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SCOPE PAPER

THE AMBASSADORS CONFERENCE ON NARCOTICS
THE WHITE HOUSE
NOVEMBER 12-13, 1986

At the Domestic Policy Council meeting of July 25, 1986, a proposal was made for the President to invite a representative group of U.S. Ambassadors from countries where drug production, trafficking and consumption are major problems, or might develop into major problems to attend a two-day conference in Washington.

This conference, endorsed at the meeting by Secretary Shultz, has three goals:

-- First, to provide the President with the opportunity to demonstrate U.S. commitment to the issue of narcotics control, and to update the Ambassadors on recent domestic drug-control initiatives;

--Second, to encourage Ambassadors to discuss ways to enhance the international narcotics control program by exploring options for regional cooperation;

--Third, to send to foreign governments a strong message that narcotics is a critical international problem which must be addressed.

In 1971, President Nixon recalled Ambassadors to Turkey, France, Mexico, Luxembourg, Thailand, Vietnam and the United Nations for consultations on improving international cooperation to reduce opium production and trafficking. In 1986, narcotics production, trafficking and consumption have become major problems not only in Southeast Asia and Europe, but also in Southwest Asia and Latin America. The dramatic increases in the availability of cocaine in U.S. cities, and the recent phenomenon of "crack" have had the effect of raising public awareness of the narcotics issue; the international community has also become sensitized to how narcotics production, trafficking and abuse threaten institutions.

The recent U.S.- Bolivian "Operation Blast Furnace" focused attention on the role that the U.S. military can play in assisting foreign governments in their narcotics control efforts.

The international anti-narcotics work of First Lady Nancy Reagan has succeeded in mobilizing international action against drug abuse. Mrs. Reagan hosted two First Ladies Conferences in 1985, the first in Washington in April, and an October Conference at the United Nations. Over forty First Ladies from around the world attended the Conferences which have generated follow-up activities by First Ladies in Asia, South America, and Europe. In May, 1986, the First Lady travelled to Malaysia and Thailand to stress the importance of the private sector in drug abuse prevention and education efforts.

The narcotics issue, however, is not solely the province of First Ladies; in his September 14 speech to the nation, the President announced that one of the goals of his narcotics program was to "expand international cooperation while treating drug trafficking as a threat to our national security." In April, 1986, President Reagan signed a National Security Decision Directive which states definitively that narcotics trafficking is a national security threat, while mobilizing resources to combat that threat.

During the Economic Summit meetings in Bonn (1985) and Tokyo (1986), the President stressed to Summit nation leaders the importance he attaches to the narcotics issue. The President has made drug abuse one of the critical issues during the remainder of his term in office.

THE AMBASSADORS CONFERENCE

The first day of the two-day Conference will focus on drug demand/ prevention issues; the second day focuses on supply reduction. Presidential and high-level Cabinet participation, as well as the involvement of the First Lady and the Vice President, will signal to foreign governments how seriously the Administration considers the narcotics issue. Ambassadors have been asked to prepare recommendations for the President to enhance the international narcotics control program; these recommendations will be formulated during the working group sessions of the meeting and will be presented to the Secretary of State and the President.

U.S. Ambassadors will also have the opportunity for interchange with Senators and Members of Congress during a session scheduled for Tuesday afternoon. Congressional interest in the narcotics issue has increased dramatically over the years, and this year Congress's involvement in the drug issue has resulted in the drafting and passage of the Omnibus Drug bill which increases resources, among other things, for international narcotics control programs.

During the Conference, the Ambassadors will be asked to redouble their efforts with foreign governments to increase international cooperation in the area of narcotics control. They will also be tasked to convey to foreign governments the sense of urgency with which the U.S. government is approaching the problems of narcotics trafficking and drug abuse.

