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DRAFTED BY: ARA/AND:C S SHAPIRO:CSS APPROVED BY: ARA/FO:B W ARONSON INM: M LEVITSKY, ARA: M M SKOL, ARA/AND: J F MACK, P:S G WESCHE, S/S-O: LAGERSON, NSCS: WSITTMANN, S/S: EMCKUNE D/P-R:W MCGLYNN, L/LEI:A SURENA, DOJ:R MUELLER, T:M RYAN, PM/SAS:M CEURVORST, AID/PPC:M MOHAMMED, AID/LAC:F SCHEICK OMB:M KASTEN DOJ:M RICHARD

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O 080356Z DEC 89 FM SECSTATE WASHDC TO AMEMBASSY LIMA IMMEDIATE INFO AMEMBASSY BOGOTA IMMEDIATE AMEMBASSY LA PAZ IMMEDIATE AMEMBASSY CARACAS IMMEDIATE AMEMBASSY QUITO IMMEDIATE USSOUTHCOM QUARRY HTS PN IMMEDIATE 0000 CIA WASDC IMMEDIATE 0000 NSC WASHDC IMMEDIATE 0000 SECDEF WASHDC IMMEDIATE 0000

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E.O. 12356: DECL: OADR TAGS: PREL, SNAR, OVIP, PE

SUBJECT: DISCUSSION WITH PRESIDENT GARCIA ON THE ANDEAN

SUMMIT

(A) 89 STATE 369396, (B) 89 STATE 382828 REF:

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THIS IS AN ACTION CABLE. SEE PARA 4.

SUMMARY:

THE FOUR-COUNTRY ANDEAN DRUG SUMMIT MEETING OF THE PRESIDENTS OF THE UNITED STATES, COLOMBIA, PERU, AND

Dept of State, RPS/IPS, Margaret P. Grafeld, Dir.
(V) Release () Excise () Deny (V) Declassify Date 9/(3/59 Exemption
Date 9/13/59 Exemption

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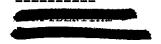
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BOLIVIA WILL TAKE PLACE ON FEBRUARY 15, 1990 IN CARTAGENA, COLOMBIA. IN PREPARATION FOR THE SUMMIT, THE DEPARTMENT HAS REQUESTED THAT AMBASSADOR QUAINTON MEET WITH PRESIDENT GARCIA AS SOON AS POSSIBLE AFTER THE PRESENTATION OF HIS CREDENTIALS TO PRESENT OUR VISION OF THE SUMMIT, DELIVER A LETTER FROM PRESIDENT BUSH, AND ADVANCE THE PLANNING DISCUSSIONS FOR THE SUMMIT INITIATED IN WASHINGTON WITH THE FOREIGN MINISTERS OF BOLIVIA, PERU, AND COLOMBIA ON NOVEMBER 16 (REFTEL). TEXT OF LETTER FROM PRESIDENT BUSH TO PRESIDENT GARCIA IS BEING SENT SEPTEL.

END SUMMARY

4. ACTION REQUESTED

DRAWING ON THE TALKING POINTS PARAS 9 - 13, THE AMBASSADOR IS REQUESTED TO SEEK A MEETING WITH PRESIDENT GARCIA AT THE EARLIEST OPPORTUNITY TO DELIVER THE LETTER FROM PRESIDENT BUSH, SHARE OUR VIEWS OF THE SUMMIT AND AGENDA, SOLICIT HIS, AND CONFIRM AGREEMENT FOR A/S ARONSON TO MEET WITH PRESIDENT GARCIA THE WEEK OF DECEMBER 10.



