

Counternarcotics Strategy in Latin America

Testimony by  
Anne W. Patterson  
Assistant Secretary of State  
Bureau for International Narcotics and Law Enforcement Affairs  
U.S. Department of State

before the

House International Relations Committee  
Subcommittee on the Western Hemisphere  
March 30, 2006; 10:30 a.m.  
Rayburn 2172

## Counternarcotics Strategy in Latin America

Thank you, Mr. Chairman, Mr. Engel, and distinguished Members of the Subcommittee. The Department of State welcomes this hearing as a timely opportunity to review the significant progress being made in the Americas to combat illicit drug production and trafficking, as well as to discuss the challenges and opportunities before us.

### **INCSR**

On March 1, the Department of State released the 23rd annual *International Narcotics Control Strategy Report (INCSR)*, a global report on international efforts to curb cultivation, production, trafficking and abuse of illicit drugs. While it is drafted and coordinated by the Department of State, it is reviewed by the entire USG law enforcement community – including the Departments of Justice, Homeland Security and Treasury, as well as the DEA, the Coast Guard and ONDCP. The companion Money Laundering Report is, in fact, drafted by an interagency group of experts. The assessments and recommendations reflect interagency consensus.

While there are many acute concerns and daunting challenges in the Western Hemisphere, it is helpful to begin by stepping back and comparing where we are now compared with a decade ago. Returning to the counternarcotics world after some years away, I am struck by the overall progress that has been made in this hemisphere – not just by individual countries, but by countries working together. Report after report in the INCSR provides evidence of maturing policies, modernizing institutions, and stronger cross-border, sub-regional and international cooperation. Countries are seizing more drugs, extraditing more fugitives, participating in more cross-border operations, and rooting out and punishing corruption. Many are making broad-sweeping changes to their legal systems to better confront modern forms of organized crime – and seeking to harmonize their legislation with neighboring states to prevent criminals from simply shifting from tougher to weaker jurisdictions.

When the first INCSR was published, Latin American narcotics-producing countries were just reporting the first signs of drug abuse in their own countries, while the United States was in a full-blown crack epidemic. Today, U.S. cocaine consumption has leveled off and casual use is down

substantially while drug abuse is growing in throughout the hemisphere. The inter-American dialogue on drugs has changed accordingly, with less finger pointing and a greater sense of shared responsibility and cooperation.

This didn't happen overnight – nor by happenstance. It was the result of long-term U.S. foreign policy and foreign assistance efforts to promote democracy and to strengthen democratic institutions – including the justice sector and law enforcement. It was the result of sustained encouragement and support by the U.S. Government – including the leverage exerted by the U.S. narcotics certification process – as well as multilateral engagement through the Organization of American States and the Summit of the Americas. It was also the result of the explosion of the myth in other countries that drug abuse was an American problem, not theirs.

The international community also recognizes the links of the drug trade to money laundering, terrorist financing and organized crime and has been working together to confront the many challenges. The United States plays an important leadership role, but is no longer alone in pressing for effective action. Mexico and Colombia are staunch allies – multilaterally as well as bilaterally. Costa Rica emerged as a leader in promoting the development of a Caribbean regional maritime agreement. El Salvador stepped forward to host the new International Law Enforcement Academy for the Americas. Nicaragua has advanced the cause of combating weapons trafficking.

All around the Americas, countries are taking a fresh look at what it costs to cling to old sovereignty sensibilities when there are real and menacing threats to be faced, and many are opting for creative ways to work with their neighbors. The Central Americans are working together to strengthen regional security. El Salvador and Guatemala mount joint patrols along their border – as the U.S. now does with Canada. The countries of the Eastern Caribbean were pioneers in this kind of collaboration through the Regional Security System (RSS). The U.S., Mexico and Canada have launched the Security and Prosperity Partnership (SPP), which seeks, among other goals, to develop a North American security perimeter. The Organization of American States' drug commission (CICAD) is mobilizing regional and sub-regional cooperation across the full range of anti-drug efforts, from demand reduction to chemical control.

All understand that only through common cause will we be able to contain and diminish the threats of drugs and organized crime, which are impediments to political and economic freedom and prosperity.

