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TEXT

SUBJECT: INTERNATIONAL NARCOTICS SITUATION REPORT (MONTHLY)
(DI IN SITREP 91-001) JANUARY 1991

PART 1 OF 2

THE INTERNATIONAL NARCOTICS SITUATION REPORT, A MONTHLY SERIAL,
WILL NOW BE CABLED TO ALL RECIPIENTS. THE HARD COPY WILL CONTINUE
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INTERNATIONAL NARCOTICS SITUATION REPORT [REDACTED] (DI IN SITREP 91-001)

JANUARY 1991

PART 1 OF 2

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[REDACTED]

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ITEM 1: PERSPECTIVE--THE INTERNATIONAL DRUG SITUATION: 1990 IN
REVIEW AND CHALLENGES AHEAD [REDACTED]

INTENSIFIED US AND FOREIGN ANTIDRUG EFFORTS IN 1990 PRESENTED PARTS OF THE INTERNATIONAL COCAINE TRADE WITH THE MOST DETERMINED CHALLENGE TO DATE. THE INTERNATIONAL HEROIN TRADE RECEIVED LESS ATTENTION AND BECAME MORE ENTRENCHED, HOWEVER. IN BOTH AREAS, THE TRADE'S ENORMOUS FINANCIAL RESOURCES AND POWER TO CORRUPT IN KEY SOURCE AND TRANSIT REGIONS AS WELL AS ITS FLEXIBILITY IN RESPONDING TO NEW ANTIDRUG PRESSURES MEANT THAT EVEN WITH TRAFFICKERS' INCREASED CONCERNS AND RISKS, LARGE QUANTITIES OF DRUGS CONTINUED TO REACH US AND FOREIGN MARKETS. THE DRUG TRADE IS VULNERABLE TO MORE SERIOUS DISRUPTION OVER A PERIOD OF SEVERAL YEARS IF WESTERN ASSISTANCE IS SUSTAINED TO KEY DRUG SOURCE AND TRANSIT NATIONS THAT ARE WILLING TO ACT AND EXPANDED FOREIGN COUNTERNARCOTICS PROGRAMS ARE FOCUSED ON KEY PROBLEM AREAS. ABSENT MORE CONCERTED AND INTEGRATED COUNTERNARCOTICS EFFORTS INTERNATIONALLY, HOWEVER, THE DRUG TRADE THREATENS TO STRENGTHEN ITS OVERALL POSITION IN 1991.

[REDACTED]

NARCOTICS PRODUCTION AND DEMAND

THE HECTARAGE DEVOTED TO THE PRODUCTION OF BOTH COCAINE AND HEROIN SHOWED THE FIRST SIGNS OF LEVELING OFF IN 1990 AFTER MORE THAN A DECADE OF CONTINUING GROWTH:

[REDACTED] COCA CULTIVATION IN THE ANDEAN REGION DROPPED FOR THE FIRST TIME EVER--A 2-PERCENT DROP FROM 216,700 TO 213,300 HECTARES--AS A RESULT OF A DECLINE IN COCA LEAF PRICES AND THE REPORTED VOLUNTARY ERADICATION OF MORE THAN 7,000 HECTARES IN BOLIVIA. [REDACTED]

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[REDACTED]

[REDACTED] MORE LEAF IS BEING HARVESTED THAN PREVIOUSLY THOUGHT, HOWEVER, WITH LEAF HARVESTS EXPANDING IN 1990 AND LIKELY TO EXPAND AGAIN NEXT YEAR AS MORE MATURE COCA COMES INTO PRODUCTION.

--OPIUM PRODUCTION DROPPED WORLDWIDE BY JUST OVER 10 PERCENT-- FROM AN ESTIMATED 3,700 METRIC TONS IN 1989 TO LESS THAN 3,300 TONS IN 1990. WHILE LESS THAN OPTIMAL WEATHER IN BURMA WAS THE CAUSE FOR THE BIGGEST SINGLE COUNTRY DROP-OFF, A POPPY BAN IMPOSED BY TRIBAL LEADERS IN AFGHANISTAN AS WELL AS NEW ACTIONS BY THE LAO GOVERNMENT CONTRIBUTED TO THE DECLINE.

--DESPITE THESE DEVELOPMENTS, WORLDWIDE NARCOTICS PRODUCTION IS STILL MORE THAN SUFFICIENT TO MEET US AND INTERNATIONAL DEMAND. MOREOVER, DEMAND FOR COCAINE IN EUROPE AND HEROIN IN ASIA ROSE IN 1990. [REDACTED]

TRAFFICKING DEVELOPMENTS

WE BELIEVE SOME PARTS OF THE COCAINE TRADE WERE PLACED ON THE DEFENSIVE IN 1990. [REDACTED] THE COST OF DOING BUSINESS FOR TRAFFICKING GROUPS WENT UP; RECORD SEIZURES OF DRUGS AND ASSETS AND NUMEROUS APPREHENSIONS, INCLUDING SEVERAL IMPORTANT TRAFFICKERS, OCCURRED. OUR ANALYSIS INDICATES THAT, DESPITE THE QUANTITATIVE GAINS LAST YEAR, THE TRADE REMAINS LARGELY INTACT AND CAPABLE OF DELIVERING RECORD QUANTITIES OF DRUGS TO US AND FOREIGN MARKETS. WE BELIEVE MORE SIGNIFICANT, HOWEVER, WAS THE NOTABLE INCREASE IN CONCERN SHOWN FOR COMBATING THE TRADE THROUGHOUT LATIN AMERICA AND WESTERN EUROPE. IN COLOMBIA AND MEXICO, IN PARTICULAR, THE UNITED STATES BENEFITS FROM GOVERNMENTS COMMITTED TO A LONG-TERM STRUGGLE AGAINST THE DRUG TRADE AS A MATTER OF SELF INTEREST. [REDACTED]

THE INTERNATIONAL HEROIN TRADE EXPANDED IN 1990, UNAFFECTED BY PIECEMEAL ATTACK ON ITS MOST EXPENDABLE ELEMENTS, SUCH AS DRUG COURIERS AND GENERALLY SMALL QUANTITIES OF HEROIN HIDDEN IN COMMERCIAL CARGO. ETHNIC CHINESE, NIGERIAN, ITALIAN, TURKISH, SOUTH ASIAN, AND LEBANESE GROUPS ALL APPEARED TO INCREASE THE SOPHISTICATION AND EXTENT OF THEIR TRAFFICKING ROUTES AND METHODS. THESE GROUPS WERE PARTICULARLY ADEPT AT EXPLOITING TRANSNATIONAL TIES BETWEEN EXPATRIATE COMMUNITIES THAT OFFER UNIQUE AND DIFFICULT-TO-PENETRATE INFRASTRUCTURES FOR SMUGGLING, MONEY LAUNDERING, AND OTHER NARCOTICS-RELATED ACTIVITIES. NO SERIOUS ATTACK ON THE INTERNATIONAL ACTIVITIES OF ANY OF THESE GROUPS OCCURRED IN 1990. [REDACTED]

CHALLENGES AHEAD

WHILE PROSPECTS FOR MORE INTERNATIONAL COOPERATION AGAINST THE DRUG TRADE IMPROVED IN 1990, MANY FOREIGN GOVERNMENTS HAVE YET TO TRANSLATE STATED CONCERNS INTO ACTION. EVEN THOSE NATIONS NOW MORE RECEPTIVE TO US GUIDANCE WILL EXPECT INCREASED US AND OTHER WESTERN AID NOT ONLY TO BEEF UP THE SIZE AND QUALITY OF THEIR LAW ENFORCEMENT-ORIENTED PROGRAMS BUT ALSO TO HELP REDUCE THE ECONOMIC AND SOCIAL COSTS OF COMBATING A DRUG TRADE THAT HAS DISPLAYED ITS CAPABILITY TO RESPOND TO PRESSURE WITH ESCALATING VIOLENCE.

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MOREOVER, MORE EFFECTIVE ACTIONS BY DEVELOPED NATIONS AGAINST BOTH DRUG CONSUMPTION AND FIRMS THAT SUPPLY FINANCIAL SERVICES, CHEMICALS, AND WEAPONS TO DRUG GROUPS WILL BE EXPECTED BY DRUG SOURCE AND TRANSIT NATIONS IF THEY ARE TO SUSTAIN THEIR OWN EFFORTS.

[]

WE BELIEVE FOREIGN GOVERNMENTS GENERALLY HAVE THE OPPORTUNITY TO MAKE THE GREATEST GAINS BY FOCUSING ON SEVERAL KEY AREAS THAT HAVE BEEN NAGGING PROBLEMS IN THE PAST AND REMAIN SO TODAY:

--INCENTIVES BEHIND NARCOTICS PRODUCTION. CROP SUBSTITUTION AND ERADICATION PROGRAMS IN THAILAND, PAKISTAN, LAOS, MEXICO, AND BOLIVIA HAVE SHOWN THAT FARMERS' INCENTIVES TO GROW DRUG CROPS CAN BE CONSTRAINED OR REDUCED BY SERIOUS FOREIGN PROGRAMS SUPPORTED BY THE UNITED STATES. FOREIGN GOVERNMENTS IN THE PAST HAVE SHOWN A TENDENCY TO LET UP AFTER ACHIEVING SOME INITIAL RESULTS, HOWEVER, PARTICULARLY IF THEY BELIEVE WESTERN SUPPORT FOR THEIR PROGRAMS IS INSUFFICIENT OR FLAGGING.

--DEMAND FOR DRUGS. WE BELIEVE FOREIGN DEMAND REDUCTION PROGRAMS--ESPECIALLY FOR COCAINE IN EUROPE AND LATIN AMERICA AND HEROIN IN ASIA--HAVE YET TO CONTAIN THE PROBLEM. SOME NATIONS HAVE NOT EVEN ACKNOWLEDGED THEY HAVE A PROBLEM. GROWING DEMAND FOR DRUGS ELSEWHERE MAY OFFSET AT LEAST SOME OF ANY IMPACT THE REPORTED DECLINE IN DRUG USE IN THE UNITED STATES MIGHT HAVE ON THE PRODUCTION OF NARCOTICS.

--CORRUPTION. NOT ENOUGH FOREIGN LEADERS AT THE NATIONAL LEVEL HAVE FULLY APPRECIATED THIS THREAT. IT PROTECTS MOST LARGE-SCALE DRUG TRAFFICKING AND SPILLS OVER TO OTHER PARTS OF SOCIETY BY CORRODING POLITICAL INSTITUTIONS AND WEAKENING THE ABILITY OF GOVERNMENTS TO REGULATE AND TAX ECONOMIC ACTIVITY.

--TRANSNATIONAL DRUG GROUPS. ENHANCED FOREIGN ENFORCEMENT PROGRAMS WILL HAVE LIMITED IMPACT UNLESS THEIR INFORMATION GATHERING AND OPERATIONAL ACTIVITIES ARE COORDINATED WITH THE UNITED STATES AND OTHER NATIONS. OTHERWISE, MAJOR TRANSNATIONAL DRUG GROUPS WILL DEFLECT PRESSURES IN ONE NATION BY SHIFTING THEIR ACTIVITY TO OTHERS, AS THEY HAVE IN THE PAST.

