DRUG TRAFFICKING IN THE CARIBBEAN: DO TRAFFICKERS USE CUBA AND PUERTO RICO AS MAJOR TRANSIT LOCATIONS FOR UNITED STATES-BOUND NARCOTICS?

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DRUG TRAFFICKING IN THE CARIBBEAN: DO TRAFFICKERS USE CUBA AND PUERTO RICO AS MAJOR TRANSIT LOCATIONS FOR UNITED STATES-BOUND NARCOTICS?

MONDAY, JANUARY 3, 2000

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Miami, FL.

The committee met, pursuant to notice, at 1:23 p.m., in the Commission Chambers, Sweetwater City Hall, 500 S.W. 109th Avenue, Miami, FL, Hon. Dan Burton (chairman of the committee) presiding.

Present: Representatives Burton, Gilman, Ros-Lehtinen, Mica, and Ose.

Also present: Representative Diaz-Balart.

Staff present: James C. Wilson, chief counsel; Kevin Long and Gil Macklin, professional staff members; Kristi Remington, senior counsel; Lisa Smith Arafune, chief clerk; Maria Tamburri, staff assistant; and Michael J. Yeager, minority counsel.

Mr. BURTON. Good afternoon. A quorum being present, the Committee on Government Reform will now come to order.

I ask unanimous consent that all materials, exhibits or other extraneous materials referred to in the course of this hearing be included in the record. Without objection, it is so ordered.

I also ask unanimous consent that the Congressmen who are not members of this committee be allowed to participate in this hearing. Without objection, it is so ordered.

Before I go to my opening statement, I would like to state that not only is the chairman of the Government Reform Committee here and other members, but also the chairman of the International Relations Committee, Mr. Ben Gilman is here. So this is a very important hearing for southern Florida and for the United States, because it bears on not only an important subject, but it also is important enough to have two committees represented here today.

I want to thank everybody in south Florida for allowing us to be here. Everyone today will be able to say that they are part of a historic event. This is the first congressional hearing of the new millennium and it is being broadcast live into Cuba on Radio Marti so Fidel Castro and the people of Cuba will be hearing what we say today and what we find. And if he blocks it, I hope Radio Marti will rebroadcast it again and again so that the people of Cuba will hear the facts.

The topic of the hearing is drug trafficking in the Caribbean; specifically, do traffickers use Cuba and Puerto Rico as major transit points for United States-bound narcotics? Fidel Castro's longstanding participation in international drug trafficking is well-documented, as is Cuba's notorious state sponsorship of terrorism. Unfortunately for the American people, President Clinton has chosen to ignore these facts and proceed down the trail of normalization with a totalitarian drug-running Castro dictatorship.

In November, the Clinton-Gore administration refused to put Cuba on the major drug list of countries that substantially impact the United States. Just last week, the State Department informed my staff that they are going to send a United States Coast Guard officer to Cuba to be a liaison with the Castro government on drug trafficking matters. That's very curious to me since Castro is deeply involved in the drug trafficking himself. These decisions were clearly rooted in politics rather than determined by the facts.

The stained foreign policy legacy of this administration has never been more evident. The Clinton administration has turned its back on American children in order to normalize relations with Fidel Castro, a brutal dictator who is helping flood American streets and school yards with deadly drugs, all the while lining his pockets with illicit drug money.

The Clinton-Gore legacy will be an entire generation of Americans subjected to dramatically increased drug use as well as record numbers of drug addicts and overdose deaths. This has already happened in places like Baltimore, MD where 1 out of 17 citizens—1 out of 17—are addicted to heroin, according to the DEA. In August, our Government Reform colleague, Mr. Cummings, told us of the devastating impact it has had on his district in Baltimore and later this month, Chairman John Mica's subcommittee will hold a field hearing in Baltimore. Just up the road in Chairman Mica's district in Orlando, over 50 people died of heroin overdoses last year alone, many of them teenagers.

It does not take boxes of physical evidence, just common sense, to see that Fidel Castro's regime has resorted to drug trafficking to help fund Cuba's sagging economy. It is quite clear to those who have followed Cuba as closely as I have that his brutal dictatorship is in dire straits since the collapse of the Soviet Union and the subsidies that it provided to Cuba. Further, the Helms-Burton embargo has Castro's dictatorship strapped for hard currency. This begs the question, where has Castro turned to subsidize this loss of money. In my opinion, he has turned in large part to drug trafficking and quite possibly money laundering to prop up his regime.

There is an abundance of evidence that Castro's regime is involved in drug trafficking. My staff has conducted nearly a yearlong investigation into one particular shipment of drugs seized by the Colombian National Police last December. The International Relations Committee, chaired by Mr. Gilman, has been doing the same thing. These investigations have shown the Cuban Government was the primary principal behind this shipment of drugs destined for Havana before it was seized. We believe this shipment may have been headed for the United States after it got to Cuba. 7.2 metric tons of drugs, cocaine, worth $1.5 billion was seized in six containers belonging to the Cuban Government which were to

be transported to Cuba by a Cuban Government-owned shipping company and were to be opened only in the presence of the Cuban Government's customs agents. This is now being called "the December incident" in Cuba.

According to an article in the May 27, 1999 government-run newspaper in Havana, Prensa Latina, Rogelio Sierra, a spokesman for the Cuban Ministry of Foreign Relations, said—he is a government official down there—that 7 tons of Cuba-bound cocaine seized in Colombia in December was destined for the United States of America. The only Clinton-Gore administration response to this statement was they could not explain it. I think that tells a lot. Why would a Cuban foreign ministry official have said that the cocaine shipment was going to the United States through Cuba? I can only imagine there was hell to pay for Mr. Sierra as a result of his slip of the tongue.

Sierra's statement is important because it directly contradicts Fidel Castro's earlier assertions in January when he alleged that two Spanish businessmen, who were minority partners in the joint venture company, were solely responsible for this shipment. Since these two were from Spain, the shipment must have been going to Spain—a perfect setup by a notorious lying dictator.

In reality, the Cuban Ministry of Interior, which is the equivalent of our CIA, assigned two agents to run this company under the Cuban Ministry of Light Industry. It was an operation that proceeded only under the strict control of the Ministry of Interior. The two Interior agents were very upset that this cocaine shipment was twice delayed in Colombia and even phoned one of the Spanish businessmen to ask when it would be delivered. After the seizure in Colombia, when the Cuban authorities could have detained the other Spaniard, they sent him back to Spain with a gift for his sick wife without detaining or questioning him about the seizure.

He said that he was not involved in the drug operation, had no knowledge of it and he was willing to take a lie detector test administered by the Drug Enforcement Administration of the United States. So far the DEA has not offered him a lie detector test.

Surprisingly, the White House chose to take Castro's story without a shred of evidence and based their assumptions on Castro's word—nothing else. Now, the Clinton-Gore administration is sending a U.S. Coast Guard officer—a law enforcement officer—as a reward to Castro, who no doubt requested help as a face-saving effort to show the world he is "serious" about drug trafficking. Sadly, the Clinton-Gore administration has chosen to reward Castro rather than question his complicity with drug traffickers.

This is not the only case that can be made that the Castro regime is neck-deep in drug trafficking. On April 8, 1993, the Miami Herald reported that the United States Attorney in Miami had a draft indictment for drug trafficking and racketeering against Raul Castro, Fidel's brother, also a high-ranking Cuban Government official. Under pressure from the Clinton-Gore Department of Justice in Washington, the indictment was shelved. Why? Is it because the Clinton administration is so tilted toward normalizing relations with Cuba that it does not want to deal with the allegations of drug trafficking by Castro's Cuba? Unfortunately, this seems like the logical conclusion.

I hope the television is working and I hope you will all pay attention to the monitor there. I want to show a portion of a DEA-edited surveillance videotape that shows a drug trafficker bragging about faking an emergency landing in Cuba to drop off a load of dope, then getting the royal treatment from the Cuban Government. He was even given false repair documents for his plane, which permitted him to enter the United States after leaving Cuba. I was provided with this tape only after threatening to subpoena it from the DEA. The administration and the DEA would not give it to us. While I would like to show more of the tape, the vulgar language prohibits me from doing so. So you are going to see the part where he is talking about his involvement landing in Cuba and getting false information about the landing.

So would you please show the video now?

[Videotape shown.]

Mr. BURTON. Well, the volume was poor. For those of you in the media, we will make that available at the conclusion of the hearing so you can get a more clear picture of what we are talking about. I apologize for that, but under the circumstances with the volume problem we had, I think we will let you see that later.

That portion of the video seems pretty convincing to me, but not to the administration, which has repeatedly claimed there is no evidence of Cuban Government involvement in drug trafficking. I cannot believe this administration is making those statements. And I think today the witnesses we are going to have will clearly show that the Cuban Government has been deeply involved in drug trafficking since the 1970's.

My good friend, Representative Bob Menendez, a New Jersey Democrat, said, "In a country where every human rights activist, political dissident and journalist is followed, that narco-traffickers can meet without the Cuban secret police knowing is a tale from Alice in Wonderland." This is from one of the President's own party members.

I agree with my Democrat friend from New Jersey. Castro knows everything of significance that is going on in Cuba. It is impossible to believe that anyone could move 7.2 tons of cocaine through Cuba without Castro's knowledge or at least his willingness to turn a blind eye to the movement in exchange for some of the profit.

The Clinton-Gore administration has argued that Cuba does not have the capacity to respond to drug plane overflights or boats entering its territorial waters. That claim rings hollow. Castro has shown his ability to lethally respond to innocent civilians in the past. For example, Castro scrambled his MiGs in 1996 to shoot down two Brothers to the Rescue planes in international airspace, murdering innocent Americans.

Castro has also sent his Navy to murder nearly 100 innocent women and children when it rammed the 13th of March tugboat, and then used fire hoses to flood the deck and sink the ship. These were innocent men, women and children merely fleeing the oppression of his brutal dictatorship.

What this shows is that Castro has the capacity to respond to boats and planes if he wants to, even if it involves killing innocent women and children. Apparently Castro feels more threatened by innocent women and children telling the world the truth about his

dictatorship than he does by allowing drug traffickers to use Cuba as a syringe for injecting drugs into American streets and school yards.

My good friend, Senator Robert Torricelli, who is chairman of the Democrat Senatorial Committee, recently said, "The regular use of Cuban air space and the tracking of drugs through Cuba make it clear Cuba belongs on the major drug list. Any decision not to place Cuba on the list would be for purely political reasons."

The Clinton-Gore administration is now in the ironic position of defending Fidel Castro's illicit activities. What the administration does not realize, or chooses to ignore, is that by not placing Cuba on the major's list, it became an accomplice to Castro's activities.

The Clinton-Gore administration's decision will impact an entire generation of American children. Even worse is that the Clinton-Gore administration made this decision based on its desire to normalize relations with Fidel Castro—shameless even to fellow Democrats like Senator Torricelli and Representative Menendez.

Today, we will hear first from two very important Members of Congress from southern Florida—Lincoln Diaz-Balart and Ileana Ros-Lehtinen. Then we will hear from two very important witnesses. First, Mr. Jorge Masetti, who is a former Cuban Ministry of Interior official, and then his wife, Ms. Ileana de la Guardia, whose father, Cuban Colonel Anthony de la Guardia, was executed by Fidel Castro for drug trafficking in the famous General Ochoa case. Mr. Masetti will be providing us with his eyewitness testimony to the drug trafficking and state-sponsored terrorist activities of the Castro regime. Ms. de la Guardia will explain how her father acted with the knowledge of Fidel Castro when he ran the drug trafficking organization out of the Ministry of the Interior.

Now, I would like to take this opportunity to thank Congressman Lincoln Diaz-Balart, who is not on our committee, but is hosting these hearings in his district. My staff has informed me that Congressman Diaz-Balart's staff, especially Ana Carbonell, deserves a special thank you for all of her hard work in putting this event together. Ana, I would like for you to stand up so everybody can see, because you worked very hard on this.

[Applause.]

Mr. BURTON. She has probably collapsed from all this work—there she is back there.

I would also like to thank the city of Sweetwater for permitting the committee to hold this hearing in their lovely town hall, particularly Mayor Jose Pepe Diaz, and the Sweetwater Police Department, including Chief Jesus Menocal, Assistant Chief Ed Fuentes, Lieutenant Roberto Fulgueira, Sergeant Lawrence Churchman, Corporal Ignacio Menocal and Officer Eddie Magarino. I hope I got those names pronounced correctly, so forgive me if I did not.

Finally, I would like to thank Ileana Ros-Lehtinen and Lincoln Diaz-Balart for their support of our hearings in the past and for their hard work down here.

I would like to now recognize Congresswoman Ros-Lehtinen and Congressman Diaz-Balart, who will be testifying from up here, and then we will go to our witnesses who came all the way from Spain to testify today.

So we will start with—oh, excuse me, pardon me. First, we go to opening statements. Forgive me, my colleagues. We will start with my ranking member and the head of the International Relations Committee, Chairman Gilman.

Mr. GILMAN. Thank you, Mr. Chairman, and Mayor Diaz and the Sweetwater officials for hosting this hearing.

And we welcome the opportunity to appear here today in Miami along with our congressional colleagues to address a very important issue, an issue of the narcotics trade targeting our Nation, and in particular Cuba's links to the illicit narcotics trade targeting both our Nation and the European continent. It is a subject which is and should be of major importance and concern not only to our Nation and all of our communities, especially here in south Florida but many of our towns and cities throughout our Nation have been ravaged by illicit drugs trafficking here from abroad through places like Cuba.

On November 10, 1999, President Clinton notified me in my role as chairman of our International Relations Committee of his annual determinations on the major drug source, and the major transit list, as required by law. Regrettably, the President failed to include Cuba on the major's list, a nation which is the largest land mass in the Caribbean and only 90 miles from our Florida coastline.

The list of major drug trafficking transit nations included the nearby Caribbean nations of Haiti, the Dominican Republic and Jamaica. The Bahamas were also included on the President's list. The State Department International Narcotics Bureau [INL], which has the lead on preparing the recommendations for the President's annual major's list determination was apparently ignored on the long-overdue inclusion of Cuba as a major drug transiting nation that significantly impacts our own Nation.

The fact that the State Department avoided answering questions at our hearing in our committee last November on what their own recommendations were with regard to Cuba being included on that major's list, is some indication that they have privately disagreed with the President, as some media accounts have already speculated. After weeks of State Department lawyer time and extraordinary legal gymnastics on whether the term "through" means drugs over the skies and in the territorial waters of Cuba, we once again witnessed a failure of Presidential leadership in our fight against illicit drugs.

In his November 10 letter to the Congress, President Clinton stated that our law enforcement community, with regard to the 7.5 metric tons of deadly cocaine seized in northern Colombia in December 1998 and clearly consigned to Cuba, believed that Spain and not the United States was the ultimate destination of this major shipment.

Irrespective of the ultimate destination of that particular large shipment of cocaine, it is obvious that massive amounts of illicit drugs are now transiting Cuba, either to our Nation or to the European continent and possibly with some Cuban Government complicity. This is an alarming trend and a new reality which we ignore at our own risk.

Our administration has sadly become a cheerleader for the dictatorial communist regime in Havana, and has not adequately recognized the long-term significance that this massive shipment of cocaine represents. Our Nation's administration has not been objective, it has swallowed the Cuban Government's efforts to spin—hook, line and sinker—on a likely destination of this massive tonnage of Colombian cocaine seized in December 1998 in northern Colombia and, as we all acknowledge, was consigned to Cuba.

It has long been my understanding that our Drug Enforcement Administration [DEA], had no concrete evidence to support the conclusion that Spain was the ultimate destination of this major shipment of 7.5 tons of cocaine. There may be conjecture, there may be hints and speculation, but there is no hard evidence that Spain was the final destination, as Mr. Castro and his regime would have us believe, without a thorough inquiry.

Why should we give this benefit of the doubt to Cuba and to the Castro regime? We ought to be more than curious in conducting a serious, no nonsense investigation of that major shipment, the implications of which are ominous for our Nation and for Europe.

Once the shipment of 7.5 tons of cocaine was clearly and effectively determined to be headed for Cuba, could we have expected Mr. Castro to say it was headed for our Nation? Never—since he is a master of propaganda and disinformation.

The head of the Spanish National Police told our committee staff in late October of last year in Colombia, that Cuba is the only destination they have been able to determine for this massive load of Colombian cocaine, not Spain, as Mr. Castro and as our President is so willing to believe at this point.

There are a few significant conclusions that the DEA has made clear to our Committee on International Relations, however that are worth noting again for the record concerning Cuba's rightful inclusion on the major's transiting list. First, the DEA says a massive shipment of 7.5 metric tons of cocaine such as this does not represent the first time that Cuba was used to transit such illicit drugs. This route would have been tried and tested many times and well before such a massive quantity of drugs were passed through Cuba.

Second, any organization moving such a large quantity of illicit drugs is targeting both our Nation and Europe, two of the major cocaine markets in the world. A recent case in point was a drug trafficking organization that our DEA encountered that was moving large quantities of drugs to Europe as well as to Florida and to Texas.

Until we have a thorough investigation by our administration of this 7.5 ton narcotic shipment's ultimate destination, instead of the distortions, speculation and propaganda from Mr. Castro and from our administration, we should give the benefit of the doubt to the communities and to the children of our Nation.

Mr. Chairman, we thank you for keeping the focus on this important issue and for conducting this field hearing today in Miami. Today, we look forward to hearing firsthand from those who are not naive about the illicit drugs and about Cuba's involvement. We look forward today to hearing from those who can provide us with the facts which ought to concern each and every community in

America, all those wanting to see our Nation prevent illicit drugs from coming to our Nation from abroad, entering our Nation from Cuba or anywhere else around the globe.

Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Chairman Gilman.

Mr. Ose.

Mr. OSE. Thank you, Mr. Chairman. In the interest of time, I think I will yield my opening statement.

Mr. BURTON. Ok, Mr. Ose. Mr. Mica, do you have an opening statement?

Mr. MICA. Thank you, Mr. Chairman.

Today's hearing is a followup of a hearing that I chaired on November 17, 1999 on the question of Cuban links to international drug trafficking. That hearing we conducted in Washington was the first on this subject area and it raised specifically a number of questions. Unfortunately, we got more questions out of the hearing than answers. That is why it is important that we focus at least part of today's full committee hearing on the subject of Cuba and its involvement.

Why Cuba? Because the scourge of illegal drugs entering our country remains a national security and an economic threat to the United States of America. Because American citizens are dying every day from these drugs and because there are very large questions to be answered concerning Cuba's role in drug trafficking.

The chairman talked about the number of deaths in my district from heroin. We know that a large portion of that heroin is produced in Colombia then trafficked through the Caribbean and we have traced some of that, of course, to Cuba and other areas. The only reason we have not exceeded the number of deaths last year, my law enforcement folks told me while I was home this year, is because they have become so good at providing quick drug antidotes in the treatment of these folks. Otherwise, our young people would be dying at an even more rapid rate.

The chairman also opened his remarks with saying that in Baltimore, 1 out of I think 17 or 18 people of their population are being addicted to heroin. A recent city council woman in Baltimore said that it is now one in eight people. That is why we are taking our subcommittee there in a few more weeks.

Cuba, of course, we know is located just 90 miles south of Florida and it is the largest of the Caribbean nations. It provides a direct trafficking route for drugs that are produced in South America as they move through the Caribbean and into the southeastern United States, mainly through Florida.

When you draw a straight line from any northern port in Colombia—and Colombia now produces 80 percent of the cocaine. When the Clinton administration took over in 1993, there was almost zero cocaine produced in Colombia, most of the cocaine came out of Peru and Bolivia. In 7 short years, they have managed to make Colombia the world's largest producer of cocaine through their policy.

We also know, due to the latest statistics, that the DEA can trace through a very accurate analysis of heroin, that 74 percent of the heroin reaching our shores comes from Colombia. It is also amazing that in 1993, almost zero heroin was produced in Colombia, there

was none produced there. In 6 or 7 years, this administration's policy has turned Colombia into the major producer of heroin in the world, and 74 percent of that heroin is coming into the United States.

The illegal drug trade is first and foremost a business, and drug traffickers always seek the shortest, most direct, least expensive route and most cooperative route. That is why Cuba is of great concern to us.

Cuba's role in illegal drug smuggling raises more questions, as I said, than have been answered in the past. Compounding the difficulty is the fact that Cuba is a closed society that has made no effort to assist the United States anti-drug operations.

Castro's government and his policies have isolated this island nation from the rest of its neighbors in the western hemisphere. These same policies have also shrouded the cooperation or lack of cooperation with international law enforcement. Castro's Cuba does not publish statistics on anti-drug enforcement and they do not share information on known drug trafficking enterprises, which are in fact moving drugs through Cuba. In short, they are not part of the solution, helping the United States solve this serious drug trafficking problem, but in fact and unfortunately, they may be a large part of the problem.

Recent United States and Colombian law enforcement operations have found that Colombian drug traffickers have used Cuba as a meeting place for their criminal business enterprises. This fact was clearly illustrated in the 1997 case of Miami cocaine kingpin Jorge Cabrera, whose attorney described these very such meetings on Cuban soil in his October 7, 1996 letter to Attorney General Janet Reno. This is the same Jorge Cabrera who contributed large political donations to the Clinton-Gore campaign and danced some 5 years ago at a Christmas party at the White House.

Today, there is little doubt that Cuba remains a meeting place for drug operations as we continue to examine the 7.3 metric tons of cocaine seized in Colombia in December 1998. We also know from the result of our hearing, that massive amount of cocaine was destined for a Cuban Government-owned and operated company. That, in fact, the company was 51 percent owned by the Cuban Government.

In October 1999, Operation Millennium netted more than over 31 major Colombian drug traffickers and a wealth of information on well-established drug trafficking routes. The Miami DEA office confirmed that Colombian and Mexican drug trafficking organizations met in Cuba. In the past, we have explored the drug smuggling activity over Cuban air space as well as in Cuban waters.

In a letter from President Clinton's drug czar, General Barry McCaffrey, in May of last year, the General stated, "The intelligence and law enforcement communities report that detected drug overflights over Cuba, although still not as numerous as in other parts of the Caribbean, increased by almost 50 percent last year." That was in 1998—he spoke in 1999. And yet, for reasons unknown, Cuba was not placed on the major's list, and the major's list again is for transit and drug trafficking nations, which is designated by the administration each year.

The Castro government can shoot innocent aircraft out of the sky, as they demonstrated with the two Brothers to the Rescue planes in 1994, but they cannot seem to interdict aircraft carrying illegal drugs in their airspace. Common sense, coupled with these facts, demand both questions and answers. These facts are stubborn and they will not go away because of any diplomatic whitewash or creative explanations offered by the State Department or this administration, which we know is both eager and active in trying to normalize relations with the Castro government.

But first, these questions must be answered. I continue to be baffled by this administration's seeming unwillingness to thoroughly explore many of the leads that indicate Cuba's involvement in illegal drug smuggling activities. Why did this administration refuse to add Cuba to the list of major drug transit countries? Doing so would only have served to leverage the annual certification process in order to ensure that Cuba is not facilitating illegal drug smuggling, either through complicity or through direct involvement.

We are here today because the American people deserve to know the full truth regarding Cuba's links to international drug trafficking. And I am pleased that we are here today also, for the first time, give the Cuban people an opportunity to hear what is going on with their government and their country.

I thank the two members of the Miami congressional delegation, for calling this hearing and applaud them both their leadership on this and other issues in Congress and before my subcommittee and the full committee. Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Congressman Mica. Now we will hear from the two panelists who are up here on the dias with us. One is a member of the committee and the other is a member of the very powerful Rules Committee, Mr. Diaz-Balart. We will start with Ileana Ros-Lehtinen, who has been doing yeoman's service for the people of south Florida for a long time.

STATEMENT OF ILEANA ROS-LEHTINEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Ms. ROS-LEHTINEN. Thank you so much, Chairman Burton. It is a pleasure to have you in our south Florida community, and Chairman Gilman as well. I have the unique pleasure of serving both as a member of the Government Reform Committee under the able leadership of Dan Burton, as well as in the International Relations Committee under the wise and talented Ben Gilman. So it is an honor to be with my leaders here today. And thank you, Mr. Ose and Mr. Mica for joining Congressman Diaz-Balart and me and the south Florida community. Thank you so much, Jose Pepe Diaz, the mayor of Sweetwater, a beautiful municipality that I had the pleasure of representing for many years and now is very well represented by our colleague, Lincoln Diaz-Balart. Thank you to you, Pepe, and your very able Council members and staff and the police officers and everyone involved.

And as the chairman and Mr. Mica and Mr. Gilman have all pointed out, we are very pleased that our words today are being broadcast live through Radio Marti, because this is an important message and a message of hope that we bring to the enslaved people of Cuba. Very often we are asked how many political prisoners

there are in our native homeland and our answer is always 11 million. So we hope that 1 day they will be free and that they will be able to enjoy the fruits of liberty and freedom as we have here in the United States.

As all of the previous speakers have pointed out, the December 1998 seizure by the Colombian police of 7 tons of cocaine bound for Havana was the catalyst which prompted a renewed focus on Castro's involvement in the narcotics trade. This could have been the epitaph of the Castro regime's drug connection, but unfortunately the reaction of the Clinton administration to this case and to other information has been to issue statements of a rhetorical nature claiming the lack of concrete evidence.

Castro, who is clearly concerned by this committee's investigation into his regime's participation in the drug trafficking trade, has used his well-oiled propaganda machine most recently to try to once again divert the world's attention from his numerous crimes.

And I refer to the front page of the December 29 edition of Granma, the Cuban daily that is controlled by the communist party, and it stated just a few days ago,

"Ros-Lehtinen has participated in the direction of the most vile crusades against our country, particularly in Congress. "What level of credibility could possibly be given to these attempts to damage what has been built and to stimulate anything that will complicate bilateral relations? "The example of this," the editorial continues, "is in the ongoing investigation about the alleged connection between Cuba and the international drug trafficking which has been the subject of Congressional hearings held by Ros-Lehtinen and her gang, even though high level officials of the U.S. Government deny such connection."

So there you go, guys, now you know you are part of a gang.

In the last few weeks, Castro has also referred to me as a "ferocious wolf disguised as a woman." I am extremely proud to be the subject of his attacks and I assure him that I will continue to work against his oppressive dictatorship until freedom and democracy reign in the island.

While the White House does its best to avoid the subject, some law enforcement officials have a different story to tell. DEA agents, who have spoken to me or to my staff on condition of anonymity, have stated that the documentation does exist detailing the activities of drug runners who go from the Bahamas and other neighboring Caribbean nations to Cuba for loading and unloading of drug shipments. They also refer to the sightings and the logs of air traffic into Cuba, suspected to be related to the drug trade.

This is but a recent example of what David Perez and Johnny Crump, both former narcotics traffickers, as well as Mario Estevez Gonzalez, former member of the Cuban Intelligence Service, referred to in their Senate testimony in April 1983.

Perez testified that traffickers would leave from Miami into Bimini, then to Williams Key and then to Guincho Key and then to Paredon Grande in Cuba.

Estevez testified that from the period of 1981 to 1982, he was approximately responsible for $7 million from drugs returning to the Cuban Government by trafficking back and forth from the United States. He added, "It doesn't matter what moves in Cuba or takes

place in Cuba, nothing gets done in Cuba unless it has the blessings and the price set by Fidel Castro himself . . ."

If this was the operation 17 or 18 years ago, how much more profit does the Castro regime reap today? How much more pervasive and elaborate must the Cuban trafficking network be today?

Yet, there are those, including some administration officials, who would turn a blind eye to this reality. They would question the value of these statements for evaluating the current scenario and they persist in their recanting of the regime's assurances that it is not involved. Any such assumption flies in the face of logic and is negated by information which has surfaced in recent years.

In February 1999, Cuban defector and former spy for Castro's Intelligence Service, the DGI, Major Juan Antonio Rodriguez Menier testified in Paris that the Castro Regime was involved in money laundering and drug trafficking and further stated that it had supported the terrorist acts of Carlos "the Jackal."

In January 1999, a complaint filed in France by lawyer Serge Lewisch on behalf of Ileana de la Guardia, the exiled daughter of Cuban Colonel Antonio de la Guardia, who was accused of drug trafficking and sentenced to death by a Castro court, charged that Cuba had become a major conduit for drugs. In the complaint and related interviews, Ileana de la Guardia stated that Cuban drug trafficking was a matter of state, organized by the highest echelons of power in the country. It is impossible that Fidel Castro was unaware of this.

In the fall of 1996, the prosecution of Jorge Cabrera, referred to in previous statements by these panelists, convicted of transporting almost 6,000 pounds of cocaine into the United States, gave specific information highlighting cooperation between Castro officials and the Colombian cartels. However, the United States Justice Department declined to appoint a special prosecutor to investigate the allegations of Cuban Government complicity in the drug traffic to the United States.

In April 1993, it was reported that the United States Attorney for the southern district of Florida had drafted an indictment charging the Castro regime as a racketeering enterprise and Cuban Defense Minister Raul Castro as the chief of a 10-year conspiracy to send tons of Colombian cocaine through Cuba into the United States.

It is difficult to establish a precise date for Cuba's entry into the hemisphere's trafficking network. Some knowledgeable on the issue, such as Cuban defector and former senior intelligence office, Major Juan Antonio Rodriguez Menier, known as Coqui, claim that the regime's involvement dates back to the 1970's.

While insufficient data exists documenting a precise 1970's inception, it can be ascertained from information obtained during Senate and House congressional hearings held in 1982; also from the indictment of four senior government officials in November 1982 by the U.S. Attorney for the southern district of Florida as a result of the Jaime Guillot-Lara case; and from numerous reports by the Department of State, Department of Justice and our intelligence agencies, that the Castro connection to narcotics trafficking was in place by the early to mid-1980's.

Former Cuban intelligence officers who defected to Spain have stated that Fabio Vazquez Castano, a Colombian connected to insurgent groups in his country, contacted Manuel Pinero Losada, director of the Americas Department, a specialized intelligence section of the Castro regime, and proposed an arrangement whereby Cuba would supply arms and would receive payment in cocaine.

The Castro leadership endorsed the proposal based on:

(1) the destabilizing effect narcotics trafficking would have on the United States;

(2) that cocaine is the equivalent of foreign exchange that Cuba desperately needs; and

(3) the ability to assist the guerrillas in Colombia.

Some of this information surfaced again during the investigation of Jaime Guillot-Lara.

Interviews of former Castro officials conducted in 1993 for a study sponsored by the Department of Defense's International Security Affairs Bureau to address, among other things, Colombian trafficking, narco-terrorism, and insurgency, revealed similar data. The information retrieved focused on Fernando Ravelo-Renedo, a former Cuban ambassador to Colombia, and Gonzalo Bassols-Suarez, a former minister-counsel of the Cuban Embassy in Bogota, as the individuals chosen by the Castro brothers to orchestrate the elaborate and enduring Cuba-Colombia drug connection.

Despite the data dealing with the Castro regime's involvement in narcotics trafficking, there are those who question whether the Castro regime is aware of such activities and whether it has the capability to patrol its waters and airspace to prevent them.

Statements of former spies and high-level Castro officials indicate that drug trafficking activities are a directive from the Castro brothers, executed by their senior leadership. Thus, it would seem that the burden of proof can be met by referring to this testimonial evidence.

However, other factors such as Cuba's intelligence gathering capabilities should be taken into consideration. Just last year, the FBI arrested Cuban spies here in south Florida after they had successfully penetrated or had attempted to penetrate various United States military installations. Senior FBI counter-intelligence officers classified the Cuban espionage ring as "one of the most sophisticated and efficient" they had witnessed.

The presence of Russia's Lourdes espionage facility and China's listening station in Cuba raise the question of intelligence sharing and how these significantly augment the Castro regime's own capacity to monitor activities not just around Cuba, but indeed throughout the hemisphere.

The Castro regime demonstrated its capacity to interdict clearly on February 24, 1996. It deployed Cuban MiGs and shot down two Brothers to the Rescue planes, killing four innocent civilians, three of them United States citizens.

The dictatorship's capacity to monitor is shown by its surveillance of attempts by the Cuban people to escape their island prison in search of freedom in the United States. The regime was willing and able to attack and sink the 13 de Marzo tugboat, killing innocent men, women and children who gasped for air and struggled to stay afloat. They quickly drowned as the Cuban Coast Guard boats

repeatedly rammed them and turned the water cannons on them. The Castro regime is then obviously more than capable of preventing the use of its waters for the drug trade into the United States.

As a Member of Congress who represents a south Florida district which is directly impacted by the scourge of illicit drugs and as a member of this committee, I would like to commend Chairman Burton for holding this hearing. There is much information detailing that will come out that high-level government officials have been involved and continue to be involved in smuggling drugs into the United States by allowing waters and airspace to become critical ports of call for the hemisphere's trafficking network.

Our goal should be that which was articulated by former President Ronald Reagan in May 1983. He said, "I want the American people to know what they are faced with, the most sinister and despicable actions."

It is up to the Congress to exert our oversight and investigative capabilities to uncover the truth and take all necessary steps to ensure that this threat against our national security is effectively addressed.

And for that, we thank Chairman Burton and Chairman Gilman for their leadership. Thank you.

Mr. BURTON. Thank you very much for that very well thought out statement, Congresswoman Ros-Lehtinen. Obviously you have been doing your homework, as you always do.

We will now hear from a very important member of the Rules Committee and a great leader from southern Florida, Lincoln Diaz-Balart.

[The prepared statement of Hon. Ileana Ros-Lehtinen follows:]

COMMITTEES:
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GOVERNMENT REFORM
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INTERNATIONAL ECONOMIC
POLICY AND TRADE
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Statement by Hon. Ileana Ros-Lehtinen, M.C.
For Hearing on:
"Drug Trafficking in the Caribbean: Do Traffickers Use Cuba and Puerto Rico as Major Transit Locations for U.S.-Bound Narcotics?"
Committee on Government Reform
Monday, January 3, 2000

The December 1998 seizure by Colombian police of seven tons of cocaine bound for Havana was the catalyst which prompted a renewed focus on Castro's involvement in the narcotics trade. This could have been the epitaph to the Castro drug connection. Instead, the reaction by the Clinton Administration to this case and to other information has been to issue rhetorical statements claiming a lack of concrete evidence.

Castro, who is clearly concerned by this Committee's investigation into his regime's participation in drug trafficking, has used his well oiled propaganda machine in recent weeks to try to once again divert the world's attention from his numerous crimes.

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Any such assumption flies in the face of logic and is negated by information which has surfaced in recent years.

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As a member of Congress who represents a South Florida district which is directly impacted by the scourge of illicit drugs and as a member of this Committee on Government Reform, I would like to commend you for holding this hearing. There is much information detailing that high-level Cuban government officials have been involved and continue to be involved in smuggling drugs into the United States, allowing waters and airspace to become critical ports of call for the hemisphere's trafficking network.

Our goal, should be that which was articulated by former President Ronald Reagan in May 1983: "I want the American people to know that they're faced with the most sinister and despicable actions."

It is up to the Congress to exert its oversight and investigative capabilities to uncover the truth and take all necessary steps to ensure that this threat against our national security is effectively addressed.

STATEMENT OF LINCOLN DIAZ-BALART, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. DIAZ-BALART. Thank you, Mr. Chairman, thank you very much. It is my honor to be able to welcome you, Chairman Burton, and Chairman Gilman, Mr. Mica, Mr. Ose, along with our distinguished colleague and friend, Ms. Ros-Lehtinen, to the district that I am honored to be able to represent in south Florida. I want to thank Mayor Diaz and the entire city for their hospitality.

I especially would like to send a message of hope, as well as solidarity, to the people of Cuba who are listening to us today. They too will soon be able to hold meetings on issues of their choice and they, more than anyone else, know that nothing of magnitude, especially activities for profit, can take place in Cuba without the acquiescence and the complicity of the totalitarian tyrant.

Mr. Chairman, I would ask unanimous consent to include my entire statement in the record.

Mr. BURTON. Without objection.

Mr. DIAZ-BALART. I will not read it all. It begins delineating the substantial evidence in the public domain that has mounted, showing that the Castro dictatorship is aggressively involved in narcotrafficking, at least since the early 1980's; goes into detail with regard to the indictment that was issued in 1982 here; continues with specific cases, for example, with direct logistical assistance by the Cuban armed forces of drug trafficking into the United States; and it goes on giving specific examples.

Prior members of the committee, their statements have talked about the April 1993 Miami Herald leak from the U.S. Attorney's Office. After that investigation was shelved by the Clinton administration, it was leaked. The grand jury's draft indictment was leaked to the Miami Herald, and I think it is of extraordinary importance that we actually read a few parts of what the Miami Herald was able to make public.

The draft indictment states, "The Cuban government facilitated the transportation and distribution of large quantities of cocaine destined for the United States, including south Florida."

The indictment, the Miami Herald stated, is historically significant because it names the entire Government of Cuba, including its armed forces and its Interior Ministry, as criminal organizations. The indictment of the Cuban Government was the result of months of secret testimony before a Federal grand jury in Miami.

Now one of the witnesses who testified before that grand jury spoke to me later and talked to me about another witness' testimony. And they personally connected Raul Castro and the other high ranking members of the dictatorship to narco-trafficking of cocaine into the United States. The indictment reads, "In return for substantial sums of money, Raul Castro exploited his official position by offering narcotic traffickers the safe use of Cuba, including Cuban airspace, as a location for the transshipment of multi-hundred kilogram loads of cocaine destined for the United States."

Among the other allegations in the indictment, in exchange for millions of dollars, Raul Castro assured Colombian cartel leaders that the Cubans would protect their shipments. Special radio frequencies were provided to make Cuban airspace friendly to drug pilots, who were also allowed to land on Cuban soil with their loads

of cocaine. With this special frequency, traffickers could enter and exit Cuban airspace without molestation.

The draft indictment states Cuban officers used their radio facilities to warn smugglers of approaching United States Coast Guard cutters. Drug planes were allowed to drop their cocaine loads to smuggler vessels waiting in Cuban waters. Colombian cartel leaders were allowed to live in Cuba, provided with housing, cars, security, entertainment. That is in the indictment.

Mention was also made, Mr. Chairman, distinguished members, of the Cabrera bust in 1996. I think it is important to read also what was leaked to the Miami Herald when that investigation was quashed, because Cabrera was arrested—he was busted in January 1996. He started offering at that time substantial assistance to the DEA to the United States Attorney here, to Customs, personally tying Fidel Castro to drug trafficking and offering to go back into Cuba, arrange another deal with Fidel Castro and cocaine traffickers in Colombia, and that that deal could be under surveillance—he offered that.

Now it would be my suggestion to the committee that has done an extraordinary job on this subject, Mr. Chairman, Mr. Gilman and members, with regard to the bust by the heroic Colombian police in December just a year ago of over 7 tons, that you focus upon the Cabrera bust as well, because the lawyers for Cabrera and the other drug traffickers, when one speaks to them, it is very interesting. They were obviously—they talk about the fact that DEA and Customs and the U.S. Attorney's Office down here, they were amazed obviously when this case broke and they started to receive the direct evidence of Castro's direct participation in drug deals. As a matter of fact, the substantial assistance was treated obviously in the highest, most confidential manner, and the investigation continued. And all of a sudden in July of that year, after 6 months investigation, the investigation was leaked to the Miami Herald, Mr. Jeff Lein wrote it, front page of the Miami Herald, "Traffickers tie Castro to Drug Run." And at that time then, the U.S. Attorney's Office told Cabrera's lawyer, sorry, the investigation is over, your client lied to us. The lawyer said well, how? Well, we will deal with that at the hearing.