PROGRAM

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AGENDA/CONFERENCE SCHEDULE

WEDNESDAY, NOVEMBER 12

9:00-9:30 Preconference Meeting

9:30-9:40 Administrative Arrangements

9:40-10:00 Preliminary working Group Meetings
Ambassadors will meet with members of their
working groups in a preliminary session

10:00-10:45 First Lady Nancy Reagan Speaks with Two
Young People in Treatment

10:45-11:00 Break

11:00-11:30 Donald Regan, The President's Chief of Staff
Details of the President's new antidrug
initiative

11:30-12:30 Panel on Private Sector Initiatives in
Preventing Drug Abuse
---Shirley Coletti, Chairman of the Board
National Federation of Parents for
Drug-Free Youth, Florida
---John Ziegler, President
National Hockey League
---Joe Clark, Principal
Eastside High School, Patterson, N.J.
---Kevin Wanzer, Co-Chairman,
World Youth Against Drug Abuse

12:30-1:45 Lunch

1:45-2:15 Secretary of Defense Caspar Weinberger
The Decline in Drug Use Among U.S. Military
Personnel; the Role of the Military in
Narcotics Control

2:15-3:30 Ambassadors Panel: Ambassadors O'Donohue
(Burma), Hinton (Pakistan), Rowell (Bolivia)
Discussion of Problems/ Progress in three
INM Program Countries

3:30-4:00 Secretary of HHS, Dr. Otis Bowen
The Role of HHS in the Fight Against Drugs

4:00-4:15

Break

4:15-5:15

Ambassadors Working Groups

#1: Narcotics Trafficking:

Ambassador Gillespie, Colombia, CHAIRMAN
Ambassador Davis, Panama
Ambassador Levitsky, Bulgaria
Ambassador Lyman, Nigeria
Ambassador Okun, United Nations
Ambassador Shlaudeman, Brazil
Ambassador Reich, Venezuela
Ambassador Rondon, Ecuador

#2: Narcotics Consumption/ Demand

Ambassador Burt, FRG, CHAIRMAN
Ambassador Chapman, UNVIE
Ambassador Hallett, Bahamas
Ambassador Hinton, Pakistan
Ambassador Rabb, Italy

#3: Narcotics Production

Ambassador Brown, Thailand, CHAIRMAN
Charge Ealum, Afghanistan
Charge Isom, Laos
Ambassador O'Donohue, Burma
Ambassador Pilliod, Mexico
Ambassador Rowell, Bolivia
Ambassador Sotirhos, Jamaica
Ambassador Watson, Peru

The Working Groups will produce recommendations to the President for enhancing the international narcotics control program

5:30-6:00

Working Group Chairmen Meeting

6:00-8:00

Reception for Ambassadors, Ben Franklin Room
Department of State hosted by Secretary Shultz

THURSDAY, NOVEMBER 13

9:00-9:30 Administrative Arrangements

9:30-10:15 Attorney General Edwin Meese III
Justice's Role in the War on Drugs

10:15-11:00 CIA Briefing on Narcotics, Robert Gates
Deputy Director, CIA

11:00-11:15 Final Working Group Meeting

11:15-11:35 Vice President George Bush
The Role of the National Narcotics Border
Interdiction System

11:45-12:45 Lunch

12:45-1:00 Move to Cabinet Room

1:00-1:30 Secretary of State George Shultz
Narcotics as a Foreign Policy Issue;
Discussion of Ambassadors Recommendations
to the President

1:30-1:50 President Ronald Reagan

2:00-2:30 Press Readout: Two Ambassadors and
Selected Administration Spokesman

LIST OF ATTENDEES

LIST OF AMBASSADORS PARTICIPATING IN CONFERENCE:

Ambassador Maxwell M. Rabb	Italy
Ambassador Daniel O'Donohue	Burma
Ambassador Deane R. Hinton	Pakistan
Ambassador Melvyn Levitsky	Bulgaria
Ambassador William Brown	Thailand
Ambassador Edward Rowell	Bolivia
Ambassador Charles Gillespie	Colombia
Ambassador Fernando Rondon	Ecuador
Ambassador Richard Burt	FRG
Ambassador Bruce Chapman	UNVIE
Ambassador Michael Sotirhos	Jamaica
Ambassador Herbert Okun	United Nations
Ambassador Arthur Davis	Panama
Ambassador Otto Reich	Venezuela
Ambassador Harry Shlaudeman	Brazil
Ambassador Carol Hallett	Bahamas
Ambassador Princeton Lyman	Nigeria
Ambassador Charles Pilliod	Mexico
Ambassador Alexander Watson	Peru
Charge Maurice Ealum	Afghanistan
Charge Harriet Isom	Laos

COUNTRY DRUG PAPERS

DEPARTMENT OF STATE
BRIEFING PAPER

AFGHANISTAN

The war in Afghanistan and our minimal relations with the Kabul regime make reliable estimates of narcotics production and trafficking impossible. There are indications that, after a decline in the early 1980s, production and trafficking are increasing. While the traditional trafficking route westward through Iran remains active, trafficking through Pakistan has increased sharply.

