



# Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs

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## Summary

Drug trafficking is viewed as a primary threat to citizen security and U.S. interests in Latin America and the Caribbean despite decades of anti-drug efforts by the United States and partner governments. The production and trafficking of popular illicit drugs—cocaine, marijuana, opiates, and methamphetamine—generates a multi-billion dollar black market in which Latin American criminal and terrorist organizations thrive. These groups challenge state authority in source and transit countries where governments are often fragile and easily corrupted. Mexican drug trafficking organizations (DTOs) largely control the U.S. illicit drug market and have been identified by the U.S. Department of Justice as the “greatest organized crime threat to the United States.” Drug trafficking-related crime and violence in the region has escalated in recent years, raising the drug issue to the forefront of U.S. foreign policy concerns.

Since the mid-1970s, the U.S. government has invested billions of dollars in anti-drug assistance programs aimed at reducing the flow of Latin American-sourced illicit drugs to the United States. Most of these programs have emphasized supply reduction tools, particularly drug crop eradication and interdiction of illicit narcotics, and have been designed on a bilateral or sub-regional level. Many would argue that the results of U.S.-led drug control efforts have been mixed. Temporary successes in one country or sub-region have often led traffickers to alter their cultivation patterns, production techniques, and trafficking routes and methods in order to avoid detection. As a result of this so-called “balloon effect,” efforts have done little to reduce the overall availability of illicit drugs in the United States. In addition, some observers assert that certain mainstays of U.S.-funded counterdrug programs, particularly aerial spraying to eradicate drug crops, have had unintended social and economic consequences.

The Obama Administration has continued U.S. support for Plan Colombia and the Mérida Initiative, but is gradually broadening the focus of those aid packages to address the societal and institutional effects of the drug trade and related criminality and violence, rather than mainly funding supply control efforts. Newer programs like the Caribbean Basin Security Initiative (CBSI) include more of an emphasis on rule of law, anti-corruption, and community and youth development programs. In order to complement these international efforts, President Obama and his top advisers have acknowledged the role that U.S. drug demand has played in fueling the drug trade in the region and requested increased funding for prevention and treatment programs.

The 111<sup>th</sup> Congress has influenced U.S. drug control policy in Latin America by appropriating certain types and levels of funding for counterdrug assistance programs in P.L. 111-8, P.L. 111-32, and P.L. 111-117. Congress has also conditioned the provision of antidrug funding on the basis of human rights and other reporting requirements. It has sought to ensure that counterdrug programs are implemented in tandem with judicial reform, anti-corruption, and human rights programs. Several bills address counternarcotics issues in the region, including House-passed H.R. 2410 (Berman), House-passed H.R. 2134 (Engel) and S. 3172 (Menendez). Congress has been active in evaluating drug assistance programs through multiple oversight hearings.

This report provides an overview of the drug flows in the Americas and U.S. antidrug assistance programs in the region. It also raises some policy issues for Congress to consider as it exercises oversight of U.S. antidrug programs and policies in the Western Hemisphere. For more information, see CRS Report RL34543, *International Drug Control Policy*, by Liana Sun Wyler, CRS Report RL32250, *Colombia: Issues for Congress*; and CRS Report R40135, *Mérida Initiative for Mexico and Central America: Funding and Policy Issues*.

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## **An Overview of Illicit Drugs in Latin America and the Caribbean<sup>1</sup>**

In recent decades, Latin America has played a central role in several major global illicit drug markets. Multiple aspects of the drug supply chain take place in the region, including drug crop cultivation, drug production, drug trafficking, and, ultimately, drug consumption. Today, South America is the sole producer of cocaine for the global market; Mexico and Colombia are the primary sources of opiates in the United States; Mexico and the Caribbean are major foreign sources of cannabis (marijuana) consumed in the United States; and Mexico is the primary source of foreign methamphetamine in the United States.<sup>2</sup>

Major drug crops in Latin America include coca bush, used to produce cocaine, and opium poppy, used to produce opiates, including heroin. Source zones for coca bush cover the Andean region of South America, particularly Colombia, Peru, and Bolivia. Source zones for opium poppy include Mexico and Colombia. Cannabis is cultivated in virtually all countries in the region, mainly for local consumption, but notable cannabis exporters include Mexico and Jamaica. Drug processing and refining may take place in source zones as well as along transit routes. Key chemical ingredients used to process coca bush and opium poppy into their refined, finished products, as well as those used to produce methamphetamine, are legally manufactured for legitimate industry purposes, but diverted clandestinely for use in the illegal drug trade.<sup>3</sup> According to the State Department, major Latin American source countries for such chemical products include Argentina, Brazil, Chile, and Mexico.<sup>4</sup>

Drug consumption in Latin America remains low, compared to the primary global consumption markets led by the United States, Canada, and Western Europe. In recent years, however, data indicates that drug consumption, particularly cocaine use, within the region has grown, mainly along trafficking transit pathways en route to the core consumption markets. According to the most recent data from the U.N. Office on Drugs and Crime (UNODC), increases in cocaine use have been reported in Venezuela, Ecuador, Brazil, Argentina, Uruguay, Guatemala, Honduras, Jamaica, and Haiti.<sup>5</sup> These countries are notably located along major cocaine transit routes.

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<sup>1</sup> Prepared by Liana Sun Wyler, Analyst in International Crime and Narcotics.

<sup>2</sup> The amount of marijuana produced in the United States is unknown. According to the U.S. Department of Justice's National Drug Intelligence Center (NDIC), however, "eradication data and law enforcement reporting indicate that the amount of marijuana produced in the United States appears to be very high, based in part on the continual increases in the number of plants eradicated nationally." NDIC, National Drug Threat Assessment, February 2010. Methamphetamine is also produced in the United States. Again, according to NDIC, "When methamphetamine production in Mexico was disrupted in 2007 and 2008, production in the United States increased as users and distributors compensated for the reduced foreign supply. However, even as production in Mexico increased in 2009, production in the United States showed no decline. In fact, U.S. methamphetamine laboratory seizures in 2009 exceeded seizures in 2008."

<sup>3</sup> Precursor chemicals are also imported from third countries like China and India. For this reason, Mexico banned all imports of pseudoephedrine and ephedrine in 2008.

<sup>4</sup> U.S. Department of State, *International Narcotics Control Strategy Report (INCSR)*, Vol. 1, March 2010, pp. 69-72.

<sup>5</sup> U.N. Office on Drugs and Crime (UNODC), *World Drug Report*, 2009. Brazil and Argentina have historically been the largest consumption markets in Latin America.

The primary pathway today for illegal drugs entering the United States from abroad is through the Central America-Mexico corridor (see **Figure 1** below). According to 2008 estimates, 90% of all cocaine entering the United States flowed through Mexico or its territorial waters, with at least 42% of that cocaine having first stopped in Central America.<sup>6</sup> A large, but unknown proportion of opiates, as well as foreign-produced marijuana and methamphetamine also flow through the same pathways. The overwhelming use of the Central America-Mexico corridor as a transit zone in recent years represents a major shift in trafficking routes. In the 1980s and early 1990s, for example, drugs primarily transited through the Caribbean into South Florida.

The Caribbean-South Florida route continues to be active, and although currently less utilized than the Central America-Mexico route, some observers have warned that activity along this route may surge once more in the near future. As U.S. counternarcotics cooperation with Venezuela has diminished since 2005, Venezuela has become a major transit point for drug flights through the Caribbean—particularly Haiti and the Dominican Republic—into the United States as well as to Europe. Elsewhere in the Caribbean, the Bahamas continues to serve as a major transit country for both Jamaican marijuana and South American cocaine.

Besides going to the United States, Latin American drugs, particularly cocaine, are also shipped to Europe. An increasing percentage of drug shipments from Latin America to Europe now transit West Africa.<sup>7</sup> The European Police Organization, EUROPOL, estimates that approximately 250 metric tons of cocaine (between 25% and 30% of global cocaine production) from Latin America enters European markets annually.<sup>8</sup> Drugs destined for Europe mainly depart Latin America via Venezuela through the Caribbean or via the eastern coast of Brazil. While Europe has long been the second-largest cocaine consumption market after North America, UNODC reports that the number of European users has grown on average more than 30% between 2003 and 2007, while North American use appears to be stabilizing or in decline during the same time frame.<sup>9</sup>

Latin America's central role in the illicit drug market stems largely from the Andean region's unique position as the world's only source region for coca and cocaine. Another major factor contributing to the region's prominence in today's drug trade is its proximity to the United States, a major drug consumption market. Underlying factors that have allowed drug trafficking to flourish include poverty and a lack of viable alternative livelihoods for farmers; corruption; weaknesses in law enforcement and justice-sector capacity to deter drug traffickers; the presence of insurgent groups involved in drug production and trafficking in some countries; and the geographical impediments to interdiction, including difficult-to-monitor political borders and maritime terrain. Uneven political support for counterdrug efforts may also fuel drug trafficking.

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<sup>6</sup> INCSR 2010.

<sup>7</sup> CRS Report R40838, *Illegal Drug Trade in Africa: Trends and U.S. Policy*, by Liana Sun Wyler and Nicolas Cook.

<sup>8</sup> European Police Organization (EUROPOL), Project COLA: European Union Cocaine Situation Report 2007, September 5, 2007; also cited in UNODC, *Transnational Trafficking and the Rule of Law in Africa: A Threat Assessment*, July 2009. For global potential cocaine production estimates, UNODC, *World Drug Report*, 2009.

<sup>9</sup> UNODC, *World Drug Report*, 2009. The most recent year for which drug use data is available through the UNODC is 2007.

Figure 1. Major Drug Trafficking Routes in Latin America and the Caribbean



**Source:** United Nations Office on Drugs and Crime, *World Drug Report, 2009*; National Drug Intelligence Center, *2009 National Drug Threat Assessment*, December 2008; U.S. Interagency Assessment of Cocaine Movement, September 2009; “Central America: An Emerging Role in the Drug Trade,” *Stratfor*, March 26, 2009; Barack Obama, Presidential Determination No. 2009-30, “Memorandum to the Secretary of State: Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2010,” September 15, 2009, adapted by CRS graphics.

## Drug Traffickers and Related Criminal-Terrorist Actors

Latin American drug trafficking organizations (DTOs) control various aspects of the drug supply chain and vary in terms of capabilities, organizational structure, and level of associated violence. Some of the more sophisticated groups possess extensive paramilitary and counterintelligence capabilities that allow them to rival state security forces and operate with relative impunity through deep networks of corrupt officials in key offices. Some of the most successful groups

operating today have also shifted from a hierarchical, personality-driven leadership that dominated the Pablo Escobar-type “cartels” in the 1980s and 1990s to a networked and more fluid organizational structure that is more resilient in the face of law enforcement pressure.<sup>10</sup> Many smaller drug trafficking organizations in the hemisphere nevertheless remain family-based, operating in a limited territory and specializing in a particular aspect of the drug trade.

The most prominent DTOs in the region are of Mexican and Colombian origin. Combined, Mexican and Colombian DTOs reportedly “generate, remove, and launder” between \$18 billion and \$39 billion in wholesale drug proceeds annually, according to the U.S. Department of Justice.<sup>11</sup> They operate not only in the Western Hemisphere, but are known to be aggressively transnational, seeking to expand their consumer markets and explore new transit routes and safe havens with low law enforcement capacity and high corruption. News and various government reports suggest that Mexican and Colombian DTOs have a presence throughout Europe, West Africa, and the Asia-Pacific regions.<sup>12</sup> They are also known to participate in a diversity of criminal enterprises and to collaborate with other organized crime and terrorist elements.

U.S. government reports have characterized Mexican drug trafficking organizations as representing the “greatest organized crime threat” to the United States today.<sup>13</sup> Mexican DTOs have expanded their U.S. presence by increasing their transportation and distribution networks, as well as displacing other Latin American traffickers, primarily Colombians.<sup>14</sup> Seven major Mexican drug trafficking organizations control trafficking routes into the United States, including the Arellano Felix Organization (Tijuana), Beltran Leyva Organization, Los Zetas, Sinaloa (La Federación), Carillo Fuentes Organization (Juárez), Gulf, and La Familia Michoacana.<sup>15</sup> Drug trafficking-related violence has surged in Mexico since late 2006, when Mexican President Felipe Calderón began to increase security pressure against drug trafficking organizations (see **Figure 3**). The brutality of the Mexican DTOs has escalated as an increasing number of groups have battled each other and the Calderón government for control of lucrative drug trafficking routes into the United States.<sup>16</sup> Prior to the beginning of President Calderón’s campaign, the Gulf Cartel was generally considered the most powerful Mexican DTO.<sup>17</sup> Today, the Sinaloa organization, composed of a network of smaller drug trafficking groups, is now widely believed to be the

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<sup>10</sup> Pablo Escobar (1949-1993) was a notorious Colombian drug lord and leader of the Medellín Cartel, which largely controlled the global cocaine market in the late 1980s.

<sup>11</sup> NDIC, *2009 National Drug Threat Assessment*, December 2008. The *2010 National Drug Threat Assessment* does not contain a more recent estimate of the wholesale drug proceeds generated by Mexican and Colombian DTOs.

<sup>12</sup> See for example, U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs, and U.S. Department of Homeland Security, Immigration and Customs Enforcement, “Chair’s Report: Trans-Pacific Symposium on Dismantling Transnational Illicit Networks,” February 2010; Silvia Otero et al, “Carteles de Mexico Toman El Continente,” *El Universal*, January 29, 2010.

<sup>13</sup> NDIC, *2009 National Drug Threat Assessment*, December 2008. See also INCSR 2010.

<sup>14</sup> NDIC, *2010 National Drug Threat Assessment*, February 2010.