The Bureau for International Narcotics and Law Enforcement Affairs (INL) has been at the forefront of these diplomatic efforts and reform efforts – with the invaluable partnership of DEA and other agencies and the sustained generous support of the U.S. Congress. INL has brought problems to light through the INCSR report, used diplomatic engagement to build the will of partner nations to make needed reforms, and then provided them with the technical and material assistance they need to be more effective.

Let me highlight just a few of the important developments included in this year's INCSR:

- The seven ACI countries made good progress in interdicting drugs and eradicating opium poppy cultivation.
- Andean countries, Central American states and Mexico reported seizing 365 metric tons of cocaine worth tens of billions of dollars on the street.
- Mexican authorities, employing INL-provided screening equipment at several airports, uncovered over \$40 million in currency hidden in cargo bound for Colombia.
- In the Western Hemisphere, U.S. and international support assisted Colombia in aerially eradicating 139,000 hectares and manually eradicating another 31,000 hectares of illegal coca.
- Peru manually eradicated twelve thousand hectares of coca and seized eleven tons of drugs.
- Mexico eradicated over 20,000 hectares of opium poppy and over 30,000 hectares of marijuana, and seized 30 tons of cocaine, over 1,700 tons of marijuana and nearly a ton of methamphetamine.
- In 2005, Colombia extradited 134 people to face charges in the U.S. – an all-time high. Mexico extradited a record 41 fugitives and expelled

or deported 146 additional fugitives.

- U.S. and Canadian law enforcement have worked closely to attack and dismantle cross-border trafficking organizations, including a large criminal ring engaged in trafficking and producing ecstasy.
- Mexico moved to restrict the importation of methamphetamine precursors, notably pseudoephedrine, and tightened internal controls to prevent their diversion to illicit drug manufacturing.

### Budget Issues

In our Fiscal Year 2007 budget proposal, pressing demands elsewhere in the world – notably Afghanistan – have forced us to make difficult choices. There are cuts in bilateral anti-drug aid to many Latin American countries, although we realize there are real needs, particularly in the Transit Zone programs in Central America and the Caribbean.

### **Colombia**

Nowhere has progress been more pronounced than in Colombia.

In 2000, U.S. and Colombian officials developed a joint, highly-focused and aggressive strategy to target illicit drug production and trafficking. During that first year, while we were building up the infrastructure for “Plan Colombia,” coca cultivation reached an all-time high, and only 47,000 hectares of coca were eradicated. In 2005, the U.S.-supported Anti-Narcotics Police Directorate (DIRAN) sprayed a record 138,775 hectares of coca during the year and 1,624 hectares of poppy. The Government of Colombia reported that manual eradication accounted for the destruction of an additional 31,285 hectares of coca and 497 hectares of poppy. This stopped a potential of billions of dollars of cocaine from reaching U.S. streets. In addition, Colombian forces helped interdict 223 metric tons of cocaine and cocaine base. Recent preliminary analysis indicates that these efforts may have led to an increase in the U.S. street price of cocaine and heroin and a reduction in purity for both.

Under the leadership of Presidents Pastrana and Uribe, “Plan Colombia” has been a success – more than I expected when I was sent there as Ambassador in 2000. It has benefited Colombia in ways we did not anticipate, such as in

establishing security in the countryside and contributing to a renewed self-confidence in the country that is evident in many areas. Public safety has improved. Today, for the first time in the country's history, all 1098 of Colombia's municipalities have a permanent government presence. Colombia's ongoing transition from an inquisitorial to an accusatorial criminal justice system with oral trials is well underway and in those districts where the transition has already occurred, the new system has proved to be enormously more efficient and effective and has gained the confidence of the public at large. Kidnappings are down 51 percent and homicides 13 percent, and the World Bank considers Colombia an attractive investment climate with legitimate economic development that is replacing illicit drug production. Who would have thought that possible even a few years ago?

Another measure of progress is the extradition to the U.S. of organized crime leaders. Extradition is one of the legal tools most feared by drug traffickers. Major drug traffickers extradited to the U.S. last year included FARC leaders and Cali Cartel leader Miguel Rodriguez Orejuela. In 2005, a record 134 people were extradited from Colombia to the U.S.