Afghanistan is one of the world's largest illicit opium producers and is the source for the majority of the Southwest Asian heroin found in the U.S. and 80% of the heroin and morphine in Europe. The 1985-86 opium crop is estimated to have been about 300-400 metric tons, although production could have been as high as 750-880 metric tons.

The war's disruption of traditional agricultural trade may have prompted more farmers to turn to opium, an ideal crop for a war-torn country, as it requires little capital investment, grows quickly, and is easy to transport, trade, and process.

Afghanistan is also a traditional producer of hashish, with annual production estimated at between 200 and 400 metric tons.

There is little evidence that the Afghan regime has taken any serious steps to control narcotics. Allegations of official Afghan/Soviet involvement in narcotics trafficking were fueled by the August 1986 seizure by Dutch police of 220 kilograms of heroin contained in a shipment of Afghan raisins brought into the Netherlands on a Soviet ship. Unsubstantiated reports in the U.S. press allege involvement by elements of the Afghan resistance as well.

DEPARTMENT OF STATE
BRIEFING PAPER

THE BAHAMAS

Although The Bahamas produces no narcotic drugs, it is a primary transit point for cocaine and marijuana destined for the U.S. The nation consists of 700 islands and keys (23 inhabited) that stretch in an archipelago from 60 miles east of Miami to within 90 miles of Haiti. Law enforcement officials face the task of monitoring 73 airstrips and 110 small boat harbors.

The government of Prime Minister Lynden O. Pindling continues to speak out against drug trafficking and drug abuse. Cocaine abuse has reportedly reached epidemic proportions. The government announced it spends \$3.4 million a year on drug treatment, rehabilitation and related activities. In June, Pindling's government defeated an opposition-led motion of no confidence. That motion stemmed largely from a Commission of Inquiry Report two years ago that documented high level involvement in drug trafficking. Drugs will likely be an important issue in national elections which must occur before August 1987.

This year, the Bahamian police force was augmented, and there has been increasing U.S.-Bahamian cooperation in the field of interdiction. DEA, Coast Guard, Customs, Department of Defense and State's INM are actively working to assist The Bahamas. In FY-1986, INM grants totaled \$255,000 for this purpose.

While interdiction efforts have increased in The Bahamas, though mid-year drug seizures are below mid-year 1985 levels. By the end of June 1986, 2800 lbs. of cocaine were seized compared with 3750 lbs. in the first six months of 1985. Marijuana seizures fell from 12.4 metric tons in the 1985 period to 6.7 metric tons by the end of June 1986.

Lower seizure statistics may be attributable to the Caribbean-wide interdiction exercise (Hat Trick II) which took place from late 1985 to early 1986, as many traffickers delayed or diverted shipments. Nearly all the 2800 lbs. of cocaine noted above was seized after Hat Trick II ended. During 1985, 8731 lbs. of cocaine and 44.5 metric tons of marijuana were seized.

Drug traffickers continue to receive light sentences (one to three years) and fines from Bahamian courts. The Bahamian Attorney General's office brought charges against six persons named in the Commission of Inquiry report, but the charges were dropped or dismissed. Local religious leaders, in conjunction with the quasi-official National Drug Council, have called for tough anti-narcotics laws.

DEPARTMENT OF STATE
BRIEFING PAPER

BRAZIL

Brazil is a traditional transshipment point for cocaine, and has been a secondary source for precursor chemicals utilized in the manufacture of cocaine. Marijuana is widely grown in the Northeast states of Piaui, Maranhao, and Ceara, but only limited supplies are exported.

Marijuana and diverted pharmaceutical sedatives are significant abuse problems in Brazilian urban areas; cocaine abuse is increasing. There is limited coca cultivation in the Amazon region.

Brazil hosted the first Inter-American Specialized Conference on Narcotics, sponsored by the OAS, in April.

The U.S. has a \$1 million bi-lateral agreement with Brazil for narcotics control, primarily directed towards operational support, training and equipment. A new U.S.-Brazilian narcotics assistance agreement is awaiting ratification by the GOB Congress.

Interministerial narcotics control in Brazil is co-ordinated by CONFEN, a high-level secretariat reporting to the president; the chairman of CONFEN has visited the U.S.

Brazil has increased resources for narcotics control, but needs to commit more. This situation is compounded by the jurisdictional confusion between the state police forces and two federal forces.