--INTERDICTION. SOME GOVERNMENTS STILL SEE THEIR LAW ENFORCEMENT PROGRAMS LARGELY IN TERMS OF SEIZING DRUGS. WHILE SUCH EFFORTS ARE VALUABLE IN DENYING TRAFFICKERS FREEDOM OF ACTION AND MAXIMUM PROFITS, MORE GOVERNMENTS NEED TO FOLLOW THE EXAMPLE OF COLOMBIA IN FOCUSING MORE ON THE LEAST EXPENDABLE ELEMENTS OF THE TRADE--ITS KINGPINS, THEIR KEY LIEUTENANTS, MAJOR ASSETS, AND COMMAND AND CONTROL ELEMENTS.

--DRUG SERVICE SAFEHAVENS. SERIOUS DISRUPTION OF THE FINANCIAL OPERATIONS OF MAJOR TRAFFICKERS AND REDUCTION OF THEIR ACCESS TO ESSENTIAL CHEMICALS WILL DEPEND ON PASSAGE OF STRONGER LAWS IN MORE NATIONS AND ON THE ABILITY OF LAW ENFORCEMENT AGENCIES TO IMPLEMENT MEASURES RECENTLY PASSED IN OTHER NATIONS, THEREBY REDUCING THE NUMBER OF CONVENIENT SAFEHAVENS PROVIDING SERVICES TO DRUG GROUPS.

--COORDINATED AID PROGRAMS. AS DEVELOPED NATIONS IMPLEMENT

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EXPANDED BILATERAL AID PROGRAMS FOR KEY DRUG SOURCE AND TRANSIT NATIONS, MULTILATERAL COORDINATION AMONG DONORS WILL BECOME INCREASINGLY IMPORTANT TO AVOID DUPLICATION OF EFFORT OR WORKING AT CROSS PURPOSES. []

THE ARTICLES IN THIS MONTHLY PROVIDE ANALYSIS OF THE PROBLEMS AND PROSPECTS FOR ANTIDRUG EFFORTS IN EVERY REGION OF THE WORLD. []

THIS PERSPECTIVE IS ~~SECRET~~ []

ITEM 2: SOUTH AMERICA []

ON BALANCE, COUNTERNARCOTICS EFFORTS GAINED GROUND IN SOUTH AMERICA LAST YEAR, BUT PROSPECTS FOR SUSTAINING THESE GAINS IN THE FACE OF MOUNTING COSTS, ESCALATING RISKS, AND EXPANDED TRAFFICKING ARE UNCERTAIN. EXPECTATIONS OF GREATER HEMISPHERIC COOPERATION IN THE DRUG WAR--ARISING FROM THE CARTAGENA ANTIDRUG SUMMIT IN FEBRUARY 1990--AND THE SPECTER OF DRUG VIOLENCE SPILLING OVER FROM COLOMBIA PROMPTED VIRTUALLY ALL OF THE SOUTH AMERICAN GOVERNMENTS TO GIVE HIGHER PRIORITY TO ANTINARCOTICS POLICY LAST YEAR. ALTHOUGH COUNTERNARCOTICS EFFORTS KEPT PARTS OF THE INDUSTRY ON THE DEFENSIVE THROUGH MUCH OF 1990, THEY DID NOT CAUSE A FUNDAMENTAL DISRUPTION OF THE TRADE. THE INDUSTRY'S NUMEROUS RESOURCEFUL GROUPS, AS WELL AS ITS OVERALL SIZE, WEALTH, AND INTIMIDATING INFLUENCE WITHIN KEY DRUG SOURCE NATIONS ENABLED IT TO MAINTAIN HIGH LEVELS OF COCAINE DELIVERIES TO THE UNITED STATES WHILE SIMULTANEOUSLY EXPANDING OPERATIONS TO EUROPE AND OTHER MARKETS. WITH THE STAKES RISING IN THE DRUG WAR, ALL OF THE ANDEAN GOVERNMENTS ARE REEXAMINING THEIR DRUG CONTROL STRATEGIES, A MOVE WHICH WE BELIEVE PORTENDS GROWING DEMANDS ON WASHINGTON IN EXCHANGE FOR THEIR COMMITMENT TO SUSTAIN ANTINARCOTICS EFFORTS. []

INITIATIVES

WE BELIEVE THAT THE SOUTH AMERICAN COCAINE TRADE IS FACING ITS MOST DETERMINED OPPOSITION YET. ALTHOUGH DEVELOPMENTS IN 1990 WERE DOMINATED BY BOGOTA'S CONTINUED PRESSURE AGAINST THE TOP ECHELON OF THE MEDELLIN ORGANIZATIONS, SOUTH AMERICAN ANTIDRUG FORCES IMPROVED EFFORTS ACROSS ALL FRONTS. BOLIVIA'S COCA ERADICATION PROGRAM, IN WHICH GROWERS ARE COMPENSATED FOR VOLUNTARILY ERADICATING THEIR FIELDS, ATTRACTED RECORD PARTICIPATION LAST YEAR, IN PART BECAUSE OF A PROLONGED SLUMP IN COCA LEAF PRICES. DRUG CONTROL GAINS HAVE BEEN LESS TANGIBLE IN PERU, ALTHOUGH US-SUPPORTED ANTIDRUG OPERATIONS HAVE INCREASED IN THE HUALLAGA VALLEY COCA HEARTLAND SINCE PRESIDENT FUJIMORI TOOK OFFICE IN JULY. []

WE BELIEVE THE SOUTH AMERICAN DRUG TRADE CONTINUED THROUGHOUT 1990 TO FEEL THE EFFECTS OF BOGOTA'S 17-MONTH-LONG ANTINARCOTICS CAMPAIGN AGAINST THE TOP MEDELLIN TRAFFICKERS. THE OVERALL COUNTERNARCOTICS POLICY, LAUNCHED BY FORMER PRESIDENT BARCO FOLLOWING THE ASSASSINATION BY TRAFFICKERS OF PRESIDENTIAL ASPIRANT LUIS CARLOS GALAN IN AUGUST 1989, IS BEING CONTINUED BY BARCO'S SUCCESSOR, CESAR GAVIRIA, WHO TOOK OFFICE IN AUGUST 1990. IN OUR JUDGMENT, THIS CAMPAIGN MARKS AN IMPORTANT TACTICAL SHIFT AWAY FROM PREVIOUS EFFORTS THAT EMPHASIZED PIECEMEAL, POORLY PLANNED

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INTERDICTION OPERATIONS AGAINST EASILY REPLACED TARGETS. IF SUSTAINED, WE BELIEVE IT HAS THE POTENTIAL TO UNDERCUT A NUMBER OF TRAFFICKER ADVANTAGES BY FOCUSING ON THE LEAST EXPENDABLE AND MOST CRITICAL ELEMENT IN THE COLOMBIAN TRADE: THE PEOPLE WHO MANAGE AND FINANCE IT. [REDACTED]

ALTHOUGH THE IMPACT OF THIS STRATEGY IS DIFFICULT TO QUANTIFY, WE BELIEVE IT IS OF SIGNIFICANT CONCERN TO COLOMBIA'S TRAFFICKING ELITE. UNDER BARCO, THE MILITARIZATION OF SEVERAL MEDELLIN SUBURBS AND OTHER TRAFFICKER STRONGHOLDS, THE EXTRADITION OF APPROXIMATELY 20 TRAFFICKERS TO THE UNITED STATES, AND THE GOVERNMENT'S UNRELENTING EFFORTS TO LOCATE KINGPIN PABLO ESCOBAR AND HIS ASSOCIATES CAUSED VIRTUALLY ALL OF THE TOP TRAFFICKERS TO LOWER THEIR PROFILES OR GO UNDERGROUND TO AVOID ARREST OR DEATH. WE BELIEVE THIS, IN TURN, CONTRIBUTED TO INCREASED COORDINATION AND SECURITY PROBLEMS THROUGHOUT MUCH OF THE TRAFFICKING CHAIN. UNDERSCORING THE SERIOUSNESS OF THE GOVERNMENT CHALLENGE TO TRAFFICKERS, ESCOBAR SPENT MOST OF THE YEAR ON THE RUN AND ORGANIZING MASSIVE ASSASSINATION, KIDNAPPING, AND PROPAGANDA CAMPAIGNS AIMED AT UNDERMINING PUBLIC CONFIDENCE IN THE SECURITY FORCES AND ERODING SUPPORT FOR THE CRACKDOWN. HE AND OTHER TOP TRAFFICKERS ARE NOW TRYING TO BRING THIS PRESSURE TO BEAR ON THE CONSTITUENT ASSEMBLY, WHICH WILL CONVENE IN FEBRUARY WITH THE POWER TO BAN EXTRADITION, REFORM THE JUDICIARY, AND REWRITE COLOMBIA'S CONSTITUTION. [REDACTED]

ELSEWHERE IN THE REGION ANTINARCOTICS EFFORTS GAINED SOME GROUND RELATIVE TO CONTROLLING COCA CULTIVATION. NOT ONLY DID OVERALL CULTIVATION REMAIN RELATIVELY STATIC BUT DEPRESSED COCA LEAF PRICES--BROUGHT ON BY OVERPRODUCTION IN PREVIOUS YEARS AND IMPROVED INTERDICTION EFFORTS THAT DETERRED SOME BUYERS AND CAUSED STOCKPILING--CREATED FAVORABLE CONDITIONS FOR LONG-STRUGGLING ERADICATION AND CROP SUBSTITUTION PROGRAMS TO TAKE ROOT. BOLIVIA, ESPECIALLY, BENEFITED FROM THESE CONDITIONS: CULTIVATION ACTUALLY FELL BY 2,000 HECTARES AS GROWERS FAILED TO KEEP PACE WITH THE 7,400 HECTARES ERADICATED OR REPLACED WITH OTHER CROPS. THE INCREASE IN COCA HECTARAGE IN PERU WAS NEGLIGIBLE, WITH CULTIVATION EXPANDING BY LESS THAN 1 PERCENT, MOSTLY ALONG THE FRINGES OF THE HULLAGA VALLEY GROWING AREA. THE GOVERNMENT OF PERU, MEANWHILE, BEGAN ERADICATING COCA SEEDBEDS IN THE UPPER HUALLAGA VALLEY, RESUMING OPERATIONS THAT HAD BEEN HALTED IN EARLY 1989 FOR SECURITY REASONS. ALTHOUGH THE RESULTS OF THESE EFFORTS REMAIN FAR SHORT OF CARVING BACK COCA PRODUCTION ENOUGH TO CURTAIL SUPPLIES, THEY MARK ONE OF THE FIRST MEASURABLE SIGNS OF PROGRESS ALONG A KEY FRONT IN THE DRUG WAR. [REDACTED]

SECURITY FORCES MEANWHILE PRESSED THEIR EFFORT AGAINST THE ELUSIVE PROCESSING AND SHIPPING ASPECTS OF THE TRADE IN A BID TO CUT PRODUCTION AND RAISE TRAFFICKING COSTS. IMPROVED INTELLIGENCE, TRAINING, AND LOGISTIC SUPPORT HELPED OVERCOME SOME OF THE PLANNING AND SECURITY PROBLEMS THAT HAVE CHRONICALLY HAMPERED OPERATIONS AGAINST LABORATORIES, AIRSTRIPS, DRUG CACHES, AND OTHER ELEMENTS OF THE TRAFFICKING INFRASTRUCTURE. THE COMPLETION OF THE FORTIFIED SANTA LUCIA BASE CAMP IN PERU'S UPPER HUALLAGA VALLEY, FOR EXAMPLE, PLAYED A CRITICAL ROLE IN BRINGING THAT COUNTRY'S ANTINARCOTICS FORCES [REDACTED] CLOSER TO TARGETS IN THE VALLEY.

