

Inquire: DOC21D
Item No: 386921

CSDSTG:
041631Z MAR 92

CONTROLS:

[REDACTED]
041631Z [REDACTED]
[REDACTED]

BODY:

SUBJECT: INTERNATIONAL NARCOTICS SITUATION REPORT (MONTHLY)
[REDACTED] JANUARY 1992

THE INTERNATIONAL NARCOTICS SITUATION REPORT, A MONTHLY SERIAL,
WILL NOW BE CABLED TO ALL RECIPIENTS. THE HARD COPY WILL CONTINUE
TO BE SENT VIA POUCH UNLESS YOU INDICATE OTHERWISE.

[REDACTED]

INTERNATIONAL NARCOTICS SITUATION REPORT [REDACTED]

[REDACTED]

JANUARY 1992

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[REDACTED]

ARTICLES

APPROVED FOR RELEASE

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ITEM 1. PERSPECTIVE--COCAINE TRENDS IN LATIN AMERICA [REDACTED]

FOR THE FIRST TIME SINCE THE ERUPTION OF THE DRUG PROBLEM IN THE EARLY 1980S, ANTIDRUG PROGRAMS IN LATIN AMERICA MAY BE REACHING THE POINT OF CUTTING INTO THE FLOW OF COCAINE INTO THE UNITED STATES. THREE TRENDS ARE CONVERGING TO BRING THIS ABOUT: DECLINING COCA CULTIVATION, RISING COCAINE SEIZURES, AND INCREASING LAW ENFORCEMENT PRESSURES ON TRAFFICKING GROUPS. IF THESE GAINS ARE SUSTAINED IN 1992--AND, DESPITE SIGNIFICANT DIFFICULTIES, THERE ARE INDICATIONS THAT THEY CAN BE--DRUG RINGS WILL FACE SLOWING DECLINING COCAINE SUPPLIES AND INCREASING TRAFFICKING RISKS. [REDACTED]

WE ANTICIPATE THAT SHRINKING COCA CULTIVATION WILL REDUCE COCAINE AVAILABILITY THIS YEAR. THE AREA UNDER CULTIVATION IN PERU, BOLIVIA, AND COLOMBIA--THE SUPPLIERS TO THE WORLD MARKET--DECLINED FOR THE SECOND STRAIGHT YEAR IN 1991, BY ABOUT 3 PERCENT. BUT THE LEAF HARVEST--AND THE POTENTIAL COCAINE AVAILABLE--ACTUALLY INCREASED AS COCA PLANTED TWO YEARS EARLIER CAME INTO PRODUCTION. THIS 'BOW WAVE' EFFECT OF INCREASED PRODUCTION AS EARLIER PLANTINGS MATURE HAS, HOWEVER, REACHED ITS PEAK. THE PROPORTION OF MATURE CULTIVATION TO TOTAL CULTIVATION IS AT ITS HIGHEST--ABOUT 95 PERCENT [REDACTED] RELATIVELY LITTLE COCA WILL MATURE THIS YEAR, SHARPLY LIMITING INCREASED PRODUCTIVITY. CONTINUED ERADICATION AND CONTROLS OVER NEW PLANTINGS AT CURRENT LEVELS WILL CONSEQUENTLY CAUSE POTENTIAL COCAINE PRODUCTION TO DECLINE. [REDACTED]

AT THE SAME TIME, COCAINE SEIZURES, WHICH REACHED RECORD LEVELS THIS YEAR, ARE LIKELY TO REMAIN HIGH. SEIZURES OF COCAINE AND COCAINE BASE IN COLOMBIA EXCEEDED 88 METRIC TONS IN 1991, UP SHARPLY OVER THE 55-TON RECORD TOTAL FOR 1990. [REDACTED]

[REDACTED] SEIZURES WERE UP ALMOST ACROSS THE BOARD THROUGHOUT THE REST OF THE REGION. WE BELIEVE THESE INCREASES REFLECT, AT LEAST IN PART, MORE EFFECTIVE INTERDICTION PROGRAMS. [REDACTED]

THE CENTRAL AMERICANS ARE MAKING SOME PROGRESS IN COUNTERING THE RISE IN TRAFFICKING. COLOMBIA HAS STEPPED UP ITS ATTACKS ON COCAINE LABS, AS ITS STRATEGY HAS SHIFTED AWAY FROM TARGETING KINGPINS. [REDACTED]