Although the Brazilians are concerned regarding the spread of cannabis and coca cultivation, they have not agreed to the aerial eradication of crops utilizing herbicides. The environmental movement is fairly strong in Brazil.

The USIS maintains a strong public awareness program in Brazil.

In addition, Brazil participates in numerous U.S.-sponsored narcotics training programs, including one in-country DEA program in 1987, and an in-country Customs assistance program.

DEPARTMENT OF STATE
BRIEFING PAPER

BOLIVIA

Bolivia is a major source of coca leaf, coca derivatives and, increasingly, cocaine hydrochloride (HCL) destined for the United States and European markets. Under current Bolivian law, coca tillage is legal, although processing coca paste and cocaine base/HCL are prohibited. Coca production for 1985 is estimated at 34,250 hectares. As drug abuse has increased, the GOB began in late 1985 to implement measures to control drug trafficking.

The Government of President Victor Paz Estenssoro recently undertook the largest coordinated narcotics enforcement action ever seen in Bolivia, Operation Blast Furnace. In July 1986, following a GOB request, 6 U.S. helicopters and their support personnel began transporting Bolivian narcotics troops on cocaine laboratory raids in the northern Departments. To date this operation has led to the seizure/destruction of sixteen coca paste or HCL labs and has disrupted cocaine trafficking in the country. Because coca leaf prices have dropped to below cost of production, we expect that production will decline.

In order to maintain the pressure on traffickers, the Bolivian government has requested an extension of Operation Blast Furnace. During the transition phase we will upgrade Bolivian interdiction capability, thereby allowing the GOB to continue the interdiction program with its own resources.

The results of the voluntary eradication agreement signed between the Ministry of Interior and peasant federations in November 1985 have been disappointing, with only 150 hectares of cultivation eliminated by mid 1986.

Because the U.S. Congress conditioned Bolivian security assistance (military and ESF) for FY 86 and 87 on progress in eradication, Bolivia lost one half of FY86 assistance. If U.S. legislation is amended and if Bolivia produces and begins to implement a viable drug control plan, including both eradication and interdiction, Congress may agree to release FY87 funds.

In FY86, the INM program in Bolivia more than doubled, going from \$1.5 million to over \$3.5 million.

DEPARTMENT OF STATE
BRIEFING PAPER

BULGARIA

Bulgaria's strategic location on the Turkish-European trucking route gives it a special significance in the international illicit traffic in heroin.

From 1980-1983, U.S.-Bulgarian cooperation on narcotics issues suffered due to allegations Kintex, the Bulgarian state trading monopoly, was actively involved in the narcotics traffic. Since that period, no further allegations have surfaced.

Bulgaria has shown an interest in cooperating on the heroin issue. At U.S. insistence the GOB has formed a special narcotics enforcement entity, under the aegis of the Office of the Procurator General.

The GOB has also tightened its legislation to include narcotics trafficking conspiracy, as distinguished from possession and sale, as a felony. In addition, the GOB has agreed, in principle, to turn over samples of major heroin seizures to the DEA Special testing laboratory for analysis and classification. The USG is awaiting the submission of the first sample.

Bulgarian interest in cooperating on narcotics matters appears to be linked a broader effort to improve relations in hopes of securing economic benefits, specifically, with its desire for 'most favored nation' trading status with the U.S. . It is making an effort to improve its image after poor international press surrounding the Ali Agca trial, GOB links to international terrorism, and forced assimilation of the Turkish ethnic minority.

The USG has an opportunity to improve anti-narcotics cooperation with the GOB. Possible areas include limited criminal intelligence sharing with DEA, an increase in narcotics enforcement, and further participation in international seminars.

DEPARTMENT OF STATE
BRIEFING PAPER

BURMA

The Socialist Republic of the Union of Burma (SRUB) is firmly committed to narcotics control. Its efforts are complicated by the fact that the opium-growing areas are largely controlled by anti-SRUB insurgents, such as the Burma Communist Party and the Shan United Army, who depend on narcotics trafficking to finance their insurgencies.

Burma is one of the world's largest producers of illicit opium, growing about 90% of the Golden Triangle's opium. Heroin refined from Golden Triangle opium is estimated to supply about 17% of U.S. demand. Cultivation covers about 71,000 hectares, mainly in the northern and eastern parts of the country. Because of very good weather, total yield in 1985-86 exceeded 600 metric tons, with some estimates putting it higher than 800 metric tons.