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THIS, WE BELIEVE, CUT LOGISTIC PROBLEMS ASSOCIATED WITH MOUNTING PARAMILITARY OPERATIONS IN THIS REMOTE AND HOSTILE AREA AND ALMOST CERTAINLY LED, [REDACTED] TO A SIGNIFICANT INCREASE SINCE JULY IN POLICE OPERATIONS AGAINST COCA PROCESSING SITES AND AIRSTRIPS. IN COLOMBIA, MEANWHILE, MORE PRECISE STRATEGIC TARGETING AND IMPROVED INTERSERVICE COORDINATION WERE REFLECTED IN THE PETROLERA OPERATION--A STRIKE AGAINST A MAJOR JUNGLE-BASED DRUG TRANSSHIPMENT CENTER IN WHICH AUTHORITIES REPORTED SEIZING NEARLY 20 TONS OF COCA PRODUCTS. [REDACTED]

THE MAGNITUDE OF THE COCAINE TRADE AND THE PROSPECT THAT ENFORCEMENT EFFORTS IN COLOMBIA, BOLIVIA, AND PERU COULD CAUSE IT TO SPILL OVER INTO NEIGHBORING STATES HAVE INCREASED THE LEVEL OF CONCERN OF MANY OTHER SOUTH AMERICAN GOVERNMENTS. THE COUNTRIES FACING THE GREATEST THREAT--VENEZUELA, ECUADOR, AND BRAZIL--INTENSIFIED THEIR ANTINARCOTICS EFFORTS IN 1990. VENEZUELA AND ECUADOR, FOR INSTANCE, ARE FURTHER INTEGRATING THE MILITARY INTO THEIR INTERDICTION EFFORTS; BRAZIL IS DESTROYING ILLEGAL AIRSTRIPS ALONG ITS BORDERS WITH VENEZUELA AND COLOMBIA. AND EVEN THE LESS THREATENED COUNTRIES, SUCH AS ARGENTINA, HAVE PROPOSED NEW LAWS--RANGING FROM TIGHTER CONTROLS OVER CHEMICALS TO STRICTER MONITORING OF BANK ACCOUNTS--AS PART OF THEIR FIRST STEPS TOWARD IMPROVED ANTINARCOTICS EFFORTS. [REDACTED]

TRAFFICKING DEVELOPMENTS

THE COMBINED IMPACT OF THESE MEASURES, HOWEVER, HAS NOT BEEN ENOUGH TO ERODE THE FUNDAMENTAL STRENGTHS OF THE SOUTH AMERICAN DRUG INDUSTRY, AND THE RESULT HAS BEEN THAT OVERALL PRODUCTION AND TRAFFICKING CONTINUED LARGELY UNABATED IN 1990. INDEED, WE BELIEVE THAT TRAFFICKERS AT LEAST MAINTAINED A HIGH LEVEL OF EXPORTS TO THE UNITED STATES, ESPECIALLY THROUGH THE INCREASINGLY ACTIVE MEXICAN CORRIDOR. MOREOVER, [REDACTED] EUROPE CONTINUES TO BE A GROWING MARKET FOR SOUTH AMERICAN COCAINE TRAFFICKERS. THIS IS AN ESPECIALLY OMINOUS TREND BECAUSE IT INCREASES THE INCENTIVES FOR PRODUCTION AND AFFORDS OPPORTUNITIES FOR NEW ORGANIZATIONS TO ENTER THE TRADE. [REDACTED]

SUBSTANTIAL OVERPRODUCTION OF COCA AND THE EXCESS REFINING CAPACITY OF LABORATORIES SITUATED WELL BEYOND THE REACH OF CENTRAL AUTHORITIES CONTINUE TO BE THE INDUSTRY'S GREATEST DEFENSE AGAINST ERADICATION AND INTERDICTION--THE CORNERSTONES OF MUCH OF THE REGION'S ANTIDRUG CAMPAIGN. WITH LAST YEAR'S 213,300-HECTARE COCA CROP YIELDING ENOUGH LEAF TO PRODUCE AT LEAST 900 TONS OF COCAINE, TRAFFICKERS HAVE GENERALLY ABSORBED EVEN THE LARGEST LOSSES WITHOUT LONG-TERM DISRUPTIONS IN OPERATIONS. ANALYSIS OF AIR AND OTHER OPERATIONS, FOR INSTANCE, SHOWS THAT TRAFFICKERS INCREASINGLY DIRECTED EXPORTS THROUGH MEXICO LAST YEAR DESPITE RECORD COCAINE SEIZURES IN THE CALIFORNIA AND TEXAS ENDS OF THIS PIPELINE. [REDACTED]

COCA PROCESSING ACTIVITIES, THOUGH STILL DOMINATED BY COLOMBIANS, PROBABLY EXPANDED LAST YEAR, INCREASING THE INDUSTRY'S OVERALL PRODUCTION CAPACITY AND FLEXIBILITY TO COUNTER ANTIDRUG OPERATIONS. INDEED, THE DISCOVERY OF A COCAINE HCL PROCESSING OPERATION IN LIMA UNDERSCORES THE EFFORTS OF PERUVIAN TRAFFICKERS TO BREAK THEIR DEPENDENCE ON COLOMBIAN BROKERS AND DISTRIBUTORS. IN A

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[REDACTED]

MOVE THAT WE BELIEVE FORESHADOWS A LONG-TERM TREND IN PERU, AT LEAST ONE HEAVILY TARGETED PERUVIAN ORGANIZATION HAS REPORTEDLY EXPANDED AND STREAMLINED ITS OPERATIONS DESPITE INTENSIFIED ENFORCEMENT PRESSURE. [REDACTED] IT HAS BUILT AN EXTENSIVE BASE OF OPERATIONS TO COLLECT, PROCESS, AND DISTRIBUTE COCA PRODUCTS MORE EFFICIENTLY, USING EXTENSIVE NETWORKS OF CORRUPT PERUVIAN AUTHORITIES TO SAFEGUARD ITS ACTIVITIES. THROUGH THESE EFFORTS, THE ORGANIZATION HAS APPARENTLY WON THE EXCLUSIVE TRUST OF SEVERAL COLOMBIAN BUYERS OF COCAINE DERIVATIVES. [REDACTED]

THE EASE WITH WHICH COLOMBIAN TRAFFICKERS RECOVERED FROM THE MAY 1990 PETROLERA RAID HIGHLIGHTS THE SCOPE AND CONTINUED STRENGTH OF THE PROCESSING AND SHIPPING ASPECTS OF THE TRADE. [REDACTED]

[REDACTED]

THE ADVANTAGES TRAFFICKERS HAVE IN BASING PROCESSING AND SHIPPING OPERATIONS BEYOND THE EFFECTIVE REACH OF THE CENTRAL GOVERNMENT. [REDACTED]

DRUG INTERESTS MEANWHILE APPEAR TO BE RATCHETING UP THEIR USE OF CORRUPTION, INTIMIDATION, AND VIOLENCE TO OVERCOME INTENSIFIED ANTIDRUG EFFORTS. TRAFFICKERS--HAVING LONG USED THESE TECHNIQUES AT THE LOCAL LEVEL TO GAIN ACCESS TO DRUG CONTROL PLANS, ABORT GOVERNMENT OPERATIONS, AND DEFLECT ENFORCEMENT EFFORTS ONTO RIVAL ORGANIZATIONS--ARE NOW APPLYING THEM ON A WIDER SCALE. THIS HAS BEEN ESPECIALLY EVIDENT IN THEIR ABILITY TO THWART SERIOUS POLICE OPERATIONS IN THE HUALLAGA VALLEY. GIVEN LIMA'S VIEW THAT THE PROLIFERATION OF SENDERO LUMINOSO INSURGENTS IS THE GREATEST SECURITY THREAT TO THE VALLEY, SOME MILITARY OFFICERS AND LOCAL GOVERNMENT OFFICIALS HAVE BEEN WILLING TO COOPERATE WITH TRAFFICKERS IN ORDER TO DEPRIVE THE SUBVERSIVES OF REVENUES, WIN SUPPORT FROM THE COCA GROWERS, AND GENERATE RESOURCES FOR THE VALLEY'S 1,600 FINANCIALLY STRAPPED TROOPS. [REDACTED]

[REDACTED]

AS ANTINARCOTICS OPERATIONS HAVE INTENSIFIED, TRAFFICKERS HAVE RESPONDED BY DIRECTING PRESSURE OF THEIR OWN AT SENIOR-LEVEL OFFICIALS IN AN ATTEMPT TO CRIPPLE NARCOTICS CONTROL POLICIES FROM THE TOP. [REDACTED]

[REDACTED]

SIMILAR MEASURES AIMED AT SUPREME COURT JUDGES, KEY LEGISLATORS, AND CERTAIN CABINET-LEVEL OFFICIALS HAVE, IN THE PAST, WORKED WELL IN COLOMBIA. HOWEVER, THE INSTALLATION OF NEW ADMINISTRATIONS IN COLOMBIA AND PERU, IN MID-1990, PROBABLY REMOVED FOR NOW WHATEVER HIGH-LEVEL POLITICAL PENETRATIONS TRAFFICKERS HAD MADE IN THESE GOVERNMENTS. STILL, [REDACTED]

[REDACTED] TRAFFICKERS CONTINUE TO MAINTAIN EFFECTIVE CONTACTS WITHIN THE SECURITY FORCES. INDEED, WE BELIEVE ONE REASON THAT BOGOTA HAS NOT EXERTED MORE PRESSURE ON CALI TRAFFICKERS IS

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THEIR EXTENSIVE PENETRATION OF THE CITY'S POLICE AND MILITARY UNITS.