LAW ENFORCEMENT PRESSURE ON TRAFFICKERS AND THEIR ORGANIZATIONS ALSO SHARPENED IN 1991, AND WE EXPECT IT WILL CONTINUE TO UNDERCUT THEIR EFFICIENCY. BOLIVIAN TRAFFICKERS FACED UNPRECEDENTED DIFFICULTIES. THE ARREST OR SURRENDER OF MOST LEADING TRAFFICKERS, THE GOVERNMENT'S OCCUPATION OF SANTA ANA--ONCE A KEY TRAFFICKER SANCTUARY--AND THE SEIZURE OF MORE THAN 40 TRAFFICKER AIRCRAFT RESULTED IN SHORT-TERM DISRUPTIONS OF THE DRUG TRADE AND HELD OUT THE POSSIBILITY OF A LONG-TERM ATTRITION OF TRAFFICKERS' CAPABILITIES. IN COLOMBIA, THE SURRENDERS OF THE OCHOA BROTHERS AND PABLO ESCOBAR RAISED NEW UNCERTAINTIES FOR MEDELLIN DRUG RINGS, WHILE DRAMATIC OPERATIONS AGAINST CALI GROUPS DISRUPTED THEIR

FINANCIAL NETWORKS AND UNDERScoreD THE WILL OF PRESIDENT GAVIRIA TO PRESS THE ANTIDRUG WAR. EVEN IN PERU, WHERE ANTIDRUG ENFORCEMENT PROGRAMS ARE LAGGING, AIR INTERDICTION EFFORTS SHOWED SOME POTENTIAL TO SLOW TRAFFICKER OPERATIONS AND RAISE THEIR COSTS. [REDACTED]

THE GAINS ARE FRAGILE AND COULD BE NEGATED BY GOVERNMENT MISSTEPS OR TRAFFICKER INGENUITY. IF, FOR EXAMPLE, THE COLOMBIAN ADMINISTRATION FAILS TO CONVICT ESCOBAR OR THE OCHOAS, OR IF CONVICTIONS RESULT IN SHORT SENTENCES, GAVIRIA'S STRATEGY COULD LOSE CREDIBILITY AND MOMENTUM. IF LA PAZ FAILS TO FOLLOW UP ON ITS SUCCESSFUL RAIDS, THEIR IMPACT WILL DISSIPATE, AND TRAFFICKERS WILL BE ABLE TO RESTRUCTURE THEIR OPERATIONS. [REDACTED]

[REDACTED] COCA PRODUCTION COULD INCREASE, RATHER THAN DECLINE, IF GROWERS IMPROVE THEIR YIELDS OR TRAFFICKERS ARE ABLE TO INCREASE THE EFFICIENCY OF THE REFINING PROCESS. MORE GENERALLY, WE ARE CONCERNED THAT TRAFFICKERS MAY RESPOND TO TIGHTENED INTERDICTION BY GREATER RESORT TO SMUGGLING METHODS MORE DIFFICULT TO DETECT, PARTICULARLY MARITIME TRANSSHIPMENT. IF DEMAND IN THE US SURGES DUE TO DOMESTIC FACTORS, IT WOULD INCREASE GROWER AND TRAFFICKER INCENTIVES PROPORTIONALLY. [REDACTED]

WE BELIEVE, NEVERTHELESS, THAT THE ODDS FAVOR CONTINUED ANTIDRUG SUCCESSES IN LATIN AMERICA, LARGELY BECAUSE OF THE IMPACT OF US LEVERAGE AND POLICY. THE SUBSTANTIAL RISE OVER THE PAST TWO YEARS IN US ASSISTANCE FOR COUNTERNARCOTICS--OR TIED TO ANTIDRUG PERFORMANCE--HAS CLEARLY INCREASED THE WILLINGNESS OF REGIONAL GOVERNMENTS TO COOPERATE WITH THE UNITED STATES AND HAS IMPROVED THEIR ABILITY TO DO SO EFFECTIVELY. THIS WILL CONTINUE TO UNDERPIN ANTIDRUG PROGRAMS THROUGHOUT LATIN AMERICA. WE BELIEVE, MOREOVER, THAT THE US EMPHASIS ON DEVELOPING A COHERENT FOCUS FOR COUNTERNARCOTICS OPERATIONS WILL MAKE LATIN AMERICAN ANTIDRUG EFFORTS MORE EFFICIENT AND EFFECTIVE. THE RECENT RAIDS IN COLOMBIA AND BOLIVIA AGAINST SPECIFICALLY TARGETED CALI DRUG GROUPS EXEMPLIFY WHAT ARE LIKELY TO BE AN INCREASING NUMBER OF WELL-COORDINATED AND MUTUALLY SUPPORTIVE OPERATIONS THAT ARE REGIONAL IN SCOPE. [REDACTED]