Two years ago the SRUB decided that a full-scale aerial eradication program would be the most effective way to control opium production. In the 1985-86 season, U.S.-trained Burma Air Force pilots flying U.S.-provided fixed-wing aircraft sprayed a reported 10,000 hectares. The SRUB has set an eradication target of 18,000 hectares for the coming season.

U.S. narcotics control assistance to the SRUB totalled \$5.54 million in FY-86, with \$8.825 million requested for FY-87.

DEPARTMENT OF STATE
BRIEFING PAPER

COLOMBIA

Colombia is the processing/distribution center for at least 75 percent of the estimated U.S. market for cocaine. Major sources of coca raw materials for Colombia are Bolivia and Peru. Coca cultivation in Colombia is limited to approximately 16,000 hectares. Cultivation of marijuana could result in an annual production estimated at between 11,000 and 15,000 metric tons (MT). But new output is declining through eradication and interdiction efforts. In 1981, Colombia provided 79 percent of the U.S. market. By 1984, Colombia's share dropped to 41 percent.

During 1986, the Government of Colombia (GOC) continued a broad-based anti-narcotics program consisting of herbicidal eradication of cannabis; manual eradication of coca; experimental efforts to identify an acceptable coca herbicide; marijuana/cocaine interdiction including destruction of cocaine laboratories and airstrip denial; extradition of traffickers; and drug education and prevention programs which include an on-going national drug abuse survey.

By mid-1986, 634 hectares of coca had been eradicated, 1228 hectares of cannabis (equal to 1351 MT) had been sprayed, 600 MT of packaged marijuana seized and destroyed, and 2500 kilograms of cocaine base seized. Colombian forces destroyed 250 cocaine laboratories. Six traffickers were extradited to the US, bringing the total to 13 since 1985.

In April, Colombia joined Bolivia, Venezuela, Ecuador and Peru in signing the Lara Bonilla Convention. This agreement, named after the Colombian Justice Minister murdered in 1984 by narco-terrorists, pledges greater regional cooperation against trafficking. That same month the GOC initialed an extradition treaty with the Dominican Republic aimed at traffickers.

A comprehensive anti-narcotics law went into effect in January. It carries stiff penalties for production, possession or sale of drugs. In addition, it authorizes eradication of marijuana and coca cultivations and permits seizure of assets controlled by convicted drug traffickers. While intimidation and corruption continue to hamper the judicial process, growing public concern over drug abuse coupled with outrage over the slaying of public officials by traffickers will help to sustain domestic pressure to continue the anti-narcotics battle.

The INM program in Colombia funded \$10.6 million in assistance in FY-1986. \$10.18 million was requested for FY-1987. The program has focused on eradication, upgrading Colombia's institutional capabilities in interdiction and enforcement, furthering judicial process, enhancing intelligence collection pertaining to drug-related offenses and fostering programs on drug abuse prevention.

DEPARTMENT OF STATE
BRIEFING PAPER

ECUADOR

Ecuador is primarily a transit country for coca derivatives (paste and base) and cocaine between the source countries of Peru and Bolivia and the major distribution and refining center of Colombia. While conditions in Ecuador are propitious for coca cultivation, significant plantations were not discovered until 1984. Coca cultivation exists mostly on the borders and appears to be controlled primarily by foreigners. Major trafficking families operate with little fear of interdiction but, as yet, do not have significant national political clout or disruptive influence.

The administration of President Leon Febres Cordero understands the profound potential problem domestic drug trade poses, and has made narcotics control a priority goal. The President is supported in this by an elite branch of the national police (INTERPOL).

In 1985 Ecuador's narcotics interdiction efforts enjoyed record success, with seizures of over 1,000 kilograms of cocaine HCL and the destruction of a major lab. In May 1986, the President created a special Commission to develop new laws and regulations governing precursor chemicals. In July-August, the National Police launched the first nationwide interdiction operation, designed to choke off transit points, disrupt trafficking routes, and gather intelligence about major trafficking operations.

In July 1985, Ecuador initiated the first joint coca eradication operation in the Western Hemisphere, in collaboration with the Colombian National Police. In January 1986, President Febres Cordero personally participated in a major eradication operation near the northeast border. The event received extensive publicity and emphasized the government's commitment to fighting narcotics. Since June, preparations for the next eradication operation have been suspended for lack of funds. The Ecuadorean police, with U.S. assistance, must rent Army helicopters for reconnaissance of, and transportation to, remote cultivation areas. A recent reprogramming of additional INM monies should make the operation possible.

