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DRUG CONTROL

Observations on U.S. Interdiction in the Caribbean

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Mr. Chairman and Members of the Subcommittee

I am pleased to be here today to discuss the results of our review of U.S. interdiction efforts in the Caribbean. Our review focused on (1) the nature of drug trafficking activities in the Caribbean transit zone;¹ (2) host nation impediments to an effective regional strategy; (3) the capabilities of U.S. agencies to interdict drug trafficking activities; and (4) federal agency planning, coordination, and implementation of U.S. interdiction efforts. We recently issued a report to this subcommittee on our findings.² Our report on U.S. drug control efforts in the other major transit zone country, Mexico, should be available in the middle of June.

I would like to provide a short overview and then talk about each of these issues in a little more detail.

Results in Brief

With approximately 30 percent of the cocaine entering the United States coming through the Caribbean transit zone, cocaine trafficking is a major threat to the United States. During the past several years, Caribbean traffickers have shifted their operations from primarily air-related activities to maritime activities. Furthermore, traffickers are using improved technologies, such as global positioning systems, to counter efforts by U.S. agencies to identify and monitor their activities.

In November 1993, the President issued a counternarcotics strategy for cocaine in the Western Hemisphere. The strategy called for a shift in emphasis from the transit zone to the source countries. A major part of the U.S. strategy in the Caribbean is to strengthen the host nations' capabilities to support U.S. international counternarcotics objectives. The State Department has made some progress in implementing the strategy through new agreements with Caribbean countries and islands that promote increased air and maritime cooperation. However, U.S. officials generally believe that a number of host nations lack the capabilities needed to conduct effective antidrug operations and are also inhibited by corruption.

¹The transit zone is the 2-million square mile area between the U.S. and South American borders and covers the Caribbean Sea, the Gulf of Mexico, Central America, Mexico, and the Eastern Pacific. Our review concentrated on the Caribbean portion of the transit zone to include the leeward islands, the windward islands, the Bahamas, Jamaica, the Dominican Republic, Haiti, Puerto Rico, and the U.S. Virgin Islands.

²Drug Control: U.S. Interdiction Efforts in the Caribbean Decline (GAO/NSIAD-96-119, Apr. 17, 1996).

Budget reductions for interdiction efforts in the entire transit zone have reduced the ability of the Department of Defense (DOD) and law enforcement agencies to identify, track, and intercept drug traffickers. Funding for drug interdiction declined from about \$1 billion in fiscal year 1992 to \$569 million in fiscal year 1995. DOD's budget reductions resulted in fewer ship days, flight hours, and ground-based radars devoted to drug interdiction. Although a reduction in the interdiction effort was envisioned in the new cocaine strategy, the strategy also anticipated source country funding increases that never materialized. Cocaine seizures in the transit zone declined from a peak of about 70,000 kilograms in 1992 to about 37,000 kilograms in 1995.

The executive branch had not (1) developed a regional action plan to implement the cocaine strategy in the transit zone, (2) fully staffed interagency organizations with key roles in the interdiction program, or (3) fully resolved issues on intelligence sharing.

Drug Trafficking Activities Are Changing, and Interdiction Is Becoming More Difficult

Puerto Rico has become a major entry point for cocaine moving through the Eastern Caribbean into the United States. U.S. drug officials believe that after 1993 traffickers moved some of their activities from the Bahamas to Puerto Rico because U.S. interdiction efforts in the Bahamas had increased the risk to traffickers. U.S. law enforcement officials have mixed opinions concerning whether drug trafficking activities are increasing throughout other islands in the Eastern Caribbean and into the southern United States. However, several U.S. law enforcement officials stated that cocaine smuggling activities are increasing in southern Florida.

DOD records showed that while the number of known drug trafficking aircraft events³ in the transit zone declined by 65 percent from 344 in 1992 to 125 in 1995, the number of known maritime events increased by 40 percent from 174 in 1993 to 249 in 1995. (See attach. 1.) Drug enforcement officials told us that drug traffickers are increasingly relying on noncommercial and commercial maritime vessels (such as go-fast boats, sailing and fishing vessels, and containerized cargo ships) to transport drugs. According to U.S. officials, the large number of noncommercial vessels traveling in the transit zone makes it difficult to detect or intercept many drug trafficking activities. In addition, interdiction efforts are hampered by the increasing use of technology by

³According to DOD, "known events" represent clear, firm information about a drug shipment, confirmed delivery, aborted mission, or apprehension.

drug traffickers to avoid detection such as global positioning systems and cellular equipment.