[REDACTED]

[REDACTED] IN A RECENT APPEAL TO PRESIDENT GAVIRIA FOR TOUGHER ACTION AGAINST CALI TRAFFICKERS, THE REGION'S GOVERNOR LAMENTED THAT THE LACK OF LOCAL POLICE COMMITMENT MADE HIM VIRTUALLY POWERLESS TO INVESTIGATE DRUG ACTIVITIES. [REDACTED]

GROWING VIOLENCE ASSOCIATED WITH THE COCAINE TRADE HAS BECOME ONE OF THE MOST THREATENING OUTGROWTHS OF INTENSIFIED ANTINARCOTICS OPERATIONS IN THE REGION. EVEN THOUGH DRUG-RELATED VIOLENCE OFTEN REPRESENTS A BREAKDOWN IN THE WAY TRAFFICKERS PREFER TO OPERATE, WE BELIEVE THEY ARE GENERALLY USING IT EFFECTIVELY TO COMPLICATE, AND POTENTIALLY UNDERMINE, COUNTERNARCOTICS OPERATIONS IN ALL THREE LEADING ANDEAN NATIONS. IN COLOMBIA, MEDELLIN-BASED TRAFFICKERS KEPT THEIR VIOLENCE CAMPAIGN ALIVE ON A NUMBER OF FRONTS EVEN AFTER KINGPIN GONZALO RODRIGUEZ GACHA--AN ALLEGED PARAMILITARY SPECIALIST--WAS KILLED IN DECEMBER 1989. AT THE HEIGHT OF MIDYEAR OPERATIONS TO APPREHEND PABLO ESCOBAR, HE WAS STILL ABLE TO MOBILIZE SCORES OF HIT TEAMS WHO, BY ASSASSINATING HUNDREDS OF POLICE OFFICIALS, ACCORDING TO [REDACTED] REPORTS, VIRTUALLY DESTROYED THE PUBLIC'S CONFIDENCE IN THE GOVERNMENT'S ABILITY TO MAINTAIN SECURITY IN MEDELLIN. THE ASSASSINATION CAMPAIGN, WHICH ENDED SHORTLY BEFORE GAVIRIA'S INAUGURATION IN AUGUST, SERVED, IN PART, TO FOCUS PUBLIC AND POLITICAL ATTENTION MORE ON THE PROBLEM OF QUELLING DRUG VIOLENCE THAN ON REDUCING DRUG TRAFFICKING PER SE. [REDACTED]

COLOMBIAN MILITARY OPERATIONS AGAINST LOCAL INSURGENTS MAY MEANWHILE BE PROVIDING COMMON GROUND BETWEEN SOME DRUG GROUPS AND THE GOVERNMENT. [REDACTED] PARAMILITARY FORCES ALIGNED WITH CALI TRAFFICKERS AND DIRECTED BY FORMER COLOMBIAN MILITARY COMMANDERS RECENTLY USED ARMY [REDACTED] IN AN EFFORT TO DRIVE LEFTIST GUERRILLAS OUT OF A KEY COCAINE REFINING AREA. IN ADDITION, IN SOUTHERN COLOMBIA, TRAFFICKERS AND LOCAL MILITARY UNITS COOPERATED ON VARIOUS OCCASIONS LAST YEAR TO REPEL FARC INSURGENT ATTACKS ON DRUG PROCESSING AND TRANSSHIPMENT CENTERS, [REDACTED]

IN OUR JUDGMENT, THE COMPLEX MOSAIC OF DRUG VIOLENCE IN COLOMBIA FORESHADOWS THE EMERGENCE OF SIMILAR PATTERNS ELSEWHERE ON THE CONTINENT. THE PROTECTION THAT PERUVIAN TRAFFICKERS RECEIVE FROM CORRUPT MILITARY UNITS, FOR INSTANCE, IS ALLOWING HUALLAGA VALLEY TRAFFICKERS INCREASINGLY TO IGNORE, OR CHALLENGE, EFFORTS BY SENDERO LUMINOSO INSURGENTS TO FIX COCA PRICES AND DEMAND HIGHER PROTECTION PAYMENTS. [REDACTED] ONE OF THE LARGEST TRAFFICKING GROUPS IN THE VALLEY HAS RESPONDED TO GUERRILLA THREATS BY PROCURING HIGH-CALIBRE AUTOMATIC WEAPONS THROUGH ITS COLOMBIAN CONTACTS. ATTEMPTS BY TRAFFICKERS TO DEFEND THEMSELVES AGAINST INSURGENTS ARE LIKELY TO REINFORCE THEIR ALREADY STRONG RELATIONSHIPS WITH CORRUPT SECURITY FORCES, EVEN AS THE DRUG INDUSTRY'S ACQUISITION OF MORE POWERFUL WEAPONS WILL ENHANCE ITS ABILITY TO RESIST GOVERNMENT COUNTERNARCOTICS OPERATIONS. AND IN BOLIVIA, WHERE THE DRUG TRADE HAS HISTORICALLY BEEN LESS VIOLENT, THE RECENT REACTION OF NARCOTICS INTERESTS TO ENFORCEMENT OPERATIONS SUGGESTS THAT TRAFFICKERS ARE WILLING TO SUPPLEMENT CORRUPTION WITH

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INTIMIDATION SHOULD CIVILIAN GOVERNMENT OFFICIALS DECIDE TO TAKE MORE COERCIVE ACTIONS AGAINST KEY NARCOTICS TARGETS. IN A MOVE THAT REFLECTS GROWING OPPOSITION TO US INFLUENCE ON COUNTERNARCOTICS PROGRAMS, SOME 30 TRAFFICKERS ARMED WITH AUTOMATIC WEAPONS ATTACKED A JOINT US-BOLIVIAN OPERATION, WOUNDING A US DRUG ENFORCEMENT ADMINISTRATION OFFICER AND FORCING THE EVACUATION OF THE TEAM BY HELICOPTER. [REDACTED]

CHALLENGES AHEAD

CERTAIN COUNTERNARCOTICS DEVELOPMENTS IN SOUTH AMERICA OVER THE PAST YEAR HAVE GIVEN THE FIRST REAL GLIMPSE OF PROGRESS--ALBEIT LIMITED--IN THE NEAR DECADE-LONG STRUGGLE AGAINST THE COCAINE TRADE. IN OUR VIEW, THIS INDICATES THAT THE POTENTIAL FOR HEADWAY IS CURRENTLY GREATER IN SOME AREAS--SUCH AS ERADICATION EFFORTS IN BOLIVIA AND PURSUIT OF SOME COLOMBIAN DRUG KINGPINS--THAN IN, FOR EXAMPLE, TAMING PERU'S HUALLAGA VALLEY COCA TRADE OR DISASSEMBLING COCAINE REFINING OPERATIONS IN EITHER COLOMBIA OR BOLIVIA. IN OUR JUDGMENT, THE FRONTLINE STATES ARE BEGINNING TO DEVELOP AN APPRECIATION FOR THE DAUNTING SIZE OF THE PROBLEM AND THE SUBSTANTIAL FINANCIAL, PHYSICAL, AND POLITICAL COSTS INCURRED IN EVEN A LIMITED CONFRONTATION. IN COLOMBIA, FOR INSTANCE, BOGOTA IS ESTIMATING THAT THE FINANCIAL COST OF LAST YEAR'S ANTINARCOTICS OFFENSIVE WAS APPROXIMATELY \$1 BILLION, WHILE IN PERU, THE FUJIMORI GOVERNMENT VIEWS COUNTERNARCOTICS AS A LESS PRESSING PRIORITY THAN THE COUNTRY'S ECONOMIC AND INSURGENT PROBLEMS. [REDACTED]

GIVEN THIS SETTING, WE EXPECT THAT THE FRONTLINE ANDEAN STATES WILL BECOME INCREASINGLY CAUTIOUS IN 1991 ABOUT HOW THEY CHOOSE TO FIGHT THE DRUG PROBLEM. IN OUR JUDGMENT, THE PROMISE OF ECONOMIC ASSISTANCE FROM WASHINGTON AND OTHER DONORS WILL KEEP THEM COMMITTED TO CERTAIN ANTINARCOTICS PROGRAMS, BUT THE SPECTERS OF DRUG VIOLENCE AND POLITICAL BACKLASH WILL DETER THEM FROM STRICTLY COERCIVE MEASURES. WE BELIEVE, FOR EXAMPLE, THAT COLOMBIAN PRESIDENT GAVIRIA'S CURRENT STRATEGY REFLECTS THIS CONCERN. IT SEEMS AIMED, IN PART, AT BUYING TIME TO IMPLEMENT HIS LONG-TERM GOALS OF JUDICIAL AND OTHER GOVERNMENT REFORMS BY GRANTING CERTAIN TACTICAL CONCESSIONS TO INFLUENCE PUBLIC OPINION, DISSUADE TRAFFICKERS FROM PURSUING VIOLENCE, AND PERHAPS EVEN DIVIDE THEM OVER HOW TO RESPOND TO THE GOVERNMENT. [REDACTED]

THE OUTCOME OF COLOMBIA'S CONSTITUENT ASSEMBLY, SCHEDULED TO MEET FROM FEBRUARY TO JULY, WILL BE CRITICAL TO THIS ENDEAVOR. WITH RESPECT TO NARCOTICS, GAVIRIA INTENDS THAT THE ASSEMBLY WILL ENACT SWEEPING REFORMS AIMED AT MAKING COLOMBIA'S LEGAL INSTITUTIONS STRONG ENOUGH TO CONFRONT TRAFFICKER PRESSURE AND POWER. HE IS CERTAIN, HOWEVER, TO FACE POWERFUL OPPOSITION FROM TRAFFICKER-BACKED DELEGATES, WHO SEE THE ASSEMBLY AS A UNIQUE OPPORTUNITY TO INSERT CONSTITUTIONAL LANGUAGE THAT COULD ELIMINATE EXTRADITION, CONSTRAIN THE ROLE OF THE MILITARY, LIMIT STATE OF SIEGE POWERS, AND IN OTHER WAYS CRIPPLE ANTINARCOTICS INITIATIVES. [REDACTED]

WE ALSO EXPECT THAT THE ANDEAN COUNTRIES WILL TRY TO COPE WITH THE ENORMOUS COSTS OF COMBATING THE DRUG TRADE BY TYING THEIR ANTINARCOTICS COMMITMENTS TO THE LEVEL OF US ECONOMIC ASSISTANCE, A POSITION THAT, FROM WASHINGTON'S VIEWPOINT, REVERSES THE CONDITIONS

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OF THE ANDEAN STRATEGY AGREED TO AT CARTAGENA. THE BASIC GOAL WILL BE TO FOCUS FUTURE NEGOTIATIONS ON THE NEED FOR ECONOMIC DEVELOPMENT--A POINT WHICH PERU AND BOLIVIA BELIEVE WAS THE CENTERPIECE OF THE CARTAGENA AGREEMENT. THESE TWO COUNTRIES HAVE BEEN VOCIFEROUSLY OPPOSED TO 'REPRESSIVE' CROP DESTRUCTION PROGRAMS AND, [REDACTED] ARE SEEKING SUBSTANTIAL ECONOMIC INCENTIVES TO PERSUADE GROWERS TO ABANDON COCA CULTIVATION BEFORE EITHER GOVERNMENT COMMITS TO A BROADER ERADICATION EFFORT. PERUVIAN PRESIDENT FUJIMORI, IN PARTICULAR, HAS BEEN THE MOST RELUCTANT TO CRACK DOWN ON PEASANT CONSTITUENTS AND HAS RULED OUT THE USE OF CHEMICAL HERBICIDES, CLAIMING THAT COCA GROWERS LACK ECONOMIC ALTERNATIVES. [REDACTED]