In May 1985, a USAID agreement for a Narcotics Use Prevention Program was signed with an Ecuadorean institute made up of public and private representatives. The First Lady of Ecuador is actively involved in this \$250,000 program, which emphasizes preparation of educational materials and training of key opinion leaders in the country.

The INM program in Ecuador has tripled in the past year, going from \$414,000 in FY85 to \$1,310,000 in FY86. A Narcotics Assistance Unit with one fulltime officer was recently established at the Embassy in Quito.

DEPARTMENT OF STATE
BRIEFING PAPER

FEDERAL REPUBLIC OF GERMANY

The government of the Federal Republic of Germany accords a high priority to drug abuse and drug trafficking problems, both domestically and multilaterally. Drug abuse has followed the general European trend of being on the increase for most substances; cocaine is less visible a problem than in the U.S.

The federal, state and many local governments devote considerable effort and resources to reducing demand, controlling trafficking and treating and rehabilitating victims. Their emphasis, however, has been on the health aspects of the drug problem. Resources for demand reduction and treatment have increased and new methods for treatment, including the use of methadone, are being considered. Resources for stepped up law enforcement have also been made available, including the posting of drug liaison officers in other countries. In 1982, a new federal drug law was passed which provides, inter alia, stiffer sentences for drug trafficking offenses. Of special interest is the authority given to the government to more closely monitor and control trans-border movements of drugs.

In early 1984, the federal government prepared a report to Parliament on drug criminality in the FRG which stated that 60% of all drug smugglers coming into the FRG were apprehended at the German/Dutch border. In April 1984, six members of the Bundestag Internal Affairs Committee travelled to South America to visit the coca producing countries.

There is a strong parent/community anti-drug abuse effort in the FRG. Originally inspired into action by the drug abuse problem among foreign military troops stationed in Germany, the movement has expanded its work to prevention and treatment to domestic sectors of the population. It has also enjoyed a heightened status as a result of FRG First Lady Marianne Von Weizsaecker's participation at the First Ladies Conference. She is the patroness of the Federation of Parents of Adolescents Exposed or Addicted to Drugs.

In the multilateral arena, West Germany is an active participant in the UN Commission on Narcotic Drugs (CND) and is a major donor to the United Nations Fund for Drug Abuse Control (UNFDAC). The U.S. and the FRG enjoy an excellent cooperative relationship - both bilaterally and multilaterally.

DEPARTMENT OF STATE
BRIEFING PAPER

ITALY

Italy has become a key country in the European arena in its commitment to combat the drug problem. The government has taken a particularly strong stand against drug traffickers because of their close ties to the Italian Mafia; the Maxi-trials in Palermo are a strong indication of the government's commitment to counter the Mafia's activity. Drug abuse, once a problem among the elite, has spread rapidly to all sectors of the population. Italy's role in the multilateral narcotics control effort is one of leadership, particularly in its support to the United Nations Fund for Drug Abuse Control.

According to a 1984 study by the Italian Institute of Health, drug abuse is most concentrated in the northern region of Italy but is increasing in all large cities throughout the country. Traditionally, the GOI has concentrated its concern on heroin abuse and the criminal aspects associated with it. However, use of marijuana is widespread, as it is throughout Europe, and cocaine use is on the rise. Public, private and media attention to the problem is strong, largely due to an active anti-narcotics campaign spurred by private organizations.

The Italian government faces its biggest challenge in the drug trafficking problem because of the Mafia's key role in this activity. The U.S./Italian Working Group on Narcotics and Organized Crime was established in 1983 to assist both countries in dismantling the Mafia's role in drug trafficking. In June 1986, a Sub-committee was created to deal specifically with strengthening investigative and legal measures to facilitate prosecution of drug trafficking criminals.

Italy is a key player in the multilateral narcotics control effort. It is a major contributor to UNFDAC, having pledged \$40 million in 1983 for use primarily in anti-coca projects in Latin America. The Executive Director of UNFDAC is an Italian judge, Dr. Giuseppe di Gennaro. Italy is also a member of the Commission on Narcotic Drugs (CND) and is working closely with the U.S. on two major UN initiatives, a new convention on drug trafficking and the International Conference on Drug Abuse and Illicit Trafficking (ICDAIT).