<sup>15</sup> While several Mexican DTOs are colloquially described as “drug cartels,” they are not necessarily engaged in price-fixing and other forms of collusive economic behavior ascribed to cartels.

<sup>16</sup> CRS Report R40582, *Mexico’s Drug-Related Violence*, by June S. Beittel.

<sup>17</sup> Since then, the Gulf Cartel’s primary “security enforcers,” Los Zetas, originally composed of elite airborne special forces members of the Mexican Army, have split off and formed a separate drug trafficking organization which is now active in Central America and competing with the Gulf Cartel for control of drug trafficking routes in northeastern Mexico. Samuel Logan and John P. Sullivan, “The Gulf-Zeta Split and the Praetorian Revolt,” *ISN Security Watch*, April 7, 2010.



dominant Mexican DTO, controlling by one estimate as much as 45% of the drug trade in Mexico.<sup>18</sup>

Prior to the Mexican drug trafficking organizations' rise to prominence, Colombian DTOs, primarily the Cali and Medellín drug cartels, reigned. Since their height in the late 1980s and early 1990s, several generations of DTOs have followed. Immediately following the Cali and Medellín's dismantlement, the Norte del Valle DTO emerged from the vacuum. Less hierarchical and more decentralized than its predecessors, Norte Del Valle has been described as being composed of many smaller organizations, or "baby cartels."<sup>19</sup> In addition, right-wing paramilitary groups and left-wing insurgent groups, which both looked to the drug trade as a source of financing, variously expanded their involvement in the drug trade.

The largest right-wing paramilitary group in Colombia (also a State Department-designated Foreign Terrorist Organization, or FTO), the United Defense Forces of Colombia (AUC), began the process of demobilization in 2003; however, it appears that former and non-disbanded paramilitary elements are increasingly involved in the drug trade, forming new illegally armed groups broadly described by the Colombian government as *bandas criminales* (criminal gangs).<sup>20</sup> The two main left-wing insurgent groups (also State Department-designated FTOs), the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN), are also primarily funded through drug production and trafficking operations. While the two groups differ in terms of size and territorial reach, both have increased their involvement in the drug trade from levying "taxes" on coca harvesters and mid-level buyers to directly controlling multiple aspects of the drug supply chain.<sup>21</sup> The FARC, in contrast to the smaller ELN, is particularly known for its international contacts and relationships with foreign terrorist groups, transnational organized crime groups, and even some state actors.<sup>22</sup>

Colombia's AUC, FARC, and ELN are not the only so-called narco-terrorist groups active in the Western Hemisphere. In Peru, the previously dormant *Sendero Luminoso* (Shining Path) appears to be reviving its involvement in both terrorist and drug activity, launching small-scale attacks on Peruvian police and military forces. At the same time, it appears that *Sendero Luminoso* has begun to re-establish its relationship with Peruvian coca growers, taxing the coca industry in its

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<sup>18</sup> "Outsmarted by Sinaloa: Why the Biggest Drug Gang Has Been Least Hit," *The Economist*, January 7, 2010. See also "Mexican Drug Cartels: Two Wars and a Look Southward," *Stratfor*, December 16, 2009.

<sup>19</sup> As many as 300 "baby cartels" reportedly emerged following the demise of the Cali Cartel. See Shari Grossman, "Death and Drugs," *Harvard International Review*, Fall 2005.

<sup>20</sup> The AUC has often been described as having been composed of a heterogeneous constellation of actors, variously including local warlords, drug barons, organized crime, and other local elites. Not all aspects of the AUC have been disbanded, with some factions having opted against participating in the demobilization process. See CRS Report RL32250, *Colombia: Issues for Congress*, by June S. Beittel; "Colombia's New Armed Groups," *International Crisis Group*, Latin America Report No. 20, May 10, 2007; "Colombia – Paramilitaries' Heirs: The New Face of Violence in Colombia," *Human Rights Watch*, February 2010.

<sup>21</sup> See CRS Report R41004, *International Terrorism and Transnational Crime: Security Threats, U.S. Policy, and Considerations for Congress*, by John Rollins and Liana Sun Wyler; "Latin America Drugs I: Losing the Fight," *International Crisis Group*, Latin America Report No. 25, March 14, 2008.

<sup>22</sup> The U.S. Department of Treasury, for example, alleges that Hugo Armando Carvajal Barrios, the director of Venezuela's Military Intelligence Directorate, assisted the FARC by protecting its drug shipments from being seized by Venezuelan authorities. See U.S. Department of the Treasury, "Treasury Targets Venezuelan Government Officials Supporting the FARC," September 12, 2008. See also Douglas Farah, "The FARC's International Relations: A Network of Deception," *The NEFA Foundation*, September 22, 2008; and Farah and Glenn Simpson, "Ecuador at Risk: Drugs, Thugs, Guerillas, and the Citizens' Revolution," *International Assessment and Strategy Center*, January 2010.

area of operation in exchange for providing coca growers protection from drug trafficker violence and ensuring fair prices for their coca crops.<sup>23</sup>

International terrorist groups, including Hamas and Hezbollah, have also reportedly raised funding for their terrorist activities through linkages formed with DTOs in South America, particularly those operating in the tri-border area (TBA) of Brazil, Paraguay, and Argentina.<sup>24</sup>

## **Drug Trafficking-Related Crime and Violence**

The Latin America and the Caribbean region has among the highest crime rates, including violent crime rates, of any region in the world. In February 2010, the UNODC released an updated analysis of global homicide rates, which found that in sharp contrast to a global trend of decreasing or stabilizing homicide rates, homicides in Latin America and the Caribbean had, on average, increased from 19.9 per 100,000 people in 2003 to 32.6 per 100,000 people in 2008 (see **Figure 2**).<sup>25</sup> In addition, the level of kidnappings, assaults, and other manifestations of organized violence appear to have risen.

Recent studies have shown that, while other factors like income inequality are still contributing factors, criminality, particularly related to drug trafficking, has replaced political and regional conflicts as a major source of violence in many Latin America and Caribbean countries.<sup>26</sup> Some violence is directly associated with the protection of drug trafficking routes and syndicate power struggles. Other violence occurs as DTOs corrupt and undermine local police and criminal justice institutions as well as societal institutions, weakening respect for the rule of law. Criminality directly associated with the illegal drug trade increases the prevalence of related crimes, including kidnapping, murder, money laundering, and firearms trafficking. Involvement in the drug trade also negatively affects licit economic development.

In Latin America, drug trafficking-related violence is particularly concentrated in drug production and drug transit zones, affecting the Andean cocaine and heroin production region—particularly Colombia—as well as the drug transit zones through Mexico, Central America, the Caribbean, Venezuela, and Brazil.<sup>27</sup> Drug trafficking-related violence has surged most dramatically in Mexico, as heavily armed drug traffickers have battled each other and the Mexican government for control of drug smuggling routes into the United States. Targets most often include rival DTO or affiliated gang members, but have also included Mexican police, military and government

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<sup>23</sup> Kathryn Gregory, “Backgrounder: Shining Path, Tupac Amaru,” *Council on Foreign Relations*, August 27, 2009; Simon Romero, “Cocaine Trade Helps Rebels Reignite War in Peru,” *New York Times*, March 18, 2009.

<sup>24</sup> See, for example, the statement of Anthony P. Placido, Assistant Administrator for Intelligence, United States Drug Enforcement Administration, before the House Oversight and Government Reform Subcommittee on National Security and Foreign Affairs hearing on Transnational Drug Enterprises, March 3, 2010.

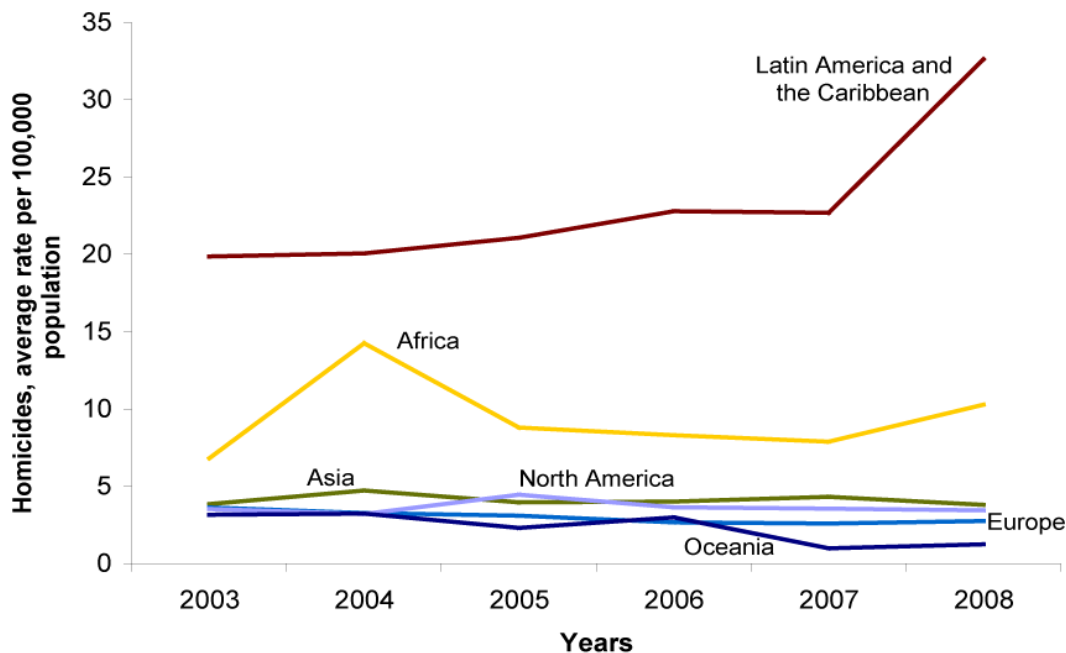
<sup>25</sup> UNODC, *Homicide Statistics, Trends (2003-2008)*, released February 16, 2010.

<sup>26</sup> Pablo Fajnzylber et al, “Determinants of Crime Rates in Latin America and the World: An Empirical Assessment,” The World Bank, 1998; UNODC and the World Bank’s Latin America and Caribbean Region office, *Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean*, Report No. 37820, March 2007; U.N. Development Program (UNDP), “Informe Sobre Desarrollo Humano Para América Central 2009-2010: Abrir Espacios a la Seguridad Ciudadana y el Desarrollo Humano,” October 2009.

<sup>27</sup> See also UNODC, *Crime and Development in Central America: Caught in the Crossfire*, May 2007; UNODC and World Bank March 2007; and “Latin America Drugs I: Losing the Fight,” *International Crisis Group*, Latin America Report No. 25, March 14, 2008.

officials; journalists; and civilians, including Americans.<sup>28</sup> Escalating violence in northern Mexico has raised concerns among some U.S. officials about the potential for “spillover violence” seeping into the United States (see **Figure 3** below).<sup>29</sup> While Colombia has made significant progress in reducing crime and violence since 2002, in a few parts of the country, drug-related murders are reportedly rising once more.<sup>30</sup> Drug trafficking has also contributed to high levels of violence in several other countries in the region, including Belize, Brazil, El Salvador, Guatemala, Haiti, Honduras, Jamaica, and Venezuela.<sup>31</sup>

**Figure 2. Average Homicide Rates by Global Region: 2003-2008**



**Source:** U.N. Office on Drugs and Crime (UNODC), *Homicide Statistics*, February 2010.

**Notes:** Data derives from public health and police statistics. Homicide is defined as the intentional, unlawful death purposefully inflicted on a person by another person. North America includes Bermuda, Canada, and the United States. While the average percentage of homicides related to drug trafficking is unknown, a number of studies suggest that drug trafficking has become a major contributing factor behind the rising homicide rates in many countries in Latin America and the Caribbean. See, for example, UNODC and the World Bank’s Latin America and Caribbean Region office, *Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean*, Report No. 37820, March 2007 and UNODC, *Crime and Development in Central America: Caught in the Crossfire*, May 2007. Graphic prepared by Liana Sun Wyler, Analyst in International Crime and Narcotics.