Host Nation Impediments Hinder Counternarcotics Efforts

According to the State Department and U.S. law enforcement officials, most Caribbean host nations are cooperating in fighting drug trafficking. However, most Caribbean nations lack resources and law enforcement capabilities and have some corruption problems that hamper their efforts to combat drug trafficking. The Department of State's March 1996 International Narcotics Control Strategy Report provides a detailed discussion on the Caribbean countries. The report concluded that cooperation with U.S. authorities was generally excellent in 1995. However, the report noted that the governments of many Caribbean countries were unable to finance their law enforcement operations at a level commensurate with the trafficker threat.

U.S. officials stated that Caribbean nations will always have limited capabilities because they have small populations and limited funds available for counternarcotics. As a result, U.S. officials are trying to improve interdiction capabilities by signing agreements that allow U.S. personnel to conduct antidrug sea and air operations within the territorial waters and airspace of these nations. U.S. agencies are also providing limited supplies and training to the police forces and the judicial institutions.

Capabilities to Interdict Drug Traffickers in the Transit Zone Have Been Reduced

Since 1992, U.S. capabilities to interdict drug trafficking activities in the transit zone have declined. From fiscal years 1992 to 1995, the budgets for most federal agencies in the transit zone declined significantly. The amount of U.S. interdiction funding devoted to the transit zone declined by about 43 percent, from \$1 billion in fiscal year 1992 to \$569 million in fiscal year 1995. In November 1993, a presidential directive called for a gradual shift in emphasis from the transit zone to the source countries. Various agencies stressed that decisions to reduce the funding devoted to drug interdiction were often beyond their control. For example, the U.S. Coast Guard noted that, during the early 1990s, assets were reallocated from counterdrug missions to respond to two mass exoduses of emigrants from Haiti and Cuba.

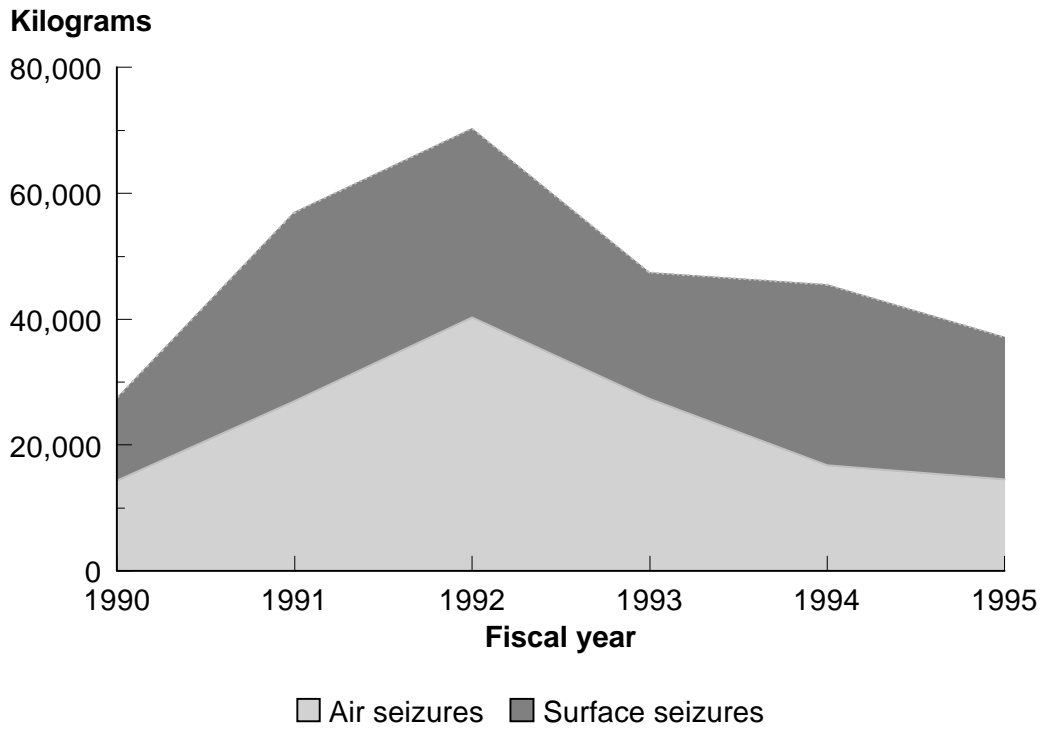
Moreover, the anticipated shift to the source countries did not materialize. Counternarcotics funding in the source countries declined from fiscal year 1993 to lower levels in fiscal years 1994 and 1995. (See attach. II.)

