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THE ANTIDRUG PACKAGE FOR MEXICO AND CENTRAL AMERICA: AN EVALUATION

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BEFORE THE

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THURSDAY, NOVEMBER 15, 2007

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 2:35 p.m., in room SD–419, Dirksen Senate Office Building, Hon. Robert Menendez, presiding.

Present: Senators Menendez, Boxer, Webb, Lugar, Corker, and Isakson.

OPENING STATEMENT OF HON. ROBERT MENENDEZ, U.S. SENATOR FROM NEW JERSEY

Senator MENENDEZ. The hearing of the Committee on Foreign Relations will now come to order.

It's my pleasure to welcome our witnesses today, Assistant Secretary Shannon and Assistant Secretary Johnson. We appreciate you coming before the committee.

We've called this hearing to review the President's proposed Plan Mexico. I call it Plan Mexico because it sounds, in many respects as I've seen it, like Plan Colombia. It's a plan that raises serious questions about our Nation's priorities within the hemisphere.

To begin with, this request has been categorized as an emergency. When some of us have known for years the problems and needs of our southern neighbors, while we have been ringing the alarm bells, it seems to me that the administration has repeatedly hit the snooze button. Now they're finally awake, but running late, so they've come to Congress without any consultation declaring an emergency.

With Plan Mexico, the President is requesting emergency supplemental funding to help combat the drug and gang problem in Mexico and Central America to the tune of $500 million for Mexico and $50 million for Central America. That is a first tranche.

I certainly take a backseat to no one in my ongoing efforts over the last 15 years in the House and now on this committee to increase resources for a variety of issues, as it relates to Latin America, especially on the development side and, on the protection of human rights. But this proposal is long on military support and falls far short when it comes to support for the people in the region.

Again, I find it particularly disturbing that the plan was negotiated and developed without any consultation with Congress whatsoever. That being said, the area where we seem to have some agreement is in recognizing that the current drug-related killings,

insecurity, and fear continue to pose major problems for Mexico and for the United States.

The current level and senseless manner of violence in Mexico is both alarming and disturbing, especially considering the common border we share. Unfortunately, corruption continues to plague institutions at all levels, and on top of that, Mexico now faces an increasing consumption and production problem.

For the South, Central America continues to grapple with gangs and gang violence, as well as increasing rates of drug trafficking.

There is no question help is needed. The question however is how we go about it in the most effective way to reach our goals. And that is the question I hope will guide the hearing today and how we will debate and amend this package in the future.

On that note, while this proposal has certainly brought the problem to the forefront, I'm not convinced it is the most effective solution to reach our goals. There are some serious shortcomings, which I will address today.

First, I believe this package takes a one-dimensional approach to a multidimensional problem. In your own budget justification, the administration cites a quote from former U.N. Secretary General Kofi Annan, which rings true to me and is worthy of mention. He says, and you used this quote, "We will not enjoy development without security. We will not enjoy security without development. And we will not enjoy either without respect for human rights. Unless all these causes are advanced, none will succeed." That's the end of that quote, and I couldn't agree more.

But as I look at this funding request, I see a very one-sided approach to a very multifaceted problem. That means this proposal fails to deal with many of the components that must be addressed in order to successfully tackle this problem. I see things like eight new helicopters, two new surveillance planes, new gamma ray scanners, communications equipment, all of which are important catalysts for security, but have little to do with development or human rights. In fact, the State Department itself, has stated that 40 percent of the assistance in this supplemental request will be provided to the Mexican military.

I'm already concerned about Mexico's increased reliance on its Armed Forces for counterdrug activities, because increased militarization does not address long-term development and reform needs within Mexico, not to mention the human rights implications of militarization and of giving money to Mexican institutions, which, according to Amnesty International, "Have a long history of serious human rights violations, lack of independence, transparency, and ineffectiveness."

Finally, it's ironic to me that the genesis for this request was during the President's March 2007 trip to Latin America, a trip in which he emphasized the need for more social and development assistance to our southern neighbors.

Second, I'm surprised by the nature of this request. To come and ask Congress for this money in an emergency supplemental request, as akin to now fixing the levies in New Orleans. This problem has existed for a while in both Mexico and Central America, and I certainly hope this emergency request is not just a way for

the administration to avoid the obligation of paying for what we should have done for years.

The emergency nature of the request raises other serious questions. What is the expected length of this package, 2 years, 3 years? President Calderon will be in office for more—for 5 more years. Are we expecting to end this aid before his term is over?

Finally and most importantly, how will this package effect overall funding to Latin America in the fiscal year 2009 budget? I, for one, cannot support a package that cuts further into funding for a region that has the highest social inequity in the world and that has seen proposed cuts for funding and core development assistance every year since 2001.

The fact that this request is considered an emergency, goes to what I believe is a core problem. We have no comprehensive policy in Latin America, otherwise we wouldn't be here today. We would have been doing the right thing all along and avoided this emergency altogether.

I have several other concerns, but I'll wait until the questioning to pursue them. I hope today will be the beginning of an honest and forthright debate on this package. I hope the discussion will prompt a broader debate about our foreign assistance priorities to Latin America.

If there are no objections, I ask that a statement from the United Steel Workers be submitted to the record, on behalf of Senator Biden.

Without objection, so ordered.

Senator MENENDEZ. And with that, I turn to the distinguished ranking member of the committee, Senator Lugar.

OPENING STATEMENT OF HON. RICHARD G. LUGAR. U.S. SENATOR FROM INDIANA

Senator LUGAR. Well, thank you very much, Mr. Chairman. I thank you especially for chairing this important hearing on the President's supplemental funding request to combat narcotrafficking through Mexico and Central America, known as the Merida Initiative.

Since entering office last December, Mexican President Felipe Calderon moved to improve public security in his country. And the Mexican Government has committed $2.5 billion to combat drug trafficking next year, launched aggressive antidrug operations in 10 Mexican States, replaced numerous high-ranking Federal police officers in anticorruption campaigns, and created a unified national crime database.

The Calderon government has strengthened law enforcement cooperation, extraditing close to 80 criminals to the United States this year, including cartel kingpins. It has also made record seizures of cocaine, methamphetamine precursors, cash, and other assets. The ongoing public security campaign has reduced the legal impunity that the drug cartels have traditionally enjoyed in Mexico, but it's come at a high cost.

Mexico has suffered approximately 2,650 drug-related killings since the beginning of this year, compared to 2,120 in 2006. The Merida Initiative is an attempt to seize the opportunity created by Mexico's invigorated anticrime campaign by funding key programs

and building stronger cooperation between Mexico and the United States. It recognizes that 90 percent of the cocaine entering the United States transits Mexico and that our efforts to combat this drug flow and associated criminal activities depend on a partnership with the Mexican Government.

To assist Mexico's efforts, the Merida Initiative provides $500 million, including $306 million for counternarcotics, counterterrorism, and border security; $100 million for institution-building and the rule of law; and $56 million for public security and law enforcement. In addition, the administration has proposed $50 million to boost counternarcotics, counterterrorism, and law enforcement in Central America.

I'm concerned that this portion of the request falls short of what is required. Though Mexico has made progress against organized crime, the strength of criminal gangs in Central America is growing. Gangs in Central America have emerged as major social factors and they've been expanding their influence in relatively ungoverned areas as they exploit for their drug trafficking operations.

Central American leaders and public opinion, especially in Guatemala, El Salvador, and Honduras have characterized this situation as a regional emergency requiring an urgent response. Central America is the primary transit point for people and drugs destined for the United States from Colombia. Increasing crime in Central America threatens regional stability, debilitates national economies, and exacerbates illegal migration to the United States.

In the past, political wrangling and resource constraints have hampered Central America's response to the drug trade. But recently, Central American countries have agreed to strengthen regional security through the Central America Integration System. Together they have produced a comprehensive regional security strategy.

The Central American officials feel that they will not be able to confront threats effectively without more assistance. They fear the gang members and drug traffickers will flee Mexico for Central America, where it will be easier to operate.

As one senior Central American Government official stated, "In this case, Mexico's gain could be our loss." In this context, I'm hopeful that additional funds will be found for Central America, as this initiative goes forward, perhaps during the fiscal year 2009 appropriations cycle. It's especially important that the Merida Initiative be implemented as a regional plan and progress be evaluated according to what is happening in both Mexico and its neighbors to the south.

In Mexico, President Calderon is laying the groundwork for deeper cooperation with the United States, articulating a message that makes clear that coordination in sensitive areas will require more compromise, more mutual trust, and respect for each other's sovereignty.

One area that requires more cooperation is arms trafficking. A member of my senior staff returned this month from a visit to Mexico City, where he met with Mexican Government officials and members of the Mexican Senate regarding attitudes toward the Merida Initiative. He found Mexican officials generally supportive,

but they consistently called on him to relay their concerns about the flow of guns and explosives from the United States into Mexico.

American Embassy officials confirmed that the United States is a major source of weapons for Mexican gangs and drug runners. As the Merida Initiative goes forward, American agencies must work closely with Mexican officials to address this problem. We do not want to create a self-defeating situation in which a critical foreign assistance program, meant to assist a neighbor and enhance U.S. security, is being undercut by an illegal flow of weapons originating from within our own borders.

I look forward to the insights of our distinguished witnesses on these and other issues related to this initiative. And I thank you, Mr. Chairman.

Senator MENENDEZ. Thank you.

Is there any other Senator who has an opening statement?

Senator BOXER. Senator Menendez, I——

Senator MENENDEZ. Senator Boxer.

Senator BOXER [continuing]. I don't have an opening statement. I just want to say that I have a lot of concerns about this, on many, many levels, that I understand you, Senator Menendez, really, I think, spoke for me in some of those concerns.

It's—as I see this President veto bills that give our people a lot of hope and then he vetoes these bills, education, health research, war on cancer, because we don't have money. And now we're looking at a huge amount of money for a military type of project, which, I don't know, at the end of the day does really help our relations. I have just a lot of concerns about this.

Drug trafficking in Mexico is a horrific, horrific problem, and no one knows more than my State. I'll tell you, I've looked at treatment for all. It's a lot cheaper than this thing. We haven't even approached the demand side. So, I get confused about this, I get confused about this.

We don't have treatment for the people who want treatment. They're—they're part of the problem because they're demanding these drugs. We've got horrible trafficking in Mexico, which we all want to end, and it's a one-dimensional type of approach. We have all the money in the world for this, but no money for our kids here at home, like a million of them waiting for after school. I don't get it, I don't get the balance here.

So I—I'm going to listen and—but I'm a skeptic on this.

Thanks.

Senator MENENDEZ. Thank you, Senator Boxer.

Senator Isakson, do you have anything?

STATEMENT OF HON. JOHNNY ISAKSON, U.S. SENATOR FROM GEORGIA

Senator ISAKSON. Well, thank you, Senator Menendez, and I won't make a long statement, but I have a keen interest in this issue. Some months back I called on an emergency supplemental for border security between the United States and Mexico in total, because of the immigration issue that this country faces. I notice in this proposal, there's some $300 million, as I understand it, for border security, which in part, may help us with some of the immigration problem that we have.

Second, it is my understanding that since we passed the legislation in the Senate last year, restricting access to many of the components to methamphetamine, that the demand is now being met by those components coming over from Mexico into the United States of America. And I know in the South, there is no greater scourge than the scourge of methamphetamine. So I am anxious to hear the testimony. I think it does rise to the level of an emergency supplemental, if in fact it is comprehensive and targeted in those two areas.

So, I appreciate the two of you being here today testifying and look forward to hearing your testimony.

Thank you, Mr. Chairman.

Senator MENENDEZ. Thank you.

With that, Secretary Shannon, we'll start with you. We'll have both of your full statements be entered into the record. We'd ask you to summarize in about 5 minutes or so, so that we can maximize our time for an exchange. And we recognize you and welcome you to the committee.

STATEMENT OF HON. THOMAS SHANNON, ASSISTANT SECRETARY, BUREAU OF WESTERN HEMISPHERE AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Mr. SHANNON. Thank you very much, Mr. Chairman, Ranking Member Lugar, other members of the committee. Thank you for the opportunity to discuss the Merida Initiative and the new paradigm that it represents for regional security cooperation among the United States, Mexico, and the countries of Central America.

As noted, the President has asked for $550 million for the Merida Initiative in the supplemental budget request; $500 million of that funding would go to Mexico as the first tranche of what we hope will be a $1.4 billion multiyear security cooperation package; and $50 million would target Central America, with the hope that as we deepen our discussion with Central America on the basis of their security strategy, that we would be able to look to additional funding in the future.

This is an important moment in the fight against transnational drug trafficking and organized crime and one that requires urgent action on the part of all nations involved. President Bush recognized that the United States has an unprecedented opportunity to reduce the economic and human toll in our cities and towns emanating from cross-border organized crime. The governments and citizens of Mexico and Central America have recognized the threat to their own stability and prosperity. They are taking courageous steps to confront these criminal elements, and are now seeking U.S. support to ensure a comprehensive and integrated regional effort.

Over the past decade, drug trafficking and other criminal organizations have grown in size and strength, aggressively seeking to undermine and intimidate government institutions in Mexico and Central America, compromising municipal and state law enforcement entities, and substantially weakening these governments' ability to maintain public security and expand the rule of law. This proliferation has generated a surge in crime and violence throughout the region, including in the United States.

None of what I have described above will come as a surprise to our partners in the region. These leaders have used some of the same language to describe and acknowledge the challenges they are facing and they are acting on it. The leaders of these nations are already working to beat back violence and crime for their citizens and they have turned to us to join them as partners.

In Mexico, President Calderon has acted decisively, using the most effective tools at his disposal. He is reorganizing the Federal police, putting new and additional resources in the hands of his security services, deploying military units to support police operations, rooting out corrupt officials, attacking impunity, arresting major crime figures, and extraditing a record number of drug kingpins and other criminals to the United States.

However, President Calderon has recognized that leadership and political will are not enough, he needs greater institutional and material resources to ensure both near-term success and long-term institutional change. In an unprecedented step, he has asked the United States to launch a new partnership with Mexico and to help him strengthen Mexican law enforcement, public safety, and border security to defeat the drug and criminal organizations.

At the same time, the nations of Central America have committed to collective action to address these common security concerns. Through the Central American Integration System, SICA, the governments have expressed the political resolve to join forces to strengthen regional security, however they lack sufficient tools and capacity to execute that will.

The impetus for the Merida Initiative, as noted, came out of the President's March trip to the region, particularly his visits to Guatemala and Mexico, where security concerns dominated the conversations with President Berger and President Calderon. In the course of these discussions and the followup consultations with both Mexico and Central America, we have been able to develop the framework of a new regional security partnership.

Throughout this process, we have tried to shape the Merida Initiative to be comprehensive, balanced, and timely. The initiative is comprehensive in that it deals with security in all its components and builds on a variety of initiatives that are taking place now in the United States, Mexico, and Central America.

The initiative is balanced because it involves a range of security institutions in Mexico and Central America, with a particular focus on building capacity and capability in civilian sectors.

Finally, the Merida Initiative is timely because it responds to a real-time threat, as organized crime attempts to overwhelm the stability and well-being of democratic States in Mexico and in Central America.

Just as our partners in the region acknowledge the extent of the threat, President Bush has accepted that the United States shares responsibility and is prepared to step up to do our part. This request reflects how the United States would like to work with the Governments of Mexico and Central America through the use of foreign assistance funds.

As President Bush has stated, "Regional problems require regional solutions." The Merida Initiative is where each nation's domestic efforts are combined with regional cooperation and col-

laboration to multiply the effects of our actions. It clearly shows we realize that drug trafficking and criminal organizations do not respect political boundaries and that we must synchronize our tactics and confront the problem together.

The President's vision for this hemisphere is rooted in partnership, the type of partnership that the Merida Initiative represents. He has stressed that all in the region, including the United States, have a shared responsibility for combating this crime and violence that so gravely affect our citizens. We have far-reaching geographic, economic, and demographic links to Mexico and Central America and a compelling national security interest in helping the governments of this region succeed in the battle against crime and insecurity. We believe the Merida Initiative represents the best hope for tackling the problem in a thorough manner with our willing partners.

Mr. Chairman, we welcome your offer to have an honest and thorough debate and discussion on the initiative. We acknowledge that there has been concern expressed regarding the lack of prior consultations before the public announcement of the supplemental request. We regret we were unable to engage in such consultations. Our intention was to present to the Congress a credible security cooperation package that reflected the best work of our interagency community and discussions with our Mexican and Central American counterparts.

This process took longer than expected. As we proceed, Mr. Chairman, we commit to work closely with you and your committee and other relevant committees and staff, to ensure that together we can craft a security cooperation package that will meet national security interests and take full advantage of the historic opportunity that lies before us.

[The prepared statement of Mr. Shannon follows:]

PREPARED STATEMENT OF HON. THOMAS A. SHANNON, ASSISTANT SECRETARY OF STATE, BUREAU OF WESTERN HEMISPHERE AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Mr. Chairman, Ranking Member Lugar, and members of the committee, thank you for the opportunity to discuss the Merida Initiative and the new paradigm that it represents for regional security cooperation among the United States, Mexico, and the countries of Central America.

The President has asked for $550 million for the Merida Initiative in the supplemental budget request; $500 million of that funding would go to Mexico as the first tranche of what we hope will be a $1.4 billion multiyear security cooperation package, and $50 million would target Central America.

This is an important moment in the fight against transnational drug trafficking and organized crime; and one that requires urgent action on the part of all nations involved. President Bush recognized that the United States has an unprecedented opportunity to reduce the economic and human toll in our cities and towns emanating from cross-border organized crime. The governments and citizens of Mexico and Central America have recognized the threat to their own stability and prosperity. They are taking courageous steps to confront these criminal elements, and are now seeking U.S. support to ensure a comprehensive and integrated regional effort.

Over the past decade, drug trafficking and other criminal organizations have grown in size and strength, aggressively seeking to undermine and intimidate government institutions in Mexico and Central America, compromising municipal and state law enforcement entities, and substantially weakening these governments' ability to maintain public security and expand the rule of law. This proliferation has generated a surge in crime and violence throughout the region, including in the United States.

We have seen the emergence of gangs as major social actors, the corruption of the police, judiciary, and prison systems, and a growing popular demand for governments to respond to the threat posed by these criminal organizations. The effects of this growing problem are also readily apparent in the United States in the form of gang violence, crime, and higher rates of trafficking in persons and illegal drugs—all of which threaten our own national security and impose mounting economic costs.

None of what I have described above will come as a surprise to our partners in the region—these leaders have used some of the same language to describe and acknowledge the challenges they are facing. And they are acting on it. The leaders of these nations are already working to beat back violence and crime for their citizens and they have turned to us to join them—as partners.

In Mexico, President Calderon has acted decisively, using the most effective tools at his disposal. He is reorganizing the Federal police, putting new and additional resources in the hands of his security services, deploying military units to support police operations, rooting out corrupt officials, attacking impunity, arresting major crime figures, and extraditing a record number of drug kingpins and other criminals to the United States. The determination and commitment shown by the Calderon administration is historic; and the early results impressive. In the course of 1 month, two seizures alone have netted over 30 tons of cocaine destined for Mexico and/or the United States, shattering all previous records for drug seizures in Mexico. In fact, our understanding is that Mexico has confiscated more cocaine in the first year of the Calderon administration than any other since they began keeping records.

However, President Calderon has recognized that leadership and political will are not enough; he needs greater institutional and material resources to ensure both near-term success and long-term institutional change. In an unprecedented step, he has asked the United States to launch a new partnership with Mexico and to help him strengthen Mexican law enforcement, public safety, and border security to defeat the drug and criminal organizations. This is not a "traditional" foreign assistance request. It is, as our joint declaration called it, "a new paradigm for security cooperation."

At the same time, the nations of Central America have committed to collective action to address these common security concerns. Through the Central American Integration System (SICA), the governments have expressed the political resolve to join forces to strengthen regional security; however they lack sufficient tools and capacity to execute such will. Despite these challenges, national authorities remain committed to the fight; using their own limited resources and equipment to interdict narcotics, arrest drug cartel members, and extradite high-profile drug traffickers to the United States for prosecution. The countries of Central America are also committed to working among themselves as well as with the United States. In March, the Government of Panama, working with DEA and Coast Guard, seized a record 17 metric tons of cocaine. And just last week, in a combined operation involving U.S. law enforcement and the National Police of both Nicaragua and Costa Rica, 250 kilograms of cocaine were confiscated in Nicaragua. These examples demonstrate that in Central America, as in Mexico, there are courageous partners with whom we can work cooperatively.

The impetus for the Merida Initiative came out of the President's March trip to the region; particularly his visits to Guatemala and Mexico, where security concerns dominated the conversations with President Berger and President Calderon. In the course of these discussions and the follow-on consultations with both Mexico and Central America, we have been able to develop the framework of a new regional security partnership.

Throughout this process, we have tried to shape the Merida Initiative to be comprehensive, balanced, and timely. The initiative is comprehensive in that it deals with security in all its components and builds on a variety of initiatives that are taking place now in the United States, Mexico, and Central America. Combined with the push we have made against drug trafficking and the flow of other illicit goods elsewhere in the region, the Merida Initiative represents an effort to integrate security programs from the Andes, through the isthmus of Central America and into Mexico, up to the Southwest border of the United States. This is a hemispheric assault to cripple drug trafficking and criminal organizations, disrupt and dismantle their networks, and help fortify state institutions to ensure these groups can no longer operate effectively.

The initiative is balanced because it involves a range of security institutions in Mexico and Central America, with a particular focus on building capacity and capability in civilian sectors. The entire Central America portion of the supplemental request and nearly 60 percent of the Mexico portion is going to civilian agencies in

those countries. Our goal in balancing the package is to assist Mexico and Central America in their immediate fight against organized crime, to improve connectivity and communications among the various law enforcement agencies, and to support the institutional reform necessary to fortify the state institutions of justice and rule of law that are essential for the long-term protection of civil and human rights.

Finally, the Merida Initiative is timely because it responds to a real-time threat, as organized crime attempts to overwhelm the stability and well-being of democratic States in Mexico and in Central America. Our allies in this region have already begun to act and have called on us to assist them as quickly as possible. The urgency of their appeal is palpable, and we should not miss the opportunity to capitalize on the successes we have witnessed so far, as well as to forge a stronger alliance with willing partners.