The lawyer was waiting for the hearing so that the evidence would be put forth as to how Cabrera lied in the substantial assistance that he was giving the authorities. But the U.S. Attorney's Office, the day of the hearing, dropped the lying charge and Cabrera was sent away pursuant to the sentencing guidelines for 19 years for his plea for smuggling, and was fined.

Cabrera's lawyer, as I said before, says that his client had offered to help set up a cocaine shipment from Colombia to Miami that American authorities could monitor and, quote, that shipment would come through Cuba in full view, it would go unnoticed, it would go unseized, Colombian drug traffickers would be embraced in Cuba. Cabrera's lawyer says, also told agents and prosecutors that they would be in a position to catch Miami-based "mules" who would collect the cocaine once it arrived, and the money launderers, who would wash the profits. The government, however, was not interested.

What we have seen from the government, Mr. Chairman, is quite interesting. Chairman Gilman and you and others have pointed out that despite your committee's investigation with regard to the seizure of over 7 tons of cocaine in December 1998 by the Colombian police in northern Colombia, not only was the Cuban Government not placed on the major's list, as has been stated before, but you, Mr. Chairman, received a letter, along with Ms. Ros-Lehtinen and I, from Mr. McCaffrey, after the Colombian bust. This letter was dated January 28, 1999, and it states there is no conclusive evidence to indicate that the Cuban leadership is involved in criminal activity. This is the letter. Cuban officials cite lack of resources for the government's inability to patrol its territorial waters.

Not only, as it has been mentioned, was the Cuban dictatorship able to shoot down unarmed planes in February 1996, but just this last weekend, again in a small private airplane leased by a pilot who used to be in the South Vietnamese Air Force, the Cuban Government immediately intercepted that pilot as soon as he went over Cuban space and followed him, the Cuban MiGs followed him until he left Cuban airspace.

So not only were the Brothers to the Rescue able to be intercepted in February 1996, but if there is a lack of resources for the government's inability to patrol its territorial waters, they sure were able to patrol them a few days ago when the former South Vietnamese pilot decided to fly an unarmed civilian plane, and he was immediately intercepted.

So with all due respect, in my opinion, there are two possible causes or explanations for the Clinton administration's drug policy as it relates to Castro's Cuba. The first possibility is that it is a policy of naivete to the point of ridiculousness. The second possibility is that it is one of purposeful cover-up. I really cannot believe that those in leadership positions on this critical issue in the administration could be so inept as to be responsible for a policy rooted in the first possible cause. I believe that the Clinton administration covers up the Castro regime's role in narco-trafficking because the Clinton administration's policy of appeasement of Castro at all costs could not be maintained if the American people learned the truth.

That is why it is so important for Congress to continue investigating and not simply give up based on the fact that there is only 1 year left of this administration. It is the duty of Congress to continue investigating. That is why I commend you, Mr. Chairman, members of this committee, as the committee charged with oversight of the Executive under the law, to proceed, so the American people can realize what the truth is with regard to Cuba and specifically Castro's regime in narco-trafficking and the American people can make up their minds as to how their democratically elected government should proceed to protect the security of the American people.

Thank you very much.

Mr. BURTON. Thank you very much, Mr. Diaz-Balart, for that very insightful and eloquent statement.

Before we go any further, I would like to show some posters. Ms. Ros-Lehtinen referred to the March 13 tugboat incident and I think it is extremely important that once again we emphasize that trag-

edy and how Fidel Castro was able to drown those innocent women, children and men and yet he cannot intercept, he says, drug traffickers. We will get into that a little bit later.

Do any of the members of the committee have any questions of Ileana or Lincoln?

Mr. GILMAN. Mr. Chairman, I just want to commend both Lincoln and Ileana for making such a forthright and extensive statement that focuses attention on the illegal trafficking that transits Cuba for an extensive period of time.

Thank you.

Mr. BURTON. Thank you. And I would just like to say real quickly—I will yield to my colleague in just a second—that Ileana and Lincoln represent a large amount of Cuban-American citizens who have relatives in Havana and in Cuba and they have to deal with these problems on a regular basis and they know first-hand of the problems that they are talking about. So even though we have some knowledge of it and we have been researching this, what they have said today is very factual and I really appreciate the research they have done.

Mr. Ose.

Mr. OSE. Mr. Chairman, thank you.

One of the things that I have been trying to glean from the reading that was given me for this hearing was in 1989 with the fall of the Iron Curtain and what-have-you, the substantial amount of support that had been going to Cuba ceased, either from the Soviet Union or others. Have we ever quantified—is it on the nature of $200 million——

Mr. DIAZ-BALART. $100 billion.

Mr. OSE. $100 billion annually?

Mr. DIAZ-BALART. No, over the 30-year period the Soviets subsidized.

Mr. OSE. So about $3 billion a year.

Mr. DIAZ-BALART. Yes.

Mr. OSE. Thank you.

Mr. BURTON. $3 billion a year. And that is why they are trying every avenue to get hard currency, and that is why they are trying to break the Helms-Burton embargo.

I would like to now have our next panel—Mr. Masetti and Ms. de la Guardia. Could you come forward and take your place at the microphone? Is the sound quality all right on the microphones now?

I would like to have our translator sit between them. Are you going to be the translator?

Ms. EMEDAN-LAUTEN. Yes.

Mr. BURTON. Thank you very much for your help.

I would like to have Ms. de la Guardia and Mr. Masetti stand up to have you sworn in, please.

[Witnesses sworn.]

Mr. BURTON. Have a seat.

Because we always show deference to the ladies, we will allow Ms. de la Guardia to make her opening statement.

STATEMENTS OF ILEANA DE LA GUARDIA, DAUGHTER OF CUBAN COLONEL TONY DE LA GUARDIA; AND JORGE MASETTI, FORMER CUBAN MINISTRY OF INTERIOR OFFICIAL

Ms. DE LA GUARDIA [through interpreter]. Members of the committee, today is a most important day for me, for you have granted me the opportunity of bringing my testimony to you. A testimony that, as a matter of fact, the regime of Fidel Castro has tried to silence, but they will not be able to hide the truth in spite of the many efforts at doing this, efforts that they undertook in 1989 when they killed my father Antonio de la Guardia, together with the Cuban General Arnaldo Ochoa and his respective aides Amado Padron and Jorge Martinez.

Mr. GILMAN. May I interrupt a moment? Would the translator bring the microphone closer to her? Thank you.

Ms. DE LA GUARDIA [through interpreter]. The process that found them guilty, known as the Ochoa case or Cause No. 1 of the year 1989, dictated that 14 officials of the Ministry of the Interior accused of drug trafficking, amongst which my uncle Patricio de la Guardia, general of the brigade, was included.

Mr. BURTON. To the translator, if you could pull that mic—I do not think they are picking up and I want to make sure that everybody hears everything.

Ms. EMEDAN-LAUTEN. Can you hear me now?

Mr. BURTON. Just get as close as you can.

Ms. DE LA GUARDIA [through interpreter]. As the daughter of one of the accused, I was present during the process, which I may add, did not include the minimum legal warranties. And now I will enumerate some of the most flagrant violations.

The accused did not have the right to choose their defense attorneys. The attorneys representing the accused were just attorneys and also officials of the Ministry of the Interior. I was able to visit with my father, 24 hours before the trial. Until then, neither my father nor I nor anyone close to the family members knew that this process would take place and we found out very late that night through an order not to find an attorney.

The power of oral summation used by the President of the court, only applied in times of war, according to the Cuban law itself in its Article 475 of the law of Penal Military Procedures, and Cuba at that time had already signed the peace accords with Angola. And that is why they would have had to have been tried by the Military Chamber of the Supreme Popular Court, according to Article 14 of the law of Military Court, and not as it was by a Special Military Court.

Therefore, the judges should have been elected by the National Assembly of Popular Power, according to Article 73 of the Constitution. Instead, the members of the court were elected by an anonymous power. And in fact, this power was Fidel Castro himself, which I later learned by a witness, Gabriel Garcia Marquez, who said that he, Fidel, had remained during the entire process in a room during the hearing behind a glass window, from where he was able to direct the attorneys and the judges.

The accused were condemned and found guilty of drug trafficking, for which Cuban law sets forth a maximum penalty of 20

years, according to Article 30.1 of the Penal Code at the time, and not the death penalty as actually happened.

You may ask yourselves what were the real causes that led to such amount of irregularity legally, and so many efforts to bar the defense of these individuals. And last, what reason made Fidel Castro eliminate them physically and morally, these people who were already condemned to death. Well, I will tell you that at that time, many people and myself included, we knew that the causes were political, as some people that I am not allowed to mention by name because they have brought this information out of jail, thus I am unable to mention this source, believed and still believe that the causes were political.

This letter which was smuggled out of prison states, and I quote, with Ochoa and Tony, what happened was that there had emerged antagonic opinions that were irreconcilable, divergence of opinions regarding state policies, government rule, the rule of law, the status of the only—of the sole party, and the economy. These were criteria regarding the need for a democratic liberalization, which is to say changes in the different spheres of the economy, of politics and the rule of the state and government, which was widely known by everyone because neither one of them made any efforts to hide them.

I can assure you that what the letter stated is the truth, because in my house, in my father's house, there was an atmosphere where things were discussed, where people could talk about the changes in Eastern Europe with Perestroika and where the government was criticized. My father mentioned more than once that he had had enough, that people in Cuba were not able to freely choose to travel, to set up their own business, to choose who was going to rule the country. In my house, there were magazines such as Time, Newsweek, Paris-Match and literature considered subversive by the regime as well.

Regarding Ochoa himself, he said in my presence that he was not in agreement with Fidel Castro, and he also typified him as someone who is crazy. My father's family before the revolution was considered one of the most aristocratic families in Havana and they had gone to school here in the United States. My uncle Patricio de la Guardia and my father Antonio de la Guardia then became linked to Fidel Castro in the 1960's and supported the regime in very important military positions.

When they stopped believing in the regime, they made this known to Fidel Castro and Castro, instead of undertaking a political process as he had done on several occasions with other dissidents, he preferred not to recognize that political dissident within the core of the Army, and imagined that by accusing these officers of drug trafficking, he would be able to cleanse his responsibility in a drug traffic that Cuban authorities were involved in and which the services of the United States had apparently proof of.

So, with Cause No. 1 of the year 1989, Fidel Castro does away with two problems in one legal indictment—the emerging dissidency within the core of the Army, on the one hand, and his responsibility with drug trafficking on the other.

To conclude, while all the rules of international law were violated with the Ochoa process, according to the conclusions of the United

Nations in its Decision No. 47 of the year 1994, Fidel Castro will no longer be able to hide the truth in spite of the many efforts that he is still undertaking to try to hide and change the facts. I know that he will not be able to, thanks to a free world, a free press and free men such as—and democratic men such as you, that have allowed me to be here before you to listen to the truth of the killing of my father in the most obscure Ochoa case.

Thank you very much.

Mr. BURTON. Thank you, Ms. de la Guardia. I know it has been a very difficult time for you.

We will now hear from Mr. Masetti. Can you make sure the microphones are close to you, so that we can hear both, please.

[The prepared statement of Ms. de la Guardia follows:]

TESTIMONY

OF

ILEANA de la GUARDIA

Ladies and Gentlemen. Today is a very important day for me, because you have given me the opportunity of giving my testimony. A testimony that the Fidel Castro regime has tried to silence, but the truth they can't hide, even with unsuccessful efforts that they did such as in 1989 when they executed my father Antonio de la Guardia along with the Cuban General Arnaldo Ochoa and his respective helpers Amado Padrón and Jorge Martínez.

The process that convicted them known as the Ochoa Case or the #1 Case in 1989 that convicted 14 officials of the Ministry of Interior accused of drug trafficking among them was my uncle Patricio de la Guardia, the general of the brigade.

Since I was the daughter of one of the accused I attended the process, and I can say that it did not count with any legal guarantees.

The most flagrant violations to the national and international judicial system where the following:

- The accused did not have the right to choose their defense attorneys. The attorneys that represented the accused where lawyers by trade and also officials of the Ministry of Interior. Twenty four hours before the trial began I had a visit with my father, then neither my father nor I or any of our close family members knew that this process would take place, we found out very late that night through an order not to find a attorney.
- The power of the oral summary which was used by the President of the Tribunal, can only be applied at a time of war, according to Cuban statute (Article #475 of the Military Penal Procedure) and Cuba at that time had already signed the peace resolutions in Angola, because of this they should have been judged by the Military Camara of Popular Supreme Tribunal (Camara Military del Tribunal Popular Supremo) (Article #14 of the Military Tribunals Law) and not in a Special Military Tribunal like it occurred.
- The judges should have been picked by the Assembly of National Popular Power (Asamblea Nacional del Poder Popular) (Article #73 of the constitution). Instead, the members of the Tribunals were chosen by a anonymous power. In reality this was Fidel Castro's own power, which a I later learned through a witness (Gabriél García Marquez); which said that Fidel Castro had

remained during all the process in the audience room in back of a mirror without glass, where he communicated and directed the prosecutor and the judges.

- The accused where convicted for drug trafficking for which the Cuban Law punishes with sentences of maximum 20 years according to Article 30.1 of the Penal Code of the moment. It does not punish with the death sentence such as in this case.

You ask yourselves what where the real causes for such judicial irregularities, so much determination to prevent a defense for these individuals. Lastly, what reason did Fidel Castro have to eliminate physically and morally these individuals who where sentenced to death. Well, Let me tell you that during that time me and many people close to them knew that the causes were political, as my uncle states, Patricio de la Guardia, in one of his letters that was secretly taken out of prison - "with Ochoa and Tony given the case it presented that insalvable, opponent and sudden diversity in regards to the State politics, the direction of the government, the state of law, the status of the only party and the economy. Criteria's in regards to the necessity of an democratic opening or changes in the different spheres of the economy, politics and the direction of the state and the government is and was of knowledge of all but neither of them hid it or concealed it."

I can assure you that what this letter says is absolutely true, since in my father's house there was argumentative environment, there where talks of changes in Eastern Europe with the Perestroika and they were criticizing the government. My father told me in more than one opportunity that it was good since the people in Cuba could not freely choose to travel, start their own business and choose who runs the country. In my house there were magazines such as Time, Newsweek, Paris-Match that were considered subversive by the regimen.

In relation to Mr. Ochoa he manifested himself to me in disagreement with Fidel Castro, cataloguing him as crazy. My fathers family before the revolution, was considered one of the aristocratic families in La Habana, and they did their studies here in the United States. My uncle Patricio de la Guardia and my father Antonio de la Guardia had ties to Fidel Castro in the 1960's and they supported the regimen in very important military positions.

When they stopped believing in the regimen, they made it known and Fidel Castro instead of following the political process like he has done previously to dissidents, he preferred not to recognize this political nonconformity in the core of the military, and imagine that by accusing these officers of drug trafficking he would be able to clear his responsibility in a traffic that the Cuban authorities where involved in and in which the United States services had, apparently, proof.

Meanwhile, with the number one case of 1989, Fidel Castro eliminated two problems in one judicial process- The first problem was the incipient dissidence in the center of the military, and the second was his responsibility regarding drug trafficking .

In conclusion, if well all the rules of international law with the Ochoa process where violated, according to the United Nations own conclusion in their decision Number 47 of 1994; Fidel Castro cannot cover the light of the truth regardless of his multiple efforts that he continues to do by hiding and tergiversate the facts. I know that he couldn't. Thank you to the free world, the press, the free men and democratic individuals like you all that allow me to be here to listen to the truth of the execution of my father and the dark case Ochoa.

Thank You very much.

Mr. MASETTI [through interpreter]. Dear members of the committee, I come before you here today to bring my testimony of being convinced that at the beginning of the year 2000, it is high time that Cuban citizens are allowed to live in freedom without the weight of an ideology that represents hate and in the name of which horrible atrocities are being and have been committed. This is not a cop-out, but I am convinced that if the ideology of Castro had not emerged in the Latin American continent, many of us that were its armed right hand, that grew up in an ideology of hate, unfortunately only learning to destroy, would have been very different. We would not have had so much bloodshed from young people and the true meeting between our people and our cultures today would not be a dream, but a reality. Castrism with its load of hate has only served to bring us apart.

Unfortunately, we cannot speak of this in the past because it still exists and it is still there, and Cubans are still suffering from it. Colombians are still being shot down by the bullets of those trained in Cuba. In Argentina, my country of origin, there are still mothers dressed in black in mourning and we could enumerate one by one the countries within the continent that knew and are still suffering as a result of this devastating ideology.

And the United States has not been able to escape this scourge. As a matter of fact, it is the No. 1 goal. And some are still asking themselves whether Castrism is still a threat for the interests of this country. I can assure you, according to my own experience, that while Fidel Castro is still in power, Cuba will be a constant threat for North Americans.

I remember that once in Havana, I was approached in order to explore different guerilla organizations to carry out a kidnapping with strictly financial, not political, goals. In Panama, I met with a commander of the Colombian organization, M–19, because according to them, they were far advanced in the research of a potential target in Barranquilla in that country. I went back to Havana to relay the information to Manuel Pineiro, the Director of the Americas Department of the Central Committee of the Communist Party in Cuba. He raised every possible objection he could think of—the country, the organization—he did not like any of it, but as soon as he found out that the target was a North American executive of Texaco, his fears disappeared immediately and he authorized the operation and he gave it all his resources, because if the target was a North American, in his own words, "Fidel will like it." Fortunately for me, this operation was finally not able to be undertaken, but the will of the Cuban officials was evident.

Regarding also the United States, I can assure you that during the years 1974 and 1975, tens of dozens of militants of the Popular Socialist Party of Mari Bras in Puerto Rico received military instruction in Cuba at the secret unit Punot Cero.

Likewise, I also witnessed when I was working with the Department of the Americas in the Cuban Embassy in Mexico, the support afforded the Puerto Rican organization, Macheteros, for undertaking the Wells Fargo truck in September 1983, where $7.2 million were stolen and were sent through Mexico—out of which $4 million were sent through Mexico to Havana. Also, the person delivering the truck was brought out of the United States with the

support of documents and being masked as personnel of the Cuban Embassy in Mexico. He was then sent to Cuba. The support brought to this operation was directly supervised by Jose Antonio Arbesu, who was then the chief of the United States Section of the Department of the Americas of the Central Committee of the Communist Party.

I was also able to witness the efforts undertaken in Mexico by Cuban officials to try to free the Colombian drug trafficker Jaime Guillot Lara, held in that country and who was then sent to Cuba where he died of a heart attack in 1990.

I can even remember—I cannot remember whether it was in 1986 or 1987, but it would be enough to just do research in the press regarding the exact date that the M–19 of Colombia, in order to pay back for favors received from the Libyans, detonated a bomb in the North American school in San Jose, Costa Rica where a teacher was wounded. The explosive used was delivered in Managua by an official who was linked to special troops in Cuba and who operated in that country with the pseudonym Lucio, and that was in charge of relations with that organization.

I do not want to go on further for fear of boring you, but I am at your service for replying to any questions you may have.

My only goal has been to provide evidence of the will of the Castro regime toward the United States and toward Latin America. I also have as a goal, and I find it timely, to let you all know that I hope my testimony will help bring support to those who are still fighting inside of Cuba for their freedom and for democracy, and for making relations with that country in the future, those framed within brotherly love and not hate and resentment. Please continue to support them and help them because they, in spite of all repression and danger, they are helping you with their struggle and all the countries of this continent.

Thank you.

[The prepared statement of Mr. Masetti follows:]

TESTIMONY
OF
JORGE MASETTI

Ladies and Gentlemen. Today, I came to testify here because I am convinced that in the beginning of the year 2000, Cubans have the right to live in freedom, and without the weight of an ideology that represents hate, and in the name of atrocities were committed and are currently committed. I don't pretend to set limits for myself, but I am sure that if Castrism would not have raided the Latin-American continent, many of us, the ones that were a part of the strong arm, the ones that grew up in hate and unfortunately, we only learned how to destroy, we would have been different. We would not have lost so much young blood, and the encounter between our people, our cultures, today it would not be a dream, it would be a reality. Castrism, with its burden on hate, has only served to separate us.

But Castrism, unfortunately, cannot be spoken in the past because it is still there and Cubans are still suffering. Colombians are still disheartened by the bullets of those who were trained in Cuba. In Argentina, my native country, there are still mothers that who are mourning. We can name one by one every country in the continent that suffered and still suffers its devastating path.

The United States has not been able to escape this scourge, in fact, it has been its main objective. Some ask themselves, does Castrism still represents danger to the interest of the country. I can affirm, from my own experience that as long as Fidel Castro is in power in Cuba it will be a constant threat to the United States.

I remember that in one occasion, I was told in La Habana to do research on different guerrilla organizations to execute a kidnapping operation with financial means not political. In Panamá, I had a meeting with a commander of the Colombian organization M-19, since they had an advanced study of a potential objective in Barranquilla. I returned to La Habana to give the information to Manuel Piñeiro the head of the Department of the America of the Central Committee of the Cuban Communist Party. He gave all the objections in the world: the country, the organization, he did not like anything, but as soon as he found out that the objective was an American businessman from Texaco, his fears disappeared and he immediately authorized the operation and made available all resources needed for it, since it was concerning an American, in his own words he stated "Fidel would like this". Luckily for me, finally this operation could not be done. But the will of the Cuban diligent was evident.

Also, in regards to the United States I can assure that during the years 74 and 75 dozens of militants of the Popular Socialist Party, of the Mari Bras (?), of Puerto Rico received militant instructions in Cuba in a secret unit in Punto Cero.

So this is how I became a witness, when I collaborated with the Department of the America in the Cuban Embassy in Mexico; in the support given to the Puerto Rican organization "Macheteros", for the fulfillment of the capture of the Wells Fargo armour truck in September 1983, where seven million two hundred thousand dollars where stolen and in which four million dollars where sent via Mexico to La Habana. Also, the deliverer of the truck was transported from the United States with new documentation and with a disguise provided by the embassy of Cuba in Mexico, to Cuba. The support for this operation was supervised directly by José Antonio Arbesú, he was the head of the section of the United States in the Department of the America. I was also a witness of the efforts by Cuban authorities in México to attain the freedom of the Colombian drug dealer Jaime Guillot Lara, detained in México and in which later he would be transferred to Cuba where he died from a heart attack in 1990.

Moreover, I cannot remember if it was in the year 1986 or 1987 (it just has to be looked for in the press archives), that the M19 of Colombia to give thank for favors received from Libyans, they set a bomb at an American school in Costa Rica where a teacher was injured. The explosive used in this incident was given to them in Managua by an operative official from the especial troops of Cuba which operated in that country by the name of Lucio and was in charge of the relations with that organization.

I don't want to extend this more for fear that you will be bored, but I remain at your disposal to answer your questions and in go in to details in what you consider necessary.

I've only tried to put in evidence the disposition of Castrism towards and all Latin America. Ofcourse, I find it honest to confess that I am also looking for your help to support those who are in Cuba and are fighting for freedom, democracy and for the relations of their country in the future be of brotherhood, not hate or resentments. Please, help them regardless the repression and the danger, they are helping us and all the people of the continent.

THANK YOU VERY MUCH.

Mr. BURTON. Thank you very much, Mr. Masetti and Ms. de la Guardia. I want to tell you both how much I appreciate you coming all the way from Spain to testify, and I think the whole committee is impressed with your candor and your bravery.

We will now go to questioning and each member will have 5 minutes and we will go as long as members have questions of this panel. I will start off.

Mr. Masetti, when you were a senior member of Fidel Castro's Ministry of the Interior, did you have any knowledge of the Interior Ministry's involvement with drug trafficking?

Mr. MASETTI [through interpreter]. Let me just make clear that I was not a member of the Ministry of the Interior, but of the Americas Department within the Communist Party, an organization created for broadening subversive activities throughout the entire continent.

But in reply to your question; yes, I did have knowledge of the involvement of the Castro regime in drug trafficking.

Mr. BURTON. You know, rather than me asking you a whole series of questions about the drug trafficking, can you tell us when you became aware of the drug trafficking coming in from Latin America, from Colombia, and was it frequent and was it coming in by the shipload and could Castro have known about it—or could this have happened without Castro's knowledge? And also, what happened to the money that was paid?

Mr. MASETTI [through interpreter]. Well, let me begin with what I can say, I can say that at the beginning of the 1980's, I do not remember if it was in mid-1980's or toward the end of the 1980's, I got information regarding the fact that Jaime Guillot Lara was detained at the airport in Mexico for the use of false documents. I do not know for a fact that Mexican officials knew at all the type of character they had apprehended.

And I can also say that I know this because I saw it, that Cuban officials in the embassy as well as the ex-Ambassador himself, Mr. Fernando Ravelo, were there at the embassy in Colombia.

All those efforts reaped good results and Guillot Lara was freed in Mexico. From there, he went to Spain and then on to Cuba where he died of a heart attack in 1990.

I further learned that the links with Guillot Lara had begun after a relationship that existed between him and the organization M–19, because of weapons that were sent to be taken at a point called El Choco. That is to say that Cuba used the drug trafficking routes to send weapons to Colombia and in exchange they paid them with favors, for example, letting them bring the drugs through Cuba. Of course, they immediately discovered that drug trafficking was very profitable and they quickly went into business with Guillot Lara and they let him come to live in Cuba.

Likewise, I met Carlos Alonzo Lucio, the representative of the M–19 in Cuba. I even went with him, and I do not remember if this happened in 1987 or in 1988, but I went with him to Colombia to meet in El Calco with Desaro, who was the commander of the M–19 forces.

Mr. BURTON. I think you meant 1988 or 1989, did you not?

Mr. MASETTI [through interpreter]. No, rather December 1987.

Mr. BURTON. OK.

Mr. MASETTI [through interpreter]. In December 1987, he was already asking me if I knew of any Latin American organization that would be able to provide pilots for him to transport cocaine paste from Colombia. Since that was not something that I did as part of my work, I did not keep any contacts with him.

This person, this character I met once again in Havana shortly before the killing of Antonio de la Guardia. He went there trying to set up the following business: Cuba would falsely purchase a certain paint to justify the wholesale purchasing of ether that his sister-in-law would need for a company called Arcos Lucs. This company was so well known in Colombia that it was called Narco Loose.

This factory was later blown up by the narcos because the arrangement they had with the Lucio family was that they would allow them the use of the factory but that they would not go into distribution or sale, and the minute they started attempting this, they blew up their factory.

Later, this character dared to become a political advisor and his political platform was let us try to moralize Bogota. And he is currently sought by the Colombian authorities for illicit profits or drug trafficking. And he currently lives in Cuba at a house that is frequently visited by the pianist Frank Fernandez and many foreigners have spotted him there as I very well know.

This is regarding what I personally know. There are other facts, which are the last days that I was in Cuba, I worked with my wife's father in the MC Department, Mr. Antonio de la Guardia. And I was able to see bags, diplomatic pouches, filled with dollars in low denominations.

Mr. GILMAN. Where was that you saw these diplomatic bags?

Mr. MASETTI [through interpreter]. In the offices of the Department.

Mr. GILMAN. In Cuba?

Mr. MASETTI [through interpreter]. In Cuba, in the Siboney development. These valises were then delivered, half of them to the Minister of the Interior, Jose Abrantes, and half of them to Mr. Naranjo, an aide to Fidel.

Mr. GILMAN. And these valises contained currency?

Mr. MASETTI [through interpreter]. Money, dollars, in cash.

The other question I asked myself, knowing from the inside the repressive interworkings of Castro's regime, when the legal proceedings were undertaken against General Ochoa and against my father-in-law, they made a very detailed description of all the drug trafficking activities. So the small Colombian planes would come very close to Cuban shores, they would drop the drugs and then fast boats from Cuba would go pick up the drugs and bring them to shore. So that then boat owners from Miami would go to Cuba to pick them up, where they sometimes went to pick them up and they stayed for a few days. This was described in public throughout the hearings or the proceedings.

So the questions that I asked myself are the following: There is a participation or involvement of the following forces—the Coast Guard that sent the quick boats to pick up the drugs; the forces—the armed forces that have to give the authorization to do these pickups from the planes; the immigration forces, so that these traf-

fickers could go through Cuba freely, they had to have false documents.

And Fidel Castro, who in his own words, knew even how many cookies were sent to the soldiers in Angola, how could it be possible that he not know about this? This is all regarding drug trafficking.

Ms. DE LA GUARDIA [through interpreter]. What I wanted to say was that his rank as a Colonel did not allow him or did not grant him authority to open up the air corridors for these planes to be able to come through Cuban space. In other words, this authorization had to come from a higher level of authority and only Raul Castro, in other words.

Mr. GILMAN. And all of this information was part of the court proceedings in the trial of your father?

Ms. DE LA GUARDIA [through interpreter]. This that we are discussing right now were all the operations for the drug trafficking that came up during the trial, but of course, the responsibility as far as the higher ups could not be mentioned during the proceedings, nor the final destination of the money, the amount of money from all these operations.

Mr. GILMAN. And what was the date of that trial?

Ms. DE LA GUARDIA [through interpreter]. They were detained June 13 and the trial began June 30.

Mr. GILMAN. Of what year?

Ms. DE LA GUARDIA [through interpreter]. By July 7, 1989—this is the year. OK, by July 7, 1989, the attorneys found these four people guilty and condemned them to death. But in the time period of 15 to 20 days, this all took place. The other 10 accused were sentenced to 20 or 30 year terms in prison and shortly thereafter my father was shot. So the whole time period we are discussing was about a month.

Mr. GILMAN. Jorge, you hadn't finished your testimony, would you want to complete your testimony?

Mr. MASETTI [through interpreter]. Yes, but regarding drug trafficking, that is the information that I possess regarding Cuba's involvement.

Mr. BURTON. Before I yield to my colleagues—I think we will go to Mr. Mica next—there are two things that I wish you would elaborate on for the members to help them with further questions. Is it possible for shiploads of drugs to come into Cuba without Fidel Castro knowing about it? And do you have any knowledge of moneys being given to Fidel Castro or his subordinates from drug trafficking?

Mr. MASETTI [through interpreter]. The second question, I have no information regarding that subordinates handed money over to Fidel Castro; but, of course, the moneys resulting from drug traffic from the department directed by Manuel Pineiro, that money had to go to Fidel Castro.

Regarding your first question, I think that this is obvious to anyone who has ever been in Cuba. The level of control and repression makes it impossible for any type of higher level drug trafficking activity to take place without the knowledge of Fidel Castro. For example, in December 1998, in Cartagena, a 7-ton container full of drugs was found.

And Fidel Castro did then the same thing he did in the Ochoa case; knowing full well that the Colombian authorities had the information, he took steps before anything else happened, accusing two Spaniards of the drug trafficking in that case. It is truly impossible, unthinkable, for two foreigners to ever be in Cuba bringing in that load of drugs illegally, to then send to Europe or to the United States.

And supposing that these two foreigners were truly drug traffickers, it is impossible for Castro not to have known about this because he does in-depth research of any foreign businessman investing in Cuba. The two Spaniards have even said that they had nothing to do with the drug part of the operation, but that they did know that the Cuban Government used them to create fronts or ghost type companies that would get credit then from the United States, thus allowing them to launder the money.

So Fidel Castro is not looking for businessmen, but rather laundry—people in charge of laundering.

Mr. BURTON. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

Ileana de la Guardia, did you meet with your father Colonel de la Guardia in jail just before his death? And where did that take place?

Ms. DE LA GUARDIA [through interpreter]. Yes, I was able to visit him three times. The first time, the process was already underway and as a family member during this time, I was able to realize that he was trying to assume responsibility for everything and not defending himself any more. So due to the fact that the night before, Fidel Castro visited him in prison and asked him please to assume all responsibility, that in the end, everything will be handled internally.

During the last visit just before he was executed and having realized that Fidel Castro was not going to make good on his promise, he asked me to please not let any of my brothers go into the military. And he also then made some comments on politics and the route he thought the government would be taking and he makes reference to the China Wall. My interpretation of what he said is that he once had believed that Cuba would open itself up, that changes would ensue, and that with this he was saying that to the country, it would become more isolated.

Mr. GILMAN. What did you learn from your father about the complicity of the Cuban Government in the narcotics trafficking?

Ms. DE LA GUARDIA [through interpreter]. What I was able to learn, of course, was indirectly learned, because my father, being the professional that he was, never spoke to his children about the operations that were undertaken in his department. The indirect knowledge, for example, would be the result of conversations that he would have with other people and that I may at times overhear, or through phone calls that he would have through which, for example, I learned of Mr. Vesco's visit to Cuba.

Also, I know from this that Mr. Vesco received protection from Fidel Castro during the 1980's, that is at the beginning of the 1980's, because Fidel Castro asked my father to take care of him, to take care of Vesco. In other words, Vesco would be able to broaden his illegal activities through a house that was built in Cara

Lago Leceur and that he would be able to do this because of the house that would have all the sophisticated means of communication available at that time.

And then just 3 years before 1989, that is when my father started cutting any type of link he would have with Robert Vesco, because it was his understanding that Mr. Vesco was a lowly illegal person, that he wanted nothing else to do with him, and he would pass whatever activities regarding Vesco needed to be done to somebody else.

Mr. GILMAN. Ileana, were you jailed after your father's death?

Ms. DE LA GUARDIA [through interpreter]. Well, they did not hold a trial against me, they were not able to do that. But the entire year during which we were going about receiving a permit to leave Cuba, we encountered a very difficult situation with the regime because they tried to accuse us of disorderly conduct in a public place and an attempt to disarm the police.

This is something that I believe they set up by themselves in an attempt to frame us. They set this up in the street and so they detained us and had us at the police overnight. They had some policemen beat us up.

Mr. GILMAN. One last question, Ileana. Where you have been living, did you file a lawsuit against the Castro regime for the illegal prosecution and the irregularities in the judicial proceeding against your father?

Ms. DE LA GUARDIA [through interpreter]. Yes, by 1989, I had already done this, by January. I brought a complaint in France versus Fidel Castro for killing, torturing, kidnapping and drug trafficking. The complaint has gone through several stages and is currently going through the stage known as casaseone in Spanish.

Mr. GILMAN. And that complaint is still pending, is that right?

Ms. DE LA GUARDIA [through interpreter]. It is still open and it is still pending.

Mr. GILMAN. One last question of Mr. Masetti. What is the role of Cuban Government officials in those Cuban-owned companies that are used as a front for drug trafficking? Is it business or an intelligence function, or both?

Mr. MASETTI [through interpreter]. I am convinced that these new Cuban businessmen have a more Mafia-related culture than business culture. It is very hard to come to understand that these new businessmen turn out to be ex-intelligence officials dedicated to illegal activities abroad, that they have only changed their dress and their GMT Rolex watches for true gold Rolex watches, but their activities are and remain the same.

But the question is an interesting one, and that is just where I believe that the North American Government, the American Government, is responsible.

And perhaps I am diverting a bit from the main topic, but I think it is important. If the United States Government should lift the embargo against Cuba, what Cuba seeks is not consumables. That, they can seek anywhere and they do. But rather, lines of credit and money that is used for these businesses that only people authorized by Fidel Castro can own, because in Cuba, Cubans cannot have their own business. So lifting the embargo on Cuba would serve only to consolidate Mafia that we already know exists in

other latitudes, to carry out this type of activity in Cuba and that could perpetuate themselves in power and be in control even after the death of Fidel Castro.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. BURTON. Mr. Mica.

Mr. MICA. Thank you, Mr. Chairman.

Mr. Masetti, you described in your testimony the beginning of some of your involvement. I believe that you said that weapons were going from Cuba to Colombia, is that correct?

Mr. MASETTI [through interpreter]. Correct.

Mr. MICA. And were these given by the Castro regime in the beginning or was there money coming back for the weapons?

Mr. MASETTI [through interpreter]. No, there was no exchange of money for these weapons, no money paid for these weapons. And a lot of those weapons were not only sent to Colombia, they were delivered to many other countries in Latin America. Generally speaking, they were not Soviet weapons, because this could burn out the Cuban cover, this could make it known that Cuba had been involved. A lot of the weapons came, for example, from Vietnam. The Vietnamese Government would give it to Cuba and then Cuba would send it to guerilla movements throughout Latin America.

Mr. DIAZ-BALART. American weapons.

Mr. MASETTI [through interpreter]. American weapons. And a lot of the weapons sent to Colombia were weapons that were already in Cuba before Cuba was armed by the Soviets. For example, a lot of FAL weapons, F-A-L.

Mr. MICA. Right. You also went on to describe very briefly the evolution of drug trafficking and the beginning of some relationships between Cuban officials or Cuban individuals and Colombians. Could you elaborate for the committee how drug trafficking evolved from these contacts?

Mr. MASETTI [through interpreter]. I really do not have the details of that evolution, but what I have stated is what I know firsthand, and I would rather not talk about things that I may have learned through other ways, because it could be not totally reliable information.

Mr. MICA. I am interested in your description—and I would have to go back and get your exact testimony—of a situation where there were some legitimate exchanges or activities between Cuba and Colombia, whereby they saw some profits and then that evolved into drug trafficking. It appears that this case with the 7.3 metric tons patterned some of what you described before. It would appear also, given the fact that in Cuba, I guess the government owns 51 percent of any business enterprise, that someone in government would be involved in the business and if that business turns into drug trafficking, then you have got the government as a majority partner.

Mr. MASETTI [through interpreter]. The first type of activity that you are referring to was not a legal type of activity that later became illegal. But rather that the Department of the Americas was forced to arm the M–19 that was——

Mr. MICA. Right. Well, there are two parts to this. First, I was asking if any of the arms trafficking turned into drug trafficking, if he had knowledge of that.

Mr. MASETTI [through interpreter]. Yes, that is exactly what I was coming to.

Mr. MICA. OK. And then the second part, there are some legitimate activities of business between Colombia and Cuba, even though in Cuba, 51 percent of any business must be owned by the government, I believe. I am trying to find out if, in the first part, was there drug activity evolved from the arms shipment? The second part would be legitimate commercial activity that is transformed into drug activity.

Mr. MASETTI [through interpreter]. I would not be in the least surprised, but I have no information.

Mr. MICA. Direct knowledge?

Mr. MASETTI [through interpreter]. No.

Mr. BURTON. If the gentleman would yield real briefly.

Mr. MICA. Yes.

Mr. BURTON. You said that initially the M–19 were getting guns from Cuba and they were giving drugs to Castro in exchange for those and Castro saw profit in those and that is how he got into the drug trafficking.

Mr. MASETTI [through interpreter]. Exactly, then they kept on.

Mr. BURTON. And then they kept on because they could make money.

Mr. MASETTI [through interpreter]. They—in other words, the Cuban Government takes those weapons routes directly and in this specific case, the link with the drug traffickers directly. In the case of Jaime Guillot Lara, he even then came later to live in Cuba.

Mr. BURTON. OK.

Mr. MICA. This is a part of the question I was trying to get back to. Does he have direct knowledge of that or is this something he heard?

Mr. MASETTI [through interpreter]. No.

Mr. MICA. It is something you heard?

Mr. MASETTI [through interpreter]. No. Of this I do have direct knowledge. I am talking about the things that I am not replying to. But of this, I do have direct knowledge because I did have contact with a lot of the people from M–19 and I know them. And the presence of Guillot Lara in Cuba is something that I personally know, as I personally know of the efforts of Cuban diplomats in Mexico and of Ravelo himself. And that is why I would rather not talk about things that somebody else may have told me because we may be indulging in speculation.

Mr. MICA. Right.

Mr. MASETTI [through interpreter]. That is why I prefer to give witness of the things that I lived through or I went through myself.

