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A REVIEW OF THE PRESIDENT'S ANNUAL CERTIFICATION PROCESS

HEARING

BEFORE THE

SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

ONE HUNDRED SIXTH CONGRESS

SECOND SESSION

MARCH 21, 2000

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SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

ONE HUNDRED SIXTH CONGRESS

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A REVIEW OF THE PRESIDENT'S ANNUAL CERTIFICATION PROCESS

TUESDAY, MARCH 21, 2000

U.S. SENATE,
CAUCUS ON INTERNATIONAL NARCOTICS CONTROL,
Washington, DC.

The Caucus met, pursuant to notice, at 10:03 a.m., in room SD–215, Dirksen Senate Office Building, Hon. Charles E. Grassley, chairman of the Caucus, presiding.

Present: Senators Grassley, Coverdell, Sessions, and Feinstein.

Senator GRASSLEY. I want to thank everyone for being here today, and I know we have sparse attendance because of the bad weather and we have some witnesses yet that have to come, but we will go ahead and get started anyway.

Our hearing today is to look at the certification decisions that the President forwarded to Congress under law March 1. The law requires that on each March 1 the President submit to Congress his assessment on international cooperation to control illegal drug production and transit. It also requires details on cooperation to combat money laundering and the sale of chemicals used to produce illegal drugs. In addition, it also requires the submission to Congress of the International Narcotics Control Strategy Report, and that is this voluminous document that I am holding up here.

The report is the single most detailed drug report on international drug production, and also the efforts that we are putting forth to combat it. The International Narcotics Control Strategy Report gives us the factual basis for understanding the current state of illegal drug production and international cooperation that is being conducted to stop it.

I believe the certification process is very, very important. It is important to focus at least once a year the attention of Congress and the administration on drug policy. It is important as a key element in protecting U.S. national interests.

There are some basic principles that I think we need to grasp about this very serious matter of drugs. We don't do drug policy as some sort of luxurious process or as an add-on item for either Congress or for the executive branch of Government. Most drugs consumed in this country are produced overseas and smuggled here. Those drugs actually kill thousands of Americans and endanger many more every year.

This is something that we all believe we need to fight, although sometimes we tend to forget how seriously we ought to take it and how intensive our fight ought to be. And, of course, we have partners in this fight, and that is the other countries that are engaged

in it. We have a moral obligation and responsibility to ensure the general welfare and, of course, that general welfare involves the lives of our young people and the safety of our schools and streets.

Certification is not some abstract policy for a bunch of Washington bureaucrats to play with. It is about taking drugs seriously and doing something serious about drugs both here and abroad. This is something that we all need to be engaged in and working together on the combating of. The drugs that we are talking about are in every town and in virtually every rural community in Iowa and on Main Street, USA.

I just saw statistics from my own State, from counties that had hardly any drug arrests 4 or 5 years ago that are having an incomprehensible number of drug arrests in rural counties numbering in the hundreds now. Well, these drugs got there because some drug thug is pushing them, and in most cases the fields and the labs for making the drugs are overseas.

Congress, in a bipartisan consensus, created the certification process in the mid-1980s for a clear reason to accomplish a clear set of goals. The country was in the midst of a major drug epidemic, and still is. At that time, the public was deeply concerned about it. Congress shared that concern and recognized that all of the major illegal drugs consumed here were produced overseas. Those illegal drugs were grown illegally in some other country. They were processed illegally in those countries. They were smuggled out of those countries illegally, and they were illegally smuggled into the United States. Drug traffickers broke local laws in the countries of origin internationally and in the United States. That did not bother them.

It was also clear that many of the producing and transiting countries for those drugs did not much care either. Corruption and intimidation of local officials accounted for much of the indifference. But in many cases, local authorities were content to ignore local drug production. Doing this required ignoring or not enforcing local laws, international agreements, and bilateral agreements with our country. That was then and still is not acceptable.

We need to take the drug problem seriously and we need to ensure that we aren't the only country that does. Certification is one tool to do that. It is only one tool, but it is an important tool. In today's world, despite many changes, this country taking something seriously still counts and has an influence upon other countries. We ought to make sure that we are still standing up and being counted on this issue.

Although the State Department opposed this idea initially, every single drug report in the last several years has acknowledged the critical importance of the certification process in winning cooperation, of fostering it where it did not exist, of shoring it up where it did, and of setting a standard for international cooperation.

Of course, not many foreign governments liked the process, but then they obviously might not. But they still worked with us to varying degrees, but tried to satisfy us. More recently, however, some in the administration have helped to create the impression here and abroad that the certification process is not helpful. Senior officials of this administration have attacked the process overseas.

They have supported efforts to circumvent it, they have endorsed efforts to cut it and basically use it to play games.

Last year, the administration dropped Iran and Syria from the majors list. They did this without prior consultation with Congress, and they resorted to flimsy legal gimmicks and sleight of hand with the facts in order to pull off the dropping of Iran and Syria. I don't know why it is that such rogue states and enemies of this country seem to get such special treatment.

Similarly, North Korea, long reputed to be deeply involved in drug trafficking, has avoided serious scrutiny. It is kind of game of catch-22 that is played. The administration did not report on North Korea until Congress required it. And despite the fact that the President assured Congress that North Korea would be the subject of a closer watch, this year's drug report reads almost the same as it did last year.

I had my staff ask senior intelligence officials how these numbers were arrived at, the numbers that were being reported, and we did not get an answer. The answer turns out to be that they are the same because no one took a harder look.

So here is the catch-22 in play: in order to know the answers, you have to ask the questions. You can't report on the scale of opium production unless you look, and no one is looking to see what that scale might be. The administration cannot find any hectares because they are not looking for places of production. How convenient.

It was never the intent of Congress, nor was it understood by previous administrations that major drug-producing and transiting countries could escape scrutiny on a technicality. So we get back to the legislation. I think the legislation and its intent is very clear: to make international trafficking in illegal drugs a major U.S. national security concern, and more than a concern, to make a subject of serious action.

This ought to be something where we see more cooperation and more serious commitment. That is why I find the gamesmanship on this issue very disappointing. I hope that today we can get some answers on how to do better in making the certification process work to accomplish serious policy goals.

I call on Senator Feinstein, and then Senator Sessions.

Senator FEINSTEIN. Thank you very much, Mr. Chairman. Let me just say that I very much agree with you. I think if there is a soft underbelly in this Nation, it is drugs. And I am one that agrees that we have a demand problem and we are trying to address that problem. I am one that also believes that there is one area which is the total responsibility of the Federal Government, and that is in interdiction and enforcement. No local government can do it and no State government can do it.

Mr. Chairman, last year you, Senator Coverdell, Senator Sessions, Senator Hutchinson of Arkansas, and Senators Torricelli, and myself sent a letter to the administration suggesting new benchmarks in certifying Mexico as a partner in the war on drugs. I want to just quickly go over what those benchmarks are and then I want to comment on progress, as I understand it, in each of the areas.

The benchmarks were extradition of major drug traffickers wanted in the United States on drug charges; secondly, arrest and prosecution of the leaders of the major drug syndicates; third, enforcement of money laundering laws; fourth, improved eradication and seizure efforts; fifth, increased cooperation between the United States and Mexico counter-narcotics forces; and, lastly, conclusion and implementation of U.S.-Mexico maritime agreement.

Now, let me begin by saying that there is evidence to suggest that the Mexican government is now cooperating with the United States on a number of levels. On the other hand, certainly not enough progress has been made on any level to have a real impact on the massive, ever-expanding and ruthless drug cartels throughout Mexico.

Extradition, I believe, is the key to judging cooperation between the two countries. The willingness to apprehend and turn over those criminals facing justice for crimes against this Nation would be one true sign that our two nations are in sync. We have turned over more than 80 people to Mexico in recent years, including at least 12 United States citizens.

Only by removing powerful drug kingpins from their surroundings in Mexico can we ever hope to dismantle these complex and sophisticated criminal organizations. Left in Mexico, even in jail, these kingpins can continue to run their businesses, order hits on their enemies, and reap the profits of their corrupt and illegal activities.

There is some evidence to suggest that things are getting somewhat better in this area. The Zedillo administration's policy for the first time allows the extradition of Mexican nationals. As a result, last year saw the first Mexican national ever extradited solely for drug offenses, Tirzu Angel Robles, and the government has agreed to turn over a number of key drug traffickers of Mexican nationalities; for instance, Jesus Amezcua and his brother, of the methamphetamine cartel. Unfortunately, that case, like many others, is now bogged down in the Mexican court system.

Further, the average number of persons extradited per year from Mexico has jumped from just one in 1994 to more than ten. However, there is much more to be done on the extradition front. For instance, not one major drug kingpin of Mexican nationality has yet been extradited, and the number of pending cases remains well over 100; about 125, according to the Department of Justice.

I do recognize that much of the problem now rests with the system of judicial appeals in Mexico which is, at least to some extent, beyond the control of the Zedillo administration. However, I will be watching closely to see how the Mexican supreme court rules in the Arturo Paez Martinez case. If the court rules, as some expect, that no more Mexican nationals can be extradited to this country, I would hope that the Mexican legislature would take swift, sure steps to correct the fluke in the law that will allow this to happen.

There is also significant evidence that the Mexican government is cooperating on interdiction, seizures, and eradication. Seizure numbers for many drugs are at an all-time high, and I want to quickly go through them. From 1998 to 1999, cocaine seizures increased 7 percent, from 24.1 tons to 25.74 tons. Marijuana seizures increased 47 percent, heroin seizures 82 percent, opium gum sei-

zures 409 percent, and marijuana eradication seizures 38 percent. Additionally, close cooperation between the Mexican Navy and the Coast Guard has led to an increasing number of multi-ton seizures of cocaine: over 6 tons in June, 8 tons in August, 8 tons in September, and 2.6 tons in December.

Now, I think it has to be pointed out that never before in history have these kinds of tonnages been found in drug trafficking, and the point I would like to make is that tons suggest that heroin and cocaine aren't coming across the border in backpacks; it is coming across the border in large loads. And this would bring to bear Senator Coverdell's and my drug trafficking kingpin legislation, and my hope that our Government will begin as soon as possible to enforce that legislation.

I think we both believe that those who transport these large loads of narcotics are equally guilty, and the drug kingpin legislation sets into motion a procedure to deal with this. I, for one, will be looking very closely at the administration to see that this law is put in place and enforced and carried out as we mean it to be.

Let me touch on corruption. There is evidence that the Mexican government is stepping up its fight against corruption. Mexican authorities have reportedly fired more than 1,400 of 3,500 federal police officers for corruption, and so far more than 350 have been prosecuted. In fact, when a court demanded the reinstatement of fired officers, the Mexican government rectified that situation by changing the law, and I for one appreciate that.

The Mexican government showed an unprecedented level of cooperation late last year in allowing the FBI to participate in the Juarez investigation on Mexican soil. I know that not everyone within Mexico was pleased with having the FBI on Mexican soil, but the Mexican government went forward with cooperative efforts despite internal dissent and this indicates a strong desire to cooperate. Recently, when Tijuana saw its second police chief gunned down in less than 6 years, the government arrested 7 suspects in that investigation. This details cooperation on the rise.

On the other hand, significant problems do remain. There are frequent DEA reports of a lack of cooperation below the border and of a system so corrupt and so full of leaks that mounting a secret operation against a major drug trafficker is simply impossible.

No real progress has been made toward dismantling the major drug trafficking organizations, which was one of the benchmarks the six of us suggested to the administration. Known drug kingpins are still too free to move about the country with no fear of arrest even when our own officials warn the Mexican government of the whereabouts of those criminals.

A good case in point is the governor of Quintana Roo that everybody agreed was guilty of criminal complicity with drug traffickers. He had at least two teams of detectives on his tail. He was scheduled to be arrested the day he left office. The day he left office, despite the tails, he and his family disappeared. Their whereabouts are unknown as of today. When arrests and prosecutions do occur, it is often only the low-level operatives that face eventual prosecution. The high-level traffickers still escape the system.

Some Mexican courts have begun to rule that no extradition may take place if the person in question faces life imprisonment in the

United States. This is extremely problematic. Our treaty already eliminates the death penalty as an option for any person extradited from Mexico, and some crimes carry the possibility of only two sentences—life in prison or death. If our Government must forego both possibilities, we will face an extremely difficult situation.

And we may soon face a decision by the supreme court of Mexico in the Arturo Paez Martinez case that bars the future extradition of any Mexican national. Let me be clear. This sends a clear and dangerous signal in the wrong direction. If such a decision does occur, I believe it would be vital to continued cooperation between our two nations that the Mexican legislature take swift steps to correct the law because without extradition, the drug cartels will never, in my view, be brought to justice.

There are several questions that must be answered. Is Mexico doing everything it can, given the political situation, to extradite drug traffickers? Is Mexico doing everything it can, again given the political situation, to eradicate crops of illegal narcotics? Is Mexico doing everything it can, given the political situation, to intercept drugs on their way to this country, and are they doing everything they can to root out corruption within their own ranks?

Another signal recently was the person in the attorney general's office who committed suicide with $750,000 in a bank account. Where did that money come from? Did this indicate complicity on the part of that office? If not, what were the circumstances? These are major situations and they have to be addressed.

Additionally, as far as I am concerned, I will be interested to hear from the DEA whether there has been improved intelligence between Mexican authorities and our authorities in the drug battle because only if there is good intelligence-sharing and the ability to have mutual trust on the both sides of the border are we really ever going to be able to get at the major traffickers who are the heads of the drug syndicates or the five large Mexican cartels.

I thank you, Mr. Chairman.

Senator GRASSLEY. Thank you, Senator Feinstein.

Now, Senator Coverdell, then Senator Sessions, and then we will go to our panel.

Senator COVERDELL. Mr. Chairman, first, I thank you for calling this hearing. And in the name of time, which the Senate is always too pressed to accomplish, I will just submit my statement to the record.

[The prepared statement of Senator Coverdell follows:]

Statement of Senator Paul D. Coverdell
before the
Senate Caucus on International Narcotics Control

Hearing: A Review of the President's Annual Certification Process
March 21, 2000 215 Senate Dirksen Building

Mr. Chairman, I want to thank you for holding this hearing today on the annual drug certification process. For years, this process has come under criticism, some of it warranted. But certification continues to serve as one of the few tools we have to focus attention on our critical multilateral efforts to combat illegal narcotics. In my mind, there are few issues that deserve more attention or which more directly affect the security and well-being of Americans than illegal drugs. So I welcome this hearing and this opportunity to examine collective counternarcotic efforts.

Unfortunately, drugs continue to flow unimpeded across our borders. Mexico, which will be a focus of today's hearing, is the major transit country for illegal drugs entering the United States, responsible for more than 60% of the cocaine on our streets, 17% of all the heroin seized in the United States, and for a vast majority of the methamphetamine trade. Most disturbing of all, Mexican cartels continue to operate and expand their power with virtual impunity, outside the scope of the laws of both countries. Their ability to intimidate, corrupt, and assassinate has only increased, posing a direct threat to Mexican democracy as well as to our own country. To date, joint efforts to target the major kingpins have failed. If we are going to effectively target the drug business, this must change.

Also of concern is Haiti, which the President has decertified with a national security waiver. Currently 12-15% of the cocaine that enters the U.S. is going through that country. Colombians in Haiti, and now Haitians themselves, are increasingly involved in the shipment process. And Venezuela, which was fully certified by President Clinton, continues to prohibit drug surveillance flights over Venezuelan air space --a major sign of non-cooperation.

The bottom line is that we cannot effectively deal with the threat of illegal narcotics by ourselves. Though we have seen significant progress in the level of cooperation of our neighbors and allies in the hemisphere, there is room for improvement. To that end, the certification process remains a good tool to focus on these collective efforts to combat drug trafficking. But we also need new legal and economic tools that will target the real problem --the growing power and impunity of the drug cartels. An example is the Coverdell-Feinstein Drug Kingpin Act which was signed into law in December. This legislation targets major drug kingpins by blocking their assets in the United States and by preventing their access to U.S. markets and businesses. The idea is to avoid bilateral, country-to-country conflict and instead focus collective efforts directly against the bad actors.

Mr. Chairman, the annual certification process is also a good opportunity to review our own

efforts. To be fair, we could be doing much, much more. Under the current Administration, the decline in supply zone and interdiction efforts has been devastating. The Clinton Administration's blind eye toward source and transit zone efforts partly explains the current explosion of coca production in Colombia and the steady flow of illegal drugs across our borders. A recent GAO report, *Assets DOD Contributes to Reducing the Illegal Drug Supply Have Declined*, is particularly revealing. The report cites, among other statistics, that: (1) the number of DOD flight hours dedicated to detecting and monitoring illicit drug shipments declined by approximately 68% from 1992 to 1999; and (2) the number of DOD ship days declined by 62% during the same period.

Mr. Chairman, our own negligence and the deteriorating situation in Colombia has lead to an unquestionable national emergency. The drug-fueled crisis in the region threatens the future of democracy in Colombia and continues to fuel the flood of drugs onto our streets. The Administration took months to act and now Congress is delaying in funding the Colombia aid package. While securing the cooperation of our neighbors in the struggle against illegal drugs is important, we have clearly failed to lead by example. We must act immediately on Colombia, for our own national security interest as well as for the future of the region.

I look forward to hearing from our distinguished witnesses this morning and thank the Chairman again for holding this hearing.

Senator COVERDELL. I will just make a comment that I appreciate the extensive statement of Senator Feinstein of California, and have appreciated the ability to work with her on this question. It is a complicated dilemma. Clearly, there are signs, as she has noted, that progress is being made, but it is the scope of the problem, I think, that raises the questions that we continually confront. It is just so large that it does raise questions about what our ally, the Republic of Mexico, can do and accomplish.

I think there are some pretty serious questions about what we are doing and what we are accomplishing. You could read a pretty rugged list for ourselves. But, again, I am very appreciative of the work she has done, the chronology of data that has been presented here in her statement. I will look forward to continuing to work with each of the members that are present here today in trying to determine what is the best use of our time and energy as we try to develop the appropriate tools to deal with this international crisis.

I will just end with it does appear to me that government to government we are making some headway. There are the legal ramifications of extradition, but the scope of the problem and the depth of it in the Republic of Mexico is very deep and very broad. I have thought to myself, well, if I were president of that republic, just what would I do, given all the depth of the problem there.

I will stop with that, Mr. Chairman.

Senator GRASSLEY. Senator Coverdell, thank you for your leadership as well as your statement.

Senator Sessions.

Senator SESSIONS. Well, I think my friend from Georgia raises a good question. If you were president of Mexico, what would you do? I believe that the president of Mexico and the leaders of a lot of these nations need to ask themselves that very question and to recognize that the danger of the increasing narco empire is so great that they had better take strong leadership to make changes.

Bolivia has made that decision without a lot of Federal money from the United States Government. If we have got to give money to countries to help them fight drugs, I say give it to a country that has made progress. I think Bolivia ought to be a beneficiary of our support.

But, fundamentally, a nation is not going to be successful until that nation itself desires to eliminate drugs within their borders, to stop the ever-growing corruption and big money that comes from it. And, frankly, Mexico is not there, Mexico is not there. If you extradite one or two more people, what is that? Zero, nothing.

The Senator from California was looking to some of these supreme court rulings and other matters, but I would just suggest we will come back here next year and you can count on one hand the number of people that have been extradited. These narco businesses are so large and so prominent they cannot be overlooked. You have to be blind not to know they exist, with the wealth they are accumulating in a country that is not known for wealth.

So I have been hearing these speeches since the 1980s, 1970s. I have been reading and following the testimony in these hearings, and Mexico and Colombia have promised to do better and better, but it hasn't gotten any better. From all I can see, nothing substan-

tially has changed because it is going to take leadership with a firm will who is willing to pay some significant prices to eliminate or substantially reduce drugs.

I am asking myself why are not large numbers of these Mexican cartel members in Mexican jails, why do they have to be indicted in the United States. They passed last year, or the year before last, laws for money laundering. How much money has been taken from the drug cartels? It doesn't do any good, it is nothing but a meaningless gesture to pass money laundering legislation if it is not going to be used. What good is it to have laws that allow forfeiture of illegal assets if drug cartel members live in huge homes and amass large tracts of land and drive the most fancy automobiles and that sort of thing, and have huge amounts of cash that is not being seized?

So I would just suggest that Mexico is not where it needs to be. Colombia, as we know, has had a huge increase in the last year, I believe nearly double the increase in exporting and production of cocaine to the United States. How can that be considered progress? I don't know.

I have suggested here previously that I am not sure this certification process is of any benefit. If a nation wants to sink into this kind of narco corruption, I am not sure the United States has any power to stop it. It will take an individual decision by that country perhaps more than acts from the United States to change it.

And, frankly, we ought not to misunderstand. If our concern is about the United States and the drug problem we have in this country—and I don't like the trends in the last 7 or 8 years—if that is our concern, we have got to do it here. We are not going to be able to blame our drug problem on Colombia or Mexico.

When we have a consistent, strong, steadfast anti-drug policy in this country, as we have had, we can win this war on drugs. We have, in fact, driven down, from 1980 to 1992, by 50 percent the number of high school seniors, according to the University of Michigan study, who have used drugs. That was a great success. It has gone up in recent years and now the last year or two it has sort of flattened out, but we have had a 40-percent increase since 1992 in drug use, and I think it is a lack of will at the top in this country.

