFY that the foregoing Resolution No. 98- 10 was duly passed and adopted at a regular meeting of the Solana Beach City Council held on the 24th day of February, 1998 with the following roll call vote, to wit:

AYES:	COUNCILMEMBERS:	TOMPKINS, DODSON, CAMPBELL, KELLEJIAN, RENTERIA
NOES:	COUNCILMEMBERS:	NONE
ABSENT:	COUNCILMEMBERS:	NONE
ABSTAIN:	COUNCILMEMBERS:	NONE

(SEAL)

Kathryn A. Kirk
KATHRYN A. KIRK, CITY CLERK

The foregoing is the original of Resolution No. 98-10 duly passed and adopted by the Solana Beach City Council at their regular meeting held February 24, 1998.

(SEAL)

Kathryn A. Kirk
KATHRYN A. KIRK, CITY CLERK