[REDACTED]

ITEM 2. ANDEAN COCA CROP: CULTIVATION DOWN, LEAF PRODUCTION UP [REDACTED]

COCA CULTIVATION IN THE ANDEAN REGION DECLINED IN 1991 FOR THE SECOND CONSECUTIVE YEAR, FALLING BY ABOUT 3 PERCENT [REDACTED] SIGNIFICANT OVERALL DECLINES WERE MEASURED IN BOTH COLOMBIA AND BOLIVIA, WHILE IN PERU CULTIVATION REMAINED NEAR THE 1990 LEVEL. COCA LEAF PRODUCTION, HOWEVER, INCREASED BY NEARLY 8 PERCENT IN 1991 [REDACTED] THIS AMOUNT OF LEAF COULD PRODUCE SOME [REDACTED] TONS OF COCAINE HYDROCHLORIDE (HCL), AN AMOUNT MORE THAN ENOUGH TO SATISFY CURRENT WORLDWIDE DEMAND. THE JUMP IN LEAF PRODUCTION WAS THE RESULT OF A LARGE NUMBER OF FIELDS PLANTED

IN 1989 REACHING HARVESTABLE AGE IN 1991. LEAF PRODUCTION WILL FALL IN 1992 AS FEWER NEWLY MATURING FIELDS WILL BE AVAILABLE FOR HARVEST BECAUSE OF THE DECLINES IN NEW CULTIVATION IN 1990 AND THE ABANDONMENT OR ERADICATION OF SOME ALREADY MATURE FIELDS. WE EXPECT THAT THE DROP IN PRODUCTION WILL BE EVEN GREATER IN 1993, GIVEN THE CONTINUED DECLINE IN NEW CULTIVATION IN 1991. [REDACTED]

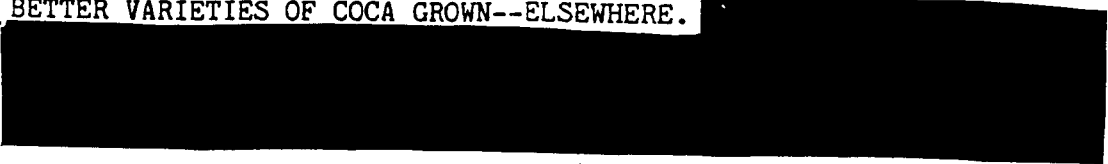
DOWNWARD TREND IN CULTIVATION

COCA CULTIVATION IN THE ANDES PEAKED [REDACTED] IN 1989, BUT HAS DECLINED SINCE THEN BY MORE THAN 4 PERCENT. ANNUAL DECREASES HAVE BEEN SEEN IN BOTH BOLIVIA AND COLOMBIA, WHILE THE TOTAL CULTIVATED AREA IN PERU--THE WORLD'S LARGEST COCA PRODUCER-- HAS REMAINED STABLE. ONLY INSIGNIFICANT AMOUNTS OF COCA ARE GROWN OUTSIDE OF THESE THREE COUNTRIES, ALTHOUGH THE POTENTIAL FOR EXPANSION ELSEWHERE REMAINS. [REDACTED]

ALTHOUGH TOTAL COCA CULTIVATION IN PERU HAS LEVELED OFF SINCE A SUDDEN JUMP BETWEEN 1988 AND 1989, AREAS OF CULTIVATION WITHIN THE COUNTRY HAVE BEEN SHIFTING. CULTIVATION IN PARTS OF THE LARGEST GROWING AREA--THE UPPER HUALLAGA VALLEY--HAS DECLINED IN THE LAST TWO YEARS, PROBABLY MOSTLY BECAUSE FARMERS MAY BE MOVING OUT OF THE REGION TO ESCAPE BOTH GOVERNMENT AND INSURGENT PRESSURES. IN ADDITION, A MAJOR SEEDBED ERADICATION PROGRAM UNDER WAY SINCE 1988 IN ONE AREA OF THE UPPER HUALLAGA VALLEY HAS SIGNIFICANTLY REDUCED THE AVAILABILITY OF SEEDLINGS FOR NEW CULTIVATION THERE. DECREASES IN THE UPPER HUALLAGA, HOWEVER, WERE LARGELY OFFSET BY INCREASED CULTIVATION IN OTHER PARTS OF THE VALLEY, ESPECIALLY TO THE NORTH AND EAST. [REDACTED]

