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Cocaine: A Supply Side Strategy

## I. A Foreign Policy Problem

Production and distribution of cocaine is an Andean industry dominated by Colombian traffickers who purchase their raw materials in Peru and Bolivia. The industry's financial and distribution networks extend into neighboring countries, but the core three Andean nations are where the supply side of the cocaine problem must be attacked. Great care must be taken not to fail before we start by improperly defining both the problem and its solutions. We must recognize that, while major efforts have to be made to reduce domestic demand, an effective strategy will require action at the source. The "drug war" metaphor is apt in focussing action, but should not militarize our thinking in advance. The sovereignty of other nations, threatened by rampant drug trafficking, can become our ally in mobilizing action and cooperation overseas.

Cocaine use is overwhelmingly a social issue, its manufacture and transport a police problem that sometimes presents para military challenges. The trade is so lucrative that it poses a threat to the integrity of the producer states, and it is precisely this threat that is the key to cooperation with the Andean nations. Political leaders do not want rival powers in their countries that depend for their survival upon the impotence of the state. Neither will they cede their sovereignty by allowing the US to directly attack the traffickers. The challenge is to move Andean governments to attack drug trafficking as a direct threat to the integrity of their countries. A foreign policy problem must be solved by the traditional tools of foreign policy (imaginatively used): diplomacy, military and economic assistance, intelligence collection and sharing.

The US can exert powerful influence upon the manner in which the Andeans deal with cocaine, but interdiction and eradication work are the primary responsibility of local forces. Drug war imagery often obscures the fact that traffickers are neither omnipotent nor even particularly well armed when compared with local military and police forces. Our challenge is to place the traffickers on a collision course with local forces, and ensure that the local forces have the wherewithal to prevail. Success abroad must be defined largely in terms of disruption of the trade in cocaine, and neutralization of trafficking organizations. Indices that will gauge the effort are the relative prices of the raw materials of the industry, hectareage eradicated, and ultimately the availability of cocaine in the United States.

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-2-

## II. Organizing the Attack: A Three Country Strategy

Bolivia, Colombia, and Peru are the cocaine problem. None of the governments of the three producer countries is unwilling to take on the traffickers, but all are conscious of the cost of success. A high percentage of employment in Bolivia is found in the drug industry and both Bolivia and Peru face foreign exchange shortages that will be exacerbated by a decline in revenue from coca/cocaine. While Colombia is on much firmer ground economically, its judicial system is the weakest link of an enforcement chain subject to murderous threats and subornation.

The US can offer assistance that will mitigate the direct loss of foreign exchange caused by successful action against traffickers in Peru and Bolivia. The sum must be substantial (probably on the order of one billion dollars per year over a five year period), and should be provided in the form of ESF linked to narcotics performance. Colombia's use of its military against traffickers and insurgents has yielded impressive results, and the US should recognize this with additional military assistance. The US must recognize the legitimacy of producer countries emphasis on alternative development for coca producing zones. Multi-lateral funding should be sought from our OECD allies so that peasants forced out of coca production have other means to earn a living.

Money is the key to the success of the drug industry, and it can be a major ingredient in fighting it. The assets of drug traffickers are prizes that should be offered to all governments that are successful in combatting trafficking and production. The United States is the repository of most of the value added in the drug production and sale chain. The US must negotiate agreements that allow for sharing of seized assets, and we should be generous in allowing Andean governments to tap this lucrative source of revenue. We must also work cooperatively with European and Latin American banking systems to be able to track drug money, stop it from being laundered, and ultimately to seize it.

Foreign seizures of drug assets are preferable to US seizures: the Andean governments need the money far more than we do, and the gain is tangible evidence that there is something for them in challenging the traffickers. While extradition and incarceration of drug criminals is always desirable, we must recognize the limitations of foreign law enforcement and the difficult issues of sovereignty that such actions entail. The most important goal is neutralization of trafficker networks and the seizure of their cash assets, and we need to be flexible in accomplishing these objectives.