Just as our partners in the region acknowledge the extent of the threat, President Bush has accepted that the U.S. shares responsibility and is prepared to step up to do our part. This request reflects how the United States would like to work with the Governments of Mexico and Central America through the use of foreign assistance funds. And I have already spoken to the increased efforts by which these governments have begun the fight themselves. What is not captured in this supplemental request is what the United States is doing domestically to contribute to this partnership.

While I defer to U.S. domestic law enforcement agencies to provide you details, I can tell you that the Merida Initiative was designed to complement what the United States has been doing on our side of the border to address issues such as arms and bulk cash trafficking, gangs, and demand for drugs. Through a number of domestic strategies and programs—such as the Southwest Border Counter-Narcotics Strategy, the National Drug Control Strategy, and the U.S Strategy for Combating Criminal Gangs from Central America and Mexico—we are working domestically to enhance our efforts against the trafficking of drugs, arms, money, and humans, as well as to reduce the demand for drugs within the United States.

However, each nation working on its own is not enough. As President Bush has stated, regional problems require regional solutions. The Merida Initiative is where each nation's domestic efforts are combined with regional cooperation and collaboration to multiply the effects of our actions. It clearly shows we realize that drug trafficking and criminal organizations do not respect political boundaries and that we must synchronize our tactics and confront the problem together.

This new paradigm is not without its challenges, but we believe they are challenges that can be overcome. Oversight and accountability are essential in this process and we have structured the package in such as way as to assure this. We also plan to build on the efforts of the Governments of Mexico and Central America in protecting human rights and rooting out corruption; all participants agree that these are indispensable components of any security cooperation partnership.

Having visited Mexico with Deputy Secretary Negroponte 2 weeks ago, and having led the U.S. delegation to the first U.S.–SICA Dialogue on Security in Guatemala in July, I can tell you that I am struck by the immediacy of the threat. Equally, I have been impressed by the commitment of the governments involved to work together to finally put an end to the growing violence and crime.

The President's vision for this hemisphere is rooted in partnership; the type of partnership that the Merida Initiative represents. He has stressed that all in the region, including the United States, have a shared responsibility for combating this crime and violence that so gravely affect our citizens. We have far-reaching geographic, economic, and demographic links to Mexico and Central America and a compelling national security interest in helping the governments of this region succeed in the battle against crime and insecurity. We believe the Merida Initiative represents the best hope for tackling the problem in a thorough manner with our willing partners.

Senator MENENDEZ. Thank you.

Secretary Johnson.

STATEMENT OF HON. DAVID JOHNSON, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Mr. JOHNSON. Thank you, Mr. Chairman. Mr. Chairman——

Senator MENENDEZ. Would you put your microphone on?

Mr. JOHNSON. Thank you, Mr. Chairman. Mr. Chairman, Senator Lugar, Senator Boxer, Senator Isakson, thank you for the opportunity to discuss the Merida Initiative to confront narcotics trafficking in Mexico and Central America.

I've submitted a written statement for the record, which I will summarize briefly. As Assistant Secretary Shannon noted, Mexico and Central America have already made considerable progress against criminal networks, and have shown an unprecedented willingness to work together to address these threats. We're beginning to see some positive signs that these efforts, together with successful counterdrug programs in the Andean source zone, may be having a measurable impact on the availability of drugs here in the United States. Clearly, this is a compelling moment of opportunity further to advance our common national security interests.

Through bilateral and multilateral initiatives, the Governments of Mexico and Central America are demonstrating unprecedented will to work with us and each other to address these issues. This is a compelling opportunity to advance our common national security interests.

U.S. support through the Merida Initiative will focus on three broad areas. First, counternarcotics, counterterrorism, and border security. Second, public security and law enforcement. And third, institution-building and rule of law.

The primary goal is to diminish the power and impunity of criminal organizations by strengthening border controls, enhancing law enforcement capacity, and improving justice and correction systems. Of the $550 million included in the supplemental request, $500 million would support reinvigorated cooperation with Mexico.

As Senator Lugar noted, approximately 90 percent of the cocaine bound for the United States transits Mexico and Mexico is the principal foreign source for methamphetamine and marijuana consumed in the United States.

Drug-related violence has spread to all parts of Mexico and into the United States. Through this initiative, U.S. assistance will seek to build upon existing programs in the areas of border security, interdiction, and criminal justice reform.

For example, supplemental funding would provide specialized inspection equipment and canine teams, communications technology, and aircraft to support interdiction activities. Our assistance would also provide technical assistance in areas such as vetting of Mexico's newly established Federal police force, case management software, and the establishment of witness protection programs.

We also plan to enhance information-sharing, related to terrorist travel, through the advanced passenger information system. The proposal also seeks to address money laundering and drug demand in the region. In Central America, programs will be tailored to the needs of individual countries in areas such as criminal gang activity and small arms trafficking.

The Merida Initiative represents a rare, perhaps even a unique opportunity to address security concerns in our hemisphere. But we also recognize that it requires a significant investment on the part of the American taxpayer. Proper financial management of a program of this size and scope is a significant challenge. Should Congress approve funding for this worthwhile initiative, my top pri-

ority will be to ensure that effective financial controls are in place, and that we have the staffing necessary for effective oversight.

Like our other counterdrug and law enforcement programs, funding would be obligated through bilateral letters of agreement and include safeguards, such as end-use monitoring for equipment and screening of trainees.

Mr. Chairman, in response to the concerns that you and others have expressed, concerning the lack of prior consultations, I regret that we did not provide you with more detailed information earlier. We have now sought to provide Congress with this credible and as defensible proposal as possible, and the process of validating requirements took longer than we wished. We look forward to continued dialog with you to shape this proposal into a plan that is in the best interest of the United States, Mexico, and Central America.

Again, thank you for the opportunity to appear here today. I look forward to working with you on these important issues, I look forward to your questions.

Thank you.

[The prepared statement of Mr. Johnson follows:]

PREPARED STATEMENT OF HON. DAVID T. JOHNSON, ASSISTANT SECRETARY OF STATE, BUREAU FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Mr. Chairman, Senator Lugar, other members of the committee, thank you for the opportunity to discuss the Merida Initiative to confront transnational narcotics trafficking and organized crime in Mexico and Central America.

As Assistant Secretary Tom Shannon explained, our partners in Mexico and Central America have already made considerable progress in their own efforts to fight these transnational organized criminal networks, and they would like our help to do more. Through bilateral and multilateral initiatives, the Governments of Mexico and Central America are demonstrating unprecedented will to work with us and each other to address these issues. This is a compelling opportunity to advance our common national security interests.

Roughly 90 percent of all the cocaine consumed in the United States transits Mexico. The country is also the largest foreign supplier of marijuana and the largest foreign source of methamphetamine consumed in the United States. Central American officials have identified gangs, drug trafficking, and trafficking of arms as the most pressing security concerns in that region. The Merida Initiative will respond to those security threats and build on existing strategies and programs. We are confronting vulnerabilities posed from the increasingly violent nature of the security situation in Mexico and Central America that if left unchecked, could open the way for more dangerous threats to emerge.

Through the Merida Initiative, the United States seeks to strengthen our partners' capacities in three broad areas: (1) Counter-Narcotics, Counterterrorism, and Border Security; (2) Public Security and Law Enforcement; and (3) Institution Building and Rule of Law. Through this cooperative effort, we intend to achieve the following strategic goals: Break the power and impunity of criminal organizations; strengthen border, air, and maritime controls from the Southwest border of the United States to Panama; improve the capacity of justice systems in the region to conduct investigations and prosecutions, consolidate the rule of law, protect human rights, and reform prison management; curtail criminal gang activity; and reduce the demand for drugs throughout the region.

This cooperation is designed to build on activities already underway in the region. For example, Mexico is undertaking historic efforts to improve coordination among security agencies, modernize law enforcement agencies and professionalize their staff. Since his inauguration in December 2006, President Calderon has taken decisive action against transnational criminal organizations by deploying 24,000 troops to support joint police-military counternarcotics operations in 10 Mexican States, increasing extraditions, and initiating large scale police reform.

The results of these efforts are striking. The Calderon administration has extradited a record 79 fugitives to the United States this year, including prominent mem-

bers of the gulf drug trafficking organization. Mexican law enforcement authorities have seized over $200 million in cash from a methamphetamine trafficking organization, and have seized record amounts of narcotics. Seizures of cocaine, marijuana, opium gum, heroin, and methamphetamine are on pace to exceed last year's totals. As noted by Assistant Secretary Shannon, cocaine seizures in recent weeks have shattered all previous records in Mexico. We are also beginning to see encouraging signs that these achievements, together with successful programs in the Andean source zone, may be having a measurable impact on the availability of cocaine here in the United States.

Mexico has also made great strides in its efforts to root out official corruption. Since coming into power, the Calderon administration has conducted thousands of inquiries and investigations into possible malfeasance or misconduct. These investigations resulted in the dismissal of over 1,600 employees, the suspension of nearly 2,000, as well as thousands of reprimands. The imposition of economic sanctions against corrupt Federal employees brought the equivalent of over $300 million in fines and reimbursements into the Mexican treasury.

Existing U.S. programs complement and support the historic counternarcotics efforts of the Calderon administration. For example, we are conducting programs supporting professionalization and justice system restructuring. These efforts include training and other support to police reform, and development of Federal police institutions and infrastructure. These programs support the vetting of Mexican law enforcement agents and assist State and Federal police and prosecutors. We provided training for 4,627 Government of Mexico officials in 2007, and have plans to train about 5,800 in 2008. Our Good Governance programs support rule of law education programs and promote anticorruption initiatives within the Mexican Federal bureaucracy.

Looking into the future, the Merida Initiative, if approved, will include various efforts to improve crime prevention, modernize the Mexican police force, and provide institution-building and the rule of law. Case management software, technical assistance programs, and equipment will support Mexico's judicial and police reforms by enhancing their ability to investigate, convict, sentence, and securely detain those who commit crimes. Technical assistance and training programs will support Mexico's development of offices of professional responsibility, inspectors general, and new institutions designed to receive and act on citizen complaints. Increased training for prosecutors, defenders, and court managers in Central America, will assist with judicial reform. The initiative will expand needed technical assistance on prison management and aid in severing the connection between incarcerated criminals and their criminal organizations.

One of our existing programs supports antimoney laundering efforts by the Government of Mexico, by assisting the Government's Financial Intelligence Unit (FIU) and by supporting police and prosecutors who investigate money laundering-related crimes. As part of the Merida Initiative, we plan to support the FIU through the expansion of software for data management and data analysis associated with financial intelligence functions and law enforcement.

Nearly half of our current programs focus on interdiction, including support for the Mexican counterparts of our Federal law enforcement agencies. To further advance this cooperation, funding under the Merida Initiative focuses support for a Consolidated Crime Information System; purchasing special investigative equipment, vehicles and computers for the new Federal Police Corps; creating special police units to focus on high-profile criminal targets and deploy at major airports and seaports; assessing security and installing equipment at Mexico's largest seaports; and procuring additional clandestine laboratory vehicles and safety gear to assist the Government of Mexico in combating methamphetamine. This program includes specialized equipment and training to safely and effectively dismantle methamphetamine super labs.

Our existing programs focus on border security by principally providing inspection equipment and associated tactical training to support inspection capabilities of police, customs, and immigration. Funds also provide equipment and specially trained canine teams to pursue arms trafficking and explosives. Through linkages with the USG's Advanced Passenger Information System, we also facilitate the real-time interchange of information related to potential counterterrorism targets.

The Merida Initiative includes several programs to support interdiction and border security efforts such as information technology support that will assist Mexico's Federal migration authorities improve their database and document verification capabilities. Additional communications equipment will improve their ability to conduct rescue and patrol operations along Mexico's southern border. Equipment for a secure communications network, data management, and forensic analysis will strengthen coordination among Mexican law enforcement agencies and greatly en-

hance Mexico's ability to prosecute narcotrafficking and other transborder crimes. Technologies such as gamma-ray scanners, density measurement devices, and commodity testing kits will help prevent the cross-border movement of illicit drugs, firearms, financial assets, and trafficked persons. Expansion of weapons tracing programs will enable increased joint and individual country investigations and prosecutions of illegal arms trafficking. Enhanced information systems in Mexico will strengthen analytical capabilities and interconnectivity across law enforcement agencies and improve information-sharing with U.S. counterparts. Additional transport and light aircraft in Mexico will give security agencies the capability to rapidly reinforce law enforcement operations nationwide.

In Central America, maritime assistance and both fixed and mobile nonintrusive inspection assistance, will allow regional migration officials to better defend national sovereignty from land and sea incursions by illegal traffickers. In addition, technical assistance, training, and nonlethal equipment will improve policing and promote preventative and community policing. Specialized antigang units in El Salvador, Honduras, and Guatemala will also improve investigation and prosecution of dangerous gang members in the United States, Central America, and Mexico. Moreover, the Merida Initiative will provide funding to implement all five elements of the U.S. Strategy to Combat Criminal Gangs, including improved processes for repatriation and strong community action programs to prevent youth from joining gangs. We will also begin a focused program to address illicit trafficking of small arms and light weapons throughout the region by providing a regional adviser, training and stockpile management and destruction assistance.

Finally, an existing U.S. program supports demand-reduction efforts by Mexican governmental and nongovernmental entities that pursue drug remediation, rehabilitation, and public awareness activities. The Merida Initiative will build significantly on these small programs by providing technological support to the Mexican National Network for Technological Transfers in Addictions, which will improve its ability to deliver drug treatment and prevention services across Mexico.

The Merida Initiative will be implemented through bilateral Letters of Agreement with the host governments that will include provision for end-use monitoring. We will work with the interagency to identify implementers for the various programs under the Merida Initiative, building on the results of interagency validation teams that verified the proposals in consultation with Mexican and Central American government agencies, and by expanding ongoing interagency cooperative relationships at the various embassies and consulates in the region.

Senator MENENDEZ. Thank you both.

We'll start the questioning with 7-minute rounds and since this is the only panel that we have on the issue, we'll probably go through a second round again. And the Chair will recognize himself to start off with.

Mr. Secretary, you've cited a series of things. I want to ask you, very briefly tell me, a, b, c, this is what we're going to accomplish with this initiative. What is your strategic objective, a, b, c? If there's an a, b, and c, there might be only a, but whatever.

Mr. JOHNSON. The strategic objectives are several-fold. First, in Mexico and Central America: Work with our partners to fight organized crime and drug cartels. This means ending the ability of organized crime to threaten the democratic States of Mexico and Central America. This is why we believe it's an emergency today. We believe these organized crime institutions are indeed threatening the democratic States of Mexico and Central America.

Second, in the process of breaking down organized crime groups and cartels, reduce the flow of narcotics to the United States, and look for ways to ensure that as we reduce that flow of narcotics, it does not move elsewhere in the region. This is why we have Central America as part of this package. In order to address a regional approach, and it's why we are beginning a deeper conversation on security with our Caribbean partners.

Third, build new and enduring relationships with law enforcement institutions in the region, especially in Mexico and Central

America. We have been approached by the Mexicans and by the Governments of Central America in an unprecedented fashion. We believe this is an opportunity to break down longstanding taboos in our national relationships and build new levels of cooperation that will not only enhance security cooperation, but will enhance broader political and diplomatic cooperation throughout the region.

Senator MENENDEZ. Well, if part of what we are trying to do is stop the flow of narcotics into the United States and to deal with the drug cartels, why do we not deal with the fact that, in this initiative, with the report, Secretary Johnson, that was issued by your Bureau in March of this year, that Mexico supplies a large share of the heroin distributed in the United States. It is the largest foreign supplier of marijuana to the United States market, and a major supplier and producer of methamphetamine. And the World Drug Report of 2007, from the U.N. Office on Drugs and Crime, estimates that Mexico is one of the top two marijuana producers of the world.

And there's other information about how Mexico is now facing a consumption issue, as well. So we have a huge production part, forgetting about the transiting of drugs through Mexico from other places. We have a huge production of some of these issues within Mexico itself. Nothing, nothing, in this initiative is going to deal with that. Is that correct?

Mr. JOHNSON. I'd say, on the contrary. Unlike——

Senator MENENDEZ. What exactly are you going to do as it relates to production?

Mr. JOHNSON. The effort here is focused not on eradication, as you recognize, but is focused on interdiction. And it is focused on confronting the organized criminal networks, which are multifaceted in nature, in the sense that their products are across the board.

So, by confronting these—these criminal networks, I think we do make the best investment of the taxpayers money to deal with all of these questions of illicit product, illicit narcotics that are destined for the United States, as well as transiting Mexico.

Senator MENENDEZ. But I listened to both your testimonies and looked at your backup offerings that you've given the committee and members. You talk a lot about the violence, which of course is a real concern. Certainly if we arm the military, giving 40 percent of this initiative to the military, there will be a reduction of violence, but we will not get to the core issues of production and we will not get to the core issues of consumption. These cartels are very strategic, so we move the problem out of Mexico and we move it, maybe, to the Caribbean.

I mean, I don't understand how we can take a one-faceted approach to a multifaceted problem.

Mr. JOHNSON. I don't think this is a single-faceted approach. A significant portion of the monetary investment, because of the expensive aircraft, is dedicated to acquisition of both helicopters and fixed-wing aircraft. So in terms of the proportion, that is a significant part, but those are expensive things to do. But there is, within this proposal, demand reduction, programs for the rule of law, programs to support the vetting of the entire Mexican national police force of approximately 35,000 individuals.

So, I think there is—there is a comprehensive approach here, one that seeks to get at the threat to the Mexican State that comes from organized crime and the——

Senator MENENDEZ. Can you point out, to the demand reduction part of this package?

Mr. JOHNSON. I believe it is about $7 million.

Senator MENENDEZ. And what is the intention of the demand reduction?

Mr. JOHNSON. The intent would be to assist the Mexican Government in its own ongoing programs, providing it with expertise that we've generated here in the United States, in order for them to help deal with the same type of challenge that we face.

Senator MENENDEZ. So they will have a better demand reduction than we've had here in the United States?

Mr. JOHNSON. Well, I think that we would like to provide them with some of the expertise that we've developed.

Senator MENENDEZ. I hope we get better expertise than that.

Let me ask you, Mr. Secretary, How much money, and are you going to cut any aid to the rest of Latin America as a result of it?

Mr. SHANNON. Right now we're envisioning a 3-year program for Mexico of $1.4 billion. We have a $50 million request for Central America. We will have further discussions with Central America to determine what else we will be able to fund in Central America, as we take a deeper look at the security strategy that their heads of state are about to approve.

This is a supplemental request now. It will not affect fiscal year 2008 levels. We are in discussion on fiscal year 2009. We understand and share your concern about our larger effort to promote investment broadly in our interests in Latin America, and it is not our intention to have this program reduce our social spending in Latin America.

Senator MENENDEZ. It is not your intention. That's a diplomatic word——

Mr. SHANNON. Well, it's——

Senator MENENDEZ [continuing]. Phrasing, not your intention. The question is, Can the administration say to this committee, that the resources it seeks for this initiative, will not come out of already-cut development assistance to this hemisphere?

Mr. SHANNON. We're in the process of preparing the 2009 budget to present to the Congress.

Senator MENENDEZ. So you cannot tell us that at this point?

Mr. SHANNON. So, until that budget is complete, I cannot give you final figures, but I——

Senator MENENDEZ. Do you intend to continue to ask for the other parts of this as emergency supplementals as well, or do you intend to work that within the budget for the next 2 years that you project?

Mr. SHANNON. Our intention is to work within the budget.

Senator MENENDEZ. Senator Lugar.

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

Certainly, if the figure often utilized now, that 90 percent of the cocaine trade that enters the United States comes through Mexico, one point of oversight that we might be able to exercise in the committee, with your help, is to try to devise what metrics that are

available for measuring progress of the Merida Initiative. In other words, can we suggest that during the coming year, we would note a decrease of the amount of cocaine coming from Mexico or for that matter, if 90 percent is coming through Mexico now from anywhere else? And if so, obviously this is of consequence to the American people.

The cost of cocaine usage and trade in our country is very, very considerable. And therefore, a $500 million investment on this basis alone might be shown to have good returns. But how would be able to gauge that? Have you thought about the metrics of measuring our progress here?

Mr. JOHNSON. I think the two easiest to count, but perhaps the, somewhat misleading ones, would be to count increases in successful extradition requests and in seizures. But I think that only gets to the part that is most easily divided into numbers. What we're aiming for here, is a reduction that is difficult to quantify, and the threat to the Mexican State that comes from organized crime. And ultimately, it will be in the form of significantly reduced violence among those individuals, or among those groups that affects our own border.

But, I think it's going to be difficult to quantify that in the same way that you would count the other issues.

Senator LUGAR. I'm sure it would be, but at the same time, this is being billed as an eradication of a drug issue, and I don't deny the consequences of having greater stability in Mexico, and the initiative the Mexicans have taken, to want to work with us more cooperatively. But I—it just appears to me and may, if you haven't worked this out thus far with the Mexicans or ourselves, perhaps this is an invitation to do so.

I think this is a way of making an impact in terms of public opinion, which is significant. As you say, you might make a judgment as to whether the Government in Mexico is more stable or not, but the current government really wants to take constructive action, is why the President of the country has approached you. So, please take a look at that if you will.

Let me just ask about the Central Americans. At least we've had some conversation with Central American officials who feel that this might be effective as a matter of fact, so effective that the traffic would move in their direction. Now, some would say it's already coming through many of their countries, but what they're talking about literally, is that the organized criminals or those doing vast amounts of cocaine traffic, would find some new nexus for their activities. And therefore, they would say, take hold of this.

Now, you're spending $500 million on Mexico, albeit in a broad gamut of activities you've mentioned, and $50 million for us. But if, in fact, your $500 million is effective, we may be overrun by your success there. Have you had conversations with Central Americans along those lines, and what has been their testimony to you?

Mr. SHANNON. Yes; we have. In fact, we're involved in quite extensive discussions with Central America. Effectively the Mexico program and the Central American programs are running along parallel tracks, but they're operating at different speeds. One, because with Mexico we're dealing with a single country, in Central America we're dealing with many.

And what we've been doing with the Central Americans is working through the Central American Integration System, SICA, in order to construct a broader regional security dialog. This has taken place. It's the first time in recent Central American history that the Central American civilian security agencies have met at ministerial level, have identified security priorities, met with the United States in a security dialog—which took place in July, and I led our delegation to that dialog—established broad priorities for security strategy for fighting organized crime and drug trafficking, fighting weapons trafficking, and fighting gangs—and then began to work with their security ministry to develop a larger Central American security strategy.