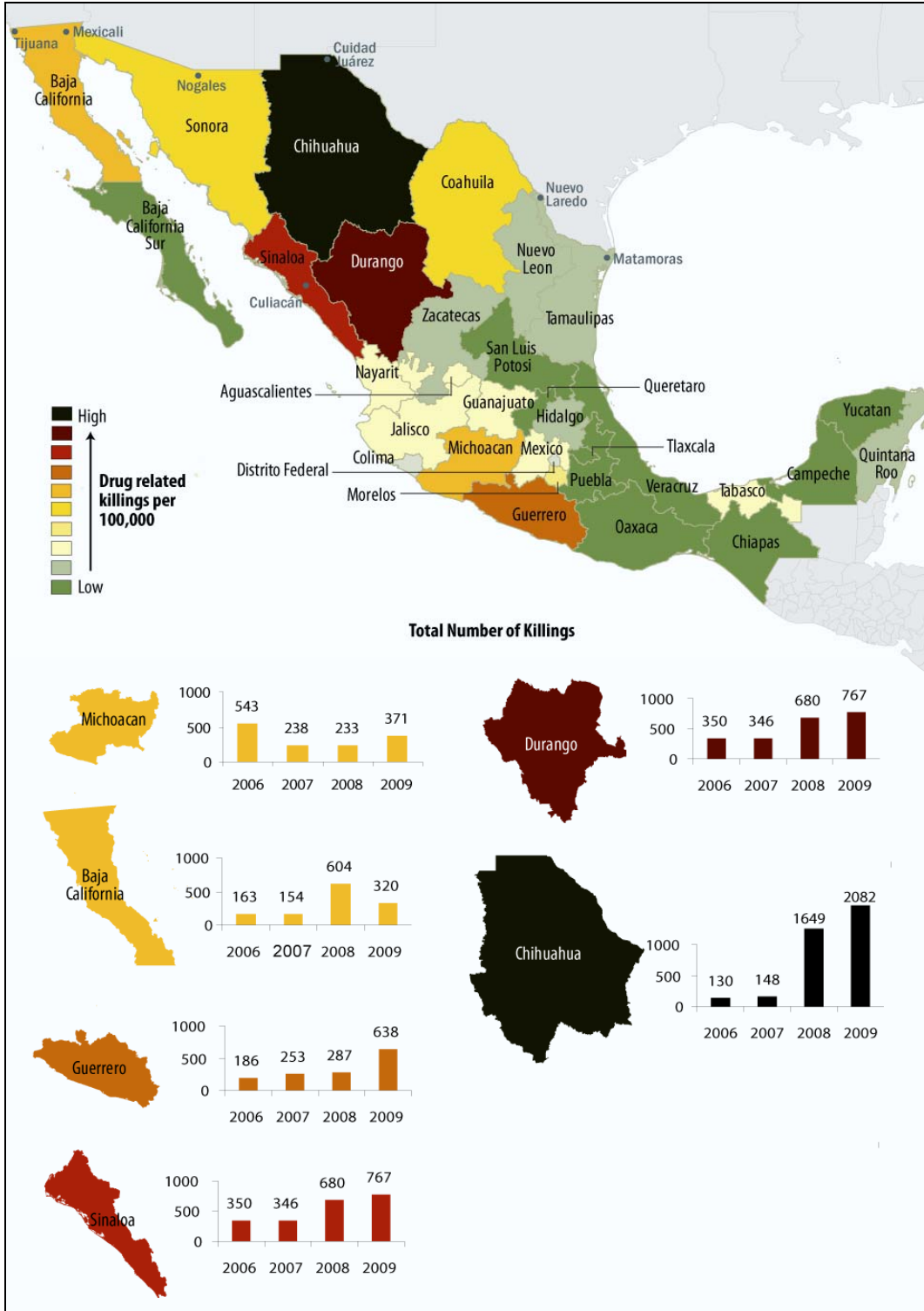
<sup>28</sup> On March 13, 2010, gunmen killed an American consular officer and her husband who had recently attended a children’s birthday party in Ciudad Juárez, Mexico. Mexican officials have arrested at least one suspect for the murders who is a member of the Barrio Azteca gang, which has ties to the Juárez DTO. “Suspect Says Juárez Killers Had Pursued Jail Guard,” *New York Times*, April 1, 2010.

<sup>29</sup> See CRS Report R40582, *Mexico’s Drug-Related Violence*, by June S. Beittel and CRS Report R41075, *Southwest Border Violence: Issues in Identifying and Measuring Spillover Violence*, coordinated by Jennifer E. Lake and Kristin M. Finklea.

<sup>30</sup> Nadja Drost, “In Medellin, A Disturbing Comeback of Crime,” *TIME Magazine*, February 25, 2010; “Safer, but Still Not Safe,” *The Economist*, April 10, 2010.

<sup>31</sup> UNDP, October 2009, UNODC, March 2007 and May 2007. Michael Shifter, “Latin America’s Drug Problem,” *Current History*, February 2007.

**Figure 3. Rates of Drug Trafficking-Related Killings in Mexico by State in 2009**  
(per 100,000 people)



**Source:** Figures on drug trafficking-related killings are drawn from a database maintained by the Trans-Border Institute (TBI) at the University of San Diego, which contains data gathered by *Reforma* newspaper. Graphic prepared by Liana Sun Wyler, Analyst in International Crime and Narcotics, and CRS graphics.

## **U.S. Antidrug Assistance Programs in Latin America and the Caribbean<sup>32</sup>**

For at least 30 years, combating drug production and trafficking in Latin America and the Caribbean has been a major focus of U.S. international drug control efforts. Amid a broad array of policy tools available to combat drugs, the provision of U.S. counternarcotics assistance to foreign countries has been a key component of the U.S. counterdrug strategy.<sup>33</sup> The central premise of counternarcotics assistance has been to halt drug production and trafficking at the foreign source, both through assistance to eliminate drug crops or to interdict drug shipments, as well as through assistance to address related economic, social, and institutional vulnerabilities that made drug source and transit countries susceptible to the drug trade in the first place.<sup>34</sup>

While the White House Office of National Drug Control Policy (ONDCP) oversees the overall strategy related to U.S. drug control efforts, both domestically and internationally, counterdrug assistance programs in the region are funded by the U.S. Department of State, the U.S. Agency for International Development (USAID), and the U.S. Department of Defense (DOD). The State Department is responsible for coordinating all counterdrug assistance programs in the region and funding most aspects of those programs aside from alternative livelihood programs and some rule of law initiatives supported by USAID. DOD has its own legislative authorities to provide certain counterdrug assistance to train, equip, and improve the counternarcotics capacity and capabilities of relevant agencies of foreign governments. Additional agencies, including various aspects of the U.S. Department of Justice, as well as private contractors, implement the assistance programs. From 1980 to 2008, U.S. antidrug assistance from the State Department, USAID, and DOD to Latin America and the Caribbean totaled roughly \$13.1 billion (see **Figure 4**).<sup>35</sup>

U.S. drug control programs in Latin America and the Caribbean were first authorized by Congress in the mid-1970s, coinciding with national policy debates on the so-called “war on drugs.”<sup>36</sup> At that time, U.S. assistance primarily focused on the drug source countries of Colombia, Bolivia, Peru, and later Mexico, with training and equipment to eradicate illicit drug crops and strengthen counternarcotics law enforcement capabilities. Calls by many policymakers, including by Members of Congress, for the inclusion of the U.S. military in foreign anti-drug efforts began in the 1970s, spurring a lively debate on DOD’s role and mission in counternarcotics that would continue decades later. U.S. aid to the region increased gradually, albeit unevenly, through the 1980s, with increased funding provided for interdiction efforts in transit countries, particularly the

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<sup>32</sup> Prepared by Clare Ribando Seelke, Specialist in Latin American Affairs and Liana Sun Wyler, Analyst in International Crime and Narcotics.

<sup>33</sup> For a discussion of the full range of counterdrug policy tools, see CRS Report RL34543, *International Drug Control Policy*, by Liana Sun Wyler.

<sup>34</sup> See for example Statement by the White House Press Secretary on the issuance of Presidential Decision Directive 14 (on counternarcotics), November 3, 1993.

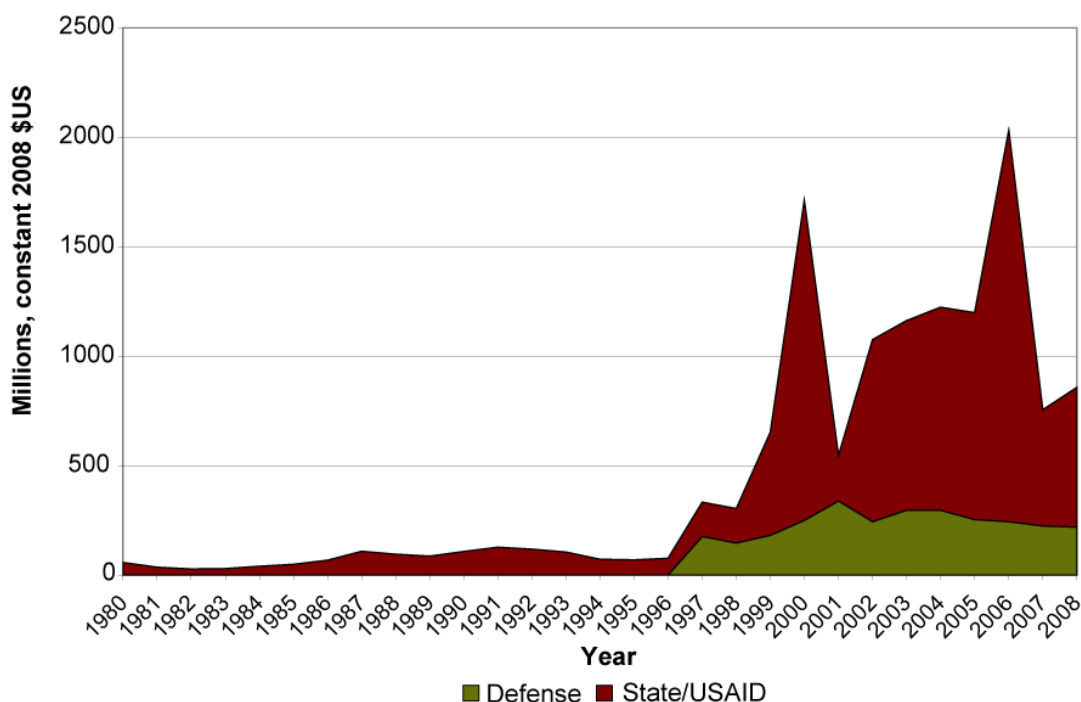
<sup>35</sup> This estimate was calculated by CRS using data from the U.S. Agency for International Development’s (USAID) *Greenbook on U.S. Overseas Loans and Grants*.

<sup>36</sup> In 1971, Congress enacted a chapter in the Foreign Assistance Act of 1961 (FAA) to define U.S. policies and authorities relating to international narcotics control. P.L. 92-226, Section 109, added Ch. 8, International Narcotics Control, to the FAA (P.L. 87-195; 22 U.S.C. 2291 et seq.). Also in 1971, President Richard Nixon famously coined the term “war on drugs” and identified illicit drugs as “public enemy number one.” Such rhetoric and concepts emerged in a time when U.S. drug abuse was becoming increasingly visible in society and was manifesting itself as a priority law enforcement issue.

Caribbean and Eastern Pacific regions. Pressure for U.S. military involvement increased throughout the 1980s, as U.S. officials grew concerned that law enforcement personnel were ill-equipped to effectively combat well-armed drug cartels and operate in conflict situations in drug source countries. Despite objections from top DOD officials, the U.S. military increasingly participated in interdiction operations in the early 1980s and became sporadically engaged in training, equipping, and transporting foreign anti-narcotics personnel in the mid-to late 1980s.

**Figure 4. U.S. Counternarcotics Assistance Obligations to Latin America and the Caribbean, FY1980-2008**

(In millions constant 2008 \$US)



**Source:** U.S. Agency for International Development, U.S. Overseas Loans and Grants: Obligations and Loan Authorizations (1945-2008). 2008 is the most recent data available from this source.

**Notes:** Due to the fact that the Department of State did not include a line item specifically for counternarcotics assistance until 2006 and the need for a consistent method to compare U.S. counternarcotics assistance levels over time, the Department of State/USAID figures include all funds obligated under the International Narcotics Control and Law Enforcement (INCLE) and Andean Counterdrug Initiative (ACI) accounts; they do not include any other funds that may have been obligated for counterdrug purposes under other accounts. Graphic prepared by Peter J. Meyer, Analyst in Latin American Affairs.

In the 1980s and 1990s under Presidents Ronald Reagan and George H. W. Bush, the threat of international drug trafficking, particularly drugs sourced in Latin America, further emerged as a national security priority for the United States. On April 8, 1986, President Reagan issued National Security Decision Directive 221 (NSDD-221), which declared narcotics trafficking a U.S. national security concern, identifying the Western Hemisphere as particularly affected. On August 21, 1989, President Bush issued National Security Directive 18 (NSD-18), which explicitly states that the “first priority of our international drug control strategy will be to enhance greatly our counternarcotics programs in the Andean region.” In addition, NSD-18 directed the Secretary of Defense to redefine the Pentagon’s mission to include counternarcotics as one of its core priorities. In the same year, President Bush launched the “Andean Initiative” to bolster

counternarcotics support to Colombia, Peru, and Bolivia, and Congress provided DOD with its first major counternarcotics authority, identifying DOD as the lead federal agency for the detection and monitoring of aerial and maritime transit of illegal drugs from abroad into the United States.<sup>37</sup> As U.S. counternarcotics engagement in the Andean region continued through the 1990s, Congress authorized DOD to provide a broad range of counternarcotics support, as well as assistance to train and equip foreign governments.

In FY2000, counterdrug assistance to South America increased significantly after the Clinton Administration proposed, and Congress began funding, a multi-year assistance package to complement Colombian President Andres Pastrana's counterdrug initiative, Plan Colombia.<sup>38</sup> That aid package, then called the Andean Counterdrug Initiative (ACI), aimed to provide a broad variety of counternarcotics assistance—manual and aerial eradication, alternative development, interdiction, and institutional capacity building and support to civilian and military institutions—for Colombia and six neighboring countries. Through ACI, Colombia, along with Peru and Bolivia, received the bulk of U.S. counterdrug aid to the region until Congress increased assistance for Mexico through the Mérida Initiative beginning in FY2008.<sup>39</sup>

The Mérida Initiative developed in response to the Calderón government's request for U.S. counterdrug cooperation and assistance. It was jointly proposed by the George W. Bush and Calderón Administrations in October 2007 as a new package of U.S. counterdrug and anticrime assistance for Mexico and Central America that would begin in FY2008 and last through FY2010. The Mérida Initiative, as originally conceived, sought to (1) break the power and impunity of criminal organizations; (2) strengthen border, air, and maritime controls; (3) improve the capacity of justice systems in the region; and, (4) curtail gang activity and diminish local drug demand.