Still, the United States and Colombia understand that major challenges remain. Narcotraffickers have undertaken to more aggressively replant coca that was destroyed in last year's record-setting aerial eradication campaign. The U.S. and Colombia are evaluating tactics to counter this rapid replanting, including stepping up the aerial spray program. We are also helping to build Colombian capacity to take over the program in the future.

Narcotraffickers continue to shift routes and methods to avoid detection and interception, and – while our detection and monitoring capacity has improved – there are simply not enough USG or host nation assets available to respond to all of the actionable targets.

Success in both interdiction and eradication rely on air mobility – the support of safe and dependable helicopters. Colombia is approximately the size of California and Texas combined, with an almost Texas-sized area lacking passable roads for much of the year. This remote area is where much of the coca is grown, and where the FARC and other illegal armed groups are most free to operate. Helicopter support is thus essential to enable the Government of Colombia – and especially the Colombian Army

and National Police – to effectively confront drug cultivation and counter illegal armed groups.

Helicopters, however, are very expensive assets to operate and maintain and require investments in lengthy aviator and maintenance personnel training. Although the Colombia Army has its own UH-60 Black Hawk fleet, INL is supporting it with over 70 USG-owned and supported helicopters. We are also providing technical assistance and training in conjunction with the Defense Department. Each year there is a marked improvement in the quality and number of Colombian helicopter pilots, mechanics, and support personnel. While the U.S. is working to “Colombianize” the helicopter program, we must do it at a pace that the Colombian government is able to assimilate, protect the large investments we have made, ensure flight safety, and keep the program’s focus on the highest priority missions – interdiction and eradication.

Upgrading aircraft under INL’s Critical Flight Safety Program (CFSP) is another essential element for continued effective aviation support of Colombian counternarcotics activities. Many of the aircraft within the INL Air Wing fleet are excess defense articles that are not included in the Department of Defense’s support system. A great number are over 40 years old, with airframes reaching the limits of their useful lifetimes and have not received major depot level maintenance. In many cases, aircraft have been grounded due to evidence of severe structural weakness. INL has planned and requested funds for the CFSP to repair, upgrade, sustain and replace aircraft needed for eradication, interdiction and counterterrorism programs. Over 60% of the FY 2006 funding will go to support our fleet in Colombia, with the remainder benefiting other Latin American programs. CFSP funding is essential for eliminating the safety and mission availability risks for these critical aviation assets.

The State Department coordinates the Colombian Airbridge Denial (ABD) Program. Since it was reinitiated in 2003, Colombia has established air sovereignty throughout the majority of its territory. This has led since 2004 to a 56 percent decrease in suspect trafficker flights, a 75 percent increase in law enforcement ground endgames, and a reduction in the total drug flow by air to the United States to seven percent or less. The program has forced traffickers to change their smuggling tactics by flying shorter distances. The

number of air events and air intercepts have decreased significantly, and we are now largely in a deterrence mode.

More than 93 percent of cocaine destined for the United States is smuggled by maritime transport. Our interagency interdiction community has been striving to get additional Maritime Patrol Aircraft (MPA) assets for the last two years. Joint Interagency Task Force-South (JIATF-South) coordinated the seizure of a record 254 MT of cocaine in 2005 despite the shortage in assets – both MPA and surface vessels. Even with excellent operational intelligence from such sources as Operation Panama Express, the lack of MPAs limits our ability to detect, monitor and target go-fast boats leaving Colombia.

Mitigating strategies include continued outreach to our allies, who continue to show strong support for the counter-drug mission. This year the Government of the Netherlands will be contracting with a private firm for two maritime surveillance aircraft to operate out of Curacao. These will fall under JIATF-South tactical control and provide much needed MPA support in the Caribbean. Likewise, DOD and Coast Guard are working to add additional aircraft to the effort. We understand that the FY 2006 Coast Guard budget includes additional funding for C-130 flight hours, which will also help close the MPA gap. Colombia and Central American countries have few, if any, MPAs or interdiction vessels. It would take a long time and significant new resources for these countries to develop this type of maritime interdiction capability.