Mr. MICA. Well, do you have any knowledge of that going on today through your contacts, continuing today?

Mr. MASETTI [through interpreter]. I think the presence of Carlos Lucio in Havana is very illuminating. I do not think Fidel Castro is providing humanitarian protection to this character in Havana.

Mr. MICA. Thank you, Mr. Chairman.

Mr. BURTON. Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman.

I think we have heard powerful testimony today from people who have inside knowledge about how the regime worked and they have

testified that they do not think that a shipment that all of us have alluded to, the 7 tons of cocaine that were headed from Colombia to Havana and then ultimately to the United States could have gone on without the participation and the involvement, directly or indirectly, of Fidel Castro. We have heard today that these witnesses believe that more and more Cuba is becoming a money laundering bank, that it is becoming a refuge for international lawbreakers. They mentioned the presence of Mr. Vesco and many others who have been involved in money laundering and others who have been involved in international drug transactions, and that Cuba is being used as a transit point for the shipment of drugs and they find many ways of trying to disguise this involvement. And I think this is something that is meritorious for the Department of Justice of our U.S. Government to look into and to get eye-witness accounts and to followup with testimony of people who know how this system has worked and how it has manipulated the drug problem in our hemisphere.

And I wanted to ask Ileana, if I could, to tell us more about the trial of her father, the procedures that were used, the rights that were abused, the questions asked, the atmosphere related to the trial, and about her father's role and if he did confess his culpability, why or why not. Why do you think that Castro tried her father and what was Castro ultimately afraid would come out.

Ms. DE LA GUARDIA [through interpreter]. Well, I think that the real goal of the Ochoa case, a process with so many irregularities where, for example, the person orchestrating or directing the process is not the justice department or those in charge of justice, but rather one man, Fidel Castro, who is trying also to cover up his responsibility in drug trafficking.

I believe that he was trying to cover up his responsibility by making the accused responsible for these activities, but there is a second goal, a goal that I have repeated over and over again, which seems to me quite obvious. It was a political goal. Why? Because Arnaldo Ochoa, accused of drug trafficking, was at the time in Angola and he had nothing to do with the operations of the MC, the department that my father directed.

There is also a process which we see where the accused seem to be implicating themselves. We see no offering of proof of evidence, there is no material evidence during the entire process. The attorneys were attorneys that were brought to the trial and they were also officers of the Ministry of the Interior at the same time, members of military intelligence gathering institutions and military counter-intelligence institutions.

They are judged by a special military tribunal or court, which is only used in times of war. But Cuba was not at war on any military front at the time. The peace agreements had already been signed in Angola. So they would have had to have been judged by a supreme popular court.

Ms. ROS-LEHTINEN. And Ileana, your father did admit culpability in the drug trade. If you could tell us why he did that in the trial.

Ms. DE LA GUARDIA [through interpreter]. My dad not only admitted his blame, but he also, from the onset, said that there was no other higher authority responsible for these acts. And I knew for a fact that this was not true, because he depended—or the intel-

ligence department of the Ministry of the Interior gave him reports on things that happened. He could delegate on them as well as Pepe Naranjo, who was Fidel Castro's aide.

He did this as a staged show, because the night before, Fidel Castro went to visit him in jail and told him to assume all responsibility and that later on, nothing would happen. But above all, that he would not be executed. This I found out through my father himself. And I believe that the reason why he told me that last time that I was able to visit him not to let my brothers go into the military was because he knew that he had been betrayed, that the promise would not be fulfilled and that he was going to be executed.

I believe that the process is a mixture of two things and is a result of two causes: No. 1, the political opinions my father was beginning to espouse, which were counter to the mainstream government opinion; and No. 2, these illicit operations involving the Cuban Government. I believe that Castro uses one to do away with the other. In other words, he uses the drug trafficking of the MC, that department, in order to eliminate my father and these officials physically as well as morally in front of the Cuban people.

And last, I think that he thought that having served the government for such a long time, my father believed that Castro would then forgive him and spare him finally for this sort of dissidence, quote-unquote, that he was beginning to have. So he would spare his life in the end.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman.

Mr. BURTON. Mr. Diaz-Balart.

Mr. DIAZ-BALART. Mr. Chairman, thank you very much. I want to thank Mr. Masetti and Ms. de la Guardia for their very important testimony today and for having spent so much careful and deliberate time with us.

The questions that I had have been asked. I have one more that has come to mind as a consequence of the last answer and that is, do you have any knowledge of whether or not a similar situation developed with General Ochoa that may have prompted him in his case to also assume responsibility for the charges that Castro brought against him? In other words, do you have any contact with his family, for example, have you had any conversations with his survivors or is that not the case?

Ms. DE LA GUARDIA [through interpreter]. I believe, regarding General Ochoa, that after 1989 when I left Cuba, I no longer had any contact with his family since then. But before he was detained; that is, in January 1989, Arnaldo Ochoa at my uncle's own house openly said quite naturally that he was opposed to Castro's policies. It is my believe that Arnaldo Ochoa believed that the fact that he was a hero in his country and because of his political relations with generals, officials, military as well as political personalities in the former Soviet Union, that all of this would afford him protection; that is, that he I believe met with Gorbachev himself, he was somehow involved in discussing Perestroika, and he believed that he would be protected.

Mr. DIAZ-BALART. Yes, because you talked about your opinion of why your father accepted the responsibility for the charges that Castro brought publicly against him. So I was wondering if you had

any knowledge or opinion with regard to the same subject of why General Ochoa would have accepted public responsibility for what, without any doubt, contained falsehoods publicly charged against him by Castro.

Ms. DE LA GUARDIA [through interpreter]. Regarding Ochoa himself, regarding his specific case, I do have some information regarding an argument he had with Raul Castro 1 weekend before he was detained, as a result of which, Raul Castro I believe was going to have him arrested. And his attitude throughout the entire process was an attitude of someone that believed that to a point, regardless of whatever attitude he may have during the process, he also will be spared because of his connections. Though at the same time, his attitude during the process was the attitude of someone who knows that the die had been cast and nothing can be done any more about the situation.

Mr. MASETTI [through interpreter]. I would also like to add something that we have missed here. The French press described the Ochoa trial as the last trial of Moscow, the last process of Moscow, referring to the set of trials or proceedings during the 1950's in Moscow. And this symbol was not just used as what it may seem, a symbol of something that reminds us of those proceedings in the 1950's, but also to remind us that the same methods were used legally and the same types of tortures were used as in the 1950's. These means were described in Soviet manuals, they were accepted by Cuban officials and they were used by Cuban officials.

The type of torture, summarizing in a very few words, entails changing the rhythm of human beings in 24 hour periods. That is, denying them sleep, providing them with a light that is never turned off, with extreme cold, taking them breakfast at 10 at night, then 15 minutes later lunch, and dinner 15 hours later. That makes the pineal glands stop secreting melatonin. And in 3 days, this makes the person tortured in this fashion become a total idiot. This type of torture does not seek to obtain any information from the individual but rather to provide an extra or added assurance for perpetrating the lie or perpetuating the lie; that is, the individual becomes convinced of what he is being told to confess and he will confess.

And that, added to the fact that they are now being accused by their brothers in arms, who were their brothers in arms until 24 hours before. We have seen these spontaneous confessions in the Soviet Union before and we did see them in the Ochoa case. I believe that is the case of the same type.

Mr. DIAZ-BALART. Thank you, Mr. Chairman.

Mr. BURTON. Mr. Ose.

Mr. OSE. Thank you, Mr. Chairman.

Ms. de la Guardia, my questions really devolve to trying to establish what was the typical standard of living in Cuba as compared say with the standard of living that your family enjoyed. And then I want to go through a number of questions that arise from the information I have.

As it relates to your upbringing, did you live a normal Cuban life?

Ms. DE LA GUARDIA [through interpreter]. I can say regarding my own case that it was a question of having two different lives par-

alleling—one outside the house, one inside the house. I classify it as a type of schizophrenia.

I would say that it was very contradictory, because for example, outside the house, my life would be characterized as the typical life that any student would have and that I had for most of the 24 years that I was there. Most students, quote-unquote, would have to join the discipline that most students go through in education, they would have to go to political activities, they would have to undertake voluntary work, which they say is voluntary, but it is actually compulsory or obligatory. And you know, I oftentimes would repeat slogans that were slogans that were given to us by the government, and that sort of thing.

Then I say that it is a contradictory life because inside the house, we would enter a totally different world, a world where my grandparents on my father's side were bringing me up and I was raised under their influence, in an atmosphere where politics were not discussed, where the regime was not discussed; an entirely other life, the life that my family had known before the 1960's, and where you had to fulfill certain roles, the roles within a family that, how can I say, was not the typical family currently in Cuba where everybody is separated. This other type of life where most importantly we had a lot of information from abroad, from France, from the United States and, as I have already mentioned before, magazines like Newsweek, Time, Paris-Match and also literature, literature that was disallowed elsewhere in Cuba that nobody else would be allowed to read and that you could not find. We even could find movies there. This created a lot of difficulties for me because I was not able to bring home other people, other students lest they accuse me of being bourgeois or other such accusations.

Mr. OSE. Mr. Chairman, if I may ask two more questions.

Your house was in a rather well-to-do neighborhood that was normally reserved for diplomatic corps?

Ms. DE LA GUARDIA [through interpreter]. The house where I was brought up was the house that my grandfather had had built. And it was one of the well-to-do select neighborhoods in Havana.

For example, my family already had a house and they had, for example, cars, cars that were no longer seen circulating in Cuba. To give you an example, when I finished my studies at the University, my father had saved, stored away, an MG, a sports car, and of course, his dad had given him this car and he wanted to give it to me as a present. And this was the topic of many family arguments because I could not be seen with that car outside, I could not circulate with the car in the streets of Cuba.

And what I can say is that my family, before the revolution, had a social standing that was, how can I say, well-to-do, and that with the revolution, they lost many of these material things. So the things that they kept because they, well, wanted to keep them somehow, they later could not have and could not use because they would be the target of other people who were ever vigilant of people who could be influenced by society before the revolution.

Mr. OSE. Was the ability of your family to retain these privileges a function of your father's closeness to Fidel Castro?

Ms. DE LA GUARDIA [through interpreter]. I believe that in part, yes. I think that with the regime they lost some things, but at the

same time, the power that they acquired with the revolution, and I can say that this was like political or military power, allowed them to preserve some of the things that they had as a family before the revolution.

But at the same time, he was not able to pass on to me a lot of these material things, even though sometimes they could be sentimental presents, because of the risk they could pose to me politically, as far as me being integrated into Cuban society at that time.

Mr. OSE. Thank you, Mr. Chairman.

Mr. MASETTI [through interpreter]. May I be allowed to say something?

Mr. BURTON. Sure, go ahead.

Mr. MASETTI [through interpreter]. Perhaps Ileana, because she experienced this at a very early age and because she lived within it, cannot appreciate these things in themselves, but we are also democratic as a couple. Undoubtedly there was a bourgeois that remained in Cuba that did not become integrated politically. There were even people who decided to stay but not participate politically in the government.

Let us not lose sight of the fact that that group lost absolutely everything and they were forced by the regime to leave Cuba. Perhaps the type of privilege that Ileana's family was able to preserve was ridiculous as compared to the type of privilege they would have had before the revolution. But it was just the same ridiculous situation that other people then were able to enjoy, other people coming in and being able to live in the houses of those bourgeois who had not become politically integrated and had been forced to flee the country.

I just wanted to make that clear.

Mr. BURTON. Very good. I am going to yield to Mr. Diaz-Balart, but I want to nail down a couple of things because the purpose of the hearing is to talk about drug trafficking.

So Mr. Masetti, I would like to ask you some questions and if you could keep your answers brief so we could get through this, I would really appreciate it.

Do you recognize the name Carlos Lage Davila?

Mr. MASETTI [through interpreter]. No.

Mr. BURTON. You do not recognize that?

Mr. MASETTI [through interpreter]. No. Can you repeat the name, please?

Mr. BURTON. Carlos Lage Davila, D-a-v-i-l-a.

Mr. DIAZ-BALART. Carlos Lage.

Mr. MASETTI [through interpreter]. Yes.

Mr. BURTON. Do you know him?

Mr. MASETTI [through interpreter]. Yes, Vice President.

Mr. BURTON. Yes, he is one of the Council of Ministers. He was the one responsible for this company that got the 7.2 metric tons of cocaine. Would it be possible for him to be in charge of that company and have the Ministry of the Interior have two people there without them knowing about the 7.2 metric tons of cocaine coming in?

Mr. MASETTI [through interpreter]. It is possible that Carlos Lage may not have had information regarding that, but it is certain that the person in charge of operations, in charge of coordinat-

ing all those transactions for any business in Cuba had to have known. And when I say that he may not have been aware, I mean that he may not have been aware of the specific details, but he, like many others, must know that there are people within his company in charge of operations that are not fully legal.

Mr. BURTON. The Minister of the Interior had two people there all the time that were watching what was going on in the company. Now that's the intelligence service in Cuba.

Mr. MASETTI [through interpreter]. I would say that what those two people were doing was taking care of the cocaine.

Mr. BURTON. OK.

Mr. MASETTI [through interpreter]. Overseeing that nothing happened to it.

Mr. BURTON. And so the Minister of the Interior knew about the cocaine, it was impossible for the government not to know that 7.2 metric tons came in.

Mr. MASETTI [through interpreter]. Impossible.

Mr. BURTON. So I guess the point I wanted to get from you, Mr. Masetti, as a former official of the government and your wife, her father, it would have been impossible for this cocaine to be coming into Cuba without Castro knowing about it and cocaine had been coming into Cuba for a long time with the administration's support.

Ms. DE LA GUARDIA [through interpreter]. Of course, it is impossible for that amount of cocaine to come into Cuba systematically without the government knowing of it.

Mr. BURTON. And that kind of transactions have been going on for a long time.

Mr. MASETTI [through interpreter]. The Colombian Police at the time the 7.2 tons were discovered, they made public that that year 10 other such shipments had already been sent.

Mr. BURTON. Ten other shipments.

Mr. MASETTI [through interpreter]. They confirmed exactly 7, but they say there may have been 10.

Mr. BURTON. But in addition to that year, to your knowledge when you were there, were there cocaine shipments coming into Cuba even back then?

Mr. MASETTI [through interpreter]. I could not know that personally, because I had left Cuba 10 years before.

Mr. BURTON. But you said that the M–19, in exchange for weapons, were sending drugs through Cuba.

Mr. MASETTI [through interpreter]. In the year 1979 and 1980.

Mr. BURTON. But I want to nail this down. But you said that they learned that they could make a lot of money from drugs and that became a mode of operation.

Mr. MASETTI [through interpreter]. Yes, exactly, and I can say that first-hand in the 1980's, but I am not in Cuba presently to be able to say. But I am surprised at Mr. Carlos Lage and also Lucio's presence currently in Cuba.

Mr. BURTON. OK. Do you have a comment?

Mr. DIAZ-BALART. I think your testimony has been very helpful.

Even though the limit of time, the statute of limitations, even though it has not passed, has not run with regard to drug trafficking by the Castro regime, the Clinton administration is getting by publicly with the attitude of well, things have changed. To your

knowledge, based on your experience and your contacts, have things changed? What would you say to people in the U.S. administration who have that attitude of we need not be worried about Castro because things have changed with regard to drug trafficking.

Mr. MASETTI [through interpreter]. Things have not changed, not only with regard to drug trafficking but also Fidel Castro is still the same. He is still the same military strongman, only that his situation is more adverse because his main ally, the socialist world, has crumbled. But to think that Fidel Castro would not use any means at his disposal to attack democracy anywhere in the world at any time is not to know him. How could we otherwise understand that a government such as Fidel Castro, that is a subsidized government, may have been involved in kidnapping for money of businessmen for up to $2 or $3 million. Undoubtedly he likes money just like any other member of the Mafia. But that amount of money does not mean anything to a country in particular, the main goal is to destabilize a situation. And that is why I said in the words I brought here today that I had prepared, as long as Fidel Castro is in Cuba, the threat to democracy in the United States and elsewhere will always exist.

And for a man who is so obsessed with the role he will play in history, I would not be surprised at all if before he dies, because of course physically death is nearing, that he would be capable of anything crazy, to attack the United States or to attack any other democracy in the world.

Mr. DIAZ-BALART. Would there not be, in your opinion, more of a need for hard currency by Castro after the collapse of the Soviet bloc than before? A need that would be filled in part by drug trafficking?

Mr. MASETTI [through interpreter]. Of course. I would not be surprised at all, and though I have no hard proof, no hard evidence, I am convinced and I would not be surprised that he would continue in drug trafficking operations.

I would propose that an investigation be brought of those businessmen in Cuba and I am sure that we would be surprised as to the results of that investigation.

Ms. DE LA GUARDIA [through interpreter]. I have evidence—now regarding this, I can say that yes, as a result of no longer having subsidies from the Soviet Union, Fidel Castro has stepped up his involvement in this type of operation, to seek money and from my dad, I have personal knowledge that he has personal accounts and that a lot of transactions that walked a fine line between what is legal and what is not, were undertaken.

And we all know that in Cuba there is no type of organization or institution of control that is not linked to Fidel Castro, that is independent of Fidel Castro's power.

Mr. DIAZ-BALART. Ileana, did your father ever mention to you any of the countries where Castro has personal accounts?

Ms. DE LA GUARDIA [through interpreter]. He directly did not tell me of this, but I learned of this through others that traveled with my dad. For example, that in Switzerland, Castro had accounts where he had money deposited for different amounts, and that in

Europe there was a certain amount of arms traffic and other monetary transactions that took place.

Mr. BURTON. Mr. Mica, you said you had another question?

Mr. MICA. Just a quick question about the money. You said you saw bags of money in the Ministry. Usually if you follow the money, you can find out who is really involved. Where was the money going that you saw in the Ministry?

Mr. MASETTI [through interpreter]. In the offices of the MC Department, which was a part of the Department of the Interior and it was a special section of Cuban intelligence within the Department of the Interior.

Mr. MICA. And where was that money being deposited? You said you thought that money was in dollars?

Mr. MASETTI [through interpreter]. As I said before, that money was split 50/50, 50 would go to Pepe Naranjo, who was Castro's aide, and 50 percent would go Jose Abrantes himself. For example, part of that money was used to build a luxury type of clinic in the Siboney development that was officially and exclusively for the use of the members of the Department of the Interior and others. It is a clinic that is still in existence, but aside from sharing it with members of the Central Committee of the Communist Party, it is also a clinic where people come from abroad to undertake different procedures, medical procedures, they call it medical tourism.

Mr. MICA. Did you see this happen just once or was this——

Mr. MASETTI [through interpreter]. The handling of the money? No, that was constant. The coming in and going out of moneys and the handling of contrabands of all types. We have to understand that this was a department that was created for the sole purpose of getting foreign exchange illicitly, illegally.

Mr. BURTON. Would the gentleman yield?

When you say contraband, you are talking about drugs and other things?

Mr. MASETTI [through interpreter]. All types of merchandise, including weapons.

Mr. BURTON. And was this in the millions of dollars?

Mr. MASETTI [through interpreter]. I suppose so. I only saw the bags, I did not count it personally, but I suppose so. It is important to mention that this office was not clandestine or something hidden away from the rest of the upper echelons of government. Since this was a department that was in charge of violating the embargo from the United States, that is through the use of speed boats bringing in contraband, they sometimes brought merchandise that was used for technological purposes. But they also brought consumables coming from Miami and other parts of the United States to supply the houses of the higher ups. And there was a constant parade of government officials and staff from Raul's office daily at that office.

Mr. BURTON. If the gentleman would yield for one more question. The money that was split, half went to Fidel Castro's chief aide; do you know where that money went?

Mr. MASETTI [through interpreter]. It is impossible for Castro's chief aide to keep that money for himself.

Mr. BURTON. It went to Castro. Any more questions?

Mr. MICA. One more question. You described a scenario of drugs being dropped off the Cuban coast, being picked up by boats and

brought to Cuba, and then being transshipped to the United States. You said some people came and stayed, some for several days on vacation and then picked the drugs up and took them back to the United States. Who approved that transiting and how high up was it known?

Mr. MASETTI [through interpreter]. That type of operation could not, as I said before, have been authorized by Antonio de la Guardia, who did not have the rank to authorize such things. He only had the authority to handle operations within the MC. He had the possibility of having a coordinating capability with other services, but for this type of permission, the Minister, this would have to come from the Minister himself, and of course the Minister would never act alone in the case of something as serious as this, so he would have to have authority from even higher up than the Minister.

Mr. MICA. A final question, Mr. Chairman. To your knowledge, does the department or agency that you were a part of still exist and is it active?

Mr. MASETTI [through interpreter]. Well, I do not have exact proof of that, but I am sure that presently under another name, with another acronym, well, you know, they are doing that currently with the businessmen. The officials are living even better off than before, so where are they getting the merchandise, it comes directly from Miami.

Mr. MICA. Thank you, Mr. Chairman.

Mr. BURTON. Thank you. Mr. Ose.

Mr. OSE. Thank you, Mr. Chairman. If I may followup on other questions, because I do want to get to the money that my colleagues brought up earlier.

I want to make sure I understand the degree of trust that was placed in Colonel de la Guardia in one case and General Ochoa in another, by the Cuban regime. In the first instance, Colonel de la Guardia had served with Castro since 1961; had been sent to New York in 1962 for some reason; 1971, had gone to Chile to work with the new administration of President Allende; in 1973, had been sent to Spain and a possible kidnapping attempt of former Cuban dictator Batista; in 1975, Colonel de la Guardia was in Switzerland laundering money from Argentina's Montonero guerrillas; in 1976, he was in Jamaica as head of the Cuban special troops contingent helping Prime Minister Michael Manley; in 1978, he was in Nicaragua; in 1979, he was made in charge of relations with Cuba's exile community; in 1986, he was asked by the Cuban Government to set up a special import/export business, which is the MC Department. This was a gentleman who enjoyed substantial trust within the government and access to Fidel Castro himself.

General Ochoa, on the other hand, a member of the military, was asked by Castro in the late 1970's I believe, to go to Angola to clean up the mess that the Soviets had created in the combat going on with Joseph Savimbi as it related to the freedom that would subsequently come to the southern portion of Angola with its war with South Africa.

Ochoa had been awarded—Ochoa was so respected by the Cuban regime that in 1984, he had been given honorary—the highest honorary titles the Cuban military had ever granted, those being the

Orders of the Hero of the Cuban Republic and the Maximo Gomez Order, First Degree.

General Ochoa lived a very spartan life, he did not live in a special area. From the information I have, he was very well respected amongst the military. He in fact had the liberty when he was in Angola to engage in commercial transactions, the purpose of which were to make up the shortfall in funding that his troops needed to survive in Angola, that was not forthcoming from the Cuban military.

There are any number of situations of that nature that lead me to believe that these gentlemen enjoyed the trust and respect of Fidel Castro personally. In fact, Ochoa was one of the few people who could use the familiar "tu", t-u, in referring in the first person to Fidel Castro himself. And that was a privilege extended to virtually no other individuals in the country.

To suggest that individuals in Colonel de la Guardia's case, 26 year relationship with Fidel Castro, much as Lincoln and I are sitting here next to each other; or in General Ochoa's case, with a long history of serving the Cuban military in foreign posts—to suggest that they operated unilaterally challenges my—even my naivete, if you will, about this kind of thing.

Now as far as the money itself, in the late 1980's, General Ochoa had returned from Angola, he had been given these various awards. Colonel de la Guardia, who worked for Jose Abrantes in the Ministry of Interior, had done, from the Cuban perspective, excellent work in acquiring hard currency to ameliorate Cuba's deficiencies otherwise. My question of, in particular, Mr. Masetti, would be whether there was a significant political competition perceived by Raul Castro, originating in the Ministry of Interior, that threatened the Castro regime. That is a long question and I apologize.

Mr. MASETTI [through interpreter]. The last part, could you repeat it?

Mr. OSE. Was there a political competition perceived by Raul Castro between the Ministry of Interior, as run by Jose Abrantes, and the regime itself?

Mr. MASETTI [through interpreter]. The wars, quote-unquote, and that is how we could describe them, between the armed forces and the Ministry of Interior date as far back as the 1960's. We have to understand that an officer of the Ministry of the Interior has a different level of life, of traveling, that causes or makes for a lot of jealousy.

Fidel would always act as a referee between both of consolidating his power in the Ministry of the Interior, leaving—he does not allow anybody to sort of emerge with any amount of power, he always creates a balance, and even his brother, he leaves the armed forces to him to direct and consolidates his power in the Ministry of the Interior.

But we must keep in mind what was happening during the mid-1980's in the east and in the former Soviet Union. The officials from the Ministry of the Interior had information then that the armed forces would not have. If we look at all the desertions that occurred during the 1980's, we can see that most of them came from the Ministry of the Interior and not from the armed forces.

Mr. OSE. Desertions or defections?

Mr. MASETTI [through interpreter]. Defections. In the publication Monquero from the Ministry of the Interior, Abrantes has a discussion which was made public where he openly describes himself in favor of Perestroika. So that is why I think that what you mentioned is true, within the Ministry of the Interior, Fidel Castro was able to see the germ of Perestroika and it was actually there.

The Ministry of the Interior was occupied by the armed forces after the Ochoa case. And they had to pay a price for this type of operation.

Mr. OSE. Mr. Chairman, if I may, prior to the trials that Colonel de la Guardia and General Ochoa were involved in, as Chief Minister Abrantes, if I recall correctly, half of the money from the proceeds of these sales were going to the Ministry of the Interior and half were going to Castro. After the trials, Castro's people worked at the Ministry of the Interior and they were still getting the first half, so instead of only getting half, they were now getting it all.

So following up on Mr. Mica's comment about following the money, Castro now had all the money as a result of these trials that we are talking about.

Mr. BURTON. Do you have a comment?

Ms. DE LA GUARDIA [through interpreter]. Yes, it is possible that he now, before 1989, he tried to control both, but above all, the Ministry of the Interior through Abrantes, but now after this, it is possible that he had total control.

Mr. MASETTI [through interpreter]. But we must keep in mind that he has always had full control of everything. The Ministry of the Interior special troops were his main toys. You know, we have to keep in mind that even the uniforms were purchased in the United States. They dressed like American troops, Ray Bans and, you know, this is how they were. But then he discovered that there are men there that he must destroy when he learns that they have begun to think with their own heads.

We must not lose sight of the fact and at the risk of sounding cynical, although a very high cost was paid for the proceeding and for the trial, he compared to the profits derived from it, paid very little because he was able to occupy the Ministry of the Interior, he was able to do away with these officials and then he was also able to consolidate all the power and keep all the situation under control.

Mr. BURTON. Let me—we are about to end now and Chairman Gilman has some closing comments and we will make some comments about—excuse me 1 second.

[Pause.]

Mr. BURTON. We have just a few more questions that we would like to ask about the FALN in Puerto Rico and if you can keep your answers concise, we can adjourn relatively soon.

You had a relationship with Juan Segare Palma and I would like to ask you a few questions about where and how you met him. His code name was Junior.

You were told to meet him, correct?

Mr. MASETTI [through interpreter]. I know Junior, I had to make contact with him in Mexico by the end of 1983. Orlando Gomez was the resident of the department and they received a directive indi-

cating—he repeat the directive and tells me that I have to meet with Junior. He does not tell me that his name is Junior but he tells me that he is the leader of the Macheteros. To place him in a secure department in Mexico. And that he was going to teach him a course on how to make a small box to interfere with TV broadcasting. And that further, he was to remain in Mexico for a few days because they were going to be sending $50,000 over to him from Havana and so we had to create a situation where he would be able to transport the money back to Puerto Rico.

Mr. BURTON. Let me interrupt here.

Mr. MASETTI [through interpreter]. Provide a way for him to hide the money and bring it back to Puerto Rico.

Mr. BURTON. He asked you questions about armored cars?

Mr. MASETTI [through interpreter]. More than a meeting, we were at a dinner, and at this dinner, Mr. Komas was present and also the person who brought the money, who was the chief of the Department of the Americas, who used a code name. Also was Antonio Arbesu, the section chief, was present.

They said that they had had previous success with armored trucks but they said that they had a new operation now because someone was going to hand over the truck. I do not know who, I was not exactly clear on whether it would be the chauffeur or somebody else. They did not specify which city but he did ask if we knew of any substance we could put in his coffee to sort of drug him a little bit.

Mr. BURTON. So he was asking about narcotics to incapacitate people. Did you help him out?

Mr. MASETTI [through interpreter]. I have no evidence of that. At that time, we gave him no reply.

Mr. BURTON. There came a time when he did get the money, the $40,000.

Mr. MASETTI [through interpreter]. $50,000.

Mr. BURTON. $50,000. Who gave it to him?

Mr. MASETTI [through interpreter]. Well, I prepared the bag with the $50,000. The exchange was made at the airport in Mexico. Once he went through immigration, it was done in a quick way, exchanging identical suitcases and the suitcase was given to him by Mr. Agajes, who was a diplomat, and that is why his suitcase was not searched.

Mr. BURTON. Now this money was for what purpose?

Mr. MASETTI [through interpreter]. What they made known to us through Junior was that they had run out of money, that they had this new operation ongoing with this truck, they did not say where, but that they had to support themselves with this money until they were able to successfully make the operation.

Mr. BURTON. Now the robbery that took place after the $50,000 was given to Segare Palma, was there any other contact between Cuba and those people planning the robbery?

Mr. MASETTI [through interpreter]. Junior was in Mexico. They sent me to pick up a person whom they said to be the main leader of the Macheteros. I was not given his name, I simply had to pick him up at a certain place and take him to another place where he was to meet with an official from the Cuban Embassy. But due to

the importance and priority of this person, we had to guarantee that he would not be followed and that was my mission.

Mr. BURTON. OK.

Mr. MASETTI [through interpreter]. When I showed surprise as to the entire interworkings of everything that was being done for this person, they mentioned that he was a very high leader and that Cuba owed him very many favors for previous operations.

Mr. BURTON. Did he know that the robbery was going to take place?

Mr. MASETTI [through interpreter]. Yes, because when I was taking him to meet with the other contact from the Cuban Embassy, I asked him on the way if they had solved the little problem they had with the coffee and he showed himself to be a little bit upset and said that Junior should not have been so outspoken regarding that, showing thusly that he knew what I was talking about. And I am sure—I cannot say for sure because I was not there, but I am sure that that meeting after Junior's meeting was a meeting whose goal was to make the exchange with the money.

Mr. BURTON. Now the Wells Fargo robbery happened on September 12, 1983. Afterwards, the man who took the $7.2 million from Wells Fargo was smuggled out of the United States into Mexico. He then ended up in Havana, is that right?

Mr. MASETTI [through interpreter]. This person, this leader?

Mr. BURTON. No, the man who took the $7.2 million.

Mr. MASETTI [through interpreter]. The person who delivered the truck was swept from the United States, was taken quickly, swiftly to Mexico where, with the help of Cuban Embassy officials, he was given a change, dyed his hair, given a mustache, et cetera. He was given a fake Argentine passport. The stamps for entering Mexico, Arbesu himself took there personally. And then he went to Havana and was living there.

Mr. BURTON. Victor Jerena?

Mr. MASETTI [through interpreter]. I found out the name much later, but right there at that time, I did not know it. So if Victor Jerena was the person who delivered the truck, then yes. Undoubtedly it must be him, but at that time I did not know that.

Mr. BURTON. How much money, of the Wells Fargo robbery ended up in Cuba? $4 million.

Now Alberto Ojito Rejos—I hope I am pronouncing his name correctly—was convicted in 1992 in Connecticut for his part in the Wells Fargo robbery and sentenced to 55 years. Did you ever meet Mr. Rejos?

Mr. MASETTI [through interpreter]. I later found out that this leader of the Macheteros that I had encountered in Mexico was this Mr. Rejos, but right then, I did not know.

Mr. BURTON. Do you know what ties he had to Castro and Cuba?

Mr. MASETTI [through interpreter]. They explained to me later when I found out who he was that it was someone that Cuba owed a lot of favors to for previous operations. And they told me that he was a man of a lot of experience and that he had undertaken a lot of clandestine operations in the United States before.

Mr. BURTON. So they owed him.

Mr. MASETTI [through interpreter]. Exactly.

Mr. BURTON. OK. Now let me change to another subject and I apologize to my colleagues but we did not get through all this, so it is very important. I would like to talk to you about—I think that is it, I was in error.

I will now ask Mr. Gilman to make his closing statement and then we will wrap this up. I appreciate very much your help.

Mr. GILMAN. Thank you, Chairman Burton. I want to commend you for bringing this very significant hearing to Florida and bringing our witnesses all the way from Spain to appear before us. It was very enlightening and I think we have established some very substantial and significant information for our committees in the Congress.

Before closing, I want to commend Jorge Masetti and Ileana de la Guardia for your courageous willingness to testify extensively for our committee.

Mr. Chairman, I ask unanimous consent that the results in brief, the recent excellent December 21, 1999 GAO report to Congress entitled, "Assets DOD contributes to reducing illegal drug supply have declined." I ask that that statement be included in the full record of these proceedings.

Mr. BURTON. Without objection.

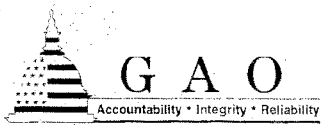
[The information referred to follows:]

United States General Accounting Office
GAO
Report to Congressional Requesters

December 1999

DRUG CONTROL

Assets DOD Contributes to Reducing the Illegal Drug Supply Have Declined



GAO/NSIAD-00-9

You expressed concerns as to how DOD carries out its counterdrug mission. As requested, we examined (1) DOD's plan for supporting U.S. counterdrug efforts and how DOD measures its effectiveness, (2) changes in the level of DOD support for counterdrug activities from fiscal year 1992 through fiscal year 1999[2] and the reasons for the changes, and (3) obstacles DOD faces in providing counterdrug assistance to foreign governments.

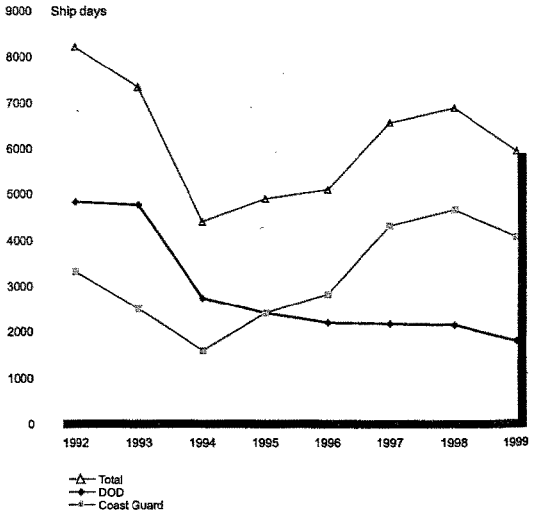
Results in Brief

The Department of Defense has plans and strategies that support the goal of reducing the nation's illegal drug supply as specified in the National Drug Control Strategy. DOD supports this goal by providing military personnel, detection and monitoring equipment, intelligence support, communication systems, and training. However, DOD has not yet developed a set of performance measures to assess its effectiveness in contributing to this goal but has taken some initial steps to develop such measures. These steps include the development of a database to capture information that can be used to assess the relative performance of DOD's detection and monitoring assets.

DOD's level of support to international drug control efforts has declined significantly since 1992. For example, the number of flight hours dedicated to detecting and monitoring illicit drug shipments declined from approximately 46,000 to 15,000, or 68 percent, from 1992 through 1999. Likewise, the number of ship days declined from about 4,800 to 1,800, or 62 percent, over the same period. Some of the decline in air and maritime support has been partially offset by increased support provided by the U.S. Coast Guard and Customs Service. Nevertheless, DOD officials have stated that coverage in key, high-threat drug-trafficking areas in the Caribbean and in cocaine-producing countries is limited. The decline in assets DOD uses to carry out its counterdrug responsibilities is due to (1) the lower priority assigned to the counterdrug mission compared with that assigned to other military missions that might involve contact with hostile forces such as peacekeeping and (2) overall reductions in defense budgets and force levels. DOD officials believe that their operations are more efficient today than in the past and that this has partially offset the decline in assets available for counterdrug operations. Because of a lack of data, however, the impact of the reduced level of DOD support on drug trafficking is unknown.

[2]This period was selected because data on DOD's support for counterdrug activities was not available before 1992.

Figure 4: DOD and U.S. Coast Guard Counterdrug Ship Days, Fiscal Years 1992-99



Note: "Ship Day" refers to each day a ship was working on counterdrug efforts.

Source: Joint Interagency Task Forces East and West and U.S. Coast Guard.

Limited Coverage in Key Drug-trafficking Areas

Although DOD's 5-year counterdrug plan states that DOD will ensure that sufficient assets are allocated to support domestic and foreign counterdrug agencies, DOD officials indicated that there are gaps in coverage of high-threat drug-trafficking routes in South America and transit routes to the United States. According to the Southern Command Commander, the command can only detect and monitor 15 percent of key routes in the overall drug-trafficking area about 15 percent of the time. This has been a continuing problem. Consequently, illegal drug shipments to the United

Mr. GILMAN. As we examine the problems, Mr. Chairman, of fighting drugs transiting the Caribbean, this GAO report at page 4 informs us why we have problems and so very little knowledge of what is actually transacting in this area. The GAO notes that for the years 1992 through 1999, that the number of Department of Defense flight hours dedicated to detecting and monitoring drug shipments have declined from 46,000 to 15,000 hours, a 68 percent decrease. Moreover, the GAO report says that the number of ship days declined from 4,800 to 1,800, a 62 percent decline over that same period of time.

The Department of Defense admits that coverage of the high threat drug trafficking areas in the Caribbean and in the cocaine producing countries is limited, so it is clear that part of the problem here is a lack of commitment by the administration to prevent drugs from ever reaching our shoreline. And the American people are the ultimate losers from this gross neglect and I hope these hearings can help turn around that sad neglect. And I thank you again, Mr. Chairman, for conducting these hearings.

Mr. BURTON. Thank you, Mr. Gilman, Chairman Gilman.

And Ileana, did you have a closing comment?

Ms. ROS-LEHTINEN. Thank you, Mr. Burton. I wanted to congratulate you, Dan, and Chairman Gilman as well for your leadership that you have shown on this important issue of examining the role of Fidel Castro to international drug trafficking, the use of Cuba as a transit point for the shipment and the movement of drugs, the use of Cuba as a refuge for international criminals and the use of Cuba as a bank for money laundering.

I think that what we need to do is to capture the attention of the Clinton administration Justice Department that has been reluctant to pursue these serious allegations and testimony such as the ones presented today, because they are so hell-bent on normalizing relations between the countries, that they are willing to overlook and indeed hide much of the evidence that exists. So I hope that sooner or later, we can get an administration that pays attention to these unfolding facts and will act in a deliberative manner and overlook the political consequences in making sure that we can eliminate the scourge of drugs in our community.

We have to understand the implicit role and complicit role of Fidel Castro in the shipment of drugs in our hemisphere.

So I thank you, Mr. Burton and Mr. Gilman as well.

Mr. BURTON. Well, thank you, Ileana.

Ms. de la Guardia and Mr. Masetti, you are very courageous people. Thank you very much for coming all the way from Spain to be with us. What you have said today and what you have given us today will be very, very helpful in letting the American people and the world know what Fidel Castro is all about.

We stand in recess until tomorrow morning at 9:30.

[Whereupon, at 5:16 p.m., the committee was recessed.]