U.S. State Department-funded drug control assistance programs in the Western Hemisphere are currently undergoing a period of transition. Counterdrug assistance to Colombia and the Andean region is in decline, after record assistance levels that began with U.S. support for Plan Colombia in FY2000. Funding for Mexico, Central America, and the Caribbean through the Mérida Initiative is slated to finish in FY2010, with at least three successor programs in various stages of development or initiation. The successor programs include (1) post-Mérida support to Mexico; (2) the Central American Regional Security Initiative (CARSI), and (3) the Caribbean Basin Security Initiative (CBSI). Final strategies have not yet been made public for CARSI and CBSI, but both packages are likely to include some anti-drug components as part of broader regional security packages. Each of these programs is coordinated by the State Department, but implemented by a wide range of U.S. agencies. Separately, DOD counternarcotics assistance and support continues in the region. (See **Table A-1** in the **Appendix** of this report.)

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<sup>37</sup> Sec. 1202, P.L. 101-189; 10 U.S.C. 124.

<sup>38</sup> The first appropriations legislation for Plan Colombia was located in the Military Construction Appropriations Act, 2001 (P.L. 106-246, Title III, Chapters 1 and 2).

<sup>39</sup> The first appropriations legislation for the Merida Initiative was located in the FY2008 Supplemental Appropriations Act (P.L. 110-252).

## Plan Colombia and the Andean Counterdrug Program<sup>40</sup>

### Background

The Andean region has been the focus of intense counterdrug efforts by the United States for more than two decades. The major components of U.S. strategy for the region have been coca crop eradication, interdiction of cocaine, and alternative development programs. Eradication and interdiction efforts in the 1980s and 1990s pushed coca cultivation from Peru and Bolivia—then the largest suppliers—to Colombia, which is now the world’s largest producer of both coca leaf and cocaine. Complicating the fight against drug trafficking in Colombia has been the linkage between the drug trade and terrorist organizations, particularly the armed insurgency of the FARC that has lasted more than 45 years and the right-wing paramilitaries active since the 1980s. Both leftist and rightist groups in Colombia have financed their belligerent activities with drug profits.

Unveiled in 1999 by the government of Andrés Pastrana (1998-2002), “Plan Colombia” was designed as a comprehensive strategy to strengthen democratic institutions; combat drug trafficking and terrorism; promote human rights and the rule of law; and foster economic development. Plan Colombia also aimed to reduce cultivation, processing, and distribution of illicit drugs by 50% over six years—a goal still unmet for coca and cocaine,<sup>41</sup> although met for opium and heroin, a newer, smaller, less entrenched component of the Colombian drug trade.<sup>42</sup> More recent gains have been made in bringing down coca yields and estimates of potential production. With the election of President Uribe in 2002 (re-elected in 2006), Plan Colombia was reinforced with a strategy of “democratic security” that focused on confronting illegally armed groups and improving public security. In 2007, Uribe’s security strategy further evolved to focus on “integrated action,” a sequenced approach applied in contested zones where poverty, violence, and illicit crop cultivation converge. Under this approach, security forces enter a contested zone to stabilize and hold the area so that civilian agencies can come in rapidly behind to provide social services including justice, education, health, and housing to assert a positive state presence.

Plan Colombia and follow-on strategies received more than \$7 billion in U.S. support from FY2000 through FY2010 from State Department and DOD accounts, with aid to the Colombian military and police conditioned upon vetting requirements for trainees and meeting human rights conditions. Neighboring countries (including Bolivia and Peru, and to a lesser extent Brazil, Panama, Ecuador, and Venezuela) have also received significant U.S. assistance through the Andean Counterdrug Initiative account.<sup>43</sup> Because narcotics trafficking and the guerrilla insurgency in Colombia had become intertwined problems, in 2002 Congress granted the State Department and DOD flexibility to use U.S. counterdrug funds for a unified campaign to fight

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<sup>40</sup> Prepared by June S. Beittel, Analyst in Latin American Affairs. For more information, see CRS Report RL32250, *Colombia: Issues for Congress*, by June S. Beittel.

<sup>41</sup> U.S. Government Accountability Office (GAO), *Plan Colombia: Drug Reduction Goals Were Not Fully Met, but Security Has Improved; U.S. Agencies Need More Detailed Plans for Reducing Assistance*, GAO-09-71, October 2008.

<sup>42</sup> Vanda Felbab-Brown et al., “Assessment of the Implementation of the United State’s Government’s Support for Plan Colombia’s Illicit Crop Reduction Components,” report produced for review by the U.S. Agency for International Development (USAID), April 17, 2009.

<sup>43</sup> The ACI was re-named the Andean Counterdrug Program (ACP) in FY2008. In the FY2010 request, the Obama Administration shifted ACP funds back into the International Narcotics Control and Law Enforcement (INCLE) account. Venezuela stopped receiving ACI assistance in FY2005.



drug trafficking and terrorist groups. However, Congress also capped the number of U.S. military personnel and civilian contractors that can be stationed in Colombia at 800 and 600 respectively.<sup>44</sup>

Most analysts agree that Plan Colombia has significantly improved security conditions in Colombia. Proponents and U.S. officials say that Plan Colombia dramatically reduced violence that once threatened to undermine the state, rolled back the power of the illegally armed groups that are largely funded by drug profits, and reduced the role of illegal narcotics in the Colombian economy.<sup>45</sup> However, some observers, while acknowledging the gains made through manual eradication and advances against the FARC, maintain that aerial spraying has had detrimental effects. Those include the displacement of vulnerable populations, environmental damage, and the dispersal of coca cultivation.<sup>46</sup> Critics also argue that U.S. policy has not rigorously promoted human rights, provided sustainable economic alternatives for drug crop farmers, or reduced the amount of drugs available in the United States.

### **Current Policy and Future Prospects**

The U.S. and Colombian governments are committed to locking in existing gains as the United States gradually transfers responsibility for security and counterdrug programs to the Colombians. In its April 2009 Report to Congress on the Multiyear Strategy for U.S. Assistance Programs in Colombia, the U.S. State Department states that two of its core goals for the Colombia program are to “pursue the ‘nationalization’ of security and counternarcotics programs, while strengthening social, economic and rule of law programs; and [to] stabilize U.S. programs at levels sufficient to sustain the progress that has been achieved.” Thus far, the State Department has reduced the number of U.S. contractor personnel in country, withdrawn some U.S. helicopters and spray aircraft, and transferred other equipment and helicopters, along with maintenance and support, to the Colombian government. USAID programs are also being transferred to Colombian nongovernmental organizations and agencies. The nationalization efforts are not intended to end U.S. assistance, but rather to reduce it to pre-Plan Colombia levels adjusted for inflation.<sup>47</sup>

In 2008, there was significant debate in Congress about the proper balance between so-called “hard-side” security assistance (i.e., equipment and training to the Colombian military and police) and “soft-side” traditional development and rule of law programs. Since FY2008, Congress has reduced and rebalanced assistance between security-related programs and economic and social aid in the annual foreign assistance appropriations legislation. In the Administration’s FY2011 budget request, aid to Colombia is proposed to decline by approximately 9%, from an estimated \$512 million appropriated in FY2010 to \$465 million requested for FY2011, with the balance between “soft-side” development assistance and “hard-side” security and counterdrug assistance moving closer to 50/50.

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<sup>44</sup> The FY2005 National Defense Authorization Act (H.R. 4200; P.L. 108-375), raised the military cap from 400 to 800 and the civilian cap from 400 to 600. The cap does not apply to personnel conducting search and rescue operations, or to U.S. personnel assigned as part of their regular duties to the U.S. embassy.

<sup>45</sup> Peter DeShazo, Johanna Mendelson Forman, and Phillip McClean, *Countering Threats to Security and Stability in a Failing State: Lessons from Colombia*, Center for Strategic & International Studies, Washington, DC, September 2009.

<sup>46</sup> Testimony of Mark Schneider, Senior Vice President of the International Crisis Group, “Assessing U.S. Drug Policy in the Americas,” before the House Subcommittee on the Western Hemisphere, October 15, 2009.

<sup>47</sup> U.S. Department of State, “Report on the Multiyear Strategy for U.S. Assistance Programs in Colombia,” Report to Congress, April 2009. The report notes that future assistance will maintain “high impact” programs such as police interdiction and eradication, support for police aviation, the rural police program and maritime interdiction.

## Mérida Initiative for Mexico and Central America<sup>48</sup>

### Background

In the 1970s, the United States began providing Mexico with equipment and training to eradicate marijuana and opium poppy fields, but bilateral cooperation declined dramatically after Enrique Camarena, a U.S. DEA agent, was assassinated in Mexico in 1985. From the mid-1980s through the end of the 1990s, bilateral cooperation stalled due to U.S. mistrust of Mexican counterdrug officials and concerns about the Mexican government's overall tendency to accommodate drug leaders.<sup>49</sup> At the same time, the Mexican government was reluctant to accept large amounts of U.S. assistance due to its opposition to U.S. drug certification procedures.<sup>50</sup> The Mexican government also expressed opposition to the DEA and other U.S. agencies carrying out operations against DTOs in Mexican territory without authorization.

U.S.-Mexican cooperation began to improve and U.S. assistance to Mexico increased after the two countries signed a Binational Drug Control Strategy in 1998. U.S. assistance to Mexico, which totaled some \$397 million from FY2000-FY2006, supported programs aimed at interdicting cocaine; combating production and trafficking of marijuana, opium poppy, and methamphetamine; strengthening the rule of law; and countering money-laundering. In 2007, the Government Accountability Office (GAO) found that while U.S. programs had helped improve Mexico's counterdrug efforts, seizures in Mexico remained relatively low, and corruption continued to hinder bilateral efforts.<sup>51</sup>

In contrast to the wide range of programs funded in Mexico, U.S. counterdrug programs in Central America have traditionally focused on interdiction, with some anti-money laundering programs in Panama. The vast majority of U.S. counterdrug assistance to Central America has gone to Guatemala and Panama, the two primary drug transit countries in the region. A 2008 GAO report found that although U.S. assistance had helped Guatemala, Panama, and six other transit countries participate in antidrug operations and prosecute drug-related cases, a lack of political will, budget constraints, and corruption in recipient countries hindered the sustainability of U.S. efforts.<sup>52</sup>

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<sup>48</sup> For more information, see CRS Report R40135, *Mérida Initiative for Mexico and Central America: Funding and Policy Issues*, by Clare Ribando Seelke.

<sup>49</sup> Under this system, arrests and eradication took place, but due to the effects of widespread corruption, the system was "characterized by a working relationship between Mexican authorities and drug lords" through the 1990s. Francisco E. González, "Mexico's Drug Wars Get Brutal," *Current History*, February 2009.

<sup>50</sup> Beginning in 1986, when the U.S. President was required to certify whether drug producing and drug transit countries were cooperating fully with the United States, Mexico usually was criticized for its efforts, which in turn led to increased Mexican government criticism of the U.S. assessment. Reforms to the U.S. drug certification process enacted in September 2002 (P.L. 107-228) essentially eliminated the annual drug certification requirement, and instead required the President to designate and withhold assistance from countries that had "failed demonstrably" to make substantial counternarcotics efforts.

<sup>51</sup> GAO, "U.S. Assistance Has Helped Mexican Counternarcotics Efforts, but the Flow of Illicit Narcotics into the United States Remains High," October 2007, GAO-08215T.

<sup>52</sup> GAO, "Cooperation with Many Major Drug Transit Countries Has Improved, but Better Performance Reporting and Sustainability Plans Are Needed," July 2008, GAO-08-784.

## **Development and Implementation of the Mérida Initiative**

In the last decade, the percentage of Andean cocaine flowing through the Mexico-Central America transit zone grew from roughly 66% in 2000, to 90% from 2006 onward.<sup>53</sup> At the same time, violence perpetrated by DTOs and other criminal groups has posed an increasing threat to citizen security in Mexico and Central America.<sup>54</sup> U.S. officials have been increasingly concerned about the possibility of violence in Mexico spilling over into the United States.<sup>55</sup>

Upon taking office in December 2006, Mexican President Calderón made combating DTOs a top priority of his administration. In response to the Calderón government's request for U.S. cooperation and assistance, in October 2007 the United States and Mexico announced the Mérida Initiative, a new package of U.S. counterdrug and anticrime assistance for Mexico and Central America that would begin in FY2008 and last through FY2010. The Mérida Initiative sought to (1) break the power and impunity of criminal organizations; (2) strengthen border, air, and maritime controls; (3) improve the capacity of justice systems in the region; and, (4) curtail gang activity and diminish local drug demand. Congress appropriated roughly \$1.3 billion to support the Mérida Initiative in P.L. 110-252, P.L. 111-8, and P.L. 111-32. Each of these acts contained human rights conditions on 15% of certain law enforcement and military assistance provided.

The Mérida Initiative is based on the premise that all of the countries involved will have to accept their "shared responsibility" to tackle domestic problems contributing to drug trafficking and organized crime in the region, including U.S. drug demand. From the beginning, the Mérida Initiative has included a focus on reforming Mexican institutions, particularly the judiciary and police, so as to improve respect for the rule of law in the country. Border security is also a key component of the Mérida Initiative. As a result, implementation of the Initiative involves a wide range of U.S. agencies, including the Departments of Justice and Homeland Security under the leadership of the State Department. Unlike Plan Colombia, the Mérida Initiative does not include a large role for DOD.

Perhaps because of the large number of countries and U.S. agencies involved, Mérida implementation has gotten off to a slow start, and remains in its initial phases, particularly in Central America. On December 3, 2009, the GAO issued a report for Congress showing that by the end of September 2009, \$830 million of the \$1.3 billion in Mérida funds that had been appropriated for Mexico and Central America as of that time had been obligated by the State Department, but only \$26 million of the funds had actually been spent. The pace of implementation has quickened in Mexico since the GAO reporting period ended, as a total of approximately \$113 million worth of equipment had arrived by March 2010, but implementation challenges remain.