WE ALSO BELIEVE THAT THE ANDEAN NATIONS PROBABLY WILL URGE WASHINGTON TO ADOPT A LOWER AND LESS MILITARISTIC PROFILE IN THE REGION'S COUNTERNARCOTICS STRUGGLE. FOR MANY SOUTH AMERICANS, ANY EMPHASIS ON MILITARY ACTION CARRIES THE STIGMA OF HEAVYHANDED US INTERVENTION IN THEIR AFFAIRS. WE BELIEVE THAT PRESIDENT FUJIMORI'S LATE SEPTEMBER REJECTION OF THE US MILITARY ASSISTANCE AGREEMENT FOR COUNTERNARCOTICS WAS BASED IN PART ON LIMA'S CONCERN THAT THE OFFER EMPHASIZED A MILITARY SOLUTION AT THE EXPENSE OF BROAD-BASED ECONOMIC DEVELOPMENT. ALTHOUGH COLOMBIA HAS KEPT THE MILITARY OPTION OPEN--AS SIGNALLED BY ITS ACCEPTANCE OF US MILITARY ANTIDRUG ASSISTANCE--THE GOVERNMENT REMAINS PROTECTIVE ABOUT ITS ROLE. EMBASSY REPORTING, FOR INSTANCE, INDICATES THAT COLOMBIAN COMMANDERS WERE DELIGHTED THAT THEY PLANNED AND CONDUCTED THE PETROLERA OPERATION WITHOUT US MILITARY SUPPORT, THOUGH THEY DID DEPEND ON US-SUPPLIED INTELLIGENCE, TRAINING, AND EQUIPMENT. MOREOVER, THE MILITARY'S PRIMARY MISSION WILL ALMOST CERTAINLY CONTINUE TO BE COUNTERINSURGENCY. IF THE FARC AND OTHER SUBVERSIVES CONTINUE TO RESIST GOVERNMENT PEACE OVERTURES, THE MILITARY IS LIKELY TO BE DRAWN INCREASINGLY INTO WIDER, MORE AGGRESSIVE ANTI-INSURGENT OPERATIONS, A MOVE THAT WOULD LIMIT THE NEAR-TERM AVAILABILITY OF THIS RESOURCE FOR COUNTERNARCOTICS OPERATIONS. BOGOTA, MEANWHILE, WILL PROBABLY TAKE INCREASINGLY OBSTRUCTIONIST STANDS WITH RESPECT TO SUCH POLICIES AS OFFSHORE INTERDICTION OPERATIONS, WHICH ARE WIDELY CHARACTERIZED IN THE PRESS AS BLOCKADES THREATENING NATIONAL SOVEREIGNTY. [REDACTED]

THE ANDEAN STATES ARE LIKELY TO BOLSTER THEIR DEFENSE OF A MORE CAUTIOUS ATTITUDE WITH NEW CALLS FOR THE UNITED STATES AND OTHER 'CONSUMER' COUNTRIES TO ACCEPT A GREATER SHARE OF THE BURDEN FOR REDUCING THE INTERNATIONAL DRUG PROBLEM. IN THIS REGARD, THEY ARE LIKELY TO MONITOR CLOSELY EFFORTS BY THE DEVELOPED COUNTRIES TO CURB THEIR DEMAND FOR DRUGS AND TO REDUCE THE INTERNATIONAL FLOW OF CHEMICALS, MONEY, AND WEAPONS ASSOCIATED WITH THE DRUG INDUSTRY. WE EXPECT COLOMBIA, BOLIVIA, AND PERU TO CONTRAST PROGRESS IN THESE AREAS WITH THEIR OWN SUPPLY REDUCTION EFFORTS, POSSIBLY USING THIS AS A MEASURE OF THEIR ANTINARCOTICS COMMITMENT AND JUSTIFICATION FOR DEMANDING INCREASED ECONOMIC ASSISTANCE. [REDACTED]

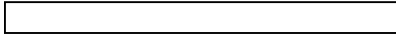
THE NEAR-TERM IMPACT OF REGIONAL DEVELOPMENTS IS LIKELY TO PROMPT TRAFFICKERS TO TRY TO STREAMLINE AND EXPAND THEIR OPERATIONS. WHILE THIS IS NOT LIKELY TO ALTER FUNDAMENTALLY THE COLOMBIAN-LED COCAINE TRAFFICKING THREAT TO THE UNITED STATES, IT COULD FACILITATE EXPANDED TRAFFICKING THROUGH SOUTH AMERICA TO

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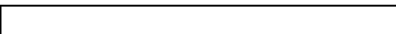
EUROPE AND OTHER MARKETS. IT IS ALSO LIKELY TO PROMPT FURTHER DIVERSIFICATION OF OPERATIONS INTO 'SPILLOVER' COUNTRIES. AT THIS POINT, WE BELIEVE THE TRAFFICKING INFRASTRUCTURES IN THE KEY 'SPILLOVER' COUNTRIES ARE SMALL AND WEAK ENOUGH TO BE VULNERABLE TO SERIOUS COUNTERNARCOTICS ACTION. SUCH AN OFFENSIVE SEEMS UNLIKELY, HOWEVER, SINCE THESE STATES ARE RELUCTANT TO DIRECT SCARCE RESOURCES AWAY FROM PRESSING ECONOMIC AND SOCIAL WELFARE NEEDS TO AN EXPENSIVE COUNTERNARCOTICS PROGRAM. NEVERTHELESS, WE BELIEVE THEY COULD IMPROVE THEIR START AGAINST THE DRUG PROBLEM BY DEVELOPING INTELLIGENCE ON EMERGING DRUG PATTERNS TO FIND THE MOST VULNERABLE AND LEAST COSTLY TARGETS TO ATTACK. MORE VIGOROUS USE OF ANTI-NARCOTICS TOOLS ALREADY IN PLACE COULD, IN OUR JUDGMENT, PRODUCE NOTEWORTHY GAINS AND PAVE THE WAY FOR ADDITIONAL ASSISTANCE THAT WILL BE NEEDED TO MAINTAIN COUNTERNARCOTICS MOMENTUM.

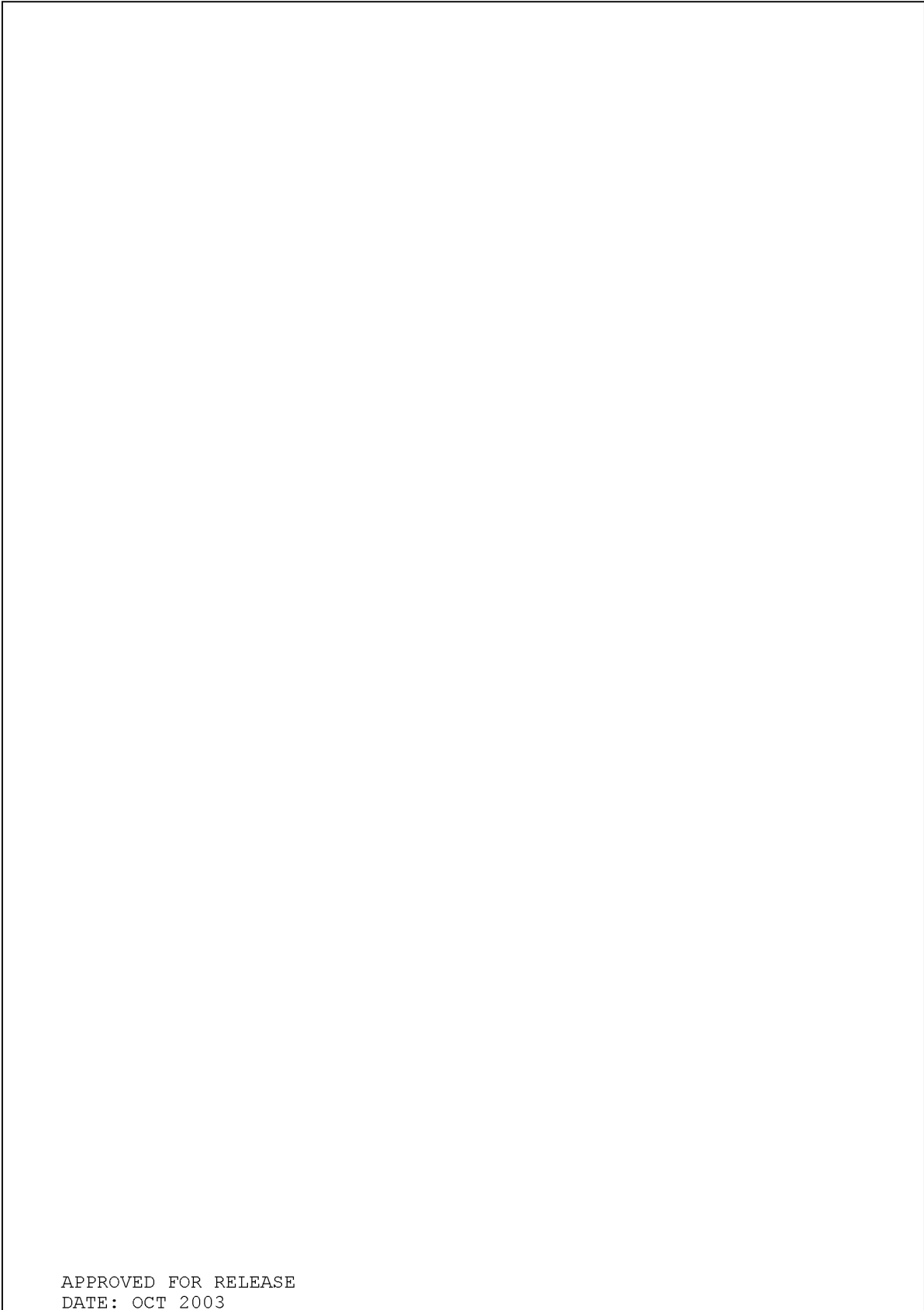
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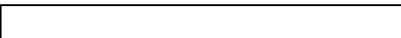