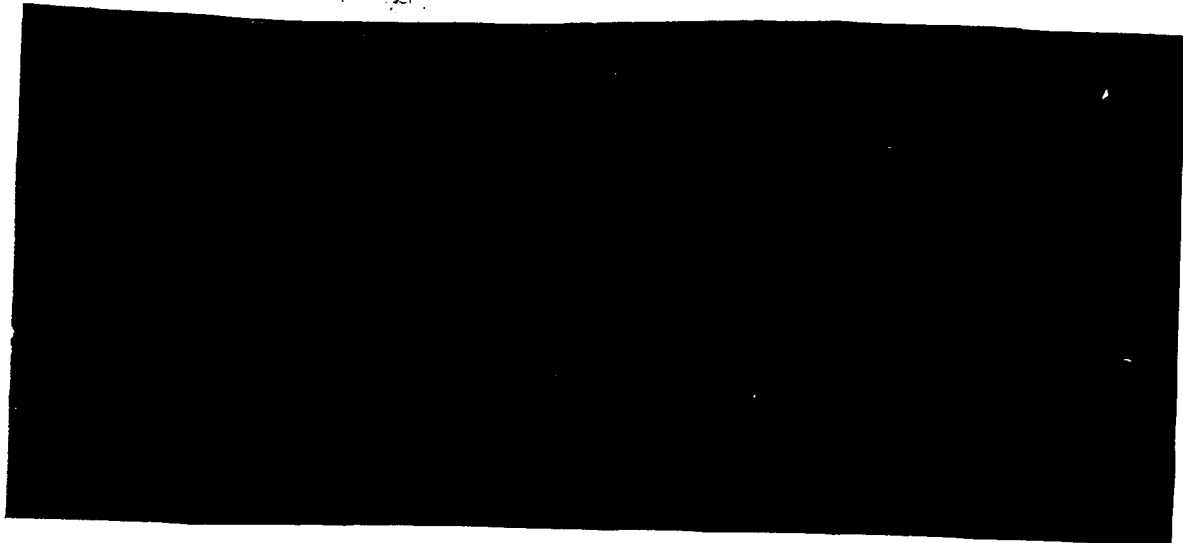
CULTIVATION IN BOLIVIA DECLINED BY 5.2 PERCENT LAST YEAR AND IS DOWN 8.7 PERCENT SINCE 1989--AND NOW EQUALS THE CULTIVATION LEVEL OF 1988. THE GREATEST REDUCTIONS HAVE OCCURRED IN THE CHAPARE REGION, WHERE AN ERADICATION PROGRAM HAS BEEN IMPLEMENTED. ALTHOUGH FALLING SHORT OF THE GOVERNMENT'S GOAL FOR 1991, THE 5,800 HECTARES ERADICATED BY BOLIVIA LAST YEAR WERE MORE THAN ENOUGH TO OFFSET NEW CULTIVATION IN THE CHAPARE FOR THE SECOND CONSECUTIVE YEAR. FARMER PARTICIPATION IN BOLIVIA'S VOLUNTARY ERADICATION PROGRAM--WHICH REACHED RECORD LEVELS IN 1990--HAS BEEN MOTIVATED BY LOW LEAF PRICES THROUGH MOST OF 1990 AND FLUCTUATING PRICES THEREAFTER. THE YUNGAS COCA GROWING REGION, A LEGAL GROWING AREA, ALSO EXPERIENCED A REDUCTION IN TOTAL CULTIVATION IN 1991. THE DECLINE IN THE YUNGAS MAY HAVE BEEN BECAUSE OF A FALL IN LEGITIMATE DEMAND FOR COCA. ALTERNATIVE CROP PROGRAMS, HOWEVER, ALSO MAY HAVE HAD AN IMPACT THERE; [REDACTED] MANY FIELDS PREVIOUSLY CONTAINING COCA ARE NOW PLANTED WITH PINEAPPLE. [REDACTED]

COCA CULTIVATION IN COLOMBIA DROPPED 6.5 PERCENT LAST YEAR, CONTINUING THE DOWNTURN IN CULTIVATION THERE FIRST NOTED IN 1990. SIGNIFICANT SHIFTS IN CULTIVATION WERE EVIDENT IN THE LARGEST GROWING AREA--THE GUAVIARE/VAUPES REGION--WHERE CULTIVATION DROPPED BY MORE THAN 15 PERCENT IN 1991. MUCH OF THIS DECREASE WAS COUNTERBALANCED BY A 16-PERCENT INCREASE IN CULTIVATION IN THE NEXT LARGEST GROWING AREA, THE CAQUETA/PUTUMAYO REGION. THE SHIFT IN GROWING AREAS MAY REFLECT FARMER DISSATISFACTION WITH THE LOW-YIELDING VARIETY OF COCA BEING GROWN IN THE GUAVIARE/VAUPES REGION AND THEIR CALCULATION THAT HIGHER YIELDS COULD BE REALIZED--OR BETTER VARIETIES OF COCA GROWN--ELSEWHERE.