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BACKGROUND

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5. SUMMIT DATE, VENUE AND PARTICIPANTS:

THE ANDEAN SUMMIT HAS BEEN SCHEDULED FOR FEBRUARY 15 (ARRIVE A.M., DEPART P.M.) IN CARTAGENA, COLOMBIA. THE MEETING WILL INCLUDE THE CORE THREE (COLOMBIA, PERU AND BOLIVIA) PLUS THE UNITED STATES. THERE WILL BE NO HIGH LEVEL EUROPEAN PARTICIPATION AT THIS INITIAL SUMMIT; HOWEVER, WE WANT TO INCLUDE THE EUROPEANS AND JAPANESE AT A FOLLOW UP MEETING. THE FOREIGN MINISTERS IN CONVERSATION WITH ASSISTANT SECRETARIES ARONSON AND LEVITSKY ON NOVEMBER 16 AGREED THAT SUMMIT PARTICIPATION SHOULD BE LIMITED TO THE THREE ANDEANS AND THE US. THE QUESTION OF OUTSIDE OBSERVERS WAS NOT ADDRESSED.

6. SUMMIT PURPOSE:

THE PRIMARY PURPOSE OF THE SUMMIT IS TO CONFIRM AGREEMENT TO A COMMON STRATEGY, AND TO EXPEDITE AN INTENSIFIED AND COORDINATED CAMPAIGN TO CONTROL INTERNATIONAL COCAINE TRAFFICKING AND CONSUMPTION. OUR OBJECTIVE IS TO SECURE A STRONG PUBLIC COMMITMENT OF PRESIDENTS OF BOLIVIA, PERU,

AND COLOMBIA TO MOVE AGGRESSIVELY AGAINST ALL ASPECTS OF THE COCAINE CHAIN FROM PRODUCTION TO CONSUMPTION. THE FOUR HEADS OF GOVERNMENT WILL PUBLICLY REAFFIRM THEIR COMMITMENT IN THIS BATTLE. THE SUMMIT PROVIDES AN OPPORTUNITY TO GALVANIZE PUBLIC OPINION IN EACH COUNTRY AND TO BUILD MOMENTUM FOR ACCOMPLISHING THE PURPOSES TO WHICH THE PRESIDENTS PLEDGE THEMSELVES. WE ANTICIPATE THAT THE COMMUNIQUE ISSUED AT THE CONCLUSION OF THE SUMMIT WILL:



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- -- COMMIT ALL PARTICIPANTS TO THE IMPLEMENTATION OF AN INTENSIFIED ANTI-NARCOTICS STRATEGY AGAINST TRAFFICKING AND CONSUMPTION;
- -- COMMIT THE US AND THE ANDEAN PRESIDENTS TO SEEK ADDITIONAL LAW ENFORCEMENT AND ECONOMIC DEVELOPMENT ASSISTANCE FROM THE DEVELOPED WORLD AND INTERNATIONAL ORGANIZATIONS TO ASSIST COLOMBIA, BOLIVIA, AND PERU IN IMPLEMENTING THEIR ANTI-NARCOTICS STRATEGY AND SOFTEN THE ECONOMIC DISLOCATIONS THAT MAY OCCUR FROM THE INITIATION OF THIS STRATEGY;
- -- CALL FOR MINISTERIAL MEETINGS WITH THE SUMMIT FOUR, PLUS MAJOR TRANSIT AND CONSUMER COUNTRIES, TO DISCUSS MUTUAL PROBLEMS AND COORDINATION OF POLICY WITHIN SIX MONTHS; AND
- -- ANTICIPATE THE EXPEDITED NEGOTIATION AND CONCLUSION OF AGREEMENTS DEEMED NECESSARY BY THE SUMMIT WORKING GROUPS IN SUCH AREAS AS CONTROLLING PRECURSOR CHEMICALS, SHARING OF SEIZED ASSETS, CONTROLS ON MONEY LAUNDERING, SHARING OF INTELLIGENCE, ASSISTANCE IN JUDICIAL PROTECTION, ETC.

7. AGENDA:

THE DRAFT AGENDA WAS EDITED DURING THE NOVEMBER 27-28 EXPERTS MEETING IN WASHINGTON AND WAS SENT SEPTEL (REF B, PARAS 9-10). THE DRAFT AGENDA HAS THREE ELEMENTS -- ECONOMIC COOPERATION AND ALTERNATIVE DEVELOPMENT, ATTACKING THE TRADE IN ILLEGAL DRUGS, AND DIPLOMATIC AND

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PUBLIC DIPLOMACY INITIATIVES. THE PRE-SUMMIT WORK PROGRAM.