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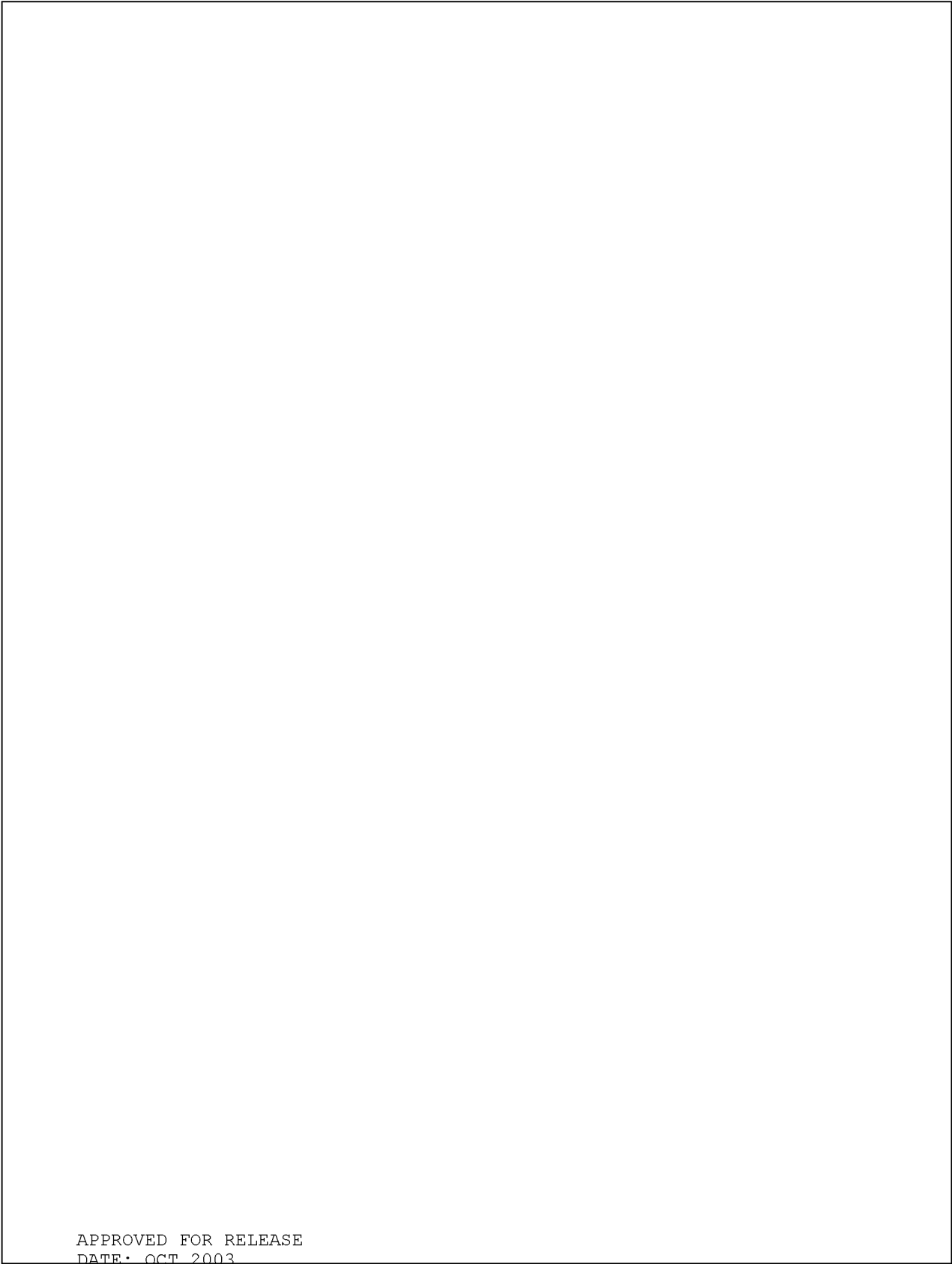
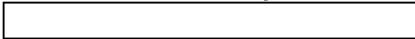




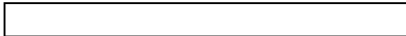
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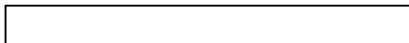


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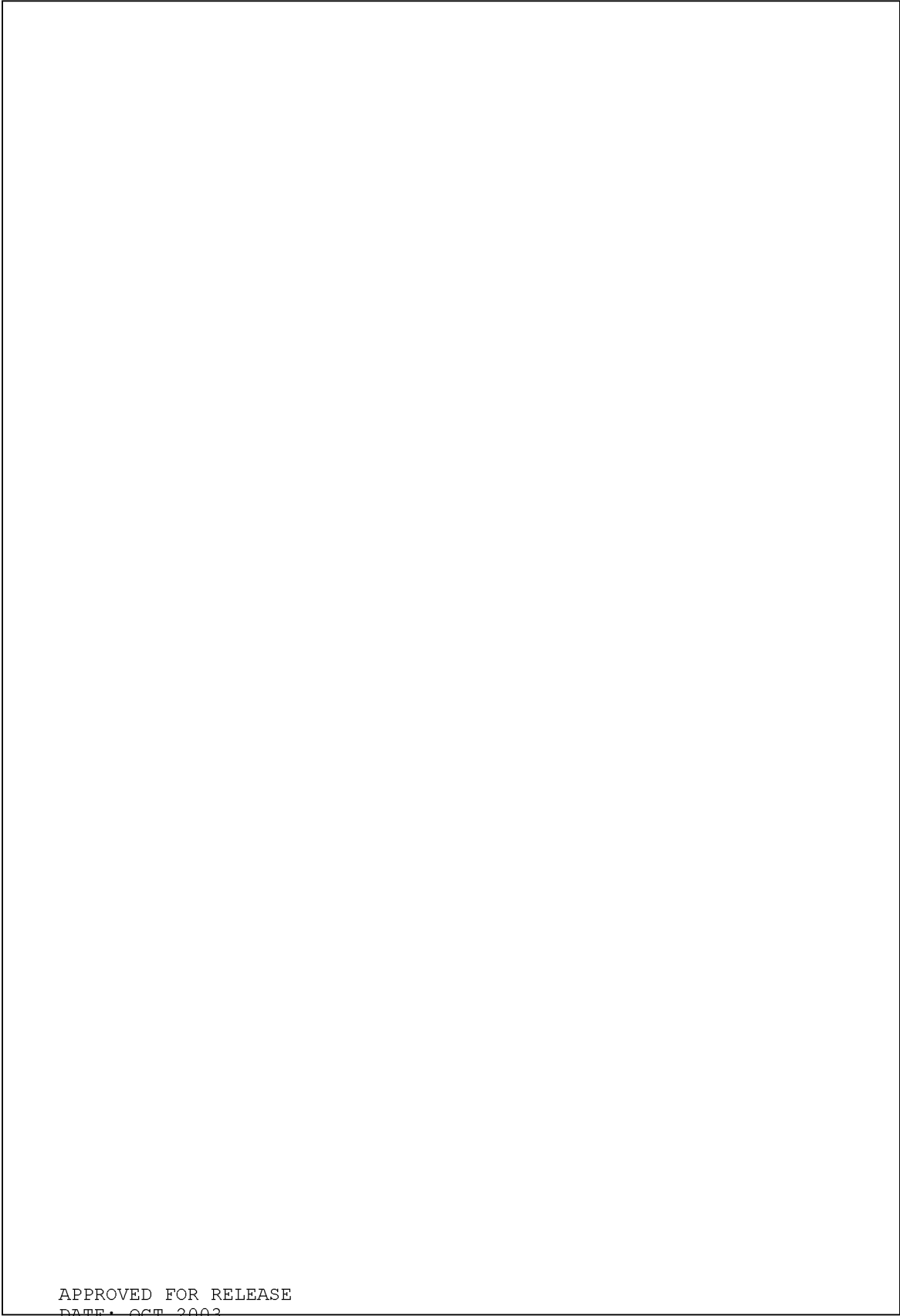
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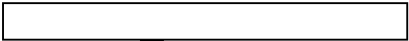
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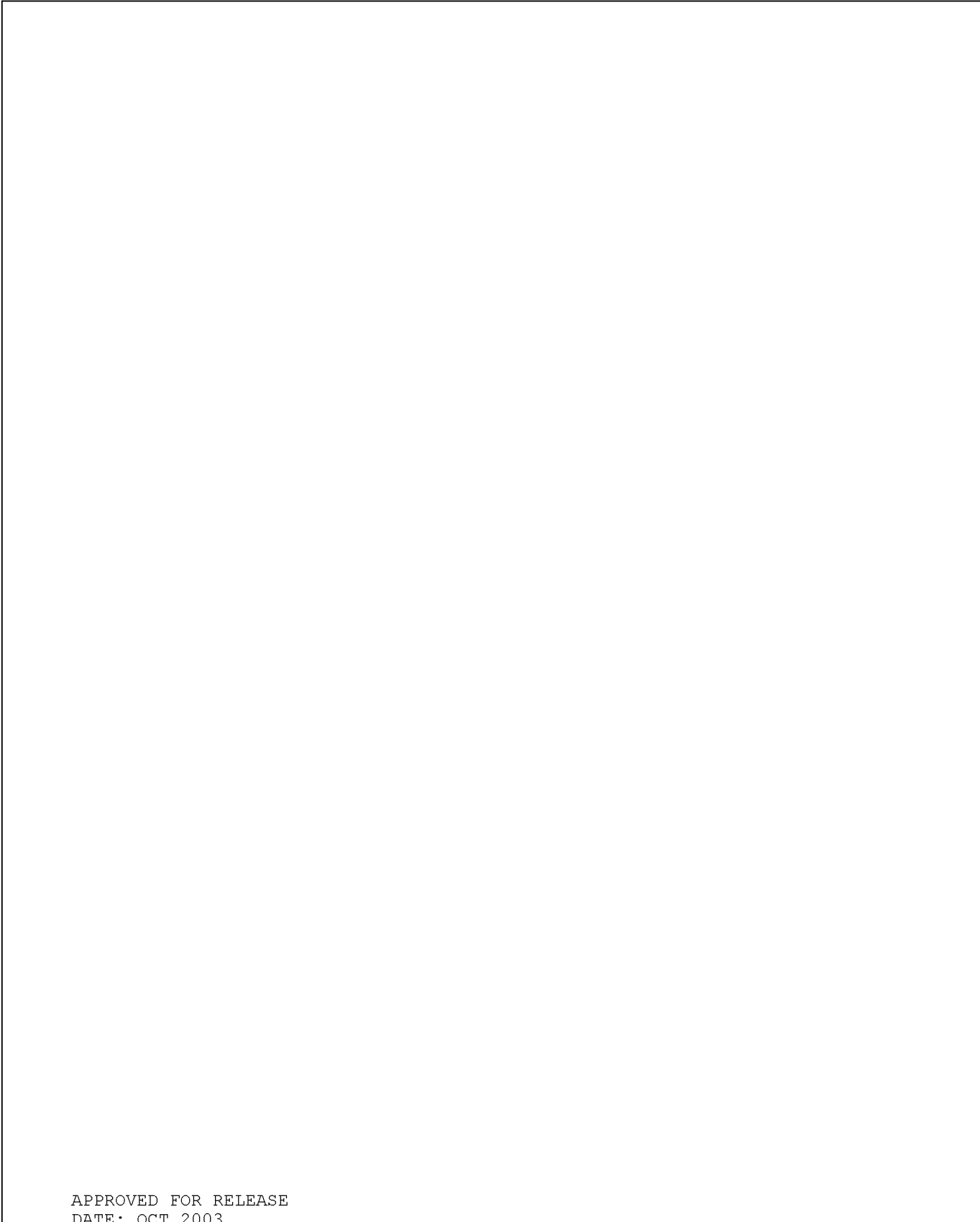
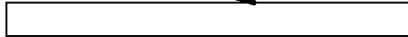


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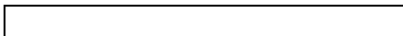