We need to send a clear and certain message, and I know the previous head of DEA is not happy about the Mexican situation. He testified courageously last year at this committee that he could not see—basically, I would interpret his testimony to be that he could not see how Mexico could be certified, and he cited a litany of bad news from Mexico.

So I don't know the answer. I know this: Mexico is a great country, it is our neighbor. We had a great conference down in your State last year with a large number of Mexican members of parliament and we were able to discuss these issues and others. I long for continued and improved relations between our two countries, but how to achieve it I am not sure.

So I am not sure I have said anything worthwhile, Mr. Chairman, other than having been involved in drug matters for a long, long time, I remain concerned about our ability to effect anything in some of these nations. When you have got leaders like in Bolivia

that put their mind to it, they can make great progress, and that is what I would like to see in a number of other countries. And I am concerned about the Netherlands, I am concerned about North Korea, I am concerned about Jamaica, and I am glad you will be talking about that, too.

Thank you, sir.

Senator GRASSLEY. Thank you, Senator Sessions.

We will now go to our panel. We are going to hear from Mr. Beers first and then Mr. Marshall, and we will hear from both of you before we ask questions. I welcome you and thank you for your time and attention, and particularly for listening to our opening statements.

Rand Beers is Assistant Secretary of State at the Bureau of International Narcotics and Law Enforcement Affairs. He has held that position since 1998. This is the bureau responsible for producing the strategy that I referred to, the International Narcotics Control Strategy Report. He will be followed by Donnie Marshall, who currently serves as Acting Administrator of DEA, and has been in that position since July of 1999. Both of you have testified before Congress at past hearings, and we appreciate that cooperation as well as this morning.

Mr. Beers.

STATEMENT OF HON. RAND BEERS, ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC.

Mr. BEERS. Thank you, Senator Grassley, and distinguished members of this panel. Thank you for the opportunity to appear before this body and to discuss the issue of certification.

We in the administration agree with you completely, Senator Grassley, that this is an important instrument available to the administration. We may not have been happy originally to receive this instrument, but as one who has been responsible now three times for carrying it out, I am here to tell you that we consider it a useful and important tool that we will continue to work on and improve and make as effective as possible.

I have submitted to you in advance a longer piece of testimony which I ask be submitted to the record, and I will very briefly make two or three comments before turning it over to my colleague, Mr. Marshall.

Senator GRASSLEY. In both cases, your statements will be printed in the record as you submit it.

Mr. BEERS. Thank you, sir.

With respect to certification in a general sense, to take your point, Senator Grassley, about its importance, I would just like to highlight what I think are two very important and significant results of the overall certification process, and that is the efforts in the Western Hemisphere, starting with the Miami Summit of the Americas which built upon the Cartagena and San Antonio summits, whereby the nations of this hemisphere came together, wrote up a hemispheric strategy, followed that with a plan of action, and now most recently in Montevideo, Uruguay, with a multilateral evaluation mechanism.

This process within this hemisphere, I think, was born of the certification legislation and the efforts by the United States to make ourselves and nations around the world aware of the seriousness of the drug problem and the need for all of us to work together to do something about it.

Similarly, the UN General Assembly special session of two summers ago, in which all the nations of the world came together and wrote out a plan of action with goals and objectives for the entire globe to look forward to over the next 10 years, I think represents a second area in which the level of awareness of nations around the world of the importance and seriousness of the drug problem and the need to do something about it again came as a result of the increased attention that we and other nations have paid to this problem and the need for nations to work together to deal with it.

That said, with respect to individual nations, which is after all what certification is specifically about, there is a mixed result. But we come to you today with the intent of answering your and the other Senators' questions in order to have a full and frank exchange.

Let me stop there. You all have raised a number of interesting and good questions. I won't try to answer them in my opening statement, but I look forward to answering them individually.

Thank you.

Senator GRASSLEY. Thank you, Mr. Beers.

[The prepared statement of Mr. Beers follows:]

Statement
of
Rand Beers
Assistant Secretary of State
International Narcotics and Law Enforcement Affairs

before the
Senate Caucus on International Narcotics Control

March 21, 2000

A Review of the Annual Certification Process

Mr. Chairman, I appreciate the opportunity to discuss the President's narcotics certification mechanism with the Senate Caucus on International Narcotics Control. This is a straightforward procedure. Every year the President must certify that the governments of the major drug producing and transit countries have cooperated with the U.S. -- or taken adequate steps on their own -- to meet the goals and objectives of an international standard that most countries have signed onto, the 1998 UN Drug Convention. If the President does not certify a government, it is ineligible for most forms of U.S. assistance, with the exception of humanitarian and anti-drug aid. The U.S. is also obliged to vote "no" to any assistance loans in the multilateral development banks for countries denied certification.

The certification process is a statutory requirement. In 1986, the Congress -- frustrated by what it perceived at the time as reluctance on the part of the State Department to take effective measures against the governments of drug source and transit countries -- introduced the drug certification process. It required the executive branch to identify the major drug producing and transit countries and impose sanctions on those that 1) do not cooperate with us -- or take adequate steps on their own -- in meeting international drug control goals, or 2) that represent a vital interest to the United States. The Congress in effect has asked the Executive Branch to answer a simple question: Since the drug problem so directly affects the U.S. and its citizens, are funds that we provide to source and transit countries appropriate and cost effective when weighed against counternarcotics cooperation? Every year since 1993 the President has gotten everyone's attention -- both at home and abroad -- by being forthright in judging each country's degree of cooperation in our collective effort to stop the production and flow of illicit drugs.

As a public diplomacy instrument, the drug certification process represents an important departure from traditional bilateral diplomacy. Where traditional diplomacy relies on confidentiality and private communication, public diplomacy calls for openness and transparency. The certification process is the closest thing we have to full public disclosure of the U.S. Government's objective assessment of the international drug situation. And on the international scene, full disclosure is always sensitive, since no government likes to see a spotlight on its weaknesses.

The underlying premise of the certification process is that the drug trade is potentially so destructive to all of us that we must deal with it in a straightforward fashion. We cannot confront problems unless we identify them, and sometimes those problems reveal painful truths. That applies as much to the United States as to any other country affected by illegal drugs. We try to identify our own shortcomings and remedy them. We expect others to do the same.

Let me take a moment to answer the criticism that the certification process invokes a double standard, since some claim it does not hold the U.S. to the same level of accountability. Obviously we cannot certify ourselves without being accused of bias; but that does not mean we are evading public examination. It should be evident to most governments that the President of the United States cannot make so important a public declaration without being certain of and accountable for his facts. There is also abundant evidence of the continuing strong commitment of the United States to attack all aspects of the drug problem vigorously. So by the certification determinations, the United States is presenting itself to the same international public scrutiny it visits on the rest of the global community.

In addition, by issuing a high-profile determination, the President is in effect holding up the credibility and objectivity of the U.S. Government for international public scrutiny. If the determinations are factually incorrect, we will be the first to correct the record. But seldom has a country objected to the veracity of the statements in the President's determinations; they have only objected to their being made public -- which is the whole point of the process. In that regard, the hue and cry over the application of this policy is, quite frankly, a testament to its effectiveness.

Prior to the March 1 deadline for certification, we see countries introducing legislation, passing laws, eradicating drug crops and capturing elusive drug kingpins. The timing is no coincidence. These countries know that their actions will have an impact on their certification decision. They also know what the U.S. expects from them.

Over the past several years, we have made the administration of the certification process more transparent. Each spring after the decisions are announced, our embassies give a formal demarche to each country, explaining the prior year's decision and setting benchmarks for the coming year. The benchmarks become the standard by which the country is reviewed in the following year's process. Throughout the year, the embassy goes back to the government to discuss progress and barriers in meeting the benchmarks. When the President finally makes his decisions on March 1, there should be no government taken by surprise.

Likewise, it is no surprise that the threat of public exposure has produced some amazing results, which have had a great impact on our anti-narcotics efforts overseas. For example, drug corruption works best in the shadows. The lower the visibility of a drug organization's subversive operations, the greater its chance for success. It cannot withstand for long the spotlight of public scrutiny. The drug certification process offers an effective way of attacking such corruption, since it is the legislative equivalent of an international spotlight that we can focus on corruption. Section 490 of the Foreign Assistance Act requires the President to certify annually that each major drug producing or transit country has cooperated fully or has taken

adequate steps on its own to meet the standards of the 1988 UN Convention, including exposing public corruption.

Unfortunately, there are also governments such as in Afghanistan and Burma that cannot be influenced by the certification process, and are increasingly falling behind in their efforts to attack drug trafficking. These two countries remain the largest illicit sources of opium and heroin. We continue to receive reports that the Taliban are actively involved in Afghani drug trafficking; in Burma, the government has declined to go after the powerful ethnic groups that control the opium trade. In these examples, the certification process and the International Narcotics Control Strategy Report (INCSR) serve to inform the international community of the situation in these countries, and to gain the support of other countries in calling for greater counternarcotics efforts by Afghanistan and Burma.

The purpose of the certification process is not to punish; it is to hold all countries to a minimum acceptable international standard of cooperation in meeting the goals of an international convention to which all but a small minority of countries are parties. In making the certification determination, we also take into account the fact that some countries face much greater obstacles than do others. In the early 1990s, the President's "Statements of Explanation," which accompanied his certification decisions, were often publicly critical of the counternarcotics performances of Colombia, Peru and Bolivia; yet, we knew that many of the law enforcement agencies in these countries were doing their best against difficult odds and with inadequate resources. So, it is with great satisfaction that we see today a continuing downward trend in illicit coca cultivation. The total coca crop remains at its lowest level in 10 years, even factoring in a sharp rise in cultivation in Colombia. Peru and Bolivia have made substantial annual inroads against coca cultivation, with respective cultivation reductions of 24% and 43% last year. Remarkably, among the many factors that contributed to their success was the determination to reinforce drug crop eradication efforts to remove the public annoyance of unfavorable annual certification reviews. Of course, the difficult situation in Colombia shows that political will and courage can only go so far without the proper means of material support – which is why we are engaged in supporting President Pastrana's Plan Colombia. Admittedly, certification has been most effective in the Western Hemisphere, although it has clearly raised the profile of the narcotics issue in Nigeria, and in most major drug producing and transit countries in Asia.

The June 1998 UN General Assembly Special Session on Narcotics confirmed much of what we have been saying through the certification process for many years. Specifically, that the drug problem is a threat to all nations, and that there is a common and shared responsibility to address this issue in an integrated fashion. The UN Special Session did much to mute the criticism of the substance within our certification process, in that it called for the creation of country-specific counternarcotics strategies, regional exchanges of information, and implementation of the multilateral counternarcotics conventions to which most nations are signatories. These issues are taking on particular relevance for European nations, which are now feeling the impact of multi-ton loads of cocaine from South America, as trafficking organizations begin to exploit the untapped demand for drugs in Europe.

Some opponents of the process argue that certification is an unnecessary tool that only serves to cause ill will in U.S. bilateral relationships. I concede that certification is at times a blunt instrument, but I believe that it serves a purpose -- which ultimately is to give governments in key drug countries the strongest encouragement to stop the drugs before they reach U.S. shores. Carrot and stick diplomacy works to our advantage in this case.

That said, the Administration also supports the OAS Drug Commission's Multilateral Evaluation Mechanism (MEM). Designed to encompass all Western Hemisphere countries in addressing individual and regional counternarcotics performance, it provides a consensual forum for a frank exchange of views, evaluation and remedial action. Potentially, it provides a mechanism that could make our unilateral certification process in the Western Hemisphere an anachronism, particularly in light of the excellent efforts of certain key producing and transit countries. In April the OAS Drug Commission will convene the first meeting of country representatives to the MEM, at which time we will have a better idea of how rigorously this concept will be executed in practice.

The certification process, with all its flaws, has produced results. The strength of the certification process lies in its transparency. We want to assure all of our partners in the anti-drug struggle that we are not asking of them any more than we ask of ourselves. It is because of this partnership that collectively we have made significant gains against the drug trade. It is also through this partnership that nations in Europe, Asia, and Africa with increasing drug demand problems can commit themselves to supporting the counternarcotics efforts of the major drug producing and transit countries. And it will be this partnership that ultimately puts the international drug syndicates out of business.

Senator GRASSLEY. Mr. Marshall.

STATEMENT OF DONNIE R. MARSHALL, ACTING ADMINISTRATOR, DRUG ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE, WASHINGTON, DC.

Mr. MARSHALL. Good morning, Mr. Chairman and members of the caucus. I also appreciate the opportunity to be here today to discuss these very important issues, and I also have submitted a detailed statement for the record.

First, I want to thank the caucus members for your support to DEA and to drug law enforcement in general. Your support and the support of the American people, I think, is absolutely essential for DEA and law enforcement to do their efforts, to do their missions. I also believe that the certification process is a very effective tool in the international anti-drug effort.

Each year, DEA provides the Attorney General what we believe is an objective assessment of the drug trafficking situation in the major source and transit countries, and we base that upon evidence and factual information that comes to DEA. We present those facts to the policymakers so that they can make an informed decision on the certification of each respective country.

Now, as a part of my written testimony, I have included the drug trafficking assessment for many of these countries, particularly the ones that have been either decertified or given a waiver recently, countries such as Afghanistan, Burma, Cambodia, Paraguay, Nigeria, and Haiti. But because of the magnitude of the threat posed by Mexican drug trafficking organizations, I am going to direct my opening comments to the drug trafficking situation in Mexico.

DEA's primary mission, as you probably know, is to target the highest levels of international drug trafficking organizations operating in the world today. And I believe personally that the Mexico-based organizations are the greatest threat that we face in the United States today, perhaps the greatest threat that we have ever faced. And I believe this is especially true when you consider the Mexican trafficking organizations' alliances with the Colombia-based traffickers and their involvement in all four of the major drugs consumed in the United States—cocaine, heroin, marijuana, and methamphetamine.

Now, in addition to drug trafficking, these criminal organizations are responsible for violence; they are responsible for corruption and intimidation. And these things, I believe, threaten the safety and stability of communities and cities and towns in both Mexico and in the United States.

Now, with the disruption of the Medellin and Cali cartels in Colombia in the early 1990s, the Mexican trafficking groups really grew in importance to our country. They consolidated their power and they started to control drug trafficking not only along the U.S.-Mexican border, but in many other parts of the United States as well.

So in response to that increasing role of the Mexican drug traffickers, DEA and other Federal agencies established a Southwest Border Initiative to attack the command and control structure of these organized criminal groups associated with the Mexico- and Colombia-based organizations.

Now, the DEA, the FBI and the U.S. Customs Service, along with many, many of our State and local counterparts across the country, have been very successful and very effective at that strategy over the last several years. We have conducted major operations inside the United States that have wiped out Colombian- and Mexican-controlled cells operating here in this country. We have done that time and time and time again in operations like Zorro and Reciprocity and Limelight and others.

The most recent of those operations was Operation Impunity, and I want to talk about that for just a moment. That was a 2-year international investigation that was conducted predominately by DEA, FBI, Customs, and our counterpart State and local agencies here across the country. That operation culminated back in the fall and we arrested 106 individuals that were linked to the Amado Carrillo-Fuentes organization based in Mexico. Now, in addition to the arrests, that investigation resulted in 36 separate drug seizures totaling over 12,000 kilograms of cocaine and over $19 million in U.S. currency.

But I also have to add that the limitation of operations like this is really that the cell heads operating inside the United States, the people that we predominately go after at the highest level inside the United States, can be easily replaced by the traffickers. And we have not yet been able to successfully reach inside Mexico to arrest and imprison the real leaders of these organizations, leaders such as Vicente Carrillo-Fuentes, leaders such as the Arellano-Felix brothers and many, many others. And I will add also that many of those command and control figures are indicted here in the United States.

Now, we do have ongoing efforts inside Mexico. In fact, we worked very well with a small core of dedicated people inside the Mexican attorney general's office. And I would point out that the Mexican attorney general himself, Mr. Jorge Madraso, I believe to be a dedicated professional who is trying to do the best job possible under the circumstances that he is dealing with.

Within Mexico, the DEA and the Mexican equivalent of DEA, an organization called the Fiscalia Especializada Para la Atencion de Delitos Contra la Salud—that is a mouthful for me, so I am going to refer to them by their acronym, FEADS—DEA and the FEADS continue to conduct joint investigations throughout Mexico. And we cooperate with that organization very well on a day-to-day basis.

But the investigative achievements of the FEADS and the other law enforcement agencies in Mexico—the achievements against the command and control structures of the major Mexican drug trafficking organizations have been minimal. And I certainly agree with Senator Sessions' assessment in that regard.

Additionally, it is no secret that elements of the Mexican government have just been mired in corruption in recent years, and certainly the government of Mexico recognizes that as well. In fact, the Federal Preventive Police was created in 1999 in response to that corruption problem.

The government of Mexico reported that since April of 1997, as Senator Feinstein pointed out, more than 1,400 federal police officers have been fired for corruption. Unfortunately, some of those have been rehired. Of those, over 350 were fired in 1999, and I am

told that that situation that resulted in the rehiring is corrected and that these more recently people will not be rehired.

Now, it is gratifying to me that this action is being taken against corruption in Mexico, but when you look at the numbers, I think those are sobering numbers and it is an indication of the large scale of corruption that exists in Mexico.

Now, I want to give you one very alarming example of an incident involving corrupt Mexican police officials which occurred on November 9 in Mexico, actually in Matamoros. We had DEA and FBI special agents de-briefing a confidential source in Matamoros. During the course of that activity, they were surrounded by a well-known trafficker by the name of Osiel Cardenas and about 15 of his associates.

Now, each of these associates, one of whom, by the way, was brandishing a gold-plated, I am told, automatic assault weapon—each of these associates were identified as either municipal or state police officers. And it was only due to the resourcefulness and the quick thinking of those two agents that they were able to escape from that incident unharmed. Now, that incident, I think, serves to very vividly highlight the vulnerability of DEA and FBI agents working in Mexico day in and day out, very dedicated special agents, I might add.

Now, in addition to the police firings that I described earlier, there has been one judicial effort to fight corruption in the judiciary. On January 11 of this year, there was a Mexican federal judge who actually issued an arrest warrant for a magistrate who erroneously or wrongly freed a methamphetamine trafficker, Adan Amezcua. But in direct contradiction to that incident, however, there was a Mexican court, on February 4 of this year, who freed an Amezcua associate, Jaime Ladino, whose extradition had been requested by the United States.

Now, there has been a treaty in effect since 1978, but as Senator Feinstein pointed out, there have been no extradition requests actually signed or granted until 1996. Consistent with the pattern, in 1999 no major drug traffickers were extradited from Mexico to the United States. They did extradite 10 fugitives on narcotics or money laundering charges. Eight of those were U.S. citizens and two were Mexican citizens.

So, in conclusion, I would say that we all recognize, I think, that Mexico is a country of great strategic importance to the United States. Counter-narcotics is one of the critical aspects of our relationship with Mexico, but the effectiveness of the national and our bilateral efforts against drug organizations depends, I believe, on demonstrable progress in the area of extradition, in the area of disrupting and dismantling major trafficking organizations.

And I would point that that includes on their own apprehending, prosecuting, indicting, convicting and imprisoning major drug traffickers. It includes exposing and prosecuting individuals and businesses that are involved in providing support networks to these traffickers, such as front companies, security, transportation, communication companies, and the like.

And I really believe that the command structure of the Mexican attorney general's office is genuinely committed to trying to do those things. So it is vital that DEA and other U.S. Government

agencies continue to engage, continue to support the government of Mexico in their efforts and in our efforts. And in turn, I hope that the rest of the government of Mexico will provide adequate investigative manpower, financial resources, equipment, things of that sort that are necessary for them to make progress in this bilateral law enforcement effort.

I want to thank you again for your support, and thank you for the opportunity. I will be happy to try to answer any questions that you might have.

[The prepared statement of Mr. Marshall follows:]

Remarks by

Donnie R. Marshall
Acting Administrator
Drug Enforcement Administration
United States Department of Justice

Before

The Senate Drug Caucus on International Narcotics Control

Regarding

"Certification and Counter Narcotics Efforts throughout the World"

March 21, 2000
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215 Dirksen Senate Building

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Remarks by

Donnie R. Marshall
Acting Administrator
Drug Enforcement Administration
Before
The Senate Drug Caucus on International Narcotics Control
March 21, 2000

Chairman Grassley, Members of the Senate. I appreciate this opportunity to appear before the Committee today to discuss the issue of Certification and U.S. Counter narcotics efforts. I would like first to thank the Committee for its continued support of the Drug Enforcement Administration (DEA) and overall support of drug law enforcement.

As all of you are aware, DEA is first and foremost a law enforcement agency. Although the certification process has proved to be an effective diplomatic tool relative to the international antidrug effort, as a matter of policy, DEA does not make recommendations relative to certification. Each year, DEA provides the Attorney General with an objective assessment of the drug trafficking situation for a country based upon evidence and factual information. DEA's analysis of counter-narcotics efforts by another country does not include an opinion on whether a country should or should not be certified. We merely present the facts to U.S. policy makers and allow them to make an informed decision on the certification of a respective country. As such, my comments today will be limited to an objective assessment of the law enforcement issues involved with drug trafficking.

As part of the submitted written testimony, I have also included the drug trafficking assessment reports of several countries which were recently evaluated and either decertified or granted a waiver due to vital U.S. interests. These countries include Afghanistan, Burma, Cambodia, Paraguay, Nigeria and Haiti. Due, however, to the magnitude of the threat drug traffickers pose to the national security of both countries, along with the strategic importance to the United States, I will direct much of today's testimony on Mexico.