DRUG TRAFFICKING IN THE CARIBBEAN: DO TRAFFICKERS USE CUBA AND PUERTO RICO AS MAJOR TRANSIT LOCATIONS FOR UNITED STATES-BOUND NARCOTICS?

TUESDAY, JANUARY 4, 2000

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Miami, FL.

The committee met, pursuant to notice, at 9:31 a.m., in the Commission Chambers, Sweetwater City Hall, 500 S.W. 109th Avenue, Miami, FL, Hon. Dan Burton (chairman of the committee) presiding.

Present: Representatives Burton, Mica, Barr, Ose, and Ros-Lehtinen.

Also present: Representative Romero-Barcelo.

Staff present: James C. Wilson, chief counsel; Kevin Long and Gil Macklin, professional staff members; Kristi Remington, senior counsel; Lisa Smith Arafune, chief clerk; Maria Tamburri, staff assistant; and Michael Yeager, minority counsel.

Mr. BURTON. I want to welcome everybody back to our second day of this Miami field hearing. Today we are going to be continuing our discussion of the drug trafficking in the Caribbean.

Today we are going to hear from four witnesses. The first is my good friend, Jose Fuentes Agostini, the former Attorney General of Puerto Rico. He is going to give us his perspective on the problems that they faced in Puerto Rico and first-hand information about the Government of Puerto Rico's efforts to combat drug trafficking. He also is going to let us know how he feels about the Federal Government's assistance or lack thereof. Mr. Agostini recently left the position to return to private practice, but he feels so strongly about the drug problem he is here with us today.

Our second panel of witnesses will be from the administration. We will hear from Bill Ledwith, the Chief of Foreign Operations for the United States Drug Enforcement Administration about United States drug cooperation—United States-Cuba cooperation on the drug trafficking through Cuba. Mr. Ledwith recently testified before Mr. Mica's subcommittee on November 17th in Washington. His testimony there left many of us with a large number of unanswered questions and we look forward to hearing from him today and asking more questions. Hopefully he will have more answers than he did last November.

And then we will hear from the U.S. Customs Service. I want to say just a couple of things about the Customs Service. They did

yeoman's service for the country recently—just before Christmas—when they intercepted a terrorist bringing explosives across the border from Canada. He had enough explosives, I understand, to blow up four or five city blocks, and he was targeting, they think, either Seattle or Las Vegas. A few days later they made another arrest at a remote Vermont border. So, I would just like to say to all of those with the Customs Service that is a job well done and we all appreciate that very much.

We will have Mr. Varrone from the Customs Service testify later. I guess he has with him Mr. Quinn and Ms. Cody and other Customs officers to help him out. Thank you all for the good job you are doing.

Our final witness will be Special Agent in Charge Mike Vigil of the U.S. Drug Enforcement Administration. Mr. Vigil is in charge of the Caribbean Division and is based out of Puerto Rico, and we look forward to his insights on drug trafficking as well, and what can be done to strengthen our efforts in the Caribbean and in Puerto Rico.

With that, we will start off with our good friend, the former Attorney General of Puerto Rico for his testimony.

STATEMENT OF JOSE FUENTES AGOSTINI, FORMER ATTORNEY GENERAL OF THE GOVERNMENT OF PUERTO RICO

Mr. AGOSTINI. Good morning, Mr. Chairman. Thank you very much for inviting me today. I would like to thank also Resident Commissioner Carlos Romero Barcelo and the other members of this Committee on Government Reform.

For the record, my name is Jose Fuentes Agostini, and I have spent the last 3 years of my life as Attorney General of Puerto Rico and chairman of the Puerto Rico-United States-Virgin Islands High Intensity Drug Trafficking Area [HIDTA].

I come here today to represent the 3.8 million Puerto Rican-American citizens who reside in the island of Puerto Rico. Mr. Chairman, we profoundly appreciate your personal help, just as we profoundly appreciate the shoulder-to-shoulder collaboration of dedicated public servants like other witnesses on today's personal agenda.

I would like to take this opportunity to thank the Federal Government for all the help it gives us in Puerto Rico in fighting this tremendous problem with drug trafficking that we have in the Caribbean. The truth of the matter is, the relationship between the State law enforcement agencies and the Federal law enforcement agencies in Puerto Rico is second to none. I have not seen anywhere else in the United States such a level of joint effort as I see in Puerto Rico because of the way that the law enforcement agencies—the Federal law enforcement agencies interact with each other. There is always frictions created amongst them, but in Puerto Rico because of the limited resources we have, probably, we see how they are able to work not only together but very closely with the Puerto Rico Government, and we have seen some very impressive results.

I filed a statement for the record which I request be incorporated into the Congressional Record.

Mr. BURTON. Without objection.

Mr. AGOSTINI. I have had the opportunity to work with a lot of the staff that the Members of Congress have. I know they are very competent. So I am sure that my statement and the information that is in there will get to you. So instead of wasting your time with that, I would like to go into some other areas that are not in my statement which specifically go into what it is we need to continue the change that we are seeing in the northern Caribbean and actually in the southeast border.

We are seeing a lot of changes—a lot of resources going to the southwest border. None of those resources are going to the southeast border. What happens is, when you squeeze a balloon at one end the balloon is not going to pop, it is just going to grow bigger at the other end, and that is what we are seeing, at least in the northern Caribbean and probably in Florida, also.

My statement covers what the local law enforcement agencies are doing to fight drugs and crime and the impressive results we are obtaining, one of which is a 50 percent reduction in violent crimes in the last 7 years in Puerto Rico. We have provided a breakdown of the crimes reported for your use, and you can see how across the board in the last 7 years we have been able to cut in half violent crime on the island of Puerto Rico. This has come at great sacrifice and great expense from the people of Puerto Rico. A huge amount of our budget goes into this war because it is directly related to drug use and drug interdiction. Some 8 or 10 years ago 8 out of every—sorry, 3 out of every 10 murders in Puerto Rico were drug related, nowadays, we know for a fact that even though we have a 35 percent reduction in murders in Puerto Rico, 8 out of every 10 is directly related to drugs. So actually we have had a huge success in this area. If it were not for the drug problem, we would probably have the murder rate in Puerto Rico down 80 percent.

My report, which was filed today, also covers the joint operations which the Puerto Rico and Federal law enforcement agencies are conducting under the auspices of our HIDTA Program, which I personally chaired for a year and a half, and the equally impressive results that we have achieved having cocaine seizures to the tune of 30,000 pounds during the first 11 months of 1999. But today, like I said, I would like to concentrate on what we need to improve on this impressive record.

First of all, I would like to bring to your attention the situation of our Federal court system. Puerto Rico has seven Federal judges, but for the last 7 years only six of those seven positions have been filled. President Clinton has failed to submit an adequate nominee for that position in 7 years. The result of that is a huge backlog in Federal cases. The civil docket in Puerto Rico has been paralyzed for the last 5 years. No civil cases can be tried in Puerto Rico because criminal cases have precedence over civil cases creating tremendous problems. But we now are confronted with a situation that we have a huge backlog in criminal cases, mostly drug-related criminal cases.

Why is this happening? Well unfortunately, the Puerto Rico Constitution prohibits the use of the single most effective investigative tool that exists nowadays, wire taps. So we use the resources of Federal law to use this tool, very effectively I might add, but all those cases need to be filed in Federal court. So what we are find-

ing is that all the large criminal drug-related cases, basically 30,000 pounds worth of cocaine cases go to Federal court, and with the resources that the Federal court has in the District of Puerto Rico, it is simply impossible to attend that backlog. So I am going to petition this committee today for at least two more Federal judges and at least two more Federal magistrates so that we can attend all criminal cases and start attending the backlog in civil litigation that we have in Puerto Rico. And if at all possible, to fill that vacant position on the court.

Additionally, I think there are various areas in which resources need to be considered for Puerto Rico. And when I mention Puerto Rico, I need to be clear on something. Sending resources to Puerto Rico alone is not enough, because we need to be out there gathering information in the rest of the Caribbean if we are to be effective in Puerto Rico. I will give you an example. DEA—for example, DEA does not cover Puerto Rico. The Puerto Rico DEA has to cover all the way down to Guyana. We are talking 20 different nations out there that we need to gather intelligence from if we are going to be effective in Puerto Rico in closing down our United States border to avoid drugs from coming in.

So we need to continue to build on a mobile response capability that is effective. What I mean by this is, we need helicopters. We need Blackhawk helicopters, to be specific. Why Blackhawk helicopters? Because these helicopters have to be over the ocean for extended periods of time and the Blackhawk is the only helicopter that has two engines. They can stay out there for hours surveiling and watching these go-fast boats and aircraft that are getting all these drugs into our shores.

We also need money to keep them in the air. Keeping a Blackhawk in the air is an expensive proposition to the tune of $2,200 an hour. We need money to maintain them. The truth of the matter is, there's eight of them in Puerto Rico right now. There are eight Blackhawks in Puerto Rico that the United States National Guard has, and these eight Blackhawks cannot be used for drug interdiction because the money is not there to keep them in the air and they are used only for training. So it behooves me to understand why if we have the equipment down there, we cannot find the money to keep them in the air to help us with this war. I personally met with powers to be at the Pentagon, I have met with Anna Maria Salazar on no less than four occasions personally. She has tried—I must say she has tried very hard to help us find the money but the money is not there to be found. So here we are sending Blackhawks to Costa Rica to pull marijuana plants and sending Blackhawks to Colombia, that the Colombian Government cannot keep in the air, and we have got them setting on the ground in Puerto Rico and we cannot use them either. There's something wrong there that we need to fix real quick.

We need more go-fast boats for Customs and the U.S. Coast Guard. United States Customs does have a lot of equipment in Puerto Rico. They are now in the process of reorganizing their air and marine assets. The Coast Guard does have equipment. Let me give you an example. When the Coast Guard has a cutter out in the middle of the Caribbean Ocean—Caribbean Sea and they spot a go-fast boat moving, they cannot really do anything because a

cutter cannot do 50 or 60 miles an hour to stay with that go-fast boat. There is the technology now where inflatable go-fast boats can be put on the Coast Guard carriers and they could then follow those go-fast boats. Then we need at night helicopters to spot them and follow them. That is what I mean by mobile response capabilities. We need to be able—because we are spotting them, we just cannot do much about it once we spot them.

There needs to be a continued development of our regional strategy. We need more agents for that. We need to have more manpower and all these islands, Central and South America feeding us information. Puerto Rico's HIDTA—Puerto Rico-United States-Virgin Islands HIDTA just won a prize from ONDCP for having the best intelligence center in the nation. We have the best intelligence center in the whole U.S.A. in Puerto Rico, so we can manage that information, and we can put it to good use, but we need the capabilities to get out there hands on and make it happen.

DEA, FBI and Customs, plus INS, all need more agents—it is that simple. They need more manpower because, believe me, it is, by any stretch of the imagination, a duck shoot down there. It is incredible how much more we could do if we had the resources. And as far as DEA, FBI and Customs, they do an excellent job with what they have. I sometimes am so impressed with how much they can do with the amount of resources they have. It is really incredible. I mean, these are dedicated public servants that are really making a change. INS is a different story, and I will get to INS in detail in a little while.

Our HIDTA budget, we get $9 million a year. We have gotten $9 million every year for 4 years now. It is great. It has helped us put together this super program that is very effective, but for some reason the budget is the same every year, and we now have three times more HIDTAs than we had 4 years ago.

Mr. BURTON. HIDTAs, what is that?

Mr. AGOSTINI. High intensity drug trafficking area. It is the ONDCP program——

Mr. BURTON. OK.

Mr. AGOSTINI [continuing]. That brings together all the Federal and local law enforcement agencies under one roof. It gives them money to attack drugs.

The U.S. Congress keeps getting petitioned for more money for prevention, more money for treatment, more money for the Federal Bureau of Prisons, all these are drug-related issues. Huge amounts, billions of dollars, are being spent in these areas, but in the last 4 years no more money is going to interdiction.

We need to strengthen the counter drug efforts by INS on our southeast border. The Caribbean corridor is the name of the area where one-third of the drugs that come to the United States mainland come through. That includes Jamaica, Cuba. It includes Haiti, the Dominican Republic, Puerto Rico and the rest of the Caribbean. We now have less INS Border Patrol agents and investigative agents—we have less than what we had 8 years ago. We have something like 40 for what is one of the largest entry points into the United States, Puerto Rico. Puerto Rico is a United States border. The west end of Puerto Rico is only 90 miles away from the eastern end of the Dominican Republic, 90 miles. What is happen-

ing is, because of the pressure that is being put by law enforcement agencies in Puerto Rico, they have adapted, and they adapt to Haiti in this instance where there is very little law enforcement, if any at all.

Once they are in Haiti where I would say about 18 percent of the drugs are going nowadays, a huge stash house. Some of it goes through Cuba—a very small percentage I would say. The largest amount of it is going over land—which is very easy—to the Dominican Republic. When it hits the eastern end of the Dominican Republic it is only 90 miles away from the United States coast. So they are using illegal alien runners to run drugs from the Dominican Republic to Puerto Rico every night and INS catches one boat load and they are tied up for 3 or 4 days processing this boat load, so it is open season. We need to change this. You cannot send 1,000 new Border Patrol agents to the southwest border and not expect that to have an impact in Puerto Rico and Florida because it is going to have an impact. They are going to readapt and they are going to start bringing in their drugs through Puerto Rico and Florida. That is what is going to happen. You do not have to be a brain surgeon to figure that one out. We just need more resources in Florida and Puerto Rico to counter this problem.

INS simply does not understand the issue, and I have personally met with Doris Meissner to try to explain this to them, but they insist that the drug problem and the illegal alien problem are two separate problems and they are to be treated separately. Well let me tell you something, 95 percent of all the drugs coming through Puerto Rico are being brought in by illegal aliens, Colombians and Dominicans. And Dominicans are using Puerto Rico as the entry point to get into the eastern border of the United States to run the drug laundering operations of the Colombian cartels. If we do not wake up that reality and start closing down that border they will continue to operate on the mainland of the United States because the effect of not sending resources down to Puerto Rico—besides the tremendous social problems it creates in Puerto Rico—is that all the drugs wind up in our mainland continental States. And that is the effect of not giving Puerto Rico the Federal resources it needs to fight this war.

I feel that the armed forces need to play a bigger role in this war. I mean, when during 1999 alone, we were able to seize 1,200 pounds of cocaine within the territorial area of the largest naval base outside the continental United States, there is something wrong. 1,200 pounds of cocaine we seized in 1999 alone in Roosevelt Roads. Not inside the base, but inside their buffer zone, inside the area that protects their base. That to me is a clear sign that we need to talk to the armed forces about how they are going to help us in this specific war.

ONDCP is going to report to you next month that they have been extremely successful—and they have—in reducing coca plantations in Peru and Bolivia by 50 percent—very important. That is very impacting, a 50 percent drop in coca cultivation in Bolivia and Peru—very impressive. What they may not tell you is that they are now growing it in Colombia, simply moving to Colombia. By the end of March 2000, we will have the ROTHR radar, Relocatable Over-the-Horizon Radar, on line from Puerto Rico. That radar is

going to give us the ability to know exactly where in Colombia the cartels are performing their operations, their cultivations, their cooking as it is better known. What are we going to do with that information? We do not have the resources to do anything with it. It seems the Colombian Government, which is trying very hard to help, does not have the resources. We need to start thinking about what we are going to do with that information. It is going to be very valuable information. We are going to be able to know every aircraft that takes off from the jungle in Colombia to make a drop off outside Puerto Rico or any Caribbean island. How are we going to address that information? How are we going to get down there and respond to that information? The capabilities are not there right now.

Like I said, if we get these resources, we will turn this thing around—we will, for the good of the people of Puerto Rico, for the good of the people in Florida, for the good of the continental United States where these drugs are winding up and killing our youth. We continue to spend a huge amount of our State budget in this war. Our next step, this month we are going to put out a request for proposal for $20 million worth of x-ray machines to be able to close down the use of our marine cargo container facilities, which is a huge gap that we have in closing down that border. The Government of Puerto Rico is going to put up the money to have the equipment to x ray those containers. I need to say that the help of the U.S. Customs Service has been invaluable in helping us put together the technical aspects of what we need in equipment to close this problem down. We are going to put up the money, we are going to do it. We are going to start x raying containers and you are going to see what a huge difference that is going to make, because the amount of cocaine that fits in a container—every time we catch one it is thousands of kilos of cocaine. So we need to close that down. We are going to put up the money and with the help of U.S. Customs we are going to get it done. If we are going to be at war, then by God, give us the equipment, give us the resources and we will make you proud like we have done in so many other conflicts that we have participated. Just give us what we need and we will close it down.

Thank you.

[The prepared statement of Mr. Agostini follows:]

Statement by Mr. José Fuentes Agostini

Mister Chairman, Resident Commissioner, Carlos Romero Barceló, and members of the Committee on Government Reform:

For the record, my name is José A. Fuentes-Agostini, and I have spent the last three years of my life as the Attorney General of Puerto Rico, and the State head for the Northern Caribbean High Intensity Drug Trafficking Area (HIDTA).

I come her today as a representative of the 3.8 million Puerto Rican American citizens who reside in the island.

Mr. Chairman, we profoundly appreciate your help, just as we profoundly appreciate the shoulder-to-shoulder collaboration of dedicated public servants like the other witnesses. on today's agenda.

Leaders like:

- Mr. William Ledwith,
  Chief of Foreign Operations, Drug Enforcement Administration,

- Mr. Mike Vigil,
  Special Agent in Charge, Caribbean Division, Drug Enforcement Administration,

- Mr. John C. Varrone,
  Executive Director of Operations (East), United States Customs Service

These gentlemen, together with a host of other senior Federal law-enforcement personnel, are no strangers to us. We meet regularly, we consult regularly, we work closely together, and we achieve positive results together.

One would be hard pressed to cite a better example of effectively harmonious state-Federal teamwork in the war on drugs than the example that has been set here in Puerto Rico since 1993.

Having the HIDTA designation for Puerto Rico and the Virgin Islands has resulted in quantifiable and statistical improvement in the number of drug trafficking

interdictions in our region. Our joint efforts to confront the illegal trade have made measurable inroads however, they are just the beginning.

Today, in these few minutes, I will attempt to highlight the scope of this effort and brief you in some detail on the origins of the crisis and on the progress we have made in confronting it.

Roughly 17 years ago, Mister Chairman, the southern portion of this state of Florida confronted a similar crisis. The problem became so notorious that it inspired several motion pictures, as well as popular television programs like "Miami Vice." But then the Federal Government got tough.

The Federal Government began to pour in money, assign additional personnel and install sophisticated surveillance systems. South Florida was designated a High Intensity Drug Trafficking Area. The smugglers got the message that the members of Congress, much like yourselves, were sending. The Federal government had the power to make the smugglers stop in their tracks, but unfortunately, what really happened was that they changed their address.

The Federal Government had squeezed the balloon; yet instead of bursting, the balloon simply changed shape. The smugglers moved from Florida and began inserting their deadly cargoes through a new United States transshipment point: Puerto Rico.

What's more, after setting up shop in the Island, the drug cartels quickly realized that, from their perspective, Puerto Rico offered a much better business opportunity than did Florida. In Puerto Rico, it would be more difficult for the local authorities, like us, to persuade you in Washington, to mount a massive campaign against them.

Well, the traffickers were quick to seize that opportunity. And, almost overnight, Puerto Rico found itself under siege. To break that siege was the mission we accepted in 1993. We knew we were undertaking a war that many people, especially today, say cannot be won. The cartels possessed incredible financial resources and abundant experience in practicing their obscene trade. We, on the

other hand, posses much more limited resources. Which both you and they can easily identify via the Internet.

However, our survival as a civilized society was at stake. Inaction was therefore unthinkable. So we set to work.

- The Government of Puerto Rico created an new umbrella agency, the Department of Public Safety, to oversee all Government of Puerto Rico law-enforcement functions;

- We installed our Police Superintendent, veteran F-B-I agent Pedro Toledo, as Commissioner of Public Safety;

- We have added over 6,500 new police officers, bringing the total of our existing police force to around 18,000, making it the nation's second largest police force;

- We formed an alliance with the John Jay College of Criminal Justice, in New York City, under which each new officer from our Police Academy studied for and graduates with a university degree;

- In July 17, 1999, by virtue of Law 155, The Policy academy was transformed into the Criminal Justice College of Puerto Rico, a Middle States accredited institution. Today, every new Police officer is required to graduate with a university degree from this institution;

- We further professionalized our Police force through laws that require the taking of tests prior to promotions, and we also established academic requirements of bachelor's or master's degrees for officers at certain levels.

- For the first time anywhere, National Guard units were mobilized in support of a coordinate campaign to rescue, restore, and re-empower literally dozens of communities where drug dealers had virtually taken control.

- In 1994, we solicited and obtained the designation of Puerto Rico and the U.S. Virgin Islands as a High Intensity Drug Trafficking Area.

- We have established no fewer than 9 state-federal task forces, encompassing virtually every branch of the law-enforcement community.

- We established a police drug-and-narcotics unit at our international airport to interdict controlled substances, as well as illicit weapons and currency.

- We entered into a Memorandum of Understanding with the Bureau of Alcohol, Tobacco and Firearms on the subject of drug-related weapon-shipments.

- Every 3 months, Governor Rosselló hosts working meetings attended by our local law-enforcement agency-heads and the top Puerto Rico officials of every federal law-enforcement agency.

The Government of Puerto Rico has also been active on the international front. With the knowledge and approval of appropriate Federal Authorities:

- We have provided 600 bullet-proof vests and 500 weapons to bolster the anti-crime capabilities of the Government of Costa Rica.

- We have entered into an accord under which we are helping the Government of Panamá to improve the administration of its corrections system and to upgrade its convict-rehabilitation programs.

- We have signed a cooperation agreement on police training with the government of Venezuela.

- We have established, in conjunction with our Latin American neighbors and the University of Puerto Rico, an institute specifically designed to assist them in the restructuring of their judicial systems to create an independent judicial system in order to guaranty a democratic system of law.

- We have teamed up with the Coast guard and Department of Defense on Operation Frontier Shield, with the involvement of governments from a dozen other Caribbean jurisdictions.

The preceding summary should suffice to underscore emphatically how hard we have been working to restore peace to Puerto Rico and to convert Puerto Rico into a valuable asset in the United States' crusade to combat narcotics-trafficking, both at home and abroad.

In looking back at the record I am pleased to be able to report that our investment has yielded impressive dividends. Before we took office, violent crime in Puerto Rico had been spiraling upward at an unprecedented rate for 10-to-15 years.

Since 1992, however, there has been a dramatic turn - around. The data from1998 reflects all the following:

- Serious Felonies,
  better known as "Type 1" crimes, declined for the sixth consecutive year, reaching their lowest levels since 1986, making a 36.9 percent reduction since this administration took office in 1993.

- Violent Crimes
  declined to their lowest levels since 1985, a 49.1 percent decrease.

- We experience the fewest robberies since 1989, the fewest auto thefts since 1984, and the fewest burglaries since 1974

- The Murder Rate,
  finally, has started to drop within the last two years. We experienced a 34.8 percent decrease in the murder rate compared to 1992, the year we began our campaign. But, with respect to our war on drugs, killings continue to be "the exception that proves the rule."

I say that, because our research has determined that drug-gang dislocations resulting from our crackdown are directly responsible for an ever-increasing percentage of the homicides that occur in Puerto Rico.

With regard to murders, in 1986, narcotics-trafficking activity accounted for 30% of the murders committed in Puerto Rico. By 1996, that figure had skyrocketed to

80%. Our war on drugs has been provoking chaos in the enemy's ranks. And we believe that the evidence of this is in the statistics that point to the conclusion that our crackdown is resulting in carnage and violence among the enemy.

The resulting bloodshed is tragic, but war is hell. An I am convinced that we have established a beach-head. Victory, though, is not yet at hand.

Accordingly, our local agenda entails escalating the conflict by applying ever-greater pressure.

- This year we plan to add an additional 2,250 officers to the state police force bringing its total to 21,000 officers.

- We shall expand the investigative authority of uniformed personnel.

- We shall extend our community-policing program to encompass the entire island,

- and we shall add the most advanced crime-fighting technology, beginning with the implementation of a totally-computerized system for dispatching patrol-cars.. .quickly and strategically...in response to emergencies.

- In cooperation with the Federal Department of Justice, and in order to expedite the processing of non-violent first-time offenders, we have created 4 drug courts in the municipalities of Arecibo, San Juan, Carolina and Ponce. Three additional drug courts, in the municipalities of Bayamon, Caguas, and Guayama, are expected to begin operations in this year.

- We have enactment a fair and equitable law to permit the establishment of drug-testing and anti-addiction treatment programs... at public and private workplaces...throughout Puerto Rico.

- We have intensified our assault on money-laundering and other aspects of the drug-trade's financial structure by forming specialized teams of experts from our Police Department and Treasury Department.

- We have pressed ahead, in conjunction with the U.S. Department of Defense, to equip Puerto Rico with a Relocatable Over-the Horizon Radar (ROTHER) facility, for the detection of smuggling across the entire Caribbean Basin and the northern part of South America. Today, I am happy to report that the Puerto Rican ROTHER will become operational on March of this year.

  In conclusion, we realized from the outset that our struggle to restore peace was going to take time. And it has taken time, as evidenced by a report released three years ago by the General Accounting Office. According to the G-A-O, Puerto Rico had become - and I quote –"the major entry point for cocaine moving through the Eastern Caribbean and the primary transshipment point into the southeastern United States."

As a corridor for illegal narcotics traffic into North America, the northern Caribbean ranked second only to the United States' border with Mexico, in April 1996. Six months later, in October, Director General Barry McCaffrey of the President's Office of National Drug Control Policy was quoted by *The Orlando Sentinel* as affirming that, Puerto Rico has been "clearly more victimized than most anyplace else."

The 1997 National Drug Control Strategy, released by The White House in February, describes as "devastating" the impact of narcotics-trafficking upon Puerto Rico and its neighbors. The bottom line, therefore, is that this Committee has convened today on a battlefield. All around us the conflict rages. If the invader prevails, then every American family will be at risk; today, tomorrow, and indefinitely.

The same qualities that have perfectly positioned Puerto Rico to prosper in the new millennium as a bilingual, bi-cultural, high-tech Bridge of the Americas:

our strategic geographic location,
our Latin American heritage,
our United States citizenship;

The same qualities that we are striving to utilize to convert Puerto Rico into a key facilitator of hemispheric economic integration; has unfortunately been exploited

already by the drug cartels. Puerto Rico has had the misfortune of becoming a springboard and a staging area for the deadly drug cartels.

On behalf of each and every one of the valiant men and women who are on the front lines of the dangerous, difficult hostilities being waged against the forces of evil; on behalf of the troops, Mister Chairman, I take this opportunity to solicit the unrelenting support of the 106th Congress.

Let this devastation advance no further. Help us to strengthen the weak link in the chain between Florida and Puerto Rico, our only wall of defense in this region.

Help us to prevent the spread of this agony into every State and every Congressional district. We have made excellent use of the Federal assistance provided thus far. You can count on us to make equally good use of the additional resources that could, at least, turn the tide.

Thank you, and may the Lord be with us all.

Mr. BURTON. Thank you very much, Mr. Attorney General, for that very thorough analysis of the problem.

I would like to introduce all the members of the committee who are here. Ms. Ros-Lehtinen just came in a minute ago. Mr. Mica is here. He chairs a subcommittee that deals with this problem on a regular basis. Mr. Barr who has been very active in this area. Mr. Barcelo who represents Puerto Rico, and Mr. Ose, and, of course, our counsel is here as well, Jim Wilson.

Let me start off the questioning. Jim, we need to start the machine. You said that you have seven Federal courts down there and only six judges, and you said there is a huge backlog and the administration for 7 years has not filled that seventh court. You also said you need two more Federal judges and two more magistrates. Now those two more Federal judges, are those in addition to the seven?

Mr. AGOSTINI. Yes.

Mr. BURTON. So you would need nine. So there should be three more—three vacancies still, if we give you—if we get two more?

Mr. AGOSTINI. We have one Federal court and in that Federal court——

Mr. BURTON. But you have seven——

Mr. AGOSTINI. We have seven positions——

Mr. BURTON. Right.

Mr. AGOSTINI [continuing]. Of which six have been filled, but one has not been filled.

Mr. BURTON. But you need two more?

Mr. AGOSTINI. We need two more in addition. We would like to have nine. If we had nine, we could manage the criminal and the civil docket.

Mr. BURTON. OK. Now you said that they have eight Blackhawks down there in the National Guard. If those were activated for drug interdiction and the resources were there to keep them flying over the borders of Puerto Rico and the sea around Puerto Rico, would that be a sufficient number?

Mr. AGOSTINI. Yes, that would be. We would need to get at least four FLIR equipment. To properly use them——

Mr. BURTON. For looking down, heat sensitive?

Mr. AGOSTINI. Right. But eight would be more than enough. But we would need the capability also for those helicopters to be able to be stationed in other countries where we'll be gathering intelligence if we really want to be effective in shutting down the borders.

Mr. BURTON. So you're talking about taking some of the helicopters and placing them in strategic points around the Caribbean besides in Puerto Rico?

Mr. AGOSTINI. Yes.

Mr. BURTON. OK. You said you needed more go-fast boats. Are those—I don't know much about those inflatable boats. Do you know the cost of those? Do you have any idea? Maybe the DEA can tell us.

Mr. AGOSTINI. A go-fast inflatable boat is about $150,000 to $175,000.

Mr. BURTON. And how many of those would you need?

Mr. AGOSTINI. I believe the Coast Guard now has nine active cutters in the Caribbean. They need one for each.

Mr. BURTON. So they need about nine of those?

Mr. AGOSTINI. Yes.

Mr. BURTON. OK. And you said that you need more INS agents. You said there's 40 down there now. How many do you need?

Mr. AGOSTINI. About 160 I would say.

Mr. BURTON. About four times that many?

Mr. AGOSTINI. At least.

Mr. BURTON. That figure that you gave that 95 percent of the drugs coming into Puerto Rico is through illegal aliens, that seems like an extraordinarily high number, but you are certain that is the case?

Mr. AGOSTINI. Yes, because when you find United States citizens being caught bringing in drugs they are normally very small amounts, and normally it is from the mainland United States bringing marijuana into Puerto Rico.

Mr. BURTON. So it is coming from the United States back into Puerto Rico?

Mr. AGOSTINI. That is why it is such a small amount. The large amount, where the money is, is the huge loads of cocaine and heroin coming into Puerto Rico and then making it to the mainland United States, and that is being done by aliens.

Mr. BURTON. Once an illegal alien gets into Puerto Rico and gets a ticket on an airplane, there is no way to catch them really, is there?

Mr. AGOSTINI. There is not.

Mr. BURTON. I mean, our Customs people do not pay any attention to the airports——

Mr. AGOSTINI. They do not really have any jurisdiction. But what we are doing is, there is an agent now right after you go through the metal detector machines, and if a person fits a profile they ask a couple of questions. And through that, the Circuit Court of Appeals for the First Circuit has said that we are able to—if they fit a certain profile—ask questions and if they do not answer the right questions, then investigate whether they are in the country legally. So we are having some success there, but that is not close enough because a lot of them get through.

Mr. BURTON. OK. Could you explain for the committee the pattern of smuggling that is used by the cartels through Puerto Rico and the Caribbean corridor.

Mr. AGOSTINI. Yes, I can. There are probably people here that are better qualified than I am to do that, but I will try that. There are basically four routes of the Caribbean corridor. There is the Jamaica-Cuba-Bahamas corridor; there is the Haiti-Dominican Republic; there is the Puerto Rico-United States-Virgin Islands and then there is the eastern Caribbean corridor. That makes up, up until 1997, one-third of the drugs coming to the mainland United States. The largest one being Haiti-Dominican Republic. That was 15 percent. I suspect that is up now tremendously. The problem is that when the numbers are analyzed, only 6 percent is really going directly from Colombia to Puerto Rico-United States-Virgin Islands. But the truth of the matter is, a very large amount of the drugs being brought into Haiti and the Dominican Republic are also mak-

ing it into the United States through Puerto Rico, and that's where the numbers may be a little deceiving. We need to take a hard look at that. That is why we need to close down harder on the Puerto Rican border.

Mr. BURTON. I will have some more questions later.

Mr. Mica.

Mr. MICA. I was interested in the pattern of drug movements and also those involved. You said you had many illegals, accounting, I guess, for 95 percent of the drug trafficking. How are they getting in? You said at night they are coming in? They are not coming into your ports and airports, they are coming into other locations, is that correct?

Mr. AGOSTINI. Yes. There is a very large illegal alien trade from the Dominican Republic to Puerto Rico. They use these 30-foot wooden boats, which do not reflect on our radars, with a large outboard engine. They are very difficult to detect. They run at night without lights, and a stretch of 90 miles, they can do in 5 or 6 hours, even less if the ocean is not rough. So they will run from the eastern end of the Dominican Republic to the western end of Puerto Rico, that 90-mile stretch. Or there are a few islands—uninhabited islands off the coast of Puerto Rico where they will drop off aliens. Now what the illegal alien runners discovered was that it was more profitable to run drugs. So on these small vessels, besides putting people to bring them over, they put in drugs, and they are using the same mechanism to bring them in.

Mr. MICA. Well, I participated with Mr. Hastert when he chaired the subcommittee that dealt with drug policy. We held hearings—in fact, one was on a Coast Guard cutter, I think, in the bay in——

Mr. AGOSTINI. In San Juan Bay, yes.

Mr. MICA [continuing]. San Juan. Trying to put back the war on drugs, most people do not realize it was basically closed down by the Clinton administration. In 1993 they cut the Coast Guard by, I think, about 50 percent of their funding and staffing in your area. Most people do not realize the Coast Guard is also responsible for the area around Puerto Rico. We are basically approaching 1992 levels if you translate dollars from 1992 to 1999.

You talked about the military. They took the military out of most of the interdiction. You also described the Colombian situation. Mr. Hastert—in fact, some of us trounced through the jungle with him in trying to start with a few small bucks, the eradication campaign which is now somewhat successful. But as you said, the traffic did move to Colombia. Again, we have a failed policy there where we never allowed the resources to get through, even the most recent $300 million that Congress appropriated. I understand your frustration. You have to understand some of our frustration, because we have tried to put Humpty Dumpty back together again and it is very difficult once it has been knocked off the wall.

With INS you said you may need as many as three times the resources. Mr. Barr asked us to hold a hearing in his district and he had 40,000 illegal aliens in the Dalton-Atlanta area, just north of Atlanta, I believe it is. And we found that we have almost doubled the budget for INS from about $1.8 million to—I think it is about $3.2 billion—$1.8 billion to $3.2—and we have gone from about 18,000 to I think over 30,000 some employees in INS. We heard the

same statistics in Atlanta that there were, I think, the same number or a couple fewer in the Atlanta area in INS.

Mr. AGOSTINI. INS has the largest budget of the four law enforcement agencies that are dealing with this problem, by far the largest budget. Do not get me wrong, the people from INS that are in Puerto Rico work very closely with us and they are very committed. It is just that they are not getting the resources from their central office. It is a problem of resources not going down there.

Mr. MICA. I think maybe our subcommittee will do a hearing just on where the allocation of the personnel are, because it is astounding. We have appropriated vast sums of money, we have almost a 50 percent increase in personnel and I cannot find them.

Mr. BARR. They are not in Georgia.

Mr. MICA. They are not in Georgia. They are not in Florida either. I just met with our HIDTA folks in central Florida and they had exactly the same complaint. So we will pursue that. I appreciate you bringing that to our attention.

And of course, bringing the military back into the effort I think is also very important. Our military are on patrol and active in any event protecting the country, but they did play an important part under the Reagan-Bush administration and we need to get them back. The latest statistics just handed me from the December 1999 GAO report, says the DOD's level of support to international drug control efforts has declined significantly since 1992. The number of flight hours has declined from 46,000 to 15,000 or down 68 percent from 1992 to 1998. So this confirms what you are saying. We have additional information the number of ship days declined from 4,800 to 1,800, a 62 percent decline over the same period.

Our committee and subcommittee are committed to getting the military back in and we think they can play an important role as they have done in the past. We appreciate you calling that to our attention.

Mr. BURTON. Mr. Mica, before I yield to Mr. Barr, let me just say that perhaps we could get members of the committee to send a letter and publicize it to the administration, pointing out these deficiencies and maybe force the issue a little bit.

Mr. Barr.

Mr. BARR. Thank you, Mr. Chairman. I appreciate your leadership and that of Mr. Mica on these issues and I appreciate you calling this hearing and allowing me to participate.

Mr. Attorney General, while you were giving us your oral testimony, I was cheating a little bit and reading your written testimony, which is every bit as eloquent, if not more so, than your oral testimony. I was particularly impressed with some of the steps that Puerto Rico took under your leadership, and your colleagues in the government, to do what you could to really seriously address the drug problem, as you have indicated today. It strikes me that it is very similar to what some other public officials have done, such as Mayor Guiliani in New York; he starts with the basics and concentrates on the basic, sort of grassroots policing. You focused on education and local policing and manpower and training.

Is there anything that you could, just very quickly tell us, based on your experience and some of the procedures and policies you implemented in Puerto Rico that helped turn—that have helped start

turning the problem around, that could perhaps be applied federally in terms of looking at resource allocation? I know you have indicated a couple of them and you have also indicated—I think you alluded to this and you address it very specifically in your written testimony, that the enemy out there, whether it is Fidel Castro, whether it is the Colombian cartel, they watch what is going on, the same as criminals here in the mainland watch what is going on with local police and DEA. They see where they are putting their resources and they react to it.

Are there any lessons that we could perhaps apply at the Federal level that have been successful under your leadership in Puerto Rico?

Mr. AGOSTINI. Well, I am very impressed with the level of training that the Federal Government provides to its agents and law enforcement people at the Federal level. I think that makes a huge difference and we have taken that at the local level and really capitalized on it. Puerto Rico now has the only law enforcement college accredited by the middle states. So when a policeman graduates from that academy in Puerto Rico, he has a college associate degree. So we are professionalizing the police force. And that is something that under the HIDTA program happens a lot. Every week we get lists of training capabilities available, not only for the Federal law enforcement agencies, but for the State law enforcement agencies. And if the Federal Government could take the lead in providing these training resources to the State police, and paying for them, because right now it comes out of our HIDTA budget so we are limited in the amount of training that we can give, and then again only to the people involved in HIDTA, in our HIDTA operation. If you could expand that to all the police force, all law enforcement at the State level, that would make a huge difference, I think, in the capabilities of allocating the limited resources we have.

Now the drug dealers have a very big advantage over us. They get on the Internet and they know every penny that we are going to spend fighting them and where we are going to spend it. We have limited budgets, they have unlimited budgets, they have all our information. So it is really hard allocating resources, especially when you do not have all the resources you need.

Mr. BARR. As we have touched on here, it is particularly troubling under the current administration in a couple of areas. One such area is the INS, even though we in Congress have appropriated—authorized and appropriated huge increases in INS moneys, they are not getting out to where they are needed, and that was the subject, as Mr. Mica said, of some field hearings we had in my district in Georgia.

I am also concerned, as is Mr. Mica and as was reflected in a December 1999 GAO study entitled "Assets DOD Contributes to Reducing the Illegal Drug Supply Have Declined Since 1992." It is not just a small decline in several areas that they indicate. In one case, in terms of the number of flight hours, it declined 68 percent, the number of ship days 62 percent. So these are not just minor blips or adjustments, these are major decreases.