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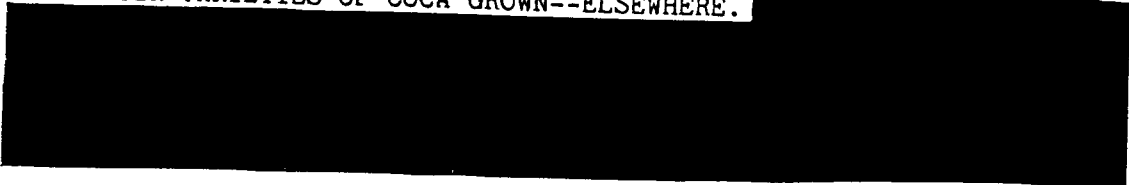




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A PEAK YEAR FOR COCA LEAF PRODUCTION

DESPITE THE DECLINE IN CULTIVATION, THE MATURATION OF THE CROP PLANTED IN 1989 CAUSED ANDEAN COCA LEAF PRODUCTION--KEY TO PRODUCING COCAINE--TO INCREASE LAST YEAR. PERU'S COCA LEAF PRODUCTION INCREASED 13 PERCENT IN 1991, AND BY 19 PERCENT SINCE 1989. MOST OF THE PRODUCTION INCREASE WAS IN THE UPPER HUALLAGA VALLEY AREA, WHERE COCA YIELDS PER HECTARE ARE HIGHER THAN ELSEWHERE IN THE COUNTRY. THE COCA LEAF GROWN IN AREAS MAY REFLECT FARMER DISSATISFACTION WITH THE LOW-YIELDING VARIETY OF COCA BEING GROWN IN THE GUAVIARE/VAUPES REGION AND THEIR CALCULATION THAT HIGHER YIELDS COULD BE REALIZED--OR BETTER VARIETIES OF COCA GROWN--ELSEWHERE.



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DESPITE THE DECLINE IN CULTIVATION, THE MATURATION OF THE CROP PLANTED IN 1989 CAUSED ANDEAN COCA LEAF PRODUCTION--KEY TO PRODUCING COCAINE--TO INCREASE LAST YEAR. PERU'S COCA LEAF PRODUCTION INCREASED 13 PERCENT IN 1991, AND BY 19 PERCENT SINCE 1989. MOST OF THE PRODUCTION INCREASE WAS IN THE UPPER HUALLAGA VALLEY AREA, WHERE COCA YIELDS PER HECTARE ARE HIGHER THAN ELSEWHERE IN THE COUNTRY. THE COCA LEAF GROWN IN PERU IS SUFFICIENT TO PRODUCE TWO-THIRDS--ABOUT 670 TONS--OF THE WORLDWIDE SUPPLY OF COCAINE HCL.

PRODUCTION OF COCA LEAF IN BOLIVIA WAS ONLY SLIGHTLY HIGHER--ABOUT 1 PERCENT--THAN IN 1990 AND PROBABLY WAS SUFFICIENT TO PRODUCE 335 TONS OF COCAINE HCL. BOLIVIA WOULD HAVE HAD A SUBSTANTIAL INCREASE IN COCA LEAF PRODUCTION WERE IT NOT FOR THE ERADICATION OF

SOME 5,800 HECTARES OF MATURE CULTIVATION IN THE CHAPARE BETWEEN SEPTEMBER 1990 AND OCTOBER 1991. [REDACTED]

IN COLOMBIA, COCA LEAF PRODUCTION DECLINED BY 6.5 PERCENT IN 1991. IF ALL COCA GROWN IN COLOMBIA IS THE LOW-YIELDING LOWLAND VARIETY, ABOUT 60 TONS OF COCAINE COULD BE PROCESSED FROM INDIGENOUS LEAF PRODUCTION. [REDACTED]

OUTLOOK

A FURTHER DECLINE IN COCA CULTIVATION NEXT YEAR WOULD DEPEND ON BOLIVIA MEETING ITS ERADICATION GOALS AND ON MANY COLOMBIAN FARMERS CONTINUING TO TURN AWAY FROM COCA CULTIVATION. SUSTAINED GOVERNMENT PRESSURE ON THE DRUG TRADE THAT RESULTED IN LOWER MARKET PRICES FOR COCA COULD ALSO RESULT IN SIGNIFICANTLY REDUCED CULTIVATION. COCA LEAF PRODUCTION WILL DECLINE IN 1992 AND 1993 AS FEWER FIELDS WILL BE AVAILABLE FOR HARVEST DUE TO THE FALLOFF IN CULTIVATION SINCE 1989, BUT ANY SIGNIFICANT INCREASE IN CULTIVATION THIS YEAR-- [REDACTED]