As many of you know, criminal organizations based in Mexico pose the greatest challenge to U.S. law enforcement agencies charged with enforcing narcotics laws. Due to the ever-increasing legitimate cross-border traffic and commerce between the U.S. and Mexico, several international organized crime groups have established elaborate smuggling infrastructures on both sides of the U.S./Mexico border. Furthermore, it has long been established that in addition to drug trafficking, these international criminal organizations spawn violence, corruption, and intimidation that threaten the safety and stability of our cities and towns across America.

The complex and sophisticated international drug trafficking groups operating out of Mexico are oftentimes vicious, destructive entities, that operate on a global scale. The largest drug trafficking organizations in Mexico --- operating out of Guadalajara, Juarez, Mexicali, Tijuana, Sonora, and the Gulf region --- under the auspices of Vicente Carrillo-Fuentes, Armando Valencia-Cornelio, Miguel Caro-Quintero, Ramon and Benjamin Arellano-Felix, and Osiel Cardenas-Guillen are in many ways, the modern versions of the mob leaders and groups that U.S. law enforcement has fought against since the beginning of last century. These international organized crime leaders, however, are far more dangerous, far more influential and have a greater impact on our day-to-day lives than did their domestic predecessors.

Those international traffickers and their organizations make operational decisions from places like Sonora, Mexico and other locations outside U.S. borders, which detrimentally affect the quality of life of our citizens and directly support drug-related crime in cities and towns across our country. These groups have reached new levels of sophistication and have become a threat not only to the United States and Europe, but also to their own countries. Their power and influence are unprecedented. Unless innovative, flexible, multi-faceted responses are crafted, these drug trafficking organizations threaten to grow even more powerful in the years to come.

The Damage to the United States:

In order to understand the extent and nature of the damage caused by international drug trafficking organizations, it is crucial to look at how these organizations work, and how they infiltrate and position themselves in U.S. communities in order to further their goals.

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

In the recent past, traffickers from Mexico had maintained dominance in the western part of the United States, and in some Midwest cities. Today, the Drug Enforcement Administration, along with other law enforcement agencies, has developed evidence leading to indictments demonstrating that associates of organized crime groups

based in Mexico have established themselves on the East Coast of the United States, thus becoming significant participants in the nationwide drug trade.

Mexican Traffickers Rise to Prominence:

During 1995 and 1996, intense law enforcement pressure was focused on the Cali leadership by the brave men and women of the Colombian National Police. As a result, all of the top trafficking leaders from Cali were either jailed or killed. During that time frame, U.S. law enforcement agencies were effectively attacking Colombian cells operating within the United States. With the Cali leaders imprisoned in Colombia and the successful attacks by law enforcement on their U.S. cells, traffickers from Mexico took on greater prominence. A growing alliance between the Colombian traffickers and the organizations from Mexico worked to benefit both sides. Traffickers from Mexico had long been involved in smuggling marijuana, heroin, and cocaine across the U.S.-Mexico border, using established distribution routes to deliver drugs throughout the United States. The Mexico-based organizations' emergence as major methamphetamine producers and traffickers also contributed to making them a major force in international drug trafficking. The Mexican traffickers, who were previously paid in cash by the Colombian traffickers for their services, began to routinely receive up to one-half of a shipment of cocaine as their payment. This led to Mexican traffickers having access to multi-ton quantities of cocaine and allowed them to expand their markets and influence in the United States, thereby making them formidable cocaine traffickers in their own right.

With the disruption of the Cali syndicate, Mexican groups such as the Amado Carrillo-Fuentes organization, the Arellano-Felix cartel, the Amezcua-Contreras brothers, and the Caro-Quintero group, consolidated their power and began to dominate drug trafficking along the U.S.-Mexico border and in many U.S. cities. Recent events in Mexico and along the southwest border emphasize the fact that trafficking groups from Mexico have developed into a significant force in international organized crime.

Overview of Narcotics Smuggled along the U.S./Mexican Border:

Recent estimates indicate that approximately 55% of the cocaine available in the United States is transported across the U.S.-Mexico border. Typically, large cocaine shipments are transported from Colombia, via commercial shipping, fishing and "Go-fast" boats and off-loaded in Mexico. The cocaine is transported through Mexico, usually by trucks, where it is warehoused in cities like Guadalajara, Tijuana or Juarez, that are operating bases for the major criminal trafficking organizations. The extremely high volume of vehicular traffic over the U.S./Mexico border allows cocaine loads to be driven across the border and taken to major distribution centers within the U.S., such as Los Angeles, New Jersey, Chicago or Phoenix. Surrogates of the major drug lords wait for instructions, often provided over sophisticated communications devices-- --phones, faxes, pagers or computers---telling them where to warehouse smaller loads, who to

contact for transportation services, and to whom to return the eventual profits. Individuals sent to the United States from Mexico, often illegally, have been shown to have contracted with U.S. trucking establishments to move loads across the country. Once the loads arrive in an area that is close to the eventual terminal point, safehouses are established for workers who watch over the cocaine supplies and arrange for it to be distributed by wholesale dealers within the vicinity. These distributors have traditionally been Colombian nationals or individuals from the Dominican Republic, but recently, DEA has come upon evidence that Mexican trafficking organizations are also directly involved in cocaine distribution in New York City.

We have not only identified the drug lords themselves, but in most cases, the key members of their command and control structure. The combined efforts of the DEA, FBI, DOJ, the U.S. Customs Service and members of state and local police departments have resulted in the seizure of hundreds of tons of drugs, hundreds of millions of dollars in drug proceeds and most importantly, several significant indictments. In fact, some of the leaders of these organizations---Ramon and Benjamin Arellano-Felix, Luis and Jesus Amezcua-Contreras, Vicente Carrillo-Fuentes----have become familiar names in every major law enforcement department in the United States. Despite this evidence, along with the notoriety, these traffickers have continued to evade arrest and prosecution.

The primary reason they have been able to avoid arrest and continue their criminal enterprise is their ability to intimidate witnesses and assassinate and corrupt public officials. Clear examples of this point may be cited in recent efforts to apprehend members of the Arellano Felix cartel and the Cardenas Guillen cartel, based in Tijuana and Matamoros, Mexico, respectively. In Tijuana over the past year, Mexican officials, have not been able to apprehend key traffickers working for the Arellano Felix organization. In November 1999, major Gulf cartel drug trafficker Osiel Cardenas Guillen illegally detained and assaulted two U.S. drug enforcement agents in Matamoros, Mexico, across the international border from Brownsville, Texas.

Methamphetamine traffickers, oftentimes associated with major Mexican organized crime groups, obtain the precursor chemicals necessary for methamphetamine production from sources in other countries, such as China and India, as well as from rogue chemical suppliers in the United States. In fact, Mexico-based transnational criminal organizations have become the most significant distributors in the U.S. of methamphetamine and its precursor chemicals. Several bulk ephedrine seizures destined for Mexico have focused attention on the magnitude of ephedrine acquisition by Mexican organized crime groups. Methamphetamine super labs, capable of producing hundreds of pounds of methamphetamine on a weekly basis, are established in Mexico or in California, where the methamphetamine is provided to traffickers to distribute across the United States.

Heroin from Mexico now represents 14% of the heroin seized in the United States by federal authorities, and it is estimated that 43 metric tons of opium gum was produced in 1999 in Mexico. A recent study conducted by the DEA indicates that as much as 29% of the heroin being used in the U.S. is being smuggled in by the Mexico-based organized

crime syndicates. Mexican black tar heroin is produced in Mexico, and transported over the border in cars and trucks. Like cocaine and methamphetamine, it is trafficked by associates of the organized criminal groups in Mexico, and provided to dealers and users in the Southwest, Northwest, and Midwest areas of the United States. At one time, it was commonplace for couriers to carry two pounds or so of heroin into the United States; recently, quantities of heroin seized from individuals have increased as is evidenced by larger seizures in a number of towns in Texas. This heroin is extremely potent, and its use has resulted in a significant number of deaths.

Marijuana from Mexico still dominates the illicit U.S. import market although U.S. experts estimate Mexico's marijuana production at 3,700 metric tons (compared with 4,600 in 1998 and 4,800 in 1997). In addition, during 1999, the GOM eradicated some 23,547 hectares of marijuana (down from 24,200 in 1998). Seizures of Mexican marijuana have increased from 102 metric tons in 1991 to 836.3 metric tons in 1999. Marijuana organizations from Mexico are very powerful and violent. In some places, traffickers from Mexico have established marijuana cultivation operations within the United States. In a recent case in Idaho, DEA , working with other Federal, state and local law enforcement officials, arrested a group of illegal aliens from Zacatecas, Mexico. A total of 114,000 marijuana plants, weighing almost 20 tons, was seized. This operation represented the largest marijuana seizure ever in the state of Idaho.

It is important to note that although many of the transactions relating to the drug trade take place on U.S. soil, the major organized crime bosses direct each and every detail of their multi-billion dollar business while situated in Mexico. They are responsible not only for the business decisions being made, but also ultimately for the devastation that many American communities have suffered as a result of the influx of cocaine, methamphetamine, heroin and marijuana. These powerful and organized syndicates can frustrate the ability of the Mexican anti-drug police. Their ability to place obstacles such as corruption and unlimited resources in the path of police can oftentimes impede investigations. In the past year, none of the major Mexican trafficking organizations have been dismantled or significantly disrupted by Mexican authorities.

Law Enforcement Response:

Reporting indicates that the Southwest border (SWB) remains a major point of entry for approximately 70% of all illicit drugs smuggled into our country by Mexican trafficking groups. In response to this continued threat along the border, the DEA has established several initiatives that facilitate and improve intelligence and information sharing, while identifying and removing impediments to cooperation. These initiatives employ a multi-pronged strategy, which utilizes and combines law enforcement operations, intelligence operations, and provides for law enforcement assistance in order to achieve success in combating criminal drug trafficking organizations along the border. The objective of these initiatives is to disrupt and ultimately dismantle criminal organizations that smuggle illicit drugs into the U.S. by linking Federal, state and local investigations domestically and mobilizing multilateral enforcement efforts abroad. Based upon past trends, intelligence, and recent seizures along the border, the DEA has

established the following priorities for the SWB Field Divisions: (1) cocaine investigations involving violent organizations; (2) methamphetamine investigations, (3) heroin investigations, (4) marijuana investigations, (5) money laundering investigations and (6) diverted/dangerous drug and chemical investigations.

Enforcement Operations/Strategies:

In response to the emergence of these Mexican Drug Trafficking Organization's (MDTO), it became apparent that a coordinated strategy for law enforcement counterdrug activities needed to be implemented. In order to combat drug production and trafficking networks operating along the U.S./Mexican border, DEA, in concert with other Federal agencies, established the Southwest Border Initiative – an integrated, coordinated law enforcement effort designed to attack the command and control structure of organized criminal operations associated with the Mexican Federation. This strategy focuses on intelligence and enforcement efforts which target drug distribution systems within the U.S. and directs resources toward the disruption of those principal drug trafficking organizations operating across the border.

As such, DEA, in cooperation with other Federal, state and local law enforcement agencies is focusing increased intelligence, technical resources and investigative expertise on the major MDTO's responsible for smuggling vast quantities of cocaine, heroin, marijuana and methamphetamine across the border.

Apart from this effort, DEA and the Federal Bureau of Investigation (FBI) also provide assistance in the form of operational planning, intelligence and training to Government of Mexico (GOM) law enforcement authorities, to strengthen their capacity to combat these organizations. The Southwest Border strategy targets specific Mexican trafficking organizations operating across the border and attacks their command and control infrastructures wherever they operate.

Further, the Special Operations Division (SOD) is a joint national coordinating and support entity comprised of agents, analysts, and prosecutors from DOJ, Customs, FBI, DEA and IRS. Its mission is to coordinate and support regional and national criminal investigations and prosecutions against trafficking organizations that most threaten the U.S. SOD performs seamlessly across both investigative agency and district jurisdictional boundaries, providing field offices with necessary support, assistance, intelligence analysis and "leads" for investigative action. Within SOD, no distinction is made among the participating investigative agencies. Where appropriate, state and local authorities are fully integrated into coordinated operations. As presently configured, SOD consists of five sections; each of which has both DEA, FBI and USCS personnel assigned. One section targets Colombian Trafficking Organizations, a second concentrates on cocaine and heroin trafficking in Europe and Asia, a third targets money laundering organizations and the remaining two sections are the heart of the Southwest Border Project and focus their efforts on the principal MDTO's. These two sections target, among other things, the command and control networks of the identified MDTO's, and their supporting organizations operating along the Southwest border. As such, the

interagency regional objectives are as follows; (1) Intelligence collection and analysis, (2) Investigations, (3) Interdiction and Enforcement and (4) Prosecution and Incarceration. The following operation delineates the need and significance for such a multi-agency project:

- **Operation Impunity:**

In September 1999, the DEA announced the conclusion of a two-year international investigation that culminated in the arrest of over 106 individuals linked to the Amado Carrillo Fuentes (ACF) drug trafficking organization, headquartered in Cancun, Mexico. This investigation, known as "Operation Impunity," was a multi-jurisdictional, multi-agency investigation which directly linked drug trafficking activity in the United States to the highest level of the Mexican cocaine trade.

This investigation began in January 1998 and was conducted jointly by the DEA, FBI, USCS, U.S. Attorneys' Offices, DOJ/Criminal Division and a host of state and local law enforcement agencies. The investigation encompassed 53 DEA, FBI and USCS case investigations which spans 14 Federal judicial districts. Since 1998, this investigation has resulted in 36 seizures, netting 12,434 kilograms of cocaine, a half a kilo of heroin, 4,806 pounds of marijuana, more than $19 million in U.S. currency, and the arrest of 106 individuals.

The above statistics only tell part of the story. Operation Impunity demonstrated an unparalleled coordinated and cooperative effort among the law enforcement community. Overall, this investigation allowed the law enforcement community to ascertain this organization's method of operation from the narcotic distribution in Colombia to the transportation through Mexico to the ultimate distribution networks throughout the U.S. Such success clearly demonstrates the need for the continuation of long term, multi-agency investigations.

Cooperative Efforts with the Government of Mexico/Status of Vetted Units:

Subsequent to the arrest of General Gutierrez Rebollo in 1997 and the establishment of mechanisms within the Mexican law enforcement infrastructure, such as the Bilateral Task Forces (BTFs) and the Vetted Unit program, DEA became cautiously optimistic relative to the prospects of the GOM's commitment to bilateral investigations. The DEA has supported these programs financially and with other resources in hope that our efforts would result in a successful attack against the drug lords who are creating so much havoc throughout communities in the United States. However, continuing reports of corruption and the rapidly growing power and influence of the major organized criminal groups in Mexico cause us great concern about the long-term prospects for success. Perhaps, the arrest of Operation Impunity target Jaime Aguilar Gastelum and Operation Millennium target Guillermo Moreno-Rios, by Mexican authorities, is indicative of the GOM's future commitment to such joint ventures.

However, in the last year the Vetted Units Program in Mexico has not achieved the potential as originally envisioned by both governments. In order to address this issue, the DEA and the Government of Mexico's equivalent to the DEA, the Fiscalia Especializada Para la Atencion de Delitos Contra la Salud (FEADS), have agreed to carefully review the Program and establish ways to improve its efficiency and effectiveness against mutually agreed investigative targets. The DEA also provides support and assistance to the FEADS to conduct investigative endeavors throughout Mexico. These investigations are being conducted with the primary investigative component of the FEADS vetted units --the Bilateral Task Forces (BTF's).

Unfortunately, the investigative achievements by the BTF and the Sensitive Investigations Unit (SIU) as related to cases against the major drug trafficking organizations are minimal. The inability of these units to fully employ the new investigative techniques and authorities provided in the Organized Crime Law to investigate these major organizations has been equally disappointing. Further complicating investigative efforts, the Mexico City-based SIU was compromised in February 1999 by a Mexican news exposé describing the operations of that unit, to include its location, activities and investigative targets. Because of this setback, the SIU has been largely shut down. In addition, throughout 1999 police personnel from the Mexico City SIU were separated into smaller groups and often deployed to various regions throughout Mexico in order to work other investigations, such as the search for Mexico fugitive and former Governor of the State of Quintana Roo Mario Villanueva-Madrid.

On a positive note, vetted unit personnel of the Organized Crime Unit (OCU), of which the SIU is a part, have been investigating a drug smuggling network of the Carrillo-Fuentes organization in Cancun, headed by Alcides Ramon-Magana. During the course of this investigation, DEA has shared three principal witnesses with the OCU who have provided information regarding this organization . The information gleaned from these witnesses has contributed to the seizure of real estate in Quintana Roo and the arrest of several defendants in this case, including mid-level drug trafficker and money-launderer Carlos Colin-Padilla. In addition, the GOM issued arrest warrants for a total of 44 individuals associated with Ramon-Magana including an arrest warrant issued on April 5, 1999, against former Governor Villanueva Madrid on 28 counts of drug related offenses.

The governments of Mexico and the United States will continue to work cooperatively on investigations. Just this month, based upon information provided by the DEA to the GOM, two such operations were conducted, resulting in the seizure of a cocaine laboratory and a methamphetamine laboratory in Mexico. Ultimately, DEA believes that the vetting process is our best chance at ensuring integrity with our counterparts. As mentioned in previous testimony today with respect to the ongoing bilateral Vetted Units Program survey, DEA will remain actively engaged with our GOM counterparts relative to this process. DEA will also encourage the GOM to fully staff and support the BTFs and the SIUs with FEADS personnel that have already been vetted and to supply the resources that these operations require.

Corruption Issues:

Although the Mexican government is attempting to address the issue of corruption, it continues to be a serious problem in Mexican law enforcement institutions. The Federal Preventive Police (FPP) was created in early 1999 in response to the existing corruption in the police ranks, but recently reported that several FPP agents were under investigation for corrupt activities. In December 1999 the Government of Mexico/PGR reported that between April 1997 through 1999 more than 1,400 of the 3,500 federal police officers had been fired for corruption and that 357 of the officers had been prosecuted. Additionally, the National Public Safety System established a national police registry to prevent corrupt police officials from being rehired by another law enforcement entity. However, the PGR has not fully implemented these programs to deal with corruption. For example, in 1999, the former Director of Investigations for the PGR's SIU and OCU, Cuauhtemoc Herrera Suastegui, was reassigned to a high-level position within the PGR despite failing polygraph examination in 1998. Although several FEADS vetted "floater" units have had several successes during 1999, the Vetted Unit Program failed to adhere to internal security principles involving the polygraph process, which may lead to potential compromises and corruption. The Mexican military also has experienced narco-related corruption within its ranks.

As of July 1999, an amendment to the Judicial Organic law mandated that PGR officers, prosecutors, police agents, experts, and pilots assigned to narcotics eradication duties are required to undergo an evaluation process, to include background checks and polygraphs.

Judicial efforts to stop corruption are also underway. On January 11, 2000, a Mexican Federal judge issued an arrest warrant for the magistrate who wrongly freed Adan Amezcua-Contreras, a major methamphetamine trafficker.

Perhaps the most alarming incident involving Mexican officials occurred on November 9, 1999, when a DEA Special Agent, along with a FBI Special Agent debriefed a Confidential Source in Matamoros, Mexico. During the course of this debriefing the Special Agents and Confidential Source were surrounded and physically threatened by Mexican trafficker Osiel Cardenas-Guillen and approximately 15 associates. Each of these associates, one brandishing a gold-plated automatic assault weapon, were either municipal or state police officers. Furthermore, despite monitoring the entire incident over the DEA Special Agent's cellular telephone, which had been used to call for assistance, the Tamaulipas State Judicial Police Commander took no action. Due in large part to their resourcefulness and ability to diffuse this dangerous situation, were the agents and the confidential source able to survive unscathed. Among other issues, this incident highlights the vulnerability of DEA and FBI Special Agents working in Mexico.

Status of Extraditions:

The principal leaders of major drug trafficking organizations fear the threat of extradition to the United States more than any other law enforcement or judicial tool. Extradition of significant traffickers ensures that those responsible for the command and control of illicit activities, including drug smuggling and money laundering, will be held totally accountable for their actions and serve a prison sentence commensurate with their crimes.

No major drug traffickers were extradited to the United States in 1999. The Mexican Government did extradite 10 fugitives on narcotics related or money laundering offenses in 1999 -- eight U.S. citizens and two Mexican citizens. One Mexican citizen, a drug trafficker, was sought on drug charges after escaping from a U. S. prison while serving a sentence on drug related crimes. The other Mexican citizen, who killed a United States Border Patrol agent, was sought on murder and marijuana smuggling charges.

In September 1998, the Government of Mexico arrested U.S. Citizen and DEA fugitive Randall Jeffrey Spradling in Guadalajara which, given Spradling's strong ties to both Mexican and Colombian drug traffickers, was an important event. He is fighting extradition to the United States.

In the past twelve months, some Mexican Courts have denied extradition of significant drug traffickers, such as Jaime Ladino-Avila, to the U.S. due to a variety of reasons, such as a very dated legal precedent holding life imprisonment unconstitutional in Mexico. At the end of 1999, there were approximately 40 persons in Mexican custody and subject to extradition proceedings based on U.S. provisional arrest warrants and extradition requests.