If I could, Mr. Chairman, just ask one question. You mentioned, and I was particularly interested in the fact that under Puerto Rico

law electronic surveillance is not lawful, contrary to Federal law, that within the bounds of, for example, Title 3 intercepts and court supervision and so forth, electronic surveillance is a tool that is available to Federal law enforcement. Therefore, what you are saying, I think, is those cases that rely to any extent whatsoever on evidence gathered through electronic surveillance have to be investigated, prosecuted by the U.S. Attorney and the Assistant U.S. Attorneys. Has that, in light of a Federal law that I opposed, yet not withstanding that it went into effect in 1998, that seems to make Federal prosecutors possibly liable for involving themselves in legitimate Federal cases involving electronic surveillance if that electronic surveillance would be unlawful under State law—has that presented any problems that you are aware of?

Mr. AGOSTINI. No, it has not so far in Puerto Rico that I am aware of. The truth of the matter is that in the investigative side, the State law enforcement agencies are very active and what we do is we get PIN registers and Title 3s through the Federal prosecutors and we help investigate and monitor, put the case together and then it needs to be prosecuted by the U.S. Attorney's Office. The U.S. Attorney's Office in Puerto Rico has grown tremendously in the last 5 years, but the Federal judges remain the same. So there is just no way they can keep up with the amount of cases. Now it is not—if it were a law in Puerto Rico that prohibited electronic monitoring, we would have changed it a long time ago, but it is the Constitution. It is the Constitution that in 1952 was approved by this U.S. Congress that prohibits that kind of surveillance.

Mr. BARR. Thank you very much. If you do notice any problems in that area, let us know, as a result of this 1998 law.

Mr. AGOSTINI. Absolutely, sure.

Mr. BURTON. Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman, and I thank the committee again for coming down to south Florida.

I was interested in the explanation you gave of the different drug patterns, the flow, and I know you have been discussing that in the questions as well. You had mentioned several different access or several different patterns of drug flow. Were there four that you had mentioned, or how many?

Mr. AGOSTINI. Yes, four.

Ms. ROS-LEHTINEN. If you could go through those again, and I am interested in the one that also mentions Cuba as one of the—I do not know if that was in relation to Jamaica.

Mr. AGOSTINI. Yes, the Jamaica-Cuba-Bahamas is one corridor.

Ms. ROS-LEHTINEN. How do those flow from those islands to Puerto Rico?

Mr. AGOSTINI. I believe the representatives from Customs and DEA that are here today are probably better positioned to answer those questions as I am only directly involved with the Puerto Rico and eastern Caribbean.

Ms. ROS-LEHTINEN. What are the other corridors that you had quickly gone over?

Mr. AGOSTINI. The Haiti-Dominican Republic corridor; the Puerto Rico-United States-Virgin Island corridor and the eastern Caribbean corridor.

Ms. ROS-LEHTINEN. And do you suppose that 10 years ago, Puerto Rico would not have been listed as one of the corridors? Has this been a problem that has really become a crisis in the last 10 years? If so, when do you think that change took place? Also, what factors do you think have contributed to the role that Puerto Rico unfortunately enjoys now of being one of the transit points of these corridors that you mentioned? Is it that our enforcement has increased elsewhere and then they know that they have this open border that they can exploit? Is it that you lack the financial resources and the drug traffickers know that? What factors do you think have gone into putting Puerto Rico in the prominent place that it is now?

Mr. AGOSTINI. I think we need to go into a little historical fact finding to properly answer your question. Initially, drug trafficking was a trade conducted through a southwest border with Mexico. That is the way drug trafficking was conducted in the late 1950's, 1960's, early 1970's. And then resources—this Congress started sending resources to the southwest border and they started closing down that border. So they started using water equipment to get into the Texas, New Orleans area and little by little moving to the Florida peninsula.

Using the Florida peninsula developed the Caribbean corridor, the Bahamas, Florida, Cuba. And then resources started late 1970's and 1980's into Florida and the Bahamas, huge amounts of resources. That started closing down that corridor. So they adapted again and they moved to the Caribbean. That was in the late—that was actually early 1980's, mid-1980's.

What they discovered in Puerto Rico was that Puerto Rico was better than they ever thought because Puerto Rico had no representation in Congress, none to say that would be seeking funds to fight this problem. And then again, even if they were, there was no vote, there was just a voice. Once they were inside Puerto Rico, they were inside the Customs territory of the United States, so they could use commercial means to transport their drugs into the mainland United States. And third, the Government of Puerto Rico back then was totally unprepared to confront this problem and did not do much to attack it. It was not until 1993 when the tide turned, when Governor Rossello and Carlos Romero Barcelo were able to call the Federal Government's attention to this problem. Resources commenced to flow, HIDTA, Puerto Rico was named to HIDTA. The Governor induced huge amounts of money into our local law enforcement agencies, he doubled the police force, doubled their salaries, gave them resources, established the Police Academy which is now a college, professionalized the police force. All these things came together in about 1995 and then we saw this turnaround. I mean 30,000 pounds of cocaine in 1 year by our HIDTA only is quite impressive.

So we are seeing the change. And we are on the road to change, but if we keep sending resources to the southwest border alone and we do not help Puerto Rico and Florida, they are just going to readapt and come our way again. I mean not that they are gone by any stretch of the imagination, it is very active. But that is what we need to do.

These people adapt very, very easily and very quickly and we need to stay with them.

Ms. ROS-LEHTINEN. And just one more question. You would say then that the problem became worse 10 years ago, you had mentioned the 1980's, mid-1980's?

Mr. AGOSTINI. Fifteen years ago.

Ms. ROS-LEHTINEN. Fifteen years ago. And if you could say three things that you would most desperately need—you mentioned Blackhawk helicopters, you mentioned more agents, more judges. What three items, if you had to prioritize?

Mr. AGOSTINI. Agents, air and marine assets and Federal judges.

Ms. ROS-LEHTINEN. Thank you very much, it is a pleasure to have you here.

Mr. BURTON. Mr. Ose.

Mr. OSE. Thank you, Mr. Chairman.

Mr. Attorney General, I want to make sure I understand something. When you talk about these corridors, the four which you identified; one of them just kind of peaks my interest and that is the Haiti-Dominican Republic corridor that at the east end of the Dominican Republic puts the drugs 90 miles from Puerto Rico.

Now my recollection serves that we spent over the past 5 years somewhere on the order of $3 or $4 billion in Haiti in this nation-building exercise and yet, I do not see a—you would think that given that kind of investment in Haiti on the part of the United States, you would see a correlative or corroborative connection to some reduction over that period of time in the drug flow from west to east, ultimately into Puerto Rico and yet you told me that is not happening.

Mr. AGOSTINI. It is not happening.

Mr. OSE. Why?

Mr. AGOSTINI. My impression is that it has actually grown and there are people here that are going to be testifying before you who are probably better qualified than I am to answer that question. But my impression is that the development of a civil Government in Haiti has not addressed the law enforcement problems that exist there, that the Colombians have the ability of spending huge amounts of money also in Haiti, buying their way into huge stash houses down there where they then redistribute their drugs. And that problem is not being addressed the way it should.

Now you are talking—addressing that problem in Haiti is a very expensive, very labor-intensive proposition. I suspect that doing it ourselves is probably getting in over our heads.

Mr. OSE. You are suggesting that the policy of our involvement in Haiti has been a failure as to the drug problem.

Mr. AGOSTINI. Absolutely.

Mr. OSE. Has there actually been any focus within our policy on Haiti as put forth by the administration and State Department on the drug problem?

Mr. AGOSTINI. I would imagine that there is, but then again, U.S. Customs and DEA are probably better qualified to answer than question than I am.

Mr. OSE. Well, then we may well go over this subject again. Mr. Chairman, I yield back. Thank you.

Mr. BURTON. The gentleman yields back his time. Mr. Barcelo, welcome.

Mr. ROMERO-BARCELO. Thank you, Mr. Chairman, I appreciate and thank you for the invitation to allow me to participate with the panel. And I just want to congratulate you for holding this hearing, I think it is very, very important and definitely the most important issue in Puerto Rico is the crime issue. Although we have accomplished many things, we are still not happy with what we have and we want to improve it a lot more.

I want to congratulate the Attorney General for his extraordinary presentation today. I think it was very, very eloquent and very informative. We are sorry to see that you are not going to be with us any more, we really are.

I wanted to touch base on a couple of things and I wanted to just briefly go through history to make sure that people also know how long we have been dealing with this. I was elected mayor back in 1968 and in 1969 and 1970 I became aware of the drug problem that we had in Puerto Rico. Since then, I started coming to the FBI in Washington, to the United States Attorney's Office, the Attorney General, trying to get a task force put together in Puerto Rico. I was not able to do that for my 8 years in office, and I visited both the FBI and the Department of Justice many, many times.

Then finally, when we had the Pan American Games in Puerto Rico, we did such a good job on the security of those games, that then the President sent—Ambassador Carter was his name—and he said what would you like, the President wants me to offer you something that we can do for you, you were so successful with the security. I said let us have a task force in Puerto Rico for the drug interdiction and for organized crime and for terrorism.

Finally, a task force was put together but it was not adequately funded. Then after—at that time, I was already Governor. Then when I lost the elections, the communication between the local Puerto Rican agencies and the Federal agencies was disrupted. They were not trusting each other any more, particularly the Federal agencies were not trusting the people in the Justice Department in Puerto Rico, nor the Police Department because leaks were coming out. So the whole task force fell apart. After 1993, the High Intensity Drug Trafficking Area efforts have come about and they have done a tremendous job. I have been asking for something like this for many, many, many years and people were overlooking the situation in Puerto Rico. It was starting to get more and more serious all the time.

So I am happy that a lot is being done, but as you say, a lot still needs to be done.

I have some figures that were given to me by your office that says that in the Mexican corridor last year, 1998, 44 percent of the cocaine that was transported was seized, whereas in the Caribbean corridor, only 11 percent of the cocaine that was transported was seized. I think those are very, very telling data. Am I correct on that information?

Mr. AGOSTINI. Yes, you are, and these, I need to make clear, are estimates, our best estimates that we can come up with, but those numbers are correct, yes.

Mr. ROMERO-BARCELO. And then the other thing that you mentioned was that now, there used to be—3 out of 10 murders used

to be drug-related and now even though we have reduced murders substantially, but now 8 out of 10 murders are drug-related.

Mr. AGOSTINI. That is a very precise statistic, yes.

Mr. ROMERO-BARCELO. Since a lot of the drugs are coming in, and as you mentioned there is the Dominican cartel and the Colombian cartels are controlling the drug traffic, how many of those murders do you know, what percentage of those murders were committed by illegal or undocumented aliens?

Mr. AGOSTINI. It is a significant percentage but the truth of the matter is that the largest percentage is by Puerto Rican organizations. Because of our effectiveness in taking out complete organizations, drug organizations, and creating vacuums, that vacuum will try to be filled by various other organizations, so what happens is that they start shooting each other out to fill that vacuum. And that is what is happening, that is why it is drug-related murders that we are seeing, 80 percent of the murders.

Mr. ROMERO-BARCELO. Another problem that we have, we have strict gun control laws in Puerto Rico, but there are a lot of illegal guns. I have not heard you discussing that and obviously the illegal gun traffic also affects—the drug groups, the cartels and the gangs are heavily armed and we see them when the police go in to do something, sometimes they have superior arms to the police.

Mr. AGOSTINI. Yes, that is a huge problem. We are finding—and this is an ATF statistic—that 80 percent of the illegal weapons that are being brought to Puerto Rico are being brought from Florida.

Mr. ROMERO-BARCELO. So there is a two-way connection.

Mr. AGOSTINI. It is so easy to purchase weapons in some of the States that anybody—they buy 20–30 weapons in different places and then they put them altogether and bring them to Puerto Rico and sell them off.

Mr. ROMERO-BARCELO. They probably send them through containers.

Mr. AGOSTINI. Containers or they are using Federal Express to get them down here or they are using other commercial means to get them to Puerto Rico.

Mr. ROMERO-BARCELO. So as you leave us now as the Secretary of Justice in Puerto Rico, what would be your recommendations as to what should be emphasized on in the next years?

Mr. AGOSTINI. Well, I think I have expressed already the three areas that I think are the most important. We need to have response capabilities. If we put all these resources out there to gather the intelligence and we cannot respond to that, it is as good as not having it. And we are spending huge amounts of money in radar and I am asking for the armed forces to give us more intel and we are asking for helicopters to gather more intel and if we cannot respond after we have all that intelligence, then we are not doing anything. And another thing is we need to be able to prosecute all these cases.

Mr. Mica asked a question a little while ago and I expressed to him one of the things I think the Federal Government should be doing. There is a second thing that comes to mind. One of the successes we have seen in Puerto Rico in having the Federal law enforcement agencies work together is because of the limited resources and because we can maximize that through the funds of

the HIDTA. And what I have become perceptively inclined to think is that the way in which the Federal law enforcement agencies are measured every year to provide them with their budgets creates a situation where they try to not share information with one another. Customs does not want to give information to DEA, DEA does not want to give it to FBI because then what happens is that FBI claims that they broke this case and that is the way they are measured.

So what is happening is that because they are fighting each other to get their fair share of the budget, they are trying to keep their information so that they can be measured through that information. And I think it is a very unfair system, because I think they are all being very effective, they are all working very hard and until they start sharing all their information, they are not going to be all as effective as they can be. That sharing of information is occurring in Puerto Rico, that is why we have the best intelligence center in the whole nation and that needs to be exported somehow to the rest of the nation.

Mr. ROMERO-BARCELO. Thank you very much.

Mr. BURTON. Thank you, Mr. Barcelo.

Mr. Attorney General, I want to thank you very much for coming up here. We will take the information that you have given us and we will try to draft a letter to the parties that ought to be addressed, the President and the Secretary of State and the head of DEA and others, and ask them why there has been cuts in the funding for these various areas and why there is not more appropriations being made for the things that you have mentioned. And we will go through those and enumerate those and I will send you a copy of that letter.

I really appreciate you being here, we appreciate the fine job you have done as Attorney General, we are going to miss you down there, but I am sure we will see you again in the future.

Mr. AGOSTINI. I am sure you will.

Mr. BURTON. Thank you very much.

We will now go to our second panel of Mr. Ledwith, the Chief of Foreign Operations for DEA; Mr. Vigil, Special Agent in Charge of the Caribbean Division of DEA; Mr. Varrone, who is the Executive Director of Customs.

That is all the panelists we have, the three? OK, very good.

Because we want to get your sworn testimony, would you all rise and raise your right hands, please?

[Witnesses sworn.]

Mr. BURTON. Thank you very much, be seated.

I presume you each have an opening statement. If not, we will go to questions, but we will start with Mr. Ledwith and we will go right down the line.

STATEMENTS OF WILLIAM E. LEDWITH, CHIEF OF FOREIGN OPERATIONS, DRUG ENFORCEMENT ADMINISTRATION; MICHAEL S. VIGIL, CHIEF AGENT IN CHARGE, CARIBBEAN FIELD DIVISION, DRUG ENFORCEMENT ADMINISTRATION; AND JOHN C. VARRONE, EXECUTIVE DIRECTOR, OPERATIONS, EAST, U.S. CUSTOMS SERVICE

Mr. LEDWITH. Mr. Chairman and members of the full committee, thank you for this opportunity to speak on behalf of the Drug Enforcement Administration concerning drug trafficking in the Caribbean.

I will provide a general overview, with particular focus on Cuba. Special Agent in Charge of our San Juan office, Michael Vigil, who follows me, will concentrate on Puerto Rico.

I have a written statement and with your permission, I wish to submit it for the record, sir.

Mr. BURTON. Without objection.

Mr. LEDWITH. The Caribbean has long been an important zone for drugs entering the United States and Europe from South America. The drugs are transported through the region of both the United States and Europe via a wide variety of routes and methods. Maritime vessels are the primary means used by traffickers to smuggle large quantities of cocaine through the Caribbean to the United States. Small launches with powerful motors, known as go-fast boats, bulk cargo freighters and containerized cargo vessels are the most common conveyances for moving large quantities of cocaine through the region. Drug traffickers also routinely transport smaller quantities of cocaine from Colombia to clandestine landing strips in the Caribbean via single or twin engine aircraft and air drop cocaine loads to waiting land vehicles and/or maritime vessels.

Compared to cocaine, heroin movement through the Caribbean is limited. Almost all of the heroin transitting the Caribbean originates in Colombia. Couriers generally transport kilogram quantities of Colombian heroin on commercial flights from South American to Puerto Rico or the continental United States. They sometimes make one or two stops at various Caribbean islands in an effort to mask their original point of departure from law enforcement.

The Interagency Assessment of Cocaine Movement [IACM], in which the DEA participates, provides estimates on the cocaine tonnage transitting through various countries including Jamaica, Haiti, the Dominican Republic, the Bahamas and Cuba. From July 1998 through June 1999, the IACM estimated that approximately 110 metric tons transitted through these countries. Of this amount, approximately 54 metric tons or 49 percent of the total that is estimated, transitted Haiti and 32 metric tons or 29 percent of the total transitted the Bahamas. During this period the IACM estimated that 1.85 metric tons or 1.7 of the total transitted Cuba.

The Caribbean region continues to play an important role in the transportation of cocaine from South America to Europe also. Cocaine is transported to Europe through the Caribbean primarily in commercial container cargo or concealed in medium to large merchant vessels. Spain is the primary original destination of this cocaine. Colombian drug traffickers prefer forming alliances with drug traffickers in Spain, where there is no language barrier and

Colombian drug traffickers can move about with more anonymity than in other European countries. The Netherlands and Belgium are other focal points currently used by Colombian drug trafficking organizations to distribute cocaine in Europe.

Containers are loaded with cocaine in South American ports. The cocaine is sometimes concealed in the merchandise itself but, more often, in false compartments constructed within the containers. The containers are often transshipped through various ports in South America, Central America and the Caribbean while en route to these European ports. While Spain has remained the primary initial destination of the cocaine, recent seizures indicate large cocaine shipments were destined for ports in the Mediterranean and northern Europe as well.

Large quantities of cocaine also are clandestinely loaded aboard medium to large merchant vessels in the Caribbean.

Countries in Europe are experiencing an increase in drug above and a concomitant increase in the flow of cocaine from South America. Over the past 10 years, cocaine seizures in Europe have increased dramatically, indicating an increase in demand. In 1988, a total of 5.7 metric tons of cocaine hydrochloride was seized in Europe. By 1997, the total had risen to over 40 metric tons. Demand has driven the price of cocaine in Europe to levels even above those found in the United States today. In 1998 the price range for 1 kilogram of cocaine sold in the United States was between $10,000 and $36,000. During 1998, the average price of a kilogram of cocaine in Spain was $41,000. The price disparity between Europe and the United States has provided a significant incentive for Colombian drug traffickers to expand their marketing efforts to Europe as well as the United States.

The island of Cuba lies in a direct air and maritime path from South America to Florida. While the Government of Cuba's performance in interdicting narcotics has been mixed, the Cuban Government has recently strengthened agreements with several other governments. Cuban authorities occasionally have arrested individual drug traffickers. Historically, however, the Cuban Government has not responded aggressively to incursions by these traffickers in the Cuban territorial waters or air space. Cuba has argued that it lacks "the naval means" and other resources to patrol all of its air space and territorial waters. At the same time, it does not routinely permit U.S. interdiction assets to enter its territory.

Drug traffickers continue to use Cuban waters and air space to evade United States interdiction assets. Go-fast boats from Jamaica routinely travel just inside Cuban waters to avoid contact with United States enforcement vessels. Traffickers also use small aircraft to transport cocaine from clandestine airfields in the Guajira Peninsula in Colombia through Cuban air space. Cocaine may then be air dropped and later retrieved by go-fasts that take the drugs to the Bahamas for further transshipment to the United States. It should be noted that in 1999, the number of these suspected drug flights over Cuban territory has declined, compared to the increase that was noted in 1998.

According to Cuban police reporting provided to the Colombian Government, Cuban law enforcement has made occasional arrests of drug couriers. The majority of these couriers were transporting

kilogram quantities of cocaine to European countries, although occasional deliveries were made to traffickers operating in Cuba. Cuban authorities have reported to the Colombian authorities only limited instances of heroin couriers traveling through Cuba.

Commercial vessels, which transport cocaine from South America to Europe also may load legitimate cargo in Cuban ports. These vessels transit other Caribbean, Central American or South American ports.

In addressing the role of Cuba in the international drug trade, DEA must rely on international media sources, as well as other foreign law enforcement agencies, for much of our information regarding drug arrests and seizures by Cuban authorities. Since DEA does not have a presence in Cuba, we cannot independently corroborate much of the reporting on alleged Cuban involvement in drug trafficking.

The December 1998 seizure of 7.254 metric tons of cocaine in the Colombian port of Cartagena is one example of drugs apparently destined to transit Cuba which has received a great deal of attention. The Colombian National Police found the cocaine sophisticatedly concealed in compartments within maritime shipping containers. The containers were manifested for shipment to Cuba. DEA and other U.S. counterdrug agencies have been aggressively and meticulously pursuing the investigation of this cocaine shipment. At this point in our investigation, we have no information that suggests that this particular shipment was destined for the United States. The information we do have, which we are attempting to independently corroborate, indicates that this shipment was destined for Spain.

Investigations by the Colombian National Police, the DEA Bogota Country Office, the DEA Madrid Country Office, the Spanish National Police and the Cuban Federal Police to date have not developed direct evidence of the ultimate destination of the cocaine.

Drug trafficking organizations generally do not ship multi-ton cocaine shipments by a specific route or method without first testing the pipeline. Information provided by the Cuban Police to the Colombian National Police indicated that the same companies involved with the shipment seized in Cartagena made at least four previous shipments of containers with hidden compartments. In each of these four shipments, containers that originated in Cartagena were shipped from Cuba to Spain.

Information also provided by the Cuban Police to the Colombian National Police indicated the Cuban Police searched the premises in Havana of businesses associated with the Cartagena seizure. Cuban Police reports to the Colombian Police the discovery of four containers that appeared to have been outfitted with false compartments. The four containers bore the serial numbers of containers previously shipped from Cartagena through Cuba to Spain. None of the agencies investigating the seizure have been able to obtain direct evidence that any of the containers in the four shipments contained cocaine.

DEA is vigorously engaged in a comprehensive investigation of all aspects of this seizure. We are cooperating extensively with authorities in Colombia and Spain. Special agents from DEA headquarters are assigned to the Cartagena seizure investigation. A

senior supervisory special agent is assigned the oversight of the investigation and is coordinating the compilation of all information involving Cuba.

My office is also working closely with our offices in Colombia and Spain to review all existing documents, assist in ensuring all previous leads are followed, and in developing any new leads. I want to thank the committee for the information you provided, including audio tapes and transcripts. I assure the committee that all information derived from these sources will be factored into our investigation.

A priority of DEA is to obtain independent corroboration of all information and evidence acquired in this investigation. This will include working to corroborate all foreign police reports to the greatest extent possible. All of the reports are being reviewed by the headquarters intelligence research specialists assigned to this investigation.

Last month, DEA coordinated a visit to Colombia and Spanish authorities. Spanish authorities, Colombian authorities and special agents from DEA met to review evidence and to discuss sources and methods for developing new information and evidence regarding the alleged drug trafficking between Colombia and Spain.

In any investigation, the DEA does not rule out any possibility until the investigation is concluded. As new information is developed, the investigative direction is always subject to change.

The primary focus, after the information is obtained, is to develop evidence that can be used in criminal prosecutions and corroborate evidence of meet evidentiary standards.

While I cannot comment on the details of an ongoing investigation in a public forum, I assure you that DEA continues to expend every effort on the investigation of the Cartagena shipment.

I will gladly answer any questions you may have.

Mr. BURTON. Mr. Vigil.

[The prepared statement of Mr. Ledwith and Mr. Vigil follows:]

Remarks by

William E. Ledwith
Chief of International Operations

and

Michael S. Vigil
Special Agent in Charge
Caribbean Field Division

Drug Enforcement Administration
United Stated Department of Justice

before the

House
Committee on Government Reform

regarding

Drug Trafficking in the Caribbean: Cuba and Puerto Rico

Sweetwater City Hall
500 S.W. 109th Avenue
Sweetwater, Florida
January 4, 2000

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

Statement of William E. Ledwith
Chief of International Operations
Drug Enforcement Administration
January 4, 2000

Thank you, Mr. Chairman, for this opportunity to speak on behalf of the DEA on the general subject of drug trafficking in the Caribbean, with a particular focus on Cuba and Puerto Rico. I have a written statement to submit for the record, with your permission. Allow me to begin by discussing trafficking patterns in the Caribbean.

DEA's mission is to protect American citizens from drug traffickers by enforcing the drug laws of the United States. A major means of accomplishing this mission is DEA's ability to target the command and control of the most significant international drug trafficking organizations operating in the world today. Several of these organizations smuggle their poison into the United States through the Caribbean.

The international drug syndicates operating throughout our hemisphere are resourceful, adaptable and extremely powerful. These syndicates have an unprecedented level of sophistication and are more powerful and influential than any of the organized crime enterprises preceding them. Traditional organized crime syndicates, operating within the United States from the turn of the century to the present, simply cannot compare to the Colombian and Mexican drug trafficking organizations functioning in this hemisphere. These drug trafficking organizations have at their disposal an arsenal of technology, weapons and allies, corrupted law enforcement, and government officials enabling them to dominate the illegal drug market in ways not previously thought possible. The leaders of these drug trafficking organizations oversee a multi-billion dollar cocaine and heroin industry that affects every aspect of American life.

TRAFFICKING THROUGH THE CARIBBEAN TO THE UNITED STATES:

The Caribbean has long been an important transit zone for drugs entering the United States and Europe from South America. The drugs are transported through the region, to both the United States and Europe, through a wide variety of routes and methods.

The primary method for smuggling large quantities of cocaine through the Caribbean to the United States is via maritime vessels. Go-fast boats (small launches with powerful motors), bulk cargo freighters, and containerized cargo vessels are the most common conveyances for moving large quantities of cocaine through the region. Drug traffickers also routinely transport smaller quantities of cocaine from Colombia to clandestine landing strips in the Caribbean, using single or twin-engine aircraft. Traffickers also airdrop cocaine loads to waiting land vehicles and/or maritime vessels.

Couriers transport smaller quantities of cocaine on commercial flights from the Caribbean to the United States. Couriers transport cocaine by concealing small multi-

kilogram quantities of cocaine on their person or in baggage. Couriers also transport small quantities (up to one kilogram) of cocaine by ingesting the product.

Compared to cocaine, heroin movement through the Caribbean is limited. Heroin is generally not consumed in the Caribbean, but rather is transshipped to Puerto Rico or the Continental United States. Almost all of the heroin transiting the Caribbean originates in Colombia. Couriers generally transport kilogram quantities of Colombian heroin on commercial flights from South America to Puerto Rico or the Continental United States, concealing the heroin on their person or in baggage. Couriers also transport smaller quantities (up to one kilogram) of heroin by concealing the heroin through ingestion. The couriers sometimes make one or two stops at various Caribbean islands in an effort to mask their original point of departure from law enforcement.

Jamaica remains the only significant Caribbean source country for marijuana destined to the United States. Go-fast boats from Jamaica often transport multi-hundred kilogram quantities of marijuana through Cuban and Bahamian waters to Florida.

The Caribbean also plays an important role in drug-related money laundering. Many Caribbean countries have well-developed offshore banking systems and bank secrecy laws that facilitate money laundering. In countries with less developed banking systems, money is often moved through these countries in bulk shipments of cash – the ill-gotten proceeds of selling illicit drugs in the United States. The ultimate destination of the currency and/or assets is other Caribbean countries or South America

A few statistics will illustrate the magnitude of the problem posed by South American cocaine flowing through the Caribbean to the United States. The Interagency Assessment of Cocaine Movement (IACM), in which the DEA participates, provides estimates on the cocaine tonnage transiting various countries including Jamaica, Haiti, the Dominican Republic, The Bahamas, and to Cuba. The following table of IACM data provides estimated cocaine flow in metric tons through these countries to the United States from July 1998 through June 1999.

Estimated Cocaine Flow in Metric Tons from July 1998 through June 1999

	3Q/CY98	4Q/CY98	1Q/CY99	2Q/CY99	TOTAL
Jamaica	4.9	2.55	5.75	3	16.2
Haiti	7.728	17.97	16.25	11.941	53.889
The Dominican Republic	2.411	1.513	3.96	1.95	5.91
The Bahamas	16.33	5.7	9.047	.925	32.002
Cuba	1.35	.5	0	0	1.85

TRAFFICKING THROUGH THE CARIBBEAN TO EUROPE:

The Caribbean region continues to play an important role in the transportation of cocaine from South America to Europe. Cocaine is transported to Europe through the Caribbean primarily in commercial container cargo or concealed in medium-to-large merchant vessels. Spain is the primary destination of this cocaine. Colombian drug

traffickers prefer forming alliances with Spanish drug traffickers. In Spain, there is no language barrier and the Colombian drug traffickers can move about with more anonymity than in other European countries. The Netherlands and Belgium are other focal points currently used by Colombian drug trafficking organizations to distribute cocaine to Europe. Colombian organizations exploit the commercial links that exist between the Netherlands Antilles and the European markets in Holland and Belgium

Containers are loaded with cocaine in South American ports. The cocaine is sometimes concealed in the merchandise itself but, more often, in false compartments constructed within the container. The containers are often transshipped through various ports in South America, Central America and the Caribbean while enroute to European ports. While Spain has remained the primary initial destination of the cocaine, recent seizures indicate large cocaine shipments were destined for ports in the Mediterranean and northern Europe.

Large quantities of cocaine are also clandestinely loaded aboard medium to large merchant vessels in the Caribbean. Merchant vessels destined for Europe call at various ports in the Caribbean to load legitimate cargo. At some point in the journey to Europe, the vessels will sail near the Colombian or Venezuelan Caribbean coasts where go-fast boats rendezvous with the merchant vessels and load large quantities of cocaine. The cocaine may then be stored in false compartments constructed in the merchant vessel and then transported to locations near the European coast. The cocaine can then be loaded onto go-fast boats and clandestinely off-loaded at various locations on the European coast

Countries in Europe are experiencing an increase in drug abuse and a concomitant increase in the flow of cocaine from South America. Over the past 10 years, cocaine seizures in Europe have increased dramatically. In 1988, a total of 5.7 metric tons of cocaine HCl was seized in Europe. In 1997, the total rose to 40 metric tons. This increase in seizures is an indicator of increased demand for cocaine in Europe. The increase in demand has driven the price of cocaine in Europe to levels above those found in the U.S. In 1998, the price range for one kilogram of cocaine sold in the U.S. was $10,000 to $36,000. During the same period, the price of cocaine in Europe ranged from a low of $12,000 per kilogram in the Netherlands to a high of $55,000 per kilogram in Germany. During 1998, the average price of a kilogram of cocaine in Spain was $41,000. This disparity in price between Europe and the United States is a significant incentive for Colombian drug traffickers to expand their marketing efforts in Europe.

CUBA'S ROLE IN THE DRUG TRADE:

The island of Cuba lies in a direct air and maritime path from South America to Florida. As Cuba expands its foreign trade relations, its territory will become more vulnerable to exploitation by international criminals seeking to establish new bases of operation for illegal activities, including drug trafficking. Understanding these changing trafficking trends is vital in order to take effective measures to stem the flow of drugs.

While the Government of Cuba's performance in interdicting narcotics has been mixed, the Cuban Government has recently strengthened agreements with several governments – including the United Kingdom, Italy, the Bahamas, and France – as well as the United Nations Office for Drug Control and Crime Prevention (UNODCCP). Cuban authorities, on occasion, have arrested individual drug traffickers; but, historically, the Cuban government did not respond aggressively to incursions by these traffickers into Cuban territorial waters and airspace. Cuba has argued that it lacks the "naval means" and other resources to patrol all of its airspace and territorial waters while, at the same time, it does not routinely permit U.S. interdiction assets to enter its territory.

Drug traffickers continue to use Cuban waters and airspace to evade U.S. interdiction assets. Go-fast boats from Jamaica routinely travel just inside Cuban waters to avoid contact with U.S. vessels. Traffickers also use small aircraft to transport cocaine from clandestine airfields on the Guajira Peninsula in Colombia through Cuban air space. The cocaine may then be airdropped and later retrieved by go-fasts that take the drugs to The Bahamas for further transshipment to the United States. It should be noted that, in 1999, the number of these suspected drug over-flights of Cuban territory has declined compared to the number in 1998

According to Cuban police reporting provided to the Colombian Government, Cuban law enforcement has made occasional arrests of drug couriers. The majority of these couriers were transporting kilogram quantities of cocaine to European countries, although occasional deliveries were made to traffickers operating in Cuba. Cuban authorities have reported to the Colombian authorities only limited instances of heroin couriers traveling to Cuba.

Commercial vessels, which transport cocaine from South America to Europe, may also load legitimate cargo in Cuban ports. These vessels transit other Caribbean, Central American or South American ports. At some time during the voyage, the vessel may sail near the Colombian or Venezuelan coast. Cocaine may then be clandestinely loaded aboard these vessels.

In addressing the role of Cuba in the international drug trade, DEA must rely on international media sources, as well as other foreign law enforcement agencies, for much of our information regarding drug arrests and seizures by Cuban authorities. DEA does not have a presence in Cuba. Therefore, we have no formal contacts with Cuban authorities, and we cannot independently corroborate much of the reporting on alleged Cuban involvement in drug trafficking.

THE CARTAGENA SEIZURE

The December 1998 seizure of 7.254 metric tons of cocaine in the Colombian port of Cartagena is one example of drugs apparently destined to transit Cuba -- which has received a great deal of attention. The Colombian National Police found the cocaine sophisticatedly concealed in compartments within maritime shipping containers. The

containers were manifested for shipment to Cuba. DEA, and other U.S. counterdrug agencies have been aggressively and meticulously pursuing the investigation of this cocaine shipment. I outline below some of the steps we have taken since my last appearance before this committee. At this point in our investigation, we have no information that suggests that this shipment was destined for the United States. The information we do have, which we are attempting to corroborate, indicates that the shipment was destined for Spain.

The 7.254 metric tons of cocaine destined for Havana, Cuba and seized in Cartagena, Colombia in December 1998, was unquestionably a significant amount of illegal drugs. Investigations by the Colombian National Police, the DEA Bogota Country Office, the DEA Madrid Country Office, the Spanish National Police and the Cuban Federal Police, to date, have not developed direct evidence of the ultimate destination of the cocaine. Drug trafficking organizations generally do not ship multi-ton cocaine shipments by a specific route or method without first testing the "pipeline." Information provided by the Cuban Police, to the Colombian National Police, indicated that the same companies, involved with the shipment seized in Cartagena, made at least four previous shipments of containers. In each of these four shipments, containers that originated in Cartagena were shipped from Cuba to Spain.

Information also provided by the Cuban Police to the Colombian National Police indicated the Cuban Police searched the premises in Havana of businesses associated with the Cartagena seizure. The Cuban Police reported the discovery of four containers that appeared to have been outfitted with false compartments. The four containers bore the serial numbers of containers shipped from Cartagena through Cuba to Spain. None of the agencies investigating this seizure have been able to obtain direct evidence that any of the containers in the four shipments described above contained cocaine.

DEA is vigorously engaged in a comprehensive investigation of all aspects of this seizure. We are cooperating extensively with authorities in Colombia and Spain. Special Agents from DEA Headquarters are assigned to the "Cartagena seizure investigation." A Senior Supervisory Special Agent is assigned oversight of the investigation and is coordinating the compilation of all information involving Cuba. Another Senior Supervisory Special Agent and a Supervisory Special Agent, as well as, two Intelligence Research Specialists, are also assigned to assist in this effort. This group is assisting DEA Headquarters, the DEA Bogota Country Office, the DEA Madrid Country Office and other foreign and domestic DEA offices to coordinate all aspects of this investigation in a timely manner.

The DEA Office of International Operations is working closely with the DEA Bogota Country Office and the DEA Madrid Country Office to review all existing documents, assist in ensuring all previous leads are followed, and in developing new leads. I want to thank the Committee for the information you provided, including audio tapes and transcripts. I assure the Committee that all information derived from these sources will be factored into our investigation.

A priority of DEA is to obtain independent corroboration of all information and evidence acquired in this investigation. This will include working to corroborate all foreign police reports to the greatest extent possible. All of the reports are being reviewed by the Headquarters Intelligence Research Specialists assigned to this investigation.

The DEA Madrid Country Office, the DEA Bogota Country Office and the DEA Office of International Operations coordinated the December 1999 visit to Colombia of Spanish authorities. The Spanish authorities, the Colombian officials, and the DEA met to review evidence and to discuss sources and methods for developing new information and evidence regarding the alleged drug trafficking between Colombia and Spain.

In any investigation, the DEA does not rule out any possibility until the investigation is concluded. As an investigation proceeds, DEA investigators review all available information. This review provides DEA investigators with an assessment of the information and investigative direction to follow. As new information is developed, the investigative direction is always subject to change.

The primary focus, after the information is obtained, is to develop evidence that can be used in criminal prosecutions and corroborate evidence to meet evidentiary standards. DEA investigators always seek to locate any information or evidence that provides a factual basis for criminal charges. If there is doubt about the validity of information or evidence, DEA investigators seek to either prove or disprove it. The DEA is applying these investigative principles to the Cartagena investigation.

There have been many instances in which evidence was discovered in the latter stages of an investigation, resulting in a change in the direction of the investigation. There have also been instances in which evidence initially determined to be factual has been disproved, resulting in a change in the direction of the investigation. While I cannot comment on the details of an ongoing investigation in a public forum, I assure you that DEA continues to expend every effort on the investigation of the Cartagena shipment.

Now, I would like to have SAC Vigil discuss issues specific to Puerto Rico.

Statement of Michael S. Vigil
Special Agent in Charge, San Juan Field Division
Drug Enforcement Administration
January 4, 2000

Mr. Chairman, thank you for this opportunity to speak on behalf of the Drug Enforcement Administration regarding Puerto Rico. With your permission, I wish to submit my written statement for the record.

As you have heard from Mr. Ledwith, the Caribbean is a major transit zone for drugs entering the United States from South America. Within that area, Puerto Rico provides a particularly significant link between South America and the Continental United States. The island is singular in the opportunities it provides for traffickers, as well as the challenges it creates for law enforcement.

DRUG TRAFFICKING THROUGH PUERTO RICO:

More than ever, international drug trafficking organizations utilize Puerto Rico as a major point of entry for the transshipment of multi-ton quantities of cocaine being smuggled into the United States. Puerto Rico has become known as a gateway for drugs destined for cities on the East Coast of the United States. Puerto Rico's 300-mile coastline, the vast number of isolated cays, and six million square miles of open water between the U.S. and Colombia, make the region difficult to patrol and ideal for a variety of smuggling methods.

Puerto Rico is an active Caribbean sea and air transportation thoroughfare. The island boasts the third busiest seaport in North America and fourteenth busiest in the world, as well as approximately 75 daily commercial airline flights to the Continental United States. This presents an attractive logistical opportunity for drug trafficking organizations. The sheer volume of commercial activity is the traffickers' greatest asset. Criminal organizations have utilized their financial capabilities to corrupt mechanics; longshoremen; airline employees; and ticket counter agents; as well as government officials and others, whose corrupt practices broaden the scope of the trafficking.

