

APPROVED FOR RELEASE
DATE: DEC 2001

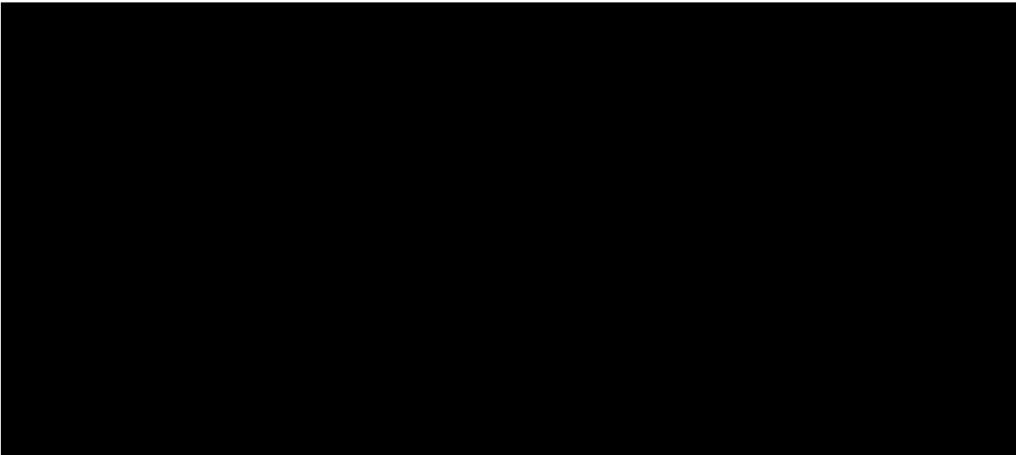
(b)(1)
(b)(3)
(S)