Conclusion: The Road Ahead:

The United States' long experience with confronting and dismantling organized criminal activity has necessitated the development of an aggressive, cohesive and coordinated strategy to identify, target, arrest and incapacitate the leadership of these organizations. DEA's role in addressing the drug problem is to continue to attack the leadership of these international criminal organizations. With a strategy consisting of mounting attacks on the organizational command and control of major Mexican trafficking syndicates that operate along the U.S./Mexico border, the DEA is able to attack the ability of these organizations to conduct business and impede their efforts to import drugs into the U.S.

The effectiveness of national and bilateral efforts against drug organizations will depend largely on demonstrable progress in disrupting and dismantling these transnational narco-trafficking organizations. This includes apprehending, prosecuting

and convicting major drug traffickers, as well as exercising extradition laws against those defendants facing federal drug trafficking charges in the United States, and exposing and prosecuting individuals and businesses involved in providing critical support networks such as front companies, security, transportation and the like.

Therefore, it is imperative for law enforcement to continue to facilitate the flow of information and intelligence while identifying and removing impediments to cooperation. In this vein, it is vital for the DEA, along with other USG agencies, to continue to support the GOM in the field of counternarcotics operations. In turn, DEA encourages and expects the GOM to provide adequate investigative manpower, ongoing integrity testing, financial resources, equipment and reciprocal drug intelligence in support of bilateral drug law enforcement, which should significantly improve both governments' ability to counter and eliminate transnational drug trafficking organizations.

However, the true sign of success regarding anti-drug efforts in Mexico is best recognized with tangible results from concerted law enforcement efforts, i.e. the arrest and successful prosecution of significant leaders of these major drug cartels in Mexico and; where applicable, their extradition to the United States to face federal drug trafficking charges. We are not yet there.

Part II:

As an addendum to the drug trafficking assessment on Mexico, included are abbreviated drug situation reports on six countries. These countries were selected due to the Administrations recent announcement either de-certifying (Afghanistan and Burma) or certifying due to vital U.S. interests (Haiti, Paraguay, Cambodia and Nigeria). These reports include criteria and guidelines that may be evaluated during the certification process.

Paraguay:

Paraguay's primary role in the cocaine trade is as a transit country. Traffickers send shipments of Bolivian cocaine HCl and base through Paraguay into Brazil and Argentina for further shipment to the United States and Europe. Recent information also indicates that there is some trafficking of cocaine essential chemicals from Paraguay into Bolivia.

Paraguayan cocaine traffickers serve primarily as facilitators for major Bolivian and Brazilian cocaine organizations. Paraguayan transportation groups have, on occasion, provided aircraft and pilots to transportation groups operating between Peru, Brazil, and Colombia. A common exchange method for Paraguayan traffickers is to trade luxury cars stolen in Asuncion and Argentina for Bolivian cocaine. This makes the capital for large cocaine purchases relatively easy to obtain and allows Bolivian traffickers to launder their profits directly into tangible assets.

Counter-drug efforts in Paraguay are consolidated under the direction of the Secretariat Nacional Antidrogas (SENAD), a Federal agency with national authority to propose legislation, conduct anti-drug education programs, control the diversion of chemicals and drugs, and to conduct drug investigations and operations, including eradication efforts. In February 2000 Retired Army Colonel Hugo Ibarra was appointed as the director of SENAD. In spite of continuing political turmoil within the government, Ibarra has displayed some willingness to conduct investigations into drug trafficking and has cooperated with the DEA in mainly low level investigations.

The Anti-Narcotics Directorate of the Paraguayan National Police (DINAR) is a full-time investigative unit consisting of approximately 100 police special agent personnel. DINAR is controlled organizationally and financially by SENAD. The DEA Asuncion Country Office (ACO) utilizes both organizations to conduct investigations and operations. The formation of a DEA-sponsored investigation/intelligence unit within the DINAR has enhanced the ability of the ACO to conduct more sensitive investigations and to properly train and equips this smaller and more secure unit.

A criminal code promulgated in 1997 went into effect in November of 1998. The new code provided sentencing guidelines for money laundering offenses. Asset seizures are also provided for under Paraguayan law, but the law is very new and has only been minimally used. In 1998, the Government of Paraguay signed an extradition treaty with the United States, which includes a provision for the extradition of nationals. The government also drafted legislation that explicitly authorizes undercover operations and controlled deliveries. Due to the political instability in Paraguay the proposed legislation remains pending.

Burma:

In 1999, Burma was named as the world's number two producer of opium behind Afghanistan. The 1999 CNC Opium Yield Survey, conducted jointly with US and Burmese officials estimated the 1999 potential opium yield to be 1,090 metric tons. This reflects a 38% decrease from 1998 survey estimates of 1,750 metric tons. In February 2000, the CNC, Embassy and Host Nation officials conducted the 2000 Opium Yield Survey with the DEA as an accompanied observer.

Burma continues to be a major producer of both heroin and methamphetamine. Burma accounts for approximately 80 percent of the total production of Southeast Asian opium. In 1999, the Government of Burma (GOB) seized 273 kilograms of heroin, down from 490 kilograms in 1998. The decrease in seizures is partly due to opium crop reduction, directly attributed to severe drought conditions. Also attributed is the response by the GOB against narcotic traffickers, in response to intelligence information provided by DEA. The increased enforcement activity on behalf of the GOB has resulted in the traffickers' utilization of smaller and highly mobile opium refineries.

In 1999, the GOB seized in approximately 28.8 million tablets (approximately 2,880 kilograms) of methamphetamine. During 1998, the GOB seized 16 million tablets

(approximately 1,600 kilograms). Additionally, in 1999, the GOB sseized 6.43 metric tons of ephedrine. The GOB continues to pursue additional ephedrine smuggling investigations.

Methamphetamine produced in Burma is shipped almost exclusively to Thailand. The largest and most recent reported seizure in Thailand was 4.3 million tablets (approx. 430 kilograms) on March 14, 2000. There have been six reported seizures of Burmese produced methamphetamine, ranging from 200 to 7,800 tablets among the Hmong and Mien communities residing in California.

The United States Government policy towards Burma continues to link political change toward democracy and human rights issues with the narcotics problem. Currently minimal assistance is provided to Burma by the U.S. largely through assistance to law enforcement operations and to intelligence sharing by DEA with host government counterparts. Training, utilizing INL funds, has been prohibited since 1989.

The DEA Rangoon Country Office (RCO) has developed a working relationship with their Host Nation Counterparts (Directorate of Defense Services Intelligence /DDSI and State Peace and Development Council/SPDC).

Intelligence indicates that corruption is rampant in Burma. This situation has led to petty graft and corruption. However, the government has taken positive steps to solve this problem by aggressively prosecuting and punishing violators determined to be involved in corrupt practices.

Cambodia:

The Drug Enforcement Administration (DEA) enjoys a good relationship with the Cambodian National Police and the National Police Anti-Drug Unit. The Anti-Drug Unit is unable to carry out any type of sophisticated investigation due to the lack of financial resources, extreme shortage of trained personnel and lack of adequate investigative equipment.

Cambodia is not a major producer of narcotics although large amounts of marijuana are cultivated with multi-ton quantities being exported to Europe. Marijuana production and trafficking is not considered to be a major threat to the United States. In 1997, enforcement efforts resulted in the disruption and dismantling of a group of Americans identified to be sending multi ton quantities of marijuana from Cambodia to the West Coast of the U.S. The investigation resulted in the arrest of several of its members and the seizure of approximately six (6) tons of marijuana in Cambodia in June of that year. U.S. and Cambodian defendants were subsequently indicted in the U.S. Despite the fact that Cambodia has no extradition treaty with the U.S., the Cambodian government deported the above defendants to the U.S. to stand trial. Through a cooperative effort, the Government of Cambodia (GOC) allowed DEA agents to interview the defendant's prior to their deportation to the U.S. In addition to the above, the GOC allowed two of their officers to travel to the U.S. and testify in a U.S. Federal Court.

There is little hard intelligence or information available on heroin trafficking involving Cambodia. There have been no significant heroin seizures in the U.S. either transiting through or initiated from Cambodia.

Corruption has been identified as an endemic problem in Cambodia, and has adversely affected drug law enforcement. Poorly paid and ill-trained police and judicial officials have been all-too-easy to look the other way in narcotics and other criminal cases.

Cambodia established a "National Authority for Combating Drugs" and a "Special Drug Enforcement Unit" in the Ministry of the Interior. The appointed heads of these units currently do not have any law enforcement units directly under their control, but do have the ability to call on resources from other enforcement agencies. The National Police remain DEA's primary contact.

This year, the DEA's Office of International Training is scheduled to put on the Basic Investigators Training Seminar. The seminar will include approximately sixty (60) National Police Officers.

Nigeria:

The Nigerian National Drug Law Enforcement Agency (NDLA) has provided some cooperation to DEA in those areas where it can. The most basic of drug law enforcement equipment is unavailable to the NDLEA. The NDLEA continues to be underfunded, undertrained and underpaid by the Government of Nigeria (GON), calling into question the GON's own will to attack and prosecute major drug traffickers operating in Nigeria.

NDLEA officials continued to arrest low level couriers and growers. Major traffickers and organizations were largely unaffected. This is due to the lack of training and modern equipment needed to identify, locate, monitor and investigate the activities of the major drug traffickers operating in Nigeria.

Officials of the GON are quick to point to their yearly seizure statistics, which are slightly misleading. For example, in 1998 the NDLEA reports that they seized "over 10 tons of narcotics", which, taken at face value, appears to be an impressive statistic. When urged to provide a breakdown of the drug types seized, it is discovered that nine of those metric tons were cannabis, 503 kilograms were unspecified psychotropic drugs, 17 kilograms were cocaine and only 3 kilograms, seized for the entire year, were heroin.

The bulk of the cannabis seizures are a result of an active plant eradication program. The cannabis products are destined for local consumption and exportation to neighboring African countries, and some to various destinations in Europe. While it is a source of pride for the GON, the cannabis seizures have little impact on the United States.

The NDLEA attempts to prosecute narcotics and money laundering violators, but are stymied by a dysfunctional judicial system and occasionally by government corruption.

Although there have been asset seizures in the past, a weakness in the law does not allow for asset forfeiture without a prior conviction of the owner of the asset. Since convictions are rare, no drug related forfeitures have been reported.

Afghanistan:

The political situation in Afghanistan has adversely affected DEA's strategy and enforcement efforts. Due to security reasons, the Department of State has prohibited travel to Afghanistan for all of this year. Until Special Agents can travel to Afghanistan, accurate reporting will be sporadic and unconfirmed. Currently, there are no ongoing counter narcotics programs or any cooperation in nvestigations underway between the U.S. and Afghanistan. Illegal drug production in Afghanistan, however, remains a major problem which must be addressed.

Drug traffickers in Afghanistan are both the world largest producers of illicit opium and major producers of cannabis products. In the absence of a stable and universally recognized central government and the tolerance of poppy cultivation and conversion laboratories by the Taliban, cultivation of opium poppies is likely to increase in Afghanistan.

According to the U.S. Government, 51,500 hectares of opium poppy were cultivated in 1999, versus 41,720 hectares in 1998, a 23% increase. From this an estimated 1,670 metric tons of opium were produced, versus 1,350 last year, a 24% increase. The increase results from favorable economic and environmental conditions, in particular high opium prices during the planting season combined with ideal weather conditions during harvest.

During 1999, representatives of the U.S. Embassy in Islamabad, to include DEA, have met several times with the Taliban High Commissioner for Narcotics Control. In a recent meeting, the Taliban High Commissioner for Narcotics stated that the Taliban government had taken measures to eliminate narcotics. He claimed that the government had recently seized 2,000 kilograms of opium and heroin and had destroyed 34 laboratories. Other significant hauls have taken place at various airports and border areas under Taliban control. A recent Taliban edict strongly admonished farmers to reduce poppy cultivation by one-third in the year 2000. A common complaint by the Taliban government is that the international community does not give the Taliban due credit for these successes. The Taliban High Commissioner for Narcotics also denied reports that the Taliban tax opium production.

Afghanistan remains essentially a country divided into regions controlled by tribal leaders, all of whose support is necessary to effectively rule the country. Afghanistan is not a center for money laundering and financial institutions barely exist. Due to the total

destruction of the Afghan economy, narcotic traffickers often use proceeds to purchase goods abroad and smuggle these items into Afghanistan

Afghanistan continues to be a major recipient of multi-ton quantities of acetic anhydride, which is an essential chemical in the production of heroin. Shipments of acetic anhydride arrive regularly for such purported usage as leather tanning and machine cleaning. As there are no known legitimate businesses in Afghanistan utilizing acetic anhydride, these consignments are highly suspect. Chemicals used in heroin processing laboratories in Afghanistan usually are imported from India, Germany and the former Soviet Union. Some progress has been made in the tracking of shipments from western countries. Several manufacturers have recently been cooperating and advising DEA of suspect deliveries destined for Southwest Asia.

Haiti:

Haiti continues to be a transshipment and storage site for multi-hundred kilogram quantities of cocaine from South and Central America. The country's long coastline, mountainous interior, numerous uncontrolled airstrips, and its 193-mile border with the Dominican Republic, as well as its location in the Caribbean, make it an excellent transit site for drug shipments from Colombia destined for the United States.

Colombian traffickers are the major players in the drug transportation business in Haiti. As a result, Colombians organizations have become entrenched in Haiti, and have cultivated long-standing relationships with Haitian and Dominican traffickers in order to facilitate their activities.

Colombian traffickers, operating through Haitian contacts, transport multi hundred-kilogram quantities of cocaine through the southern coast of Haiti. Colombian traffickers are divided into two groups; those who have lived in Haiti for some time and control drug operations and those who routinely travel to Haiti aboard commercial aircraft and vessels.

The three primary methods for smuggling drugs into Haiti are noncommercial air methods, noncommercial maritime activities (primarily go-fast operations transiting from Colombia to Haiti's Southern Claw) and containerized cargo on freighters or commercial/passenger aircraft. As drugs enter Haiti, they are stored locally until they can be shipped to the United States or Europe. Drugs are smuggled out of Haiti via coastal freighters or containerized shipping. The primary shipping routes are:

- Directly to the Miami River/South Florida area from one of several Haitian ports such as Port-au-Prince, Miragoane, St. Marc, Gonaives, Cap Haitien or Port de Paix. The drugs are typically secreted in hidden compartments within coastal freighters.

- Transferred overland from Haiti to the Dominican Republic and then smuggled across the Mona Passage into Puerto Rico via small vessels. Once in Puerto Rico, the illicit

drugs are then hidden in containerized cargo and shipped to the United States or Europe.

- Transferred overland from Haiti to the Dominican Republic and them smuggled into the United States or Europe via containerized cargo. Jimani, Pederales, Malpaso, Dajabon and Pepilo Salcedo are the border points that are most frequently crossed.

Between May 1998 and January 2000, approximately 3,850 kilograms of cocaine has been seized off of 16 vessels coming into the Miami River from Haiti. In addition, on March 16, 1999, approximately 1.3 million dollars, which had been destined for Haiti, was seized on the Miami River off of the M/V Lady Crystal. On January 31, 2000, an additional $1 million, which was destined for Haiti, was seized.

Senator GRASSLEY. We will have 5 minutes for each person, and then we can have more than one round if there is interest of the caucus to do that.

First of all, some basic things. Mr. Beers has already said that he thinks the certification process is a useful tool. Mr. Marshall, would you say that it is a useful tool?

Mr. MARSHALL. Yes, it is. In my opinion, it is a useful tool.

Senator GRASSLEY. Okay, then three questions that would make some reference to statements from the report. The extent to which the certification process is taken seriously—this report says that the certification process is useful in forcing corruption to the surface and it is useful in efforts to combat corruption. It also says that the certification process has been a powerful foreign policy tool. And the report says that the certification process may be uncomfortable, but it is a healthy process.

Mr. Beers, would you agree with what the report says on those three very fundamental questions?

Mr. BEERS. Yes, sir.

Senator GRASSLEY. Is it your view that the administration as a whole shares these views and takes the certification process seriously?

Mr. BEERS. Overall, I believe that is true, sir, but I am sure you can find people within the administration who would be critical of aspects of it or the process as a whole.

Senator GRASSLEY. Regardless of some disagreement, as you say, I might be able to point out, based upon what you have told me from your own point of view, could you explain why the majors list has been perpetually late?

Mr. BEERS. Sir, having participated in this now for several years, I can only say that the discussions that occur within the administration over the list, which begin with plenty of time, one would think, to complete them, have certainly under my tenure—I can't speak before that—ended up in issues being surfaced and discussed at the most senior levels, and disagreements over judgments one way or the other leading to it being late. I regret that that is the case, sir, but it is.

Senator GRASSLEY. Let me emphasize that and say that it has never been on time.

Mr. BEERS. I am aware of that sir, painfully.

Senator GRASSLEY. How much heroin or opium gum transits Iran?

Mr. BEERS. Sir, we don't—at least I am not aware of a figure of how much specifically transits Iran, but I can ask the intelligence community, unless you know that, Donnie.

Mr. MARSHALL. Well, no, I don't have that number right offhand. I do know that southwest Asia heroin constitutes, I believe, something on the order of 12 to 14 percent of the U.S. market. I will try to get that number and submit it for the record.

Senator GRASSLEY. Mr. Beers, did you recommend removing Iran from the majors list in 1998?

Mr. BEERS. Sir, I am being careful here. This is a presidential decision and I don't want to talk about individual participants, but it was a consensus recommendation to remove Iran from the majors list.

Senator GRASSLEY. Based on earlier decisions to remove Iran, were you involved in the decision not to put it on last November's list?

Mr. BEERS. This past year?

Senator GRASSLEY. Yes.

Mr. BEERS. Yes, sir.

Senator GRASSLEY. You made that decision without knowing how much heroin transits Iran?

Mr. BEERS. Sir, the amount of heroin that transits Iran would not be the relevant figure for us. The relevant figure for us would be the amount of heroin that transits Iran and comes to the United States. And with respect to that issue, we have Mr. Marshall's agency's signature program which can distinguish between—Donnie, correct me if I am wrong—between Afghan heroin, Burmese heroin, and heroin from Mexico or Colombia.

The figure that Mr. Marshall quoted, which is 12 percent—I thought it was actually a little lower, but then what portion of that actually comes through Iran? At those points, our degree of ability to determine precisely that amount is not highly precise. But I think it is fair to say that the understanding is that those drugs from southwest Asia which come to the United States are more likely to come through Pakistan rather than Iran or the northern tier.

But beyond that, Donnie, I don't think we have the degree of specificity precisely as to what that——

Senator GRASSLEY. How much southwest Asian heroin comes to the United States?

Mr. BEERS. Mr. Marshall quoted 12 percent. I thought that the last number that I had was 5 percent, but that is why we need to give you the precise number.

Senator GRASSLEY. Well, it gets to a definition of "significant." There are some estimates of a metric ton coming to the United States. Is a metric ton of heroin out of a market of 15 metric tons insignificant?

Mr. BEERS. No, sir. It is significant. I judge it to be significant.

Senator GRASSLEY. Mr. Marshall, what does the DEA currently know about opium and heroin production in North Korea?

Mr. MARSHALL. I will have to look up particularly the opium and heroin production. It is my impression from what I know about it that there is not a great deal of opium and heroin production. It is my impression that methamphetamine precursor chemicals are the predominant problem in North Korea. If I may please submit that for the record, I will look it up and be sure that my recollection is correct on that.

Senator GRASSLEY. Well, is the DEA dependent upon the State Department and intelligence resources for information on that point, in that you aren't in a position to give detailed information from your own sources?

Mr. MARSHALL. Well, we have information from sources in that general part of the world. We have an office in Seoul, South Korea. We do not have an office in North Korea, so we have to go kind of a roundabout way.

Senator GRASSLEY. So you are dependent upon the State Department, then?

Mr. MARSHALL. We are dependent on the State Department and perhaps other surrounding countries where we can get whatever information is available to come out of North Korea, yes.

Senator GRASSLEY. Well, okay. Let's go back to Mr. Beers and see how long have there been reports of drug trafficking out of North Korea.

Mr. BEERS. Certainly, as long as I have been in my current position, sir, but I believe it goes back some time before that.

Senator GRASSLEY. How many North Korean diplomats and officials have been arrested in the last several years internationally for any kind of drug smuggling, but particularly for heroin?

Mr. BEERS. Sir, I will have to get you that figure. I don't know that, don't have that in my information.

Senator GRASSLEY. I will stop there because I want to keep on time.

Senator Feinstein.

Senator FEINSTEIN. Thank you very much, Mr. Chairman.

Mr. Marshall, do you agree that extradition is a hallmark of cooperation?

Mr. MARSHALL. Yes, I do, and extradition is a very important tool. The reason I believe that is because I sort of lived through that problem when we were dealing with the extradition issues out of Colombia and it proved to be a very valuable tool back in the mid-1980s. I was involved in the very first extradition, or expulsion at that time with extraditions to follow, and that was Carlos Leider.

And when we began returning those Colombian criminals, the Medellin cartel people, to justice in the United States, that was really the thing that they feared most, Senator. Actually, the expulsion of Carlos Leider was the beginning of the end for the Medellin cartel, and it has worked well in Southeast Asia, I might add. Operation Tiger Trap from several years ago—we extradited a number of heroin fugitives, and the disruption that that caused along with a few other market forces, which we were lucky enough to have several things coincide, but the extradition played a significant role in reducing southeast Asia heroin from something like a 65- or 70-percent market share in the United States down to its present level of virtually not existing in the United States.