We are also working on an initiative to use Airbridge Denial aircraft for both air and maritime detection and monitoring in the littoral waters off the Colombia's Pacific and Caribbean coasts. Ambassador Wood and I are exploring ways to get even a better return on our successful ABD program investment while increasing the effectiveness of our bilateral interdiction program. We hope to implement this initiative immediately since the assets are already in place.

In addition, we have now arrived at a point in this process where we are turning greater attention to the democracy programs, the so-called "soft side" of our support. We need to be able to meet that commitment in order to ensure that Colombia will indeed be the free-standing, able partner that we envision for the future.

## **Other Andean Countries**

Peru and Bolivia remain the second and third largest producers of coca. In 2005, both governments faced growing resistance from drug-cultivating farmers, which slowed eradication efforts and contributed to an increase in estimated coca cultivations.

In Peru, the most recent USG survey detected increased coca cultivation, some of it in areas not surveyed before. Farmers were encouraged by high prices for coca leaf and temporary constraints on eradication. The government has now dedicated more resources than ever to eradication and goals were surpassed, but it will take time to wipe out the increase. The policies of the new government to be elected this April will obviously have significant bearing on the future of Peru's counternarcotics effort.

The new recently-elected Morales Administration in Bolivia has displayed a lackluster commitment to coca reduction. Our relationship with the new government will depend upon the policies it adopts on a wide range of issues, with counternarcotics a key component of our bilateral relationship. The U.S. will continue to try to maintain good relations with the Bolivian government and help it to sustain the enormous progress made there in the past ten years.

We want to work closely with President Morales. Our Ambassador and Mr. Shannon, the Assistant Secretary for Western Hemisphere, have met with him a number of times. Secretary Rice met with him at the recent inauguration of President Bachelet in Chile. I will be traveling to Bolivia next month as well to urge Bolivian cooperation against drug trafficking. We hope to continue the productive partnership we have enjoyed with Bolivia.

While not major drug-producing countries, Ecuador and Venezuela play critical roles in drug trafficking because of their long, largely unguarded borders with Colombia. In Ecuador, cocaine seizures reached a record 45 metric tons 2005. But the government has allocated insufficient resources for its security forces to consistently and effectively thwart cross-border incursions by Colombian narco-terrorists, and refuses to condemn such groups, espousing neutrality in the Colombian conflict. Ecuador's security forces have conducted effective operations in the field given constraints on resources and capabilities. However, we are deeply concerned with the

dramatic increase in the use of Ecuadorian-flagged vessels by drug trafficking organizations over the past 18 months. We are certain that this troubling phenomenon arises from the success of the maritime law enforcement agreement between Colombia and the United States. Because of the hundreds of seizures and U.S. prosecutions facilitated by this agreement, drug trafficking organizations are using Ecuador as a “safe haven” from U.S. prosecutions.

There appears to be a trafficking shift from air to overland transport of drugs into Venezuela, but we are still very concerned about flights into the country from Peru, Bolivia and Brazil, as well as flights to Hispaniola. The Venezuelan government’s willingness to cooperate with its neighbors and with the U.S. is obviously critical to the regional strategy. However, as the INCSR report illustrates, Venezuela’s counternarcotics performance over the past year has been, at best, mixed. The President decertified the Government of Venezuela in September 2005 because of what the USG viewed as its failure to cooperate on a range of counternarcotics issues and also because of threats against Drug Enforcement Administration personnel. With the recent surge in production in the region, Venezuela constitutes a hole in our counternarcotics strategy in Latin America. Given Venezuela’s excellent record for cooperation in the past, we hope to see a return of that cooperative spirit in the coming year.

**Southern Cone and Tri-Border:** The Southern Cone remains vulnerable to exploitation as a transit zone for narcotics trafficking and other transnational crime. The Tri-Border Area, shared by Argentina, Brazil and Paraguay, in particular, has long served as a venue for illicit activity including drugs and arms smuggling and money laundering. These countries are used as transit routes for over a hundred metric tons of cocaine. INL is actively engaged in enhancing the capabilities of the law enforcement agencies in Argentina, Paraguay and Brazil to enable them to act more effectively against narcotics trafficking, other transborder crime and international terrorism. In Paraguay, we are creating a Trade Transparency Unit, modeled after the successful unit in Colombia. It will enhance greatly the capability of our countries to prevent and combat money laundering, terrorist financing, stem official corruption, and support economic development through enhanced revenue collection.