THE SUB-HEADINGS ARE FOR

8. PRE-SUMMIT PLANNING:

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AT THE NOVEMBER 16 BREAKFAST (REF A), IT WAS AGREED THAT THE THREE ANDEANS WOULD HAVE THEIR AMBASSADORS TO WASHINGTON PLUS TWO EXPERTS FROM EACH COUNTRY MEET AT STATE NOVEMBER 27-28 TO DISCUSS THEIR REACTION TO THE DRAFT AGENDA AND TO ESTABLISH SCHEDULES FOR THE MEETING OF THE WORKING GROUPS. THE EXPERTS HAVE NOW MET (REF B), AND OUR HOPE IS TO HAVE SIX OR FEWER WORKING GROUPS. THE DRAFT AGENDA IS SET UP IN SUCH A WAY AS TO LEND ITSELF TO THE FORMATION OF THREE INITIAL WORKING GROUPS -- ONE FOR EACH AGENDA ITEM, PLUS A FOURTH GROUP THAT WOULD NEGOTIATE THE COMMUNIQUE.

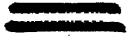
ASSISTANT SECRETARY ARONSON IS NOW PLANNING TO TRAVEL TO BOGOTA, LIMA, AND LA PAZ THE WEEK OF DECEMBER 10 TO MEET WITH THE THREE PRESIDENTS AND OTHER HOST COUNTRY OFFICIALS AND DEAL WITH OUTSTANDING ISSUES. (SCHEDULE FOR THE TRIP WILL BE SENT SEPTEL.)

THE FORMINS AGREED THAT THEIR JANUARY 10 EXPERTS MEETING IN STA. CRUZ, BOLIVIA WOULD CONVENE FIRST WITH THE THREE ANDEANS ONLY, BUT THEN WOULD RECONVENE IMMEDIATELY THEREAFTER IN THE SAME LOCATION WITH US PARTICIPATION.

TALKING POINTS:

9. US STRATEGY AND THE IMPORTANCE OF THE SUMMIT

-- THERE ARE NO EASY SOLUTIONS TO THE COMPLEX PROBLEM OF



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COCAINE TRAFFICKING. ALL OF OUR COUNTRIES HAVE COMPETING PRIORITIES CRYING FOR ATTENTION AND RESOURCES. BUT WE DO NOT HAVE THE LUXURY OF IGNORING THE COCAINE PROBLEM. WE MUST WORK IN THE US TO REDUCE DEMAND AND TO INTERDICT COCAINE ON OUR OWN SHORES. BOLIVIA AND PERU NEED TO MOVE

COUNTRIES. WE MUST DO THIS FOR OUR SAKES AND WE NEED TO FOLLOW THE EXAMPLE OF PRESIDENT BARCO IN COLOMBIA, WHO IS COURAGEOUSLY WITHSTANDING THE BRUNT OF THE FURY OF THE CARTELS.

-- THE FIRST PRIORITY OF PRESIDENT BUSH'S INTERNATIONAL STRATEGY IS TO HELP STRENGTHEN COUNTERNARCOTICS PROGRAMS IN THE ANDES. A SUCCESSFUL EFFORT AGAINST COCAINE TRAFFICKING AND COCA CULTIVATION IN THE ANDES WILL REQUIRE UNPRECEDENTED COOPERATION AMONG OUR FOUR COUNTRIES.

- -- FOLLOWING THE SUGGESTION OF PRESIDENT BARCO, WE ARE ALL IN AGREEMENT THAT THE SUMMIT SHOULD BE HELD ON FEBRUARY 15 IN CARTAGENA.
- -- WE NEED TO WORK TOGETHER IF THE ANDEAN SUMMIT MEETING IS TO MARK THE SUCCESSFUL INITIATION OF AN INTENSIFIED, COMPREHENSIVE CAMPAIGN TO CONTROL COCAINE TRAFFICKING.
- -- THE SUMMIT WILL NEED TO BE CAREFULLY PREPARED. AS SOON AS POSSIBLE, WE NEED TO ESTABLISH WORKING GROUPS TO NEGOTIATE THE COMMUNIQUE AND ANY OTHER AGREEMENTS THAT MIGHT BE SIGNED AT THE SUMMIT.
- -- WE ARE THINKING OF THE COMMUNIQUE IN TERMS OF A BROAD STRATEGIC AGREEMENT OUTLINING OUR JOINT STRATEGY FOR FIGHTING THE COCAINE NETWORKS, FOR HELPING DEVELOP