Intelligence collection and sharing must have a high priority. Drug trafficking networks are clandestinely organized criminal enterprises. They are the perfect targets

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-3-

for our intelligence agencies which should attack them just as they would a hostile intelligence service. The full range of intelligence operations should be utilized to disrupt the functions of these criminal organizations. While we must endeavor to work with local police to arrest the traffickers, we must recognize that corruption may impede effective police work. We will achieve our goal of interrupting the flow of cocaine to the US more readily by disrupting trafficker networks than by making a few noteworthy arrests.

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while it is impossible to deny in advance the potential utility of real time intelligence techniques that use leading edge radar, we must recall that poorly trained and educated troops will be asked to act upon this information. These troops, in Peru and Bolivia, often lack boots, gasoline for their vehicles, reliable maps of the terrain they patrol. Efforts that count on local follow through of information obtained via high technology are quite likely to drain the lion's share of our resources and ultimately fail.

The best hope for making a rapid and dramatic gain on the drug trade is through chemical eradication of coca in Peru and perhaps Bolivia. The obstacles are formidable due to environmental controversy in Peru and the US, and the outright illegality of herbicide use in Bolivia. A decision to use aerially applied herbicides by first Peru and then perhaps Colombia (which has already used herbicides against marijuana) is possible only with an attractive economic assistance plan that clearly rewards this decision. Even with such a plan we are years away from implementation. It is worth pursuing because chemical eradication of the coca crop is the quickest, safest method of stopping production; it requires few personnel and is cheap and relatively immune to corruption.

Increased military assistance to the Andes will have to figure among our policies so that we may move Andean militaries toward direct and supporting roles on drugs. Colombia has used its military effectively to attack both traffickers and insurgents, and Peru will have to contain the Sendero Luminoso in the Upper Huallaga Valley (UHV) before the police may operate effectively against the traffickers and coca growers. Segregation and earmarking of assistance funds into smaller lots with greater strings attached impedes influencing the Andean military. More money is required, but even more important is greater flexibility to allow our Ambassadors to use available funds where they will make a difference.

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-4-

Direct interdiction operations are the highest profile, the most dangerous, and the least effective of all of the options available. Peru and Bolivia have the poorest capacity to conduct operations themselves, and therefore the US has been drawn into para-military action for which the DEA is neither equipped nor trained. The direct involvement of US personnel heightens the stakes, places the pride of the law enforcement agencies on the line, and often impedes rational cost/benefit analysis and decision making.

Results are poor: little cocaine is seized, few arrests made, and expensive air assets are used to deploy troops to empty laboratories and deserted jungle ditches used as maceration pits. The US must reconsider the advisability of operations like SnowCap, especially the Upper Huallaga Valley based phase. The results do not justify the expense and danger when compared with the results that might be obtained by increasing aid to local forces. US police agencies like the DEA should engage in police work and liaison abroad, not paramilitary operations.

The well documented alliance between guerrillas and traffickers in Colombia, and the developing relationship among Sendero Luminoso and the Peruvian traffickers and coca-growing peasants presages more para-military conflict. In Colombia it often means attacking drugs by hitting the insurgency, in Peru it will have to mean a greater role for the Peruvian military in safeguarding police anti-drug operations from Sendero's attack. In both instances significant military assistance is needed to allow the strategy to work, and careful monitoring will be required (especially in Peru's case) to ensure that funds given are used to meet the objectives for which they were appropriated.

In summary then, a supply side strategy for cocaine would concentrate on Colombia, Peru, and Bolivia. It would treat the problem as one of foreign policy that requires expert coordination of diplomacy, economic and military assistance, intelligence collection, operations, and sharing. Significant new resources would be required over a multi-year period (upwards of one billion dollars per year). The Andean governments would be expected to do most of the on the ground work themselves with their police and army, while the US would provide financial and technical assistance.

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