Agency officials also reported reductions in operational capabilities. Between December 1994 and November 1995, the DOD deactivated three Bahamian Aerostat radars, two Caribbean Basin Radar Network sites, two mobile tactical radars, and two remote high-frequency Link 11 transmitter/receivers. DOD offset these lost radars with two Relocatable Over the Horizon Radar systems which provide a larger area of coverage than the radars they replaced. However, the systems are less effective in detecting and monitoring air events. In addition, reductions in the number of ship days devoted to drug interdiction fell from about 4,400 in fiscal year 1993 to about 2,800 in fiscal year 1995. (See attach. III.) DOD also reported reductions in use of AWACS aircraft.

Cocaine Seizures Have Declined From 1991-92 Levels

Cocaine seizures in the entire transit zone have declined from the 1991-92 levels. As shown in figure 1, the amount of cocaine seized declined by about 47 percent, from about 70,000 kilograms to 37,000 kilograms between fiscal years 1992 and 1995.

Figure 1: Cocaine Seizures (fiscal years 1991-95)



Air seizures accounted for the greatest amount of decline, from about 40,000 kilograms in fiscal year 1992 to only 14,500 kilograms in fiscal year 1995. The decline in recorded seizures is likely due to a combination of factors, including reduced capability of U.S. agencies to detect air activities and a shift from air to maritime trafficking, limited host nation law enforcement capabilities, and cocaine traffickers' increased smuggling sophistication.

Lack of Regional Plan Hampers Interdiction Effort

We found that the executive branch had not developed a plan to implement the U.S. antidrug strategy in the Caribbean. DOD, the State Department, and law enforcement agencies have various agreements to implement the national drug strategy in the region. However, counternarcotics officials expressed concern over the lack of overall responsibility for implementing the current cocaine strategy in the Caribbean. U.S. officials noted that neither the Director of the Office of National Drug Control Policy (ONDCP) nor the U.S. Interdiction Coordinator had the authority to command the use of any agency's operations resources.

Various U.S. officials noted that there is a need for leadership and commitment by the ONDCP to ensure that agencies are carrying out their missions to achieve U.S. counternarcotics objectives. We also found that interagency staffing responses were inadequate, and that intelligence sharing remains a contentious issue. For example, we noted staffing shortfalls at both Joint Interagency Task Force-East, located in Key West, Florida, and the U.S. Interdiction Coordinator.

In our report, we recommended that the Director of ONDCP develop a regional action plan focused on the Caribbean part of the transit zone to fully implement the U.S. policy for cocaine in the Western Hemisphere. We stated that, at a minimum, the plan should determine resources and staffing needed and delineate a comprehensive strategy to improve host nation capabilities and commitment to counternarcotics interdiction. ONDCP stated that the recommendation was sound and was carefully examining our recommendation in preparing the 1996 National Drug Control Strategy.

This concludes my prepared remarks. I would be happy to respond to any questions.

Air and Maritime Drug Trafficking Events and Results (1992-1995)

Year	Air		Maritime	
	Events	Results	Events	Results
1992	344	66	^a	^a
1993	217	71	174	122
1994	154	45	223	172
1995	125	26	249	135

^aMaritime data for 1992 are not available.

Note: Traffickers' aborts were not counted in results.

Source: DOD.

Counternarcotics Funding in the Transit Zone (Fiscal Years 1991-1995)

Dollars in millions					
Agency	1991	1992	1993	1994	1995
DOD	\$407.1	\$504.5	\$426.0	\$220.4	\$214.7
Coast Guard	565.2	443.9	310.5	314.4	301.2
Customs	^a	^a	16.2	12.5	12.8
Dea	26.2	28.8	29.1	28.7	29.6
State	35.9	36.2	14.0	7.9	10.6
Total	\$1,034.4	\$1,013.4	\$795.8	\$583.9	\$568.9

^aCustoms data for 1991 and 1992 are unavailable.