Not only has corruption of legitimate business become a problem on the island, but Colombian drug trafficking organizations will routinely pay local criminal transportation organizations up to 20 percent of their product (cocaine) for their services. This form of payment has acted as a catalyst for the development of a very profitable, but competitive, local distribution market. The interaction between Colombian drug traffickers and local transporters, along with the resulting distribution market, is commonly referred to as the "spill-over effect." This "spill-over effect" has resulted in an increase in violence and bloodshed within the Puerto Rican community. It is estimated that about 80 percent of all documented homicides in Puerto Rico are drug related. Law enforcement efforts are further impeded by the close-knit relationships shared by the drug trafficking organizations which have developed and fostered over the years.

Only 360 miles from Colombia's North Coast and 80 miles from the East Coast of the Dominican Republic, Puerto Rico is easily reachable by twin engine aircraft hauling payloads of 500 to 700 kilograms of cocaine. The "go-fast" boats make their round trip cocaine runs to the Southern coast of Puerto Rico in less than a day. Today, cocaine and heroin traffickers from Colombia have transformed Puerto Rico into the largest staging area in the Caribbean for illicit drugs destined for the U.S. market.

Once the illicit narcotics are smuggled into Puerto Rico, they are routinely stored in secluded, mountainous areas of the island until transportation to the Continental United States can be arranged. The contraband is then repackaged into smaller shipments in preparation for the move. The narcotics are smuggled out of Puerto Rico via commercial maritime vessels and on commercial airlines, either in the possession of couriers, or concealed in cargo.

PERSONNEL CHALLENGES:

The open use of the Caribbean as a narcotics transshipment center has created a public safety crisis in Puerto Rico, and DEA must assign resources to the island to address this threat. Although this is necessary, we have had continuing difficulties retaining federal law enforcement personnel in the Commonwealth of Puerto Rico. Few personnel from the Continental United States are willing to accept a transfer to Puerto Rico, and those who do so often want to leave soon after arrival. Such quality of life issues as inadequate public services, unreliable utilities, limited accessibility of medical care, the high cost of living, an exclusionary social structure, limited availability of appropriate schools for dependent children, and the high incidence of crime have contributed to early turnover and family separations.

As a result, DEA has in place a variety of incentive packages for Special Agents, Diversion Investigators, and Intelligence Analysts relocating to Puerto Rico.

- Relocation incentives of up to 25% of base pay (not to exceed $15,000) are tied directly to remaining in Puerto Rico.

In addition, we have:

- a Foreign Language Bonus Program of up to 5% of base pay;
- a Tour of Duty Office of Preference offer upon completion of the assignment;
- Administrative leave available to find adequate housing and complete moving arrangements;
- 5 year, Government funded access, in the San Juan area, to Department of Defense schools (This now includes the children of support personnel.);
- additional Home Leave, granted upon extension of assignment;
- Security assistance for threatened employees, ranging from home and personal automobile security systems to removal from the area;
- a 10% Cost of Living adjustment; and
- Department of Defense Commissary privileges for individuals on tour agreements.

While the present incentives have proven to be partial solutions, they have not increased the average length of tour in Puerto Rico beyond two years. DEA is focusing on the personnel retention issue with a variety of proposals. The non-pay related initiatives are:

- an expanded Family Liaison program, based on the current FBI program of one specialist, to include additional staff and resources and to provide assistance to all Department of Justice employees, including DEA (This has been funded in the FY2000 Appropriation at the $500,000 level.); and
- the provision of security systems to homes and personal vehicles of all Drug Enforcement Administration employees in Puerto Rico.

PUERTO RICO RESOURCES FY 1997-2000

Since FY 1997, DEA has increased the special agent resources to the Caribbean. In that time, a total of 47 agents have been added to the Caribbean Field Division, 36 of which are assigned to Puerto Rico. The remaining agents have been assigned to regional offices within the Caribbean Field Division, including Jamaica, Haiti, Trinidad and Santo Domingo.

Congress has also provided $20,400,000.00 since 1997 for advanced technical, maritime, and aviation equipment (including two helicopters) to support regional operations in the Caribbean.

In our FY 2000 appropriation, DEA received an additional 17 positions (11 Special Agents) and $2.4 million for drug enforcement operations in Puerto Rico, as well as the funds to enhance quality of life issues, as noted above.

ENFORCEMENT OPERATIONS/INITIATIVES:

There are presently 74 Special Agents, constituting six enforcement groups, assigned to the Caribbean Field Division (CFD). Five groups are earmarked for specialized enforcement initiatives. They are as follows: one High Intensity Drug Trafficking Area (HIDTA), two task forces, a money laundering group, and an airport group. Each group possesses expertise in a specific domain and fully exploits it, to thwart the traffickers.

Since no single agency has adequate resources to investigate all drug trafficking organizations in the Caribbean, each task force group pools the investigative talents of the local police departments with the federal specialists and leverage available to the Drug Enforcement Administration. This combination results in highly effective drug enforcement investigations and prosecutions.

As part of the United States, Puerto Rico serves as an entry point for drug money coming into our banking system. Whether it also serves as an exit point of the United States is not known. In addition, U.S. currency, in small denominations, is brought from the Dominican Republic to Puerto Rico. It is declared as money coming from various

casas de cambio (money exchange houses) in Santo Domingo, and once in Puerto Rico, deposited into accounts in the name of Dominican Republic casas de cambio. At this point, the proceeds are funneled back to Panama or Colombia or integrated into the economy of Puerto Rico. As such, the money laundering group focuses on these financial transactions as well as the movement of bulk shipments of small denomination U.S. currency into and out of the United States.

Since being designated as a HIDTA area in 1995, the HIDTA group has yielded substantial results in drug interdiction efforts in the region. This group has developed into a strong partnership of DEA, FBI, U.S. Postal Inspectors, INS and Puerto Rican IRS personnel, targeting mid-upper level drug trafficking organizations.

UNICORN System:

The Caribbean Field Division identified a void in drug-related intelligence and communications among the Caribbean nations. In response, the UNICORN system (Unified Caribbean On-Line Regional Network) was instituted. With this system, participating Caribbean law enforcement agencies can share photographs, data, and information concerning various targets, locations, and groups involved in drug trafficking and money laundering. The Drug Enforcement Administration loans the equipment to participating agencies and provides training to host-nation counterparts, as well as installing and implementing the system.

The UNICORN system has already reaped tremendous benefits, as exhibited in the success of Operations Columbus and Genesis. These two recent enforcement operations, planned and coordinated by the Caribbean Field Division, have severely disrupted drug trafficking organizations throughout the Caribbean region. The first, Operation Genesis, was a bi-national initiative designed to foster cooperation between Haiti and the Dominican Republic. Due to a mutual, long-standing mistrust, Haiti and the Dominican Republic had never before coordinated anti-drug efforts. This has effectively curtailed the ability of law enforcement agencies in the region and, in effect, bolstered the resourcefulness of the drug smuggling organizations. The second action, titled Operation Columbus, was the largest enforcement operation, to date, in the Caribbean. This endeavor was a multi-national operation, comprised of fifteen nations and their respective law enforcement agencies.

Operation Genesis:

The island of Hispañola, by virtue of its geographic proximity between the source zone countries and the United States, is frequently utilized by drug trafficking organizations. Operation Genesis was designed to respond to this situation and to foster and maintain cooperation between Haiti and the Dominican Republic, the two countries on that island. This operation, which was conducted during November 1998, resulted in 126 arrests throughout Haiti and the Dominican Republic. Prior to Operation Genesis, Haiti and the Dominican Republic had never before coordinated their anti-drug efforts.

However, the results garnered through Operation Genesis will undoubtedly assist in improving the ability to coordinate anti-drug efforts on the island of Hispañola.

The long-term objectives for Operation Genesis were to promote the exchange of information between Haiti and the Dominican Republic, facilitate the integration and coordination of Haitian and Dominican anti-drug efforts, establish a mechanism that will support the counter-drug effort, develop institutional mentoring and training, and disrupt drug trafficking operations that are being conducted on the island of Hispañola.

The operation was executed in both Haiti and the Dominican Republic, using roadblocks at strategic locations and border crossing points, interdiction operations at the international airports and seaports, and United States Coast Guard maritime interdiction along the southern coast of Hispañola.

Operation Genesis resulted in unprecedented exchanges of law enforcement cooperation by both the Dominican Republic and Haiti. As a result, the Haitian National Police (HNP) assigned an officer and an analyst to the Dominican National Drug Control Agency's (DNCD) Santo Domingo office, and four (4) more HNP officers were stationed at Dominican border crossing points. DNCD officials, on the other hand, were assigned to the HNP headquarters' at Port-au-Prince, as well as several Haitian border crossing points.

The exchange of information was further expedited by the UNICORN system, which facilitated data base checks of suspicious persons and vehicles that were stopped. The information was sent to the Caribbean Field Division (CFD)/San Juan office where system checks were performed. The information was then sent back to the HNP via the UNICORN system.

Operation Columbus:

Operation Columbus was a multi-national regional effort involving the island nations of the Caribbean, in addition to Colombia, Venezuela and Panama. The operation focused on air, land and maritime interdiction, eradication and clandestine airstrip denial. DEA's Santo Domingo Country Office and Trinidad and Tobago Country Office served as the northern and southern command posts. The UNICORN system was used to facilitate the exchange of actionable intelligence. Operation Columbus's principle objectives were:

1. The development of a cohesive/cooperative environment among source and transit countries,
2. Disruption of drug trafficking activities,
3. The consolidation of the counterdrug efforts in the Caribbean transit zone,
4. The continued development of a comprehensive regional strategy.

Operation Columbus was planned and initiated by the CFD to severely impact the drug trafficking activities in the Caribbean and source country areas. Columbus was implemented through interdiction and eradication efforts, enforcement operations involving the use of undercover agents, confidential sources, Title III intercepts, and surveillance.

The final arrest and seizure statistics for Operation Columbus were unprecedented for this region. There were in excess of 1,290 arrests, as well as the seizure of 900 kilograms of cocaine and 9 kilograms of heroin. Over 38 weapons, 26 vehicles, 27 vessels, 3 laboratories and 1 aircraft were seized. In addition, 1,097 metric tons of marijuana were eradicated.

It became evident during the course of this massive undertaking that a coordinated effort among all the respective participants was necessary. Through the diligence of all those involved, these operations struck a solid blow to the Caribbean-based trafficking groups. Clearly, concerted law enforcement efforts, such as Operations Genesis and Columbus, will significantly enhance our ability to eliminate drug trafficking organizations throughout the Caribbean region.

CONCLUSION

The transit of illegal drugs through Puerto Rico creates unique challenges to law enforcement. DEA is aggressively addressing the trafficking threat to Puerto Rico and working to improve the ability of DEA personnel assigned to the island to confront the threat.

Mr. Chairman, thank you for the opportunity to appear before this committee. I appreciate the interest you and the subcommittee have shown in DEA's drug law enforcement efforts in Puerto Rico. At this time, I will be happy to answer any questions you or the other committee members may have.

Mr. VIGIL. Mr. Chairman and distinguished members of the full committee, thank you for this opportunity to speak on behalf of the Drug Enforcement Administration regarding Puerto Rico. With your permission, I wish to submit my written statement for the record.

Mr. BURTON. Without objection.

Mr. VIGIL. As you have heard from Mr. Ledwith, the Caribbean ia a major transit zone for drugs entering the United States from South America. Within that area, Puerto Rico provides a particularly significant link between South America and the continental United States. The island is singular in the opportunities it provides for traffickers as well as the challenges it creates for law enforcement.

More than ever, international drug trafficking organizations utilize Puerto Rico as a major point of entry for the transshipment of multi-tons of cocaine being smuggled into the United States. Puerto Rico has become known as a gateway for drugs destined for cities on the east coast of the United States. Puerto Rico's 300 mile coastline, the vast number of isolated cays, and 6 million square miles of open water between the United States and Colombia, make the region difficult to patrol and ideal for a variety of smuggling methods.

Puerto Rico is an active Caribbean sea and air transportation thoroughfare. The island boasts the third busiest seaport in North America and 14th busiest in the world, as well as approximately 75 daily commercial airline flights to the continental United States. This presents an attractive logistical opportunity for drug trafficking organizations. The sheer volume of commercial activity is the traffickers' greatest asset. Criminal organizations have utilized their financial capabilities to corrupt mechanics, longshoremen, airline employees, ticket counter agents as well as government officials and others whose corrupt practices broaden the scope of the trafficking.

Only 360 miles from Colombia's north coast and 80 miles from the east coast of the Dominican Republic, Puerto Rico is easily reachable by twin engine aircraft hauling payloads of 500 to 700 kilograms of cocaine. The go-fast boats make their round trip cocaine runs to the southern coast of Puerto Rico in less than a day. Today, cocaine and heroin traffickers from Colombia have transformed Puerto Rico into the largest staging area in the Caribbean for illicit drugs destined for the United States market.

The open use of the Caribbean as a narcotics transshipment center has created a public safety crisis in Puerto Rico and DEA must assign resources to the island to address this threat. Although this is necessary, we have had continuing difficulties retaining Federal law enforcement personnel in the Commonwealth of Puerto Rico. Few personnel from the continental United States are willing to accept a transfer to Puerto Rico, and those who do often want to leave soon after arrival. Such quality of life problems as the high cost of living, limited availability of appropriate schools for dependent children and the high incidence of crime have contributed to early turnover and family separations.

As a result, DEA has in place a variety of incentive packages for special agents, diversion investigators and intelligence analysts relocating to Puerto Rico.

While these have proven to be a partial solution, DEA has developed the following proposal to address the retention issue:

No. 1, a tax exempt educational allowance to assist DEA employees in sending dependent children to DOD or private schools.

No. 2, a housing allowance or significant stipend for both special agents and support personnel to allow for the purchase of housing in safe areas or guarded, enclosed communities.

No. 3, an extended assignment bonus for remaining in place after completion of the initial period of service.

No. 4, home leave of 5 days annually, not tied to tour renewal.

The next one is salary tax relief with taxes to be based upon the home of record rather than the current requirement that they pay both Federal and Puerto Rico hacienda taxes.

And finally, an amendment to the Soldier and Sailor's Relief Act to allow voting via absentee ballot.

Since fiscal year 1997, DEA has increased the special agent resources to the Caribbean. In that timeframe, a total of 48 agents have been added to the Caribbean field division, 43 of which are currently assigned to Puerto Rico. The remaining agents have been assigned to regional offices within the Caribbean field division, including Jamaica, Haiti, Trinidad and also Santo Domingo in the Dominican Republic. In our fiscal year 2000 appropriations, DEA received an additional 17 positions, which includes 11 special agents and $2.4 million for drug enforcement operations in Puerto Rico as well as funds to enhance quality of life issues as noted above.

With that, Mr. Chairman, I would thank you very much for your effort in obtaining those resources for Puerto Rico, because they are sorely needed and we can use those in expanding our operational parameters.

Mr. BURTON. Thank you, Mr. Vigil, we understand that there have been some real problems with the agents in Puerto Rico because of safety as well as the other issues that you mentioned.

Mr. VIGIL. That is correct.

Mr. BURTON. We will try to see if we cannot have the subcommittee correspond with the appropriate agencies to see if we can solve some of those problems for you because we do need to keep good agents down there.

Mr. VIGIL. Thank you.

There are——

Mr. BURTON. Oh, go ahead, do you have more of your statement?

Mr. VIGIL. Yes, I have a couple more pages.

Mr. BURTON. Oh, I am sorry, I thought you were finished.

Mr. VIGIL. There are presently 94 special agents constituting six enforcement groups assigned to the Caribbean Field Division. Five groups are earmarked for specialized enforcement initiatives. They are as follows: one high intensity drug tafficking area task force; two additional task forces; a money laundering group and an airport group. Each group possesses expertise in a specific domain and fully exploits it to thwart the traffickers. This combination results in highly effective drug enforcement investigations and pros-

ecutions. These investigations have led to the initiation of several enforcement operations, such as Operation Columbus and Genesis which have culminated in numerous arrests and significant seizures which resulted in the dismantling of several drug trafficking organizations operating in the Caribbean.

The transit of illegal drugs through Puerto Rico creates unique challenges to law enforcement. DEA is aggressively pursuing the drug trafficking threat to Puerto Rico and working to improve the ability of DEA personnel assigned to the island in confronting this threat.

Mr. Chairman, thank you for the opportunity to appear before this committee. I appreciate the interest you and the subcommittee have shown in DEA's drug enforcement efforts in Puerto Rico. At this time, I would be happy to answer any questions you or the subcommittee members may have.

Mr. MICA. Thank you for your testimony. We are going to withhold questions until we have heard from everyone. I will now recognize John C. Varrone who is Executive Director of Operations at Eastern U.S. Customs Service. Welcome, sir, and you are recognized.

Mr. VARRONE. Good morning, Mr. Mica.

I would first like to start by thanking the chairman, Mr. Burton, for his kind comments.

Mr. OSE. Would you move that closer, please?

Mr. MICA. As close as you can get it.

Mr. OSE. Eat that thing. [Laughter.]

Mr. MICA. They do not want to miss a word. [Laughter.]

Mr. VARRONE. Good morning, Mr. Mica.

I would first like to thank Mr. Burton, the chairman, for his kind comments about the men and women of the Customs Service in their anti-terrorist activities up in Port Angeles, Washington and in Vermont. The recognition on behalf of the committee is important and I will carry that back to Washington and pass it on to the commissioner that you did recognize those individuals.

Mr. Chairman and other members of the committee, it is my pleasure to have the opportunity to be with you here today to talk to you about the important issue of drug smuggling, and in particular smuggling in the Caribbean, and the overall enforcement mission of the Customs Service.

I currently serve as the Executive Director of Operations, East, within the U.S. Customs Service's Office of Investigations. In this capacity I am responsible for the investigative operations of seven Special Agent in Charge offices on the East Coast of the United States, including our operations in the Caribbean.

The Customs Service is the primary law enforcement agency with responsibility for the interdiction of drugs in the arrival zone. In addition to our responsibilities in the arrival zone, the Customs Service through our air and marine interdiction assets also provides significant assistance to other domestic and international law enforcement agencies who have responsibilities in both the source and transit zones.

I realize that this committee is primarily interested in Cuba today, but I would like to briefly describe the border threat that we face in the entire Caribbean.

As the committee is aware, it is estimated that approximately 40 percent of the cocaine destined to the United States enters our country through the Caribbean. In fiscal years 1998 and 1999 respectively, the Customs Service seized 20,673 and 20,492 pounds of cocaine in and around Puerto Rico and the Caribbean. Our intelligence analysis and enforcement operations now indicate that private aircraft are used to conduct air drops in the transit zone to a variety of vessels. The areas where we have seen this activity most frequently have been in the waters off Haiti, Dominican Republic, Puerto Rico and the Bahamas.

One of the current areas of increasing threat for Customs is Haiti, where the smuggling by coastal freighters presents both an inspectional and investigative challenge. The political instability in Haiti combined with their lack of marine law enforcement capabilities has meant that drug smuggling organizations have been able to exploit the absence of law enforcement and have been able to operate there with relative impunity.

I have two charts that will illustrate the current threat we face in the non-commercial maritime arena in the Caribbean. These charts are a summary of the confirmed and suspected non-commercial maritime smuggling events which were detected during calendar years 1998 and 1999 in three areas of particular interest to the committee—Jamaica-Bahamas, Puerto Rico-Virgin Islands and Haiti-Dominican Republic. The noticeable difference between these two charts is that the flow of cocaine in the non-commercial maritime environment has increased by approximately 15 percent.

I would like to present to you how the Customs Service views the threat presented by Cuba in the area of drug smuggling. With limited anecdotal evidence, our intelligence analysis and enforcement experience has led us to believe that Cuba plays a minimal role, if any, in non-commercial smuggling. Smugglers on occasion use Cuban waters and air space to thwart end game drug interdiction operations. We believe drug smugglers are acutely aware of the lack of operational coordination and law enforcement exchange between the United States and Cuban Governments and accordingly exploit the situation by circumventing our interdiction efforts.

As you have heard in previous testimony on this subject, radar track data indicates that in 1999, there was a decrease in air tracks transitting Cuban air space. I have brought with me four additional charts that will illustrate that change.

As you can see from the first chart, in 1998, there were 34 confirmed or suspect tracks that that transitted Cuban air space. I would like to pause here and just briefly describe what we consider confirmed or suspected. We consider that not just our radar tracking, but a secondary source that confirms that there was an asset there or that was a smuggling attempt there. Whether we were successful at interdicting that or not, we consider that a smuggling attempt.

In 1999, the number of confirmed or suspected tracks that transitted Cuban air space declined to 11. The last of these tracks occurred just last week. On December 29, a plane was tracked as it flew over Cuban air space to an air track location outside Cuban territorial waters. The go-fast vessel that received the drugs was tracked to the Bahamas where the crew was arrested after they

ditched what was believed to be approximately 500 pounds of cocaine.

Returning to the charts, the third and fourth chart illustrate the air track data for Haiti during that period. These charts show a 25 percent increase in tracks over Haiti.

Our overall assessment is that drug smugglings are using Cuban waters and air space when it is in their interest, particularly in situations where it enables smugglers to avoid drug interdiction efforts.

As you are aware, Customs agents have debriefed cooperating defendants who have given us some insight into the role that Cuba has played in their drug smuggling operations. The information provided by cooperating defendants largely supports our characterization of Cuban waters and air space as a place used by smugglers as a safe haven from drug interdiction forces. One example of this type of cooperating information is that which was provided to Customs debriefers in 1999 by a Colombian transportation coordinator who we arrested in 1998.

I believe that the report of this debriefing has already been provided to the committee. The general description of this cooperator's information is that smugglers use Cuban waters and air space to conduct air drop operations because they believe they are safe from United States drug interdiction operations. The source further stated the air drops are completed—excuse me—that after air drops are completed, smugglers stage in Cuban waters until they are sure law enforcement assets are not in the area before they depart for their final destination. This particular cooperator indicated that while drug smugglers may transit Cuban air space, it is not necessary to coordinate with or seek permission from Cuban authorities.

It should be noted that this cooperator's description of air drop operations inside Cuba has been corroborated by surveillance operations conducted by our Customs P–3 aircraft.

I would like to take a few moments to describe for the committee how the Customs Service has tried to respond to the Caribbean threat and some of the successes that we have achieved. Customs has committed a significant law enforcement presence in the Caribbean. Our Office of Field Operations has 209 Customs inspectors and canine officers assigned to the islands of Puerto Rico, St. Thomas and St. Croix. The Office of Investigations has 82 special agents assigned to the island of Puerto Rico and 8 more special agents assigned to St. Thomas.

The Customs Service has dedicated nine aircraft to the Caribbean air branch; three tracking aircraft, three helicopters and three twin engine fixed wing aircraft. We have also dedicated a total of 41 vessels to the Caribbean. I should note that this represents 30 percent of all the vessels operated by the Customs Service. These vessels include 22 interceptors, 7 patrol craft, 11 utility craft and 1 blue water craft. Using all of these resources, Customs interdiction operations have been responsible for numerous successes.

In March 1996, the Customs Service initiated Operation Gateway in an effort to insulate Puerto Rico and the United States Virgin Islands and the surrounding waters and air space from drug smugglers. This multi-year operation was a natural extension and ex-

pansion of Operation Hardline, which had focused on the southern land border and southern tier of the United States.

More recently, the Customs Service and other law enforcement agencies have undertaken several operations to address both the air and maritime threats in the region. One of these, Operation Two Dozen, was a pulse and surge type operation whereby the Customs Service, Coast Guard, DEA, U.S. Army and Bahamian Police coordinated all source intelligence and responded with enforcement operations accordingly. The focus of this operation was to interdict vessels and aircraft smuggling into the Bahamas and south Florida. It was in effect during February and March 1999.

During the four phases of the operation, drug interdiction patrols were conducted for a total of 13 days. These patrols resulted in the seizure of 2,060 pounds of cocaine, 850 pounds of marijuana, the seizure of 3 vessels, 1 aircraft and arrest of 40 individuals.

Last, I would like to briefly describe three recent enforcement examples which I believe will provide you with a sense of the enormous challenge facing the U.S. Customs Service.

To give you a sense of the physical threat confronting our officers, I will briefly describe a smuggling example which occurred on March 26, 1999 when a vessel attempted to elude Customs agents by colliding with our vessel. Agents were forced to fire rounds at the suspect vessel to disable the engine. When the five crew members were arrested, they were all wearing face masks and bulletproof vests. No weapons were recovered. The Coast Guard did recover 1,900 pounds of cocaine that the crew had jettisoned during the pursuit.

In specific response to the increasing threat from Haiti, the Customs Service has led a multi-agency enforcement operation called River Sweep, which focuses on Haitian coastal freighters attempting to smuggle drugs, principally cocaine, into the United States. Since its inception in 1998, this operation has resulted in the seizure of 8,256 pounds of cocaine, 129 arrests, the seizure of 12 Haitian coastal freighters, $1.5 million in currency, and the recovery of 19 stolen vehicles.

In just the last 90 days, Customs has seized 1,740 pounds of cocaine from Haitian coastal freighters on the Miami River and $1 million suspected drug proceeds from our outbound interdiction program.

On November 14, 1999, in our most recent cooperative effort, Customs, FBI and DEA agents in St. Thomas seized 4,672 pounds of cocaine discovered aboard the motor vessel Adriatik which was stopped and searched by the Coast Guard based upon a successful lookout.

I should also note that this past Saturday, Customs aviation assets participated in a tracking and later detention of Ly Tong, who overflew Cuba after departing from the United States in a rented plane. The Customs Service air and marine interdiction and coordination center in Riverside, California was able to track Mr. Tong from the time he departed Miami until he returned.

I would like to thank the committee for the opportunity to provide the Customs Service's perspective on this important issue. I have tried to present to you a brief overview of the operational environment which our front line employees confront every day. We

are always proud to share the experience, expertise and accomplishments of our dedicated officers who make many sacrifices and frequently place themselves in harm's way on behalf of the citizens of the United States.

Mr. Chairman, thank you for allowing me to testify before you and the committee today. I will be glad to answer any questions you may have.

[The prepared statement of Mr. Varrone follows:]

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Remarks by

John C. Varrone

Executive Director, Operations, East
United States Customs Service

before the

House Government Reform Committee

regarding

Drug Smuggling in the Caribbean

Sweetwater City Hall
500 SW 109th Avenue
Sweetwater, Florida

January 4, 2000

Introduction

Mr. Chairman and other members of the Committee, it is my pleasure to have the opportunity to be here today to talk to you about the important issue of drug smuggling, and in particular smuggling in the Caribbean, including Cuba, and the overall enforcement mission of the Customs Service.

My name is John Varrone and I currently serve as the Executive Director, Operations, East, within the Office of Investigations. In this capacity, I am responsible for the investigative operations of seven Special Agent in Charge offices on the East Coast of the United States, including our operations in the Caribbean.

As you are aware, the courageous and devoted employees of the Customs Service serve everyday on our nation's borders. Today you have asked me to discuss our efforts to interdict drugs. However, I would like to take a moment to highlight the work of our officers in Port Angeles, Washington, who recently thwarted an individual attempting to smuggle deadly explosives into our country. Customs truly is America's frontline.

The Customs Service is the primary Federal law enforcement agency with responsibility for the interdiction of drugs in what we call the "arrival" zone, where international smuggling ends and the domestic distribution of drugs begins. As you may know, the counterdrug community has divided the drug transportation process into three zones: Source, Transit and Arrival. U.S. counterdrug efforts are directed at disrupting drugs in each of these key points in the movement of drugs from manufacture to delivery in the United States.

In addition to our responsibilities in the arrival zone, the Customs Service, through our Air and Marine Interdiction assets and our foreign attache offices, also provides significant assistance to other domestic and international law enforcement agencies who have responsibilities in the both the "transit" and "source" zones, which extend through the Caribbean and into South America.

Operations in the Caribbean

The Customs Service has committed a significant law enforcement presence in the Caribbean.

The Office of Field Operations has 209 Customs Inspectors and Canine Enforcement Officers assigned to the islands of Puerto Rico, St. Thomas and St. Croix. The specific ports of entry we have staffed are San Juan, Fajardo, Ponce, Mayaguez, St. Thomas and St. Croix.

The Office of Investigations has 82 Special Agents assigned to the island of Puerto Rico and eight more Special Agents assigned to St. Thomas. These agents are supported by 8 Intelligence Analysts and 31 other support staff.

The Customs Service has dedicated 9 aircraft to the Caribbean Air Branch; 3 tracking aircraft, 3 helicopters and 3 twin engine fixed wing aircraft.

The Customs Service has dedicated a total of 41 vessels to the Caribbean. These vessels include 22 interceptors, 7 patrol craft, 11 utility craft and 1 blue watercraft.

The Air and Marine Interdiction Division is currently undergoing a reorganization to fully integrate the air and marine interdiction elements of the Customs Service into a unified command structure. This reorganization will streamline the air and marine efforts and provide a seamless handoff between detection and monitoring efforts and endgame of law enforcement operations.

In addition, the Customs Service maintains a communications facility on Puerto Rico that is manned 24 hours a day to support our enforcement operations in the region.

One of the unique aspects of the Customs Service operation in Puerto Rico is that all of our operations, with the exception of our Air operations, are funded through the Puerto Rico Trust Fund, which is itself funded through the collection of Customs duties in Puerto Rico.

The overall counter-narcotic strategy of the Customs Service in the Caribbean, and everywhere else, is to identify, disrupt and dismantle organizations that smuggle drugs and launder their illicit proceeds. Our Customs Inspectors and Air and Marine Division personnel disrupt trafficking groups, primarily through interdiction operations, while our Special Agents are focused on taking a proactive investigative approach to the identification and dismantling of these drug organizations and their illicit profits.

Enforcement Activity in the Caribbean

As this Committee is aware, the Customs Service continually develops, collects and evaluates a variety of drug intelligence from the Caribbean area where it is estimated to be the entry point for the approximately 40% of the cocaine destined for the United States.

In Fiscal Years 1998 and 1999, respectively, the Customs Service seized 20,673 and 20,492 pounds of cocaine in and around Puerto Rico and the Caribbean. In addition, in Fiscal Year 1999 we seized 3,442 pounds of marijuana in the

Caribbean, an increase of more than 500% from Fiscal Year 1998 when we seized 664 pounds. While the criminal organizations responsible remain primarily Colombian, it is important to note that other groups from Caribbean countries are engaged in the importation and distributions networks, particularly criminal organizations operating in the Dominican Republic and Haiti.

In assessing a threat of narcotics smuggling in a particular region, Customs divides drug smuggling operations into two primary categories: "commercial" and "non-commercial."

We consider cargo, passengers and trucks in the air, sea and land border as commercial. In the "non-commercial" arena we include private vehicles, aircraft and pleasure boats. The interdiction operations of the Customs Service and other agencies in the Caribbean have demonstrated that non-commercial smuggling operations remain a significant threat in the region.

Intelligence analysis and drug interdiction successes in recent years have provided law enforcement insight as to how these operations are conducted. For example, private aircraft are not used as often for direct flights from source countries to the United States as they once were. We believe that this change is due, in large measure, to our success in the interdiction and seizures of private drug smuggling aircraft. This success raised the costs of smuggling organizations and forced them to change their tactics. Instead, our enforcement operations and related intelligence now indicate that private aircraft are used to conduct airdrops in the transit zone to a variety of vessels. The drops are predominately to what we call go fast boats, which are recreational boats up to 45' in length that have been modified for operation at high speeds over long distances in open ocean, that are then used to smuggle the drugs into Caribbean nations for subsequent delivery into the United States. The areas where we have seen this activity most frequently has been in the waters off Haiti, the Dominican Republic, Puerto Rico and the Bahamas.

One of the current areas of increasing threat for Customs is Haiti, where the smuggling on coastal freighters presents an inspectional and investigative challenge. The political instability in Haiti combined with its lack of marine law enforcement has meant that smuggling organizations have been able to operate with relative impunity.

While smuggling by private aircraft remains a threat, our current assessment is that non-commercial maritime smuggling is a growing trend in the Caribbean.

I have two charts that will illustrate this. The first chart is a summary of the confirmed and suspected non-commercial maritime smuggling events that were detected during calendar year 1998 in three areas of particular concern to this

Committee: Jamaica/Bahamas, Puerto Rico/Virgin Islands and Haiti/Dominican Republic.

I should note that this information is derived from the Consolidated Counterdrug Database, to which the Customs Service and other interdiction agencies contribute. I should also advise that this data represents both "confirmed" and "suspected" events based on all source intelligence available to the agencies.

The second chart is a summary of the "confirmed' and "suspected" non-commercial maritime smuggling events that were detected during calendar year 1999. As you can see, the flow of cocaine in the non-commercial maritime environment has increased by 15%.

One of the factors that we think may account for the increase in maritime activity over air shipments is the minimal investment required for a maritime smuggling venture compared to air shipments. The number of go-fast boats found abandoned in Puerto Rico by Customs and other agencies definitely supports our intelligence that smugglers consider these to be disposable smuggling platforms. Also contributing to this phenomenon may be the Colombian and Peruvian government counter-drug efforts to destroy smuggling aircraft detected in their respective airspace.

Drug Trafficking Trends: Cuba

I would like to briefly discuss how the Customs Service views the threat presented by Cuba in the area of drug smuggling.

As this committee is aware, the economic embargo against Cuba has been in place since 1963. For this reason, authorized trade with Cuba, other than U.S. sales of food, medicines, medical equipment and humanitarian donations, is prohibited.

However, whether Cuba plays a role in the non-commercial smuggling arena must be considered. Our enforcement experience in the Caribbean has led us to believe that the role Cuba plays in non-commercial smuggling can best be characterized as that of a method that smugglers use to thwart end-game interdiction efforts. By this I mean that smugglers are aware that Cuban authorities typically do not respond to their presence in Cuban waters and airspace and that there are limitations on law enforcement exchange and operational coordination between the U.S. and Cuban governments. We do not have any evidence or intelligence that this use of Cuban waters to thwart our interdiction efforts is promoted, supported or coordinated in any way by Cuban government forces.

However, as you have heard in previous testimony on this subject, radar track data indicates that in 1999 there has been a decrease in air tracks that transit Cuban airspace. I have brought with me four additional charts that illustrate this change.

As you can see from the first chart, in 1998, there were 34 confirmed or suspect tracks that transited Cuban airspace. As the second chart indicates, in 1999 the number of confirmed or suspected tracks that transited Cuban airspace declined. The third and fourth chart illustrates the air track data for Haiti for the same period. These charts show a 25% increase in tracks over Haiti for the same period.

A recent case worth noting wherein the U.S. received assistance from Cuba was in 1996 when the Cuban government assisted the Customs Service and U.S. Coast Guard in a significant interdiction operation.

I am referring to the seizure of the M/V Limerick that occurred in October 1996. In that incident, the U.S. Coast Guard boarded the Limerick based on a U.S. Customs and DEA lookout in the Windward Passage off the eastern coast of Cuba. During the search of the vessel the crew attempted to scuttle the vessel, which forced the evacuation of the U.S. Coast Guard boarding party and the crew. The vessel later drifted into Cuban waters and grounded on a reef. The Cuban government salvaged and towed the Limerick to Santiago de Cuba where they discovered 6,000 kilograms of cocaine.

Intelligence on Cuba

Because of the nature of our law enforcement mission, the Customs Service investigates and arrests numerous drug smugglers. It is routine to debrief smugglers who agree to cooperate with the United States government, often as part of a negotiated plea arrangement with the Department of Justice. Debriefings of cooperating defendants provide important insight into the inner workings of drug smuggling organizations. The intelligence and information provided by these sources are used to focus our interdiction targeting and investigative strategies for the greatest impact.

As you are aware, Customs had occasion to debriefed cooperating defendants who have given us some insight as to the role that Cuba has played in their drug smuggling operations. The information provided by cooperating defendants largely supports our characterization of Cuban waters and airspace as a place used by smugglers for a "safe haven" from drug interdiction forces.

One example of this type of information is that which was provided to Customs debriefers in 1999 by a Colombian transportation coordinator who was arrested in 1998.

The report of this debriefing has been provided to the Committee staff. The general description of this cooperator's information is that smugglers use Cuban waters and airspace to conduct airdrop operations because they believe they are safe from U.S. interdiction efforts. The source further states that after airdrops are completed, smugglers wait in Cuban waters until they are sure law enforcement assets are not in the area before they depart for a their final destination. This cooperator indicated that while smugglers transit Cuban airspace, it was not necessary to coordinate with of seek permission from Cuban authorities. This cooperator's general opinion of Cuba was that smugglers do not factor Cuban government forces into their plans since they do not seem to react to their presence.

It should be noted that this cooperator's description of airdrop operations inside Cuban waters has been corroborated by U.S. Customs Service P-3 surveillance operations.

The ability of our interdiction assets to effect "end-game" seizures is largely dictated by our ability to stage in a given area and wait for the smugglers to exit Cuban waters

Seizure of 7.2 Tons of Cocaine by CNP

In December 1998 the Colombian National Police (CNP) seized approximately 7.2 tons of cocaine that was destined for Cuba.

Prior to the seizure the Customs Service had conducted training for the CNP in Colombia and they have given partial credit for this seizure because of the training that was provided by the Customs Service. Colombia is one of seven countries where the Customs Service has conducted training under the auspices of our Americas Counter Smuggling Initiative (ACSI). The ACSI program is an element of our Industry Partnerships Program and focuses on providing Customs training and expertise to government and businesses in an effort to reduce the use of commercial cargo to conceal and transport drugs.

I should emphasize that since this was a foreign interception, DEA has primary responsibility for the investigation of this incident. A member of the Customs ACSI team in Colombia responded to the seizure to assist DEA and CNP with an immediate assessment of the situation. Based upon our liaison with industry we were able to obtain shipping documents regarding this and prior shipments. This information was immediately provided to DEA for use in their investigation.

More recently, as the DEA investigation has expanded, they have obtained additional commercial documentation that the Customs Service has a unique expertise in interpreting. DEA has recently requested that the Customs Service provide additional technical and analytical support to their ongoing investigation. DEA has requested Customs to review additional documentation. In the immediate future Customs personnel will be detailed to support DEA.

Caribbean Initiatives

I have talked for some time about the Caribbean and how the Customs Service views the threat in this region. I would like to take a few moments to describe for the Committee how the Customs Service has tried to respond to this threat and some of the successes that we have achieved.

From a historical perspective, the Customs Service and the other Federal law enforcement agencies have recognized for some time the critical role that Puerto Rico and other Caribbean entities have come to play in the arena of drug smuggling and money laundering.

In response to the drug threat in the Caribbean, in March 1996, the Customs Service initiated Operation Gateway to insulate Puerto Rico, the U.S. Virgin Islands and their surrounding waters and airspace from drug smugglers. This multi-year operation was a natural extension and expansion of Operation Hardline that focused on the Southern land border of the U.S.

In 1996, Customs expenditures of $8.2 million for Operation Gateway were supplemented by $2.45 million from the Government of Puerto Rico. In 1997, Customs received an additional $28 million for Operation Gateway which was supplemented by another $3.65 million from the Government of Puerto Rico.

These increases in resources allowed the Customs Service to significantly increase staffing in both Puerto Rico and the U.S. Virgin Islands.

More recently, the Customs Service and other law enforcement agencies have undertaken several operations to address the air, maritime and money laundering threats in the region.

One of these was Operation Two Dozen, which was a joint effort between the Customs Service, Coast Guard, DEA, U.S. Army and Bahamian Police. The focus of this operation was to interdict vessels and aircraft smuggling into the Bahamas and South Florida. It was operated between February and March 1999.