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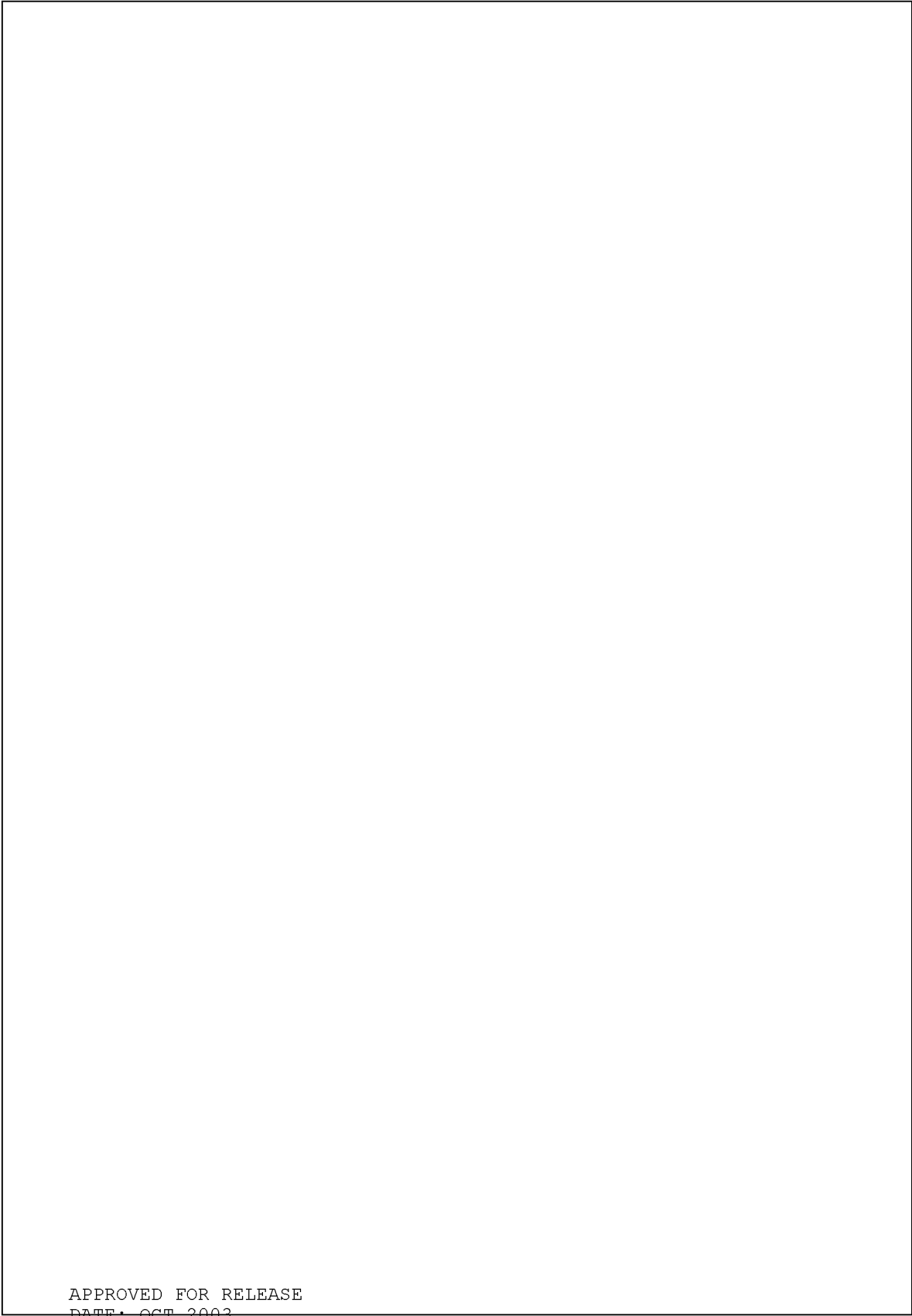
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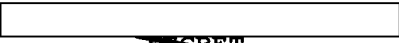
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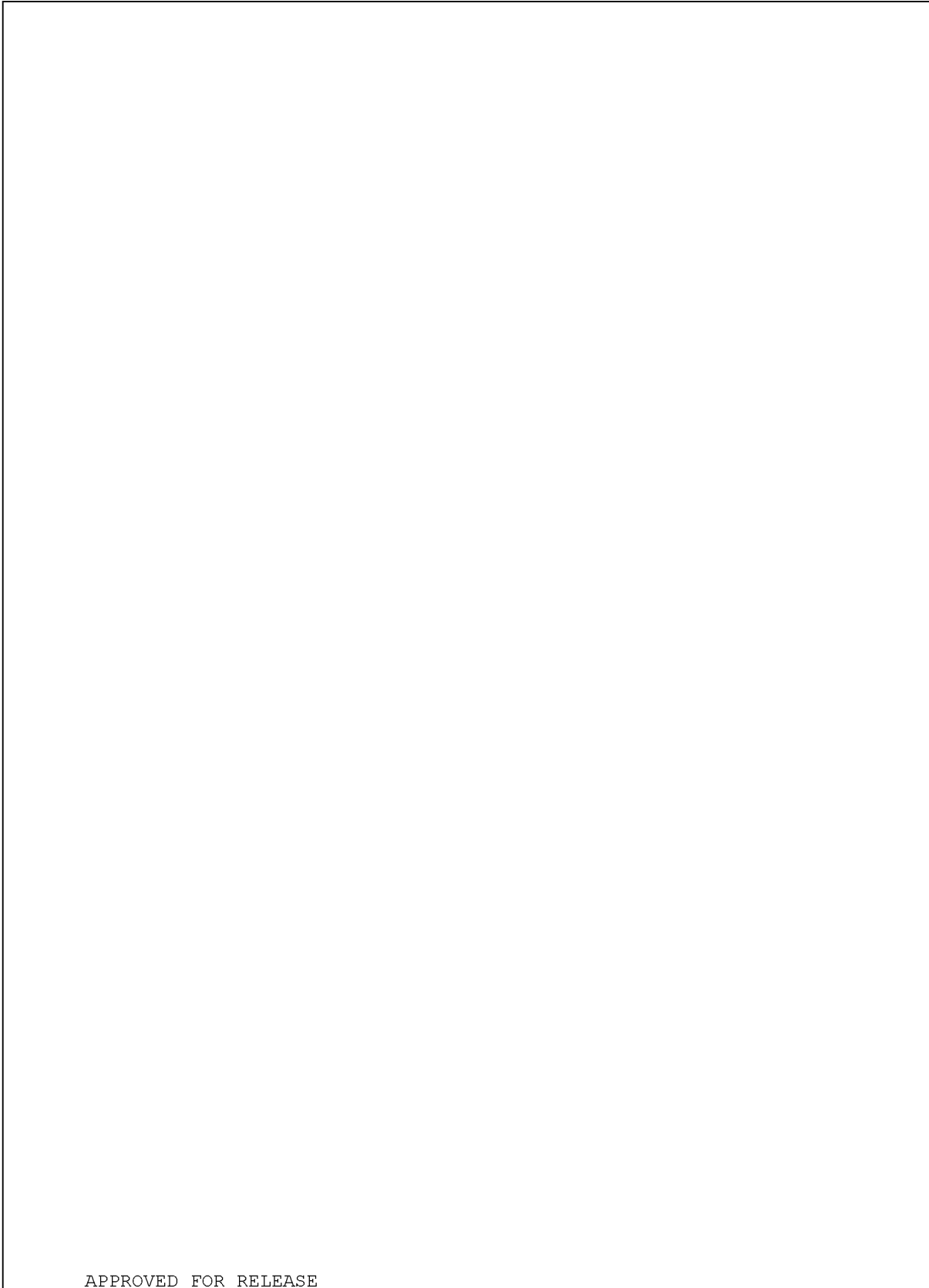
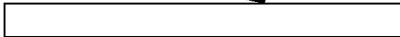


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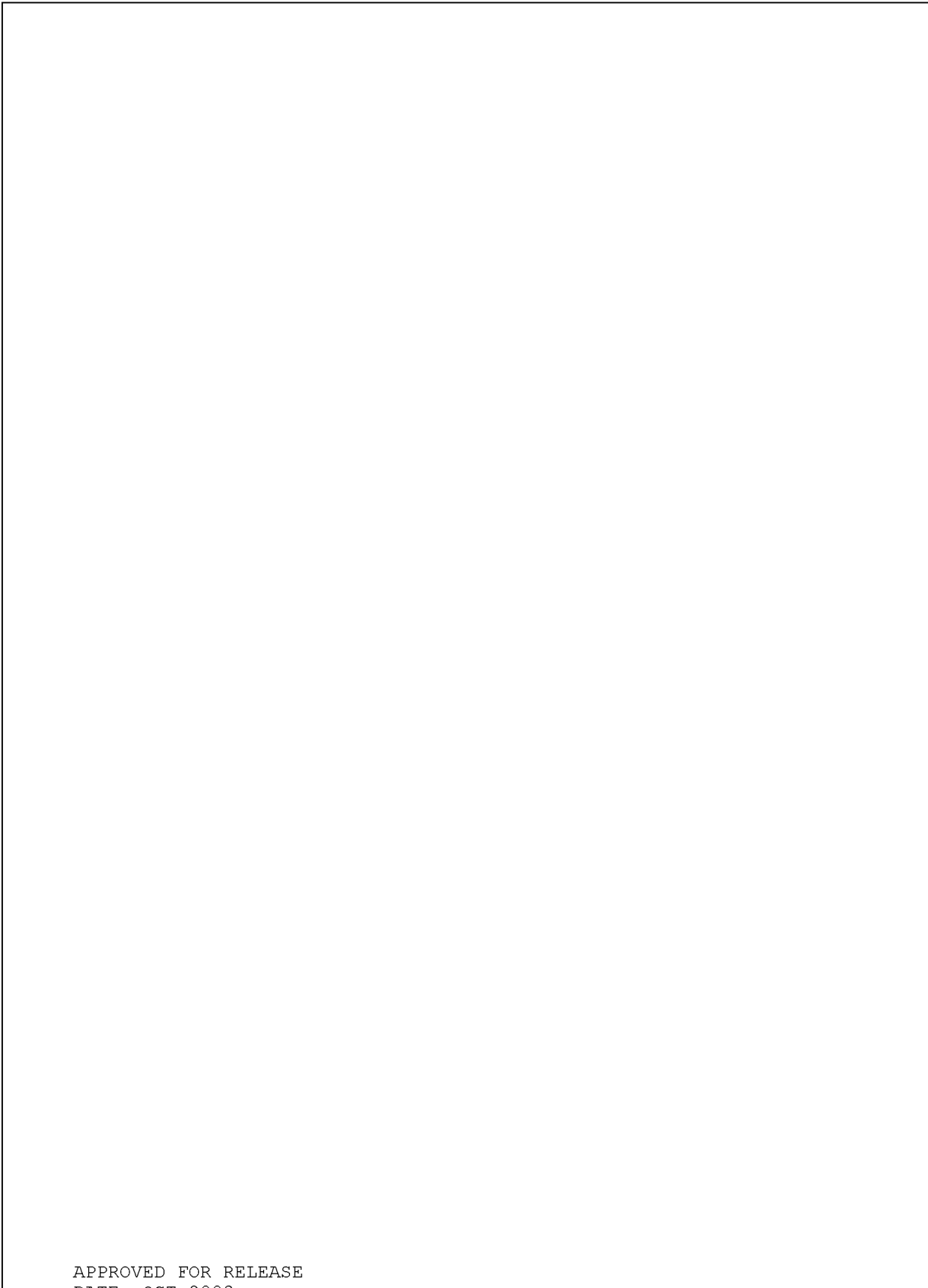
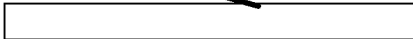
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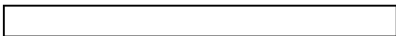