[REDACTED] WOULD PORTEND A REBOUND IN ANDEAN REGION PRODUCTION IN 1994. [REDACTED]

ITEM 3. ANDEAN CORE COUNTRIES: SUSTAINING PRESSURE ON TRAFFICKERS [REDACTED]

LAST YEAR, COCAINE TRAFFICKERS IN COLOMBIA, PERU, AND BOLIVIA CAME UNDER THE STRONGEST PRESSURE YET FROM GOVERNMENT INTERDICTION AND LAW ENFORCEMENT EFFORTS. IN COLOMBIA, PRESIDENT GAVIRIA'S EMPHASIS ON A REFORMED JUDICIAL SYSTEM AND CONTINUED ATTACKS AGAINST PROCESSING FACILITIES SEIZED THE INITIATIVE AGAINST MEDELLIN AND CALI TRAFFICKERS. AN INCREASINGLY EFFECTIVE INTERDICTION PROGRAM IN BOLIVIA, IN CONJUNCTION WITH A PLEA-BARGAIN PROGRAM TO INDUCE THE SURRENDER OF DRUG RINGLEADERS, RESULTED IN MAJOR DISRUPTIONS OF TRAFFICKING. THE ANTIDRUG EFFORT IN PERU--BESET BY SEVERE ECONOMIC PROBLEMS AND THE MOST SERIOUS INSURGENCY IN THE REGION--MADE ONLY MARGINAL PROGRESS, BUT PRESIDENT FUJIMORI PROVED MORE INCLINED THAN HIS PREDECESSOR TO COOPERATE WITH THE UNITED STATES. [REDACTED]

NONETHELESS, NARCOTICS PRODUCTION AND TRANSSHIPMENT LEVELS REMAIN HIGH. TRAFFICKER EFFORTS TO ADAPT TO A MORE HOSTILE ENVIRONMENT WILL CHALLENGE ALL THE ANDEAN GOVERNMENTS TO SUSTAIN PRESSURE AND CONVICT TOP KINGPINS. WHILE LIKELY TO FURTHER IMPROVE COOPERATION WITH US COUNTERNARCOTICS EFFORTS, ALL THREE GOVERNMENTS WILL PROBABLY REMAIN SENSITIVE TO PUBLIC OPPOSITION TO CERTAIN ELEMENTS OF US POLICY. [REDACTED]

COLOMBIA

THE COLOMBIAN GOVERNMENT'S ANTIDRUG PROGRAM MADE GREAT STRIDES IN 1991. DRIVEN BY DOMESTIC PRIORITIES TO CURTAIL DRUG-RELATED VIOLENCE, PRESIDENT GAVIRIA PURSUED A STRATEGY USING PLEA BARGAINING

AND SUSTAINED COUNTERNARCOTICS OPERATIONS TO PRESSURE THE COCAINE TRADE AND PERSUADE TOP TRAFFICKERS TO SURRENDER. THE SUCCESS OF THIS APPROACH WAS REFLECTED BY THE SURRENDER OF THE MOST NOTORIOUS MEDELLIN KINGPINS, UNPRECEDENTED OPERATIONS TARGETING CALI GROUPS, AND A RECORD AMOUNT OF COCAINE SEIZED IN ATTACKS AGAINST LABORATORIES AND TRANSSHIPMENTS SITES. BOGOTA'S NEXT STEP IS TO USE NEW LEGAL MECHANISMS AND INTENSIFIED POLICE AND MILITARY OPERATIONS TO PRESS THE LEADING DRUG RINGS, WHICH--ALTHOUGH FACING SOME DISRUPTION--REMAIN INTACT AND ABLE TO CONTINUE MAJOR COCAINE SHIPMENTS. [REDACTED]