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LEGITIMATE ECONOMIC ENTERPRISE, AND FOR REDUCING DEMAND. IT MIGHT ALSO COVER FUTURE PLANS TO WORK JOINTLY ON SUCH ISSUES AS THE CONTROL OF PRECURSOR CHEMICALS, SHARING OF SEIZED ASSETS, MONEY LAUNDERING, AND JUDICIAL PROTECTION AND REFORM.

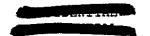
- -- BUILDING ON THE NOV. 16 MEETING OF THE THREE FOREIGN MINISTERS WITH ASSISTANT SECRETARIES LEVITSKY AND ARONSON AND THE NOV. 27-28 EXPERTS MEETING, A/S ARONSON WOULD LIKE TO MEET WITH YOU DURING THE WEEK OF DECEMBER 10.
- -- THE PRESIDENT'S STRATEGY CALLS FOR OVER USD 2.0 BILLION IN INCREASED ECONOMIC, SECURITY, LAW ENFORCEMENT, AND INTELLIGENCE ASSISTANCE TO BOLIVIA, PERU, AND COLOMBIA OVER THE NEXT FIVE YEARS TO BE PROVIDED IN SUPPORT OF AND CONDITIONED UPON VIGOROUS COUNTERNARCOTICS PROGRAMS. THE PRESIDENT HAS ALSO REQUESTED USD 2.1 BILLION IN FY-90 FOR REDUCING CONSUMPTION IN THE U.S. IN ADDITION THE PRESIDENT HAS ALREADY ANNOUNCED A PACKAGE OF TRADE INITIATIVES AND WE ARE LOOKING AT OTHER MEASURES THAT MIGHT COMPLEMENT THE ASSISTANCE PACKAGE. THE PRESIDENT'S STRATEGY BUILDS UPON OUR ASSISTANCE PROGRAMS ALREADY UNDER
- -- THE LOGIC BEHIND DELAYING THE INCREASED ECONOMIC ASSISTANCE TO BOLIVIA AND PERU UNTIL OUR FISCAL YEAR 1991 (WHICH BEGINS OCTOBER 1, 1990) IS THAT IT WOULD HELP MAKE UP THE ECONOMIC GAP CAUSED BY INTERDICTION ACTIVITIES BEGUN IN 1990, BUT WOULD NOT BE NEEDED BEFORE THE INTERDICTION PROGRAM HAD BEGUN TO HAVE A REAL EFFECT.
- -- COLOMBIA, WHICH HAS MOVED AGGRESSIVELY AGAINST THE CARTELS, IS ALREADY RECEIVING OUR ASSISTANCE TO HELP ITS POLICE AND MILITARY FORCES. WE WOULD LIKE TO PROVIDE A

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MIX OF ASSISTANCE TO PERU AND BOLIVIA, TAKING INTO ACCOUNT THE SPECIFIC CIRCUMSTANCES IN EACH COUNTRY.