They have done that, it has been approved at a ministerial level, it will be approved by the Central American Presidents on December 12. Following that approval, we will then begin the technical discussions with Central Americans, similar to what we had with the Mexicans. And, we see the initial $50 million in this supplemental request as an important component in building off this regional cooperation, linking law enforcement and intelligence agencies to better understand the flow of organized crime in the region, and building some communications and interoperability among the Central American countries.

It's our hope that as we deepen these discussions, we will understand better where else we can provide assistance.

Senator LUGAR. So in years 2 and 3, based on this December conference and others, you might have a different type of request for moneys or for assistance for those Central American countries?

Mr. SHANNON. This is our hope. We believe this will be necessary, sir.

Senator LUGAR. Now, can you make a comment—in my opening statement, I touched upon a common lament of Mexican officials, as that is, they say drugs may be flowing through our country from Central America or from wherever, but on the other hand, arms are flowing from you folks in the United States into Mexico. The very instability that you decry, may be caused by whatever you are unable to control. What are we doing with regard to that? It may or may not be a part of this program, but I think you've intimated it is, because you're talking about security of the Mexican State?

Mr. JOHNSON. Senator, if I could respond to that. It is outside the scope of this request, because it's, in fact, a domestic expenditure, but we're under discussions with Treasury and with Justice's Alcohol, Tobacco, and Firearms Bureau, about the moneys that might be necessary to improve their registry program to take better account of Hispanic name conventions, so that we can more easily exchange data with the Mexican authorities and seek to curb the flow of arms from the United States into Mexico.

Senator LUGAR. Perhaps we can have some metrics on that in due course, too. It would be reassuring, at least, to Mexicans who want more cooperation with us.

Mr. SHANNON. Senator, if I may. As Assistant Secretary Johnson noted, we are very focused on working with the Mexicans on the issue of weapons trafficking. Part of our national Southwestern border strategy focuses on weapons trafficking into Mexico.

And as noted, we hope to be able to share information with the Mexicans that will allow us to identify where these weapons are coming from in the United States, as the Mexicans interdict them. And since improving interdiction is part of the broader initiative, we believe that as the Mexicans improve their interdiction capabilities along the northern border, they will be capturing more weapons shipments. We will be able to use serial numbers to identify where those weapons come from, and this will allow us to do the necessary prosecutions here.

Senator LUGAR. Thank you.

Thank you, Mr. Chairman.

Senator MENENDEZ. Thank you, Senator Lugar.

It's interesting that while we're going to spend maybe $1.5 billion, with part of it being gun trafficking from the United States to Mexico, we have prohibitions against gun tracing. Ironic, isn't it.

Senator Boxer.

Senator BOXER. Lots of irony.

As we bleed red ink here in this country, I want to ask you again, how much is this emergency request?

Mr. SHANNON. The entire request is $550 million.

Senator BOXER. And how are you paying for it?

Mr. SHANNON. Through the supplemental request.

Senator BOXER. Well, how is that paid for? Just tell the truth to the American people; what does that mean?

Mr. SHANNON. Well, it's money appropriated and authorized by the Congress.

Senator BOXER. Yeah; go on. And how is it paid for? It's asked for in emergency supplemental.

Mr. SHANNON. Correct.

Senator BOXER. Is there an offset to pay for it? And are you asking that we cut something else to pay for this?

Mr. SHANNON. No, ma'am.

Senator BOXER. Why not?

Mr. SHANNON. Well——

Senator BOXER. Why not?

Mr. SHANNON. Ma'am, I regret that—that I'm not from the Office of Management and Budget, so I can't talk about the broader——

Senator BOXER. OK, well let me say——

Mr. SHANNON [continuing]. Possibility.

Senator BOXER [continuing]. I think everybody has, in my opinion, should feel a responsibility to pay for something they want. This is going downhill quickly. We are in debt, debt, debt, all on the backs of our kids. And listen, I want to stop this drug abuse in our country. I've had treatment on demand forever. I voted for every dollar to send more Border Patrol to stop crime at the border. The U.S. attorneys in San Diego, at my request, are focusing on these problems. And I would say, if this was adding to the Border Patrol, how many more Border Patrol do we put on in this, on our side of the border, in this proposal?

Mr. SHANNON. Ma'am, this is a foreign assistance proposal, so the moneys can only be spent as part of the foreign assistance budget——

Senator BOXER. OK.

Mr. SHANNON [continuing]. So they won't be putting more Border Patrol.

Senator BOXER. No more Border Patrol. OK. Because Senator Isakson mentioned that, I wanted to make that clear. Because any day of the week I'd vote to put more Border Patrol on our side, focusing on the drugs and the crime, because that's what we really want to get at, at the border.

You know, I don't know if you saw this article, "How Hard is Mexico Fighting Drugs," in Time Magazine, Friday, November 9. So it's pretty new. And I'll just read from this if I can, Mr. Chairman.

"Every time Mexico wants U.S. helicopters, mountains of methamphetamine suddenly get intercepted on their way to the border. The problem is, once Mexico wins the prize, a lot of its law enforcement usually repays the favor by joining up again with the country's drug cartels. That was the case a decade ago, when Washington agreed to begin sharing important antidrug intelligence with Mexico. And no less than Mexico's drug czar—the drug czar in Mexico, Army General Jesus Gutierrez Ribollo—was discovered to be in the pocket of Mexico's major drug lord."

We've seen this movie before. It's gotten to be almost a ritual. Now what protections do you have against corruption?

Mr. JOHNSON. I think the major one we are seeking through this program is two-fold. One is to provide assistance to the Mexican authorities through both training and other assistance, so that they can investigate, provide polygraph testing to their entire new Federal police service.

In addition to that, DEA and the Immigration Customs Enforcement Office are, or have already created and will create additional, what they call vetted units, individuals that are organized into groups, with whom they work, that they have conducted background investigations on, that they have conducted polygraph tests on, and they can be as sure as one can be that they are individuals in groups with whom they can work and share information.

Senator BOXER. So this pattern doesn't disturb you, this past pattern, that's described in this particular article? Does it disturb you?

Mr. JOHNSON. Well, that's at least part of the motivation for, throughout the world, when we're working on these types of programs, to take steps, as I described, to avoid compromise.

Senator BOXER. Yeah; because you know what, I like to be Uncle Sam, I don't like to be Uncle Sucker. I don't like to see taxpayers, in this case, our grandkids have to pay for this program, because you admit you're not—you're not paying for it, that's not your suggestion. And yet, we've seen in the past when we give them assistance what has happened. So, I'm going to hold you to that if this goes forward.

Now, I talked before about supply and demand. And if no one here wanted drugs, what a beautiful world it would be, huh? And so, I wonder whether you know what the administration's proposed budget is this year on antidrug spending in America—in America—to help our people get off drugs and to keep them off drugs. Do you know? Are you aware of it?

Mr. JOHNSON. It's outside the scope of my work, but I understand that it's $4.6 billion to a variety of Federal prevention and treatment initiatives.

Senator BOXER. OK, well let's just say it's a $166.7 million decline from 2007 spending levels. It cuts prevention spending, while continuing to increase funding for overseas and interdiction. This is an outrage. You know, I think we should take care of our youngsters over here and give them some help, then talk to me about giving, you know, $1.4 billion to another country. Cutting—cutting prevention here, it's very bizarre. We've got to do both, we've got to do both, because it's supply and demand.

I would just say, Mr. Chairman, California has a lot at stake here, and I want to see improvement here, but I don't like to see good California taxpayers and American taxpayers, whether from Georgia or Indiana or New Jersey or anywhere else, paying money and then finding out the people we were dealing with turn around and play footsy with the drug lords. And I think it's really important that we know what we're doing, and that's why the point about consultation, is not just an afterthought. A lot of us care a lot about this.

And I know the President had a press release and said he wanted to help and we're all—we want to help Mexico. Mexico's our neighbor, Mexico's our friend, and when Mexico doesn't do well, it certainly hurts—hurts my State. It hurts my State a lot. So, I want to—I want to be helpful here.

My last question in the last couple of seconds has to do with extradited fugitives. In your opening statement, Secretary Johnson, you state that the Calderon administration has extradited a record 79 fugitives. And this is a positive development.

I was involved in one of those cases, one of those fugitives was Jorge Arroyo-Garcia, a drug dealer who killed a California Sheriff's deputy in 2002. And I've been working with the widow to get him extradited. Now, he finally was handed over in 2007, was a very, very difficult time for the widow. She was frustrated and angry, he was allowed to hide in Mexico for years. And after all of our work together, we—we wound up seeing Garcia sentenced to life without parole for the brutal murder, which is a very positive thing. And the reason he was finally arrested and extradited, was because the Mexican Supreme Court ruled that life sentences without the possibility of parole were constitutional.

Should this initiative be conditioned on the continued cooperation of Mexican authorities to extradite wanted criminals like Garcia? Because I can tell you, it would be a nonstarter for me if we didn't make that part of this, because we had to fight too, too long to make sure this murderer went to prison.

So, have you thought about a condition such as that, continued cooperation on the extradition of wanted criminals like Garcia?

Mr. JOHNSON. As far as I am personally aware, we have not had a discussion with the Government of Mexico on conditionality with that respect. We have, though, had the experience of continued improvement in the extradition relationship over the course of the last several years. That has been quite pleasing, not just in this case, but across the board.

Senator BOXER. Well, if it's quite pleasing, we ought to make it part of this deal, because I can tell you, it wasn't quite pleasing to work with this widow for 3 years and see her pain at the fact that this guy was running around. So, I would, again, consultation, that's an issue I would have raised, and we are going to have it raised later.

Thank you.

Senator MENENDEZ. Thank you.

Senator Corker.

Senator CORKER. Thank you, Mr. Chairman.

And thank both of you for your service. I appreciate you coming before us today. Secretary Shannon, you talked about, in your prepared comments, that 60 percent of the money that is going to Mexico is going to civilian organizations. And I know that there's been some discussion about our oversight of you, and I don't know if we've touched on this or not—I stepped out for one moment—but how are you all going to conduct oversight of these civilian organizations? And then, on issues of sovereignty or conflict, explain to us a little bit about how that will work between the countries, our country, their country, and how those conflicts will be settled.

Mr. SHANNON. Happily, Senator. I'll also allow my colleague to talk a bit about how we use letters of agreement and end-use monitoring, in order to track the use of equipment and training.

But first, let me highlight the fact, that in the $550 million that we're asking for, there will not be money transfers to either Mexico or to Central American countries. Everything will be either equipment or training. And this equipment and training will be provided through letters of agreement that we negotiate with the Mexicans that do have end-use monitoring requirements, that Ambassador Johnson can address.

In terms of sovereignty, in Mexico, the Mexican fight against organized crime and drug trafficking will be a Mexican fight. All operational activities will be undertaken by Mexican authorities. We will be in a position to provide equipment and training and information through arrangements we have currently from the Drug Enforcement Agency, U.S. Customs, and other Department of Homeland Security agencies working in Mexico.

But we are effectively looking for ways to enhance the ability of Mexican institutions to protect the Mexican State, because this is really the central challenge that Mexico faces at this point.

The purpose of organized crime, in its engagement with the state, unlike political insurgencies, is not to conquer the state, it's to debilitate it, it's to weaken it to the point that it cannot undertake its functions of fighting crime, which creates space that allows organized crime to operate in. One of the things we're attempting to do—working with the Mexicans, working with the Calderon administration—is to enhance the capability of Mexican institutions to fight their own fight.

What is significant about the request that we received from Mexico and the negotiations and the effort to build a partnership with Mexico at this point, is that Mexico has never asked for this level of assistance in the past. It has never opened itself to this kind of dialog with us, it has never proposed this kind of cooperation. And,

from our point of view, this is indicative of the gravity of the situation, but also the opportunity that presents itself to us.

Mr. JOHNSON. If I could just say a couple more words about the end-use monitoring issue. We do undertake to provide both the provision of the equipment and the supplies and spares, as well as the training, with specific provisions for how we will have access to this equipment, how it will be used, and an ability to have an audit trail, so that we can examine so that we'll know that these conditions under which it's been transferred have been complied with.

With respect to the training, that will be carried out by both U.S. Government entities, where appropriate elements of the Department of Justice or Homeland Security, as well as, in the cases where it's more appropriate and efficient, by the U.S. private sector. Some of that will take place in Mexico, some of it in the United States. The individuals who are—who take part, the Mexican nationals who take part in that training, their names will be provided to us ahead of time, we will undertake to determine and ensure that none of those individuals have been involved in any criminality or any abuse of human rights that has been documented in the past, and so that we can be as—as sure as one can be that we're providing training to people who, that is both appropriate and will be effective to do so.

Senator CORKER. You know, we have a tendency around here, we're probably the worst, those of us sitting up here, at creating new initiatives all the time, that don't take into account other things that are occurring. I'm sure that's not the case here, but would you explain how this is working in concert with—with other activities right now? And then, after speaking to that, talk a little bit about how it ties into some of the things inside of our country. I know we have some, in the southeast part of our country for sure and I'm sure other places also, that's what I'm familiar with, we have cartels operating inside our country, and I'd love to hear a little bit about how those are—those efforts are being coordinated with eradicating that inside our country.

Mr. SHANNON. Senator, in regards to how this links to our other activities in the region, we are trying to build, with the Merida Initiative, a larger regional approach to fighting organized crime and drug trafficking throughout Latin America and into the United States. We have focused, for quite some time, on source countries, especially those countries in the Andes, such as Colombia, where the vast majority of cocaine is produced, recognizing that there are other source countries for heroin, marijuana, and methamphetamines.

But we're also focused now on the transit lanes of drugs as they move out of the Andes through Central America and Mexico. As has been noted in some of the statements, we now believe that about 90 percent of all the cocaine entering the United States moves through Mexico. This is because of a change in nature of organized crime and cartels in the region, but also because of success that we've had in interdicting the movement of cocaine in the Caribbean.

So, what we want to do is link our source-zone strategies with our transit and end-market strategies, so that we have a single regional approach. And as we do this, also begin conversations in the

Caribbean and enhance the ability of Caribbean nations to make sure that drugs don't slip back into the Caribbean.

The one problem we have in addressing the larger Caribbean strategy, at this point in time, is Venezuela, because most of the cocaine that's moving through the Caribbean at this time, is moving through Venezuela—with Venezuela acting as a trampoline—either moving to Hispaniola, to either Haiti or the Dominican Republic, or moving to West Africa, and from there it moves up into Europe.

At one point we had a fairly robust counterdrug cooperation strategy with Venezuela that has suffered over the past several years, under the government of Hugo Chavez. We have negotiated a Memorandum of Understanding with the Government of Venezuela, in an effort to improve our drug cooperation, and especially improve the activity of U.S. agencies in conjunction with Venezuelan agencies. And although we've concluded that treaty, the Government of Venezuela has yet to sign it.

Mr. JOHNSON. Just to add quickly. We have, currently, a set of programs working with Mexico, principally on the—in the border area. They are funded at the level of about $25 million. But this program we're talking about is a quantum leap beyond that, both because of the threat that we face, as well as the opportunity that we think is unique, that's been provided here.

Senator CORKER. If you would, just—and how that ties to some of the things that are happening inside of our country, though there's full coordination both ways.

Mr. JOHNSON. Yes, sir. There, I mean, there—we are working hand in glove, if you will, with this program, coordinating with our law enforcement authorities, our Federal ones, the FBI and the Immigration and Customs enforcement people in particular. They are supportive of this program, believe it will help them in their work along the border.

I can't tell you how it would impact things, you know, well into the interior of the country though.

Senator CORKER. OK. Thank you, Mr. Chairman.

Senator MENENDEZ. Senator Webb.

Senator WEBB. Thank you, Mr. Chairman.

Gentlemen, are either of you comfortable with the level of law enforcement efforts inside this country, with respect to drugs?

Mr. SHANNON. Sir, do you mean the activity of U.S. law enforcement agencies?

Senator WEBB. Yes. Inside this country, governmental entities addressing the drug situation inside this country. Are either of you comfortable with the level or are you satisfied with the effectiveness inside the country?

Mr. SHANNON. Well sir, we can always do more and we have to do more.

Senator WEBB. We do have to do more.

Mr. SHANNON. But——

Senator WEBB. Are either of you comfortable with the effectiveness of the antigang law enforcement efforts inside this country?

Mr. SHANNON. By comfortable, well obviously we need——

Senator WEBB. Satisfied as an American.

Mr. SHANNON. No. Satisfied, no. We need to do more. We always need to do more.

Senator WEBB. This is—this is the difficulty that I'm having with this proposal. And I salute you for all the efforts that you're doing, in terms of coordinating with other countries and that sort of thing. I mean, when you talk about the threat to the Mexican State, we have a threat to the American State. And I'd love to have a $1.4 billion, particularly in the area of gangs.

I mean, when we talk about drugs, the difficulty with drugs, it is global, not, you know, not simply, heavily Mexico, but not simply in that part of the world. But it's also local. There was an article in the Economist a couple of weeks ago that said the No. 1 agricultural crop in California is marijuana. And wherever it starts, and we talk about demand reduction programs, you know, the difficulty in the United States is it's a demand-pull problem. And where the these different entities are trafficking just depends on, it's almost like guerilla warfare. You know, it's where you push here, they're going to be over here.

And the situation with gangs is a very serious problem here. Northern Virginia is second only to certain areas in California, in terms of gang activity, violent gang activity. In fact, I would—I would like to hear your thoughts on the gang activity in the United States that has its roots in Mexico and Central America. MS13 is all over northern Virginia. How do we address that situation with what you're doing?

Mr. SHANNON. Thank you very much for raising this Senator. This is a very important issue and as an American, I have a interest in this, but I also have a special appreciation. Both of my brothers are special agents in the FBI. One was head of the FBI Dallas Violent Crimes Task Force. He is currently stationed at our Embassy in Baghdad. I have another stationed in California, who will be also going on temporary duty to Baghdad shortly as part of a FBI contingent.

So, I've been around law enforcement officers for quite some time. I've lived with them. And I understand the tough nature of their job. I would note that as we attempt to find a successful strategy against organized crime, as we try to find a successful strategy against gangs and drug cartels, we have to recognize the transnational nature of these criminal phenomenon.

And yes indeed, we can spend more money inside the United States and maybe we should be doing that, but we can't, at the same time, ignore what's happening outside the United States. And the degree to which weakened democratic States in Mexico and Central America will enhance the ability of organized crime to function and operate inside the United States.

And we're seeing this especially in regard to gangs. You mentioned the Central American gangs, which really are a scourge in northern Virginia and in parts of California. And one of the things we have been attempting to do in our security dialog with Central America is develop an antigang strategy, which will attempt to address gang violence in Central America, recognizing that there is communication, movement, and cooperation between gangs operating out of Central America and in several of the municipal areas in the United States.

And this is why, in the Central American portion of this package, we will be fully funding a gang strategy, which is designed, not only to improve the capacity of law enforcement agencies in Central America to identify and address gang issues, but also, it has a social or preventative side to it that recognizes that many of the gang members join gangs because of a fundamental breakdown in families and society, and attempt to help the countries of Central America, especially the focal points of gang activity, like El Salvador and Honduras and Guatemala, to begin to build some preventative programs that will address at-risk youth.

Senator WEBB. Well, to a certain extent, these violent gangs are businesses. To a certain extent, they're insurgencies, quite frankly. I mean, you can go into Central America and see MS13 bumper stickers on cars like we have Redskins up here. You know, it's not necessarily a stigma to be a member of one of these gangs down there, and we have a problem here.

I learned a long time ago, as a Marine rifle platoon and Company Commander fighting a guerilla war, you can chase them in the mountains all you want and you will get one or two, but you figure out where they have to go and that's where you set up your ambushes, you know. The people who are trafficking this stuff and the people who are conducting this activity, many of them have to come here. And this is where we need to have really robust enforcement. And I'm very concerned as an American that that's not occurring.

And to give you just another analogy, having spent time as a journalist in Afghanistan a few years ago, all of the stuff we've been doing in Afghanistan and we hardly ever end up talking about it up here in the Senate. We can talk about corruption of government, we can talk about alternate agricultural crops, et cetera, but the truth of it is, I can't tell you that every village in Afghanistan had an opium patch. I can tell you every village I was in, in Afghanistan, had an opium patch, and I was in nine different places. And it's a demand-pull problem again, you know, they know that there's a market and you can't run around Afghanistan and pull up every poppy plant. You come back here, where the source of the problem, and that's where you put your energy.

And, again, in all due respect to what you're doing—and I do respect what you're doing and what your brothers are doing—I think we need to have the right kind of strategy, in order to kind of work this from the inside out.

Thank you, Mr. Chairman.

Senator MENENDEZ. Thank you.

Senator Isakson.

Senator ISAKSON. Thank you, Mr. Chairman.

Secretary Shannon, I want to discuss the border security piece for a second. A significant part of illegal immigration into the United States is drug related or drug induced. Is that not correct?

Mr. SHANNON. I believe, sir, that the majority of illegal immigration coming in the United States is economically driven. It's people leaving Central America and Mexico in search of jobs in the United States.

Senator ISAKSON. But aren't a number of the drugs coming into this country flowing through illegal entries?

Mr. SHANNON. Oh, I'm sorry, I misunderstood the question. Without a doubt, most of the drugs are flowing through illegal entries.

Senator ISAKSON. Mr. Johnson, you made a statement which I caught very quickly, and I've been trying to find it in the printed speech and I can't, but you said, "We've finally broken through some longstanding taboos." I am curious what you were referring to, in terms of longstanding taboos.

Mr. SHANNON. Well sir, our relationship with Mexico has been a complicated relationship historically. And Mexican nationalism is a powerful, emotional, psychological, political force in Mexico. And, the Mexicans have always sought, as they have engaged with us, to do so in a way that ensures their sovereignty is respected, and they believe that they are entering, not in a relationship of a donor and client, but a partnership. And therefore, they've jealously guarded certain aspects of their relationship with us.

The fact that they have approached the United States and underscored a willingness to work with us in a fashion that they've never done before, is striking. And, this reflects, not only the political will of President Calderon, but it also reflects an understanding by the President and his political advisors that Mexican citizens recognize the danger that Mexico faces right now. And that Mexican citizens themselves, are prepared for a deeper, different kind of relationship with the United States. And that's the taboo that's being broken down.