In the FY2010 Consolidated Appropriations Act (P.L. 111-117), Congress appropriated another \$210.3 million for Mexico under the Mérida Initiative subject to the same human rights

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<sup>53</sup> Government Accountability Office (GAO), "U.S. Assistance Has Helped Mexican Counternarcotics Efforts, but the Flow of Illicit Drugs into the United States Remains High," August 2007, GAO-07-1018.

<sup>54</sup> For background information on drug trafficking-related violence in Mexico, see CRS Report R40582, *Mexico's Drug-Related Violence*, by June S. Beittel. For information on drug trafficking and violent crime in Central America, see United Nations Office on Drugs and Crime (UNODC), *Crime and Development in Central America: Caught in the Crossfire*, May 2007.

<sup>55</sup> For more information, see CRS Report R41075, *Southwest Border Violence: Issues in Identifying and Measuring Spillover Violence*, coordinated by Jennifer E. Lake and Kristin M. Finklea.

conditions as those provided in P.L. 111-8. With the FY2010 appropriations, total U.S. assistance to Mexico under Mérida reached roughly \$1.3 billion.

### **U.S. Assistance to Mexico Beyond Mérida**

Even though the implementation of Mérida-funded programs is likely to continue for several more years, budgetary support for the Initiative as it was originally conceived ended with the FY2010 budget cycle. As a result, the Obama Administration and the Mexican government have agreed to a new strategic framework for security cooperation post-Mérida. This was formally announced after Secretary of State Hillary Clinton led a high-level delegation to Mexico on March 23, 2010. The four pillars of the new strategy include (1) disrupting organized criminal groups; (2) institutionalizing the rule of law; (3) building a 21<sup>st</sup>-century border; and (4) building strong and resilient communities. Pillar four of the new strategy appears to indicate the U.S. and Mexican government's intent to move beyond counterdrug efforts to address underlying societal problems, such as poverty and unemployment, that have allowed the drug trade to flourish.<sup>56</sup>

In terms of funding priorities, the Administration plans to move away from providing equipment to Mexican security forces to supporting institutional reform programs in Mexico with training and technical assistance. It intends to provide assistance to one or two border cities—including Ciudad Juárez—as U.S. assistance is expanded from the federal to the state and local levels. The FY2011 request included \$310 million for these programs.

### **Central American Regional Security Initiative (CARSI)**

In the FY2010 Consolidated Appropriations Act (P.L. 111-117), Congress separated funding for Central America, which totaled \$83 million, from the Mérida Initiative by creating a new Central American Regional Security Initiative (CARSI). Funds for CARSI are subject to the same human rights conditions as those provided in P.L. 111-8. According to H.Rept. 111-187, addressing drugs and crime in Central America requires a longer-term commitment than the three-year Mérida program. Some analysts specializing in Central American security issues hope that by splitting Central America away from U.S.-Mexican security cooperation programs, the sub-region will receive more focus, funding, and attention from Congress and the Administration. Others disagree, asserting that it is important to have an integrated approach to counterdrug and anti-crime programs in Mexico and Central America, as the Mérida Initiative was initially designed to do. The Obama Administration requested \$100 million for CARSI in its FY2011 budget request: \$70 million in Western Hemisphere Regional INCLE funds and \$30 million in Western Hemisphere Regional ESF funds.

### **Caribbean Basin Security Initiative (CBSI)<sup>57</sup>**

Because of their geographic location, many Caribbean nations are transit countries for illicit drugs from South America and the Caribbean destined for the U.S. and European markets. Currently, of the 16 countries in the Caribbean region, President Obama identified four—the Bahamas, the Dominican Republic, Haiti, and Jamaica—as major drug-producing or drug-transit countries in

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<sup>56</sup> U.S. Department of State, Secretary of State Hillary Rodham Clinton, "Joint Statement of the Merida High-Level Consultative Group on Bilateral Cooperation Against Transnational Organized Crime," March 29, 2010.

<sup>57</sup> Prepared by Mark P. Sullivan, Specialist in Latin American Affairs.

September 2009 pursuant to annual legislative drug certification requirements.<sup>58</sup> Many other Caribbean nations, particularly in the Eastern Caribbean, are also vulnerable to drug trafficking and associated crimes because of their geographic location.

The United States has provided antidrug assistance to Caribbean countries through bilateral assistance programs, USAID's Caribbean Regional Program, and the State Department's Western Hemisphere Regional Program. The Bahamas has cooperated extensively with the United States on interdiction efforts through Operation Bahamas and Turks and Caicos (OPBAT), a multinational interdiction effort first established in 1982. The Dominican Republic has carried out joint counternarcotics operations with the U.S. Coast Guard, received police training from the State Department, and judicial reform assistance from USAID. U.S. counternarcotics efforts in Haiti have focused on providing equipment and training support for the Haitian National Police (HNP), largely in cooperation with the United Nations Stabilization Mission in Haiti (MINUSTAH). The United States has provided training and material support to strengthen Jamaica's counterdrug and anti-corruption capabilities and improve the country's capacity to investigate, arrest, and prosecute organized crime.

Although not included in the original Mérida request, Congress dedicated \$2.5 million in INCLE funding for Haiti and \$2.5 million for the Dominican Republic in P.L. 110-252 and the same amounts again in P.L. 111-8. In Haiti, Mérida funds are being used to install a secure communications network for the HNP, support the HNP's drug interdiction efforts, and provide training for Haitian judicial officials. In the Dominican Republic, Mérida funds are being used to support police professionalization programs, provide logistical support to interdiction units, and train judicial authorities in implementing the new criminal procedure code.

The Obama Administration did not include Haiti and the Dominican Republic in its FY2010 request for Mérida. Instead, the Administration requested \$45 million in initial funding for projects that are being developed as part of a new security dialogue with Caribbean Community (CARICOM) member states<sup>59</sup> and the Dominican Republic. When President Obama announced the new security cooperation plan, the Caribbean Basin Security Initiative (CBSI), at the Summit of the Americas in April 2009, he said that it would likely involve increased U.S. assistance to help the region address challenges such as transnational crime, illicit trafficking, and maritime and aviation security.

The CBSI is being developed through a process of dialogue with Caribbean nations, which are expected to establish complementary programs with their own funding. Initial U.S.-Caribbean meetings were held in Suriname, Barbados, and the Dominican Republic in 2009, and a ministerial meeting is expected to take place in Washington in 2010 where a political declaration, action plan, and framework for the Caribbean Basin Security Initiative will be adopted. As discussed with Caribbean nations, the initiative will likely have three strategic priorities: (1) to reduce illicit trafficking substantially (including measures to reduce drug trafficking, money laundering, trafficking in small arms and light weapons, and human smuggling); (2) to advance public safety and security (including measures to deal with crime and violence, border security,

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<sup>58</sup> U.S. Department of State, "Presidential Determination for Major Drug-Transit and Major Illicit Drug-Producing Countries," September 15, 2009.

<sup>59</sup> Currently 14 independent Caribbean Basin countries are CARICOM members: Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

trafficking in persons, terrorism threats, criminal gangs, and natural disasters); and (3) to promote social justice (including crime prevention, justice sector reform, and anti-corruption measures).

As described in the State Department's FY2010 Congressional Budget Justification for Foreign Operations, U.S. support for the CBSI will have three components: (1) assistance for air and maritime assets and command, control, and communications architecture; (2) assistance for social justice and economic development projects, with programs targeted at youth development and training; and (3) assistance for programs to enhance the rule of law and anti-crime efforts.

Congress provided "not less than" \$37 million in FY2010 for the CBSI in P.L. 111-117, of which "not less than" \$21 million should be for social justice and education programs. The Administration's FY2011 request for CBSI is for \$79 million.

## **DOD Counternarcotics Assistance Programs<sup>60</sup>**

The U.S. Department of Defense provides a broad range of counterdrug support to Latin America and the Caribbean, including training and equipping assistance for security forces engaged in counterdrug efforts. Although DOD is a provider of international counterdrug assistance, the Foreign Assistance Act of 1961, as amended, vests responsibility for coordinating all U.S. counterdrug assistance with the Secretary of State.<sup>61</sup> As a result, DOD counterdrug programs generally complement existing foreign assistance programs run mainly by the State Department. However, due to its independent authorities and counterdrug missions, DOD programs are not necessarily integrated into the policy planning and the budgeting process for State Department-led counterdrug assistance programs. Within DOD, the Office of the Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats is the primary source of counternarcotics policy. Two regional combatant commands bear responsibility for DOD operations in the Western Hemisphere: the U.S. Southern Command (SOUTHCOM), which covers Latin America, and the U.S. Northern Command (NORTHCOM), which includes Mexico.

Since Latin America has been the source of most illicit drugs arriving into the United States, DOD's role in the hemisphere has been long-standing. In FY1990, Congress mandated that DOD be the lead federal agency for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States.<sup>62</sup> DOD's lead agency responsibilities extend to support for foreign law enforcement agencies in the detection and monitoring of drugs flowing toward the United States.<sup>63</sup> Support in its current form has evolved over time to include not only detection and monitoring, but also U.S. military deployments, infrastructure support, intelligence support, and operational support.<sup>64</sup> Two legislative authorities define the types of foreign assistance support that DOD can provide for counternarcotics purposes—Sec. 1004 of P.L. 101-510, the National Defense Authorization Act (NDAA) of 1991 as amended through FY2010, and Sec.

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<sup>60</sup> Prepared by Liana Sun Wyler, Analyst in International Crime and Narcotics.

<sup>61</sup> Sec. 481, P.L. 87-195, as amended (22 U.S.C. 2291).

<sup>62</sup> Sec. 1202 of P.L. 101-189, as amended (10 U.S.C. 124).

<sup>63</sup> Sec. 1088 of P.L. 102-190 (U.S.C. 124).

<sup>64</sup> See Paul Wolfowitz, Deputy Secretary of Defense, Memorandum on Department of Defense International Counternarcotics Policy, October 3, 2003, Appendix C, Department International Counternarcotics Support, in House Committee on Government Reform, Subcommittee on Criminal Justice, Drug Policy, and Human Resources, Hearing on DOD Counternarcotics: What is Congress Getting for its Money?, April 21, 2004, Serial No. 108-208.

1033 of P.L. 105-85, the NDAA of 1998 as amended through FY2010, which allows DOD to provide additional support to certain countries.<sup>65</sup>

**Legislative Authorities Regarding DOD's Role in Providing Counterdrug Assistance**

Under Section 1004 of P.L. 101-510, the National Defense Authorization Act (NDAA) of 1991 as amended through FY2010, DOD can provide assistance for (1) transporting U.S. and foreign personnel for the purpose of facilitating counterdrug activities within or outside the United States; (2) establishing and operating bases of operations or training facilities for the purpose of facilitating counterdrug activities within or outside the United States; (3) training law enforcement personnel from foreign countries in how to conduct counterdrug efforts; (4) aerial and ground reconnaissance and detection, monitoring, and communication of air, sea, and surface trafficking en route to the United States; (5) construction of roads and fences and installation of lighting to block drug smuggling corridors across international boundaries of the United States; and, (6) the provision of linguist and intelligence analysis services.

Under Section 1033 of P.L. 105-85, the NDAA of 1998 as amended through FY2010, DOD can provide support to certain countries through the (1) transfer of nonlethal protective and utility personnel equipment; (2) transfer of, as well as repair and parts for, nonlethal specialized equipment, including navigation equipment, communications equipment, photo equipment, radar equipment, and night vision systems; (3) transfer of nonlethal components, accessories, attachments, parts (including ground support equipment), firmware, and software for aircraft or patrol boats, and related repair equipment; transfer of riverine patrol boats; and, maintenance and repair of equipment of the government that is used for counterdrug activities.

For more information, see: CRS Report RL34543, *International Drug Control Policy*, by Liana Sun Wyler.

Colombia has historically been the focus of most DOD counterdrug efforts in the region, providing the military aspect of U.S. support for Plan Colombia. DOD counterdrug assistance to Colombia has included training and equipping of both the Colombian military and police, including the Colombian Army's Counternarcotics Brigade, assisting the Colombian Ministry of Defense with the development of a modern budget and logistics organizations, assisting the Colombian government with demobilization programs, and providing humanitarian assistance to local populations affected by the drug situation. Since FY2002, Congress has given DOD a country-specific authority to pursue a "unified campaign" against narcotics trafficking and against designated terrorist organizations operating in Colombia—the FARC, ELN, and AUC.<sup>66</sup>

The tendency of DOD to concentrate most of its counternarcotics assistance programs in Colombia appears to be shifting. (see **Table A-1** in the **Appendix** for an overview of DOD assistance to the region from FY2002-FY2009.) In SOUTHCOM's FY2010 posture statement to Congress, for example, SOUTHCOM's Combatant Commander argues for the expansion of DOD's authority to pursue a unified campaign against drugs and terrorism in more countries in the region than just Colombia.<sup>67</sup> Similarly, Defense Secretary Robert Gates and Chairman of the Joint Chiefs of Staff Admiral Mike Mullen recently traveled to Mexico along with Secretary

<sup>65</sup> DOD currently is authorized to assist 22 foreign countries with additional counternarcotics support. Of the 22 countries for which DOD is authorized to provide Sec. 1033 counterdrug assistance, half of them (11) are located in Latin America. They include Peru and Colombia (Sec. 1033, P.L. 105-85); Bolivia and Ecuador (Sec. 1021, P.L. 108-136); Guatemala, Belize, and Panama (Sec. 1022, P.L. 109-364); Mexico and the Dominican Republic (Sec. 1022, P.L. 110-181); and El Salvador, and Honduras (Sec. 1024, P.L. 110-417).

<sup>66</sup> Sec. 305, P.L. 107-206; while this authority was not granted for FY2003, it was subsequently reauthorized in FY2004 in Sec. 1023, P.L. 108-136, as amended through FY2010.