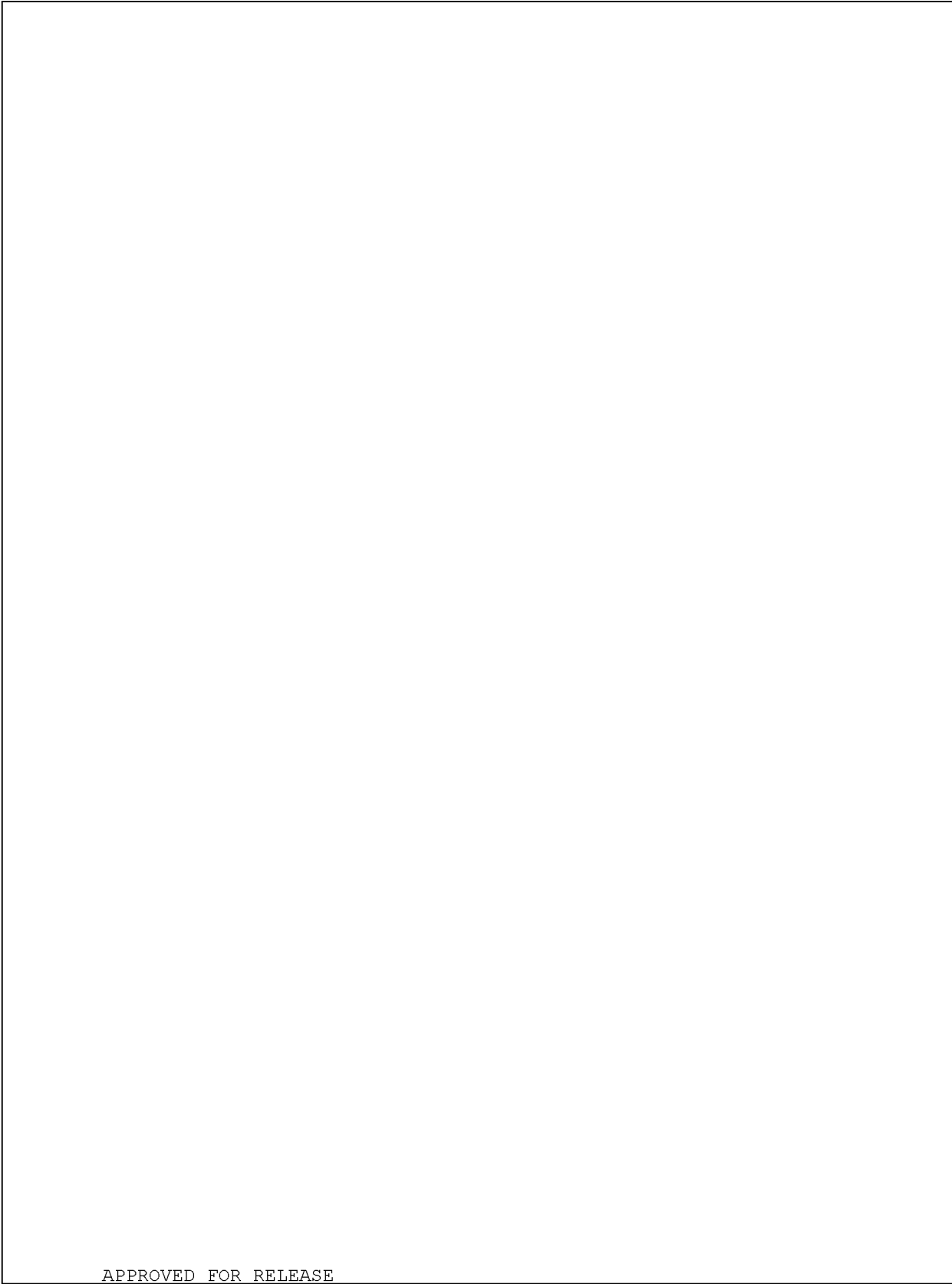
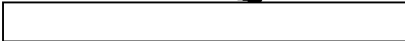
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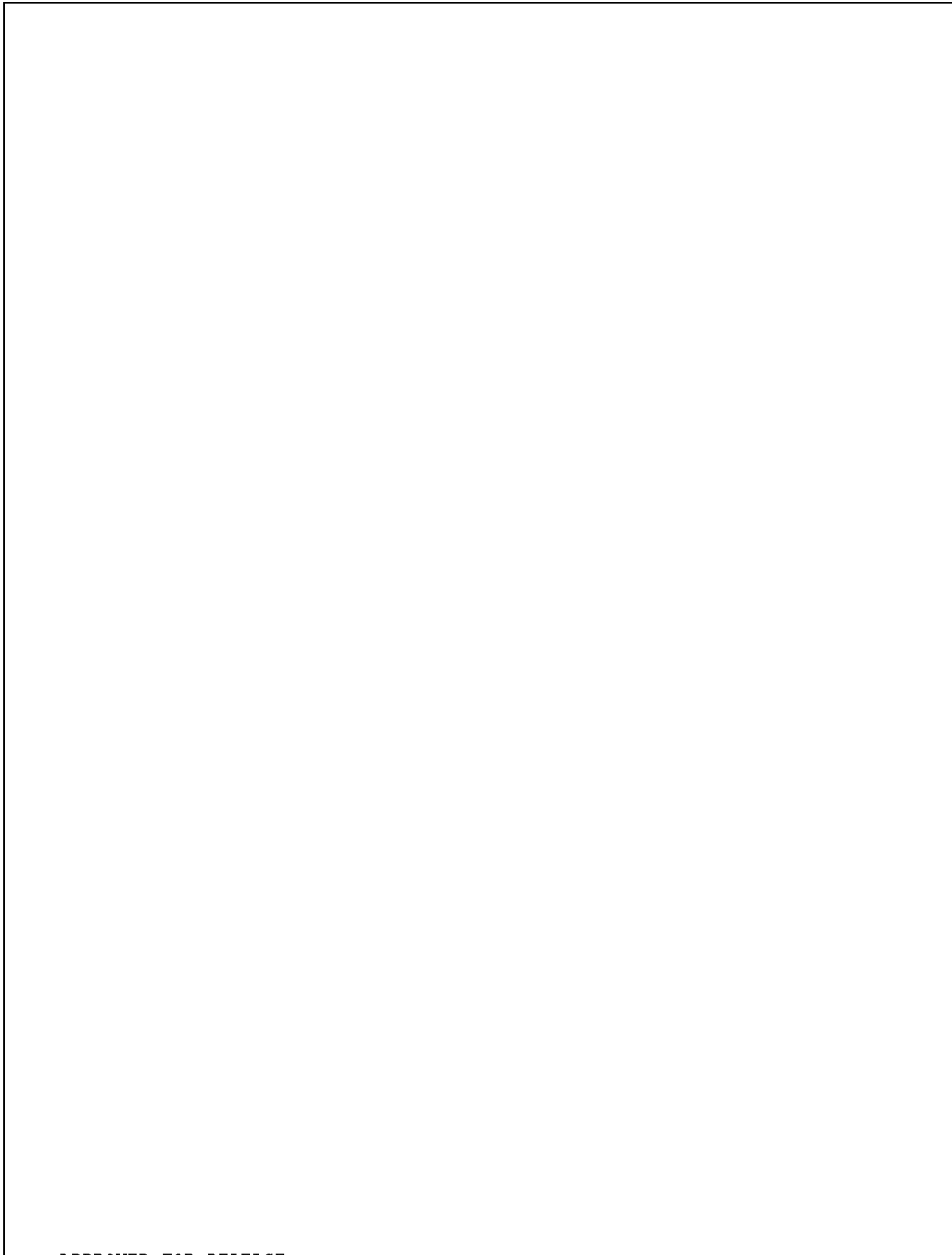
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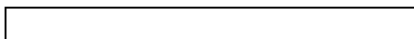


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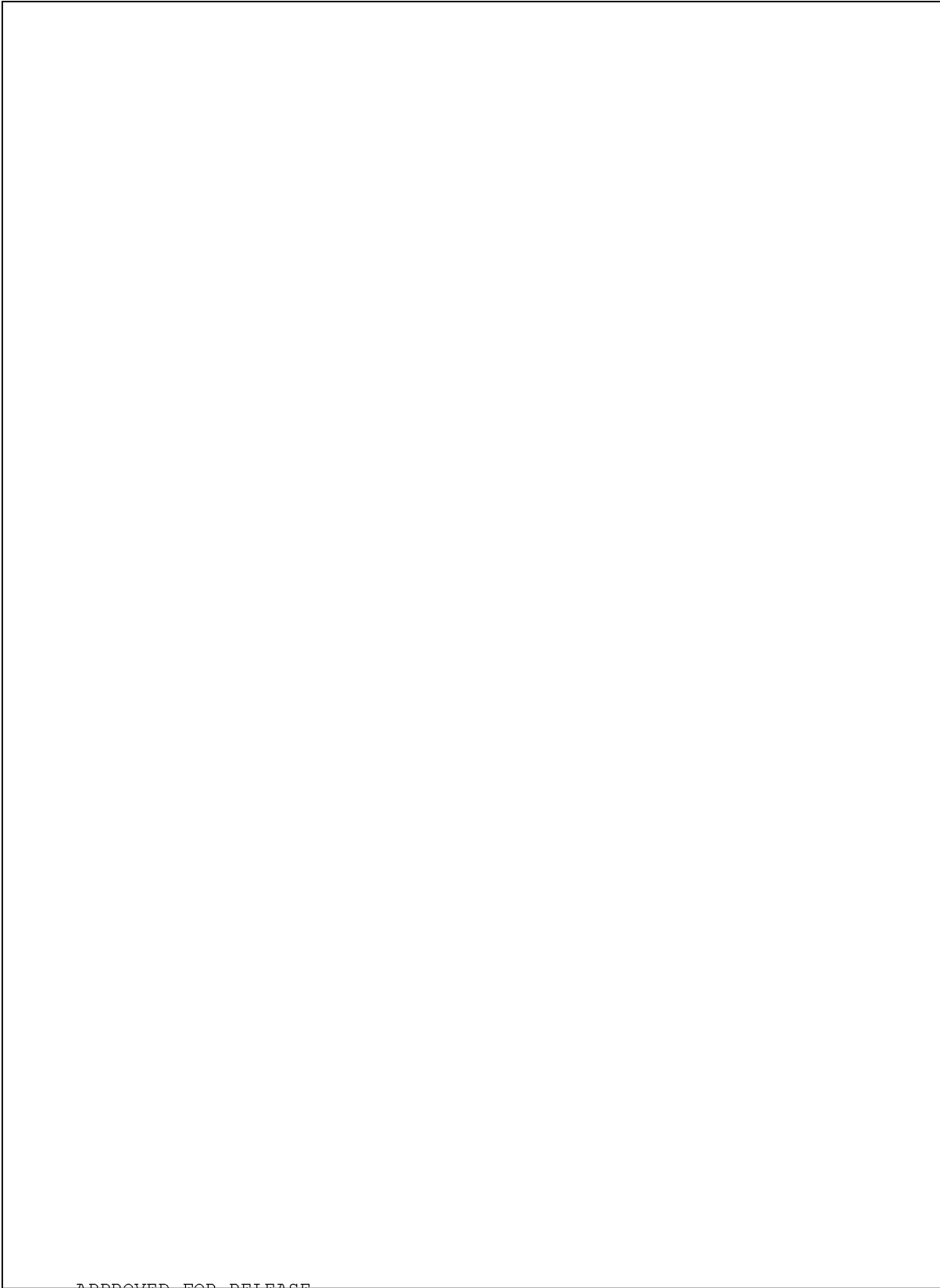
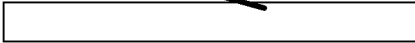




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