Senator ISAKSON. Well, that's what I hope you meant, because I went to the border in January, both San Luis and Yuma section, as well San Diego. And we were finding, for the first time, increased cooperation by the Mexican Government, in terms of their law enforcement on their side of the border, vis-a-vis, the illegal immigration issue.

I'm really not going to put you in the position of responding to this statement, but I find it interesting that $31.3 million of this proposal is money going to the Mexican Immigration Agency's National Migration Institute, and a good portion of this on the interdiction and border security is for the type of equipment you need in securing the Southwestern border. I find it further interesting that $1.4 billion is almost half of the $3 billion we had put in the Defense bill, which got taken out recently for border security.

And the point I want to make is this, I sense for the first time in Calderon—President Calderon—a sense different from what was true under Vicente Fox. I think there is a new paradigm. I think some old taboos are going away. And I know in one of the questions you referred to not leveraging or conditioning U.S. participation in this to anything from Mexico, but this is the type of thing when we should begin striking agreements with the Mexican Government in the bigger picture of border security.

We think it's a $3 to $4 billion capital investment to do what we need to do to get the border secure. If we do that, it makes your job, and what you're trying to do here a whole lot easier, because ultimately, inability to transit across the border, easily, is the best thing we can do to stop the flow of drugs, at least on the land border, then you have to deal with other areas.

So, Mr. Chairman, my only comment on this, is that when we talk about $550 million, which is a third of the $1.4 billion, which

is 50 percent of the $3 billion that is what we think we need, albeit it was taken out of the Defense authorization bill.

I hope as you bring programs like this forward, that are United States-Mexican programs—whether it's immigration or whether it's illegal drugs—it would be a part of a bigger plan to ultimately do what we've got to do, and that is secure the border between the United States and Mexico, because that, in the end, is the solution to a lot of the microproblems we're attempting to address.

And like I said, that was a speech, that wasn't a question, you don't have to answer it, but I had to get that in, Mr. Chair.

Thank you, gentlemen.

Senator MENENDEZ. And you did it successfully. [Laughter.]

We'll go through a second round of questions and the Chair will recognize himself.

Secretary Johnson, what did we spend on Plan Colombia, about $5 million so far? Secretary Shannon, is that about right?

Mr. JOHNSON. Roughly.

Senator MENENDEZ. Well, $5 billion later in Plan Colombia, we are largely at the level of production of cocaine that we were at before we started Plan Colombia. If we talk about the reduction of violence, yes, we have helped Colombia succeed in that respect.

But, as an effort on the narcotics front, I don't know that we can consider it a success, $5 billion later. And it seems to me that if the administration wants to present this initiative in that context, it hasn't learned much from Plan Colombia.

It seems to me, if you want to talk about this initiative as largely being to create greater security and help reduce violence in Mexico and along the United States-Mexican border, that's one thing. But to suggest that it is going to help us significantly in the narcotics flow is another, because we had that experience. At $5 billion later with Plan Colombia, we've got largely the production that we had before, and we still have—as your own testimony has talked about—the flows from Colombia, through maybe, Central America, through Mexico, to the United States. So it seems we didn't achieve anything there.

My point is, you'd think we'd learn from 5 billion dollars' worth of experiences, that you need to have a multifaceted approach to achieve this problem.

Which goes back to the statement that you put all in your justification documents to the Congress. I want to quote Kofi Annan's statement where he says, "We will not enjoy development without security, we will not enjoy security without development, and we will not enjoy either without respect for human rights." And it's human rights that I now want to talk about.

In 2003, the U.N. Committee Against Torture found that the "Mexican police commonly use torture and resort to it systematically as another method of criminal investigation, readily available, whenever required, in order to advance the process."

In November 2005, the Mexican National Commission on Human Rights reported that torture remained widespread in Mexico. According to human rights organizations, judges often ignore reports of the use of torture to extract information or confessions from criminal suspects, lending way to statements potentially made under duress.

The role of the Mexican military has been expanded to include law enforcement operations, and active military personnel are working side by side with police in Oaxaca, where there have been social movements met with reported excessive use of force, by State, municipal, and Federal police.

And then, the State Department put out in its Human Rights Report for 2006, which was issued in March of this year, saying, "A deeply entrenched culture of impunity and corruption persisted in Mexico, particularly at the State and local level. Among the human rights problems reported were, unlawful killings by security forces, kidnappings—including by police—torture, arbitrary arrests and detention, corruption, inefficiency, and a lack of transparency in the judicial system."

This is the framework of which we're going to give 40 percent of resources to the Mexican military. My concern is—what is being done in this process to make it very clear to prevent that all of these resources that the use—the widespread use of torture in the public security and criminal justice systems under the very entities that are going to be the end receivers of the President's proposal—are going to the people who have this history or, the institutions that have this history? How are we going to guarantee that the very money that we're trying to provide for the purposes of security, I'll call it security, I won't call it the rest, because I don't think it does very much about the rest—don't go to the very entities that are going to continue to commit a history that has been documented, both internationally and by the State Department? Are we going to only allow these moneys to go through vetted battalions, or vetted police forces? What's your control here to guarantee that our money isn't being used to perpetuate human rights violations?

Mr. JOHNSON. That's exactly our intention—to take these money—take the training programs, to take the provision of equipment, and to provide it only to individuals and groups that we can assure ourselves have not been engaged in these activities.

One of the key things you said in quoting, I believe, the State Department report, that we're not going to get at, and that is the State and local. This is focused, at this point, exclusively on Federal forces. And I would, I think at least in that report, the indication was that this type of activity takes place, if I'm remembering correctly, from what you said, mostly at the State and local level. So that——

Senator MENENDEZ. It's not only at the State and local level.

Mr. JOHNSON. No; I did not mean to say that.

Senator MENENDEZ. I just wanted to——

Mr. JOHNSON. I think, in terms of the training, the provision of training and the provision of equipment that is included in this request——

Senator MENENDEZ. How are you going to vet those entities?

Mr. JOHNSON. We're going to use the materials that we have in the United States, as well as our Embassy in Mexico, national name checks, the databases that we have access to, to determine whether any of the individuals concerned or if it's a—concerns a unit, any of the units that we might be providing equipment for, have been engaged in any activities that you described.

Senator MENENDEZ. Do we have such a database that would tell us who our human rights violators in the military and the national police in Mexico?

Mr. JOHNSON. We use those databases worldwide when we're—in order to comply with the law, as to what's required in terms of providing equipment or providing training, providing any assistance.

Senator MENENDEZ. So, Mexico understands that we're only going to let them have the helicopters and the resources only to vetted entities, is that what you're telling me?

Mr. JOHNSON. To vetted individuals, or vetted entities. Training, to individuals. It's in the law. We——

Senator MENENDEZ. Well, I'd like to pursue that a little bit more.

Mr. JOHNSON. OK.

Senator MENENDEZ. The reality is, I'd like to see how we are going to vet these entities. Because, I certainly have heard from more than my share of entities within Mexico who are concerned about how these resources get used by those entities within Mexico, those law enforcement and military entities in Mexico, some which have the history that I recited earlier.

And, we cannot as a country, at the same time that we want to help, be in the midst of giving resources to those parts of the Mexican Army and/or the Mexican national police that might very well be engaged in human rights violations.

Senator Lugar.

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

I'm curious about your general overview of relations with Mexico.

The third paragraph in your opening statement, Secretary Shannon, indicates, "President Bush recognized the United States has an unprecedented opportunity to reduce the economic and human toll in our cities and towns, emanating from cross-border crime," and then you follow through in the second page of your testimony, that "President Calderon has acted decisively, using the most effective tools at his disposal, reorganizing the Federal police, and putting new and additional resources in the hands of security services, deploying military units to support operations, arresting crime figures, extraditing record number," as evidence that there is something different here.

And I gather, one of the reasons why you're approaching with some urgency, as an emergency situation is to pay tribute to the fact that there is this kind of initiative, and an invitation for us, the United States, to participate with the President and his officials in Mexico. But, I don't want to overstate the rationale, I really want you to state it.

In other words, leaving aside the particulars of the initiative, what is the shape of the relationship now? Why is it new, or unprecedented or different than any we've had before, and offers you such encouragement through this, that you're coming forward at this point for this emergency appropriation?

Mr. SHANNON. Thank you very much, Mr. Senator.

I think in some ways the question goes to the very heart of why we have presented this as a supplemental, and the opportunity that we think is before us at this point in time.

Obviously, Mexico is a longstanding neighbor and a country with which we have a long and complicated relationship. But we saw, following the election of Vicente Fox, a desire and a willingness to reestablish, or transform in some fashion, the nature of the bilateral relationship, and focus on those specific issues that link the United States and Mexico, as opposed to those that separate it.

With the election of Felipe Calderon, we found that that same kind of commitment to transformation of relationship, but also a recognition that there was one key issue—which was the fight against organized crime and drug cartels—that threatened Mexico, that opened an opportunity for cooperation with the United States, in the interests of both countries.

And it was the commitment from President Calderon and concomitant commitment from President Bush to recognize our responsibility in addressing this shared threat that really opens this unique and important space.

Because, as I noted earlier to Senator Isakson, President Calderon is taking a political risk. He's taking a political risk by reaching out to the United States in this fashion. The fact that he is doing it, I think, underscores the seriousness of the problem, but it also highlights what we might be able to accomplish through successful cooperation and partnership. Because it is evident from polling data and elsewhere, that the Mexican people themselves are ready for a different kind of relationship with the United States, one built on partnership.

And if we can accomplish that, not only will we achieve important national security goals in the United States and in Mexico, but we will be transforming the nature of the diplomatic and political relationship that will allow, I think, the United States and Mexico to cooperate more fully in other areas of interest to us.

Senator LUGAR. I think that's very important, and that's why I appreciate your underlining that.

At the beginning of President Bush's administration, there was hope that there would be—through his own understanding as Governor of Texas—a new chapter in the relationship, and I think that was moving ahead.

Many have testified before this committee that the events of 9/11, the preoccupation of the United States, understandably, with a different set of circumstances led to disappointment by President Vicente Fox.

I would just say, personally in that period of time, which there was an emphasis with Mexico, I made a personal appeal to President Fox, to send a consult from Mexico to Indianapolis, to relieve the difficulties in Chicago that were servicing all of the Mexican citizens in the Midwest, and this consult performed extraordinary service to our State and likewise to all the citizens that he was serving, both Americans and Mexican.

And, so I've seen, and am enthused about the prospects, when the green light is there.

But, at the same time, it would appear that with the new Presidency, as you would say, he's prepared to take some political risk. He's taken some action so it's a track record. The appeal, therefore, to us. And that seems to me to be an important underline.

I think without mitigating the importance of each of the personal or technical circumstances we've talked about today with the program, it's the overall relationship that really has to be in focus here, at a time that we've had very, very difficult debates on immigration issues and other ways in which we have discussed Mexico and the relationship and the border.

So, I just take this opportunity for this second round of questioning to emphasize that part, the importance of the relationship, and I appreciate your testimony.

Mr. SHANNON. Well, Senator, thank you very much. As we work with the Congress on this proposal, I would emphasize that we are open to an honest, comprehensive debate about all aspects of this proposal. But I would underscore that history lies before us. This is an opportunity that has not been presented before, we should not let it go.

Senator LUGAR. Thank you.

Thank you, Mr. Chairman.

Senator MENENDEZ. Thank you, Senator Lugar.

I just have one or two other questions. I certainly agree with Senator Lugar, that the relationship is of incredible importance. And any opportunity, in a change in that relationship for the better, should be pursued.

But by the same token, the creation of an opportunity for a relationship does not create an emergency for the asking of half a billion dollars. That's a different dynamic, that's a question as to whether or not we have an emergency, which does not get paid for, which goes on to the national debt. And that certainly, in my view, should be judged independently.

Let me ask you this, you said in response—I forget which one of you answered that—there is not a money transfer here to the Mexican Government. There is only equipment, training, and information. The information, I assume, is that intelligence?

Mr. JOHNSON. The information is basically intellectual property, the training itself, training individuals, training trainers. The exchange of information, in terms of what we commonly call intelligence, is going on already.

Senator MENENDEZ. So we are sharing intelligence already?

Mr. JOHNSON. We're sharing information, with respect to joint operations with units that are already vetted, working with the DEA, for example.

Senator MENENDEZ. But are we sharing other forms of intelligence with the Mexican Government, intelligence that is sensitive for these purposes already, are we doing that?

Mr. JOHNSON. In terms of law enforcement, absolutely. I'm not sure what you're——

Senator MENENDEZ. And are we satisfied that the sharing of our intelligence isn't misused by entities—Senator Boxer referred to some of the entities that have actually then joined with the cartels—against the Mexican Government itself, and obviously would be against our own interests.

Mr. JOHNSON. How——

Senator MENENDEZ. My point is, you said we're going to share information. Information about systems and procedures, that's one thing, intelligence is another. And how we share that intelligence

and making sure that we are sharing it in such a way that we are convinced that the intelligence we are sharing is being used with vetted entities, in which that intelligence will not be used against our vital interests, is very important. Can you guarantee the committee that that's being done now and that's what's going to be done here?

Mr. JOHNSON. That's exactly what's being done now. That takes place within the law enforcement framework, as opposed to this training and assistance framework. We will be providing the training for individuals and groups and equipment for them, so that this exchange of information can be more effective and that they will have the capability, when we are working on joint operations, to actually carry them out. But we've already—in terms of the Drug Enforcement Administration, already undertakes to background checks, polygraph examinations for the individual groups with which they work on these operations.

Senator MENENDEZ. Well let me ask you this, some 40 percent of the proposal for Mexico is focused on 10 aircraft, 8 helicopters, and 2 maritime surveillance planes. What is the strategy that is being committed to purchase the 10 aircraft, and how are these going to contribute substantially to breaking the backs of the cartels?

Mr. JOHNSON. The aircraft in question have been looked at, in terms of their interoperability, both with us and with what the Mexicans already have. So the type of helicopters are being purchased, ones that they already—similar to ones they already have in their inventory.

In terms of the fixed-wing aircrafts, they are the same kind and equipped similarly to the one that our U.S. Coast Guard uses, so that we can work together—they're for the Mexican Navy—so that we can work together, where our joint surveillance works in the Gulf of Mexico, as well as in the Pacific. I mean, that's our intention, is to provide them with the platforms, so that they can work cooperatively with us on what we believe to be a joint threat.

Senator MENENDEZ. I appreciate the interoperable aspects and that they are similar to our own. The question is, if you're going to dedicate 40 percent of the money to Mexico based on this, this is 40 percent of your proposed solution. The question is, What is the strategy being deployed by the use of this equipment, that is going to be part of, being 40 percent of the solution? How is this going to make a difference in breaking the backs of the cartels?

Mr. JOHNSON. It's going to provide both the collection platform, as well as the mobility, so that when operations are undertaken for interdiction and to deter the operations of these cartels, you can actually move people to where they need to be.

Senator MENENDEZ. Well, in that regard, let me ask you, What role did the United States, Mexican, and Central American law enforcement entities play in the development of this aid package?

Mr. SHANNON. Within the United States, our interagency community on the United States side, which meant all Federal United States agencies—DEA, FBI, Customs, and DHS, with its corresponding agencies—engaged with all the Mexican public security ministries, including the counterparts of the different United

States institutions, such as DEA and Customs, and had a series of technical meetings in the United States and in Mexico.

And then we also had what we called validation teams that traveled from the United States, again, with representatives from all the relevant agencies and law enforcement entities, to meet with their counterparts in Mexico to discuss the different items that we were looking at to determine how they linked to a broader strategy and how they could be used effectively.

In Central America, our engagement was two-fold. It was through civilian, public sector, public security ministries, in terms of building our larger SICA–U.S. security dialog, but also, each of our Embassies, working through our narcotics assistance section, engaged with the law enforcement entities that they normally work with.

Senator MENENDEZ. Did we engage our military with the Mexican military?

Mr. SHANNON. Yes; we did. Although the money that's being requested now is INCLE money, in other words, it'll be money managed through the Department of State, our Defense Department participated in validation teams, looking at the different aircraft requirement, especially the helicopters and the aircraft.

Senator MENENDEZ. Well, let me thank you both for your testimony today.

Let me close by saying, I think many of us I should say—want to take full advantage of any opportunity to enter into a more comprehensive relationship with Mexico. It is an incredibly important partner of the United States, we share a common border, and we share a common interest. So, those of us, however, that have criticisms of the package as devised, should not be viewed as not wanting to engage in that relationship and not wanting to be helpful to the Mexican Government, and certainly to the Central American Governments to achieve the goal.

However, the question is how do we best achieve that. And some of us believe that the package as devised, does not meet our collective goals. Some of us are concerned about ensuring that human rights provisions are safeguarded in this process. Some of us are concerned if development issues are considered, because we learned if you tell a poor coca farmer in Colombia that you're just going to eradicate his field, then he goes to another field to go plant coca. He's going to do whatever he has to do to sustain his family. If you give him a sustainable development alternative, then maybe he will move away from that.

And the reality is, $5 billion later, and Plan Colombia is only in the late stages of that and, we have some understanding that development assistance might be part of the solution.

We have our friends who are concerned about immigration, as we all are in this country, and undocumented immigration. You know, people flee for basically two reasons: Dire economic necessity or civil unrest. And so the reality is we are doing nothing about dire economic necessity, so we still have people come to the north.

And then we have a demand in this country for illicit drugs. We don't do what we need to do in order to reduce the demand, and therefore, we continue to draw the flow of narcotics to this country.

So, it just seems to me that having spent billions of dollars in similar initiatives, we have yet to learn some of those lessons. I hope the administration will be thinking about some of those lessons as we move forward in however shape this initiative might take place.

I appreciate both of you coming and your answers to questions. The record will remain open for 2 days so that committee members may submit additional questions to our witnesses. And we ask our witnesses to respond expeditiously to those questions.

If no one has any additional comments, the hearing is adjourned.

[Whereupon, at 4:15 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF LEO W. GERARD, INTERNATIONAL PRESIDENT, UNITED STEELWORKERS

CONGRESS SHOULD NOT PROVIDE FUNDING FOR PLAN MEXICO UNTIL THE GOVERNMENT ENDS ITS POLITICAL PERSECUTION OF THE NATIONAL MINERS' AND METALWORKERS' UNION

Introduction

The United Steel Workers ("USW") is deeply concerned that an emergency funding package the administration recently requested for the Government of Mexico ("GOM") may be used to undermine labor rights, civil rights, and human rights in that country and further may be used to target political opposition arising from labor and other social movements in Mexico. Like Plan Colombia, a Plan Mexico could result in gross violations of human rights, which would have the effect of undermining the rule of law in Mexico and creating a climate of terror and fear instead of cultivating individual freedom and justice for all Mexicans. As leading human rights organizations such as Amnesty International and Human Rights Watch have documented, Mexican security forces operate in an environment of impunity which has given them a free rein to commit serious human rights violations.[1] Indeed, on October 11 a U.S. immigration judge stopped the deportation proceedings of a former drug informant based on the grounds that under the U.N. Convention Against Torture the informant would be at risk of torture by the Mexican Government if deported to Mexico.[2]

Mexico has systematically repressed independent, democratic labor unions who have attempted to challenge the government-dominated system of labor relations—a system established under 70 years of one-party rule and which continues to this day.[3] In particular, the USW is very concerned about the political persecution of the National Miners' and Metalworkers' Union ("Los Mineros") and its democratically elected leader, Napoleon Gómez Urrutia ("Gómez"). This persecution has lead to continued labor strife, the wrongful killing of three union members and the willful disregard of mine safety, which caused a horrific mine explosion at the Pasta de Conchos mine in 2006 leaving 65 miners dead. Continuing impunity has also meant a complete failure to hold accountable the parties responsible for the deaths of those 65 mineworkers.

Gómez was illegally removed from office and threatened with arrest on trumped up charges because he was fighting hard for better wages and working conditions, forming alliances with other international unions to increase the bargaining power of Los Mineros, and opposing labor law reforms promoted by the government that would have weakened workers' rights. While the Mexican Federal courts have reinstated Gómez to his union position and acquitted him of baseless criminal charges,

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[1] See Amnesty International, "Laws Without Justice" (Feb. 7, 2007); Human Rights Watch, "Lost in Transition" (2006).

[2] See El Paso Times, "Judge Halts Deportation of Juarez Drug Informant," October 26, 2007.

[3] See Lance Compa, "Justice for All: The Struggle for Worker Rights in Mexico," AFL–CIO Solidarity Center 2004; Public Communication to the U.S. National Administrative Office under the North American Agreement on Labor Cooperation (NAALC) Concerning the Introduction of Reforms to the Federal Labor Code of Mexico, 17 February 2005.

the GOM has appealed that acquittal,[4] and at the same time is working to undermine Los Mineros. Thus, it is imperative that the GOM understand that its blatant abuse of power against legitimate unions and their leaders will not be condoned.

Background of Plan Mexico

On October 22, 2007, the administration sent Congress a supplemental war spending proposal exceeding $1.96 billon. That emergency spending request includes $500 million for the Mexican Government to combat transnational crime and illicit drugs. The $500 million is a downpayment on a multiyear, $1.4 billion aid package to Mexico and is the culmination of a deal struck behind closed doors between Presidents Bush and Calderon without consultation with or advice from the members of the U.S. or Mexican Congress. The administration has released few details about Plan Mexico, preferring to simply ram it through Congress by wrapping it into other war spending.

According to news stories, the bulk of the first tranche of funding would be for several transport helicopters and two surveillance planes, with lesser amounts to purchase inspection equipment and upgrade technology for the Mexican attorney general's office. Yet, how the funds would be spent is a matter of conjecture, as the moneys provided under Plan Mexico come with no human rights or other conditions attached.

The Political Persecution of Napoleon Gómez Urrutia and Los Mineros

The plight of Napoleon Gómez is a wakeup call to all in Congress who are concerned with labor and civil rights in Mexico and with that government's establishing and adhering to a rule of law and not men. Independent labor unions have been a particular target of government repression. Before any funding is approved, Congress should understand the story of Mr. Gómez and should call upon the GOM to end its persecution of this union leader by dropping its appeal of his acquittal on criminal charges—charges that were blatantly false—so that he may return to Mexico and resume his rightful position as the democratically elected leader of Los Mineros union. The GOM also should cease in its efforts to undermine Los Mineros by supporting pro-company unions, and should act immediately to enforce and to strengthen health and safety protections in the mining industry.