<sup>67</sup> Posture Statement of General Douglas M. Fraser, Commander, U.S. Southern Command before the Senate Armed Services Committee, March 11, 2010.

Clinton to offer increased military assistance and collaboration to their Mexican counterparts. It remains to be seen, however, the degree to which DOD counterdrug assistance to Mexico, Central America, and the Caribbean will be coordinated with Mérida and follow-on assistance programs in those countries and sub-regions. Since DOD counterdrug assistance is obligated out of global accounts and the agency is not required to submit country-specific requests to Congress for its programs, obtaining recent data on DOD programs and plans for the region can be difficult.

## **Foreign Assistance Prohibitions and Conditions<sup>68</sup>**

In addition to defining the authorities by which the State Department and DOD fund counterdrug efforts and determining the types and levels of funding to appropriate for those efforts, Congress requires that the provision of that assistance be conditioned on certain counterdrug-related performance measures. Such aid conditions are intended to discourage aid recipients from shirking their commitments to combating drugs, as well as to ensure that they are cooperating with the U.S. government on related foreign policy priorities, including human rights and anti-corruption efforts.

## **Annual Drug Certification Process**

Beginning in 1986 (P.L. 99-570), Congress introduced an annual procedure to withhold certain types of bilateral foreign assistance, not including counternarcotics assistance, to major drug producing and major drug transit countries worldwide, commonly termed the “drug majors”.<sup>69</sup> In the past, this certification process had generated both criticism for the severity of its penalties as well as praise for its ability to improve political will internationally to combat drugs. Today, however, it is widely viewed as having lost much of its strength as a diplomatic tool.<sup>70</sup>

The President is required annually to issue a presidential determination to identify which countries are to be included in the list of drug majors for the following fiscal year. For FY2010, President Barack Obama identified 20 drug majors—65% of which are countries in the Western

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<sup>68</sup> Prepared by Liana Sun Wyler, Analyst in International Crime and Narcotics.

<sup>69</sup> Drug majors are statutorily defined in Sec. 481 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 1191(e)) as a country in which (1) 1,000 hectares or more of illicit opium or coca is cultivated or harvested during a single year; (2) 5,000 hectares or more of illicit cannabis is cultivated or harvested; (3) there is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States; or (4) drugs or other controlled substances are transiting.

<sup>70</sup> Current law provides two certification procedure options from which the President can choose in order to determine which countries will be sanctioned. The selection of which certification procedure to use is widely understood to have implications on the severity and strength of this counterdrug policy tool. In the original procedure, codified at 22 U.S.C. 2291j, the President was required to decertify all drug majors that had not proven to “cooperate fully” in international efforts to combat drug trafficking. Beginning in FY2002, subsequently codified at 22 U.S.C. 2291j-1, the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (P.L. 107-115) allowed for the suspension of the prior certification procedures and their replacement with a new set of procedures. In place of the “cooperate fully” threshold, the new certification procedure allows the President to designate and withhold assistance from only the worst-offending drug majors – those that were determined by the President as having “failed demonstrably” to make substantial efforts to combat drugs. The change in standards from whether a country had “cooperated fully” to “whether it had “failed demonstrably” effectively shifted the “burden of proof to an assumption that foreign nations were cooperating with the United States and had to be proven otherwise to trigger the restrictions” in foreign assistance.



Hemisphere.<sup>71</sup> The same 13 Latin American and Caribbean countries have been on the drug majors list for at least the past decade, including the Bahamas, Bolivia, Brazil, Colombia, the Dominican Republic, Ecuador, Guatemala, Haiti, Jamaica, Mexico, Panama, Paraguay, Peru, and Venezuela.

The drug majors are then evaluated on the basis of their effort to combat drugs and cooperate with the U.S. government on drug policy issues. The President must accordingly “certify” to Congress that drug majors have either “cooperated fully” or have “failed demonstrably” in U.S. and international counternarcotics efforts. If the President does not certify a drug major country, it is “decertified” and ultimately subject to possible sanction from receiving certain types of bilateral assistance. Decertification can have implications for country eligibility for other assistance programs, including eligibility for debt relief. For FY2010, three drug majors were “decertified” after the President determined that they “failed demonstrably” at cooperating with the U.S. government and international community on counternarcotics measures. Two of the three are countries in the Western Hemisphere: Bolivia and Venezuela.

The President, however, reserves the discretion to waive the foreign assistance prohibition that decertification triggers if it is of vital national interest that U.S. aid continue to those countries. In the case of both Bolivia and Venezuela, President Obama waived the aid sanctions, thus allowing for bilateral assistance to continue in the case of Bolivia and assistance related to democracy promotion programming to continue in Venezuela.

## **Conditions on Counternarcotics Assistance**

Several conditions on counternarcotics assistance exist in current law, including general and country-specific prohibitions on providing aid to security forces (potentially including counterdrug forces) and drug eradication-related conditions. In order for the counterdrug funding to be released, these conditions require the Secretary of State to certify that the countries in question have achieved certain performance criteria. These assistance restrictions have been variously viewed as either supplements to the drug certification process, providing additional diplomatic pressure to support counternarcotics and related foreign policy goals, or additional bureaucratic obstacles to overcome. In the case of aid conditions on counternarcotics assistance for Mexico through the Mérida Initiative, for example, the delay of funds has become a source of policy frustration.<sup>72</sup>

## **Human Rights Prohibitions on Assistance to Security Forces**

Congress has taken measures to ensure that U.S. security assistance not be provided to foreign security forces that have been associated with gross human rights violations. Human rights conditions restrict foreign assistance to security forces authorized under the Foreign Assistance Act of 1961 (FAA), as amended, and the Arms Export Control Act (AECA), as amended. Specifically, units of a foreign country’s security forces are prohibited from receiving assistance if the Secretary of State receives “credible evidence” that such units have committed “gross

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<sup>71</sup> Barack Obama, White House, Presidential Determination No. 2009-30, September 15, 2009.

<sup>72</sup> The GAO identified “statutory conditions on the funds” as one of three factors that have slowed down implementation of the Mérida Initiative. U.S. Government Accountability Office (GAO), “Status of Funds for the Mérida Initiative,” December 3, 2009, GAO 10-253R, available at <http://www.gao.gov/products/GAO-10-253R>.

violations of human rights.”<sup>73</sup> In response to these provisions, the State Department has developed vetting procedures for potential security force trainees. A modified and non-codified, but similar, provision restricts DOD training of foreign security forces in FY2010 in cases where the Secretary of Defense receives “credible evidence” that units of foreign security forces have committed “gross violations of human rights.”<sup>74</sup> While the term “security forces” is not defined in the FAA, AECA, or the FY2010 DOD appropriations measure (P.L. 111-118), in practice these provisions often affect assistance to foreign counternarcotics units.

### **Country-Specific Prohibitions on Certain Counterdrug Assistance**

For FY2010, the provision of certain counterdrug-related aid to 10 countries in the Americas is conditioned on the Secretary of State reporting to Congress on a range of human rights, corruption, and rule of law issues. The 10 countries are Haiti, Mexico, Colombia, and the Central American countries of Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. (See **Table A-2** for a list of country-specific prohibitions on counterdrug aid included in P.L. 111-117).

### **Drug Eradication-Related Conditions**

Colombia, the only country in the world to which the U.S. government provides assistance for eradicating drug crops through the aerial application of herbicide, is also subject to several aerial eradication-related conditions (sec. 7046 of P.L. 111-117). Legislation caps total assistance to the Colombian national police for the procurement of chemicals for aerial coca and poppy eradication programs at 20% until the Secretary of State submits a report to Congress. That report must certify that the herbicide is being used in a manner that complies with Environmental Protection Agency standards and Colombian law, and that it does not pose unreasonable risks or adverse effects to humans or the environment. Further, funds for eradication are not available until the Secretary of State certifies to Congress that complaints related to fumigation are thoroughly evaluated and compensation provided in the case of meritorious claims. In addition, funds for eradication are not available unless alternative development programs are being implemented, where security permits, for small-acreage growers and communities targeted by aerial eradication.

## **Issues for Congress<sup>75</sup>**

Congress is playing an active role in shaping the design of U.S. antidrug programs in Latin America at a time when regional support for U.S. counternarcotics policy appears to be at a crossroads. The United States enjoys sustained counterdrug partnerships with countries like Peru and Colombia in South America, and expanding relationships on drug issues with Mexico, Central America, and the Caribbean through the Mérida Initiative, CARSI, and CBSI. While

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<sup>73</sup> Sec. 620J of the Foreign Assistance Act of 1961, as amended. This aid condition originated in a provision first introduced by Senator Patrick Leahy as an amendment to the 1997 Foreign Operations Appropriations Act (P.L. 104-208) restricting International Narcotics Control assistance to foreign security forces found to have committed gross violations.

<sup>74</sup> Sec. 8061 of P.L. 111-118.

<sup>75</sup> Prepared by Liana Sun Wyler, Analyst in International Crime and Narcotics and Clare Ribando Seelke, Specialist in Latin American Affairs.

many governments continue to support U.S. drug control efforts, some policymakers in the region have concluded that the current U.S.-led counterdrug approach needs to be re-evaluated. Criticism of U.S. drug activities has translated into a reduction in U.S. participation in counternarcotics efforts in certain countries, particularly Bolivia and Venezuela, as well as a growth in support in some countries for a range of alternative drug policy approaches, including drug decriminalization.<sup>76</sup>

There has been increasing criticism of U.S. drug policy coming from prominent observers in countries that have been key partners in the struggle against illicit drug trafficking. In February 2009, for example, an independent study group called the Latin American Commission on Drugs and Democracy—co-chaired by former presidents from Brazil, Colombia, and Mexico—issued a report concluding that the current U.S.-led international drug control regime, which has focused on criminalizing drug production and use, has largely failed. The report urged the United States and other governments to accelerate efforts to reduce drug demand and treat drug use as a matter of public health, focus repressive efforts on the illicit activities of organized criminal groups, and increase support for viable alternative development programs.<sup>77</sup> These recommendations are similar to some of the suggestions that have been made by U.S. drug policy experts.<sup>78</sup>

The 111<sup>th</sup> Congress has influenced aspects of U.S. counterdrug assistance programs in Latin America through the appropriations process, in oversight hearings, and in stand-alone legislation. Congressional action has focused on the appropriations process by, for example, ensuring that assistance provided to Colombia, Mexico, and Central America is balanced between support for supply control programs, on the one hand, and funding for institution-building and rule of law programs, on the other. Additionally, both the first and second sessions of the 111<sup>th</sup> Congress have conducted a significant number of oversight hearings on U.S. drug control programs in Latin America and on confronting the increased drug trafficking-related violence occurring along the U.S.-Mexico border. The House-passed H.R. 2134, the Western Hemisphere Drug Policy Commission Act (Engel), would create a commission to review U.S. drug policy in the region and identify options to improve international and domestic efforts. Senators Menendez and Kerry have also recently introduced S. 3172, the Counternarcotics and Citizen Security for the Americas Act of 2010, which would, among other things, amend the Foreign Assistance Act of 1961 to require the Secretary of State to submit an Inter-American counternarcotics strategy report to Congress and encourage the State Department to focus U.S. counterdrug assistance on strengthening civilian institutions in recipient countries.

Congress is likely to consider several additional questions as it oversees the design and implementation of future U.S. drug control programs in Latin America and the Caribbean. Some of these questions might include what, if anything does the growing regional support for alternatives to the current counterdrug policy mix suggest in terms of U.S. drug policy priorities and strategies? How might the U.S. government better plan, implement, and evaluate counterdrug assistance programs in Latin America? What should be the future of eradication and alternative development programs in the Andes? To what extent are U.S. domestic drug policy efforts complementing counterdrug assistance programs in Latin America?

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<sup>76</sup> “Drug Policy Reforms in the Americas,” *Reuters*, January 29, 2010.

<sup>77</sup> Latin American Commission on Drugs and Democracy, “Drugs and Democracy: Towards a Paradigm Shift,” February 2009, available in English at [http://www.drogasedemocracia.org/Arquivos/livro\\_ingles\\_02.pdf](http://www.drogasedemocracia.org/Arquivos/livro_ingles_02.pdf).

<sup>78</sup> See, for example, International Crisis Group, “Latin American Drugs II: Improving Policy and Reducing Harm,” March 14, 2008.

## **An Integrated Approach to Counternarcotics in the Region?**

Some in the 111<sup>th</sup> Congress have raised questions regarding whether there is the need for a more integrated approach to counternarcotics policies in the region. Members have expressed concern that the overall effectiveness of hemispheric counterdrug efforts has been hindered by “fragmented management, unclear reporting chains, and duplicative and overlapping agendas” among the many agencies charged with implementing aspects of antidrug programs in the region.<sup>79</sup> Some Members have argued that a more integrated effort might include having the State Department develop a multi-year drug strategy for the region that would seek to avoid the so-called “balloon effect” in which successful efforts in one area drive drug-related activities to another area. Others have urged the Administration to establish a coordinator within the State Department to oversee the planning and implementation of the various counterdrug assistance programs in Latin America.<sup>80</sup> Some observers have praised these proposals, while others feel they would be unnecessary given that there are already mechanisms in place by which the State Department develops and coordinates its counterdrug programs and policies for the region.

Another aspect of developing a more integrated approach to counterdrug efforts in Latin America involves ensuring that non-aid programs related to drug policy complement the goals of U.S. counterdrug assistance programs. Non-aid programs include narcotics kingpin sanctions, trade preferences, and U.S.-led military and law enforcement interdiction and criminal investigative operations.