Senator FEINSTEIN. Thank you very much. It is my understanding that the Mexican supreme court will soon release a much-delayed ruling in the case of Arturo Paez Martinez, and that ruling may well prohibit any future extradition of Mexican nationals to this country, which would give almost carte blanche to the cartel leadership to continue to operate with impunity and, even if they are in Mexican jails, to direct their operations from within the Mexican jails.

Should that happen, what would be your view of the success of a relationship that could deter Mexican cartel activity?

Mr. MARSHALL. Well, I think that an unfavorable ruling would just really render a bad situation much, much worse. As you point out, as long as these traffickers—even if they are in the jails down there, they are in that general location. They are in that country, they are free to communicate with their drug organizations, they are free to continue some degree of intimidation, bribery activities,

that sort of stuff, essentially to run drug operations from their jail cells.

We saw that intimidation level back in the days of Colombia. That was very much at work then, and the reason that Colombian extraditions were so successful and the reason that I think Mexican extraditions would be successful is if you get a dozen or so of those key figures out of their own sphere of influence, so to speak, where they can't run their operations, where they can't bribe and intimidate, than that gives, I think, the hope of breaking the cycle of violence and bribery and corruption and intimidation. It gives the authorities, the good people in the Mexican attorney general's office, I think, a little bit more chance of success in their efforts. So I think it is very important.

Senator FEINSTEIN. Along those lines, because I happen to agree with you—I happen to think it is number one for any country in terms of assessing a level of cooperation—there are a number of cases that I am following. I mentioned Arturo Paez Martinez. They are all on appeal—Jaime Aguilar Castellum, Miguel Angel Martinez, Francisco Rafael Camarena Macias, Luis Amezcua-Contreras, Jesus Amezcua-Contreras, and Jesus Emilio Rivera-Pinon. These cases are all on appeal. The Jesus Emilio Rivera-Pinon case has been on appeal since June of 1995.

Do you have any specific information about why these cases remain pending or how soon they will be resolved?

Mr. MARSHALL. No, unfortunately I don't, Senator. I have talked about that very issue with the Mexican attorney general and unfortunately that is under almost the complete control of the Mexican courts.

Senator FEINSTEIN. Last year, I pressed for implementation of a U.S.-Mexico maritime agreement which would assist both countries in the pursuit of illegal narcotics by allowing quick refueling stops while in hot pursuit of a drug boat or by joint operations to arrest and prosecute traffickers found on the high seas. I am told that there is no such agreement in place today, although informal cooperation has resulted in the seizures that I have mentioned, all of which are very substantial seizures of several tons each.

Why has such an agreement not been reached, Mr. Beers?

Mr. BEERS. We have had discussions with the Mexican government about such an agreement, and we have focused our primary effort on the actual cooperation and that is basically what has happened. Our Coast Guard officials have been working over the course of the year, and I think have worked out an effective working relationship with the Mexican Navy and the Mexican government.

I would note that we do not have a maritime agreement with Canada. We have a working relationship with them of the first order.

Senator FEINSTEIN. So you are not pursuing an official agreement?

Mr. BEERS. No. We just don't have it yet, and we have focused primarily on the issue specifically of day-to-day cooperation. That has been Mexico's desire to focus first on that and build on that foundation.

Senator FEINSTEIN. Well, you might want to also consider getting an agreement with Canada because if we tighten up at our ports, stuff is going to come into Canada as well. It might be nice to be ahead of the curve for once.

Mr. BEERS. I understand, but the point the Coast Guard makes to me is—and they should speak for themselves—the relationship with Canada is of such a sort that they don't feel they need an agreement. And I am not saying that that necessarily applies to Mexico, but we are definitely trying to build the elements of cooperation so that we have the basis for the best possible agreement.

Senator FEINSTEIN. One quick question of Mr. Marshall. You told us about the problem at Matamoros where more than a dozen federal police, all armed, surrounded two of your men.

Mr. MARSHALL. State and municipal police, Senator.

Senator FEINSTEIN. Pardon me. State and municipal police surrounded two of your men. What has been done by the Mexican government to see that that doesn't happen again?

Mr. MARSHALL. Well, there is some indication that the attorney general's office is investigating that and trying to locate the main player in that, Osiel Cardenas. They have not yet located him. They have told us that they are doing an investigation. We are, in fact, trying to cooperate with them in that investigation.

Senator FEINSTEIN. Was the implication clearly that the state police were on the payroll of the drug cartel leader?

Mr. MARSHALL. Yes, that was the clear implication, sure.

Senator FEINSTEIN. And so would your department's expectation be that there be action to apprehend those people who well could have killed your two people?

Mr. MARSHALL. Yes, that would be our expectation, yes.

Senator FEINSTEIN. It will be interesting to see what happens.

Thank you very much. Thanks, Mr. Chairman.

Senator GRASSLEY. Thank you.

Senator Coverdell.

Senator COVERDELL. The President has certified Mexico full cooperation. As I indicated in my opening statement, there are a lot of incongruities here. I will pose the question to both of you because there will be a congressional reaction to this ultimately.

Give me your explanation of why the certification occurred and why it is the correct thing to do, in light of the testimony—lack of extradition, the impunity with which some of these cartels operate in the country, corruption in the judiciary. You both alluded to it.

Step back from it and, in a broader picture, what is your assessment of full cooperation? What constitutes full cooperation in your mind, Randy?

Mr. BEERS. Sir, as I have indicated in earlier testimony, we have looked at the phrase "full cooperation," and in an attempt to make the most clear and deliberate decision on this process we interpret the phrase "full cooperation" not to mean perfect cooperation, that that is a standard that no country is able to effect, in some cases only by inadvertence.

And so we have looked at a basket or a range of activities regarding which cooperation would be an important factor and tried to determine whether or not that cooperation constitutes a serious and

significant effort on the part of the government to work effectively with the United States or, as the law says, to comply with the 1988 Vienna Convention. That is the basis on which we come to each and every decision that we make about countries on the majors list.

With respect to the decision on Mexico, in many ways Senator Feinstein, I think, has fairly laid out the good, the successful, the areas of cooperation, and has fairly noted areas in which we have not had full cooperation or perfect cooperation.

With respect to the issue of extradition, I don't think there is anybody in this Government who doesn't want an extradition process that works with the government of Mexico. Where we are now is largely a system in which the government as a whole, the executive, has made a decision that they are prepared to fully support extradition. And it is, as Senator Feinstein correctly said, in the courts; that is, we are waiting for a test case, if you will, in the courts.

I share her concern—I think we all do—if it goes the wrong way, but this is also a case that the Mexican government, in selecting which case to take to the supreme court, has sought to find the case that they thought they had the best chance of winning. That remains to be seen.

My main point here is that extradition is not an issue in which the government hasn't been cooperating with us. It is an issue that the due process of the Mexican system has left within the domain of the courts. The Senator correctly indicated that the seizure statistics this year and the eradication statistics this year are all up, and that progress is clearly being made and that the effort, I think, is significant. That is certainly something that we would rate in the area of forward movement.

With respect to the issue of combatting criminal organizations, I think again that the Senator's remarks are correct. Donnie Marshall has said it; they haven't taken down fully a major organization in that country. They have successfully disrupted the Quintana Roo segment of the Carrillo-Fuentes organization, but even there they haven't arrested the leadership.

This is an area of serious concern on our part, but their failure to actually successfully take down the organization is not what we are measuring. We are measuring whether they have been trying, whether they are judged to be fully cooperating. And where we have come down as a result of that, I think, is that at the level of senior level of the government there is a serious commitment and there are serious actions on the part of the government that we judge to be in the nature of fully cooperating.

That is how the administration has come to make this decision, and I can appreciate that others may not necessarily agree with that decision process, but that is how the administration made the decision.

Senator COVERDELL. Mr. Marshall.

Mr. MARSHALL. Senator, I have to confine my comments to my area of expertise, and that is law enforcement. As you have heard from Mr. Beers, there are certainly other elements that go into certification, but I think what I would be looking for in this area would be what has been their progress toward the benchmarks that were laid out. I would look at progress in terms of extradition, in

terms of arresting and prosecuting the leadership of the organizations, in terms of general cooperative counter-narcotics programs, and their efforts to clean up corruption.

Certainly, I have pointed out some progress that they have made in each of those areas. However, when you get right down to the bottom line, there have been no major extraditions. There have been no major organizations that have been disrupted or dismantled, in spite of their well-placed intentions, and they should get credit for that, to clean up the corruption problems. There are still massive problems there. So those are the kinds of things that I would look at from a law enforcement perspective.

Senator COVERDELL. A quick question to each of you. Time is up. These major cartels, are their leaders under pressure sufficient that they are in permanent hiding, or do we generally know where they are? I mean, are they figures that if they were in the United States they could be apprehended or not?

Mr. MARSHALL. Well, with regard to your last question——

Senator COVERDELL. The Fuentes and the Felixes.

Mr. MARSHALL. If they were in the United States, I think we would have a much greater expectation of apprehending them in the United States. Now, with regard to what is their situation, I think it varies with the individual traffickers.

In many cases, we have information from time to time and we know general areas in which they operate. We hear of sightings. We hear of them traveling in large convoys often, as in the Cardenas situation in Matamoros, with police escorts and protection and that sort of stuff. I mean, they don't any longer go out wide open and, you know, give press interviews and that sort of stuff like they did a few years ago.

So I have to believe that there has been some degree of greater pressure by the Mexican authorities to drive them a little bit further underground. But certainly when you look at a person with the magnitude of the operations that they have, were that level of violator in the United States, I think that it would be fairly quickly that we would be able to locate them.

Senator COVERDELL. Mr. Beers, do you want to comment on that?

Mr. BEERS. I concur with what Donnie said. I mean, I think that the pressure has increased, but it is certainly not a perfect system yet. The fact that one of the leaders died under the knife trying to change his face is an indication of the pressure, but it is not a perfect system by any means.

Senator COVERDELL. Thank you.

Senator GRASSLEY. Senator Sessions.

Senator SESSIONS. Thank you. I think you said, Mr. Beers, failure to take down organizations is not what we are measuring. It is well that it is not because you wouldn't be able to certify them. To me, that is the number one test of whether any country is serious about its effort against drugs, not whether they extradite. They don't need to extradite anybody if they put them in jail themselves. If they take over these farms, if they eliminate the vehicles and transport systems, and arrest and sentence people and do that kind of thing, that is a grass-roots, tough law enforcement job.

And I know law enforcement is never perfect around the world. I won't reveal how many sheriffs in Georgia were convicted a few years ago when I was United States Attorney, but it was over 20.

Senator COVERDELL. It was a lot.

Senator SESSIONS. I think it was 30, but most of those were smaller acts of corruption, frankly. But there was drug corruption even within my State of Alabama. As a Federal prosecutor, I have seen it, and it is easy to happen. You cannot expect there won't be some corruption. The question is, is there a response to it and are we creating a circumstance when it is plainly obvious to everyone who has their eyes open that large illegal organizations are continuing uncontrolled.

Mr. Marshall, in the relief package, the assistance that the President has proposed to Colombia, I notice and have heard some concern that there is no money in that for the Colombian police. Some people that I respect have told me the Colombian police by and large have been courageous, and some of the best support we have gotten in the war against drugs is from the Colombian police department.

Have you had occasion to express an opinion within the administration on that? Are you concerned about it, and would you share with us your views?

Mr. MARSHALL. Yes. Certainly, first of all I would like to echo your statements about the Colombian National Police. Under the leadership of General Serrano, that organization has paid a tremendously high price. They have faced the problems down there—assassinations, bribes, intimidation, that sort of stuff—they have faced it with the utmost courage, and the majority of the men and women of that organization are nothing short of heroic.

With regard to Plan Colombia, I support the general approach of Plan Colombia. The idea is to deal with the insurgent groups, the FARC, the ELN, the paramilitaries, who control certain areas of Colombia and prevent the national police from getting into those areas to effectively do their job. So I endorse that concept. We need to give that aid so that they can root out those insurgent groups.

Now, we have had quite a bit of discussion within the administration about the mix of that package, and it is my understanding that there are some proposed changes there that would increase DEA and Justice's share to some degree. Now, it is my understanding that there, by one version, some $17 million that may go to DEA programs to support the Colombian National Police, things such as Operation Copperhead which supports their communications intercept, things such as Breakthrough which assesses the amount of traffic coming out of there, a fusion to integrate intelligence and investigative information between the United States and Colombia. We need to do those things.

Senator SESSIONS. Well, thank you for sharing that. If our primary goal in this effort is to reduce drugs, I think we need to make sure that the police are not being cut out of it entirely.

I frankly believe, and have said during one of our hearings that Colombia has a responsibility to defeat the insurgents, and it is astounding to me that they have granted a safe harbor within the nation of Colombia the size of Vermont, I understand. Are there drug labs operating within that area, Mr. Marshall?

Mr. MARSHALL. Yes, there is some cultivation there and there is some drug——

Senator SESSIONS. I think we have encouraged them to create this safe zone. Isn't it true that no law enforcement or army from the nation of Colombia can even go in there to break up the labs?

Mr. MARSHALL. That is my understanding at the present time, yes.

Senator SESSIONS. I just think that is astounding. I think it would be hard to understand how this goes on. I am troubled about Colombia. I really care about that nation, and I have worked with Colombian police officers as witnesses who have feared for their families when they have come up to the United States to testify in drug cases, and they are courageous. A young guy told me he was doing what he believed was right and he wasn't worried about it, and I was impressed.

With regard to extradition from Mexico, I think it is fair to say there really has been no real extradition from Mexico ever. I remember as a prosecutor we were going to go to Mexico to pick up an individual who was indicted in Mobile who was involved in the Kiki Camarena murder, at least that organization was, supposedly. There had been a lot of pressure from the United States, and within 10 days of the pickup date, he was reported to have escaped. Hardly anybody ever gets extradited.

You noted that 10 were extradited and 8 were U.S. citizens. So we had two extraditions. Of those two, one was extradited because he had been in jail in the United States and escaped. The other one had been involved in the murder of a Border Patrol agent. Now, if they want to extradite somebody for murdering a lawful American Border Patrol agent, presumably a crime committed in the United States——

Mr. MARSHALL. Yes, it was.

Senator SESSIONS [continuing]. Then I mean that is almost an act of war, as far as I am concerned. We have every right to expect a nation like Mexico will act to defend the safety of our officers. And apparently they did so in this instance, but no real indigenous drug traffickers have been extradited. This is a myth. This has been talked about for 20 years, and we are not having extraditions. We ought not to even discuss it until we see bodies start coming across the border. It is not a sign of success.

So my concern is how do we support Mexico in an effort that is their effort to eliminate the increasing power and corruption of drug organizations in that great country. The people of Mexico do not favor drug dealers; they do not. I have met with their parliament members for the last three consecutive years, and I don't believe the members of the Mexican parliament do.

But we are confused in our thinking, and a lot of people don't realize how tough the battle is for the Mexican leadership. My only concern is, as a lawyer, certification ought to mean what it says. If all we are doing is going through a game in which we are not being honest about what fully cooperating means and we are conjuring up acts to justify our conclusion that is already made, then I don't want to be a part of it. I would just as soon not have it.

Thank you, Mr. Chairman.

Senator GRASSLEY. Thank you.

Before I continue my questioning with Mr. Beers, I want to digress just a minute. Because methamphetamine is such a problem in my State, I wanted to ask you, Mr. Marshall, if you are running out of funds to support meth lab cleanups by State law enforcement agencies. Is that true?

Mr. MARSHALL. That is true, Senator. Actually, we have run out of the funding for that activity about a week ago.

Senator GRASSLEY. And that is for this fiscal year?

Mr. MARSHALL. Yes, sir, that is for fiscal year 2001 that we are in. Now, it is my understanding that there is money in the COPS program that is earmarked for methamphetamine training, cleanup, investigations, that sort of stuff. It is earmarked for, I believe, 14 specific States. But regard to the remainder of the States, DEA unfortunately does not have the money to continue the activity.

Senator GRASSLEY. What do you think is needed for that to continue this fiscal year?

Mr. MARSHALL. I am sorry?

Senator GRASSLEY. How much money do you think is needed, then, to finish the fiscal year?

Mr. MARSHALL. We are projecting something on the order of an $8 to $10 million shortfall. And if you would like, I will get you an assessment of that and get you the exact number.

Senator GRASSLEY. Please do.

Before I ask more specific questions, Mr. Beers, I kind of want to make some sort of a summary of my first 5 minutes of questioning with you. It seems to me that the administration has taken Iran off the majors list on the grounds that it is not a significant transit route for heroin, even though the administration can't say what the flow is.

The administration says that countries like Iran should come off the list because significant amounts of southwest Asian heroin aren't coming to the United States. But if you cannot say how much is coming through Iran and that southwest Asian heroin is a significant part of the U.S. market, it seems strange that Iran then would come off the list. It is disappointing in light of how serious we are supposed to take certification.

Does my summation, as ironic as it sounds, seem legitimate? I mean, that is the way I view the first round of questioning that we have had.

Mr. BEERS. Sir, I think that the difference that I would have with your conclusion is the point that I tried to make earlier, which is in terms of trafficking routes that come to the United States, we see more coming through Pakistan to the United States than through Iran. Iranian heroin seems to flow in the direction of Turkey and onto the European market.

So it transits Turkey and goes to a western European market, whereas Pakistan heroin, while it also feeds the European market, also appears to come through Nigeria to the United States. And as a result of that, while you are correct in saying we don't have the precise figures, we are still expected to draw some conclusions from the information and that is the conclusion that we have drawn from that information, sir.

Senator GRASSLEY. But you draw the conclusion without knowing what is transiting Iran, don't you?

Mr. BEERS. Sir, our transit figures are all estimates on a global basis. We have some greater precision in the Western Hemisphere because our information provided by DEA and the intelligence community is far better. With respect to southwest Asia, it is not as good, and with respect to Iran, it is even less good because of the lack of contact that we have from the intelligence perspective and the law enforcement perspective with Iranian officials. But what we know is what I am telling you the basis of our decision is.

Senator GRASSLEY. Going on with North Korea where I left off with you, when did the State Department first report on North Korea's drug production in the Strategy Report?

Mr. BEERS. Sir, I will have to get back to you on that. I just don't have that.

Senator GRASSLEY. Was it included because of congressional action?

Mr. BEERS. Sir, I am sorry I don't know the answer to that question.

Senator GRASSLEY. When was the last aerial survey of North Korea opium production made?

Mr. BEERS. Sir, to the best of my knowledge, we have never had a successful aerial survey of North Korea. We have had efforts at such a survey, two of which I am aware of, one of which I specifically requested over the course of the last year. The number of——

Senator GRASSLEY. Was a survey made last year?

Mr. BEERS. There was an attempt at one, sir, and it was deemed unsuccessful for the failure to have enough pictures to be considered to be a valid sample of North Korean opium poppy likely cultivation sites. There are some problems associated with North Korean sampling. One is the weather, and two is the competition.

The competition is with respect to concerns on the part of the Department of Defense about North Korean military intentions toward South Korea, and on the part of both the Defense and State Departments and the whole U.S. Government on the course of North Korea's possible efforts to obtain weapons of mass destruction.

Senator GRASSLEY. Now, if this survey for 1999 reporting on 1998 indicates that North Korea is not on the majors list but will be the subject of greater attention to determine its role in illegal drug production and transiting, and if you attempted to get an aerial survey and didn't get one, just how is the administration monitoring closely opium production to make a determination if it should be in the report?

Mr. BEERS. Sir, the effort is to get a satisfactory survey of the areas of potential opium production. Given the geography of North Korea and the expectation that if there is a crop, it is a single crop in a calendar year, the survey effort has to be done at a particular time of year because the survey looks for the crop at its height when it is most visible to overhead.

We therefore look in a specific time frame of the year, not a day or a week, but a several-month period in which we would expect those crops would come to final bloom, and we have sought to do that. We sought to do it last year. We will try to do it again this year, but until we have that we can't tell you with confidence that they do or do not have such a crop. And we have not put a country

on the majors list without having the benefit of that confirmation from imagery with respect to cultivation. So, that is where we are now and that is what we are seeking to do.

That is one part of our effort to monitor the activities in North Korea. In addition to that, the intelligence community and the law enforcement community have been asked to bring to bear information that is derived from other sources, and we have received regular reports on that and we have had some lengthy analysis done over the course of the last year in order to determine just what is happening there, in part to be responsive to your known concerns about that, but also because we are concerned as well.

Senator GRASSLEY. I am going to ask Senator Sessions to not only take his turn now, but then also when you are done to adjourn the meeting.

I want to take this opportunity to thank you folks for your attendance here and your participation, and I will have some questions to submit for answer in writing.

[The questions of Senator Grassley follow:]

U. S. Department of Justice
Drug Enforcement Administration

Washington, D.C. 20537

MAY 1 9 2000

The Honorable Charles E. Grassley, Chairman
Senate Caucus on International Narcotics Control
Dirksen Senate Office Building, B-40, Suite 4
Washington, D.C. 20510

ATTN: Mr. William J. Olson

Dear Mr. Chairman:

On behalf of the Drug Enforcement Administration (DEA), I would like to thank you for the opportunity to testify before the Senate Caucus on International Narcotics Control regarding the annual process of Certification. The DEA appreciates your continued interest in drug trafficking and shares your concern regarding the flow of illicit drugs into the United States.