As described in detail below, the GOM and Grupo Mexico, a privately owned Mexican multinational that is the third largest privately held copper mining company in the world, engaged in a broad-scale attack aimed at eviscerating the union and eliminating Gómez as the head of Los Mineros by:

- Improperly withdrawing legal recognition of Gómez as a union official;
- Using excessive force during a strike that wrongfully killed union members;
- Installing a pro-company union once Gómez was illegally ousted;
- Ignoring life-threatening mine safety problems that lead to the mine explosion at Pasta de Conchos mine and 65 dead miners;
- Filing baseless charges in Federal and State courts against Gómez.

Los Mineros Under the Leadership of Napoleon Gómez: A New Direction

Los Mineros[5] was founded in 1934 and represents Mexican workers in the mine and metal industries under some 80 collective bargaining agreements with Mexican employers. Los Mineros was led for 40 years by Napoleon Gómez Sada and during that time maintained a close relationship with the ruling Institutional Revolutionary Party (PRI). In 2002, Napoleon Gómez Urrutia, the son of Gómez Sada, became the new General Secretary of Los Mineros.

Gómez, an Oxford-trained economist, had a different approach; he instituted a democratic union structure and started to fight for improved wages, benefits, and working conditions. Gómez demanded that jobs that had been contracted out by the mining companies be "contracted in," thereby adding thousands of new members for Los Mineros.[6] Gómez fought for increased wages arguing that Mexican and multinational companies were reaping immense profits from the global boom in basic metals fueled by demand from China, yet wage increases were stuck at levels negotiated from an earlier time when the Mexican Government owned the mines. With Mr. Gómez in power, in 2005 steelworkers at the Sicartsa mill, Mexico's largest

[4] See "Impugna PGR amparo a Gómez Urrutia" (translation: PGR challenges Gómez Urrutia on appeal), Reforma, Nov. 6, 2007.

[5] The formal abbreviation for the National Union of Mine and Metal Workers is SNTMMSRM.

[6] "Exigen a AHMSA sindicalizar a subcontratados" (translation: Demand that AHMSA unionize subcontractors), El Siglo de Torreon, June 29, 2004.

steel producer, went on strike and finally gained a 42-percent increase in wages and benefits that reflected the market boom in basic metals.[7]

In addition, Gómez recognized the need to forge international alliances with mining unions in other countries to counter an industry increasingly dominated by large multinational companies. Los Mineros became active in the International Metalworkers Federation and entered into a strategic alliance with the United Steel Workers.[8] When the USW struck Asarco in July 2005, Los Mineros held a 1-day nationwide solidarity strike.[9]

Finally, Gómez was able to help bring closure to a protracted 15-year court battle between Los Mineros and the company, Grupo Mexico, over moneys owed to the union by the company.[10] When the Cananea and Nacozari mines were privatized in 1990, as part of the privatization agreement Grupo Mexico was required to pay 5 percent of the purchase price into a trust fund to be administered by Los Mineros in accordance with the union's bylaws.[11] The company simply refused. Los Mineros sued, but it was not until Gómez took over and carried out a strike in 2004, that the company, after a court order, agreed to pay the funds into the union trust.[12]

What ensued was a campaign by the GOM and Grupo Mexico to eviscerate the union's hard-fought gains and to strip all power from Gómez in his leadership position. The result has been continued labor strife, the wrongful killings of union members, and the willful ignoring of mine safety, which lead to a terrible explosion in 2006 that left 65 miners dead at Grupo Mexico's Pasta de Conchos mine.

GOM's Illegal Ouster of Gómez as Head of Los Mineros

The GOM illegally ousted Gómez and the entire executive committee on February 17, 2006. At that time the GOM also froze all union assets, as well as the personal assets of Gómez. The alleged basis for the removal was a letter from members of the union's oversight committee[13] to the Labor Secretariat alleging embezzlement of the trust fund moneys. The GOM's action was not made public until February 28, after Gómez had denounced the Government for "industrial homicide" in the deaths of 65 mineworkers at Pasta de Conchos.[14]

Gómez was not restored to office until April, 2007, when a Mexican Federal court ruled that the signatures on the letter used to remove him were forged and ordered the Secretary of Labor to officially recognize Gómez as the General Secretary of Los Mineros.[15]

The GOM's action was a blatant violation of Mexican and international labor law. First, under Mexican labor law, the election and removal of union officers is gov-

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[7] "Huelga en Sicartsa, por 'anomalías' de Villacero" (translation: Strike in SICARTSA over "anomalies" of Villacero), La Jornada Michoacán, 1 August 2005; Termina huelga en la siderúrgica Sicartsa que duó mes y medio" (translation: Strike at SICARTSA that lasted a month and a half ends), EFE, September 19, 2005; "Sindicato minero ganó en conflictos" (translation: Miners' union wins in conflicts), Excelsior, February 23, 2007. See "CEREAL, a cien años de cananea: el protagonismo minero bajo el acoso del estado Mexicano" (translation: A hundred years after Cananea, the mineworkers' actions under attack by the Mexican state), December 2006.

[8] Gómez's actions brought him into conflict with the PRI-dominated national union body, the Labor Congress, which favored a more conciliatory approach. Gómez upset the party leadership by opposing proposed labor law reforms which, he argued, would impose labor flexibility measures on workers with little in return. On February 15, 2006, a group of dissident unions, including Los Mineros, split off from the Labor Congress. See "Fractura en el CT; entre golpes eligieron a dos líderes" (translation: Rupture in the CT; two leaders elected amid blows), La Jornada, February 16, 2006.

[9] See "Normalidad en Grupo México tras huelga en apoyo a otros mineros" (translation: Situation normal at Grupo Mexico after strike in support of other mineworkers) EFE, August 16, 2005.

[10] Grupo Mexico, which is owned by the Larrea family, is the third largest copper producer in the world with major holdings in Peru, including the Southern Peru Copper Company, as well as the largest copper mine in Mexico, the Cananea mine. All told, Grupo Mexico owns 11 mines in Mexico, many acquired through government privatization. It also owns Asarco, a mining company with properties in Arizona and Texas.

[11] See International Metalworkers' Federation ("IMF"): Report of IMF Fact Finding Mission to Mexico at (2006); see also IMF complaint to the ILO Committee on Freedom of Association, Case No. 2478.

[12] See "Guerra minera" (translation: Mine war), El Norte, July 6, 2007.

[13] The oversight committee is termed the Vigilance and Justice Commission of Los Mineros.

[14] See "Gómez Urrutia acusa a Minera México de 'homicidio industrial' y mentir a deudos" (translation: Gómez Urrutia accuses Grupo Mexico of "industrial homicide" and lying to the survivors), La Jornada, February 28, 2006; see also "La STPS desconoce a Gómez Urrutia como dirigente nacional de mineros" (translation: The STPS derecognizes Gómez Urrutia as national leader of the mineworkers), La Jornada, March 1, 2006.

[15] See "Mexican Court Reinstates Union Leader," Associated Press, April 11, 2007; "Court Orders Restoration of Gómez U.," El Universal, April 12, 2007.

erned by union constitutions. The constitution of Los Mineros states that officers can be removed for malfeasance only by the union's national convention and only following an investigation and trial conducted by the union's Vigilance and Justice Commission. That did not occur here.[16]

Second, the GOM has a longstanding practice requiring government authorization for union officials to enter into contracts. The infamous "toma de nota" (the name given to the authorization) obviously interferes with union governance and thus is subject to political manipulation. Such a requirement violates the International Labor Organization Convention No. 87, which mandates that public authorities refrain from any interference that would impede the right of unions to elect their representatives and to organize and conduct their activities and programs.[17]

Third, the underlying allegation which formed the basis for his ouster from the union by the Labor Secretariat—embezzlement of the union trust fund—was a blatant fabrication.[18] On April 11, 2007, a Mexican Federal court found signatures on the letter at issue were forged. A unanimous three-judge panel ordered the Secretary of Labor, Javier Lozano Alarcon, to officially recognize Gómez as the General Secretary of Los Mineros. The court specifically found that the Labor Secretariat had overstepped its authority and failed to comply with established procedures.[19] Indeed, in a bizarre twist that indicates an attempt to tamper with the evidence, the key documents used to allege the forgery actually were stolen from the Federal prosecutor's office.[20] While copies were made which were then shown to be forgeries, the theft of the original forged documents essentially means that no one could be prosecuted for the forgery.

New Pro-Company Union Results in Labor Strife and Union Members Killed in Strike

When the GOM illegally ousted Gómez and the executive committee, it replaced them with a new slate headed by Elias Morales, a former union member. Morales proceeded to renegotiate a number of union contracts on terms more favorable to the companies.[21] Morales also purged union members who supported Gómez.[22]

The union fought back against the government's interference. In response to the attacks on Gómez and the union leadership, the union called a nationwide strike. In the town of Lázaro Cardenas workers struck the largest steel mill in Mexico, Sicartsa. As thousands gathered in the streets in support, Federal and State police surrounded the strikers and on April 20, 2006, shot and killed two union members—Jose Lúis Castillo Zúñiga and Héctor Alvarez Gómez—and many were injured.[23]

The GOM's National Human Rights Commission investigated the killings and found that (1) the police operation was not approved by the courts in direct violation of the Mexican Constitution, (2) the police engaged in excessive force,[24] and there was a lack of diligence and professionalism in investigating the excessive force used.[25] No one has ever been charged.

Grupo Mexico's Continued Efforts to Break Los Mineros

With Gómez on the defensive, Grupo Mexico used its control over his government-appointed replacement, Elias Morales, to slash payrolls, wages, and benefits. At the

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[16] The Vigilance and Justice Commission had no legal authority to elect a new slate of officers—this may be done only by the union convention. See Submission of the United Steelworkers to the National Administrative Office under the North American Agreement on Labor Cooperation, November 9, 2006.

[17] The GOM is a signatory to ILO Convention No. 87. The International Metalworkers Federation filed a complaint with the ILO Committee on Freedom of Association in October 2006 (ILO Case No. 2487), claiming violations of the Convention by the GOM in its dealings with Gómez and Los Mineros.

[18] See "PGR Confirms That Elias Morales Falsified a Signature to Replace Gómez-Urrutia," La Jornada, April 10, 2007.

[19] See "Mexican Court Reinstates Union Leader," Associated Press, April 11, 2007; "Court Orders Restoration of Gómez U.," El Universal, April 12, 2007.

[20] See "Evidence of Forgery Pilfered From PGR," El Universal, April 14, 2007.

[21] See "La negociación de contratos, con Elías" (translation: The negotiation of contracts, with Elias, Milenio, January 19, 2007; "Continúan disputas en el sindicato minero" (translation: Disputes in mineworkers' union continue), El Economista, 1 February 2007.

[22] See "Estalla violencia en al 14," (translation: Violence flares in Section 14), Zócalo, January 13, 2007; "Despiden a 7 mineros; denuncian represión de Minera México," (translation: Seven miners fired; they denounce repression in Grupo Mexico), Zócalo, 14 January 2007.

[23] See "Steel Workers in Mexico Clash With Police," upsidedown.org, April 26, 2006.

[24] The National Human Rights Commission found that excessive force resulted in two workers killed, 21 wounded by gunfire, and 33 others injured. On the other hand, the police sustained only minor injuries. See National Human Rights Commission: Recommendation 037/2006, Oct. 11, 2006.

[25] National Human Rights Commission: Recommendation 037/2006, Oct. 11, 2006.

La Caridad mine in Nacozari, Grupo Mexico broke its contract with the union in the summer of 2006 and fired 900 of its 1,300 workers. The company then rehired some of the workers as contractors with lower pay and no benefits, while carefully screening out supporters of Gómez.[26] When workers who had been fired attempted to meet with company officials on August 11, 2007, they were attacked and one union member, Reynaldo Hernández González, was shot and killed.[27]

After these efforts to oust Los Mineros failed, Grupo Mexico began setting up company unions to further undermine that union.[28] The Federal Labor Board ordered "elections" in eight Grupo Mexico mines across the country with only 36 hours notice to Los Mineros. Workers were locked in the mines, intimidated, and forced to cast their votes publicly in front of Grupo Mexico officials.[29] Los Mineros is appealing this ham-fisted power grab by Grupo Mexico.

The Pasta de Conchos Coal Mine Disaster: A Ticking Time Bomb Waiting to Explode

On February 19, 2006, an explosion of methane gas in Grupo Mexico's Pasta de Conchos coal mine in the north of Mexico brought into sharp focus what is at stake in this labor battle. Sixty-five miners were trapped inside. To date, the bodies of 63 dead have not been recovered.[30] After the explosion, Gómez spoke out forcefully, accusing Grupo Mexico and the Minister of Labor of "industrial homicide."

Several investigations were conducted, including one by a special committee of the Mexican Legislature.[31] The investigations uncovered a pattern of negligence and gross omission. For instance, the National Human Rights Commission (CNDH) found that the Labor Secretariat was responsible for failing to properly provide adequate resources to enforce mine safety and for allowing Grupo Mexico to operate despite so many mining safety violations.[32] The special investigative committee of the Mexican Congress, in a report presented last month, reached the same conclusions,[33] as did the Labor Secretariat's own report on the disaster.[34]

In fact, the mine had a history of serious violations.[35] In July 2004, Federal inspectors found numerous safety violations, including, most critically, failure to use antistatic powder that prevents machine sparks from igniting a methane gas explosion, as well as other potential fire hazards. Apparently, none of these violations was corrected.[36] In February 2006, just 2 weeks before the disaster, the inspectors determined that Grupo Mexico had not taken several required corrective measures, most importantly measures to contain methane gas within acceptable levels and the use of antistatic powder to contain sparking that could ignite methane gas. See

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[26] See "Termina Grupo México relación con mineros de Sonora" (translation: Grupo Mexico terminates its relation with miners in Sonora), La Jornada, June 10, 2006; "Comienza GM la recontratación de ex obreros en la mina La Caridad" (translation: GM begins rehiring exworkers at the La Caridad mine), La Jornada, August 2, 2006.

[27] See "Mexico Mine Disputes Intensify; Miner Killed In Clash," Dow Jones Newswires, 13 August 2007; "One Dead After Miners Fight at Mexico Copper Pit," Reuters, 12 August 2007.

[28] See "Mexico's Cananea Copper Miners To Set Up New Union—Report," Dow Jones Newswires, July 12, 2007; "Labor Unions Demand Mexico Drop Charges Vs Miners Leader," Dow Jones Newswires, September 5, 2007; "Otorgan toma de nota a otro sindicato minero" (translation: Toma de nota authorized for another miners' union), Milenio, November 1, 2007; "Consigue registro cuarto sindicato minero" (translation: Fourth mineworkers' union obtains registration), El Imparcial, November 6, 2007.

[29] CEREAL Bulletin, September 4, 2007. The GOM's undemocratic practice of forcing workers to vote publicly in union elections has continued despite the lack of any legal foundation and despite the Joint Declaration signed by the U.S. and Mexican Labor Secretaries in which Mexico pledged to "promote secret ballots and neutral voting places." Agreement on Ministerial Consultations, U.S. NAO Submissions 9702 and 9703, May 18, 2000.

[30] In December 2006, Grupo Mexico summarily fired all of its union employees at Pasta de Conchos and replaced them with independent contract employees. See "Pierden derechos con tal de trabajar" (translation: Right to work is lost), Excelsior, 16 January 2007; "Emplean a novatos en mina" (translation: Newcomers hired at mine) Excelsior, 17 January 2007.

[31] Informe de la comisión especial para conocer las responsabilidades y origen de la tragedia de la mina Pasta de Conchos, de resultados finales de las investigaciones objeto de este órgano legislativo, Gaceta Parlamentaria, Cámara de Diputados, número 2308–I, martes 31 de julio de 2007.

[32] Comisión Nacional de Derechos Humanos, Recomendación No. 26/2006, Sobre el caso de los trabajadores de la empresa industrial Minera México, S.A. DE C.V. (Unidad Pasta de Conchos), 17 July 2006.

[33] See Attachment A, Conclusions of the Special Congressional Committee to Determine the Responsibility for the Explosion at Pasta de Conchos Mine (Mexican Legislature).

[34] "Arbitrators Order Mexican Miners Back to Work," San Antonio Express-News, August 8, 2007.

[35] In the 6 years prior to the 2006 explosion, it was reported that the Federal Government had found 188 safety violations at Pasta de Conchos. See "Gov't. Was Aware of Safety Violations." El Universal, 26 February 2007.

[36] See "Gov't. Was Aware of Safety Violations." El Universal, 26 February 2007.

Attachment A: "Conclusions of the Special Congressional Committee to Determine the Responsibility for the Explosion at Pasta De Conchos Mine" (Mexican Legislature).

Trumped Up Corruption Charges Brought to Silence Gómez

On March 2, 2006, the GOM brought criminal charges for alleged fraud and embezzlement of the $55 million Los Mineros trust fund.[37] The GOM froze the bank accounts of Los Mineros and Gómez and seized his personal property. Fearing for the safety of himself and his family, Gómez took refuge in Canada, where he remains.

Over the past year, the GOM's legal case against Gómez has slowly collapsed.[38] In October of 2007, a Mexican Federal Court acquitted Gómez of criminality with regard to the trust fund.[39] The GOM, however, continues its attack by appealing this decision. Likewise, similar charges were rejected by state courts[40] or simply abandoned by prosecutors.[41]

Additionally, an independent audit conducted by the Swiss auditing firm of Horwath Berney, S.A.[42] determined that all of the trust fund moneys were accounted for and that payments made from the trust fund were made with the approval of the union's executive committee, as required by the original privatization agreement.

Conclusion

The USW urges the GOM to drop its appeal of the acquittal by the Mexican Federal Court, which, as described above, cleared Gómez of wrongdoing and instead to let Gómez return home to resume his duties as the head of Los Mineros without fear of further persecution. As discussed above, in April 2007 a Federal court in Mexico ruled that Gómez was improperly removed as head of the union and has ordered him reinstated.

Mexico needs strong, independent union leaders to honestly represent workers and fight for their well-being and dignity and to prevent tragic disasters. Gómez is such a leader. It seems evident that labor strife and serious safety problems will continue if independent union leaders like Gómez are not permitted to conduct lawful union activities. In fact, a report issued this week about the mine safety issues at Grupo Mexico's Cananea copper mine shows that the GOM is still not enforcing basic mine safety, and that workers' health and lives are being needlessly jeopardized. See Attachment B: "Executive Summary of Cananea Mine Safety Report by the Maquiladora Health and Safety Support Network" (MHSSN) available at http://mhssn.igc.org/CananeaOHSReport.pdf. Mexican mine workers deserve better.

Congress should not provide funding for Plan Mexico until Gómez is permitted to return to Mexico without fear of further politically motivated retribution. The USW urges Congress to hold hearings on violations of labor rights and human rights in Mexico to allow for the victims of this and other cases to speak to you directly. Intimidation and violence against workers and unions and reckless indifference to safe working conditions should be part of Mexico's past, not its future.

ATTACHMENT A—CONCLUSIONS OF THE SPECIAL CONGRESSIONAL COMMITTEE TO DETERMINE THE RESPONSIBILITY FOR THE EXPLOSION AT PASTA DE CONCHOS MINE (MEXICAN LEGISLATURE)

The following conclusions were presented to the Chamber of Deputies on October 3, 2007:

1. The established hypothesis of an event caused by negligence and omission was proved, and responsibility was established

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[37] See "Investiga la PGR a Gómez Urrutia por corrupción, informa Presidencia" (translation: The PGR is investigating Gómez Urrutia, says the Presidency), La Jornada, March 3, 2007.

[38] For instance, state claims that the $55 million trust was created on behalf of the workers at the privatized mines and not the union—have been systematically rejected by the courts, which have held that the funds were rightfully the union's property. See "Napo gana en definitiva la libertad vía amparo" (translation: Napo definitively wins freedom on appeal), Milenio, June 14, 2007.

[39] See "Mexican Union Leader Cleared of Graft," San Antonio Express-News, 18 October 2007.

[40] See "Napo gana en definitiva la libertad vía amparo" (translation: Napo definitively wins freedom on appeal), Milenio, June 14, 2007

[41] See "Gómez Urrutia, exculpado de fraude contra el gremio minero" (translation: Gómez Urrutia exonerated of fraud against miners' union), La Jornada, June 8, 2007.

[42] Horwath Berney Audit S.A: Special review of the use of funds received by Los Mineros from Grupo Mexico, August 3, 2007. The study was conducted on behalf of the International Metalworkers' Federation.

2. The tragedy of the Pasta de Conchos Mine was the product of a great explosion caused by an excessive concentration of methane gas and coal dust, which caused the collapse of practically the entire mine.

3. The presence of methane gas was a product of the negligence and omission of the company holding the concession [Grupo Mexico], based on the following considerations:

a. Failure to complete the blocking off of the old passages 1 East and West, which generated the concentration of methane;

b. The lack of continuous spraying to avoid the suspension of coal dust, which is a highly flammable material;

c. Inadequate spreading of antistatic powder throughout the entire mine;

d. Inefficient ventilation;

e. The lack of sufficient methane meters, which had been requested repeatedly by the Joint Safety and Health Committee; and

f. The failure to isolate high-voltage electrical lines inside the mine, as well as the failure to isolate the control panels and to keep them clean, as reflected in the Minutes of the Joint Safety and Health Committee.

4. There was no system of internal communication within the mine, resulting in the trapped group of miners being cut off and the failure of the watchman to notify the mine manager until 30 minutes after the explosion. The manager, in turn, did not notify the Federal and State authorities until after 7 in the morning.

5. There were no emergency exits or alarm systems, which would have given the trapped miners a better chance of survival.

6. The authorities of the Federal Labor Delegation in Coahuila committed serious and culpable negligence and omission by ignoring the noncompliance with safety measures by the concession holder Industrial Minera Mexico, S.A. de C.V., which cut short the lives of the workers on the third shift. They have administrative and criminal responsibility for not carrying out their duty as established by the Political Constitution of the United Mexican States, the Federal Law of Administrative Responsibility of Public Functionaries, the Federal Labor Law and other applicable norms.

7. The Secretariat of the Economy did not comply with its duties established in the Mining Law (artículo 7, fracción XII, 53 y 58); and concealed the reports of the Mexican Geological Service concerning the compliance by the concession holder Industrial Minera Mexico with safety norms at the Pasta de Conchos Mine.