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<sup>79</sup> Office of Senator Robert Menendez, “Press Release: Menendez-Kerry Bill to Strengthen Counternarcotics Cooperation in the Americas,” March 26, 2010.

<sup>80</sup> See, for example, the Opening Statement of Chairmen Eliot L. Engel at a Subcommittee on the Western Hemisphere hearing on “Assessing U.S. Drug Policy in the Americas,” October 15, 2009; “Rep. Connie Mack: We Must Examine U.S. Drug Policy in Latin America From All Angles,” *U.S. Fed News*, October 19, 2009.

### **Non-Foreign Assistance Efforts to Combat Drugs in Latin America**

- **Drug Kingpin Sanctions:** The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) targets and blocks financial assets, subject to U.S. jurisdiction, of drug kingpins and related associates and entities. First instituted in 1995 to block assets owned by principal figures of the Colombia's Cali Cartel (E.O. 12978), a second, expanded sanctions program was later introduced in 1999, which has a global scope (Foreign Narcotics Kingpin Designation Act). Targets from Latin America and the Caribbean are a central focus of both programs, with traffickers centered in Colombia constituting the entirety of E.O. 12978 and Latin American and Caribbean kingpins representing 64% of all listed kingpins since 2000.
- **International Trade Incentives to the Andes:** Through the 1991 Andean Trade Preference Act (ATPA) and its subsequent replacement, the 2002 Andean Trade Preference and Drug Eradication Act (ATPDEA), as amended, the U.S. government has historically sought to offer trade benefits to four partner nations in the Andes—Colombia, Ecuador, Peru, and Bolivia—as part of a broader effort to combat drug production and trafficking in the region. The program expired for Bolivia on June 30, 2009, based on a presidential determination that Bolivia no longer satisfies eligibility requirements.
- **Intelligence and Law Enforcement Activities:** U.S. efforts to identify and dismantle drug networks include intelligence and law enforcement activities that are not categorized as foreign assistance. DOD plays a key role in collecting, analyzing, and sharing intelligence on illegal drug flows through its regional operational assets, including the Joint Interagency Task Force-South (JIATF-South), which coordinates multi-agency drug intelligence; and Forward Operating Locations (FOLs), where drug interdiction aircraft can be deployed close to drug production sources and transit zones. International drug interdiction efforts in the Western Hemisphere account for approximately 81% of all cocaine interdictions worldwide. The U.S. Drug Enforcement Administration (DEA) maintains 37 country or regional DEA offices at U.S. embassies in Latin America and the Caribbean. DEA, with the support of other law enforcement agencies, use a variety of legal tools to ensure that international criminals are prosecuted to the fullest extent of the law, including extradition and extra-territorial law enforcement authorities to investigate and prosecute drug offenses overseas.

For more information, see: CRS Report RL34543, *International Drug Control Policy*, by Liana Sun Wylar.

These non-foreign aid programs have figured prominently in U.S. counterdrug efforts in Latin America for some time. Yet it remains a challenge for policymakers to evaluate how such programs—conducted by a variety of U.S. agencies and offices, with separate budgets, planning procedures, and priorities and missions—may improve, detract from, or prove ineffective in the overall U.S. approach to combating drugs in the region. As Congress evaluates U.S. drug policy towards Latin America, it may choose to consider whether it is feasible and desirable to incorporate non-foreign assistance programs into a counterdrug strategy for the region.

The ability to monitor progress and make adjustments in programs that are not achieving their intended results has been identified as another key component of a well-integrated drug policy. Supply control programs have traditionally been evaluated by calculating the acreage of crops eradicated, drugs interdicted, or DTO leaders arrested, or by examining the price and purity of drugs in the United States. These measures, though important, can sometimes fail to capture progress that has taken place in terms of advancing bilateral or regional cooperation on anti-drug efforts and/or problems in existing policies. Measuring the effects of institution-building and development programs may prove to be even more difficult, particularly in the short term. Across the U.S. government, there has historically been a tendency to calculate the impact of particular programs by measuring “outputs,” such as the number of individuals trained by a justice sector

program or served by a particular development program. The GAO and others have urged U.S. officials, particularly those carrying out so-called “soft-side” institution-building and development programs, to develop performance indicators that attempt to measure the societal “outcomes” that occur as result of U.S. efforts.<sup>81</sup> Congress may suggest new ways for the Administration to assess the effectiveness of drug control programs across different agencies, funding streams, and jurisdictions. Congress might also consider including more funding for program evaluations in foreign appropriations measures.

## **The Future of Drug Eradication and Alternative Development in the Andes<sup>82</sup>**

In recent years, Congress has increased funding for drug interdiction programs in Mexico, Central America and the Caribbean, but has gradually reduced funding for eradication and alternative development programs in the Andean region. Eradication has been a long-standing but often controversial U.S. drug control tool, particularly in Latin America. As recently as 2008, the State Department had asserted that “drug crops are the weakest link in the drug production chain” and that source-zone eradication remained “the cornerstone of U.S. supply reduction strategy.”<sup>83</sup> More recently, some U.S. officials have argued that there are certain situations, including in conflict or post-conflict environments like the current situation in Afghanistan, in which eradication might be ineffective, or even counterproductive. When Ambassador Richard Holbrooke, the Obama Administration’s Special Representative for Afghanistan and Pakistan, halted U.S.-funded eradication programs in Afghanistan, he echoed the arguments made by many Andean drug policy experts regarding the importance of having “alternative livelihoods”<sup>84</sup> and some level of security conditions in place before eradication programs are undertaken.<sup>85</sup> Without those conditions in place, analysts have warned that eradication programs, particularly of an involuntary nature, risk alienating poor farmers and peasants and driving them into the hands of insurgent groups like the FARC in Colombia and the Shining Path in Peru.<sup>86</sup> In some parts of Colombia and Peru, anti-

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<sup>81</sup> GAO, “Cooperation with Many Major Drug Transit Countries Has Improved, but Better Performance Reporting and Sustainability Plans Are Needed,” GAO-08-784, July 2008.

<sup>82</sup> For more analysis on eradication, see CRS Report RL34543, *International Drug Control Policy*, by Liana Sun Wylar; CRS Report RL33163, *Drug Crop Eradication and Alternative Development in the Andes*, by Connie Veillette and Carolina Navarrete-Frias.

<sup>83</sup> INCSR, March 2008. More recent INCSR reports have not placed as much of an emphasis on crop eradication.

<sup>84</sup> This term is often used to describe programs geared at providing alternatives to drug crop cultivation for farmers in source countries. U.S.-funded alternative development programs, most of which are administered by USAID, began in the 1970s in Bolivia and the 1980s in Peru as relatively simple crop substitution programs. As a result of the limited effects of those efforts, alternative development programs gradually evolved into broader initiatives aimed at expanding roads, infrastructure, healthcare, and other government services in coca-growing areas, many of which were poor and isolated. Francisco E. Thoumi, *Illegal Drugs, Economy, and Society in the Andes*, Baltimore: The John Hopkins University Press, 2003.

<sup>85</sup> In July 2009, Ambassador Holbrooke, the Obama Administration’s Special Representative for Afghanistan and Pakistan, announced that the U.S. government would no longer participate in eradication efforts in Afghanistan. Holbrooke called Western eradication policies in Afghanistan “a failure” and stated that the United States has “wasted hundreds and hundreds of millions of dollars” funding them. At the heart of Holbrooke’s argument was the concern that eradication policies, particularly in conflict zones and in the absence of viable alternative livelihood options, can alienate poor farmers and peasants and drive them into the hands of insurgent and rebel groups, in turn providing such anti-government movements a lucrative and consistent source of funding. Richard C. Holbrooke, “Holbrooke’s Briefing on Trip to Pakistan, Afghanistan, and Brussels, July 2009,” July 29, 2009. For more information, CRS Report RL32686, *Afghanistan: Narcotics and U.S. Policy*, by Christopher M. Blanchard.

<sup>86</sup> Testimony of Vanda Felbab-Brown, Fellow, the Brookings Institution, before the House Oversight and Government (continued...)

government groups continue to provide security and protection to peasant farmers growing illicit drug crops, while in others, farmers have sought government assistance for alternative crop cultivation so as to free their communities from the influence of drug traffickers and allied criminal groups.<sup>87</sup> Given these concerns, Congress is likely to continue evaluating the amount of foreign assistance devoted to eradication in the Andes and the circumstances under which eradication programs are carried out, as well as how eradication efforts should be sequenced with alternative development programs.

Eradication of drug crops occurs through manual removal, which involves the physical up-rooting and destruction of crops, mechanical removal, which involves the use of tractors and all-terrain vehicles to harrow the fields, or by aerial spraying, which involves the spraying of fields with herbicide mixture. Eradication can be conducted with the voluntary agreement of growers, or involuntarily. The United States supports programs to eradicate coca, opium, and marijuana in several countries in Latin America, primarily in Colombia, but also in Bolivia, Peru, Guatemala, and Mexico. Manual eradication is the preferred method for eradicating in areas where illicit plants have been interspersed with licit crops, such as in national parks. Aerial eradication is only permitted in Colombia, where proponents of the practice say it remains the safest and most effective means to defoliate large areas being used for drug crop cultivation. U.S. officials have credited years of repeated aerial spraying with reducing the productivity of coca plants and fields in Colombia.<sup>88</sup> However, since 2006, the percentage of illicit crops eradicated through aerial spraying in Colombia has declined vis-à-vis the percentage eradicated by manual eradication.

Despite eradication's perceived benefits, it has also been a subject of long-standing criticism. Manual eradication requires significant time and human resources and aerial application of herbicide is not legal or feasible in many countries and is expensive to implement where it is permitted. Eradication remains a high-risk activity, as spray planes and manual eradication crews are often targeted by drug traffickers. Critics have also asserted that aerial spraying in Colombia has caused negative human, animal, and environmental damage.<sup>89</sup> However, a series of reports produced by the Inter-American Drug Abuse Control Commission of the Organization of American States have concluded that the herbicide chemical used for aerial fumigation in Colombia has not caused damage to humans or wildlife.<sup>90</sup> The Secretary of State has reported similar findings to Congress.

In the case of eradication in Colombia, results have been mixed. Crop eradication efforts provided short-term instances of success in the early 2000s when aerial spraying was first permitted. In the following years, however, farmers adapted to eradication efforts through a variety of strategies that essentially involved farmers moving cultivation locations or growing practices, but not reducing the overall harvest size.<sup>91</sup> Some of these coping strategies included replanting or pruning

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(...continued)

Reform Domestic Policy Subcommittee, April 14, 2010.

<sup>87</sup> See, for example, UNODC, *Peru: Coca Cultivation Survey*, June 2009, which describes the success that alternative development programs supported by the Peruvian government and USAID have had in the San Martin area of Peru.

<sup>88</sup> INCSR 2010, p. 206.

<sup>89</sup> See, for example, WOLA, *Chemical Reactions*, February 29, 2008.

<sup>90</sup> The most recent CICAD reports were published in August 2009. They are available at <http://www.cicad.oas.org/en/glifosateFinalReport.pdf>.

<sup>91</sup> Vanda Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*, Washington, DC: Brookings Institution, 2010.

back coca plants after spraying and increasing the number of harvest cycles per season. Other coping strategies, such as interspersing licit crops with coca crops and growing coca plants under dense foliage as well as in national parks, proved to make detection much more difficult. Nevertheless, both U.S. and U.N. estimates for 2008 showed dramatic declines in overall coca cultivation and cocaine production projections.<sup>92</sup>

In the absence of the credible threat of eradication, critics question what alternative strategies exist to effectively deter drug producers from cultivating drug crops in the first place. The development of licit livelihood options in drug producing areas is often raised as an alternative option to eradication. Essentially, such a strategy would provide a positive incentive for farmers to abandon their drug crops, rather than serve a negative deterrent. However, policymakers have been challenged to find viable income alternatives in often remote, underdeveloped regions for impoverished peasants who lack basic skills. In conflict regions, where insecurity prevails, alternative development may not even be an option. In best case scenarios, alternative development can take years to show results, rendering it an ineffective short-term solution.

Alternative development need not be a zero-sum drug policy option. With regard to Colombia, for example, recent studies have found that the combination of jointly implemented eradication, alternative development, and interdiction is more effective than the independent application of any one of these three strategies.<sup>93</sup> In La Macarena, Colombia, for example, the Colombian government has had success by focusing its efforts on improving security conditions and government services in that area and by coordinating eradication with food security for farmers and then with alternative livelihoods projects.<sup>94</sup> As previously mentioned, many analysts have suggested that the likelihood of success would increase if there were modifications in the sequencing of eradication and alternative development strategies, implementing alternative development programs first and eradication programs later.<sup>95</sup> Others have urged Andean governments, as well as USAID, not to disqualify an entire community from participating in an alternative development project if a few families are found to be producing coca.<sup>96</sup>

## **U.S. Domestic Initiatives to Counter Drug Demand**

Congress has also taken an increasing interest in the extent to which U.S. domestic initiatives to counter drug demand affect counterdrug assistance efforts in Latin America. For example, H.R. 2134, the Western Hemisphere Drug Policy Commission Act (Engel), would establish a commission to review U.S. antidrug efforts in Latin America, but also domestic demand reduction programs with the goal of identifying policy options to improve existing international and domestic counternarcotics policy. Congress has also considered the interplay between domestic and international drug control efforts during oversight hearings on the budget for ONDCP and on

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<sup>92</sup> INCSR 2010, p. 206.

<sup>93</sup> Vanda Felbab-Brown, Joel M. Jutkowitz, Sergio Rivas, et al. "Assessment of the Implementation of the United States Government's Support for Plan Colombia's Illicit Crop Reduction Components," report produced for review by the U.S. Agency for International Development (USAID), April 17, 2009.