During the four phases of the operation interdiction patrols were conducted for a total of 13 days. These patrols resulted in the seizure of approximately 2,060 pounds of cocaine, 850 pounds of marijuana, the seizure of three vessels, one aircraft and the arrest of 40 individuals, including 29 illegal aliens. In addition, one aircraft identified during the operation is believed to have been destroyed by Colombian authorities when it returned to Colombia after an airdrop.

In one recent maritime smuggling example, which occurred on March 26, 1999, a vessel attempted to elude Customs agents by colliding with a Customs vessel. Agents were forced to fire rounds at the suspect vessel to disable the engine. When the five crewmembers were arrested they were all wearing facemasks and bulletproof vests. No weapons were recovered. The Coast Guard did recover 1,900 pounds of cocaine that the crew had jettisoned during the pursuit. Customs Service law enforcement efforts directed at Haitian drug smuggling organizations has also focused on the movement of illicit currency back to Haiti. Since September 1999, the Customs Service has seized $987,165 in suspected drug proceeds that were destined for Haiti.

In response to this emerging threat from Haiti that I discussed earlier, the Customs Service has led a multi agency enforcement operation called Operation Riversweep, which focuses on Haitian coastal freighters that attempt to smuggle drugs, principally cocaine into the U.S. This effort involves the Customs Service, U.S. Coast Guard, U.S. Immigration & Naturalization Service, U.S. Border Patrol, Metro-Dade Police Department, Miami Police Department, Drug Enforcement Administration, Federal Bureau of Investigation, Florida Department of Law Enforcement and the Department of Environmental Resource Management.

Since its inception in 1998, this operation has resulted in the seizures in excess of 8,256 pounds of cocaine, 12 Haitian coastal freighters, $1,405,685 in currency, 129 arrests, and the recovery of 19 stolen vehicles. In the last 90 days, Customs has seized 1,740 pounds of cocaine from Haitian coastal freighters on the Miami River. The preferred method of concealment for the smuggled cocaine has been inside concealed compartments within the structure of the vessel. Very often, those locations present health issues for our officers. Hazardous fumes, while examining Haitian coastal freighters in 1999, have overcome several Customs Inspectors.

A recent money laundering investigation in Puerto Rico, Operation Double Impact, focused on a heroin smuggling and money laundering organization based in Puerto Rico. The investigation identified an extensive money laundering network which utilized a Black Market Peso Exchange through businesses in San Juan and Miami. This operation has resulted in 44 arrests and the freezing of more than $10 million in bank accounts throughout Puerto Rico.

Customs Service law enforcement efforts directed at Haitian drug smuggling organizations has also focused on the movement of illicit currency back to Haiti. Since September 1999, the Customs Service has seized $987,165 in suspected drug proceeds that were destined for Haiti.

A recent example of a successful Customs air interdiction operation occurred in August 1999 when Customs intercepted a private aircraft in Fort Myers after it was detected as a suspect aircraft that had originated in Cap Haitian, Haiti. The aircraft was intercepted after it attempted to elude Customs aircraft and agents. In this case, 56 pounds of cocaine was seized, five illegal aliens and the pilot were arrested.

In another recent cooperative effort, on November 14, 1999, FBI, Customs and DEA agents in St. Thomas seized approximately 4,672 pounds of cocaine discovered aboard the M/V Adriatik which was based upon an El Paso Intelligence Center lookout.

Summary

I would like to thank the Committee for the opportunity to provide the Customs Service's perspective on this important issue. I have tried to present to you a snapshot of the operational environment in which our frontline employees engage in every day. We are always proud of the experience, expertise and accomplishments of our dedicated officers who make many sacrifices and frequently place themselves in harms way on behalf of the citizens of the United States.

Attachment:
Customs Search Authority in Puerto Rico

I would like to talk to the Committee for a moment about how the uniqueness of Puerto Rico also extends to the use of the Customs Service's unique and broad search powers.

As any Customs Officer will tell you, one of the things that sets the Customs Service apart from our other Federal law enforcement counterparts is the broad search authority that we exercise at the borders of our country.

Puerto Rico's Commonwealth status means that the Customs Service's broad border search authority is directed at merchandise and persons who are entering the island from foreign, non-U.S., locations.

From a practical real-world point of view, this means that once drugs arrive in Puerto Rico, they have effectively arrived on the mainland of the United States from a Customs Service perspective. This reality is also well recognized by smuggling organizations and is the reason why Puerto Rico has become the focal point for non-commercial smuggling in the region.

There is one important qualification regarding our search authority. The Customs Service border search authority does permit sea containers, vessels and unscheduled aircraft to be searched when they arrive in the U.S. mainland since they have been in international waters and have had an opportunity to acquire foreign merchandise while crossing from Puerto Rico. This is significant since it is believed that a large quantity of the cocaine smuggled into Puerto Rico is believed to leave in shipments of commercial cargo.

However, commercial air passengers that depart Puerto Rico are not subject to Customs search authority when they arrive on the U.S. mainland. The distinction is that passengers on scheduled flights from Puerto Rico would not have had an opportunity to acquire foreign merchandise, therefore subjecting them to Customs search authority.

Mr. BURTON. Thank you, Mr. Varrone. We do appreciate very much your candor and your dedication. I think all of the agencies that are dealing with the drug trafficking deserve accolades because there is a great deal of risk involved and you lay your lives on the line on a regular basis, and we do appreciate that.

One of the things that concerns me is the politicization of the drug problem. The Cuba issue, Mr. Ledwith, that you talked about, the information, much of the information that you received came from Cuban authorities as I understand it.

Mr. LEDWITH. Yes, sir, some of it came to us from Cuban authorities.

Mr. BURTON. Well, the Cuban authorities, we had a tape that I was going to subpoena from DEA that we showed yesterday. That tape showed a man who landed his plane in Cuba and he said he had engine troubles, he got false documents from the Cuban Government saying that there were engine problems and that is why he force landed there. He was carrying drugs, cocaine. And the Cuban Government was complicitous because they were lying about why he landed in Cuba. Mr. Sierra, in the Prensa Latina said that the 7.2 metric tons, or 7.25 metric tons that was coming out of Colombia was destined for the United States.

Now some people in DEA and others have said well, the Cuban official was saying that the drugs were coming but were going to Spain and not to the United States. Then we heard that that was not even going to go to Cuba, it was going to go to another location and then go to Spain. You hear all kinds of things like that. But the fact of the matter is from government officials, our government officials, we have been told that what Mr. Sierra said was an accurate statement that he made. He made that statement and the only shipment of that size that was going to Cuba during that time period or through the Caribbean during that time period was this particular shipment. This did not come from DEA, it came from another government agency that is very reliable.

I hate to see political statements made by any official of our government, DEA or any others, that is not really accurate, when we put members of the various agencies under oath like we did you today, and I fully presume that you did tell the truth to the best of your knowledge. But the fact of the matter is the information that we have from other agencies is that that 7.2 metric tons definitely was the only one of that size going through the Caribbean at that time or scheduled to go through the Caribbean at that time. There had been several other shipments of that type to Cuba, not just 4 but as many as 7 or 8, and if you add all that up, it could amount to as much as 50 or 60 metric tons of cocaine going into Cuba.

You said I believe in your opening statement that the amount going to Europe was 40 metric tons. If the information we received is correct, more than that was going into Cuba from Colombia on seven ships that transitted it. We have been told by DEA that usually when somebody is sending a shipment of that magnitude, that they have planned that and done that before, they just do not send seven metric tons of cocaine in unless they have a pretty good idea it is going to get to its destination.

But let us assume the worst or the best, let us say that it was not going to the United States, that it was going to Spain. The fact of the matter is, Cuba is a major drug transit point in the Caribbean. You said 49 percent of the drugs goes through Haiti, the cocaine goes through Haiti; you said 29 percent goes through the Bahamas—49 percent of the total 110 metric tons goes through Haiti, 29 percent you estimate goes through the Bahamas and only 1.7 metric tons goes through Cuba. This one load was 7.2 metric tons. And from other sources, we believe there were at least seven shipments like that, that is 49 metric tons. So I do not know where you came up with this 1.7 metric tons, but I would like for you to tell us.

Mr. LEDWITH. This is the estimate provided by the Interagency Assessment of Cocaine Movements, which DEA is a participant. We are not the author necessarily of these figures. These are the figures that the interagency community produces for their assessment of cocaine shipments, sir.

Mr. BURTON. Yes, sir.

Mr. LEDWITH. It is not solely derived from DEA figures.

Mr. BURTON. No, I understand. But when you make a statement like that, you are speaking for a very important agency, one that does great work and I am not here to criticize you because I think you guys risk your lives, like I said to Customs agents, I do not think I would like to do that.

But the fact of the matter is there is multiple shipments going out of Colombia, according to our sources, many of those sources in our government, not through DEA, other sources. I am not at liberty to tell you those because they have given us information they do not want us to talk about. They were talking about the jealously between agencies, I suppose this is part of it. But they told us that this 7.2 metric tons was definitely going to Cuba and that that was the only ship with that amount or shipment of that amount that was going through at that particular time, it had to be going to Cuba and Mr. Sierra said it was going to be destined for the United States. Seven of those shipments we believe were made during that time, that year, which is 49 metric tons. And I cannot believe that one agency of our government would indicate that kind of a quantity is going through Cuba and this consortium of this agencies that you are talking about says that only 1.7 metric tons goes through there.

One of the concerns that we have—and I hope my colleagues will bear with me for just a second—one of the concerns that we have is that we passed what was called the Helms-Burton law. I was one of the authors of that bill. It was to create a very strong embargo against Castro to end the last Communist dictatorship in our hemisphere. All the other countries have been democratized. The administration did not want to sign that law, but because two airplanes were shot down by Russian MiGs that were owned by the Cubans, the President then negotiated with me and Senator Helms and others and he did sign the bill. Now they are trying to weaken the embargo and they are trying to normalize relations with Cuba and one of the things that flies in the ointment is Cuba being a major transit point of drugs. And so information we are getting about Cuba, we believe, not because of you, may be tainted because of po-

litical goals of the administration. And I think that is very unfortunate because the drugs are coming into Cuba. We believe a large part of those are destined for the United States and kids are dying, people are being addicted for life.

The heroin, I do not know how much heroin is going through Cuba, if any, but in Baltimore, MD right now, 1 out of 17 people in Baltimore, MD are addicted to heroin and one of the council members there says he believes it is as high as 1 out of 8. It is an absolute epidemic. And so I believe the administration and our agencies ought to be very forthright with us and tell us where the conduits are.

So I believe that you are accurate with Haiti, I think that is a major conduit, I believe the Bahamas are a major conduit, and I believe our Attorney General from Puerto Rico was accurate when he said that we need to put more resources into places like the Caribbean and Puerto Rico.

But to say that Cuba only had 1.7 metric tons of cocaine going through there when one shipment was 7.2 metric tons and another agency of our government says it definitely was going to Cuba is a misrepresentation. And I am not saying it is because you are misrepresenting it, maybe the information you got was not accurate.

But I believe that as much as 50 metric tons are going through Cuba and for some political reason, maybe to normalize relations with Cuba, that is being kept under cover.

If you have a comment, I will let you comment and then I will yield to Mr. Mica.

Mr. LEDWITH. Sir, I can only presume that the agency that you referred to that provided you with that information is a participant in the Interagency Cocaine Movement Assessment and I would be very happy to work with you or members of your staff to make sure that those figures are incorporated.

I can only provide you what—this is not DEA's paper, as I say, this is the IACM's paper. It is an interagency effort, it is not based solely on DEA's statistics, it is agreed to by the interagency community before publication.

Mr. BURTON. Yes, sir.

Mr. LEDWITH. So I can only tell you I would be out of place to provide you with any other statistic.

Mr. BURTON. Well, what we will do is I will try to find out if I can provide you with the information we have and perhaps that can be put into the mix.

Mr. LEDWITH. And we will be very happy to incorporate that, sir.

Mr. BURTON. Thank you, Mr. Ledwith.

Mr. Mica.

Mr. MICA. Let me just followup, if I may, Mr. Ledwith, with some questions on the same seizure that the chairman was referring to, the 7.3 metric tons. I thought I read in your report the Cuban Police gave to the Colombian National Police indicated a search of the premises and they also found four containers that appeared to have been outfitted with false compartments. This is in addition to the 7.3 metric tons.

Mr. LEDWITH. Yes, sir, that is correct.

Mr. MICA. So again, I think the chairman was raising a very valid point. Now whether this is headed for Spain or the United

States, you are still talking about an incredible volume of cocaine transitting through Cuba; is that correct?

Mr. LEDWITH. If these facts as reported to us by the Cuban Police are accurate, sir; yes.

Mr. BURTON. It says none of the agencies investigating this have been able to obtain direct evidence that any of the containers in the four shipments described above contained cocaine; is that correct? But I was told at the hearing that we conducted in November that there was residue, whether it was planted or—do we know whether there was residue in those?

Mr. LEDWITH. There was a dog, cocaine sniffing dog that alerted on one of the containers and that gave rise to the residue remark. There was not actual cocaine recovered in the sense that it could be used in an evidentiary manner. A cocaine alerting dog alerted to it.

Clearly we are concerned, sir, DEA is extremely concerned with any utilization of Cuba for trafficking. Our concern also is for Europe. One of our concerns would be the incredible strength that can be generated both economically and corruptive potential to gangs in Colombia by sale of cocaine to Europe either.

Mr. MICA. If the chairman is correct—and excuse me for interrupting, I do not have a lot of time on this—but if the chairman is correct and we had a 7.3 metric ton and we had three or four containers that may have also been used in shipment, we are talking—again, the chairman has got to be close to correct, simple math would bring you up in the 40–50 metric ton range. The entire amount of shipment for Europe was somewhere around 40 metric tons.

Mr. LEDWITH. That was what was seized, sir.

Mr. MICA. Yes, seized, exactly. This is a phenomenal amount.

Mr. LEDWITH. Yes, sir.

Mr. MICA. I was somewhat skeptical before I held the first hearing until we started getting evidence on this, and it appears that Cuba, is in fact, a major transit route. Now, whether it is coming to the United States, we cannot confirm, but we know it is a transit route.

The second thing is, did DEA recommend to the administration—now the President and the administration put a list out of major trafficking countries and identifies them. Did DEA, to your knowledge, recommend to the President that Cuba be placed on this list? The hearing we held was right after the President did not put Cuba on this list. What was the DEA's recommendation, to your knowledge?

Mr. LEDWITH. Sir, I do not have immediate knowledge of it. We make recommendations to the Department of Justice, which are incorporated in a deliberative process.

Mr. MICA. Well, based on the information you have, would you not think it would be a candidate to be placed on that list?

Mr. LEDWITH. It is not a recommendation that I am able to make, sir, at my level. Quite honestly, it is not something for me to do. Based on the information that we are developing, it is certainly something that should warrant a close look.

Mr. MICA. Is this case closed?

Mr. LEDWITH. No, sir, it is not, as to the 7.254 tons, sir, it is being actively and aggressively pursued. You can take my word for it, I am not going to mislead anyone on this issue. And it will be, with a certain element of luck as is involved in any investigation, will be successfully concluded in the foreseeable future.

Mr. MICA. If I may, let me shift over to Customs for a second. I went down to the southern Caribbean, the area actually around the Cuban coast and flew in one of the Customs planes, the military planes. We witnessed ships, old container ships and commercial vessels, zig-zagging in and out of the Cuban waters. Is that still pretty much the pattern of activity using Cuban waters as a refuge for people who may have illicit cargo.

Mr. VARRONE. As indicated by the air tracks; yes, sir, the air tracks and our marine operations, we believe that they use Cuban waters as a staging area.

Mr. MICA. We also looked at the go-fast boats, some of those were being produced in Jamaica on the coast. Has that operation been closed down or are they still producing the go-fast boats there?

Mr. VARRONE. I do not know if that particular operation has been closed down.

Mr. MICA. Where are they producing the go-fast boats?

Mr. VARRONE. I do not know.

Mr. MICA. You do not know. Well, I was briefed on that and they told me it was on the northern coast, they even told me that the engines for the go-fast were being purchased in the United States, and we are tracing that back, and being purchased by a Bahamian who was involved in organizing some of the traffic through the Caribbean area. Is that—does anyone have knowledge of where we might be on that?

Mr. VIGIL. I might be able to answer that. You know, there is still production being conducted of Yolas, what they call Yolas. They are somewhat go-fast boats. However, it is very difficult to shut down the entire operation, quite simply because a lot of people use that as fishing boats and they use that in terms of livelihood. They are not only used for drug smuggling operations. We do have several ongoing investigations in Jamaica in terms of individuals, drug trafficking organizations that do use go-fast boats, but again, they are not entirely used for drug trafficking activities or enterprises.

Mr. MICA. Last thing, Mr. Chairman, and I would like an update on that whole situation and also whether the individual who was identified, who was the Bahamian ring leader, if he has been brought to justice and whether they are still producing most of them in Jamaica.

Mr. Chairman, we heard numbers of personnel here, 209 in 1982 I guess. Can we get some historical perspective on the number of Customs personnel? I do not know whether you have those figures available, what we had 4, 5, 6, 7 years ago versus what we have now. We heard a little bit about INS, but I want to know about Customs personnel in Puerto Rico and also the Virgin Islands area that you discussed.

Mr. VARRONE. Can we submit those to you, sir? I do not have those numbers with me.

Mr. MICA. Are we up, down or what?

Mr. VARRONE. The numbers are static right now.

Mr. MICA. Static to what, a year ago, 2 years ago?

Mr. VARRONE. It has been between on board and what the table of organization states, anywhere between 66 and 80 special agents, 82 is what I think the number is. It fluctuates. We have similar problems as DEA and our other Federal agencies do with retaining staffing because of conditions transferring people to Puerto Rico, with incentive packages. We are actually working on a package right now in Washington that will try to parallel some of the incentives that DEA and other Federal agencies have.

Mr. MICA. Mr. Chairman, if we could insert in the record at this point a historical description of the personnel for Customs, I would appreciate that.

Mr. BURTON. Without objection, we will do that. And I would like to have maybe that from DEA and the other agencies as well. If you could give us some perspective over the last say 10 years, it would help us a great deal.

Mr. Barr.

[The information referred to follows:]

United States Customs Service
Caribbean Staffing (Puerto Rico and the Virgin Islands)
As of January 5, 2001
Fiscal Year 2001

	Authorized	OnBoard	Committed	Vacancies
I. Total Staffing				
SAIC	138	114	19	5
Air and Marine	91	53	4	34
Total	**229**	**167**	**23**	**39**
II. SAIC Office Breakout				
Agents	88	74	14	0
Intel Research Specialists	7	6	0	1
Sector	12	10	0	2
Administrative Support /1	31	24	5	2
Total	**138**	**114**	**19**	**5**
III. Air and Marine Breakout				
Air Managers	6	4	0	2
Pilots	29	20	1	8
AEOs	11	5	2	4
Marine Managers	4	1	1	2
MEOs	27	15	0	12
Administrative Support /1	14	8	0	6
Total	**91**	**53**	**4**	**34**

Notes:
/ 1 Administrative Support includes secretaries, investigative assistants, TEOs, and MPO staff members

Mr. BARR. Thank you, Mr. Chairman.

Mr. Ledwith, what we consider artificially low estimated cocaine flow through Cuba that the chairman was discussing with you and I think Mr. Mica also previously, you have indicated that in your view that reflects a consensus opinion, I suppose, of the IACM. DEA does not agree with those artificially low assessments, does it?

Mr. LEDWITH. We were a participant in establishing those, sir, but clearly we are in the process of re-assessing those based on information——

Mr. BARR. Did DEA file a dissent to those low figures?

Mr. LEDWITH. I could not answer that, sir. I do not believe DEA filed a dissent to these figures as published. I believe these are a year or two old, as is the general nature of making these assessments also, sir. So I would have to make a determination as to today's DEA opinion, if you will, sir, on the reliability of those numbers.

Mr. BARR. If you carry some weight with Mr. Marshall, who will have confirmation hearings hopefully early in the year, would you urge him to be a little more forceful in these meetings?

Mr. LEDWITH. Yes, sir.

Mr. BARR. I would appreciate that.

You indicate in your testimony that, quote, to date—well, let me not put in quotes what ought not to be. On page 5 of your testimony, you indicate that there are a number of agencies, including DEA that continues to investigate very thoroughly the 7.3 ton cocaine seizure in Cartagena and you state that "to date, have not developed direct evidence of the ultimate destination of the cocaine." Does that mean that it may have been destined for the United States, you just do not have any evidence yet to say conclusively one way or the other that it was or it was not?

Mr. LEDWITH. That would be correct, sir, we do not have direct evidence that would indicate a definitive location that that was going to.

Mr. BARR. So DEA cannot, based on all of the evidence thus far, rule out the United States as being the ultimate source?

Mr. LEDWITH. Based on direct evidence, that would be correct, sir.

Mr. BARR. Where then did the President get his evidence that he stated publicly on November 10, "their judgment remains that Spain and not the United States was the intended final destination." And the "their judgment" that he is referring to is our intelligence agencies. Where did he get that information?

Mr. LEDWITH. It is DEA's position to this point, sir, that we do not have direct evidence. We have indications that it was headed to Spain but we do not have direct evidence at this point.

Mr. BARR. So the statement of the President is not supported by DEA.

Mr. LEDWITH. I would not be able to say that, sir. I would only be able to answer—I certainly cannot——

Mr. BARR. If I said is the following statement, Mr. Ledwith, consistent with evidence of DEA, "their judgment remains that Spain and not the United States was the intended final destination." You could not agree with that, could you?

Mr. LEDWITH. No, sir, I would not say that. I would say that at this point, that is an accurate representation. Our indications were that it was headed to Spain. Clearly, we do not yet have direct evidence, but there is a significant difference between indications the way the investigation is developing at this point, and direct evidence.

Mr. BARR. Like we were saying a little bit earlier, you are sort of backtracking now. Maybe that is my fault for trying to pin you down. Heaven forbid that we should try and pin people down.

I do not think the problem is yours, but I think what you are trying to do is support a political judgment that the President has made that is a wrong judgment, that is not supported by the facts. I understand the predicament that you are in. You are not a policymaker.

Mr. LEDWITH. No, sir, I am an operator, I have 31 years as an operator, not a policymaker.

Mr. BARR. The one thing that I have always respected tremendously in DEA is your law enforcement. You operate on the law and on the evidence and the investigations and you take them where they lead you. What we have been witnessing and I think this is what the chairman was referring to a little bit earlier, what we are witnessing is sort of a bastardization of that process now for apparent political reasons, the judgments being made at the White House, at the top policy levels, that are not supported by the best interests and the best evidence of law enforcement, and that is disturbing to us.

We see reports such as the one in October 20, 1999 in the Miami Herald of meetings between—meetings in Cuba of top level drug traffickers. We have reports that—and I would appreciate your view on this—what is the status of the draft 1993 indictment of Raul Castro and others, including the institution of the Cuban Government itself for drug trafficking?

Mr. LEDWITH. I have limited knowledge of that. My understanding of it, it was referred back to the Department of Justice in Washington and not acted upon. I would not be the expert person that could speak to that particular issue. That is my understanding.

Mr. BARR. Have you ever seen a copy of that draft indictment?

Mr. LEDWITH. I have not, sir, no.

Mr. BARR. Does it exist? One would presume that it does.

Mr. LEDWITH. It would be a presumption on my part, sir, but I would presume it exists.

Mr. BARR. On my part too.

Mr. Chairman, I think we might want to take some steps, either through subpoena or other means, to obtain a copy of that because it is another indication—U.S. Attorneys, Mr. Martinez having been a very distinguished U.S. Attorney, do not draft indictments based on will of the wisp information. Even though it is a draft, a draft indictment prepared by a U.S. Attorney's office, including one with such a distinguished record of drug prosecutions as the Miami U.S. Attorney's office, draft an indictment based on very substantial evidence, and I think the fact that this indictment was drafted indicates that there is very substantial evidence, even as far back here as prior to 1993 when these reports of this draft indictment sur-

faced, that Cuba has been intimately and very vigorously involved in drug trafficking in and of itself as well as as a transshipment point. So I would appreciate it if we could make some efforts to obtain a copy of that draft indictment.

Mr. BURTON. We will. I think with your acquiescence, we will send a letter to Attorney General Reno asking for this draft indictment. If they are not forthcoming, I will be happy to issue a subpoena to try to get that for us.

Mr. LEDWITH. Mr. Chairman, might I respond for a moment to one of Mr. Barr's questions, please?

Mr. BURTON. Sure.

Mr. LEDWITH. I would just like to say for the record that DEA is an apolitical agency and if we had evidence, direct evidence or if we had indications that that load was headed to the United States, the 7.2 ton issue that we are speaking of, I would be standing before you here saying that that is the case. Irregardless——

Mr. BARR. I have no doubt that that is the case.

Mr. LEDWITH. I would come here before you and say, despite what anybody else may be saying, it is our position that if we had those indications or evidence that it was headed to the United States, as to that particular 7.24 or 5 ton seizure. We are not a political agency and quite honestly, sir, I am not a very political person. I am here to tell you the truth as best we can see it, and that is what we are doing.

Mr. BARR. I appreciate that and I know that is the case from my personal experience as a U.S. Attorney with DEA, and since then as a Member of Congress. The problem I think is where you have an administration that does not take that view. They may not ask the questions because they do not want to hear the answer that you might give them. The President I think—I do not know, Mr. Chairman, did he ever meet with Mr. Constantine on these matters? I think there has been testimony that he just never even asked for briefings, so that therefore, they can make statements like this one in November that have no basis in legitimate evidence or fact, and DEA is not often given the opportunity to participate and provide that objective evidence that you and your colleagues would. But that is not your problem, that is a problem at a higher level that we have to face.

Mr. BURTON. Let me just say to my good friend, Mr. Ledwith from DEA before I yield to Mr. Ose, that I had some of the officials from DEA into my office along with one of the people that was involved in DEA's activities in Latin America and Colombia and there was some discussion between DEA and the White House about this shipment and one of the individuals—I think there was some misrepresentation of it. I am not sure whether it was because there was pressure put on them or what, but I think there was some misrepresentation, and so I think that one of the things that everybody ought to ask is why would Rogelio Sierra, who is a spokesman for the Cuban Ministry of Foreign Relations, say that 7 tons of Cuban-bound cocaine seized in Colombia was destined for the United States? He says or they are now saying that that was a mistake, he was talking about another shipment that was going through the Caribbean that was destined for Spain. But the other agency I talked about said there was no other shipment close to

that size during that time period. So it appears as though Mr. Sierra and the Cuban Ministry down there was trying to cover their derrieres after he had a slip of the tongue that got in the paper, Prensa Latina.

But I do not want to belabor the point, you are going on with your investigation and I hope you will keep us informed and I appreciate—I know we have put you on the spot today and I apologize for that, I think that you have handled yourself very well.

Mr. LEDWITH. Thank you.

Mr. BURTON. Mr. Ose.

Mr. OSE. Thank you, Mr. Chairman.

First of all, I want to express my appreciation to Mr. Varrone and his many colleagues at the Miami International Airport. I had a very interesting 3 hour visit with them when I came in on Sunday night. We actually——

Mr. BARR. You were not detained for 3 hours, were you?

Mr. OSE. I was not detained—thank you, Mr. Barr——

Mr. BARR. You might want to clarify that for the record.

Mr. OSE. I was actually invited to witness or watch their operations and in the course of that 3 hour period, they were able to detain one person on a wants and warrants check for stalking, another person for a nominal amount of marijuana they were bringing in on their person and then one of the rovers on the Customs floor, by sight, picked out a guy that was packing 8,000 pills of Ecstacy headed to the South Beach area for retailing. Mr. Varrone's colleagues, man, they just picked him out and it was just a thing of beauty to watch. [Laughter.]

Mr. BARR. Based on tangible, articulable evidence. [Laughter.]

Mr. OSE. Listen, you are the attorney, I am just sitting here telling you what I saw. They just nailed the guy and it was a thing of pleasure to watch. So my compliments to you and your colleagues.

I want to go back and clarify something, Mr. Ledwith. On your testimony here, if I understand the dilemma we are facing here, it is that this chart on page 2 refers to estimates of cocaine headed to the United States and the dilemma that we have as it relates to this 7.2 metric tons is that DEA judged that to be going to Spain, so it was not included in this chart.

Mr. LEDWITH. And I appreciate you pointing that out, sir, that is accurate.

Mr. OSE. Is that accurate? We heard testimony yesterday and I have heard it here a little bit today about that not being—that 7.2 metric ton container being not the only—I cannot even talk right now. Not the only container that was considered to have been shipped, just on the basis that being that that volume or amount of cocaine would not be shipped through a channel that had not been tested, for instance.

Mr. LEDWITH. That is a very accurate assessment. The traffickers would not risk a quantity of that size and magnitude until they had tested the pipeline with smaller shipments. They would build to that size shipment, because the risks are enormous.

Mr. OSE. I was doing some math up here and I have lost the numbers, but it is somewhere on the order of half a billion dollars

worth of cocaine. I may be off by an order of magnitude, but that number——

Mr. BURTON. The 7.2 metric tons?

Mr. OSE. Yes.

Mr. BURTON. It is $1½ billion.

Mr. OSE. $1½ billion. Well $500 million or $1½ billion, that is a heck of a lot of cocaine. I want to make sure I understand, that while that 7.2 metric ton shipment, in DEA's opinion, was destined for Europe, there is evidence, logical or otherwise, to suggest that other shipments had gone down that delivery channel, if you will, previous to that, headed for both Europe and possibly the United States?

Mr. LEDWITH. You could say that, sir. We cannot say with any kind of definitive answer exactly where those other shipments went. We can say that there were certainly, in our opinion, other shipments, because they would not risk that amount of drugs without testing that system. There is evidence that there had been at the very least four prior shipments.

And Mr. Chairman, as Mr. Ose points out, I apologize, but the 1.7 reference was to drugs that could be definitively said were going through Cuba toward the United States and I believe that thus this 7 ton shipment might not have been part of those numbers and that is the mathematical problem that you mentioned earlier. But yes, sir, there would have been other shipments.

Mr. OSE. Through Cuba, destined somewhere.

Mr. LEDWITH. Yes, sir.

Mr. OSE. In the opinion of DEA.

Mr. LEDWITH. Yes, sir.

Mr. OSE. All right. Do the organizations that push that kind of volume traffick in both Europe and the United States?

Mr. LEDWITH. Absolutely, sir.

Mr. OSE. All right. Have you run into any drug trafficking organizations recently moving that kind of volume to both Europe and the United States?

Mr. LEDWITH. Yes, sir.

Mr. OSE. OK. Through Cuba?

Mr. LEDWITH. No, I cannot say through Cuba. When you asked me have we run into organizations shipping those kind of volumes——

Mr. OSE. I understand. Let me rephrase my question. Have you run into any—have you recently run into any drug trafficking organizations shipping that quantity of drugs through Cuba to either Europe or the United States?

Mr. LEDWITH. No, sir.

Mr. OSE. You have in December 1998, the 7.2 metric tons came from an organization headed toward Europe.

Mr. LEDWITH. Yes, sir.

Mr. OSE. In the DEA's opinion. But there has been no similar conclusive position on DEA's part of a similar shipment headed through Cuba to the United States?

Mr. LEDWITH. To this point, no, sir, we do not have any.

Mr. OSE. And you have a number of ongoing investigations, I am confident of. Do you have a number of ongoing investigations in this regard?

Mr. LEDWITH. We do, sir. We are constantly examining those issues from our respective offices in the Caribbean and South America and the United States. To this point, I can say that we do not have evidence of organizations shipping enormous loads of cocaine both to Europe and the United States through Cuba. I do not have that at this time.

Mr. OSE. My time is up. Thank you, Mr. Chairman.

Mr. BURTON. If you need more time for questioning, we will come back for another round.

Mr. Barcelo.

Mr. ROMERO-BARCELO. Thank you, Mr. Chairman.

I would like to thank Mr. Ledwith and Mr. Vigil and Mr. Varrone for the job that you are doing in Puerto Rico and I think everyone is very impressed and very happy with it.

I would like to ask Mr. Vigil something about when you discussed the problems in the security of the agents in Puerto Rico. What were you referring to because I would like to know and see how I could be helpful, if any, in helping that issue.

Mr. VIGIL. I appreciate the question. I was feeling kind of abandoned here, Mr. Romero-Barcelo.

Mr. OSE. Just wait, Mr. Vigil, we will get to you.

Mr. VIGIL. The security issues are, as you know, there is a high crime rate in Puerto Rico. Obviously it has gone down significantly as a result of the efforts not only at the Federal level but at the State level. One of those, you know, deals with street crime. We recently had an individual that was at a business and there was an armed robbery attempt that occurred and the individuals that conducted the assault put a gun to his head.

Several months ago, we had an individual that was on his way home, his vehicle broke down and he had to walk about a mile to his residence, came back with his wife, told his wife, look, stay in the car, if anything happens, drive away from the area. He starts to work with the vehicle's battery and sure enough not more than 5 minutes had elapsed when a vehicle pulled up and an individual exited the vehicle and approached him carrying a hand gun and he demanded money. At that time, his wife started to move away from the area and the individual points the weapon at her and he happened to be armed, pulled out his weapon and fired two shots. One of the bullets struck the vehicle that he was in and the other one struck him on the left side of his chest. Later, the suspect reported to a hospital in the immediate vicinity and he was given emergency treatment. He died a few minutes later.

The same individual some time back was at an ATM machine and there was an attempted robbery.

Mr. ROMERO-BARCELO. The same agent?

Mr. VIGIL. Same agent. There was an attempted robbery, he fired several rounds and struck the suspect. Did not kill him, but I think there were about three bullet impacts.

I have had a group supervisor whose home was invaded by several individuals carrying weapons, his entire family was put on the floor and held at gunpoint and eventually he was able to wrestle one of them and they fled the area.

So those are the type of things that are encountered. As Mr. Attorney General Fuentes Agostini stated, we do estimate that about

80 percent of the homicides that occur in Puerto Rico are drug-related. Obviously we are undertaking measures at the Federal level with other agencies and also in cooperation with the Puerto Rico Police Department and the Attorney General to address a lot of these violent organizations. As you are well aware, we assisted you in the Agalateo project, we eliminated a very significant drug-trafficking organization that engaged in wholesale violence and had complete control of that area.

So there are security and safety issues that we are concerned with. Obviously, we are working in a combined effort to try and address those, not only with the agencies themselves, the law enforcement agencies, but also with the local prosecutors as well as with Federal prosecutors.

Mr. ROMERO-BARCELO. Are you doing any recruiting, active recruiting in Puerto Rico for agents?

Mr. VIGIL. We do a tremendous amount of recruiting in Puerto Rico. Obviously the Spanish language is very important, so we focus very heavily in terms of minority recruiting. I would venture to say that the vast majority, you know, we have gotten a tremendous amount of excellent recruits out of Puerto Rico.

Mr. ROMERO-BARCELO. Because I was going to suggest that if you need any help on organizing any kind of special programs in the colleges or universities, I would be very glad to sit down with you and sit down with the president of the Higher Education Council and the secretary of education and discuss that and see any special courses that could be prepared so that the students would feel that they would have an opportunity at least to try for positions in the DEA or Customs or the Coast Guard or whatever.

Mr. VIGIL. I appreciate that and we will sit down and discuss that. We do actively engage in recruitment, the recruitment process, at the universities. We attend job fairs and obviously we do a lot of recruiting from the Puerto Rico Police Department and other agencies. You know, at the same time, they are engaged as task force officers in our task forces.

Mr. ROMERO-BARCELO. Thank you very much. My time is up.

Mr. BURTON. Let me just make a couple more comments and ask a couple more questions of Mr. Ledwith.

Mr. LEDWITH. Yes, sir.

Mr. BURTON. Told the Miami Herald that the Colombian drug traffickers had held a meeting in Havana on at least one occasion. And you said that Cuba's counter-narcotics efforts have been mixed. It seems to me—we had testimony yesterday from two people who used to be involved with the Cuban Government. One of the fellows was in the Department of the Americas, his wife was the daughter of one of the people that were executed, a Colonel that was executed with General Ochoa. So they were very, very high up in the government and they went into great detail about Castro's activities with narcotics and how they gave bags of money, splitting it up in the Interior Ministry, which is their intelligence agency, giving half to Castro and half to the others. And when he eliminated these people, then Castro could get all of it, and much of this was drug-related.

So we have a lot of evidence that shows that Castro has been involved in the drug trafficking. This meeting, which has been talked

about by Mr. Mazelli with leaders of the drug cartel meeting in Havana on at least one or two occasions would indicate that Castro was giving his stamp of approval or getting something for that meeting. He knows everything that is going on in Cuba, according to every source we have talked to. They have block captains watching people who are dissidents, who get upset with the Castro government, in almost every block or every other block, just like the Communist set up in the Soviet Union years ago to watch people who were potential problems for the government. And many of those people have been incarcerated and thrown into prison for indeterminate periods of time. So Castro knows what is going on. He is involved, deeply involved, in watching everything to protect his regime.

Now Mr. Mazelli says that on two separate occasions, or at least one occasion, the leaders of the cartel have been in Havana. How can we say that the Cuban Government's cooperation is mixed, if they are actually having drug cartel members there for meetings, and we know that drugs are transitting Cuba? And how can we believe them when they say that drugs were going to a different area or that the dogs were sniffing—the police there said that dogs were sniffing canisters and finding Spanish money in them and remnants of cocaine—how can we believe them?

Mr. LEDWITH. Sir, we cannot.

Mr. BURTON. Well, then how do you verify that and how do you say that there is mixed——

Mr. LEDWITH. When I say that there is mixed reviews, I am in the very awkward position of defending Cuba's actions in the drug war, which I do not believe that Cuba has done everything that they possibly can in any fashion and I have so testified. If we look at the diminished tracks coming across Cuba that my colleague from Customs pointed out this morning in his testimony, I do not for a minute feel that that is a result of their fear of Cuban interdiction efforts. I feel that it is solely a result of a logistical change and it is easier to go someplace else. The Cubans have not effectively patrolled their waters, their air, nor have they assisted us in the methods that I feel they should assist us. It is a closed community. It is, as you mentioned earlier, sir, a very restrictive environment. We do not have anybody stationed there, nor are we able to go there and effectively operate. And if we went there, I am not sure we could believe what they told us.

Mr. BURTON. Well, let me just say regarding them patrolling their waters, and I am just saying this for the record because I think it is important to be in the record of this hearing, the March 13th tugboat containing women, children, they washed them off the decks, they drowned them all, they killed them all. If they can patrol and watch people leaving Cuba trying to get to freedom in the United States, if they can shoot down two unarmed aircraft and send up MiGs to intercept people that are flying into Cuban air space, they sure as the dickens can watch people going in and out of Cuban waters, participating in the drug trade.

Mr. Mazelli also described a situation where the Cuban Government was facilitating—in his opinion, facilitating drug shipments by not arresting these men when they were there. So I think during that time period when he was talking to the Miami Herald, he

was saying very clearly that he thought Cuba was very complicitous and involved.

Mr. Varrone—oh, excuse me, did you have something?

Mr. LEDWITH. We have on many occasions heard from undercover contacts that the crooks feel very comfortable meeting in Cuba, they feel that they will be completely free of United States surveillance, intervention, T–3s or any varieties of technical interceptions because of the very nature of Cuba. I think that would be an accurate statement.

Mr. BURTON. Let me end my questioning here real quickly to Mr. Varrone. Has the Customs Service received any reliable intelligence from drug traffickers in recent months that Cuban authorities do not bother you when you are moving drugs through the island?