8. There is responsibility on the part of Industrial Minera Mexico, and therefore of Grupo Mexico, as the parent company of IMMSA with mutual responsibility, and of General de Hulla, in the deaths of the Pasta de Conchos miners.

9. The Federal Labor Delegation in the State of Coahuila is also responsible for the deaths of the miners at Pasta de Conchos.

10. There is responsibility on the part of the Secretariat of Labor and Social Welfare and the Secretariat of the Economy, for noncompliance with their duties, which is subject to the sanctions established in the Political Constitution of the United Mexican States in its Article 109 and 110, the Law of Administrative Responsibilities of Public Functionaries, the Federal Penal Code and applicable legislation.

11. From the Recommendation No. 26/2006 of the CNDH we infer the responsibility of the Mexican State for the negligent behavior of the public servants of the STPS, Coahuila Delegation. For this reason the CNDH recommends the payment of compensation to the families of the deceased workers. It should be mentioned that this recommendation was accepted on behalf of the STPS by the responsible officials. Nonetheless as of today the corresponding payments have not been made, with the result that the families have been forced to file lawsuits in the Federal Tribunal of Fiscal and Administrative Justice. It is necessary to state that this Special Commission infers that the recommendation of the CNDH is correct in the facts that it establishes and in the corresponding legal conclusions. For this reason we concur that the State must take responsibility based on the negligence of the aforementioned public servants.

ATTACHMENT B—EXECUTIVE SUMMARY OF CANANEA MINE SAFETY REPORT BY THE MAQUILADORA HEALTH AND SAFETY SUPPORT NETWORK

An independent team of safety and health professionals organized by the Maquiladora Health and Safety Support Network (MHSSN) conducted an inspection of the Cananea mine from October 5–8, 2007, and performed tests on a sample population of 68 workers (available at http://mhssn.igc.org/CananeaOHSReport.pdf). The conclusion of the survey team is that there are serious health and safety hazards at the Cananea mine that require immediate attention and other that require long-term corrections in order to protect workers at the facility from both in-

stantaneous accidents and chronic exposures generating occupational diseases. The MHSSN investigation revealed:

- The conditions observed inside the mine and processing plants, and the work practices reported by the interviewed workers, paint a clear picture of a workplace being "deliberately run into the ground." A serious lack of preventive maintenance, failure to repair equipment and correct visible safety hazards, and a conspicuous lack of basic housekeeping has created a worksite workers have been exposed to high levels of toxic dusts and acid mists, operate malfunctioning and poorly maintained equipment, and work in simply dangerous surroundings.
- The deliberate dismantling of dust collectors in the concentrator area processing plants by Grupo Mexico approximately 2 years ago means that workers in these areas have been subjected to high concentrations of dust containing 23 percent quartz silica, with 51 percent of sampled dust in the respirable particle-size range, protected only by completely inadequate personal respirators. Occupational exposures to silica can lead to debilitating, fatal respiratory diseases including silicosis and lung cancer.
- Semiquantitative calculations indicate workers in the concentrator area are exposed to dust levels of at least 10 milligrams per cubic meter of air (mg/m^3). The respirable quartz silica component of this dust would be at least 1.2 mg/m^3, or 10 times greater than the Mexican maximum permissible exposure limit (LMPE) of 0.1 mg/m^3. Without any operating dust collection equipment, workers in the concentrator area must be provided with powered air-purifying respirators (PAPRs), or supplied-air respirators in continuous flow mode, to protect them against inhalation exposures to silica dust, instead of the paper filtering face pieces currently in use.
- Implementation of Grupo Mexico's overall safety program at the mine has not resulted in effective, comprehensive protection of workers. There are serious health and safety hazards created by industrial-scale mining, crushing and pulverizing, acid leaching and electro-plating, and milling operations to produce fine powder copper ore from a huge open-pit, hard-rock mine. The required Joint Management-Labor Safety Committee is small—six members total—and unable to conduct or oversee effective safety inspections, hazard corrections, accident investigations, and employee training.
- Grupo Mexico has not conducted sufficient industrial hygiene monitoring to identify, evaluate, and later control health hazards to miners including exposure to mineral dusts (including silica), acid mists, airborne solvents, high noise levels, high vibration levels, hot and cold conditions. The employer has failed to inform, as required by Mexican law, monitored employees of their measured exposures to hazardous substances.
- Grupo Mexico has not conducted a comprehensive medical surveillance program to determine the health status of workers exposed to airborne contaminants (silica, heavy metals like lead, acid mist, solvents) and physical hazards such as noise and vibration. The employer has failed to inform, as required by Mexican law, the few workers who have been examined of the results of the medical tests.
- Grupo Mexico has not provided the training required by Mexican law to workers with hazardous exposures that trigger the training requirement. Despite high noise levels, exposure to chemicals, and exposures to energized machines, 91 percent of the interviewed mines had not received noise training, 58 percent had not received chemical hazards training, 70 percent had not received electrical hazards training, and 75 percent did not get training on lockout/tagout procedures for operating and repairing energized equipment.
- Grupo Mexico has failed to install effective ventilation and source pollution controls in the two ESDE plants to prevent hazardous exposures to sulfuric acid mists to workers. One marker of the levels of acid mist is that the floors and structural steel frame of ESDE II building have been eaten away by highly concentrated acid mist.
- In addition to disassembling or failing to install effective local exhaust ventilation to reduce worker exposure to airborne contaminants, Grupo Mexico has relied on personal protective equipment (PPE), inappropriate N–95 paper respirators, to protect workers from particulates, acids and vapors. Moreover, respirator users have not been medically evaluated, fit-tested and trained in the use of the PPE.
- Although the OHS survey team could not verify the exact circumstances of the 50 separate accidents reported to have occurred onsite in the last 12 months, the anecdotal reports of broken limbs, amputations, electrocutions, falls, burns, and at least one fatality, suggest these incidents were the result of unsafe work-

ing conditions, poorly maintained machinery and equipment, and inadequate safety procedures. Such root causes of the reported accidents would closely coincide with the onsite observations of the OHS survey team.

RESPONSES OF ASSISTANT SECRETARY THOMAS SHANNON TO QUESTIONS SUBMITTED BY SENATOR JOSEPH R. BIDEN, JR.

Question 1. In the Joint Declaration dated October 22, 2007, the United States and Mexican Governments announced this aid as the first installment of a multiyear $1.4 billion aid package. Over how many years is the aid projected to last? What is the breakdown for the succeeding 2 years?

Answer. We currently envision the Merida Initiative as a 3-year package of security cooperation with Mexico. We have asked Congress for $500 million for Mexico in the fiscal year 2008 emergency supplemental. The fiscal year 2009 foreign assistance budget is still under discussion with OMB. We look forward to reviewing it with you once it is presented to the Congress.

Question 2. The administration frames this as a 3-year security cooperation package, but I understand that the Mexican Government views this as the beginning of a long-term financial commitment by the United States. Assuming Congress funds the proposal at the President's requested level ($1.4 billion), would you expect the financial component of U.S. assistance to cease at the end of the 3-year period? If not, what sort of assistance do you envision beyond 3 years?

Answer. The Merida Initiative is a 3-year security cooperation package. It responds to a request made by the Government of Mexico and has a specific set of goals and objectives. We believe the Merida Initiative will foster even closer ongoing, cooperative relations between the United States and Mexico. This may require some expenditures above the baseline of recent years, but we do not anticipate an ongoing financial component of the magnitude we are proposing now.

Question 3a. The joint statement notes that Mexico has increased its security spending aimed at drug trafficking networks to $2.5 billion annually.

In total, what is the Mexican Government contributing from its budget to combat drug trafficking and major criminal organizations?

Answer. Out of an approximate overall security budget for 2007 of $7 billion (depending on exchange-rate variations), the Government of Mexico is dedicating approximately $2.4 billion to the fight against organized crime and drug trafficking. It is important to remember that the states and municipal governments expend far greater amounts on security and law enforcement, since they have primary jurisdiction. According to the Embassy of Mexico, the Federal budget for 2007 includes funding directed to the fight against organized crime in the following areas, in millions of dollars:

National Council Against Addictions	78.6
Ministry of Communications and Transport	10.2
Customs	11.7
Financial Intelligence Unit	5.1
Ministry of the Interior	277.7
Ministry of National Defense	131.8
Ministry of the Navy	21.1
Office of the Attorney General	36.5
Public Security Support Fund (FASP)	459.3
Ministry of Public Security	1,255
Federal Preventive Police—(433.7)	
Prevention and Social Rehabilitation—(222.5)	
Executive Secretariat of the National Public Security System—(106)	
Other areas (including Security Council and Minors Council)—(492.8)	
Total	2,386

Question 3b. Has it committed to this level of funding—or even increased funding—for the next 2 or 3 years?

Answer. President Calderon has publicly stated that restoring public safety and security is the top priority of his administration. As such, he has committed to taking those steps necessary to ensuring this priority.

Question 3c. In Colombia, an additional tax was imposed to fund programs for "Plan Colombia." Is Mexico seeking additional revenue sources domestically to pay for increased security efforts?

Answer. According to published Government of Mexico (GOM) figures, spending for 2008 on the Ministry of Public Security will increase by 39.4 percent, for the Ministry of Defense by 4.6 percent, for the Navy by 2.1 percent, for the Office of the Attorney General by 6 percent, and the Secretariat of the Interior by 28 percent. More detailed breakdowns for component agencies and specific projects are not yet available.

GOM revenues for 2008 will increase by 1.2 percent of GDP, or approximately USD 11.7 billion, as a result of tax changes in the Public Finance Reform legislation, which was approved September 2007.

Question 4. Your testimony failed to provide any detail to a key question: What will success look like? Beyond amorphous goals of "reduced violence" and increased stability, can you provide specific performance metrics that we intend to achieve? Please provide a detailed list of goals and performance metrics for this package.

Answer. The fight against organized crime and drug trafficking in Mexico and Central America is tough, complex, and long term. The commitment made by these countries is significant, and their democratically elected governments will be held to account by voters. The metric used by the citizens of Mexico and Central America will be palpable and reflect their individual experiences: Can they win back control of their communities and institutions, and build lives free of intimidation and fear?

Our role in this great struggle is specific and immediate. In the short term, we will determine the effectiveness of the Merida Initiative by:

- Increased arrests of drug traffickers and gang members, and the harassment and dismantling of organized crime syndicates;
- Increased interdiction of illegal drugs and weapons;
- Improved effectiveness of the national judicial systems, leading to a reduction in criminal case backlogs, a reduction in the average length of trials, and increased confidence in the courts;
- Improved law enforcement cooperation across institutional and national boundaries, leading to greater coordination of police action, and the ability to pursue and arrest criminals throughout Mesoamerica.

In the long term, we will measure the effectiveness of the Merida Initiative by its ability to transform the tone and substance of our bilateral and regional cooperation. The Merida Initiative represents a new and innovative method to address shared responsibilities and shared challenges. Its success, or failure, will shape the future of our relationships.

Question 5. Many of the criminal organizations in Mexico fund themselves through the drug trade. If one of the major goals of the initiative is to dismantle these criminal organizations, shouldn't another logical goal be reduced drug trade and flow into the United States? If so, given your expectation that our assistance will lead to "significantly reduced violence," how much concomitant reduction in drug flow to the U.S. can we expect to see?

Answer. We strongly believe that by assisting Mexico and the countries of Central America in confronting drug trafficking and criminal organizations—as well as helping them strengthen their state institutions—a reduction of illicit drugs flowing into the United States from Mexico and Central America is likely.

The four primary goals of the Merida Initiative are to (1) break the power and impunity of criminal organizations in Mexico and Central America; (2) assist the Governments of Mexico and Central America in strengthening border, air, and maritime controls from the Southwest border of the United States to Panama; (3) improve the capacity of justice systems in the region to conduct investigations and prosecutions, implement the rule of law, protect human rights, and sever the influence of incarcerated criminals with outside criminal organizations; and (4) curtail gang activity in Mexico and Central America and diminish the demand for drugs in the region.

The Merida Initiative is a key component in the U.S. Government's efforts to enhance security and the rule of law in the region. These include cooperation with other governments in the hemisphere to reduce the production and trafficking of, as well as demand for, illegal drugs. In the Western Hemisphere, these programs include the Southwest Border Counternarcotics Strategy, joint interdiction programs with the countries of the Caribbean and the United Kingdom, as well as our efforts with our South American neighbors to attack drug production at its source.

The supply of drugs flowing into the United States is, therefore, subject to a number of complex factors that are beyond the scope of the Merida Initiative. However, by focusing on attacking and dismantling the drug trafficking and criminal organizations, strengthening state institutions in Mexico and Central America, and reducing the levels of demand for drugs throughout the region, it is our hope that a

reduction in violence, strengthening of state institutions and the rule of law, and increased demand reduction will be accompanied by a corresponding reduction in the flow of drugs entering the United States from Mexico and Central America.

For our part, it is important to address domestic drug consumption. Reducing demand for illegal drugs will be critical to reducing the volume of illicit drugs entering the United States. As we implement the foreign assistance programs under the Merida Initiative, we are coordinating with U.S. agencies engaged in demand reduction.

Question 6. Senator Menendez pointed out that in 2003 the U.N. Committee Against Torture found that the Mexican police commonly use torture as a method of criminal investigation, and a report 2 years later by the Mexican National Commission on Human Rights reported that torture remains widespread in Mexico. What assurance can you provide the committee that our assistance, in whatever form, will not be used to facilitate these tactics? What assurances have you received from the Mexican Government that human rights standards, in general, will be respected in the policies and programs supported through this aid package?

Answer. Mexican law prohibits torture and does not allow the use of coerced confessions. Nevertheless, it continues to be a serious problem. The Mexican Government has taken steps in recent years to prevent any unlawful use of torture or coerced confessions by police or military personnel.

In 2003, the Mexican Government promulgated guidelines that require prosecutors and other law enforcement personnel to receive training on human rights and police practice according to the Manual on the Effective Investigation and Documentation of Torture and other Cruel, Inhuman or Degrading Treatment or Punishment. This is commonly known as the "Istanbul Protocol" and was adopted by the Human Rights Commission of the United Nations. It establishes assessment, investigation, and reporting guidelines and procedures in accordance with international human rights standards and international instruments.

The Merida Initiative includes funding to help strengthen and expand the Office of Inspector General within the Mexican Attorney General's Office, the Office of Professional Responsibility within the new Mexican Federal Police, civilian complaint centers, and civilian watchdog organizations. These tools will help maintain public accountability of law enforcement and justice sector institutions, and are strongly supported by the Calderon administration, which has recognized the need to enhance their functions.

In late September 2007, in response to allegations of human rights violations, the Mexican military accepted all of the recommendations of Mexico's National Commission for Human Rights (CNDH). The Mexican Secretariat of Defense affirmed its commitment to collaborating with CNDH on all outstanding investigations. In October, a civilian court found four soldiers guilty of rape and sentenced them to up to 41 years in prison. This represented the first time that military personnel have been tried in a civilian court in Mexico.

Question 7. What lessons have you learned from our assistance program in Colombia, and how specifically are these lessons applied to the Mexico proposal?

Answer. There are significant differences between Plan Colombia and the Merida Initiative. Plan Colombia had components, such as eradication and the fight against armed groups seeking to overthrow the state that the Merida Initiative does not have. The Merida Initiative is a more focused program with the vast majority of resources flowing to civilian institutions.

We learned several important lessons in Colombia. First, the fight against drug trafficking and organized crime is not simply a matter of eradication or interrupting the transit of illicit goods. Organized criminal organizations today seek to control institutions of the state through violence and corruption. To address that, we are working with Mexico and the countries of Central America on building institutions that respond efficiently and democratically to the legitimate needs of communities and cities. These institutions must be transparent and accountable if they are to displace organized crime. Our common approach with Mexican and Central American partners involves attacking not only the leaders of organized crime, but also the financial and personal networks these leaders use to manage their criminal operations.

Another lesson is the importance of working with communities to counter the negative influence of criminal organizations. This will require improved communication by authorities with communities in which the fight against organized crime is being conducted.

Finally, our experience in Colombia has clearly demonstrated the importance of committed national leadership, as we have seen in President Uribe. President

Calderon and his colleagues in Central America have also demonstrated strong leadership in confronting these threats.

Question 8. The Government Accountability Office (GAO) recently reported that while the Office of National Drug Control Policy (ONDCP) had completed a congressionally mandated Southwest Border Strategy, it had not completed an accompanying implementation plan. The GAO recommended that ONDCP and the U.S. counternarcotics interagency community coordinate with the Government of Mexico before it completed the implementation plan. How does this initiative relate to the Southwest Border Strategy and its implementation plan? Does it supplant it? Does it add to it? Are the two plans coordinated with each other?

Answer. The National Southwest Border Counternarcotics Strategy (SWBS) was formally approved by the administration on March 23, 2006. An Implementation Working Group (IWG) was subsequently formed under the leadership of the Department of Homeland Security Office of Counternarcotics Enforcement, and Department of Justice Office of the Deputy Attorney General, to oversee the implementation of the strategy's objectives. A classified implementation plan was completed in the summer of 2007, and following consultations with Congress and the Government of Mexico, the National Southwest Border Counternarcotics Strategy was announced publicly in October during a visit by ONDCP Director Walters to San Diego.

Although the National Southwest Border Counternarcotics Strategy was developed through the interagency process prior to the Merida Initiative, we have made sure that the two programs are complementary. The SWBS is primarily a domestic coordination plan, focused on what the United States can do on its side of the border to reduce the flow of illegal drugs. However, key aspects of the strategy include measures to enhance border controls and coordinate with the Government of Mexico to conduct seizures, investigations, and prosecutions. A key distinction between the two initiatives is that the Southwest Border Strategy primarily seeks to improve operational coordination, while the Merida Initiative provides the tools to improve the Government of Mexico's counterdrug and public security capacities, in addition to seeking enhanced cooperation in law enforcement and security matters.

We believe that by coordinating each nation's domestic efforts, working jointly through improved cooperation and communication, and providing additional resources and support to Mexico and Central America under the Merida Initiative, we will have the foundation to establish a new, fully integrated framework of cooperation for law enforcement partnership throughout this region.

Question 9. How was this aid package developed and what input did the Government of Mexico have? Please be specific.

Answer. United States-Mexico Process: In March, President Bush concluded his five-country visit of Latin America with a meeting with President Calderon in Merida, Mexico. Not only did the two of them build upon their initial conversation of November 2006, but President Bush also carried up the ideas of regional cooperation he had just discussed with President Berger in Guatemala.

In May, Mexican Foreign Minister Espinosa presented the Mexican Government's proposal for U.S. Government security cooperation. Assistant Secretary Tom Shannon led a group of senior U.S. officials to Mexico City to discuss the broad outlines of the request with our Mexican counterparts.

Thereafter, Mexican officials met with U.S. officials from a wide variety of agencies. GOM officials presented the broad outlines of their plans to combat drug trafficking and related violence. USG officials asked questions about how the GOM request supported those plans. Over the course of 2 months, validation teams—composed of USG experts from among the interagency—traveled to Mexico for several days at a time to discuss specific program components with their counterparts.

United States-Central America Process: In March, the President also met with President Berger of Guatemala. During that meeting, they discussed the need for a comprehensive regional security plan to address citizen insecurity in the region.

The interagency began planning in Washington, while the Central American Integration System (SICA) worked to finalize their regional security strategy. Assistant Secretary Shannon led the U.S. delegation to the first U.S.–SICA Dialogue on Security, where SICA identified drug trafficking, illicit trafficking of arms, and gangs as the most pressing security concerns.

The USG interagency community reviewed the SICA request process, making use of needs analyses conducted by posts, to develop an appropriate response to the Central American threat and needs analysis.

We will continue to work with SICA and the Central American governments as we move forward.

Question 10. What is the Government of Mexico's strategy for attacking the drug trafficking threat in Mexico? How does the aid proposal relate to this strategy? Does it simply provide aid in furtherance of it, or does it involve changing Mexico's current strategy, priorities, and programs?

Answer. Under President Calderon, the Government of Mexico has already taken bold action to confront and dismantle the drug trafficking and criminal organizations that have spread violence throughout the country. U.S. assistance under the Merida Initiative seeks to support Mexico by implementing specific strategies through which both governments agree the U.S. can contribute valuable and unique assistance.

Mexico's strategy against these criminal organizations falls under four areas: (1) To recover public spaces from the cartels and maximize full operational control of Mexican territory; (2) to dismantle the drug trafficking and organized crime groups that are threatening public order in Mexico; (3) to strengthen the criminal justice organizations necessary to apprehend and prosecute the traffickers, and (4) to reduce domestic demand for drugs within Mexico.

Question 11a. The largest single category of assistance for Mexico—some 40 percent—is for eight Bell 412 helicopters for the Mexican Air Force, and two CASA CN–235–300 maritime patrol aircraft for the Mexican Navy. In the past, Mexico has had trouble maintaining U.S.-provided aircraft. In the late 1990s, 73 UH–1H helicopters were returned to the United States as unflyable. More recently, GAO said the Department of Defense was discontinuing support for other UH–1H helicopters; it also indicated that the Government of Mexico did not provide the necessary funding to upgrade the C–26 aircraft surveillance capability.

How were the helicopters and maritime patrol aircraft selected? What are the mission requirements for each platform?

Answer. The GOM determined their mission requirements (range, payload, etc.) and identified aircraft that best met those requirements. In addition, a USG interagency validation team with representatives from the Department of State, the Department of Defense, U.S. Coast Guard, and the Department of Homeland Security reviewed the Mexican mission analysis and aircraft selection process. The present request includes helicopters for the Mexican Army/Air Force (SEDENA) and surveillance aircraft for the Navy (SEMAR). The aircraft requested in the proposal now before Congress reflects the outcome of those working sessions.

Key requirements identified by SEDENA for the helicopters included: Night vision capability; hard points and wiring; cargo hook; armored crew seats; state-of-the-art navigation and communication equipment; MEDEVAC equipment; sufficient cargo and equipment capacity in Mexico's geographic/atmospheric conditions (8,000+ feet altitude); and a robust capacity for operational response. The fact that Mexico already operates four BH–412 helicopters was another key factor in determining which helicopter is the best operational, maintenance, and training fit for SEDENA.