## **Mexico**

Combating drug trafficking from and through Mexico is an enormous challenge. In many ways, it is the principal counternarcotics challenge. Mexico is the principal transshipment route to the United States for South American drugs, a major source of heroin and the key supplier of methamphetamine. It is the principal placement point in the international financial system for proceeds of crime from the United States, and thus critical in terms of combating money laundering. Mexican-based trafficking groups are now the major foreign criminal threat we face here in the U.S. Beyond drugs, broader security interests and the recent surge in armed violence along the US-Mexico border are of gravest concern.

Against this sobering backdrop, there are ample reasons to be optimistic about what can be done. Ten years ago, there were many divisive issues between us and Mexico, not least of which were the apparent impunity enjoyed by the Mexican drug cartels and the Government of Mexico's refusal to extradite drug fugitives. Yet, in 2005, Mexican forces took forceful action against a number of the drug cartels – most of the leadership of the Arellano-Felix Organization, for example, is now behind bars. The Mexican government extradited 41 fugitives to the United States in 2005, including a number of Mexican nationals, and the Mexican Supreme Court re-opened the way to extradition of fugitives facing the possibility of life imprisonment – which for several years was one of the principal legal barriers to the extradition of drug traffickers. We still await the extradition of a major drug trafficker, and we would like to see closer cooperation in some important areas such as maritime interdiction, but we recognize that the Fox Administration has done a great deal to make that more possible in the future. Mexico has come a long way in recent years on many critical issues.

During my trip to Mexico City earlier this month, I met with senior Mexican officials on a whole range of issues – but focused on the emerging threats, such as methamphetamine production and trafficking. I was pleased to see how much the Government of Mexico has done in a relatively short time to curb the importation of precursor chemicals. Mexican authorities have dramatically reduced the legal imports of pseudoephedrine and ephedrine during the past two years – by over 40 percent – after determining that

imports exceeded needs for medicines containing such ingredients. The National Commission Against Sanitary Risks (COFEPRIS) cancelled many import permits and revoked import licenses, including the licenses of the seven largest distributors. It now requires importers to transport such substances in escorted armed vehicles. As a result of these changes, however, we anticipate that traffickers will attempt to circumvent the controls. Methamphetamine trafficking and production figured prominently in last week's Binational Commission meeting here in Washington, with both governments pledging to intensify action against this threat.

Institutional development and reform in Mexican federal law enforcement have been far reaching, resulting in a higher level of professionalism and willingness to cooperate with the U.S. and other foreign partners. Because of the Fox Administration's own orientation toward reform and institutional modernization, INL's Mexico program is one of our most innovative. Traditional INL programs, like eradication, have been nationalized in Mexico for some years now, allowing INL resources to focus on capacity building activities, such as modernizing Mexico's federal police force, the Federal Investigations Agency (FBI equivalent). Our programs are very much tailored to facilitating effective partnerships between U.S. and Mexican counterpart agencies. We have also devoted considerable energy and resources in strengthening border security capacity in northern Mexico, complementing parallel work by the Department of Homeland Security on the U.S. side of the border, in support of the Border Partnership Accord.

There is a tremendous amount of work still to be done in Mexico. Reforms and professionalization efforts at the federal level have not been replicated in all key federal agencies or at the state and local level. A key objective must be to support law enforcement reform and modernization at the state and local levels, including effective anti-corruption reforms. INL's FY 2007 budget request includes programs focusing on state and local levels as well as continuing support for the Culture of Lawfulness program, which promotes rule of law at the school, community and government levels.

Mexican law enforcement and military actions have disrupted criminal organizations, as we have seen in the past two years against the Arellano Felix Organization based in Tijuana, but efforts must be sustained over time to dismantle them. New restrictions on the importation of key chemicals will help to make it harder for methamphetamine traffickers to obtain these

precursors, but parallel measures must be taken to prevent diversion from legitimate sources or to preempt a shift to clandestine smuggling.