Enclosed are the responses to the follow-up questions you submitted. If you have any further questions, please feel free to contact me.

Again, thank you for your interest in the DEA and our international law enforcement initiatives.

Sincerely,

Donnie R. Marshall
Acting Administrator

Enclosure

Sen. Charles E. Grassley
Chairman, Senate Caucus on International Narcotics Control
Follow-Up Questions

1. How much heroin or opium gum transits Iran?

Currently, no reliable estimates are available. However, some information about the amount of opiate transiting through Iran is available from the Iranian media. These reports are based on reporting by the Iranian Government to the United Nations Drug Control Program (UNDCP). According to press reports, which cite the head of the UNDCP office in Tehran, 204 tons of opium, 23 tons of morphine and six tons of heroin were seized in Iran during 1999.

(note: Additional information can be based upon heroin and morphine base seizures in Turkey. According to the Government of Turkey, all of the 727 kilograms of morphine base seized in Turkey in 1998 entered Turkey from Iran. Seizures of heroin in Turkey totaled 3,738 kilograms in 1998. Turkish authorities believe that 65 % of that seized heroin entered Turkey from Iran).

2. How much Southwest Asian heroin comes to the U.S. ? If any, what percentage is that of the U.S. market? How much of that transits Iran?

The DEA's Heroin Signature Program uses chemical analysis of heroin seizures at the United States border, as well as heroin purchases made during DEA, FBI and U.S. Customs Service investigations to track the origin of heroin seized in the United States. In 1998, Southwest Asian (SWA) heroin accounted for four (4) percent of total heroin seizures in the United States. Heroin Signature Program statistics are not yet available for 1999.

3. What is the status of creating special investigation units in Jamaica ?

The Jamaican Constabulary Force (JCF) is the country's national police force. The JCF's Narcotics Division is responsible for drug enforcement operations throughout Jamaica. In February 1999, the Government of Jamaica (GOJ) created a three-officer fugitive apprehension team to locate and apprehend known fugitives. This Fugitive Unit works closely with the JCF Interpol Unit. The GOJ has agreed to develop, with United States Government assistance, a special unit to target drug kingpins. Furthermore, the GOJ is developing a financial analytical unit which should be operational in the near future.

4. What is the current status of wiretap legislation in Jamaica? What is the U.S. doing to ensure passage and implementation of this legislation?

According to the State Department, as of mid-1999, Jamaica has no law that authorizes wiretaps or allows for the admission of wiretap evidence in court relative to drug investigations. Currently, Jamaican law, pursuant to the powers of the Prime Minister, allows for wiretapping only for national security purposes.

5. Is Jamaica considering legalizing marijuana for personal use?

Marijuana possession and use is currently illegal in Jamaica. According to the Jamaican press, fines for possessing marijuana are about US$2.50 and fines for smoking marijuana are about US$5. Individuals apprehended with more than 8 ounces of marijuana can be charged with drug trafficking and imprisoned for up to 18 months. Individuals possessing large quantities of marijuana for distribution can receive prison sentences of three or more years.

In October 1999, Jamaica's Senate passed a resolution urging the government to review its marijuana laws. The resolution recommends establishing a commission to consider the medical use of marijuana as well as decriminalizing marijuana for personal use.

6. How many Jamaican police officials have been arrested, fired or transferred in the past five years for corruption?

Statistics furnished by the Jamaican Constabulary Force (JCF) from January 1998 through November 1999 indicate that 6 police personnel were charged with breaches of the Prevention & Corruption Act during that period. Additionally, 56 officers in the parish of Portland were transferred in January 1998, when the Police Commissioner received information that they may have been assisting local drug traffickers. Lacking sufficient reliable evidence, the Commissioner was constrained by local civil service regulations from taking any further action. There is no information pertaining to earlier periods.

7. How many of these have been tried and convicted?

Presently, there is no information available of these officers being tried and/or convicted.

8. What happened to the Special Anti-Crime Task Force in 1999?

The Special Anti-Crime Task Force was established in 1993. The task force presently consists of 106 officers and is fully staffed and operational. The officers were originally assigned to the task force for a 2-year commitment. However, personnel rotations were not enforced until 1999. Primarily, the task force serves as a rapid reaction unit and focuses only on SWAT-type duties.

9. There are numerous reports of marijuana production in Canada. What is the DEA's estimate on how much marijuana is smuggled into the United States?

The DEA does not have an estimate of the amount of marijuana that is smuggled from Canada into the United States. Several past and present investigations indicate that marijuana cultivated in British Columbia is imported into the U.S. These shipments range from several pounds to multi-hundred pound quantities. Shipments typically transit the border via courier utilizing motor vehicle, small boat and land routes in remote areas which abut Washington State. Small quantities of marijuana ranging from 25 to 50 pounds originate in Quebec and are smuggled into the northeastern U.S. via courier.

10. What is Canada's estimate of domestic drug production?

The Royal Canadian Mounted Police (RCMP) estimates that 800 tons of marijuana is cultivated annually in Canada. This figure is an estimate by the RCMP based upon drug seizure information as well calculating drug use by known drug user/addict populations in Canada. There is no information indicating that cocaine or heroin is produced in Canada. Synthetic drugs, including methamphetamine, MDMA and GHB are manufactured in Canada. According to the RCMP, since the manufacture of synthetic drugs is a recent trend, there are no reliable estimates of production yet available.

11. How does heroin from Southeast Asia enter the United States?

The two major groups currently transporting heroin to the United States are the West Africans and the Chinese/Thais. The West Africans, particularly Nigerian nationals, use couriers traveling on commercial airlines. The West Africans also exploit the mail and express mail services, shipping heroin directly from Southeast Asia to the United States. The Chinese/Thais also utilize air couriers to ship narcotics directly into the U.S. The Chinese also appear to be sending the heroin via sea freight in containerized cargo to Canada. Once the heroin arrives in Canada, mainly Vancouver, it's removed from the containers for either consumption in Canada or for further export to the U.S. The heroin exported to the U.S. is shipped via truck, auto, train or commercial air. The RCMP has related that the majority of the heroin entering Canada is for transshipment to the U.S.

12. How much of that heroin moves through Vancouver, Canada?

The total amount of heroin moving through the Vancouver area is unknown. Intelligence information has indicated that portions of shipments of heroin smuggled into Vancouver are destined for distribution in the United States. These shipments range from several units of heroin to larger shipments, some in excess of 100 pounds. The smaller shipments are usually smuggled into the United States by couriers. The larger shipments are concealed in containerized cargo shipments aboard vessels destined for the United States. Following are listings of heroin seizures by the RCMP destined for Vancouver:

December 1998	- 70 Kilograms seized in Vancouver
February 1999	- 13 Kilograms seized in Vancouver
December 1999	- 18 kilograms seized in Toronto which transited Vancouver
January 2000	- 126 Kilograms seized in Bangkok. Subjects residing in Vancouver arranged for the transportation of this heroin.

13. The INCSR indicates that Canada may produce as much as 800 metric tons of marijuana. What is the average size of cultivation necessary to yield 800 tons?

800 metric tons of marijuana equates to approximately 800,000 plants, on the basis of 2.2 pounds of usable material per plant, part leaf, part bud. In order to grow 800,000 healthy plants an area of approximately 200 to 250 acres (80 – 100 hectares) would be required.

If most of this marijuana is grown indoors, does the DEA have a formula for calculating the equivalence in hectares to determine the size of potential cultivation?

No

14. What is the current Canadian law regarding marijuana?

Internationally, cannabis is regulated by the United Nations, as provided in the Single Convention on Narcotic Drugs statute, which Canada has signed and ratified. The Convention requires measures to prevent the misuse of, and illicit traffic in, the leaves of the cannabis plant. Health Canada is responsible for the implementation of the requirements of the Single Convention on Psychotropic Substances and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. The Canadian Minister of Health fulfills these international obligations with respect to cannabis through the provisions of the Controlled Drugs and Substance Act (CDSA) and the Narcotic Control Regulations.

Cannabis is listed in Schedule II of the CDSA and thereby prohibits the possession, trafficking, import, export and production of all varieties of cannabis no matter what the level of THC. Non-viable Cannabis seeds and mature stalks that do not include leaves, flowers, seeds or branches and fiber derived from such stalks are excluded from Schedule II. This means that such fiber or the products made from such mature cannabis stalk may be imported, treated and sold in Canada.

Hemp seed oil and seed cake, regardless of the viability of the seed source, are considered derivatives of cannabis and are, therefore, controlled under the CDSA. Regulations control the importation, production and sale of these products.

On May 14, 1997, the CDSA was amended to exclude the mature stalks, and fiber derived from such stalks from the CDSA. Consequently this allows for the cultivation of cannabis for industrial purposes. During 1998, Canada planted its first cannabis crop.

There are reports of increasing efforts to legalize its use. Is this true?

Yes. Marijuana and other cannabis products are the most widespread drugs of abuse in Canada. Marijuana plants are routinely cultivated hydroponically throughout Canada. The high potency marijuana cultivated indoors has become known as "BC Bud" in British Columbia and "Quebec Gold" in the province of Quebec. The Canadian authorities estimate that there are between 2,000-3,000 hydroponic greenhouses in British Colombia alone.

The current Canadian drug regulatory framework provides a process by which any substance, including marijuana, could be legally distributed provided the product is of good quality, originates from a licit licensed supplier, and is used in a proper research context. Presently, marijuana is not approved as a therapeutic drug in Canada or in any other country of the world. Canadian research activities will contribute to on-going international research in the medicinal uses of marijuana. As of June 1999, sixteen applicants had been granted exemptions by Health Canada under section 56 of the CDSA and are allowed to cultivate or possess a controlled substance. Such activities are otherwise illegal under the CDSA. Further, eighty others have

expressed an interest in making application for exemption. Canada does not presently provide exemptions for caregivers.

Currently, Canadians in British Columbia are attempting to improve their "Recall and Initiative Act" which would make it easier for Canadians to place initiatives on the ballot, much the same as in the United States. With respect to marijuana, a CTV/National Angus Reid poll taken in October 1997, revealed that 51% of Canadians questioned believe that smoking marijuana should not be a criminal offense. 45% believe smoking marijuana should remain a criminal offense and 4% are undecided. If used for medical purposes 83% of respondents believe smoking marijuana should not be a criminal offense.

15. It has become clear that there appears to be a significant amount of drugs entering the U.S. from Canada. Why is Canada not included on the certification list?

The DEA suggests any questions regarding the Certification process or recommendations regarding Certification should be referred to the Department State.

16. Ecstasy is a growing problem in the United States, especially on the club and rave scene. Where is this drug being manufactured?

A review of MDMA investigations as reported by DEA Foreign and Domestic Field Offices, identify the Netherlands and on a smaller scale, Belgium, as the principal source countries of MDMA for the United States. On October 11, 1999, the Dutch Inter-Regional Team (IRT) seized three large scale MDMA clandestine laboratories located in the Netherlands, capable of producing multi-hundred kilograms quantities of MDMA. The precursor chemicals needed for the production of MDMA were obtained in Germany.

17. How is this drug getting to the United States?

MDMA distribution is being controlled by large organizations operating in Europe and the United States. Current DEA investigations have identified several Israeli criminal organizations responsible for the distribution of MDMA into the United States. The Israeli trafficking organizations utilize couriers, overnight delivery services (parcel mail: UPS, DHL, U.S. Postal Service, etc.), and sea and air cargo shipments, to transport MDMA into the United States. The smuggling networks for MDMA being utilized by Israeli organized crime groups span the globe. Israeli organized crime groups have dominated the distribution of MDMA in the United States from coast to coast with little or no competition from other criminal trafficking organizations. These organizations have extensive ties throughout the United States, Western Europe, and Israel.

18. How has the volume of Ecstasy being smuggled into the United States changed in recent years?

The volume of MDMA being smuggled into the United States is at an all-time high. DEA New York has seized more than two million tablets of MDMA in FY-99. Each Domestic Field Division has reported increased levels of abuse and distribution of MDMA. The United States

Customs Service has seized almost four million tablets of MDMA since October 1999. In Western Europe (primarily the Netherlands), MDMA clandestine laboratories can manufacture MDMA pills anywhere from a few cents up to a dollar per tablet. One MDMA pill can be sold in the United States anywhere from $20 up to $40 per pill. With this profit margin, international criminal groups have become involved in the trafficking of MDMA. These crime syndicates are capable of smuggling large quantities of MDMA into the United States.

19. What is the role of the Netherlands in supplying Ecstasy?

Information obtained from the German National Police (BKA) and the DEA Hague Country Office has identified the Netherlands as a primary location for clandestine laboratory production of MDMA. One such laboratory, which was located in the province of Brabant, Netherlands, was linked to a major international MDMA distribution organization that was responsible for the distribution of one million tablets of MDMA into the United States.

20. Switzerland has yet to ratify the 1988 UN Drug Convention Treaty, and appears to be moving towards legalizing drugs. What is the Administration doing to address this?

The issue of Switzerland ratifying the Convention is a diplomatic matter, and not within the purview of the DEA. Questions on how administration policy is intended to address the Swiss issue should be deferred to the Department of State.

21. What has the administration done to address the role of Canada, the Netherlands, or Switzerland in drug trafficking or in legalizing drugs?

DEA is concerned with the growing potential for high-potency marijuana being grown in Canada and smuggled into the United States. We are also closely examining the possibility that Canada may be a conduit for smuggling of Southeast Asian Heroin into the United States. In addition, we are using our intelligence reporting, as well as several monitoring programs to track the global sources of heroin seized at ports of entry or purchased on the streets of the United States. We are seeking scientific and legal evidence of large amounts of Southwest Asian heroin coming into the United States, through Canada or otherwise. We are concerned with the Netherlands becoming a base for international trafficking in Ecstasy, and Russian and other organized crime groups using the Netherlands as a base for their activities. We have a number of active investigations related to these concerns.

22. Given the rise of methamphetamine and Ecstasy trafficking, has the Administration considered adding countries to the certification list for these drugs? If not, why?

Section 481(e)(5) defines a major drug source or transit country as one "that is a significant source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States," or as one "through which are transported such drugs or substances." The statutory definition allows consideration of the trafficking in methamphetamine and MDMA in the certification review process.

The DEA suggests any questions regarding the Certification process or recommendations regarding Certification should be referred to the Department of State.

23. What quantity of heroin or cocaine, some of which comes to the United States, must transit a country before that amount is considered significant enough for that country to be placed on the certification list?

The Foreign Assistance Act (FAA) of 1961, section 489 (a)(3) requires the USG to identify major illicit drug producing and ***major transit countries*** for inclusion on the certification list.

A major illicit ***drug transit country*** is one: (A) that is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States; or (B) through which are transported such drugs and substances. FAA 481(e)(5).

It is to be noted that no quantitative criteria have been established for identifying a nation for inclusion on the major's list as an illicit drug transit country. FAA 490(b)(2) requires that in making a decision to include a drug transit country on the major's list, the President considers the extent to which a drug transiting country has:

- met the goals and objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotrophic Substances including action on such issues as illicit cultivation, production, distribution, sale, transport and financing, and money laundering, asset seizure, extradition, and mutual assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction.

- accomplished the goals described in an applicable bilateral narcotics agreement with the United States, or a multilateral agreement; and

- taken legal and law enforcement measures to prevent and punish public corruption—especially by senior government officials—that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

The statute provides, alternatively, that a country that cannot be certified under the foregoing standard may be certified on the grounds that "vital national interests of the United States require" that assistance be provided to and the United States not vote against multilateral development bank lending to such country. FAA 490(b)(1)(B).

24. How long have there been reports of drug trafficking out of North Korea? How many North Korean diplomats and officials have been arrested in the last several years internationally for any kind of drug smuggling, but particularly heroin?

There have been reports of drug trafficking out of North Korea since the early 1970s. According to information compiled by DEA, nine North Korean diplomats have been arrested internationally for drug smuggling since 1991. Of the nine, three were arrested for heroin trafficking. The others were arrested for attempting to smuggle opium, cocaine, or rohypnol.

The March 2000 International Narcotics Control Strategy Report cites that over the last 20 to 30 years, there has been official and unofficial reporting that the Democratic People's Republic of Korea (DPRK-North Korea) has encouraged illicit opium cultivation and engages in the trafficking of opiates and other narcotic drugs. Although the United States does not appear to be a market for North Korean traffickers, Russia and China have been identified as the key market areas and transit routes for North Korean drugs. The following information regarding North Korean diplomat arrests was cited in the INCSR for 1999 reporting on 1998:

- In August 1995, Ethiopian law enforcement officials arrested a North Korean for smuggling cocaine;

- In 1998, Russian officials arrested two North Korean diplomats for smuggling from Mexico to Moscow, 77 pounds of cocaine with a street value of $4 million;

- In January 1998, Egyptian police arrested a North Korean diplomat who was serving in Syria as he attempted to smuggle 500,000 tablets of rohypnol, the so-called "date-rape drug," into Egypt. This is believed to be the largest rohypnol seizure ever.

25. The INCSR for 1999 reporting on 1998 indicates that North Korea is not on the Majors List but it will be the subject of greater attention to determine its role in illegal drug production and transit. Is that correct?

Yes. The INCSR for 2000 reporting on 1999 suggests that there is considerable evidence to suggest complicity by the North Korean Government, whether by State policy or by individual action in illicit activities.

The United States will continue to monitor North Korean cultivation and trafficking to determine the extent of any opium poppy cultivation and the effect which North Korean drug trafficking has on the United States. As indicated previously, the United States does not appear to be a significant market for North Korean traffickers.

26. How is the DEA closely monitoring opium production to help make the determination?

The DEA's primary objective is to identify and target major drug trafficking and distribution organizations. The DEA solicits and monitors any information or intelligence regarding the production of morphine base or heroin. However, there is no credible information to corroborate either cultivation of opium poppy or production of opium gum, morphine base or heroin in North Korea.

Information obtained regarding North Korean opium production was acquired from the Korean National Investigative Service (NIS). According to NIS, cultivation for opium poppy was estimated at 4,000 hectares in the early 1990s and 7,000 hectares in 1995. Current production is believed to be below 1995 figures. Due to the source of the information and the closed-nature of North Korean society, verification of the following information is virtually impossible. Other Government agencies have attempted to acquire a more in-depth intelligence basis for opium cultivation figures, but have not been successful to date. DEA will continue to monitor all available reporting on opium cultivation and production in North Korea.

Senator SESSIONS [presiding]. Thank you, Mr. Chairman, for your consistent and strong leadership on this important issue. I know you have taken the lead in your State of Iowa and you travel all over the State having meetings with citizens about the drug problem. I know it is a deep concern of yours, and it is translated into public policy here.

Let me ask, Mr. Beers, the certification of Colombia this year, will that be under the national security exception?

Mr. BEERS. It was full certification this year.

Senator SESSIONS. Full certification?

Mr. BEERS. Yes, sir.

Senator SESSIONS. Not utilizing the national security exception?

Mr. BEERS. No, sir, there was not a national interest waiver.

Senator SESSIONS. Well, didn't we have a major increase in the amount of drugs shipped from Colombia last year, and production of coca in Colombia last year?

Mr. BEERS. Yes, sir, we do.

Senator SESSIONS. How do we show that as an improvement?

Mr. BEERS. We had a major effort on the part of the Colombian government to eradicate as much coca as possible. In part, what has happened in Colombia with respect to cultivation is that the traffickers have been able to move more quickly and more expansively than the government's efforts to eradicate that. So in that area, you are correct, but they have made a significant effort.

With respect to the issue of trafficking, Mr. Marshall is in a position to comment about a very significant law enforcement activity which was only one of several that occurred in Colombia called Operation Millennium. And in addition to that, we have seen a major effort on the part of the Colombian government to pull together a strategy and effect operations in the field around the country to deal with drug trafficking.

But let me let Mr. Marshall comment specifically on Millennium, which we think was a very significant activity.

Senator SESSIONS. Please.

Mr. MARSHALL. Yes, Mr. Beers is correct about Operation Millennium, and that was a partnership operation with the Colombian National Police. And certainly we have already spoken of how effective the Colombian National Police are.

What we did for the first time was we had a Colombian investigation essentially at the request of the United States. We identified through our investigations here in the United States a group that was operating in Colombia and supplying many of these cells that I spoke of in my opening statement into the United States. And what we did was we shared all of the information that we had with the Colombian National Police.

They then took that information in a joint operation, both in Colombia and back and forth between Colombia and the United States. And we built a case against 34 of the top drug traffickers in Colombia, including Fabio Ochoa and Alejandro Bernal Madrigal, two of the absolute biggest traffickers operating in the world today. What was significant about this is that there was not a——

Senator SESSIONS. Well, Ochoa has been recognized as that for 20 years.

Mr. MARSHALL. Oh, yes, many, many years, he and his family.

Mr. BEERS. He has been in and out of jail.

Mr. MARSHALL. What was most significant about this is that there was not a parallel Colombian investigation with the intention of Colombian prosecution. This was done solely in order to extradite these 34 traffickers back to the United States and, as I mentioned before, get them out of their own sphere of influence and into American jails, which is the thing that they fear most.

Now, if that process comes to fruition, which I am optimistic it will, and if we are successful in getting those 34 back into U.S. jails, I have to predict that that would be probably the single most important and effective thing that we have done in the area of drug enforcement in many years.