SEMAR defined the requirements for the maritime patrol aircraft as including: Electronic cockpit instrument displays; palletized system to outfit the aircraft for different missions; Forward Looking Infrared/Electro-optics (FLIR/EO); Inverted Synthetic Aperture Radar (ISAR) system; Automatic Identification System (AIS) receiver; Electronic Support Measures (ESM); Flare launch system; and a 2,300 nm range. In addition, SEMAR noted that it was interested in an aircraft that lent itself to using operational techniques similar to those of the U.S. Coast Guard, which is integrating the same aircraft into its fleet.

Question 11b. How will the Government of Mexico use the aircraft? What end-use restrictions will the United States place on the aircraft? How will the United States monitor the use of these aircraft?

Answer. SEDENA's mission for the helicopters is multipurpose, to include transporting troops and police to fight organized crime and drug trafficking; supporting civilian populations in case of disaster; reconnaissance; transporting supplies; undertaking search and rescue; MEDEVAC; and providing a surveillance platform for counterterrorism. Most importantly, these helicopters will give the Mexican Air Force a complete squadron of BH–412 helicopters (the Mexican Air Force has four BH–412 helicopters on hand) that can provide mobility to rapid reaction forces.

SEMAR's mission for its maritime patrol aircraft is aerial surveillance patrol used to establish better control over maritime territorial limits and to deny the use of the eastern Pacific and western Caribbean to transnational criminal organizations and terrorists.

The proposed funding source for the acquisition of these aircraft for the military is the INCLE account. As such, Mexico is required to employ these aircraft in a manner consistent with the agreed purposes of the funding. The U.S. will monitor

the status of these aircraft to determine that they are being used and maintained appropriately and to continually be aware of the location of these aircraft. The USG will employ onsite visits, reports, and inspections to verify that Mexican use of the equipment complies with the purposes of the Merida Initiative and letters of agreement between Mexico and the United States.

Question 11c. What are the operational flying rates for the Bell 412 helicopters currently in service for the Mexican Air Force?

Answer. SEDENA's operational cost per flight hour is roughly US$2,000, which includes fuel, depreciation, and operation time into account. During a visit to Santa Lucia Air Base in November, the Bell 412 squadron indicated that they were able to keep the four aircraft at an operational flying rate near 90 percent. One of the aircraft was undergoing a 150-hour inspection, and it appeared to be in excellent condition. Technicians were performing the maintenance in accordance with applicable manufacturer's technical manuals in English.

Question 11d. What are the operational flying rates for the CASA 212 aircraft currently in service for the Mexican Navy?

Answer. SEMAR's operational flying rate for the CASA 212 is currently 400 hours per year with a planned increase to 600 hours per year.

Question 11e. The detailed justification states that Mexico's short-term objective is to build a fleet of six CASA 235s and seven CASA 212s for maritime surveillance. Over what time period is this goal expected to be met?

Answer. SEMAR has not shared an acquisition timeline, although it has indicated its need to begin purchasing CASA 235s in the near-term if the USG does not provide them. SEMAR has noted that all of its six CASA 212–CEs were purchased in 1982 and have an expected remaining service life of 6 years, which suggests an urgent need to purchase new aircraft.

Question 11f. Have decisions been made about where these aircraft will be based? What role did, or will, the United States have, in making such decisions?

Answer. The Mexican AF has indicated that the Bell 412s will be based at Santa Lucia Air Base, near Mexico City. Although the squadron is based at Santa Lucia, the aircraft will be deployed throughout Mexico to meet operational requirements. Aircraft are deployed with the necessary operational, logistics, and maintenance elements to operate in the deployed environment. Additionally, if a higher level of maintenance skill is required, more skilled teams would be deployed to the helicopter location to bring the aircraft to an operational condition.

SEMAR has 25 years experience working with CASA 212–CEs, operating them out of three bases—La Paz, Baja California Sur; Veracruz, Veracruz; Tapachula, Chiapas. (A fourth base is planned for Campeche, Chiapas.) These bases have hangars and workshops adequate to service more than SEMAR's present fleet of seven CASA C–212–CEs. USG experts are familiar with these bases and agree that they are adequate for fulfilling the mission and for maintaining the equipment.

Question 11g. What is the anticipated procurement and production schedule for the aircraft? If the funds are appropriated within the next few months, when would you anticipate the aircraft will come off the line?

Answer. In November meetings with Bell Helicopter and the ODC (Office of Defense Coordination) Mexico, Bell indicated that the aircraft is anticipated to come off the line approximately 1 year after an order is made for the first two or three aircraft, and within the following calendar year after that for the remaining aircraft. We anticipate delivery of the first aircraft for SEMAR 18–20 months after contract award, with the second aircraft delivered 1 month later.

Question 11h. How many pilots will be needed to fly the aircraft? How much pilot training will be necessary before the Mexican Armed Forces can utilize the aircraft? Where will the training be conducted? Who will pay for it? At what cost? How long will such training take?

Answer. Both the Bell 412s for SEDENA and the CASA 235s for SEMAR will be provided through a Foreign Military Sales framework, a total package approach, which includes recommended training, supply support, and technical assistance. All of these items have been incorporated into the supplemental request. Transition training (training experienced pilots to fly a new type of helicopter) for the aircraft and systems is normally provided by the equipment manufacturer as part of the purchase package.

The Mexican Air Force has about 60 pilots for the Bell 212, which is a similar airframe as the 412. The current plan is to transition 212 pilots to the 412. Mexican

officials indicated they currently have the internal capability to conduct transitional training. Additionally, because the 412 would replace aging 212s, maintenance and logistics personnel would also be transitioned to the Bell 412. The similarity in airframes for maintenance purposes would require minimal training for maintenance personnel to transition to the 412. It is anticipated that the GOM would be able to absorb the 412s mostly using internal resources for training. It is not anticipated that the Mexican AF would need any long-term training/contractor support for operations or maintenance. Initial training for maintenance and operations will be provided with the acquisition of the Bell 412s. However, the long-term approach is for the Mexican Air Force to train its own pilots through train-the-trainer programs. Transition training is of limited duration, accomplished over the period of several months.

For the CASA 235s for SEMAR, the notional crew for each of the two additional aircraft is five personnel, two of whom are pilots. For 25 years SEMAR pilots have capably flown CASA 212s, which are similar in configuration to the requested CASA 235s. With this pool of experienced pilots, we do not anticipate the need for initial training, and the package includes funding for transition training. Training is planned for up to eight pilots per airframe, covering 20 working days of ground training, 128 hours in a simulator, and 36 flight hours. All training would occur in the U.S. The cost of conducting the pilot and maintenance training is included in the proposed assistance and is budgeted for $1.4 million. SEMAR would fund student travel and living allowances separately.

Question 11i. How many maintenance personnel will be needed to sustain the new aircraft? Is additional training required for them? If so, what is the plan for such training?

Answer. As discussed in section (h), Mexican AF (MAF) personnel are currently maintaining Bell 212s, a similar airframe. The MAF intends to decommission older Bell 212s with the arrival of the 412s. This would enable these maintenance personnel with similar maintenance training requirements to transition to the 412 with limited transition training. The plan for this transition training is to send personnel to training provided by Bell during the acquisition period of the aircraft. Additional technicians would be trained internally by the MAF.

The MAF indicated that air force units host maintenance personnel with equipment maintenance capability. Additionally they have developed intermediate and depot level maintenance capabilities for their helicopters. Their maintenance plan enables the MAF to conduct all these levels of maintenance at home station and at any deployed locations in Mexico.

The proposed training for SEMAR would provide up to six maintenance technicians per airframe, including 40 working days of powerplant/systems, electrical/instruments/avionics and engine run-up training. All training would occur in the U.S. The cost of conducting the pilot and maintenance training is included in the proposed assistance and is budgeted for $1.4 million. SEMAR would fund student travel and living allowances, separately.

Question 11j. What degree of contractor support will be necessary for logistics and maintenance of the aircraft? For how long?

Answer. We anticipate that the MAF will not require any long-term contractor support for the operation, logistics, and maintenance of the Bell 412s. With the acquisition of the helicopters, the plan is to purchase the necessary parts for a 2-year operational period. This support period will allow the MAF to develop internal logistics capabilities to meet the increased demand for the additional eight aircraft. It is envisioned that the development of this capability will be mainly through internal MAF resources with minimal assistance from outside contractors.

The proposed initial logistic support for the SEMAR aircraft includes notional operation-level spares for a period of 3 years, assuming 700 flight hours per year, plus one spare turbo-prop engine per airframe. The budget for spares included in the proposed assistance is $6 million per airframe. Additionally, the proposed assistance includes $3.5 million for full in-service technical support provided by in-country vendor field representatives for a period of 3 years. In combination, this logistic support proposal should provide aircraft operational availability of 90 percent.

Question 12. The most recent National Drug Threat Assessment issued by the National Drug Intelligence Center indicated that the trafficking of drugs in the eastern Pacific increased substantially in the last couple of years. That suggests a need for significant assets in maritime interdiction. Yet the request is for only two maritime patrol aircraft (CASA 235) that cost $50 million apiece. What other measures are the two governments taking, or planning to take, to confront trafficking in this corridor?

Answer. The U.S. Coast Guard and Mexico are working closely in many areas to improve maritime cooperation. In early December, a delegation from the Mexican Navy (led by Secretary of the Navy Admiral Sanyez) visited U.S. Coast Guard Headquarters to discuss ways to improve cooperative efforts. The Secretariat of the Navy (SEMAR) is itself looking to procure small boats to improve law enforcement presence along their coasts and discussed various options with U.S. Coast Guard officials.

Over the past year, the Coast Guard has noted a significant improvement in Government of Mexico's responsiveness to inquiries on vessels claiming Mexican nationality. The Mexican Navy officials stated that the GOM is working hard to improve coverage of their maritime regions through an automated information system, which will provide greater transparency of the maritime traffic in the eastern Pacific Ocean. The USG, through the Joint Interagency Task Force South (JIATFS) and the USCG's Eleventh District, continues to conduct detection, monitoring, and drug interdiction operations in the eastern Pacific narcotics trafficking transit zone. The USG has discussed establishing agreed interdiction principles with Mexico, which would improve our ability to more quickly reach decisions on tactical maritime cooperation; however, no formal agreement or process has been established.

Question 13. I have long been concerned with corruption in the Mexican Government, including in its law enforcement institutions. What specific measures will be taken to ensure that assistance is provided only to vetted units? Who will conduct the vetting, by what standard, and in what capacity?

Answer. Some Mexican Federal law enforcement agencies are beginning to use polygraphs as one aspect of a developing comprehensive vetting program to weed out corrupt officers. USG law enforcement agencies (LEAs) and the Embassy Narcotics Affairs Section (NAS) are all helping train Mexican Federal LEA personnel in administering polygraph examinations. USG LEAs and NAS will continue to independently vet units they work with directly.

The Secretariat for Public Security (SSP) has announced plans to hire an additional 8,000 investigators, adding to an already existing Federal police force of about 27,000. Our understanding is that this additional capacity will allow all new recruits to undergo initial vetting, while all SSP personnel will be subject to periodic vetting.

To ensure that assistance is only provided to the intended recipients, such as vetted units, the Embassy has in place end-use monitoring systems, which allow Foreign Service Officers staffing the Narcotics/Law Enforcement Affairs Sections (NAS) in our Embassies in Mexico and the Central America countries to oversee the programs. These individuals are supported in Washington by Bureau of International Narcotics and Law Enforcement Affairs (INL) subject and country experts, as well as budget and management experts. For example, INL regularly sends in-house experts to evaluate procedures and records at NAS operations throughout the world, conducting Management Assessment Visits that review NAS policies and procedures for internal management controls, property management (including end-use monitoring), contracting and procurement, financial management and human resources management.

Each NAS monitors the condition and maintenance of commodities provided to the recipient agency of the host governments. They use this information to produce an end-use monitoring report which forms part of a comprehensive annual report to Congress. The State Department considers end-use monitoring one of the critical management tasks for which field offices are responsible.

The Merida Initiative will also combat corruption through programs for police professionalization and training, including ethics and anticorruption training, support for the Government of Mexico's Federal anticorruption agency (Secretariat of Public Administration); an expansion of an existing Culture of Lawfulness project designed to develop public support for the rule of law; assistance to the Office of the Attorney General (PGR) in establishing citizen complaint offices to provide a venue for the public to register complaints of malfeasance or abuse; and strengthening the PGR's Office of Inspector General, and the SSP's Office of Professional Responsibility, to improve internal integrity mechanisms in the Mexican law enforcement community. The initiative will also provide training for civil society NGOs to educate the general populace concerning their rights, responsibilities, and recourse to redress grievances; and will encourage NGO participation on advisory boards to monitor the effectiveness of citizen complaint centers and internal oversight bodies.

Question 14. The aid proposal calls for $37 million for "additional staff, equipment, and technical assistance and evaluation costs needed" to implement and monitor the Mexico program. In a press briefing on October 22, Assistant Secretary

Shannon stated that we are "not going to have to increase . . . our personnel footprint in Mexico." This statement was preceded by a reference to law enforcement officers. Was the statement about not increasing personnel focused only on law enforcement officers, or all personnel?

Answer. On October 22, Assistant Secretary Shannon was speaking about law enforcement and military personnel. Initial estimates indicate that providing the full level of program support and oversight functions will require up to 75 additional personnel. The majority would be foreign national staff filling financial management (accounting, voucher examination) and logistics support capacities, but would also include several personal services contract (PSC) personnel focusing on contract and project management and oversight. They would be based in Washington, DC, Mexico, and Central America.

Question 15. How many additional U.S. personnel, whether direct hires or contractors, will be necessary to implement and monitor the Mexico program? Where will they be located? What funds may be needed to provide necessary office space in Embassy Mexico City?

Answer. Initial personnel estimates indicate that providing the full level of program support and oversight functions for the programs requested will require up to 75 additional personnel in Mexico, Central America, and Washington, DC; most of these would be involved in managing the resources provided to Mexico. The majority of these additional personnel would be foreign national staff filling financial management (e.g., accounting and voucher examination) and logistics support capacities. These additional personnel would also include personal services contract (PSC) personnel focusing on contract and project management, project oversight, and financial and contacts audits.

The Embassy in Mexico City is still considering the best means to provide adequate office space for these staff. Any arrangement must meet all relevant regulations regarding security.

The funds requested for overhead ought to be adequate to cover the administrative requirements for managing these resources appropriately.

Question 16. Please provide a breakdown, by agency, of the number of personnel in Embassy Mexico City working on law enforcement matters (including the NAS, DEA, FBI, DHS, etc.) as of the start of fiscal 2008.

Answer. There are 284 personnel working on law enforcement matters across Mission Mexico, which includes the constituent posts. Of these, 220 are U.S. direct hires or personal service contractors (U.S. DH/PSC) and 64 are Locally Employed Staff (LES). For the agency and post breakdown, please see the chart below.

Agency	LES	U.S. DH/PSC	Total
State/Narcotics Affairs Section (NAS)			
Mexico City	10	7	17
Total	10	7	17
DOJ/Drug Enforcement Administration (DEA)			
Mexico City	6	44	50
Ciudad Juarez	1	6	7
Guadalajara	2	7	9
Matamoros		6	6
Merida	1	5	6
Monterrey	2	7	9
Nogales		6	6
Nuevo Laredo		6	6
Tijuana	2	8	10
Mazatlan	4	7	11
Hermosillo	1	6	7
Total	19	108	127
DOJ/Federal Bureau of Investigation (FBI)			
Mexico City		22	22
Ciudad Juarez		2	2
Guadalajara		3	3
Monterrey		3	3
Tijuana		2	2

Agency	LES	U.S. DH/PSC	Total
Hermosillo		1	1
Total		33	33
DOJ/Alcohol, Tobacco, Fire Arms and E. (ATF)			
Mexico City	2	4	6
Monterrey		2	2
Total	2	6	8
DOJ/Office of International Affairs (OIA)			
Mexico City		2	2
Total		2	2
DOJ/U.S. Marshall (USMS)			
Mexico City	2	3	5
Total	2	3	5
DHS/U.S. Citizen & Immigration Services (CIS)			
Mexico City	7	6	13
Ciudad Juarez	3	3	6
Monterrey	3	2	5
Tijuana	3	1	4
Total	16	12	28
DHS/Immigration and Customs Enforcement (ICE)			
Mexico City	5	14	19
Ciudad Juarez	2	3	5
Monterrey	2	5	7
Tijuana		3	3
Hermosillo		5	5
Total	9	30	39
DHS/Customs and Border Protection (CBP)			
Mexico City	3	7	10
Total	3	7	10
DHS/U.S. Secret Service (USSS)			
Mexico City	1	3	4
Total	1	3	4
DHS/Transportation Security Administration (ATS)			
Mexico City	1	1	2
Total	1	1	2
Mexico City	1	2	3
Total	1	2	3
Treasury/Internal Revenue Service/Criminal Investigation Division (IRS–CID)			
Mexico City		2	2
Total		2	2
DOD/Information Analysis Center (IAC)			
Mexico City		4	4
Total		4	4

Agency	LES	U.S. DH/PSC	Total
Grand total	64	220	284

Question 17. A recent report by the Government Accountability Office noted the United States and Mexico have cooperated on maritime interdiction in recent years but that the two countries have not agreed to a bilateral maritime cooperation agreement to allow U.S. law enforcement personnel to board and search Mexican-flagged vessels without asking the Government of Mexico for authority to board on a case-by-case basis.

a. What measures are currently in place for boarding suspect vessels?

b. Are we seeking such an agreement that would provide authority to board in advance, and what obstacles are there to achieving such an agreement?

Answer. The Calderon administration has been noticeably more responsive to U.S. requests to board suspect Mexican-flagged vessels than were previous administrations. While there is currently no formal maritime agreement between the United States and Mexico, Government of Mexico (GOM) permission to board a Mexican-flag vessel is accomplished by approaching the GOM on a case-by-case basis, pursuant to article 17 of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988.

Question 18. In March 2007, the Bureau of Western Wemisphere Affairs issued a fact sheet stating that the Inter-American Convention Against Illicit Manufacturing and Trafficking in firearms will "make the citizens of the hemisphere safer." But just a month earlier, in a letter to this committee setting forth its priorities for treaties in the 110th Congress, the Department stated that it did not support Senate action on this convention.

If the convention will make the citizens of the hemisphere safer, and the Government of Mexico is asking for our help in reducing firearms trafficking, why does the administration not support Senate action on this convention?

Answer. The Department of State continues to believe that the Organization of American States' Convention against Illicit Manufacturing of and trafficking in Firearms, Ammunition, Explosives, and Other Related Material (CIFTA) will make the citizens of the hemisphere safer by helping shut down the illicit transnational arms market that fuels the violence associated with drug trafficking, terrorism, and international organized crime. We therefore share your interest in the CIFTA and appreciate the importance you attach to it.

We are in the process of reviewing the convention and consulting with the interagency community, industry, and civil society on the importance we attach to ratification of this convention.

Question 19a. Information provided to the committee indicates that of the funds for Central America, nearly $15 million, or nearly 30 percent, are not allocated to a specific country. The material indicates that it will be determined based on consultations with the Central American Integration System.

Why was this proposal submitted at this time, given that you have not yet finished even preliminary planning for how you would spend the funds?

Answer. The administration's plan calls for $14.8 million of the $50 million request to be spent on prison reform and basic nonlethal equipment for police forces. During USG consultations with the Central American Integration System (SICA) on the Merida Initiative, the State Department requested that each Central American Government provide a list of prioritized nonlethal equipment and prison reform needs. Central American nations are in the process of finalizing their requirements. Once we receive these, we will send expert teams to the region in early 2008 to refine these requests, which will allow us to rapidly finalize our proposed allocations in these two categories.

Question 19b. When do you expect to complete these consultations and then be able to provide Congress with more specific information?

Answer. These consultations at the Embassy level have been ongoing and build on our existing counternarcotics and law enforcement programs. We expect to begin sending Washington-based, specialized interagency teams to Central America in early 2008. We should be able to provide more specific information to Congress as soon as possible after the assessments are completed.

Question 19c. What assessments have been conducted in preparation of this request?

Answer. Our Embassies in Central America have ongoing relationships with public and security forces that form the basis for assessing and determining individual countries' needs. Following President Bush's important consultations with President Berger in March, Assistant Secretary Shannon led the U.S. delegation to the first U.S.–SICA Dialogue on Security in July. There, SICA identified drug trafficking, illicit trafficking of arms, and gangs as the most pressing security concerns. In August, embassies in the region provided to the Department their own comprehensive assessment of needs. Throughout September and October, multiple Washington interagency meetings considered this information and compiled the program proposals for Central America submitted under the Merida Initiative supplemental request. The SICA regional security plan that was presented in September (and formally approved by the SICA presidents on December 12 at their SICA summit) provided valuable information for these deliberations. In November, USG officials formally presented and briefed the administration's Central America request to the SICA vice-ministers.

Question 20. What additional U.S. personnel will be needed—whether direct hires or contractors—to implement the Central American portion of this request? Where will they be located?

Answer. The additional personnel overseeing the Central American portion of the request will be located at the embassies in the region. The majority would be foreign national staff filling financial management (accounting, voucher examination) and logistics support capacities, but would also include several personal services contract (PSC) personnel focusing on contract and project management, project oversight, and financial and contacts audits. As many as 18 staff could be required in the Central America region out of total 75 personnel.

Question 21. You testified that you regret that you were unable to engage in consultations with Congress prior to the announcement of this aid proposal. Why were such consultations not undertaken?

Answer. Our intention was to provide the Congress a credible security cooperation package that reflected the best efforts and work of our interagency community, including conversations with our Mexican and Central American counterparts. We believe we have prepared such a package and we commit to work closely with the Congress to craft a security cooperation relationship with Mexico and Central America that will meet our national security interests and take full advantage of the historic opportunity we now have.

Question 22. It has been reported that the Central American countries are concerned that the robust $500 million request for Mexico and only $50 million earmarked for all seven Central American countries would shift drug trafficking operations from Mexico to Central America. Do you believe there are sufficient resources allocated to Central America to prevent this from occurring? What specific steps are being taken to ensure that such a shift does not happen? What funding requests within the initiative would help Central America fight against any increased trafficking in its countries as a result of what we hope will be disrupted drug flow in Mexico?

Answer. Drug trafficking and criminal violence are very serious problems in Central America. The $50 million request for Central America is part of a continuing assistance program. The Central America portion of the package was formulated to support the regional security strategy developed by the Central American Integration System (SICA). The requested $50 million would directly respond to their identified training and material shortfalls as we continue to define more effective joint approaches and measures to address transnational threats.