Another major challenge that defies easy solutions is border violence. This was a recurring theme in many of the Working Groups at last week's U.S./Mexico Binational Commission. Secretary Rice personally raised U.S. concerns about border violence at that meeting; this message was reinforced by Attorney General Gonzales and Homeland Security Secretary Chertoff. Both sides pledged to make this a top priority. INL, along with other USG agencies, will redouble programmatic and operational efforts to assist Mexico to improve public safety.

The Department of State is confident that – regardless of the outcome – the next Administration in Mexico will realize that it is clearly in Mexico's interests to cooperate with the U.S. on security and combating crime.

### **Central America**

Central America is particularly vulnerable to drug transshipment and international organized crime. Approximately 90 percent of U.S.-bound South American cocaine and a large quantity of heroin transit the region as a whole, primarily over maritime trafficking routes. Their criminal justice systems are antiquated, inefficient and inadequately resourced. Corruption is a pervasive problem. The rise of highly-organized and violent criminal youth gangs is devastating Honduras, El Salvador and Guatemala – and governments have been struggling to find the best way to devote their limited resources to the problem. Sadly, U.S. attention in the region has ebbed and flowed, preventing us from being as effective a force for change and reform as we might have been.

The gang problem reaches beyond Central America and affects us directly in the United States as these groups expand their international networks. Enforcement-oriented “hard line” (“*mano dura*”) approaches implemented in some governments have demonstrated that law enforcement alone is not enough. A balanced, multi-sector approach that addresses crime prevention, rehabilitation and social reintegration is clearly called for.

As we have looked at how to improve – or in some cases restore – interdiction capacity in the region, it is clear that the needs are so great that the rather modest funding currently available will have very little impact.

In Guatemala, for example, I sent a team down to look at what it would take to restore a modest five-helicopter mobility package. The estimated cost to do this was six times higher than INL's intended FY 2006 budget for Guatemala. With maritime smuggling the dominant trafficking method, we would also like to expand maritime interdiction capacity, but this cannot be done – or done right – in the present budget climate. I will continue to explore this idea, but will have to find less expensive alternatives.

Overland trafficking along the Pan-American Highway is also a threat. INL has assisted each country in strengthening its border inspection stations, particularly at key chokepoints and worked with DEA to establish Mobile Inspection and Enforcement Teams. Through the Cooperating Nation Information Exchange System, U.S. Southern Command provides data on suspect air and maritime movements to partner nation authorities to support their tracking and interdiction efforts.

Central American governments also wrestle with trafficking in firearms, alien smuggling, and money laundering. Many also face serious domestic criminal problems, including criminal youth gangs, while struggling with underlying poverty, devastating natural disasters, and pervasive corruption. We see genuine commitment at the presidential level in most of the countries in the region and will work to reinforce that commitment. INL programs seek to modernize criminal justice sector institutions, especially federal police and prosecutors and to enhance interdiction capacity. While only a small percentage of illicit drugs moves by air, we have provided some limited support to governments, such as Guatemala, to restore some of their diminishing air mobility.

INL funding for transit zone support is limited by budget constraints and competing priorities, such as Andean production. However, I am committed to finding ways to assist our excellent partner nations in the region. For example, by establishing the new International Law Enforcement Academy (ILEA) in El Salvador, the countries of Central America will benefit not only from training, but also from enhanced regional cooperation and information exchange.

## **The Caribbean**

Countries in the Caribbean region are largely poor, developing nations with weak justice sector institutions which are ill equipped to combat sophisticated drug or crime cartels. Corruption is another common challenge. Our programs focus on capacity building, maritime and air interdiction, port security and money laundering. To address border security issues, we are funding a regional database that will gather data on movement of people throughout the region. Known as the Regional Information and Intelligence Sharing System (RIIS), the database will link the 24 countries and territories that are members of the Association of Caribbean Chiefs of Police. The database will also permit the vetting of arrivals and departures of passengers on cruise ships and airlines and will be linked to INTERPOL and other international watch lists. We expect the RIIS to become operational in the coming months.