DEPARTMENT OF STATE
BRIEFING PAPER

JAMAICA

Jamaica is a major marijuana producer for the U.S. market and it serves as a significant transshipment point for cocaine bound to the U.S. from South America. Although marijuana is planted year around in isolated locations throughout Jamaica's rugged interior, the fall harvest is by far the heaviest. An estimated 2000 hectares of marijuana are cultivated each year. The annual potential yield is from 1269 to 1923 metric tons. Local processing includes compressing and packaging the marijuana, as well as manufacture of hashish and hashish oil.

Marijuana has been cultivated for local consumption in Jamaica since the 1830's, when it was introduced by East Indian laborers. Commercial cultivation developed in the 1960's in response to demand by local tourists and to a lucrative market in the nearby U.S. By the 1970's, marijuana production helped provide income to many Jamaicans when traditional economic activity in sugar, bananas, tourism and more recently bauxite began to fall off dramatically. With recovery of the tourist industry in the 1980's, cocaine became widely accessible to the local population for the first time.

In the past two years, the Government of Jamaica (GOJ) has embarked on an active anti-narcotics campaign aimed at marijuana eradication, narcotics interdiction and drug abuse education. Authorities are alarmed by the menacing influence of drug traffickers and by the recent appearance of cocaine for local consumption.

Last year, an estimated 40 percent of the marijuana crop was destroyed. This year, the GOJ hopes to eradicate 45 percent. However, by mid-year only 442 hectares were destroyed, compared with 695 hectares for the same period in 1985. The spring eradication effort was hampered by several factors including flood rains in May, movement of cultivations to less accessible sites and by inoperative transport helicopters and inadequate communications equipment. By the end of June 1986, 25,790 kilos of marijuana and 628 kilos of cocaine were siezed/destroyed. Marijuana siezures by mid-1985 totaled 71,114 kilos. Destruction of illegal airstrips continued in 1986, and by mid-year 101 narcotics-related arrests had been made. There was talk of updating drug laws and of meting out stiffer penalties for drug offenses.

The USG has provided Jamaica with ever increasing levels of anti-narcotics assistance in the past few years. In FY-1984, INM provided only \$41,000. By FY-1985, the figured jumped to \$480,000. For FY-1986, the figure exceeds \$600,000. Much of our recent focus has been on upgrading the GOJ's deteriorating eradication resources. But, the impact is unlikely to be seen until 1987.

DEPARTMENT OF STATE
BRIEFING PAPER

LAOS

Both opium and marijuana are grown in Laos. Estimates of opium production range from 50-100 metric tons; there are no credible estimates on the extent of marijuana cultivation.

The government of the Lao People's Democratic Republic (LPDR) prohibited opium cultivation and banned the selling or trafficking of opium and heroin soon after it took power in 1975. It claims to have eliminated the illicit cultivation, refining, trafficking, and use of narcotics in areas it controls. There are no prohibitions against marijuana, which is readily available.

LPDR officials are generally reluctant to discuss the subject of narcotics control, alleging that Laos has no narcotics problem. It appears unlikely that the LPDR has either the ability or desire to develop a narcotics control program, with or without U.S. support. Enforcement measures against narcotics are almost non-existent. The LPDR lacks the organization, staffing, equipment, and funding needed to undertake narcotics suppression measures. The central government only nominally controls many remote parts of the country, particularly those areas where narcotics are cultivated.

As narcotics control programs in Thailand and Burma achieve greater success, Laos may play an increasingly important role in Golden Triangle narcotics production.

DEPARTMENT OF STATE
BRIEFING PAPER

MEXICO

Mexico was traditionally the largest single supplier of heroin to the U.S. Aerial herbicide eradication was initiated in Mexico in 1975 as a prototype program in a joint GOM/U.S. initiative. It proved to be effective against large areas of both opium poppy and marijuana cultivation.

By 1986 Mexico was again the largest single source of heroin and marijuana sold in the U.S. There are a number of reasons for the increase in opium poppy and marijuana cultivation, including an eroding economic situation in recent years and a cycle of very good climate for the cultivation of illicit crops.

While opium production levels are still below the peak years of the mid-1970's, for at least two years production has been increasing steadily. Marijuana production has also risen. Mexico now outranks Colombia as the largest supplier to the U.S. market.