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- 10. INCREASED U.S. ASSISTANCE FOR PERU
- -- PRESIDENT BUSH HAS PROPOSED TO CONGRESS THE FOLLOWING ASSISTANCE FOR PERU:
- (1) USD 36.9 MILLION IN ADDITIONAL ANNUAL MILITARY AND LAW ENFORCEMENT ASSISTANCEBEGINNING IN 1990 (FOR A TOTAL IN FY-90 OF USD 68.8 MILLION). WE PLAN TO CONTINUE REQUESTING THIS LEVEL OF ASSISTANCE ON AN ANNUAL BASIS THROUGH 1994.
- (2) DEPENDING DIRECTLY ON THE SUCCESS OF YOUR COUNTERNARCOTICS OPERATIONS, THE PRESIDENT PLANS TO REQUEST CONGRESS TO INCREASE SIGNIFICANTLY OUR ECONOMIC SUPPORT ASSISTANCE FROM THE CURRENT (FY-90) USD 5 MILLION. US LAW ENFORCEMENT, ECONOMIC, AND MILITARY ASSISTANCE COULD TOTAL OVER USD 100 MILLION IN FY-90, POSSIBLY INCREASING TO DOUBLE THIS AMOUNT BY FY-92.
- 11. OTHER TYPES OF ASSISTANCE
- -- THE ADMINISTRATION ALSO IS WORKING ON A PACKAGE OF INDIRECT TRADE AND FINANCIAL MEASURES WHICH WOULD BENEFIT THE ANDEAN COUNTRIES. ON NOVEMBER 1, WE ANNOUNCED AN IMPORTANT TRADE PACKAGE FOR COLOMBIA, BOLIVIA, PERU, ECUADOR, AND VENEZUELA. THIS INCLUDES A SPECIAL ACCESS PROGRAM FOR CERTAIN TEXTILES, AGGRESSIVE PURSUIT OF A NEW COFFEE AGREEMENT, AND CREATION OF A US-ANDEAN TRADE AND INVESTMENT COUNCIL.
- -- WE ARE ALSO TAKING A LOOK AT WHAT TRADE AND ECONOMIC INCENTIVES TO HELP FILL THE GAP THAT SUCCESSFUL INTERDICTION OF THE TRAFFICKING NETWORKS WILL COST YOUR

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ECONOMY.

- -- US AID ALONE WILL NOT COVER ALL OF THE NEEDS OF COLOMBIA, PERU, AND BOLIVIA. WE HOPE TO USE THE SUMMIT TO DEVELOP A JOINT STRATEGY FOR SEEKING ADDITIONAL ASSISTANCE FROM EUROPE, JAPAN, AND INTERNATIONAL ORGANIZATIONS.
- 12. WHAT PERU MUST DO

- -- OUR ENFORCEMENT PROGRAMS ARE DESIGNED TO ATTACK THE ILLEGAL DRUG TRADE AND FORCE DOWN THE PRICE OF COCA LEAF.
- -- OUR ECONOMIC PROGRAMS ARE DESIGNED IN PART TO HELP COMPENSATE YOUR COUNTRY FOR LOSS OF INCOME FROM ILLEGAL COCA AND COCAINEPRODUCTION. IT IS STRICTLY CONTINGENT ON YOUR DOING YOUR PART TO SUPPRESS COCAINE TRAFFICKING, AND IT HAS NO CHANCE OF SUCCESS UNLESS WE CAN MAKE THE ECONOMIC BENEFITS OF COCA GROWNING LESS ATTRACTIVE BY LAW ENFORCEMENT FORCING DOWN THE PRICE OF COCA LEAF.
- -- IT IS IN YOUR OWN SELF-INTEREST TO DO THIS. THE COCAINE TRADE PROVIDES SOME MARGINAL SHORT-TERM BENEFITS TO IMPOVERISHED FARMERS, BUT THESE SHORT-TERM BENEFITS COST DEARLY. THE PRICE IS CORRUPTION OF DEMOCRATIC INSTITUTIONS, THE EROSION OF NATIONAL AUTHORITY, RISING VIOLENCE, DISTORTION OF THE ECONOMY, AND DISCOURAGEMENT OF FOREIGN INVESTMENT.
- -- WE HAVE A UNIQUE CHANCE AT THE SUMMIT TO FUNDAMENTALLY RESTRUCTURE OUR RELATIONSHIP. WE UNDERSTAND THAT YOUR GOVERNMENT'S HIGHEST PRIORITY IS DEFEATING SENDERO LUMINOSO, NOT NARCOTICS TRAFFICKING. BUT THERE IS SIGNIFICANT OVERLAP, ESPECIALLY IN THE UPPER HUALLAGA VALLEY. IN COCA PRODUCING AREAS WHERE SENDERO LUMINOSO IS ACTIVE, WE CAN PROVIDE ASSISTANCE TO BOTH THE POLICE AND THE MILITARY.