~~SECRET~~
NOFORN, NOCONTRACT, ORCON

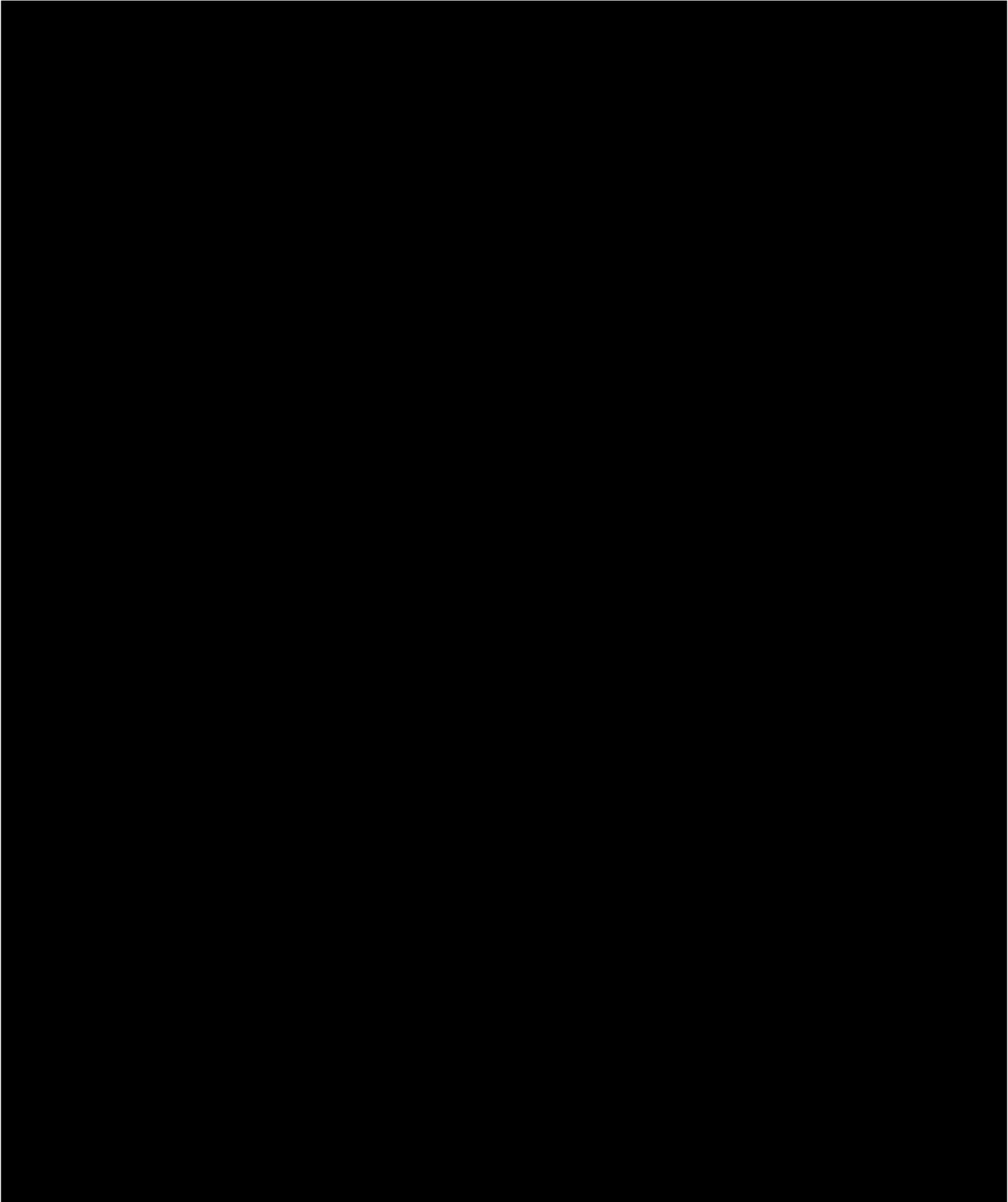


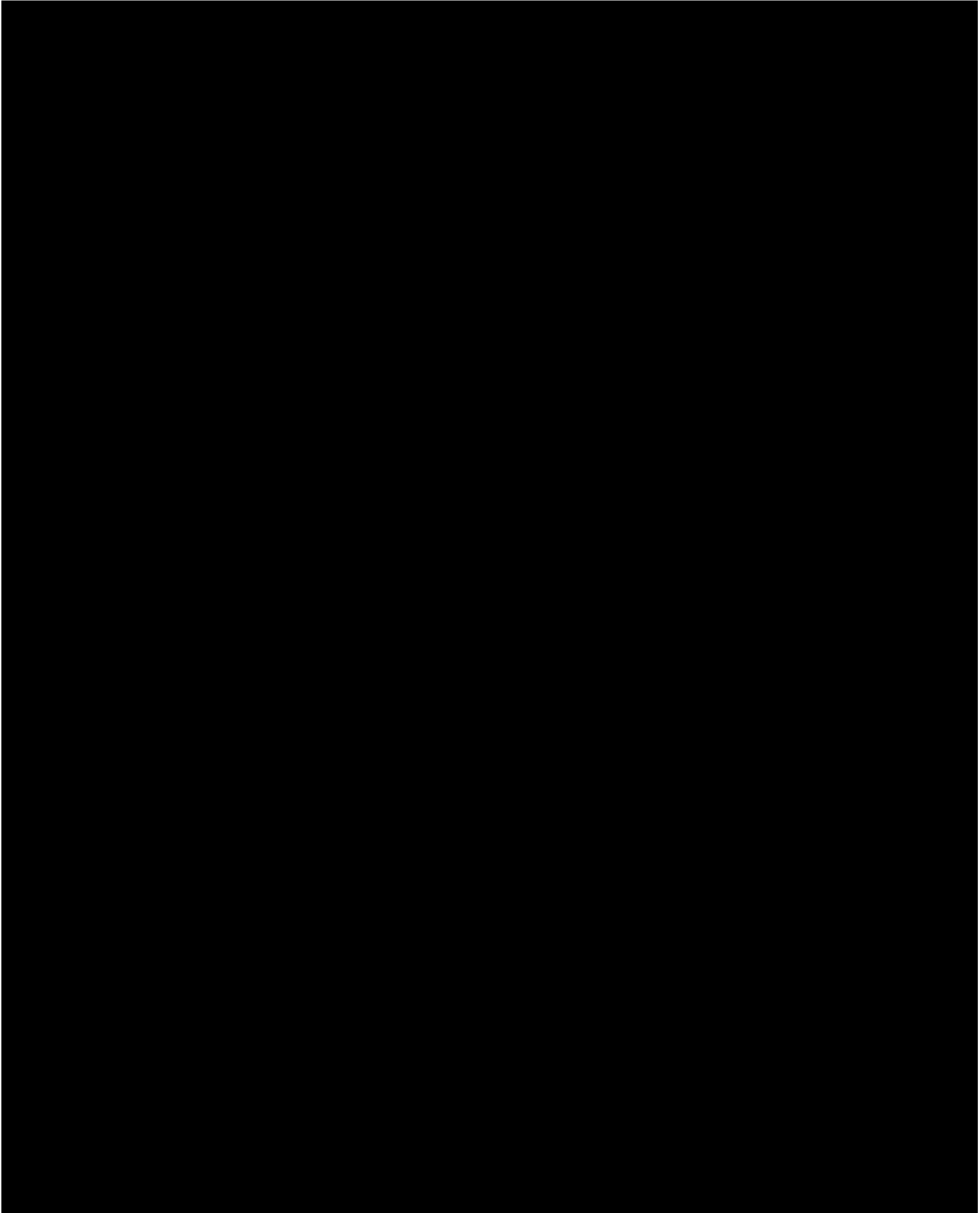
JANUARY 1992

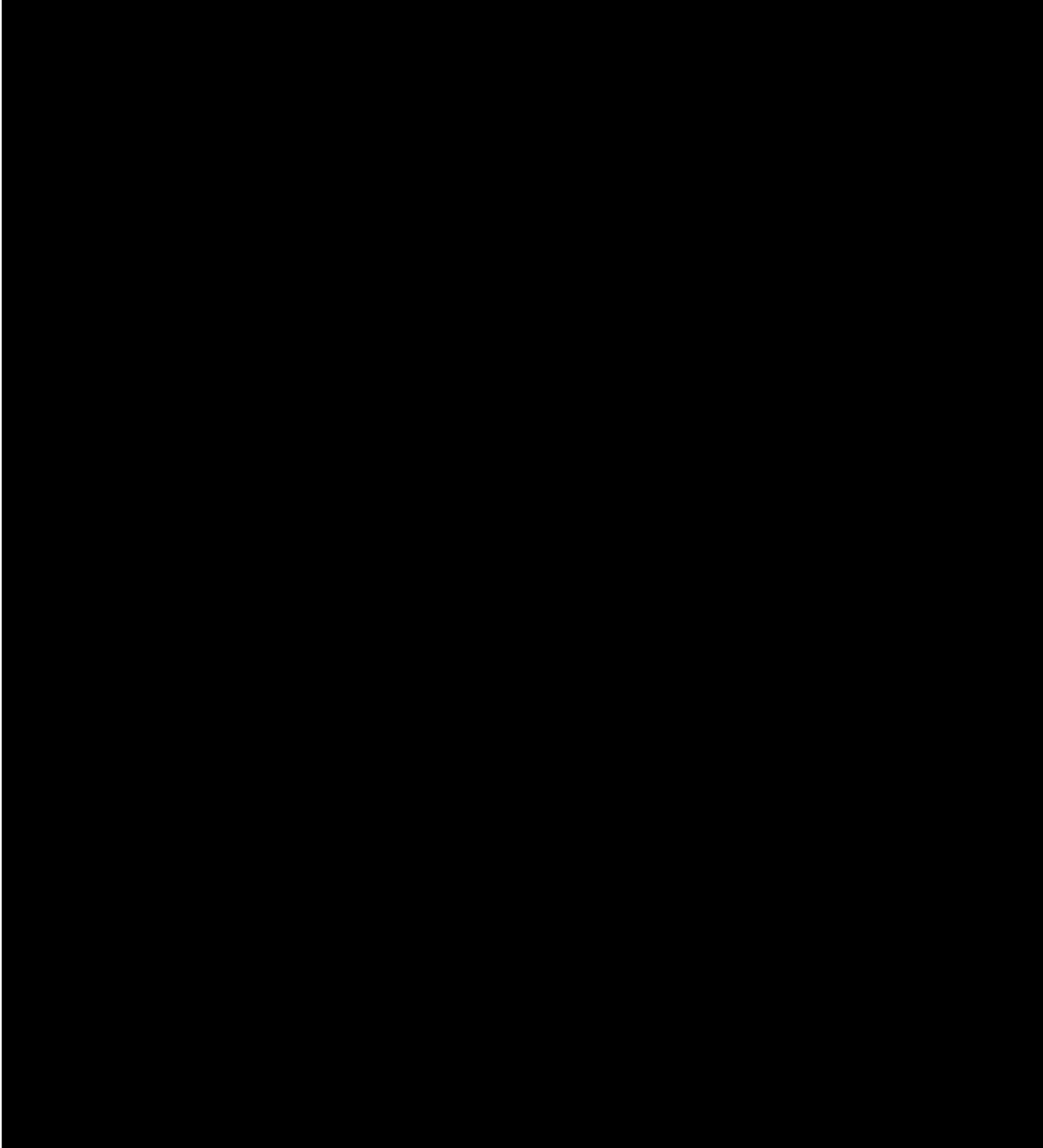
CONTENTS

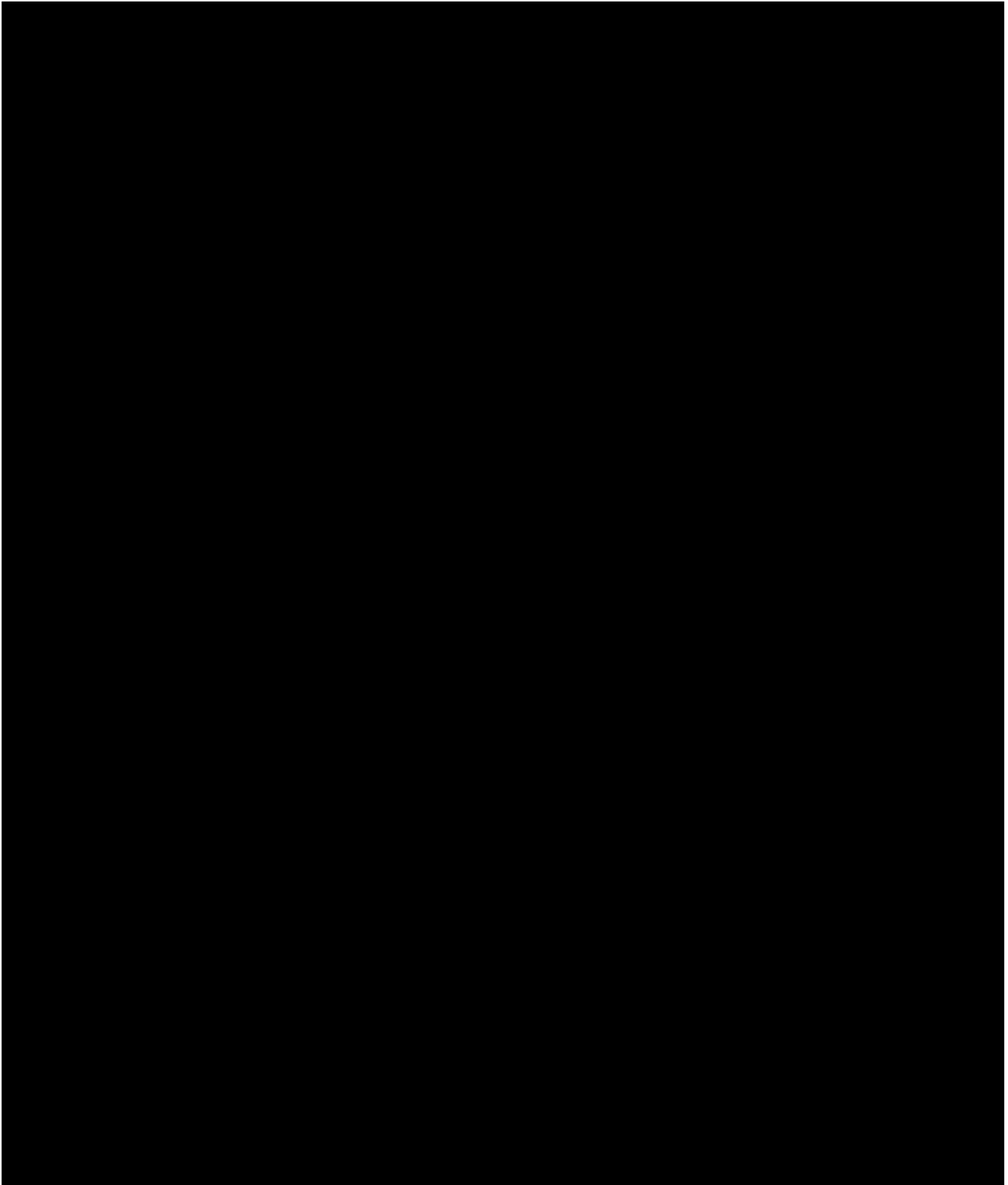