<sup>94</sup> USAID Front Lines, "Colombia Increases Security, Services in La Macarena to Overturn Coca and Conflict," June 2009.

<sup>95</sup> Washington Office on Latin America (WOLA), "Development First: A More Humane and Promising Approach to Reducing Cultivation of Crops for Illicit Markets," December 8, 2009.

<sup>96</sup> Testimony of Vanda Felbab-Brown, Fellow, the Brookings Institution, before the House Oversight and Government Reform Domestic Policy Subcommittee, April 14, 2010.



U.S. domestic efforts to support the Mérida Initiative. Congress may choose to rebalance funding for international and domestic drug control programs as it considers the Obama Administration's FY2011 drug control budget.<sup>97</sup>

The U.S. drug control budget has, until recently, emphasized supply-side programs, including drug crop eradication in source countries, interdiction, and domestic law enforcement efforts. From FY2002 through FY2009, for example, funding for supply side programs reportedly increased by 64%, whereas support for demand reduction efforts increased by only 9%.<sup>98</sup> By FY2009, supply-side programs constituted nearly two-thirds of the drug control budget.

In recent years, analysts from a range of organizations have called for a new U.S. counternarcotics policy focused on reducing demand as well as supply.<sup>99</sup> Some studies have shown that addressing drug demand through a combination of treatment programs for heavy users and prevention programs is a more successful and cost-effective way to combat drug trafficking than through supply reduction programs.<sup>100</sup> At the same time, others argue that further emphasis on supply-side drug control activities is warranted, as transnational drug trafficking organizations continue to pose serious threats to U.S. interests, citizen security, and, in some cases, government stability in Latin America.

President Obama and other high-ranking U.S. officials have pledged to intensify domestic demand reduction efforts in order to complement the Mérida Initiative and other counterdrug programs in Latin America.<sup>101</sup> When Secretary of State Clinton traveled to Mexico in March 2009, she stated that an "insatiable demand for illegal drugs" in the United States "fuels the drug trade."<sup>102</sup> She made similar comments on March 23, 2010, after chairing a Cabinet-level meeting in Mexico City on the future of the Mérida Initiative, asserting that "we know that the demand for drugs drives much of this illicit trade ... and [that] the United States must and is doing its part to help you [Mexico] and us meet those challenges."<sup>103</sup> Gil Kerlikowske, the director of ONDCP, has stated that the Obama Administration's drug control strategy, which was required to be submitted to Congress by February 2009, but has not yet been released, will have a "renewed focus on evidence-based approaches to reduce demand for drugs, through prevention as well as treatment."<sup>104</sup> He reiterated those pledges in written testimony prepared for an April 14, 2010, House hearing on ONDCP's FY2011 budget request, stating that "we must address the number

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<sup>97</sup> For more information on domestic drug control efforts, see CRS Report RL32352, *War on Drugs: Reauthorization and Oversight of the Office of National Drug Control Policy*, by Mark Eddy.

<sup>98</sup> "The Continued Standstill in Reducing Illicit Drug Use," Carnevale Associates, September 2009.

<sup>99</sup> See, for example, International Crisis Group, "Latin American Drugs II: Improving Policy and Reducing Harm," March 14, 2008; Brookings Institution, "Re-Thinking U.S.-Latin American Relations: A Hemispheric Partnership for a Turbulent World," November 24, 2008.

<sup>100</sup> P. Rydell and S. Everingham, "Controlling Cocaine Supply Versus Demand Programs," RAND: Santa Monica: CA, 1994; David Boyum and Peter Reuter, *An Analytic Assessment of U.S. Drug Policy*, Washington, DC: American Enterprise Institute, 2005.

<sup>101</sup> The White House, Office of the Press Secretary, "Press Conference by President Obama, President Calderon of Mexico, and Prime Minister Harper of Canada," Guadalajara, Mexico, August 10, 2009.

<sup>102</sup> Mary Beth Sheridan, "On Mexico Trip, Clinton Criticizes U.S. Drug Policy," *Washington Post*, March 26, 2009; and Mark Lander, "Clinton Says Demand for Illegal Drugs in the U.S. 'Fuels the Drug Trade' in Mexico," *New York Times*, March 26, 2009.

<sup>103</sup> U.S. Department of State, Office of the Secretary, "Remarks with Mexican Foreign Secretary Espinosa After Their Meeting," Mexico City, Mexico, March 23, 2010.

<sup>104</sup> Testimony of Gil Kerlikowske, Director of the Office on National Drug Control Policy (ONDCP), before the House Oversight and Government Reform Subcommittee on Domestic Policy, May 19, 2009.

one cause of our problem: our Nation's enormous demand for drugs."<sup>105</sup> Drug policy experts have praised those types of comments, but criticized the Administration's budget request for including a relatively modest increase in funding for treatment programs of 3.7% as compared to FY2010. They further maintain that while the request includes an increase in funding for prevention efforts of 13.4%, the funds requested are still less than what was spent in the early 2000s and 5.3% lower than what the Bush Administration funded in FY2009.<sup>106</sup>

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<sup>105</sup> Testimony of Gil Kerlikowske, Director of ONDCP, before the House Oversight and Government Reform Subcommittee on Domestic Policy, April 14, 2010.

<sup>106</sup> Testimony of John T. Carnevale, President, Carnevale Associates, before the House Oversight and Government Reform Subcommittee on Domestic Policy, April 14, 2010.

## Appendix. Appendix Tables

**Table A-1. DOD Counternarcotics Support to Latin America and the Caribbean, FY2002-2009**

estimates in current US\$ thousands

| Country              | FY2002  | FY2003  | FY2004  | FY2005  | FY2006  | FY2007  | FY2008  | FY2009  |
|----------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Argentina            | 265     | 232     | 261     | 184     | 192     | 173     | 434     | 452     |
| Aruba                | 0       | 0       | 0       | 14      | 1       | 3       | 4       | 5       |
| Bahamas              | 1,376   | 1,175   | 1,391   | 1,525   | 4,722   | 6,427   | 12,645  | 11,060  |
| Barbados             | 439     | 383     | 406     | 180     | 150     | 148     | 145     | 155     |
| Belize               | 388     | 272     | 271     | 202     | 282     | 1,896   | 869     | 1,416   |
| Bolivia              | 4,885   | 3,926   | 3,971   | 5,604   | 3,942   | 1,967   | 1,414   | 431     |
| Brazil               | 718     | 799     | 796     | 649     | 967     | 734     | 1,997   | 709     |
| Caribbean Region     | 83,655  | 73,598  | 68,454  | 53,134  | 58,878  | 114,232 | 115,733 | 154,953 |
| Cayman Islands       | 0       | 0       | 0       | 0       | 0       | 0       | 2       | 2       |
| Chile                | 239     | 193     | 707     | 433     | 165     | 142     | 151     | 477     |
| Colombia             | 117,311 | 164,843 | 181,429 | 155,313 | 140,522 | 129,406 | 119,862 | 126,747 |
| Costa Rica           | 902     | 1,169   | 1,134   | 742     | 623     | 819     | 2,452   | 830     |
| Dominican Republic   | 447     | 789     | 758     | 875     | 663     | 841     | 1,033   | 1,115   |
| Ecuador              | 41,064  | 36,029  | 37,406  | 21,085  | 23,764  | 21,765  | 20,397  | 20,064  |
| El Salvador          | 4,002   | 5,582   | 5,900   | 6,575   | 6,083   | 1,139   | 1,035   | 1,538   |
| Guatemala            | 699     | 757     | 769     | 661     | 1,378   | 1,865   | 2,479   | 2,478   |
| Haiti                | 142     | 142     | 144     | 102     | 105     | 90      | 93      | 101     |
| Honduras             | 959     | 987     | 1,032   | 598     | 639     | 1,091   | 3,629   | 3,824   |
| Jamaica              | 434     | 428     | 456     | 1,415   | 592     | 481     | 649     | 769     |
| Latin America Region | 112,148 | 104,045 | 101,332 | 142,426 | 107,034 | 61,709  | 71,035  | 78,594  |
| Martinique           | 0       | 0       | 0       | 0       | 0       | 25      | 30      | 31      |
| Mexico               | 14,848  | 13,655  | 10,493  | 9,650   | 15,166  | 15,508  | 12,171  | 34,164  |
| Netherlands Antilles | 9,823   | 12,956  | 15,095  | 16,672  | 16,265  | 18,518  | 19,460  | 25,550  |
| Nicaragua            | 171     | 156     | 176     | 485     | 517     | 3,005   | 2,655   | 5,034   |
| Panama               | 1,376   | 2,575   | 1,605   | 912     | 925     | 2,372   | 3,640   | 2,616   |
| Paraguay             | 325     | 515     | 1,059   | 488     | 1,215   | 1,619   | 2,361   | 1,313   |
| Peru                 | 11,061  | 6,300   | 7,070   | 7,260   | 11,937  | 7,984   | 8,386   | 8,908   |
| Suriname             | 0       | 0       | 0       | 0       | 85      | 73      | 82      | 290     |

| Country             | FY2002  | FY2003  | FY2004  | FY2005  | FY2006  | FY2007  | FY2008  | FY2009  |
|---------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Trinidad and Tobago | 272     | 162     | 166     | 116     | 108     | 118     | 126     | 136     |
| Uruguay             | 245     | 175     | 176     | 225     | 241     | 227     | 121     | 131     |
| Venezuela           | 6,230   | 5,534   | 1,005   | 772     | 526     | 529     | 540     | 544     |
| Total               | 414,424 | 437,377 | 443,462 | 428,297 | 397,687 | 394,906 | 405,627 | 484,437 |

**Source:** DOD response to CRS request, October 13, 2009.

**Notes:** This data reflects non-budget quality estimates of DOD counternarcotics support provided or efforts in these nations/regions; DOD does not budget counternarcotics programs by regions/countries, but by program. These figures reflect both “direct” support to those countries (e.g., training, equipment, information sharing, infrastructure and other categories) and “indirect” support via DOD and other U.S. Government counterdrug operations with regard to those countries (e.g., transportation, communications, intelligence analysis, radar, air and maritime patrol, liaison personnel, and other categories) as well as operation of Forward Operating Locations.

**Table A-2. Country-Specific Prohibitions on Drug-Related Assistance for FY2010**

| Country/Sub-Region | Source                        | Assistance Affected   | Reporting Requirement   |
|--------------------|-------------------------------|---|---|
| Haiti              | Sec. 7045(b)(3), P.L. 111-117 | INCLE funds barred from use to “transfer excess weapons, ammunition, or other lethal property of an agency of the United States Government to the Government of Haiti for use by the Haitian National Police” until the reporting requirement is fulfilled. | The Secretary of State must report to Congress that “any members of the Haitian National Police who have been credibly alleged to have committed serious crimes, including drug trafficking and violations of internationally recognized human rights, have been suspended.”  |
| Mexico             | Sec. 7045(e)(2), P.L. 111-117 | 15% of INCLE, FMF, and ESF funds, not including assistance for judicial reform, institution building, anti-corruption, and rule of law activities, may not be obligated until the reporting requirement is fulfilled.                                       | The Secretary of State must report to Congress that the Government of Mexico is continuing to: (1) “improve the transparency and accountability” of the Federal police forces and State and municipal police forces; (2) regularly consult “with Mexican human rights and civil society organization on recommendations for the implementation of the Mérida Initiative”; (3) ensure that “members of the Federal police and military forces who have been credibly alleged to have violated internationally recognized human rights” are investigated and prosecuted in the civilian justice system, with full cooperation of the Federal police and military forces; and (4) enforce the prohibition on the “use of testimony obtained through torture or other ill-treatment.” |

| Country/Sub-Region  | Source                        | Assistance Affected   | Reporting Requirement  |
|---|-------------------------------|---|--|
| Colombia  | Sec. 7046(b), P.L. 111-117    | Up to 70% of assistance in P.L. 111-117 for the Colombian Armed forces may be obligated prior to the certification and reporting requirement and up to 15% of such aid may be obligated only after certification and reporting requirement. | The Secretary of State must consult with, and subsequently certify and submit a written report to Congress that: (1) all members of the Colombian Armed Forces who have been “credibly alleged to have committed violations of internationally recognized human rights” or who have” aided, abetted or benefitted from paramilitary organizations or successor armed groups” are suspended, investigated, and prosecuted in the civilian justice system with full cooperation of the Colombian Armed Forces; (2) the Colombian Government has “taken all necessary steps to sever links with paramilitary organizations or successor armed groups”; (3) the Colombian Government is “dismantling paramilitary networks” and “returning land and other assets illegally acquired by such organizations or their associates to their rightful occupants or owners”; and (4) the Colombia Government “respects the rights of human rights defenders, journalists, trade unionists, political opposition and religious leaders, and indigenous and Afro-Colombian communities, and that Colombian Armed Forces are implementing procedures to distinguish between civilians, including displaced persons, and combatants in their operations.” |
| Central America, defined as Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama | Sec. 7045(f)(1), P.L. 111-117 | 15% of INCLE and FMF funds may not be obligated until the reporting requirement is fulfilled.   | The Secretary of State must report to Congress that the governments of these countries are continuing to: (1) “support police complaints commissions with authority and independence to receive complaints and carry out effective investigations;” (2) “implement reforms to improve the capacity and ensure the independence of the judiciary; and” (3) “investigate and prosecute members of the Federal police and military forces who have been credibly alleged to have committed violations of internationally recognized human rights.”  |

**Source:** Division F, Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010, of the Consolidated Appropriations Act, 2010, P.L. 111-117 (December 16, 2009).

**Notes:** INCLE=International Narcotics Control and Law Enforcement; FMF=Foreign Military Financing; and ESF=Economic Support Fund.

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