WHILE ELIMINATING THE EXTRADITION OF CITIZENS, COLOMBIA'S NEW CONSTITUTION SUPPORTS THE GAVIRIA ADMINISTRATION'S STRATEGY BY USHERING IN A REFORMED LEGAL SYSTEM THAT THE GOVERNMENT HOPES WILL BE MORE EFFECTIVE AGAINST THE DRUG TRADE. MOST OF THE NEWLY APPROVED MEASURES STEM FROM PRESIDENTIAL DECREES ISSUED TO IMPROVE THE GOVERNMENT'S ABILITY TO INVESTIGATE, PROSECUTE, AND CONVICT DRUG CRIMINALS. ALTHOUGH IT MAY TAKE YEARS TO FULLY IMPLEMENT THE NEW PROSECUTORIAL SYSTEM AND OTHER SWEEPING CHANGES, A NUMBER OF REFORMS ARE ALREADY PROVING EFFECTIVE. [REDACTED] FOR EXAMPLE, THAT THE PUBLIC ORDER COURTS--A CORNERSTONE OF THE NEW SYSTEM INTENDED TO DEAL WITH NARCOTICS AND OTHER SERIOUS CRIMES--HAS HAD AN UNUSUALLY HIGH CONVICTION RATE. [REDACTED]

COMPLEMENTING THE GOVERNMENT'S ATTEMPT TO REBUILD THE JUDICIAL SYSTEM AS A WEAPON AGAINST THE TRAFFICKERS WAS A CONCERTED EFFORT TO INCREASE LAW ENFORCEMENT PRESSURES ON TRAFFICKING ORGANIZATIONS. INTERDICTION BY SECURITY FORCES LAST YEAR HAMPERED THE REFINING AND TRANSSHIPPING OPERATIONS OF LEADING TRAFFICKING GROUPS. COLOMBIAN SECURITY FORCES CARRIED OUT INTENSIFIED OPERATIONS AGAINST TRAFFICKING FACILITIES--DESTROYING AIRSTRIPS AND LABORATORIES AND CONFISCATING CHEMICALS--AND SEIZED MORE THAN 85 TONS OF COCAINE AND COCAINE BASE, SURPASSING THE PREVIOUS YEAR'S RECORD TOTAL OF ALMOST 55 TONS. OPERATIONS TARGETING MEDELLIN FACILITIES PROBABLY CONTRIBUTED TO THEIR REPORTED LOSS OF SOME COCAINE MARKETS IN THE UNITED STATES TO CALI GROUPS. [REDACTED]

THE JAILING OF KINGPINS ESCOBAR AND THE OCHOA BROTHERS HAS DISRUPTED SOME OF THE DRUG ACTIVITIES OF THE MEDELLIN GROUPS AND BOLSTERED PUBLIC CONFIDENCE IN BOGOTA'S STRATEGY. THE OCHOA BROTHERS REPORTEDLY STREAMLINED THEIR COCAINE OPERATIONS BEFORE SURRENDERING AND HAVE REMAINED IN COMMUNICATION WITH THEIR LIEUTENANTS. [REDACTED]

POLICE RAIDS ON SEVERAL FINANCIAL AND MANAGEMENT CENTERS OF LEADING CALI NETWORKS LATE IN THE YEAR UNDERScoreD THE GOVERNMENT'S INTENT TO INCREASE PRESSURE ON THE CALI KINGPINS, WHO ARE FACING THEIR FIRST SIGNIFICANT CHALLENGE. THESE OPERATIONS, WHICH COINCIDED WITH LAW ENFORCEMENT EFFORTS IN THE UNITED STATES, REPORTEDLY CAUSED SEVERE FINANCIAL PROBLEMS FOR THE TRAFFICKERS AND PROMPTED SOME TO SUSPEND OPERATIONS. [REDACTED]

ALTHOUGH GAVIRIA PROBABLY IS CONCERNED ABOUT A POTENTIAL RESURGENCE OF TRAFFICKER VIOLENCE, WE BELIEVE HE INTENDS TO CONTINUE EXPANDED ENFORCEMENT OPERATIONS AGAINST THE CALI ORGANIZATIONS, HOPING TO FORCE THE CALI KINGPINS TO TURN THEMSELVES IN. GAVIRIA ALSO APPEARS TO BE FIRMLY COMMITTED TO PRESSING THE CASES AGAINST ESCOBAR AND THE OCHOAS, PROBABLY BECAUSE THE CREDIBILITY AND IMPACT OF BOGOTA'S PROGRAM WILL BE GREATLY INFLUENCED BY THE PROSECUTIONS. EFFORTS TO PROSECUTE ESCOBAR AND THE OCHOAS ARE PROCEEDING SLOWLY, HOWEVER, AS THE KINGPINS' LAWYERS TRY TO MANIPULATE PLEA-BARGAIN PROVISIONS AND COLOMBIAN OFFICIALS FACE DIFFICULTIES IN COLLECTING EVIDENCE THAT WOULD LEAD TO SUBSTANTIAL SENTENCES. TRAFFICKERS ARE ALSO POISED TO INTIMIDATE OR BRIBE JUDGES INVOLVED IN THEIR PROSECUTION. [REDACTED]