Mr. BEERS. And the Colombians have extradited two last year already, indicating that they don't have any legal judicial impediments to carrying through on the constitutional amendment that they passed the year before in order to effect extradition. That is, I think, a significant demonstration of cooperation and government will.

Senator SESSIONS. Well, that would be dramatic, and I would just say you better hope they don't escape before the time comes along.

Mr. MARSHALL. Well, you mentioned that, and frankly we are concerned that this be an expedited or a timely process so something like that does not happen.

Senator SESSIONS. Well, that, and just basically some way, somehow, the system has consistently not produced the extraditions that have been promised for many, many years.

Mr. Beers, why do we not think in terms of certifying Mexico under the national security exception? How can we say that there is any really significant progress there when we have got police force threatening the lives of American police at the direction of a major drug dealer?

How can we say that Mexico is really making progress? They won't sign a maritime agreement. They are not extraditing anyone. The cartels continue to enrich themselves and get more entrenched and more powerful. We have a few little things that we claim as progress, but in the scheme of things it is difficult for me to see how they are real progress. Why don't we just do it as a national security exception?

Mr. BEERS. Sir, that is always a possibility in situations like this. We judge them to be fully cooperating.

Senator SESSIONS. Well, I don't see how that can be justified. I was just looking here, Mr. Marshall, at USA Today. The Mexican drug dealers are offering a $200,000 bounty on United States Federal law enforcement officers' heads for murder. It talks about the entrenched Tijuana drug cartel. USA Today knows who they are and where they live and what they do.

Are you concerned about that? Is that a matter that affects the security for your agents as they go about doing their work both in the United States and in Mexico?

Mr. MARSHALL. Absolutely, I am concerned about that, and it is one of the major issues that we have in Mexico with our operations there.

Senator SESSIONS. And when was it, just a few months ago, that the chief of their police, Alfredo Delatore, was murdered?

Mr. MARSHALL. A few weeks ago, actually, is my recollection.

Senator SESSIONS. A few weeks ago, and another police chief was murdered 6 years ago in Tijuana.

Mr. MARSHALL. Yes.

Senator SESSIONS. I guess my deep concern is that Mexico's very existence as a healthy nation is at stake here. Wouldn't you agree, Mr. Beers? If this kind of activity continues, business can't afford to invest in Mexico as they would like to because they are afraid for their lives or their people's lives. Isn't this a threat to the economic growth that Mexico is capable of?

Mr. BEERS. Yes, sir, I would agree that it is, and I think that the current administration in Mexico would agree with you as well. They have come to us and spoken in as dramatic a set of terms as you are using now, and they are making their effort to deal with that.

Senator SESSIONS. Well, we have had some increase in seizures, I note. Mr. Marshall, do you have any indication as to what percentage of the drugs being imported into this country are being seized on the Mexican side?

Mr. MARSHALL. Well, certainly, that is all kind of an estimate because you don't know——

Senator SESSIONS. Well, you have estimates of how much comes across the border from Mexico, do you not?

Mr. MARSHALL. We do, and we estimate that in the aggregate of all the drugs that come in here, on the order of 55 to 60 percent transit Mexico en route to the U.S.

Senator SESSIONS. I see in the USA Today article, apparently, 75,000 pounds of cocaine were seized along the Mexican border near San Diego; that is 30-some-odd tons. Do you know what percentage of the total supply is being seized? I am first asking about in Mexico.

Mr. MARSHALL. If you look at our total estimate of the world supply, I think our current estimate is some 765 metric tons of cocaine worldwide. And if there were 75,000—did you say pounds?

Senator SESSIONS. Yes.

Mr. MARSHALL. That would be 35 tons seized in Mexico, so that would be 4 percent, by my mental math, of the world supply.

Senator SESSIONS. Not enough to affect the supply in the United States in any significant way, it strikes me.

Senator Feinstein, who has done such a fine job on this and has been steadfast in her concerns about it, noted, I believe, there were 6 tons seized of marijuana on the part of the maritime agreement. Well, I remember we called cases in Mobile the 10-ton case and the 6-ton case. I mean, 6 tons of marijuana is insignificant in the world supply.

Can you say, Mr. Marshall, with confidence that the supply of narcotics—I will just say marijuana, cocaine and amphetamines—coming into the United States from Mexico has been reduced? Would you compare 1997, 1998 and 1999? Are the numbers still increasing in quantity coming across the border based on DEA surveys?

Mr. MARSHALL. I don't see any evidence that those numbers have been reduced in the areas of heroin, cocaine and marijuana. There have been perhaps some spot shortages following operations like Impunity and Millennium and that sort of stuff, but they don't really last. There are also some indications that we may finally be making a bit of progress in the methamphetamine issues coming out of Mexico, things like lower purities coming out of the labs, things like a shift from methamphetamine to amphetamine, but with regard to the other three drugs, no indication that that is having an effect in the U.S. market.

Senator SESSIONS. Based on our history of 20 years, is it fair to say that we are not likely to be able to affect the number of drug users in the United States through cooperative agreements with Mexico?

Mr. MARSHALL. I don't think that we will directly affect the number of users in the United States. I think you have to count more on the demand side of the equation—education, prevention, that sort of stuff.

Senator SESSIONS. You left out law enforcement.

Mr. MARSHALL. No. I am about to get to that, if I may.

Senator SESSIONS. Okay.

Mr. MARSHALL. I think where law enforcement fits in there, however, is that until you manage through the prevention programs to get the number of users down, you have a lot of mean, vicious, violent, evil criminals that are pumping this stuff into our country, and all the violence and the corruption and the intimidation that goes along with it.

We have to deal with those as a law enforcement, as a criminal issue until we can further impact the demand numbers downward. And I think that one of the Senators in an opening statement pointed out that since 1979, we have reduced the number of users in this country. We have to do a better job, but in the meantime law enforcement has to be right there to take care of and to impact on the criminals that are doing so much evil in the country.

Mr. BEERS. Sir, if I might interject, I agree with Mr. Marshall's statement. What our overall strategy is is to try at each point in the process from cultivation to use to have an intervention that is the best that we can put together to try to effect a reduction in the overall amount of supply available, and then after that process is over also to intervene with respect to users to try to get them to stop. It is all part of a large package, but I think Mr. Marshall's point is correct.

With respect to the Mexican border, the amount of flow that we have seen has been roughly about the same. And if you look at the seizures on both sides of the border and if you look at the seizures in South America overall, what we have seen overall is that that flow to the United States has been to date almost impervious to each stage of that effort. And unfortunately over that period of time, there is more going to the rest of the world.

Our market to some extent has gone flat. I mean, we can talk about the perturbations of use over the last 10 or 20 years, but the overall amount, by our estimates, has been relatively flat over probably the last decade. And where the increase on a global basis has occurred has been Europe—this is cocaine—and now Latin

America. That is why we have gotten the attention of governments around the hemisphere of their own national interest need to try to deal with this problem.

It is sad that it has gotten to that point, but that is where we are, and that is why we think, to go back to your own remarks, sir, that we have a chance to make success as governments perceive it as in their own national interest and not simply something that the United States is asking them to do on behalf of the United States.

Senator SESSIONS. Well, I agree. Surely, that will become clear to a lot of people. I had occasion recently to be in a conference with the drug czar in the United Kingdom, and they are all of a sudden becoming worried. As a matter of fact, I had some law enforcement people express concern to me about the Netherlands. They have marijuana coffee shops where they allow that kind of stuff to go on, and it is becoming a transshipment point to Europe. With the European Union, once it is in Europe, it is pretty well easy to transport.

Do you think that is a growing concern, Mr. Marshall?

Mr. MARSHALL. Absolutely, that is a concern. I have talked to a lot of law enforcement officials in Europe and they share that assessment and they are quite concerned about it. They are very displeased with the situation in the Netherlands.

Senator SESSIONS. I am sure the Netherlands thinks they are just sophisticated, you know. They have prostitution everywhere and drugs everywhere, and they think that makes them more sophisticated. But we are going to find out it is not going to work. They are not going to be happy with what happens to that country when they allow more and more use of drugs. It is not going to be good for them and it is not going to be good for their reputation.

Have we taken any steps, Mr. Beers, as part of this process to examine whether or not the Netherlands is cooperating sufficiently in our efforts?

Mr. BEERS. Yes, sir, we have looked at that, and that will be an ongoing area of concern. You are right in raising those questions, sir.

Senator SESSIONS. I hope that we would look at that.

Well, this is a real challenge for our country, and I do believe we have a responsibility to the world. It would be better for the United States and for all nations of the world if other markets for cocaine and illegal drugs are not created. It is not going to help us if the Colombians begin to focus on other countries around the world and create additional markets. They will just be stronger. And those nations, many of whom are our allies, are going to be damaged by this and it is just not good for anybody.

So I do not mean to suggest we should not be vigilant in encouraging nations in this hemisphere particularly to reduce their production of illegal narcotics. What I do deeply believe is that ultimately there will probably be enough into this country to supply the demand that exists here. And if we want to deal with our demand, then we need to have a strong public relations education campaign. We need to have very strong law enforcement at the street level.

I think it was proven in New York City by Rudy Giuliani that if you prosecute smaller crimes on the street, the drug dealers and

the pan-handlers and the two-bit thieves, you cannot begin to break up criminal activities and reduce all crime. I have believed that for a long time. There is no doubt in my mind that if you want to reduce the amount of drugs used in my hometown of Mobile, if you go in there and steadfastly break up the virtually open sales of drugs and put those people in jail and send a message that users will be prosecuted, you will see it go down.

As a matter of fact, I have seen drug use go down under intensive pressure. I just believe we don't need to lose our focus from that critical aspect of the war on drugs in a more unconnected effort to reduce supply, over which we have such little control ultimately. Those are my concerns.

Thank you for your testimony here again. We will keep the record open to allow others to submit questions and any comments or supplements that you would like to submit. Mr. Beers, do you have anything to add to this?

Mr. BEERS. No, sir, except to thank you for the hearing. We regard this as an important opportunity to go beyond the actual administration expression of certification to bring it to the attention of the Congress and the American people. Thank you.

Senator SESSIONS. I would say I am very concerned about Colombia. I am not sure what my thinking is at this point, but if our assistance could help them preserve the second oldest democracy in the Western Hemisphere against a Marxist group of drug traffickers, I think we need to be considered what we can do to help.

Mr. BEERS. Sir, I think that the proposal that the Colombians and the administration have presented to the Congress represents the best chance that we will ever have to accomplish both your goals and our common goal of dealing with drug trafficking as it emanates from South America.

Senator SESSIONS. I am not convinced that our position of not even endorsing the democratically-elected government of Colombia against these Marxist drug traffickers and protectors and kidnappers is a good policy. That may not be in your bailiwick, but Mr. Pickering testified in this very room, I believe, a few weeks ago that we have not even officially endorsed the nation of Colombia in their effort.

We are trying to have peace talks and that sort of thing. We are encouraging them to allow large areas of their country to be a safe zone. We ought to be encouraging, in my mind, the nation of Colombia to defeat these insurgents who have taken over 40-plus percent of their country. And until they do so, I don't see how we can ever expect Colombia to control production if they don't even control their territory. So I think we ought to help Colombia, and I just want to be sure that we are doing it in the right way.

Mr. Marshall, do you have any further comments?

Mr. MARSHALL. Just a brief comment, Senator. I would like to also thank you for your support, and the entire caucus as well. As I said earlier, we can't do our jobs without the support of Congress, the Senate, this caucus, and the American people.

With regard to your comments about cleaning up our streets at the neighborhood level, I agree with your viewpoints on that. In addition to the national, international and major command and control investigations that we conduct, we have a couple of programs

that do focus on helping local jurisdictions out with those types of crimes. I would be happy to give you or your staff a briefing on those programs, if you would like.

Senator SESSIONS. I would be delighted to hear that. I think cooperative law enforcement is a key step. I believe in the task forces; I have seen them work successfully. How do you find who the big dealer is in your town? You start prosecuting the little dealers and you make them tell who they got it from, and pretty soon you have gotten the big dealer. But to say you are going to start at the top is silly, from my experience.

With regard to the HIDTA program, I understand that the management of that has been turned over to the drug czar's office and away from the Department of Justice. Are you able to make any comment on whether you think that is an effective organization structure for HIDTA, or should it be within the Department of Justice?

Mr. MARSHALL. It has actually always been, to my recollection, in the Office of Drug Control Policy. It is their funds and they manage the overall program. DEA has quite a bit of involvement in that program, as does the FBI, Customs, and the Department of Justice. You know, I think that is a legitimate question. I think that it maybe bears further examination as to where the management of that program should be.

Senator SESSIONS. Well, DEA, in my opinion, has a single mission and it is very effective in that mission. I salute you. My experience is that DEA agents know what their job is and they go about doing it effectively, and they put their lives at risk. Over the last decade or so, they have become much better in working with State and local law enforcement, to the benefit of both. If we keep that up, I believe we will be in good shape.

Sometimes, I wonder about the billions we are spending there and we can't find a few million for you to hire just a few more agents to work within the cities and communities of the United States. If I have a criticism of the war on drugs, I think it is that we are looking for causes outside ourselves, and if we utilized our resources effectively, particularly through DEA, and the local police increase their narcotics units, we can as a Nation make a reduction in narcotics possible.

Thank you so much for your testimony. Unless there is anything else, we will stand adjourned.

[Whereupon, at 12:01 p.m., the Caucus was adjourned.]

United States Department of State

Washington, D.C. 20520

May 10, 2000

Dear Mr. Chairman:

Following the March 21, 1999 hearing at which Assistant Secretary Rand Beers testified, additional questions were submitted for the record. Please find enclosed the responses to those questions.

If we can be of further assistance to you, please do not hesitate to contact us.

Sincerely,

Barbara Larkin

Barbara Larkin
Assistant Secretary
Legislative Affairs

Enclosure:
As stated.

The Honorable
Charles E. Grassley, Chairman,
Caucus on International Narcotics Control,
United States Senate.

Questions for the Record Submitted to
Assistant Secretary of State Rand Beers
By Senator Grassley
Senate Caucus on International Narcotics Control
March 21, 2000

Question 1:

How much heroin or opium gum transits Iran?

Answer:

Iran interdicts more opium than any other country. For the period March 1998-March 1999, Iran interdicted 196 metric tons of drugs. For the period March 1999-March 2000, the amount was 250 metric tons. Iran reported that of the drugs seized in 1999, 81% was opium, 2.5% was heroin, 9% was morphine, and 7% was hashish, with other drugs making up the remaining 0.5%. Iran estimates that it seizes 1/3 of the drugs smuggled across its borders, but we believe that this estimate is too high; a 5-10% seizure rate is more likely.

Questions for the Record Submitted to
Assistant Secretary of State Rand Beers
By Senator Grassley
Senate Caucus on International Narcotics Control
March 21, 2000

Question 3:

What is it about Paraguay that makes it so critical to the U.S. national interest that it has repeatedly earned a national interest waiver for drugs? What criteria or measure of success would earn it full certification or decertification?

Answer:

Paraguay is still consolidating its eleven-year-old democracy after decades of rule by dictators. There have been several serious threats to Paraguayan democracy during this period, threats that have implications for stability in the region. The events of 1999, which included defiance by then-President Cubas of the Supreme Court, the assassination of Vice President Argaña, the murders of student demonstrators, the impeachment and resignation of Cubas, drought, rural unrest, and the reported presence of fugitive former general and coup- plotter Lino Oviedo, demonstrate the challenges facing Paraguayan democracy. They also contributed to the government's unsatisfactory counternarcotics performance.

Besides the need to strengthen democracy in Paraguay, the USG has other important interests, such as increased

cooperation in counternarcotics, and continued cooperation against terrorism and intellectual-property piracy and in environmental preservation. Denial of certification would have cut off key assistance programs designed to address these U.S. interests. For 1998, the USG cited these same interests, and also the need to promote the political will and positive action against narcotics trafficking that we were seeking from the then-new Cubas administration. In 1997, a vital national interests certification was granted because it was believed that decertification would have had an unintended negative impact on the then-ongoing presidential election campaign.

The Secretary of State, in her February 25, 2000 recommendation to the President, determined that the risks posed to the totality of U.S. interests (i.e., promotion of democracy, cooperation against intellectual-property piracy, counternarcotics cooperation and continued counterterrorism cooperation) by a cutoff of bilateral assistance outweighed the risks posed by the GOP's failure to cooperate fully with the USG, or to take fully adequate steps on its own to combat narcotics.

For full certification in 2000, the GOP needs to translate its oft-stated political will into concrete

action against major narcotics traffickers, money laundering, and official corruption.

Questions for the Record Submitted to
Assistant Secretary of State Rand Beers
By Senator Grassley
Senate Caucus on International Narcotics Control
March 21, 2000

Question 4:

Can you explain why it is that Jamaica consistently gets certified when the INCSR every year documents a record of abysmal achievement and poor cooperation?

Answer:

Jamaica received full certification this year because the Government of Jamaica (GOJ) made progress during 1999 in meeting the goals and objectives of the 1988 UN Drug Convention. The GOJ enacted legislation to control precursor chemicals, to establish drug courts, and to enable it to enter into asset sharing agreements with other countries. In addition, the GOJ strengthened its anti-money laundering law by amending it to require reporting of suspicious financial activity in any amount and to add fraud, corruption, and firearms offenses as predicate offenses.

Bilateral cooperation with the U.S. is good and improving, especially in the area of maritime law enforcement under the U.S.-Jamaica maritime agreement. Further, in 1999, the Jamaican government extradited four people to the U.S., including a major drug trafficker, and

formed a Fugitive Apprehension Team that has been successful in locating those wanted under U.S. extradition requests and providing information for several U.S.-based investigations.

Additionally, the GOJ seized 50 percent more marijuana and eradicated 25 percent more cannabis than in 1998.

The statement of explanation, however, noted additional actions that the GOJ must take in order to have an impact on drug trafficking in Jamaica. Such actions include arresting and prosecuting major drug traffickers, increasing security at Jamaican ports, and enacting legislation that permits the use of modern crime control tools. The statement of explanation also notes that the GOJ should expand its anti-money laundering law to cover the proceeds of all serious crimes. In addition, the GOJ should identify ways to make better use of the asset forfeiture mechanism as a means of augmenting the resources of its anti-drug agencies and depriving criminals of the proceeds of their crimes. The GOJ should also take steps to root out corruption in the public sector, by enacting its anti-corruption legislation, and ratifying and implementing the Inter-American Convention Against Corruption.

Questions for the Record Submitted to
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Question 5:

How much has the U.S. spent on drug cooperation in Jamaica in the past 10 years?

Answer:

The Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) has provided a total of $8.65 million in counter-narcotics/crime funding for the Jamaica program during Fiscal Years 1990 through 1999. INL/Washington also funded training of Jamaican officials under INL's centrally-funded training program. INL/Washington provided from central funding some support for Jamaica's Joint Information Coordination Center and some demand reduction activities.

In addition to the INL program, the Department of Defense provides special operations training deployments and tactical analysis intelligence support. Other USG agencies, such as the Drug Enforcement Administration, fund positions for staff assigned to the Embassy in Kingston or for regional positions that provide coverage of Jamaica.

Equipment and services, including training, have also been provided to Jamaica under authorities contained in Section 506(A)(2) of the Foreign Assistance Act.

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Question 6:

What is the status of creating special investigation units in Jamaica today?

Answer:

U.S. law enforcement agencies work with a variety of specialized units within Jamaican law enforcement dealing, inter alia, with drugs, customs, and fugitive apprehension. In 1999, the Government of Jamaica established a special investigative unit, the Fugitive Apprehension Team, to locate and apprehend fugitives from justice. The team has been successful thus far in locating and arresting several subjects of U.S. extradition requests and in providing information for U.S.-based investigations. The Jamaican government has also stated its intention to establish a special investigative unit to target drug kingpins.

Questions for the Record Submitted to
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Question 7:

What is the current status of wiretap legislation in Jamaica? What is the U.S. doing to ensure passage and implementation of this legislation?

Answer:

The Government of Jamaica at the political level can authorize wiretaps in cases involving national security. This authority does not require court authorization. The Cabinet, with the strong support of the Minister of Justice and National Security and the Director of Public Prosecutions, has authorized the drafting of new wiretap legislation that would allow wiretapping to be used as an investigative tool in law enforcement when authorized by a competent court.

The USG has provided the Jamaican government with model wiretap legislation from other common law jurisdictions and continues to urge GOJ enactment of legislation authorizing this modern crime control tool as a means to secure convictions.

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Question 8:

How many boats and planes does Jamaica currently have dedicated to drug control? How many of these are operational? What was the number of planes and boats operated in 1990, 1992, 1994, 1996, and 1998?

Answer:

The Jamaica Defense Coast Guard (JDFCG) operates all of its assets in a multi-purpose fashion; none are dedicated solely to counterdrug activities. The JDFCG attempts to maintain at any given time a 24 x 7 response capability consisting of the following sea assets:

1 82′ Patrol Boat (PB)
2 40′ PBs
1 Boston Whaler (BW)
1 Go Fast (GF)

Following is a list of Jamaican sea and fixed wing assets with in-service dates noted parenthetically (to the best of our knowledge) along with current operational status. Neither the USG nor the JDF has historical information regarding the operational status that may have existed in past years.