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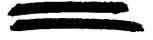
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- -- PRESIDENT BUSH WANTS TO INCREASE OUR ASSISTANCE PROGRAMS TO HELP YOU MEET YOUR BASIC ECONOMIC NEEDS. HOWEVER, PERU IS NOT UNIQUE IN ITS STRUGGLE TO OVERCOME POVERTY. THE UNITED STATES CANNOT JUSTIFY GIVING THE HIGHEST PRIORITY TO YOUR NEEDS AGAINST THOSE OF OTHER NATIONS UNLESS PERU IS SERIOUSLY COMMITTED TO THE STRUGGLE AGAINST THE INTERNATIONAL COCAINE TRADE.
- -- WE APPRECIATED THE RECENT FRANK AND FORTHRIGHT DISCUSSIONS YOU HAD WITH DEPUTY ASSISTANT SECRETARY SKOL DURING HIS RECENT VISIT TO LIMA. IT WAS A VALUABLE OPPORTUNITY TO CLEAR THE AIR AND EXCHANGE VIEWS ON ISSUES THAT AFFECT BOTH OUR COUNTRIES, ESPECIALLY NARCOTICS.
- -- AS WAS DISCUSSED AT THAT TIME, MILITARY COOPERATION WITH NARCOTICS TRAFFICKERS, TOGETHER WITH WIDELY REPORTED HUMAN RIGHTS VIOLATIONS, THREATEN TO STOP OUR AID PROGRAMS JUST AS THEY ARE BEGINNING. AS YOU KNOW, BOTH ISSUES ARE EXTREMELY IMPORTANT TO US AND THE REPORTS WE CONTINUE TO HEAR FROM PERU ARE VERY DISTURBING.
- -- WE ARE EXTREMELY CONCERNED ABOUT REPORTS THAT THE

TRAFFICKERS HAVE ACCESS TO MUNICIPAL AIRFIELDS PROTECTED BY THE MILITARY. WE UNDERSTAND THAT THE NUMBER OF FLIGHTS CARRYING COCAINE BASE FROM THE AIRFIELDS HAVE BEEN INCREASING. WE WERE GIVEN TO UNDERSTAND IN YOUR MEETING WITH DAS SKOL THAT YOU WOULD MAKE EVERY POSSIBLE EFFORT TO STOP THOSE FLIGHTS.

-- AS A DEMONSTRATION OF THE IMPORTANCE PERU AND ITS MILITARY HAVE IN OUR DRUG STRATEGY, WE HAVE MADE A DELIVERY OF FOOD TO THE TROOPS IN THE UPPER HUALLAGA



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VALLEY. BUT WE CANNOT SUPPORT THE MILITARY IF THE MILITARY IS AIDING TRAFFICKERS.

- -- WE RECOGNIZE THAT WE CANNOT DEFEAT THE TRAFFICKERS UNLESS THE ARMY CAN RESTORE SECURITY IN COCA GROWING AREAS. THAT IS WHY WE ARE WILLING TO PROVIDE RATIONS FOR YOUR TROOPS AND PROVIDE ADDITIONAL ASSISTANCE.
- -- BUT IF YOU WANT U.S. ASSISTANCE, IT CANNOT BE DONE AT THE COST OF COMMITTING HUMAN RIGHTS ABUSES OR TOLERATING COCAINE TRAFFICKING.
- --. THE KEY TO A SUCCESSFUL SUMMIT AND, MORE IMPORTANTLY, TO SUCCESSFULLY SHUTTING DOWN THE COCAINE TRADE IS COOPERATION. EACH OF OUR NATIONS -- INCLUDING THE US -- WILL HAVE TO FOLLOW THE EXAMPLE OF VIRGILIO BARCO AND DEMONSTRATE THE POLITICAL WILL TO UNDERTAKE THE NECESSARY POLICIES UNDER TRYING CIRCUMSTANCES. BAKER

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