## **Multinational Efforts**

In the Western Hemisphere, the Inter-American Drug Abuse Control Commission – known by its Spanish acronym “CICAD” – within the Organization of American States has promoted a common framework for anti-drug policies, laws, and cooperation. Through the Summit of the Americas process, CICAD was given a mandate to develop a hemispheric anti-drug strategy as well as a peer review system for assessing the efforts of each member of this anti-drug alliance. The resulting “Multilateral Evaluation Mechanism” (known as the “MEM”) provides each of the 34 governments with an evaluation of its counter-drug efforts and recommendations for improving them. The CICAD Executive Secretariat, using funding from INL and other donors, provides training and other technical assistance to governments to promote compliance with the MEM recommendations. This system, while not yet as hard-hitting as the United States and other countries would like, still provides an objective, technical review that clearly results in governments making needed changes. It requires governments to take a more systematic and clinical look at themselves, particularly their own drug consumption and production trends. It is a valuable complement to the unilateral U.S. certification process.

## **Emerging Threats**

As we look to the future, INL will work to confront emerging problems or threats rapidly. Among the most pressing threats are synthetic drugs and youth gangs.

**Synthetic drugs** – Today, we are particularly concerned about synthetic drugs, such as methamphetamine and ecstasy, which present major medical, social and law enforcement challenges for the United States and the rest of the world. We are working at home and internationally, especially on border controls with Canada and Mexico, to ensure that laws and law enforcement can deal with illegal production, trafficking and diversion of precursor chemicals used to make these drugs. We must be vigilant in controlling precursor chemicals, especially ephedrine and pseudoephedrine, that are readily available and easily used to produce synthetic drugs in small toxic labs. We are working closely with Canada, Mexico and producer/exporter countries to control the movement of these precursor chemicals.

**Criminal youth gangs** – Criminal youth gang activity has a devastating affect on both public safety and lives of young people drawn into gangs. According to the Department of Justice's 2006 national drug assessment, many street gangs have evolved into well-organized, profit-driven criminal enterprises that participate in the smuggling and sale of drugs. The largest of these, including *Mara Salvatrucha* and *18th Street gang*, are now recognized as full-blown international criminal organizations.

The Department of State is working closely with other countries, especially in Central America, to confront the social and security problems posed by youth gangs. It is a very complicated policy issue and cannot be solved strictly through law enforcement action. INL will encourage partner nations to take a comprehensive, integrated approach that includes crime prevention, social reintegration, and juvenile justice reform. While many of INL's gang-related project activities are subsumed in broader training or enforcement programs, I intend to give this area special attention in the coming year.

We recognize that such a complex issue requires the involvement of many sectors of society, not just governments. We are partnering, for example, with non-governmental and international organizations, such as the

Washington Office on Latin America and the Organization of American States. They have organized seminars and workshops to bring governments, private groups and other stakeholders together to develop better approaches to the problem.

### **Impact of U.S. Efforts on the United States**

ONDCP figures show that the use of illegal drugs by teenagers in the United States has dropped by nearly 20 percent since 2001. From 2003 to 2004, the purity of heroin in the U.S. decreased by 22 percent while the price rose by 30 percent. Since February of 2005, a similar, albeit preliminary, pattern has been seen with cocaine, although these drugs are still readily available. However, we believe overall demand has begun to stabilize.

I firmly believe that if the United States was not supporting counternarcotics programs in the Americas the situation here at home would be dramatically worse. Without a concerted effort to eliminate the drugs at their source, we would have rising addiction rates because more drugs would be available at lower prices. The impact on the United States of the progress being made around the Hemisphere is, admittedly, less dramatic than what we are seeing in Colombia or even Mexico, but it is there. Unquestionably, the eradication and interdiction efforts of our partner nations have, with U.S. support, kept hundreds of tons of cocaine, heroin and marijuana out of our country.

In conclusion, we have a huge amount of work to do. It is both a “war” to be fought and won, and an ongoing effort to protect our country from foreign criminal threats. In my view, that is best done through strong partnerships, bilateral and multilateral. And, nowhere in the world do we have greater solidarity and shared sense of purpose and responsibility than right here in our own Hemisphere.

Thank you. And I would be happy to answer your questions.