NOFORN, NOCONTRACT, ORCON
~~SECRET~~

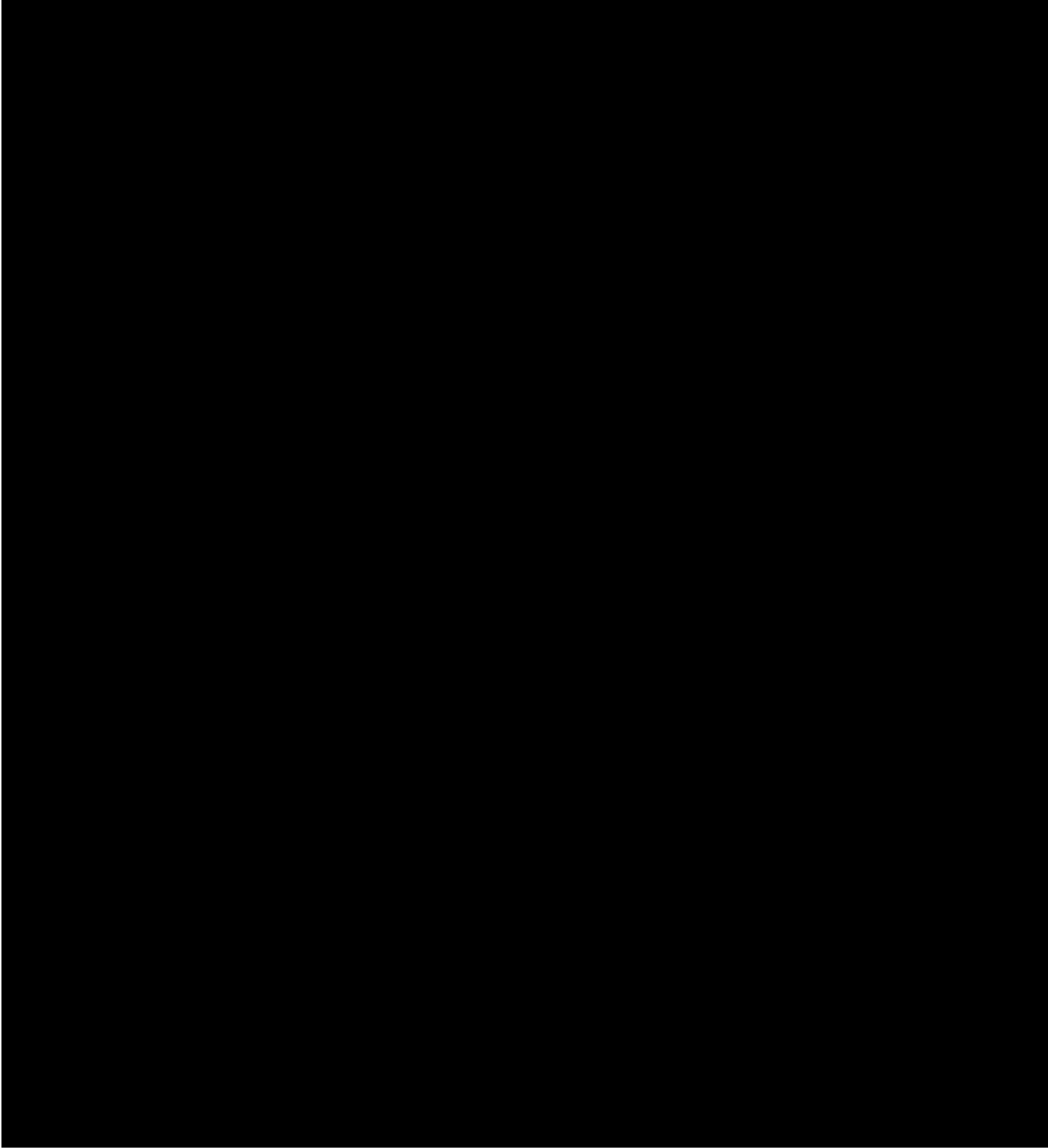








~~SECRET~~
NOFORN, NOCONTRACT, ORCON



NOFORN, NOCONTRACT, ORCON
~~SECRET~~

ITEM 3. ANDEAN CORE COUNTRIES: SUSTAINING PRESSURE ON TRAFFICKERS

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.

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.

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.

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. THE US EMBASSY REPORTS, 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]



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 FOR MEXICO AND GUATEMALA BY THE END OF 1992. [REDACTED]

END BOX