Source: Indicated federal agencies.

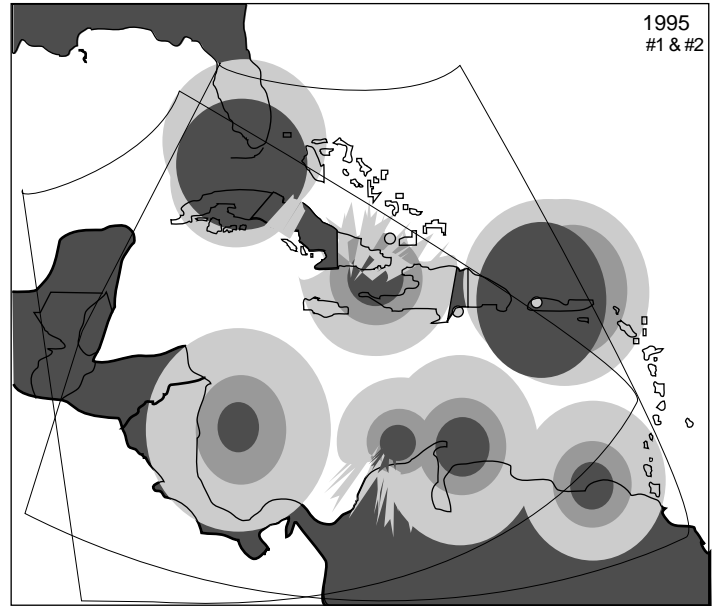
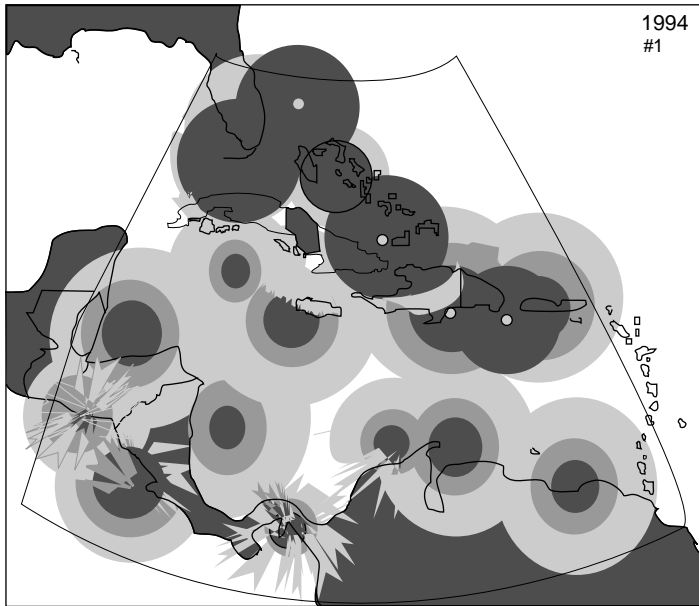
Counternarcotics Funding in Source Countries (Fiscal Years 1991-1995)

Dollars in millions					
Agency	1991	1992	1993	1994	1995
DOD	\$76.1	\$120.7	\$154.9	\$144.5	\$148.7
Customs	^a	^a	6.0	3.9	5.2
DEA	18.4	21.5	21.0	20.7	21.3
State	160.7	123.6	105.1	55.2	54.8
Total	\$255.2	\$265.8	\$287.0	\$224.3	\$230.0

^aCustoms data for 1991 and 1992 are not available.

Source: Indicated federal agencies.

Lost Radar Surveillance Capabilities (1994-1995)



**JIATF-East Maritime Assets
(fiscal Years 1991-95)**

Ship type	1991	1992	1993	1994	1995
Logistic	128	287	71	40	0
Cruiser	524	558	753	742	488
Destroyer	909	699	602	118	224
Frigate	1,874	2,008	1,441	785	727
Amphibious	51	87	188	9	0
Coast Guard	0	0	138	0	401
Other	750	533	1,255	974	1,005
Total	4,236	4,172	4,448	2,668	2,845

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