WE BELIEVE GAVIRIA'S STRATEGY HAS THE POTENTIAL TO MAKE FURTHER PROGRESS AGAINST THE DRUG ESTABLISHMENT, THOUGH ITS EFFECTS ON THE PRODUCTION AND SHIPMENT OF COCAINE IN 1992 WILL PROBABLY BE GRADUAL AND UNDRAMATIC. INCREASED INTERDICTION OPERATIONS ALONE ARE NOT LIKELY TO PUT ENOUGH PRESSURE ON TRAFFICKING NETWORKS TO FORCE THE SURRENDER OF CALI AND OTHER KINGPINS, THOUGH THEY COULD BEGIN TO TAX THE TRAFFICKERS' COCAINE EXPORT CAPABILITIES. WE JUDGE THE TRAFFICKERS HAVE SUFFICIENT PRODUCTION POTENTIAL AND COCAINE STOCKPILES TO ABSORB SOME FURTHER RISE IN SEIZURES, MUCH AS THEY HAVE IN THE PAST, BUT THE EXTENT OF THEIR RESERVE CAPACITY REMAINS UNKNOWN. MOREOVER, SUSTAINED GOVERNMENT PRESSURE AGAINST THE ORGANIZATIONAL STRUCTURE OF CALI GROUPS, IN CONCERT WITH INTENSIFIED INTERDICTION EFFORTS, COULD SAP THE EFFICIENCY OF THE DRUG RINGS AND IMPEDE THEIR ABILITY TO REFINE AND TRANSPORT COCAINE. [REDACTED]

BEGIN BOX

COLOMBIA'S BURGEONING HEROIN BUSINESS

A SIGNIFICANT EXPANSION OF OPIUM POPPY CULTIVATION DURING THE PAST YEAR AND INCREASED COLOMBIAN DRUG TRAFFICKER INTEREST IN THE INTERNATIONAL HEROIN MARKET WILL INCREASE BOGOTA'S COUNTERNARCOTICS CONCERNS IN THE UPCOMING YEAR. ALTHOUGH PRODUCTION IS STILL SMALL BY GLOBAL MARKET STANDARDS, AT THE CURRENT RATE OF EXPANSION OPIUM CULTIVATION IN COLOMBIA COULD EXCEED THE TOTAL [REDACTED] BY THE END OF 1992. SCATTERED CULTIVATION HAS BEEN NOTED

FOR MORE THAN A DECADE, BUT [REDACTED]

[REDACTED] THE MAJOR CARTELS PLAN TO
EXPAND HEROIN PRODUCTION IF THE US MARKET INCREASES. [REDACTED]

END BOX

PERU

PERU'S COCAINE INDUSTRY CONTINUED TO PROSPER DURING 1991, ALTHOUGH THE FUJIMORI GOVERNMENT TOOK SOME POSITIVE STEPS TO COUNTER THE TRADE. THE DRUG TRADE REMAINED FOCUSED ON COCA CULTIVATION AND RUDIMENTARY PROCESSING FOR REFINING LABORATORIES IN COLOMBIA, BUT SOME PERUVIAN TRAFFICKERS CONTINUED TO EXPAND AND DIVERSIFY THEIR PROCESSING AND TRANSSHIPPING OPERATIONS. ALTHOUGH PRESIDENT FUJIMORI HAS GIVEN PRIORITY TO ADDRESSING SEVERE ECONOMIC PROBLEMS AND COMBATING THE INSURGENCIES OVER ANTIDRUG ENDEAVORS, JOINT DRUG ENFORCEMENT ADMINISTRATION (DEA)--PERUVIAN POLICE EFFORTS, A FEW NAVY COUNTERDRUG OPERATIONS, AND AIR FORCE PARTICIPATION IN MULTILATERAL AIR INTERDICTION OPERATIONS DISRUPTED SOME TRAFFICKER ACTIVITIES. [REDACTED]

[REDACTED] FUJIMORI MAY
BE WILLING TO MOVE FORWARD IN SOME AREAS TO ACCOMMODATE US DEMANDS FOR TOUGHER ENFORCEMENT. [REDACTED]

GOVERNMENT ENFORCEMENT EFFORTS AND PRESSURE FROM INSURGENT GROUPS IN THE HUALLAGA VALLEY CAUSED COCA FARMERS AND TRAFFICKERS TO

CHANGING TRAFFICKING PATTERNS;

Pages: 155-172

Exemptions: (b)(1), (b)(3)