Mr. VARRONE. Yes, sir, we have heard that from a variety of sources. The credibility of sources are always in question, the sources that we have heard it from are cooperating defendants who are pending sentencing and the amount of credibility that you can give to that is always——

Mr. BURTON. But it is not one source, there are a number of sources?

Mr. VARRONE. We have heard it from more than one source; correct, sir.

Mr. BURTON. OK. My staff has been told by Customs agents in Miami that as much as 98 percent of the drugs coming into the Port of Miami get through undetected, is that correct?

Mr. VARRONE. I do not believe that is accurate, sir.

Mr. BURTON. You think it is much less than that?

Mr. VARRONE. I think we are more effective than that; yes, sir.

Mr. BURTON. OK. All right, I guess the only other thing is what does the Customs Service need to do to be more effective in stopping the drugs at the Port of Miami and in Puerto Rico? If you can give me a generic answer to that, is it more money, more agents, what?

Mr. VARRONE. Well, we have H.R. I think it is 1833 that Senator Mica has—I am sorry, Congressman Mica has sponsored. [Laughter.]

Mr. OSE. I will vote for that.

Mr. BURTON. Did he pay you to say that? [Laughter.]

Mr. VARRONE. Which is a resource request for the service. Our resources have been static and I know particularly in the Miami area that they have been static and I believe that they could use more people and the production that we get from our people is very high. So I think that would be very helpful.

Mr. BURTON. I will co-sponsor the bill and see if we cannot help you out.

Mr. Mica.

Mr. MICA. Thank you. I have a couple of questions as we start this second round here. Mr. Ledwith, how long have you been in your position?

Mr. LEDWITH. I have been the Chief of International Operations with DEA since May of last year, sir.

Mr. MICA. Are you familiar with any of the DEA operations in Haiti?

Mr. LEDWITH. Somewhat, sir.

Mr. MICA. I am absolutely baffled by the situation that has developed here. It looks like Haiti is becoming a major conduit in drug trafficking. Is that a correct assumption?

Mr. LEDWITH. I think that would be an accurate statement, sir.

Mr. MICA. Because we have spent $3 to $4 billion in nation-building. We have spent an incredible amount of resources in trying to build the judicial system there and the governmental system. Is the DEA working with their officials? Do we have a specific drug program in Haiti working with their officials that you can relate?

Mr. LEDWITH. From the headquarters perspective, sir, we are currently involved in a series of meetings at the Washington level to try and replicate Operation Bat which is a helicopter interdiction program that has been quite productive and successful in the Bahamas, and we are attempting to put together the resources to bring such a mechanism to Haiti.

But I would like to defer to Mr. Vigil if I may, sir, who has the responsibility of immediate oversight of Haiti and I would ask Mike, if he would——

Mr. MICA. I would really like to hear that because I cannot think of any nation in the western hemisphere in which we have put more resources and more U.S. attention and had a bigger failure, and now to find out that it is the major conduit. And the description that we had from the former Puerto Rican Attorney General of drugs coming into Haiti, being transported across to the Dominican Republic. And when you get through with Haiti, can you tell us what is going on with the Dominican Republic, a supposed ally, a good friend. We have also assisted that country, but could you describe what is going on, what the problems are?

Mr. VIGIL. Let me begin by saying that there are significant problems, as we are all aware of, in terms of Haiti, the lack of political and economic infrastructure plays a very important role in the fact that a lot of Colombian and Dominican drug trafficking organizations have moved into the area and are using Haiti as a major transshipment point.

Mr. MICA. OK, we know that. What are our programs?

Mr. VIGIL. Well, we have several programs.

Mr. MICA. What are we doing, why are they not working?

Mr. VIGIL. Well, the thing is that right now we have a program at the Port-au-Prince airport and we work very closely with the BLTS. The BLTS is the counter-drug arm of the Haitian National Police. They have had some success there.

Mr. MICA. What about maritime?

Mr. VIGIL. And then we also have a maritime task force also at Port-au-Prince.

Some of the other programs that we have developed there along with the Customs Service, we initiated a binational operation between Haiti and the Dominican Republic, approximately 1 year ago. I thought it was a tremendous success in the fact that we were able to bring two countries together that have had so much conflict and strife during the past several decades. The operation was a tremendous success, we garnered a lot of arrests and seizures, but the arrests and seizures were not the predominant focus or operational

objective. What we were trying to do is get them to exchange information and work with one another.

Subsequent to Operation Genesis, the Haitians arrested the wife, son and brother-in-law of Heriberto Coneo, who was a major drug trafficker. They did not have venue in Haiti, so they worked out an agreement with the Dominican authorities and they drove these individuals to the border near Malpas and turned them over to the Dominican authorities.

Later, the Haitians requested assistance from the Dominican Government in terms of an individual that was responsible for several homicides and the Dominicans responded, arrested this individual boarding an American Airlines flight in Santo Domingo headed for New York. They again drove him over to Malpas and turned him over to the Haitians.

Recently, we conducted Operation Columbus, which was a multinational operation involving 15 countries, to include Venezuela, Colombia and Panama, which are to me the countries that greatly impact on what we do in the Caribbean. Haiti participated in that operation and they arrested what I consider to be a very significant Haitian trafficker by the name of Edmond Noel, who owns several businesses in Haiti. They also executed a search warrant at a residence belonging to two individuals that are the subject of an investigation here in the United States and they seized 275 kilograms of cocaine, seized the residence which is estimated to be valued at over $2 million and several thousands of dollars of weapons, luxury vehicles and what-have-you.

What they are doing now are what I consider to be embryonic steps, but they are undertaking what I consider to be significant strides in comparison to what they did in the past. We have opened the doors to the international arena in terms of this country and I think that they have responded rather well. I think that they lack the resources, they lack the training and unfortunately we have a police force that up to a year ago was about 6,000 strong and now probably has dwindled down to about 5,000.

We have also implemented a program which we call Unicorn, it is the Unified Caribbean Online Regional Network and this is a computer data base system that links over 20 some odd countries and allows them to exchange information with one another. So I look at these types of initiatives as very significant in terms of the implementation of a comprehensive regional strategy and Haiti is, you know, playing a strong role in this implementation.

Mr. MICA. Thank you. I would like to get more information from the agencies and we will have additional questions after the hearing. Just one final thing, if I may, if my colleagues will indulge me.

This report that we have from the GAO just within the last couple of weeks here says according to the Southern Command, the command can only detect and monitor 15 percent of the key routes in the overall drug trafficking area about 15 percent of the time. That is pretty low coverage of the huge Caribbean area.

Then while I was home, some of the headlines in the central Florida papers announced the closing of the Aerostat program, which is located off of our Gulf coast and they said that other Aerostats are being closed down.

I do know that we have some, what is it, over the horizon radar coming in place. Can Customs tell me, or DEA, what kind of coverage we anticipate; one, with the close down of Aerostats, and also with the information given us by the commander of Southern Command here.

Mr. LEDWITH. We will defer to our Customs colleague I believe regarding air tracks.

Mr. VARRONE. Mr. Mica, I have not seen that report. Those are all DOD assets and as you know, we only operate one Aerostat, we only have one Aerostat left.

Mr. MICA. Are you going to keep that one?

Mr. VARRONE. I believe so, at least in the short term. I cannot describe the technological presentation of the radar and what areas we cover and what we cannot cover. I have with me Bill Daley from our aviation unit, who may be able to give you some insight if you would like to hear from him, or we could submit some answer to you.

Mr. MICA. I do not think he has been sworn, has he?

Mr. VARRONE. No, sir.

Mr. MICA. We do not want to get into that then. But what I would like to do is get an assessment from Customs and DEA about this entire matter of coverage and how we should approach it, maybe your recommendations, and then what is going to happen. I think these Aerostats are under the Air Force's jurisdiction, but they are coming down and there is a great concern in Florida and some of the other areas where they have had coverage in the past. So I would like your perspective on that, if you would submit that for the record.

Mr. VARRONE. Yes, sir.

Mr. MICA. Did you want to comment before I yield?

Mr. VIGIL. I would like to make a comment, not necessarily on the Aerostats, but I think more importantly is the fact that on occasion we do have adequate detection and monitoring assets in the Caribbean, and I am talking about ROTHR, P–3, and what-have-you. But I think more important is the fact that we need to address response capability and I think Mr. Fuentes Agostini very appropriately brought up the fact that we need some Blackhawk helicopters, we need that response capability because otherwise, we are going to be able to detect, but we are not going to be able to interdict those drug loads. And that is a major problem that we have.

Mr. MICA. Mr. Chairman, they opened themselves up to a question here on the Blackhawks. Why can you not have an interagency agreement to utilize the National Guard helicopters? Do you lack the O&M funds or has that been discussed? Someone said we had half a dozen or so National Guard helicopters sitting in Puerto Rico——

Mr. BURTON. Eight, I think.

Mr. MICA. OK. Not being utilized. What is the problem with that?

Mr. VIGIL. Well, the thing is that we are working on developing this type of response capability as we speak. The problem with the helicopters belonging to the National Guard—and we have conducted several meetings, with a multitude of agencies, to include

the National Guard there—the funding that they are being provided is strictly for military readiness.

Mr. MICA. Mr. Chairman, maybe we could do a letter from the committee. They have eight of these Blackhawk helicopters sitting down there, they have had discussions and nothing seems to be getting done, and then we have a request from Puerto Rico, maybe the delegate could join us in this——

Mr. ROMERO-BARCELO. Sure.

Mr. MICA [continuing]. To get those things done.

Mr. BURTON. Well, the Attorney General, I think when he spoke, I think we did talk about that and you may have been out of the room. We ought to do that.

Mr. MICA. But I think the committee should do something immediately and we will bring in the National Guard Commander or whoever it takes, and others, and I am certain we could find the resources to get those things activated.

Mr. ROMERO-BARCELO. I will be happy to join in the efforts.

Mr. BURTON. Why do we not have the staff give us all of the agencies that ought to be contacted and we will write a joint letter from Mr. Barcelo and the committee.

Mr. MICA. And maybe conduct a meeting as soon as we get back, to bring them together. I would like to request that, if I could.

Mr. BURTON. Why do we not see if we can do that.

Mr. VIGIL. Thank you.

Mr. BURTON. Mr. Ose has to catch a plane and so I hope you will all bear with us while we let one of our newer members go, because I do not want him to have his wife all angry with him by not being home tonight.

Mr. OSE. Thank you, Mr. Chairman, you are very kind.

Mr. BURTON. Of course.

Mr. OSE. I want to followup on an earlier question that I asked and that is, it was directed to Mr. Ledwith regarding these containers. It would seem to me that based on what we have heard today, that containers for volume transactions—I mean I cannot even stand talking about this in normal business language—for this kind of drug poison to get shipped over in this kind of volume, some of the producers have gone to containerized shipments. We have established that they sent one container at least to Cuba. Have they sent other containers to other countries? Have other containers been sent under similar circumstances to other countries, for instance, Mexico.

Mr. LEDWITH. By this particular organization, sir?

Mr. OSE. Or any similar one.

Mr. LEDWITH. Certainly containerized cargo is probably the best method of shipping drugs, if that is what you are asking. This particular organization, we have found records that indicate at least four prior containers were shipped through Cuba to Spain, if you are speaking to the particular organization involved in the 7.2 ton shipment.

Mr. OSE. E.I. Carib.

Mr. LEDWITH. Yes, sir.

Mr. OSE. OK.

Mr. LEDWITH. That organization had definitely utilized containers previously and in fact, four of the containers allegedly found by

the Cuban National Police with hidden compartments, those serial numbers, backtracking of the shipping documents regarding the serial numbers, indicated that those very containers had previously been shipped from Colombia to Cuba to Spain.

Now if we are speaking of in general, are other containerized cargo methods being utilized to ship drugs, absolutely.

Mr. OSE. Did E.I. Carib engage in shipment of containers to other countries besides Cuba?

Mr. LEDWITH. It does not—our records at this point do not indicate that; no, sir, their particular shipment of containers that we have found already—now I may be incorrect at this point and I will find out for you and report to the committee, my immediate information is that as to the shipments involving the company are in Cuba and in Spain.

Mr. OSE. So E.I. Carib, what we have is evidence that E.I. Carib sent a container from Colombia to Cuba and at that point the container was in effect arrested.

Mr. LEDWITH. Actually, sir, the containers never left Cartagena with the drugs in them.

Mr. OSE. OK, so the Colombian National Police seized it.

Mr. LEDWITH. The 7.2 ton seizure took place in Cartagena, Colombia.

Mr. OSE. OK.

Mr. LEDWITH. And the documents indicated that they were to be shipped to Cuba.

Mr. OSE. Do the lading numbers on the various containers indicate that once containers went to Cuba, did they go in a variety of directions or only on to say Spain? Did they go from Cuba to Mexico or Cuba back to wherever? Was it just a singular destination point on these containers?

Mr. LEDWITH. With the E.I. Carib, one container—our record check indicates one container went on to Mexico. The other containers in question went from Cartagena to Kingston, Jamaica to Cuba to Spain. That is the shipping route they utilized.

Mr. OSE. And that was the lading that was indicated on the 7.2 metric tons?

Mr. LEDWITH. That is correct.

Mr. OSE. On this other container that went to Mexico——

Mr. LEDWITH. It went from Cartagena to Kingston, Jamaica to Cuba to Mexico.

Mr. OSE. Now we have heard testimony today about Mexico being one of those countries through which a significant amount of these narcotics are shipped into the United States. Is it possible that one of these prior runs, for instance this container from Cartagena to Jamaica to Cuba to Mexico contained drugs?

Mr. LEDWITH. It is certainly possible.

Mr. OSE. The four containers that were identified as having false compartments, was one of those four the container that went from Cartagena to Kingston to Cuba to Mexico?

Mr. LEDWITH. No, it was not. The four containers with the hidden compartments were alleged to have continued on to Spain.

Mr. OSE. OK, and they were the property of E.I. Carib?

Mr. LEDWITH. Yes.

Mr. OSE. Now is E.I. Carib still in business?

Mr. LEDWITH. I think it closed as a result of this investigation.

Mr. OSE. And E.I. Carib was engaged in shipping transactions with a company called Plastico Royal based in Havana?

Mr. LEDWITH. Yes.

Mr. OSE. Who owned Plastico Royal?

Mr. LEDWITH. Herrera and Royal.

Mr. OSE. Herrera and Royal were individuals?

Mr. LEDWITH. They were individuals who had the company in Havana.

Mr. OSE. They were the corporate agent?

Mr. LEDWITH. They were part owners, if you will with the Government of Cuba.

Mr. OSE. What part of ownership did they hold?

Mr. LEDWITH. I believe they held 49 percent while the Cuban Government held 51 percent.

Mr. OSE. So the Cuban Government held 51 percent ownership in a shipping company—excuse me, a receiving company, Plastico Royal, that was receiving containers that according to evidence that the Colombian National Police provided contained 7.2 metric tons of cocaine destined, in this case, for Europe, according to the DEA analysis.

Mr. LEDWITH. That would be correct.

Mr. BURTON. If the gentleman would yield briefly. We covered this a little bit yesterday. There were two Ministry of the Interior officials that pretty much ran the company, they watched everything that went in. They made—the lady in charge in the Ministry of the Interior made a call to Cartagena saying where is that shipment. She did not find out about it. She made a call to one of the people who was also a minority stockholder in Spain saying where is that shipment. So they were very, very concerned about that shipment because they knew it contained the cocaine, I believe. I mean I do not know why else they would be so anxious to get a shipment that contained 7.2 metric tons of cocaine. And the Ministry of the Interior's past history shows clearly that they were involved in getting bags of money from various sources and splitting it up between Castro and other agencies, and ultimately when General Ochoa was killed, Castro could get it all.

And they even went into detail yesterday as to how the money was spent. One was for a health facility for the upper crust in Cuba.

So just to flesh out what the gentleman was pointing out, the Ministry of the Interior down there, they were the ones pulling the strings on those drug shipments.

Mr. OSE. Mr. Chairman, I appreciate you being so much more eloquent and briefer than I could have been, so I appreciate you doing that.

I do want to emphasize one point. I did not come to politics 5 years ago or 10 years ago, I came to politics last January and I came to politics from business. And I can guarantee you, I held 51 percent of every partnership I ever held because I was going to control the checkbook. And the concept is no different in Cuba for those who seek to line their own pockets than it is in the United States amongst those who seek to engage in legal business. If you

control 51 percent, as the Cuban Government did in this instance, you control what happens in that company.

Mr. Chairman, I regret I have to go. This is by far the most interesting field hearing I have been involved in and I appreciate the opportunity to participate.

Mr. BURTON. Well, thank you very much, Mr. Ose. We will miss your eloquence and I hope you make your plane. Tell you what, give your wife our regards.

Mr. OSE. Thank you.

Mr. BURTON. Mr. Barr.

Mr. BARR. Thank you, Mr. Chairman.

The evidence that you all have just been talking about, Mr. Ledwith, when was this developed, when was this information known? It was known to DEA quite awhile ago, was it not?

Mr. LEDWITH. Yes, sir.

Mr. BARR. Prior to November 10 of last year?

Mr. LEDWITH. Yes. He is in charge of the investigation, so pardon me——

Mr. BARR. Who is he?

Mr. LEDWITH. Toby Van Breesen, he is the senior supervisory agent who is handling this from the headquarters perspective, so I just want to make sure that I am accurate in my representations to you.

Mr. BARR. Thank you.

Has this information been given to the White House?

Mr. LEDWITH. I would not know. I have never even been to the White House.

Mr. BARR. You would hope that it would have been.

Mr. LEDWITH. Through channels, I would have to say yes, sir.

Mr. BARR. The reason I asked on November 10 is that is the date on which the administration makes this big public pronouncement that, you know, there is essentially no evidence linking Cuba to any of this, it all has to do with Spain or something.

Mr. Vigil, you lost me a little bit ago and I wanted to make sure that I understood what you said. You were talking about Haiti.

Mr. VIGIL. Correct.

Mr. BARR. And I think you said, and I jotted this down, that Haiti is playing a strong role in the implementation of a regional strategy.

Mr. VIGIL. Regional strategy, right.

Mr. BARR. I presume you mean a strong negative role?

Mr. VIGIL. No, a strong positive role.

Mr. BARR. Well, then I am confused. I mean we have seen Customs information here today which I presume you do not dispute, that Haiti has been—and we have heard other testimony that Haiti is becoming a significant, a very significant player, in transshipment of drugs from South America into the United States, there is rampant corruption in Haiti. I think there is something like 8,000 supposed law enforcement officers that U.S. taxpayers have paid for training down there. It is my understanding that few, if any, of those have ever performed any real law enforcement activities, they are just padding payroll. Yet a significant number have been, over the last 4 years since we have been involved down there, have been dismissed for corruption.

What is there positive? I do not see anything positive in all this. What is there that you see is so positive about this situation?

Mr. VIGIL. Well, let me say this. I do not dispute the fact that there is endemic corruption, the fact that they need additional training, the fact that Haiti——

Mr. BARR. Do you think the U.S. taxpayers ought to put more money into training? I mean we have seen no positive results at all so far.

Mr. VIGIL. Well, let me continue, if you will.

Mr. BARR. Well, answer that question first though, I mean do you think we ought to throw good money after bad?

Mr. VIGIL. Well, I think that we need to structure the way that we do training, I think that we need to structure a lot of the resources that we provide to Haiti. Again, you know, I do not question the fact that Haiti is the hot spot in terms of the Caribbean in terms of drug trafficking activities going through that country. What I am alluding to is the fact that in the past, there was nothing done in Haiti in terms of counter-drug efforts. Now we are seeing what I consider to be positive steps, an embryonic state, if you will, in terms of enforcement activity, the fact that they are willing to participate and coordinate drug trafficking investigations and operations with other countries I think is a positive note.

Obviously we are not there yet in terms of 100 percent readiness, 100 percent response, 100 percent in terms of their operations and what-have-you. But the things that I am seeing there are much more positive than what I saw, let us say, even 5 years ago. So I take those things in a positive light and hopefully we can buildupon those to further operations in Haiti and other areas.

What I look at in terms of the Caribbean is I do not look at, one particular country, I look at regional strategies, I look at cooperation, I look at building institutions where we can attack a lot of these significant organizations that do not only operate in Haiti, but they operate in a multitude of other countries. Unless we get these countries to work with one another, we are pounding sand.

Mr. BARR. We are. When you look at Mexico and the former head of DEA, Mr. Constantine, who I have tremendous regard for, was very blunt about it, probably the only top level policymaker in the administration who was honest about this, we are pounding sand. We are not getting cooperation, there is endemic corruption in Mexico, we know it is in Haiti, other countries as well. So there is no strategy, I do not think, for dealing with this.

While I salute your optimism in saying that after 4 years or 5 years and billions of dollars, we finally have an embryonic effort and that is tremendous. You know, as stewards of the public money, we do have to look at it perhaps a little more realistically and question, you know, why should we want to throw more money at this when several billion dollars and several years of so-called nation building has yielded at best an embryonic effort. That is what troubles us, as Members of Congress with responsibility for the taxpayer money.

And here again, I know that it is not DEA that is the problem here, the problem is a policy that just throws money at these situations for political gain. You know, invading Haiti, of all places, invading Kosovo, and so forth. Lord knows how many billions of dol-

lars and years we are going to be involved over there and maybe 5 years from now we will have an embryonic effort over there.

And I think this is one reason why over the last 10 years or so, and I think it was if memory serves me properly exactly 10 years ago that General Noriega was arrested and unfortunately that may have been sort of, you know, the real high point of our international effort. And since then, although we were able to get the Escobar organization partially as a direct result of Noriega demise and information that we get, we had Operation Polar Cap and several in the late 1980's, very, very successful efforts. Since then, I do not think we can say that. Yes, maybe we see embryonic successes in a couple of these places, but when you look at the problems that we see in Mexico and the lack of willingness of this administration to take any steps to really rectify that, I think we have an overall very serious problem with drug policy on the international side. And part of that is reflected, as I know you all are aware, in the budgets of this administration.

It is my information—I think these figures are correct—that of the total $5.4 billion for interdiction, treatment and prevention programs, over 85 percent of that goes to treatment and prevention. And, you know, while that may be very important, one I think really has to question the amount of money, because that is being taken out of source country efforts, efforts that you all could be using I think to much greater advantage. I just think that you all are not getting the resources that you need. I think Mr. Vigil and Mr. Varrone and Mr. Ledwith, if you were making policy, we would see a lot better results than with the folks that are, we would see more than an embryonic effort. Because I do not think the DEA, if they were in charge, they would stand for these sort of results that we are seeing, billions of dollars, you know, just thrown down the drain. I wish all that money had—well, we do not need to get into that. I just think you all are doing a tremendous job, but it is the policy of this administration in particular that really is holding you all back, and that is why for the last 10 years on the source country effort, we have seen such problems. And we are all aware of the problems with Colombia in terms of this administration just refusing to abide by even our laws in getting them the money and the equipment that the Congress has mandated. It is very distressing. But this hearing today, as Mr. Ose said before he left, is very enlightening and I appreciate it, Mr. Chairman.

Mr. BURTON. Thank you, Mr. Barr.

Do you have any concluding questions or comments?

Mr. ROMERO-BARCELO. Yes, Mr. Chairman, I have a couple of questions.

I just heard the Secretary of Justice of Puerto Rico telling me that the helicopters, Blackhawk helicopters that are in Puerto Rico, eight of them, that they need the night vision equipment. I do not know how you call that, it has a special name.

Mr. VIGIL. Yes, the FLIR, forward looking infrared.

Mr. ROMERO-BARCELO. FLIR, forward looking infrared equipment, that they need four of them, right?

Mr. VIGIL. It is for nocturnal operations.

Mr. ROMERO-BARCELO. It is only that there have been arrangements made to get the equipment and now all of a sudden the

equipment that was all set to be sent to Puerto Rico is going to be sent to the Bahamas. Do you know anything about that?

Mr. VIGIL. [Shakes head.]

Mr. BURTON. When we send that letter, Representative Barcelo, what we will do is we will include in there the question and the request for the night vision equipment, so that the helicopters will have that. If we can get them operational.

Mr. ROMERO-BARCELO. OK, thank you, that is what I wanted to mention.

Mr. BURTON. We really appreciate you coming in from Puerto Rico, along with the Attorney General.

I had one last question. Mr. Ledwith, you had indicated that there was a shipment that went to Mexico, do you have the dates on that?

Mr. LEDWITH. I can provide them to you, sir, I do not have them.

Mr. BURTON. Would you provide that for the record? We really would like to have that.

You do not know, was that before the Spanish transmission of drugs or was it after that? The gentleman back there may know.

Mr. LEDWITH. It was before.

Mr. BURTON. It was before. If you could give us the dates on that, we would really appreciate it.

I wish we had time, we had former Chairman Larry Smith, a former Member of Congress back there, who headed the International Narcotics and Terrorism Task Force for what, 6 years, Larry?

Mr. SMITH. Yes.

Mr. BURTON. And he has given us some information which we will put in the record regarding some of the problems that we have had at State Department in getting to the bottom of this, and Larry, we really appreciate you bringing that to our attention.

Mr. SMITH. I appreciate you coming down to my former district. I have had many hearings right here in this room too, and we appreciate you being here and taking up this very important subject, especially to Florida.

Mr. BURTON. Well, thank you, buddy, and time has been good to you, you look good.

I would like to now make a couple of closing remarks for the record.

We have heard a lot of testimony over the last 2 days and I think we have all come away with a better understanding of the issues surrounding drug trafficking in the Caribbean. What I have heard has only increased my belief that Fidel Castro is neck deep in drug trafficking in the United States and Europe.

I would like to insert into the record the first section of this book, which is factual, it is called "Castro's Final Hour" written by Andres Oppenheimer. Mr. Oppenheimer's description of the Ochoa case is very enlightening and is directly relevant to what we have been talking about here yesterday and today.

[NOTE.—The information referred to, "Castro's Final Hour, The Secret Story Behind the Coming Downfall of Communist Cuba," may be found in committee files.]

Mr. BURTON. We have seen on video from the DEA that Castro's government was involved in drug trafficking throughout the 1980's.

We have also heard from a variety of sources that Castro's government, including his own brother, Raul Castro—and we are going to subpoena that draft indictment, as you requested—were also involved in drug trafficking throughout the 1990's.

The Customs Service currently has a very reliable witness and maybe more than one—I think you said more than one—who says the Cuban Government is not an obstacle to transporting drugs to the United States.

My staff has conducted a year long investigation into the 7.3 metric tons of cocaine shipment which everyone agrees was going to Cuba. Unfortunately, the Clinton-Gore administration has used the DEA as well as every other agency in this government to prove this shipment was headed to Europe instead of working from the assumption it was coming to the United States, a decision clearly rooted in politics rather than based on facts.

The bottom line is Castro was involved in drug trafficking in the 1980's, and as we have shown over the last 2 days, his government remains deeply involved today. This is a well-established pattern of drug trafficking, a pattern that the Clinton-Gore administration should not, but chooses to ignore. In their effort to normalize relations with Castro, the administration has ignored many relevant facts.

I would like to insert into the record—and this came from the FBI—a current list of 60 dangerous fugitives who have sought and received refuge from Castro. They run all the way from Robert Vesco to murders and drug traffickers and every other kind of ilk you can think of—60 of them that they are hiding out in Cuba today.

[The information referred to follows:]

ExtraTerritorial Flight Fugitive Database

15-Dec-99

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	AQ	164-40634	HILL	CHARLEY	12/15/49	ILLINOIS	11/27/71	EXFF; AIR PIRACY; KIDNAPPING	P	FBI
CU	AT	164A-96	PATTERSO	JAMES	11/15/49	MARYLAN	10/13/69	EXFF; CRIME ABORAD AN AIRCRAFT	P	FBI
CU	LA	164-137B	SMITH	CLINTON	4/14/44	CALIFORN	7/30/69	EXFF; CAA-AIR PIRACY	P	FBI
CU	LA	164A-176	MARQUES	JOHN	2/27/38	CALIFORN	6/27/69	EXFF; CAA-AIR PIRACY	P	FBI
CU	LA	29H-11661	LINARES	RICHARD	8/29/56	CUBA	3/16/92	EXFF; ESCAPE RISK	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	LV	164-24	BRENT	WILLIAM	11/10/31	LOUISANA	6/20/69	EXFF; AIRCRAFT PIRACY	P	FBI
CU	M	164-1054	CABRERA	SILVIO	12/5/52	CUBA	11/22/82	EXFF; KIDNAPPING; HIJACKING AIRCRAFT	P	FBI
CU	M	164-1064B	BELLO	ORESTE	12/12/53	CUBA	10/19/83	EXFF; HIJACKING AIRCRAFT	P	FBI
CU	M	164-1064C	IGLESIA	COSME	9/27/38	CUBA	10/19/83	EXFF; CAA-HIJACKING AIRCRAFT	P	FBI
CU	M	164-1064D	GARCIA	JUAN	6/24/53	CUBA	10/19/83	EXFF; CAA-HIJACKING AN AIRCRAFT	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	M	164-1313	ARIAS-VAL	CARLOS	4/25/33	CUBA	10/19/83	EXFF; CAA-KIDNAPPING, AIRCRAFT HIJACKING	P	FBI
CU	M	164-1341	MONTERO	JOSE	1/21/61	CUBA	10/19/83	EXFF; CRIME ABORAD AIRCRAFT	P	FBI
CU	M	164-229	GRACIAL	ROBERTO	4/8/45	CUBA	2/18/70	EXFF; AIRCRAFT PIRACY; KIDNAPPING	P	FBI
CU	M	164-229B	SAMON	MARINO	7/8/45	CUBA	2/17/70	EXFF; CAA-HIJACKING AIRCRAFT	P	FBI
CU	M	164-229C	ZAMORA	CRECENC	7/15/46	CUBA	2/18/70	EXFF; CAA-AIRCRAFT PIRACY; KIDNAPPING	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	M	164-525	GUERRA-V	SANTIAG	8/19/32	CUBA	5/25/72	EXFF; HIJACKING AIRCRAFT	P	FBI
CU	M	164-641B	WRIGHT	GEORGE	3/29/43	VIRGINIA	8/2/72	EXFF; CAA-KIDNAPPING; HIJACKING AIRCRAFT	P	FBI
CU	M	164-90	FONSECA	MARIO	1/30/34	CUBA	7/10/68	EXFF; PIRACY AIRCRAFT KIDNAPPING	P	FBI
CU	M	164A-1064	OCHOA	HECTOR	8/16/44	CUBA	10/18/93	EXFF; CAA-HIJACKING AIRCRAFT	P	FBI
CU	M	164A-1065	SALGADO	EDUARDO	10/13/47	CUBA	10/19/83	EXFF; CAA-KIDNAPPING; HIJACKING AIRCRAFT	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	RegAgncy
CU	M	164A-1065	SALGADO	RAMON	7/21/53	CUBA	10/19/83	EXFF; CAA-KIDNAPPING; HIJACKING AIRCRAFT	P	FBI
CU	M	164A-1065	SALGADO	ROBERTO	3/29/55	CUBA	10/19/83	EXFF; CAA-KIDNAPPING; HIJACKING AIRCRAFT	P	FBI
CU	M	164A-1122	FERRERO	ERNESTO	5/9/54	CUBA	8/20/82	EXFF; CAA-KIDNAPPING; HIJACKING	P	FBI
CU	M	164A-1186	ROJAS	SERGIO	9/9/61	CUBA	2/4/82	EXFF; KIDNAPPING, HIJACKING, THREATEN TO IGNITE GASOLINE	P	FBI
CU	M	164A-1211	REGO-OTA	VINCENTE	8/18/51	CUBA	4/25/83	EXFF; CAA-KIDNAPPING; HIJACKING AIRCRAFT	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	M	164A-1211	REGO-OTA	FIDEL	4/24/48	CUBA	4/25/83	EXFF; CAA-KIDNAPPING; HIJACKING; THREATS TO BLOW	P	FBI
CU	M	164A-1211	VICENTE-O	ROGELIO	10/6/26	CUBA	4/25/83	EXFF; CAA-KIDNAPPING; HIJACKING AIRCRAFT	P	FBI
CU	M	164A-1250	ROJAS-REY	DIVALDO	5/16/43	CUBA	11/27/85	EXFF; CAA-HIJCKING;	P	FBI
CU	M	164A-133	SANCHEZ	MIGUEL	9/4/24	CUBA	1/2/69	EXFF; AIRCRAFT PIRACY	P	FBI
CU	M	164A-1364	LATORTUE	PATRICK	2/4/62		10/19/83	EXFF; CAA-HIJACKING	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	M	164A-138	DELGADO	NACASIO	12/14/34	CUBA	4/16/82	EXFF; CAA-HIJACKING	P	FBI
CU	M	164A-1416	POTTS	WILLIAM	12/27/46		6/28/84	EXFF; CAA-HIJACKING;	P	FBI
CU	NH	266A-2370	GERENA	VICTOR	6/24/58	NEW YOR	9/13/83	EXFF; IO#4946; TOP TEN FUGITIVE; UFAP-ARMED ROBBERY; BANK	P	FBI
CU	NK	164-109	ABAD	DANIEL L	6/4/30	CUBA	2/25/70	EXFF; KIDNAPPING; HIJACKING AN AIRCRAFT; AIR PIRACY	P	FBI
CU	NK	164-54B	BABIN-EST	JOAQUIN	9/17/27	CUBA	7/27/69	EXFF; CAA-PIRACY; KIDNAPPING	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	NK	266-NK-65	CHESIMAR	JOANNE D	7/16/47	NJ	11/2/79	MURDER OF A POLICE OFFICER; ESCAPE	P	FBI
CU	NK	88A-14198	WILSON	BRIAN	10/11/65	NEW YOR	4/1/86	EXFF; UFAP-MURDER; WF#532	P	FBI
CU	NO	164-33	LEYVA	ROGELIO	6/8/44	CUBA	7/19/68	EXFF; CAA-PIRACY AND KIDNAPPING	P	FBI
CU	NO	NO 164A-3	RODRIGUE	ROBERTO	1/7/35	HAVANA C	10/16/80	CAA-AIR PIRACY, KIDNAPING	P	FBI
CU	NO	NO 164A-3	RODRIGUE	MIGUEL A	8/1/47	HAVANA C	10/16/80	CAA-AIR PIRACY, KIDNAPING	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	NY	164-1468	ALI	ISHMAEL	8/12/49	V. ISLAND	4/17/85	EXFF; CAA-AIR PIRACY	P	FBI
CU	NY	164-1468	JIMENEZ	EDUARDO	6/14/42	COLUMBI	6/13/79	EXFF; CAA-HIJACKING	P	FBI
CU	NY	164-1508	CABALLER	JOSE	4/28/41	CUBA	6/10/85	EXFF; AIRCRAFT PIRACY	P	FBI
CU	NY	164-1618	MONTFORT	AMBROSE	4/29/39	GEORGIA	6/28/84	EXFF; AIRCRAFT PIRACY	P	FBI
CU	NY	164-212	SOLTREN	LUIS PEN	1/15/43	PUERTO	12/5/68	EXFF; HIJACKING AN AIRCRAFT; KIDNAPPING	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	NY	164-237	PAYANO	ANTAJAR	7/12/49	DOMIN. R	6/16/70	EXFF; AIRCRAFT PIRACY	P	FBI
CU	NY	164-347	MINICHIELL	RAFFAEL	11/1/49	ITALY	11/1/69	EXFF; CAA-AIRCRAFT PIRACY, KIDNAPPING	P	FBI
CU	NY	164-413	MOLINA	NELSON	5/20/46	CUBA	5/27/70	EXFF; CAA-PIRACY-INTERFERCE W/FLIGHT CREW/KIDNAPPING	P	FBI
CU	NY	164-5234	TOLEDO	MIGUEL	7/5/53	CUBA	9/18/81	EXFF; AIRCRAFT PIRACY	P	FBI
CU	NY	164-694B	KERKOW	CATHERIN	10/6/51	OREGON	6/5/72	EXFF; AIR PAIRCY/KIDNAPPIN G	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	NY	164A-1506	CALERO	GILBERTO	8/4/53	CUBA	9/18/81	EXFF; AIR PIRACY	P	FBI
CU	NY	266E-NY-1	MORALES	WILLIAM	2/7/50	NEW YOR	6/1/79	UFAC-ESCAPE	P	FBI
CU	NY	88A-NY-19	VESCO	ROBERT L	12/4/34	MICHIGAN	5/21/73	SECURITIES/WIRE FRAUD	P	FBI
CU	SJ	164-63	DEQUESAD	PEDRO	9/29/37	CUBA	2/14/69	EXFF; CAA-PIRACY; KIDNAPPING	P	FBI
CU	SJ	164-776	RAMIREZ-C	ESMERAL	8/8/39	CUBA	4/17/69	EXFF; CAA-PIRACY/KIDNAPPING	P	FBI

Country	O	FileNo	Last Name	First Name	DOB	POB	WarrantDate	Offense	Status	ReqAgncy
CU	SJ	164-83	DIAZ CLAR	JOSE	10/2/43	CUBA	4/17/69	EXFF; CAA-PIRACY/KIDNAPPING	P	FBI
CU	SJ	164-83B	VARGAS-A	MANUEL	3/9/30	CUBA	4/17/69	EXFF; CAA-PIRACY/KIDNAPPING	P	FBI
CU	TP	164A-14	MARTIN	RAMON	8/4/22	CUBA	3/13/68	EXFF; CONSPIRACY TO COMMIT KIDNAPPING; CAA-	P	FBI
CU	TP	164A-314	RIDER	DONALD	1/28/31	NORTH D	7/7/79	EXFF; CAA-GUN USED IN HIJACKING	P	FBI
CU	W	97A-2035	TERPIL	FRANCIS	11/22/39	NEW YOR	9/4/80	EXFF; SOLICITATION TO COMMIT MURDER	P	FBI

Mr. BURTON. Remember, Cuba is on the State Department's list of nations who sponsor terrorism. This FBI list contains, as I said, murders, drug traffickers, hijackers and others. The old phrase "birds of a feather flock together" was never more fitting. Curiously, the Clinton-Gore administration continues to make every attempt to normalize relations with Castro, despite his well-documented egregious human rights abuses, Cuba's inclusion on the terrorist list, Castro's harboring FBI's most wanted fugitives and the Castro government's involvement in running drugs. These normalization efforts are confusing and in my opinion, shameless, even to fellow Democrats like Senator Robert Torricelli and Representative Bob Menendez, both very prominent Democrats.

While the Clinton-Gore administration is always easy to jump at a moment's notice into a conflict that does not directly impact American national security such as Bosnia, Kosovo, Haiti or East Timor, it is clearly unwilling to protect our American school children from a direct assault by drug traffickers coming through Cuba. Lacking a balanced and coherent counter drug strategy, the administration has chosen to fight the war on drugs by treating the wounded. They have taken a great amount of the money that was used for drug interdiction and eradication and are using it for education and treatment of those who are already wounded by drugs. They prefer to allocate its scarce counter narcotics budget resources on treating the addicted rather than a balanced approach which includes fighting drugs at their source before they reach American streets and school yards, along with these treatment programs. This is a policy debate we will continue to raise during the budget process this next year.

With that—and I know you have had a tough time today, fellows—I want to thank all of you for coming out and testifying. I think you did a good job.

I also want to thank Mayor Diaz and the Sweetwater Police Department. You have all been very, very helpful. I want to thank our staff, you did a great job in putting all this together. Had a few glitches, but nothing significant. And I want to thank my colleague, Congressman Diaz-Balart and his staff for hosting us in his district.

And with that, no further business being on the docket, we stand adjourned.

[Whereupon, the hearing was concluded at 12:36 p.m.]

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