SEA	Operational Status
1 115′ PB (1980′s)	Not operational; requires refit

1 106′ PB (1980′s)	Not operational; cracked hull
2 85′ PBs (1980′s) decommissioning	Not operational pending
4 40′ PBs (2-1992, 1-1993, 1-1994)	All operational
3 33′ GFs (1992)	1 operational, 2 undergoing refurbishment
2 27′ BWs (1992)	1 operational; 1 scheduled for refurbishment
5 22′ Rigid Hull Inflatable Boats (unknown)	Not operational; all unserviceable
1 Yard Tug Boat (1999)	Not operational; turbo blower being rebuilt
2 82′ PBs (1999, 2000)	Operational

AIR

1 King Air (unknown)	Not operational; requires engine overhaul
1 BN-2 (unknown)	Not operational; requires landing gear and strut replacement
1 C120 (unknown)	Operational

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Question 9:

What was the size of the marijuana crop in 1998? In 1999? What was the potential yield?

Answer:

There is no accurate estimate, currently or historically, of the amount of marijuana under cultivation or the number of harvests per year. Jamaica is a mountainous country with a wide variety of micro-climates, and marijuana cultivators plant different varieties of marijuana in different places. As the Government of Jamaica's marijuana eradication efforts have become more effective, marijuana cultivators have moved away from large-scale growing areas and now increasingly use smaller plots and other techniques, such as inter-cropping, to hide their marijuana crops.

In an effort to determine the extent of cultivation, the U.S. Embassy, with the cooperation of the Jamaican government, is working with various USG agencies to get the technology in place to provide a reliable estimate of Jamaica's marijuana crop by satellite. The technology has been subjected to some preliminary tests, but is still

experimental and has not reached the stage where it can generate a reliable marijuana crop estimate for the island.

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Question 10:

The INCSR says Jamaica met its goal of eradicating 2000 acres of marijuana. But if we don't have any idea of the size of the crop, how do you determine if that goal is in keeping with dealing with the problem?

Answer:

In 1999, the Government of Jamaica (GOJ) exceeded the eradication goal of 800 hectares set out in the FY 1998 Letter of Agreement between the USG and the GOJ by eradicating 894 hectares (2235 acres) of marijuana cultivation. Further, the GOJ seized 56.22 MT of cannabis, the largest amount since 1993.

We have expressed to the Jamaican government our view that the amount eradicated may be small relative to the amount under cultivation multiplied by the number of annual harvests. However, until the crop survey is completed and the data analyzed, we will not have an accurate picture of the extent of cultivation. In the meantime, we will continue to establish with the GOJ annual eradication goals that we believe are both ambitious and realistic.

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Question 11:

What are the measures of success?

Answer:

We measure success by the number of hectares eradicated by the Government of Jamaica (GOJ) against the targets committed to in the Letters of Agreement between the USG and the GOJ. An additional indication of the impact of the GOJ's eradication effort is that Jamaican marijuana cultivators have had to resort increasingly to clandestine methods, such as planting in swamps and other hard-to-access areas and inter-cropping, to frustrate eradication efforts.

Equally important as a measure of success is the GOJ's increased commitment to the program through its agreement to begin to pay half of the previously U.S.-funded cutters' salaries beginning in June 2000 and all of the salaries beginning in June 2001. In addition, the GOJ has placed the cutter teams from the Jamaica Defense Force and Jamaica Constabulary Force under single leadership to maximize efficiency.

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Question 12:

Is Jamaica considering legalizing marijuana for personal use?

Answer:

In October 1999, Jamaica's Senate passed a resolution urging the government to review Jamaica's marijuana laws. The resolution calls for the establishment of a commission to consider the medical use of marijuana and the decriminalization of the personal use of marijuana. Rastafarians consider marijuana use part of their religion and have lobbied, along with other groups in Jamaica, to make possession of small amounts of the drug legal.

The Government of Jamaica has consistently rejected these proposals. Marijuana possession and use remain illegal in Jamaica. According to the Jamaican press, fines for possessing marijuana are about US$2.50 and for smoking marijuana about US$5. Individuals caught with more than eight ounces of marijuana can be charged with drug trafficking and imprisoned for up to 18 months. Individuals possessing large quantities of marijuana for

distribution can receive prison sentences of three or more years.

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Question 13:

How many Jamaican police officials have been arrested, fined, or transferred in the past five years for corruption?

Answer:

According to statistics provided by the Jamaica Constabulary Force for the period January 1998 through November 1999, six police personnel were charged with breaches of the Prevention & Corruption Act.

In January 1998, 56 officers of the parish of Portland were transferred when the Police Commissioner received information that they may have been assisting local drug traffickers. Since no hard proof existed, the Commissioner was constrained by local civil service regulations from taking any action beyond the transfers. In September 1999, the Police Commissioner transferred the entire 91-member anti-crime task force because of allegations that some members were involved in unprofessional and possibly criminal conduct.

The March 1999 INCSR reports that, in 1997, 45 police officers were arrested for criminal offenses; eight of those for corruption charges.

We have no information pertaining to earlier periods.

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Question 14:

How many of these have been tried and convicted?

Answer:

The number is unknown because of the antiquated record-keeping system utilized by Jamaica's courts. There is no system in place to track criminal convictions. Jamaica's Chief Justice has told USG officials that he would welcome USG assistance to improve various aspects of court administration, including case tracking and statistics.

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Question 15:

What happened to the special anti-crime task force in 1999?

Answer:

In September 1999, the Police Commissioner transferred the entire 91-member special anti-crime task force because of allegations that some members were involved in unprofessional and possibly criminal conduct.

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Question 16:

There are numerous reports of marijuana production in Canada. What is your estimate on how much marijuana is smuggled into the United States?

Answer:

The Royal Canadian Mounted Police (RCMP), the Canadian Agency with lead responsibility in Canada for drug control, estimates that approximately 60% (up to 480 metric tons) of marijuana production is smuggled into the U.S. The RCMP also estimates that Canada imports between 50-100 tons of foreign-produced marijuana, but that this has declined in recent years as domestic cultivation has increased.

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Question 17:

What is Canada's estimate of domestic drug production?

Answer:

The RCMP estimates that Canadian growers produce up to 800 metric tons of marijuana. This includes production of potent hydroponically-grown variants with names such as "BC (British Colombia) bud" and Manitoban "wheelchair weed."

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Question 18:

How does heroin from Southeast Asia enter the United States?

Answer:

Canada is a principal entry point to North America for Southeast Asian heroin; much of it is believed to cross the Pacific by sea in container shipments. Most of that heroin is destined for the United States with its far larger user population. Drug smugglers readily take advantage of the long and open U.S.-Canadian border and the massive legitimate cross-border traffic that crosses it daily. Overland drug shipments range in size from small parcels to container loads.

Well-organized and highly mobile trafficking organizations are inventive in their efforts to penetrate U.S. border controls. Traffickers constantly seek new routes, including non-traditional transshipment points in Europe, Africa, and the Asia/Pacific region. Although ethnic Chinese and Nigerian criminal organizations predominate in the illicit trade in Southeast Asian heroin, American citizens and a variety of other nationalities are

employed as couriers in an effort to foil detection. In addition to couriers, the traffickers also send Southeast Asian heroin to the U.S. by express mail services and the international mail.

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Question 19:

How much of that (Southeast Asian) heroin moves through Vancouver, Canada?

Answer:

In the absence of solid intelligence, there is no generally-accepted estimate of the volume of Southeast Asian heroin that enters the U.S. via Canada. However, most Canadian and U.S. law enforcement authorities agree that Vancouver is a principal point of entry into North America. As a consequence of this transshipment, Vancouver has one of the highest rates of drug abuse of any city in Canada, with nearly one heroin-related death per day.

Canadian and u.s. authorities are taking the problem very seriously and have mounted a number of coordinated anti-drug investigations. In June 1999, the RCMP broke up a major trafficking organization which was moving large shipments of heroin from Asia (Burma), through Canada, to the U.S. The federal bureau of investigation and drug enforcement administration made parallel arrests in New York and Puerto Rico, demonstrating close bilateral counter-drug cooperation.

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Question 20:

The INCSR indicates that Canada may produce as much as 800 metric tons of marijuana. What is the average size of cultivation necessary to yield 800 tons? If most of this is grown indoors, does the Administration have a formula for calculating the equivalence in hectarage to determine the size of potential cultivation?

Answer:

Since much of this marijuana is cultivated in elaborate hydroponic indoor growing facilities, it is difficult to estimate how much terrain these plants would cover if cultivated out of doors or, indeed, whether such high-potency plants could be cultivated out of doors in Canada. Even in "normal" cultivation, the number of plants per hectare varies significantly in different climates and soil conditions. The U.S., for this reason, counts its marijuana destruction in terms of plants.

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Assistant Secretary of State Rand Beers
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Question 21:

What is current Canadian law regarding marijuana? There are reports of increasing efforts to legalize its use. Is this true?

Answer:

Cultivation and distribution of marijuana is illegal in Canada. Canadian authorities seized over 5 metric tons of marijuana in 1999 and made 12,541 drug-related arrests, a large percentage of which involved marijuana production, sale and distribution.

The Government of Canada has a comprehensive national drug strategy, encompassing both supply and demand reduction. As in the U.S., there are private individuals and groups that advocate decriminalization or legalization of marijuana, and even harder drugs, but there is no move on the part of the Canadian government to legalize or decriminalize drugs. Enforcement continues to be a strong element of the Canadian approach.

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Question 22:

It has become clear that there appears to be a significant amount of drugs entering the U.S. from Canada. Why is Canada not included on the certification list?

Answer:

International drug trafficking organizations take advantage of the long and largely open border between the U.S. and Canada, at times using Canada to access the larger U.S. market. While the actual amounts of drugs entering the U.S. from Canada are not known, the evidence indicates that drugs not only flow south into the U.S., but also north into Canada.

The U.S. and Canada enjoy an extremely close and cooperative relationship in combating narcotics trafficking. However, in response to our shared concern about the level of illicit drug trafficking in both directions across the border, the U.S. and Canadian governments are taking steps to strengthen this cooperation even further, beginning with a joint drug threat assessment, currently being developed.

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Question 23:

Ecstasy is a growing problem in the United States, especially on the club and rave scene. Where is this drug being manufactured?

Answer:

The majority, 85 to 90 percent, of the Ecstasy entering the United States is manufactured in Western Europe: primarily in The Netherlands and to a lesser extent in Belgium.

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Question 24:

How is this drug getting to the U.S.?

Answer:

Ecstasy typically comes into the U.S. by courier (body carry or luggage concealment) or express mail. Some enters in sea or air cargo containers.

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Assistant Secretary of State Rand Beers
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Senate Caucus on International Narcotics Control
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Question 25:

How has the volume of Ecstasy being smuggled into the U.S. changed in recent years?

Answer:

The volume of Ecstasy smuggled into the U.S. has increased significantly, particularly in the last couple of years. This is due to heightened demand for the drug among youth, and to the considerable profit potential for manufacturers of the drug. While typically the drug costs under a dollar per tablet to produce, it fetches as much as 2 dollars per tablet in Europe and 20 to 35 dollars per tablet on the street in the U.S. Already, in the first half of FY 2000 (October 1999 through March 2000), four million tablets of Ecstasy have been seized in the U.S.

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Question 26:

What is the role of The Netherlands in supplying Ecstasy?

Answer:

The government of The Netherlands categorizes Ecstasy with the most dangerous drugs. In 1997 the Dutch government set up the Special Drug Unit (USD) to coordinate the fight against designer drugs, and it is making every effort to counter designer drug production. Working relations between DEA and the USD are excellent.

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Question 27:

Switzerland has yet to ratify the 1988 UN Drug Convention Treaty, and appears to be moving towards legalizing drugs. What is the Administration doing to address this?

Answer:

While Switzerland has not ratified the 1988 Convention, they have adopted legal instruments to implement its provisions and adhere to the convention in practice. Embassy sources anticipate Swiss ratification in 2001. On the issue of drug legalization, in 1998, Swiss voters rejected by a three-to-one margin a measure to legalize heroin and other drugs. The 1998 Swiss "Four Pillar" drug policy addresses prevention, treatment, risk reduction, and suppression. According to official Swiss sources, this model has yielded increased seizures, the near disappearance of open drug dealing, a decline in drug related crime, and stabilization of drug abuse.

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Question 28:

What has the Administration done to address the role of Canada, the Netherlands, or Switzerland in drug trafficking or in legalizing drugs?

Answer:

CANADA: The U.S. enjoys a closer and more productive law enforcement relationship with Canada than with perhaps any other country in the world. There is solid cooperation at the federal as well as the state and local levels, including active information sharing. This cooperation is reinforced through a number of bilateral fora and working groups, such as the Cross-Border Crime Forum, where we develop collaborative approaches to addressing shared threats, such as against international drug trafficking organizations. Canada, like the U.S., is largely a consumer nation and a target of these international drug trafficking groups.

The Government of Canada has a comprehensive national drug strategy, encompassing both supply and demand reduction. As in the U.S., there are private individuals and groups that advocate decriminalization or legalization

of marijuana, and even harder drugs, but there is no move on the part of the Canadian government to legalize or decriminalize drugs. Enforcement continues to be a strong element of the Canadian approach.

THE NETHERLANDS: The USG cooperates with the government of The Netherlands and of the Dutch Caribbean, to stop the flow of illicit drugs to the U.S.; in this regard, DEA and Customs have stepped up interdiction efforts. ONDCP Director Barry McCaffrey addresses the problem in public speaking engagements and in meetings with his foreign counterparts.

SWITZERLAND: The Administration has made every effort to address with Swiss authorities a variety of drug concerns, including the issue of ratification of the 1988 Convention. U.S. officials at all levels regularly express to their appropriate counterparts the importance of the 1988 Convention and the USG's desire for Swiss ratification. Similarly, on the issue of legalization the Administration has repeatedly stressed the harmful nature of drugs, discouraged drug legalization and, in 1998, called for international scrutiny of Switzerland's heroin maintenance program. Issues of drug legalization, demand reduction, enforcement, and ratification of the 1988 UN

Drug Convention remain constant on the U.S. agenda with the Swiss.

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Question 29:

What definition does the State Department use to define "significant" in terms of the transit of illegal drugs to the U.S.? How much of a drug must come to the U.S. to be defined as significant? Is there an objective number or floor?

Answer:

In determining whether to recommend to the President that a country be designated as a major drug transit country, the State Department uses the definition in Sec. 481(e)(5) of the Foreign Assistance Act of 1961 (FAA). A major illicit drug-transit country is one: "(A) That is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States; or (B) Through which are transported such drugs or substances." The phrase "such drugs or substances" is interpreted to mean those significantly affecting the United States. The term "significantly" is not defined. There are no specific valid numerical or quantitative thresholds for determining significance. In assessing significance, the Department considers the quantity of drugs entering the United States

via the country in question and the impact of such drugs as measured by U.S. public health and law enforcement agencies.

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Question 30:

What criteria does the State Department use to determine putting a country on the Majors List as a transit country?

Answer:

In deciding to recommend to the President that a country be designated as a major illicit drug-transit country, the Department uses the criteria set forth in the definition of major illicit drug-transit country in Sec. 481(e)(5) of the FAA. The Department, working with all U.S. agencies in the international narcotics control community, relies on drug flow, seizure, and consumption data, as well as on a broad spectrum of intelligence information, to determine whether the criteria in the statutory definition are met.

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Question 31:

How many and which countries are included on the Majors List for transit only?

Answer:

There are 12 countries on the Majors List for transit purposes only: The Bahamas, Brazil, China, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, Jamaica, Panama, Taiwan, and Venezuela.

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Question 32:

How many countries have been added to the list since 1993? For transit only?

Answer:

Seven countries have been added to the list since 1993. Six were added for transit only: Aruba, Belize, Cambodia, Dominican Republic, Haiti, and Taiwan.

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Question 33:

How many countries have been removed since 1993?

Answer:

Seven countries have been removed since 1993: Aruba, Belize, Iran, Lebanon, Malaysia, Morocco, and Syria.

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Question 34:

Given the rise of methamphetamine and Ecstasy trafficking, has the Administration considered adding countries to the list for these drugs?

Answer:

Yes. The major foreign source of methamphetamine, Mexico, is already on the list. We have yet to determine any major foreign source of Ecstasy, which can easily be produced domestically.

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Question 35:

What quantity of heroin or cocaine, some of which comes to the United States, must transit a country before that amount is considered significant enough for that country to be placed on the certification list?

Answer:

There are no specific valid quantitative or numerical thresholds that can be used to determine whether drugs transiting a country "significantly affect" the United States.

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Assistant Secretary of State Rand Beers
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Question 36:

How long have there been reports of drug trafficking out of North Korea? How Many North Korean diplomats and officials have been arrested in the last several years internationally for any kind of drug smuggling, but particularly heroin?

Answer:

For some 25 years, officers of the Democratic Republic of Korea (DPRK-North Korea) have been apprehended trafficking in narcotics and engaged in other criminal activity. Since 1976, there have been at least 50 arrests/drug seizures involving official and unofficial North Koreans in more than 20 countries around the world. From the beginning of 1995 to the present, the Department is aware of cases in which 46 official and unofficial North Koreans were detained in connection with drug smuggling, of which 18 were detained for smuggling heroin. Countries where the incidents occurred include China, Japan, Russia, several countries in Africa, Taiwan, the Czech Republic, and Germany, but never the United States, as far as we know. Others were detained for attempts to smuggle opium. There were also cases involving cocaine smuggling, cases

involving the controlled substance Rohypnol, and recently several cases in Japan involving large quantities of methamphetamine.

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Question 37:

When did the State Department first report on North Korea's Drug Production in the International Narcotics Control Strategy Report (INCSR)?

Answer:

The first country section for North Korea was included in the INCSR that was published in March of 1999, reporting on events during 1998.

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Question 38:

Why was it included in the INCSR? Was this as a result of Congressional action?

Answer:

Under the normal criteria for identifying countries to be included in the INCSR, North Korea would not qualify for inclusion. North Korea is neither a major drug producing nor drug trafficking country under statutory criteria. We cannot confirm 1000 hectares of illicit drug crop production in North Korea using our normal methodology, and drugs transiting North Korea do not have a significant effect on the U.S. Indeed, we are unaware of a single instance in which narcotics manufactured in, or transiting, North Korea were sold in the U.S. North Korea also does not qualify under the other criterion for inclusion; namely, North Korea has not received U.S. narcotics-related assistance during the two fiscal years immediately preceding the appearance in the INCSR. In fact, North Korea's inclusion in the INCSR resulted from a commitment made during an exchange of letters between the Department and Senator Grassley.

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Question 39:

When was the last aerial survey of North Korean opium production made?

Answer:

The last survey of North Korean opium production was attempted in 1999. The results were inconclusive due to limits on the sample size.

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Question 40:

When was the time before that?

Answer:

There was a survey of North Korean opium production attempted in 1996. The results were the same as in 1999.

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Question 41:

Was such a survey made last year?

Answer:

Yes. During two separate years - 1996 and 1999 - we attempted to develop sufficiently accurate satellite imagery so that at least a tentative estimate of opium production in North Korea might be possible. In both cases the imagery was insufficient to make a determination.

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Question 42:

The INCSR for 1999 reporting on 1998 indicates that North Korea is not on the Major's List but it will be the subject of greater attention to determine its role in illegal drug production and transit. Is that correct?

Answer:

Yes, North Korea will now be reviewed regularly in the context of the preparation of the INCSR. We have instituted a monitoring system in the Department and other agencies to assure that the best information available to the USG is used in determining the facts on North Korean drug production and alleged trafficking.

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Question 43:

But there was no completed aerial survey in 1999, is that right?

Answer:

That is correct. The survey that was done during 1999 did not yield a sample size sufficient to estimate accurately the extent of North Korean opium poppy cultivation.

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By Senator Grassley
Senate Caucus on International Narcotics Control
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Question 44:

How is the Administration closely monitoring opium production to make the determination?

Answer:

The Department and other USG agencies concerned with narcotics developments abroad are attentive throughout the year to reports of alleged North Korean drug trafficking and drug production. In addition to efforts to survey drug cultivation with overhead imagery, U.S. Embassies and consulates regularly report on such developments, we learn about developments from press reports, from U.S. intelligence reporting, and from liaison with friendly law enforcement agencies and intelligence services. DEA officers assigned to countries which are large markets for drugs alleged to have been produced in, or trafficked through, North Korea (Viz., Japan, South Korea, China) assist the Department in learning about, and in understanding, drug issues related to North Korea. The Department also learns of drug-related developments in and around North Korea from the Joint Interagency Task Force

West (JIATF-West). As the date for drafting the INCSR chapter on North Korea approaches, INL reviews all the information available, checks with experts in and outside the USG, including the Congressional Research Service, and prepares a draft North Korea INCSR chapter. This chapter is widely circulated in the Department and other agencies for comment, edited to reflect those comments, and is then published in the INCSR.

Questions for the Record Submitted to
Assistant Secretary of State Rand Beers
By Senator Grassley
Senate Caucus on International Narcotics Control
March 21, 2000

Question 45:

If that is unclear, how do you propose to make it clear? And just when is that likely to be?

Answer:

It is not a trivial matter to arrive at an accurate estimate of opium production in North Korea. We have no access to the country. We need to know fairly exactly where opium is growing. We need to schedule our efforts to image when the crop is mature, and the cloud cover is light in the area of cultivation, and we must compete for satellite time with other high-priority targets. We continue to work with other agencies to refine our knowledge of the drug production and trafficking situation in North Korea, but given the constraints imposed by North Korea's unique circumstances, we are unable to predict with any accuracy when a more reliable estimate of opium production might be possible.