As the Merida Initiative was developed, we discussed internally, as well as with Central American governments, the possibility of traffickers using alternative routes through Central America if the proposed programs are successful in Mexico. Our goal is to develop a substantive, mutually beneficial security partnership with our Central American neighbors that will improve the security of the region as a whole.

The Merida Initiative's Central American component was designed as a regional approach. For example, the package includes training and equipment for port, airport, and border security in Central America; upgraded maritime interdiction assets (Costa Rica); expansion of sensitive investigation police units focused on counternarcotics; and enhanced information-sharing and collection, such as upgrading crime and fingerprint databases.

We intend to use this program to build a the stronger political will among SICA member states to work with each other, as well as with Mexico and the USG.

RESPONSES OF ASSISTANT SECRETARY THOMAS SHANNON TO QUESTIONS SUBMITTED BY SENATOR ROBERT MENENDEZ

Question 1. You continually said in the hearing that you, "regret that you were unable to consult Congress over this package."

- a. Why were you unable to consult with Congress?

Answer. Our intention was to provide the Congress a credible security cooperation package that reflected the best efforts and work of our interagency community, including conversations with our Mexican and Central American counterparts. We believe we have prepared such a package and we commit to work closely with the Congress to craft a security cooperation relationship with Mexico and Central America that will meet our national security interests and take full advantage of the historic opportunity we now have.

Question 2. The situation in Mexico has grown increasingly complex. In addition to violence and corruption, Mexico has become a drug producing country itself. Also, Mexico now also faces a growing problem with drug consumption.

- a. Do you recognize these two developments as threats in Mexico?
- b. What specifically in the packages addresses these two threats?

Answer. The increase in drug production and consumption is a threat in Mexico, and along the U.S. border. The Government of Mexico recognizes this threat and has taken decisive actions to address it.

The Merida Initiative proposes to increase U.S. support and cooperation in interdiction activities, information-driven operations, and enhanced law enforcement cooperation. For example, the proposed inspection equipment and canine units will help Mexico deter production and inhibit the transport of drugs and drug precursors, including those used to produce methamphetamines. The advanced IT equipment will help facilitate law enforcement information-sharing and expedite crime scene analysis to target major drug production centers; and the support for institution-building will help strengthen Mexico's judicial and law enforcement institutions' capacity to dismantle Mexico's criminal organizations and have a real impact on drug production and trafficking.

The programs proposed as part of the Merida Initiative, however, are only supplemental to the leadership Mexico has taken in addressing organized crime and drug production, which includes combined efforts on interdiction, eradication, public awareness campaigns, and economic development. In addition to our cooperation on interdiction, we have supported Mexico's efforts against domestic production and its internal demand.

On demand reduction, we propose to support Mexico's considerable efforts in drug addiction treatment and prevention by providing $15.157 million of communications technology. This will be used to build a nationwide network to link the over 300 centers to reduce drug consumption and enable the delivery of Mexican Government drug addiction prevention and treatment programs throughout the country. In September, the Government of Mexico announced the creation of 300 specialized treatment medical units nationwide (70 ready in 2007) and 64 new Community Centers for Comprehensive Addiction Treatment. The Government of Mexico has an annual budget of $110 million for prevention and treatment of addictions. Approximately $27 million supports the Youth Integration Centers and $14.5 million is directed toward the prevention and treatment of addictions. Mexico's asset forfeiture law requires that 33 percent of assets seized be used for demand reduction programs.

Question 3. Despite having brought up Central American gang violence policy recommendations in a hearing over 2 years to solve a problem that has plagued Central America for well over 2 years, we now see this request in an emergency supplemental. And this is true for the $500 million to Mexico. I'm concerned over how this will affect future Latin American foreign assistance.

- a. How will this package affect overall U.S. Foreign Assistance to Latin America in the FY09 budget?
- b. Will this package continue to be paid for over the existing level or do you predict some sort of cuts?

Answer.

3a. The FY 2009 budget is still under discussion with OMB. We look forward to reviewing it with you once it is finalized. The Merida Initiative is a high priority, as is existing funding to the hemisphere; however, we are unable to predict future funding levels.

3b. On July 18, at the inaugural, U.S.–SICA Security Dialogue, I announced the U.S. Strategy to Combat Gangs from Central America and Mexico. Under this comprehensive strategy, the United States is working with partner countries to combat

transnational and other gangs that commit crimes in Central America, Mexico, and the United States. The U.S. Gang Strategy focuses efforts in five areas: Diplomacy, repatriation, law enforcement, capacity enhancement, and prevention.

Work has begun under all five pillars. In addition to work being done throughout the interagency to confront the gang issue in Central America, at the July meeting, the U.S. Government committed $3 million for prevention efforts and we have recently reprogrammed $16 million that will help fund portions of the gang strategy also.

The Merida Initiative, if funded, would permit us to fully implement the gang strategy. The package contains elements to improve law enforcement capabilities in Central America as well as increased funding for prevention programs, including funding for community policing and reintegration programs.

Question 4. The $50 million in assistance for the Central American States is one-tenth of that slated for Mexico.

- a. Is not the problem of drug trafficking and criminal violence just as serious in those countries?
- b. Are there plans to increase funding to Central America in the future?
- c. When will those proposals be presented to Congress?

Answer. Drug trafficking and criminal violence are very serious problems in Central America. Like the funds requested for Mexico, the $50 million request for Central America is a first step. We expect to request additional funds in support of the Merida Initiative as a part of the regular budget cycle.

The Central America portion of the package was formulated to support the regional security strategy developed by the Central American Integration System (SICA). The targeted assistance at this time would directly respond to their request as we seek to define more effective joint approaches and measures to address transnational threats. On November 20, a technical team traveled to Guatemala to hold consultations and continue our dialog on deepening security cooperation. Additional teams will travel to Central America later this month.

Question 5. Documents provided to this committee this week indicate that some $11 million of the $50 million requested—over 20 percent of the request—is for equipment for the police for the nations of Central America. The allocations to the individual countries have not been determined.

- a. What assessments have been conducted to determine the amount of assistance required?
- b. When do you expect to determine these country allocations?
- c. Why should Congress provide this assistance when the administration has not even engaged in such basic allocations between countries?

Answer. To ensure the most effective use of resources, it was very important for us to consult with the Central American countries to determine their police equipment needs before allocating funding to individual countries. With that information, the United States will be able to provide underequipped Central American countries with the equipment that will best allow civilian law enforcement forces to respond to the most pressing threats they deal with on a daily basis.

We have identified initial funding levels, but we are still in the process of confirming these amounts. We have and continue to work closely with our embassies and personnel on the ground to assess and determine individual countries' law enforcement needs. In response to our November 20 request during USG consultations with the Central American Integration System (SICA) on the Merida Initiative, we have received lists of prioritized nonlethal equipment needs from each Central American Government. We are using this information, together with that provided by our experts in the region, to refine our decisions. Additionally, expert teams will travel to the region in mid-January to conduct further assessments. Once we have a complete picture of the requirements, we will work with Congress to allocate funds to individual countries.

Question 6. In the hearing you mentioned that you will vet agencies/units who would receive U.S. funding to make sure that the funding will not be used to suppress human rights or any crimes.

- a. How exactly does this vetting process work?
- b. What safeguards are proposed to ensure that the proposed assistance is used for its intended purpose and to ensure that our partners are not cooperating with the drug cartels?

Answer. The Embassy vets Mexican Government officials from law enforcement agencies who attend USG-sponsored training or receive other direct benefits, in accordance with the provisions of the Leahy amendment, to determine whether they,

or the units of which they are members, are known to have been involved in any past human rights abuses. This process involves name checking through databases at the Embassy and in Washington.

The proposed support will be provided in the form of equipment and training. The Embassy has in place end-use monitoring systems to ensure that the elements provided are used for their intended purposes. The programs will be overseen by Foreign Service Officers staffing the Narcotics/Law Enforcement Affairs Sections (NAS) in our Embassies in Mexico and the Central America countries; these individuals are supported in Washington by Bureau of International Narcotics and Law Enforcement Affairs (INL) subject and country experts, as well as budget and management experts. For example, INL regularly sends in-house experts to inspect NAS offices throughout the world, conducting Management Assessment Visits that review NAS policies and procedures for internal management controls, property management (including end-use monitoring), contracting and procurement, financial management, and human resources management.

Each NAS monitors the condition and maintenance of commodities provided to the recipient agency of the host governments. They use this information to produce an end-use monitoring report which forms part of a comprehensive annual report to Congress. The State Department considers end-use monitoring one of the critical management tasks for which field offices are responsible.

Additionally, the Mexican Government is undertaking great efforts to monitor the reliability of its own staff. Mexican law enforcement agencies are developing their own vetting systems that include the use of polygraphs to weed out corrupt officers. USG law enforcement agencies train the Mexican personnel who administer these tests in the proper use of the polygraph.

On November 16, 2007, 22 new Mexican Federal Police (SSP) polygraph examiners graduated from a course given by the Texas Department of Public Security (DPS) Police Academy in Austin, TX, that was organized by the FBI and financed by NAS/Mexico. During this intensive 10-week training course, the DPS and the FBI also provided a 1-week inservice "Senior Polygraph Examiners" training course to the SSP's existing 15 seasoned (and vetted) polygraph staff, so that they could serve as mentors to the new recruits and train other entrants.

Question 7. The joint statement notes that Mexico has increased its security spending aimed at drug trafficking networks to $2.5 billion annually.

- a. What is Mexico contributing from its budget?

Answer. Out of an approximate overall security budget for 2007 of $7 billion (depending on exchange-rate variations), the Government of Mexico is dedicating approximately $2.4 billion to the fight against organized crime and drug trafficking. It is important to remember that the states and municipal governments expend far greater amounts on security and law enforcement, since they have primary jurisdiction. According to the Embassy of Mexico, the Federal budget for 2007 includes funding directed to the fight against organized crime in the following areas, in millions of dollars:

National Council Against Addictions	78.6
Ministry of Communications and Transport	10.2
Customs	11.7
Financial Intelligence Unit	5.1
Ministry of the Interior	277.7
Ministry of National Defense	131.8
Ministry of the Navy	21.1
Office of the Attorney General	36.5
Public Security Support Fund (FASP)	459.3
Ministry of Public Security	1,255
Federal Preventive Police—(433.7)	
Prevention and Social Rehabilitation—(222.5)	
Executive Secretariat of the National Public Security System—(106)	
Other areas (including Security Council and Minors Council)—(492.8)	
Total	2,386

- 7b. Has it committed to this level of funding—or even increased funding—for the next 2 or 3 years?

Answer. President Calderon has publicly stated that restoring public safety and security is the top priority of his administration. As such, he has committed to taking those steps necessary to ensuring this priority.

- 7c. In Colombia, an additional tax was imposed to fund programs for "Plan Colombia." Is Mexico seeking additional revenue sources domestically to pay for increased security efforts?

Answer. According to published Government of Mexico (GOM) figures, spending for 2008 on the Ministry of Public Security will increase by 39.4 percent, for the Ministry of Defense by 4.6 percent, for the Navy by 2.1 percent, for the Office of the Attorney General by 6 percent, and the Secretariat of the Interior by 28 percent. More detailed breakdowns for component agencies and specific projects are not yet available.

GOM revenues for 2008 will increase by 1.2 percent of GDP, or approximately USD 11.7 billion, as a result of tax changes in the Public Finance Reform legislation, which was approved September 2007.

Question 8. My concern is that by attacking the supply side and not the demand side, we will only squeeze the cartels, drug trafficking and violence to a different region. The Caribbean, and specifically Haiti, are likely new destinations.

- a. What is in this package to prevent that from happening?
- b. What are our current efforts to prevent that from happening?

Answer. This package focuses on improving the capacity of the Mexican and Central American governments to meet their security and law enforcement challenges, and does not provide for increased assistance to Caribbean governments. Nevertheless, we are cognizant of the possibility that success in Mexico and Central America may force drug trafficking and other organized criminals to seek new routes and methods.

Current U.S. counternarcotics assistance, administered by the Bureau for International Narcotics and Law Enforcement Affairs (INL) provides training, equipment, travel, and technical assistance for a number of law enforcement and drug demand-reduction efforts in the Caribbean. The primary purpose is to improve the capacity of law enforcement agencies to target trafficking organizations and conduct more efficient interdiction operations. INL assistance often supports specialized units, such as canine detection and vetted investigative units. INL funding also supports demand reduction programs, participation in interoperability conferences, and in some cases participation in the Container Security Initiative. In the Eastern Caribbean, INL assistance also supports restoration and ongoing maintenance of interdiction patrol boats. In Haiti, U.S. counternarcotics and security assistance focuses on reform of the Haitian National Police (HNP) and the Haitian Coast Guard. USG-provided equipment and technical assistance is aimed at transforming the HNP into an effective law enforcement institution. In addition, the U.S. Coast Guard supports Haitian Coast Guard operations with leadership and technical courses and visits by Mobile Training Teams on such areas as boat maintenance, law enforcement techniques, and port security operations.

In addition to the counternarcotics assistance provided INL, several Caribbean countries are participating in Operation Enduring Friendship, a maritime security program designed to help defend the southern approaches of the United States by increasing the maritime domain awareness and interdiction capabilities of the participating countries. While Operation Enduring Friendship is intended to help protect the United States and the region from the full range of maritime threats, its improvements to regional maritime cooperation and interdiction will help to deter illegal trafficking in the region.

It should also be noted that since the heyday of Caribbean trafficking, the U.S. and its regional partners have taken several important steps to make illegal trafficking through the region more difficult. The aforementioned programs as well as Operation Bahamas, Turks and Caicos (OPBAT), an interagency counternarcotics operation in cooperation with the Commonwealth of The Bahamas, provide striking examples. A 2005 GAO report noted that improved intelligence, better regional maritime cooperation, and the use of armed helicopters against go-fast boats, have combined to make the Caribbean a more dangerous environment for drug traffickers. The result was a string of recordbreaking years for drug seizures and disruptions in the drug transit zone from 2000–2005. The same report emphasized the importance of the 25 Counternarcotics Maritime Law Enforcement Agreements between the U.S. and regional governments.

We believe that our assistance programs, excellent regional cooperation, and support for USG agencies such as Joint Inter-Agency Task Force South, will deter illegal trafficking organizations from moving the bulk of their activity to the central and eastern Caribbean. However, we will be in close contact with the intelligence and law enforcement communities, as well as our partners in the region, looking at any indications that such a transition is underway.

Question 9. The State Department Human Rights Report for 2006 (issued in March 2007) states that "a deeply entrenched culture of impunity and corruption persisted" in Mexico, "particularly at the state and local level." Among the human rights problems reported were unlawful killings by security forces; kidnappings, including by police; torture; arbitrary arrests and detention; corruption, inefficiency, and lack of transparency in the judicial system."

- a. What measures will be taken as part of this assistance program to improve the human rights record of Mexico's security forces?
- b. What is being done in Mexico to address the widespread use of torture in the public security and criminal justice systems, the same institutions that are primary recipients of U.S. assistance under the President's proposal?

Answer.

a. The protection of human rights is an integral part of all USG training programs, both in the course curriculum and in the selection and vetting of the individuals and units to be trained. The Merida Initiative includes $3.5 million specifically for human rights training of security forces and support for NGOs and other civil society groups involved in human rights and citizen participation activities.

The Merida Initiative includes funding to help strengthen and expand the office of inspector general at the Attorney General's Office, the Office of Professional Responsibility, which has authority to investigate both police and civilians, the Secretariat of the Public Function, which has governmentwide investigative authority, civilian complaint centers, and support for civilian watchdog organizations. These tools will help maintain public accountability of law enforcement and justice sector institutions, and those within the Mexican Government are strongly supported by the Calderon administration already, which has recognized the need to enhance their functions. In late September 2007, in response to allegations of human rights abuses, the Mexican military accepted all of the recommendations of Mexico's National Commission for Human Rights (CNDH). Mexico's Army, SEDENA, affirmed its commitment to collaborating with CNDH on outstanding investigations. In October, a civilian court sentenced 8 soldiers up to 41 years in prison for raping 16 women in June 2006 in Coahuilla. This represented the first time that troops have been tried in a civilian court.

b. Recent Mexican governments have taken steps to reduce the use of torture and coerced confessions. In 2003, the Mexican Government promulgated guidelines that require prosecutors and other law enforcement personnel to receive training on human rights and police practice according to the Manual on the Effective Investigation and Documentation of Torture and other Cruel, Inhuman or Degrading Treatment or Punishment, known as the "Istanbul Protocol," adopted by the Human Rights Commission of the United Nations. Mexican law prohibits torture and does not allow the use of coerced confessions. It establishes assessment, investigation, and reporting guidelines and procedures in accordance with international human rights standards and international instruments. The move to an oral judicial system will also have the added benefit of lessening the possibility of coerced confessions by police investigators and/or prosecutors.

Question 10. The most recent National Drug Threat Assessment issued by the National Drug Intelligence Center indicated that the trafficking of drugs in the eastern Pacific increased substantially in the last couple of years. That suggests a need for significant assets in maritime interdiction. Yet the request is for only two maritime patrol aircraft (CASA 235) that cost $50 million apiece.

- a. What other measures are we taking or planning to take? Will Mexico purchase any of these aircraft with its own funds?

Answer. In order to deny the use of the eastern Pacific and western Caribbean to transnational criminal organizations and terrorists, the Government of Mexico (GOM) has requested that the USG provide it with two CASA 235 maritime patrol aircraft to complement the existing seven CASA 212 aircraft currently operated by the Mexican Navy (SEMAR.) This support would complement purchases to be made by the Government of Mexico of additional aircraft and sea craft; it also standardizes with equipment utilized by the U.S. Coast Guard, providing for greater interoperability. Mexico's short-term objective is to build a fleet of six CASA 235s and seven CASA 212s to enable it to conduct maritime surveillance over the eastern Pacific and the western Caribbean. In addition, SEMAR has stated its intentions to increase its fleet of naval patrol vessels.

The addition of CASA 235 maritime patrol aircraft will further enhance the ability of SEMAR to conduct long-range maritime patrols. This will improve Mexico's maritime domain awareness and, together with other Mexican enhancements to

their interdiction capabilities, should result in increased seizures, ultimately reducing the use of Mexico's littoral waters by transnational criminals and terrorists.

Question 11. A recent report by the Government Accountability Office noted the United States and Mexico have cooperated on maritime interdiction in recent years but that the two countries have not agreed to a bilateral maritime cooperation agreement to allow U.S. law enforcement personnel to board and search Mexican-flagged vessels without asking the Government of Mexico for authority to board on a case-by-case basis. At present, the process requires a time-consuming effort to obtain permission from the government in such cases.

- a. Are we seeking such an agreement that would provide authority to board in advance, and what obstacles are there to achieving such an agreement?

Answer. The Calderon administration has been noticeably more responsive to U.S. requests to board suspect Mexican-flagged vessels than were previous administrations. While there is currently no formal maritime agreement between the United States and Mexico, Government of Mexico (GOM) permission to board a Mexican-flag vessel is accomplished by approaching the GOM on a case-by-case basis, pursuant to article 17 of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988.

Question 12. In March 2007, the Bureau of Western Hemisphere Affairs issued a fact sheet stating that the Inter-American convention against Illicit Manufacturing and Trafficking in Firearms will "make the citizens of the hemisphere safer." But just a month earlier, in a letter to this committee setting forth its priorities for treaties in the 110th Congress, the Department stated that it did not support Senate action on this convention.

- a. If the convention will make the citizens of the hemisphere safer, and the Government of Mexico is asking for our help in reducing firearms trafficking, why does the administration not support Senate action on this convention?

Answer. The Department of State continues to believe that the Inter-American Convention against the illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (CIFTA) will make the citizens of the hemisphere safer by helping shut down the illicit transnational arms market that fuels the violence associated with drug trafficking, terrorism, and international organized crime. We share your interest in the CIFTA and appreciate the importance you attach to it, and are in dialog with the interagency community, industry, and civil society on the importance we attach to ratification of this convention.

Question 13. The administration's proposal included $37 million in program support, including U.S. personnel costs.

- f. How many additional U.S. personnel will be needed to support the proposal in Mexico?
- g. Will there be an increase in U.S. law enforcement agents in Mexico?
- h. Will contractors be used?
- i. If so, how?

Answer. The estimated program support costs for the Merida Initiative are based on an evaluation of support and oversight requirements in light of current programs in the Western Hemisphere Area (WHA) region and oversight initiatives implemented for the Iraq and Afghanistan programs.

Such funds would be used primarily for personnel costs (some direct hire, but mostly contract U.S. and foreign national staff); additional office and residential space; International Cooperative Administrative Support Services (ICASS) costs; and other administrative expenses for program planning, design, and implementation.

The program support funds will also encompass a proposed management support group to ensure compliance with U.S. Government internal controls for financial management, contract oversight, end-use monitoring while providing a platform dedicated to quality assurance, monitoring, and evaluation of the individual country programs.

Initial personnel estimates indicate that providing the full level of program support and oversight functions will require up to 75 additional personnel in Mexico and Central America. The majority would be foreign national staff filling financial management (accounting, voucher examination) and logistics support capacities, but would also include several personal services contract (PSC) personnel focusing on contract and project management and oversight.

Question 14. How specifically will success be measured?

Answer. The fight against organized crime and drug trafficking in Mexico and Central America is tough, complex, and long term. The commitment made by these countries is significant, and their democratically elected governments will be held to account by voters. The metric used by the citizens of Mexico and Central America will be palpable and reflect their individual experiences: Can they win back control of their communities and institutions, and build lives free of intimidation and fear?

Our role in this great struggle is specific and immediate. In the short term, we will determine the effectiveness of the Merida Initiative by:

- Increased arrests of drug traffickers and gang members, and the harrassment and dismantling of organized crime syndicates;
- Increased interdiction of illegal drugs and weapons;
- Improved effectiveness of the national judicial systems, leading to a reduction in criminal case backlogs, a reduction in the average length of trials, and increased confidence in the courts;
- Improved law enforcement cooperation across institutional and national boundaries, leading to greater coordination of police action, and the ability to pursue and arrest criminals throughout Mesoamerica.

In the long term, we will measure the effectiveness of the Merida Initiative by its ability to transform the tone and substance of our bilateral and regional cooperation. The Merida Initiative represents a new and innovative method to address shared responsibilities and shared challenges. Its success, or failure, will shape the future of our relationships.

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