Cocaine transshipments from South America are increasing with Mexico developing as a major conduit to the U.S. A deteriorating economic situation provides further incentive to increased narcotics activity. This situation has recently led to strains in U.S./Mexican relations.

U.S. support to anti-narcotics efforts in Mexico is aimed at reducing the percentage of narcotics arriving in the U.S. from Mexico to the maximum extent possible. The Mexican Attorney General's aerial eradication program receives substantial DOS/INM funding support (almost \$12 million in FY 1986).

The GOM has agreed to a joint fall 1986 "sweep" eradication campaign utilizing 6 DOS fixed-wing spray aircraft with American pilots and a number of Mexico rotary wing spray aircraft and fixed-wing support aircraft.

The U.S. has begun planning "Operation Alliance", an intensive narcotics interdiction program concentrating on the land border and waters off of both coasts. Mexican cooperation will be invited.

While the investigation of the February 1985 murder of DEA agent Enrique Camarena appears to show little forward movement, two key figures, Caro Quintero and Fonseca Carillo, remain in detention and a trial has been in the hearing stage since April 1985. More recently the arrest and subsequent torture of another DEA agent in Jalisco has led to charges being brought against 11 Mexican state policemen.

DEPARTMENT OF STATE
BRIEFING PAPER

NIGERIA

Nigeria is not a major producer of illicit drugs. However, its role as a transit country has expanded since 1984 with increased involvement of Nigerian traffickers in heroin smuggling from Southwest Asia through Nigeria to the US and Europe.

By 1985, an estimated two-thirds of illicit narcotics transiting Africa were being shipped through Nigeria.

The Government of Nigeria has tightened up anti-narcotics laws and improved inspection procedures at ports of entry.

DEA established an office in Lagos in 1985 and has been receiving excellent cooperation from the Nigerian authorities.

The United States has been cooperating with the GON to improve police and customs enforcement capabilities. This year senior Nigerian customs officials have traveled to the US to observe US methods, while thirty police officers participated in an in-country enforcement program. 900 narcotics couriers have been arrested to date this year.

We are continuing an active dialogue with the Nigerian Government on plans such as the implementation of a law permitting "turnaround prosecution".

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PAKISTAN

Pakistan is a major producer and exporter of heroin, as well as a major trafficking route for Afghan narcotics production. An estimated 50% of the heroin entering the U.S. originates in or transits Pakistan.

After a record bumper crop in 1979 of 800 metric tons, Pakistan made gradual progress at reducing opium cultivation. A combination of falling prices, government enforcement, and poor weather reduced production to 45 metric tons in 1983-84. However, production may have been as high as 70 metric tons in 1984-85, and double that in 1985-86. In the face of violent protests by local farmers after the belated onset of the 1985-86 eradication campaign, the GOP halted efforts to enforce the ban on growing opium. Good weather and rising domestic demand also contributed to the increase. The opium is refined into heroin in small, highly mobile laboratories.

The U.S. has stressed to Pakistan the importance of an early eradication effort this fall to recover from the setbacks of the 1985-86 season. The GOP has reaffirmed that it is committed to opium eradication. A number of GOP officials at the national and provincial levels have made public announcements warning farmers that opium crops will be destroyed and no compensation or development assistance provided.

Narcotics was one of the major topics during Prime Minister Junejo's July 1986 visit to Washington. To counter production and trafficking, the Prime Minister and President Reagan agreed "to strengthen their anti-narcotics cooperation and to explore aerial spraying as a poppy eradication measure." While we have since received conflicting signals from the GOP regarding aerial eradication, the government has announced that such a program will be implemented if other enforcement methods fail.

In recent years, Pakistan has developed a severe domestic heroin addiction problem. The GOP believes the country has at least 300,000 addicts, which on a per capita basis exceeds the rate of U.S. heroin addiction.

U.S. narcotics control assistance to Pakistan totalled \$3.48 million in FY-86. \$2.85 million has been requested for FY-87.

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PANAMA

Panama's primary role as a drug trafficking country is as a drug and chemical transshipment point and money-laundering center for drug money.

Panama serves as a transfer point for narcotics -- primarily cocaine and marijuana -- moving from South America to the U.S. Although Panamanians are involved in trafficking, and corruption is reportedly a factor, most of the actual trafficking is carried out by nationals of other countries, especially Colombians and Bolivians.

Panama has historically been a transshipment point for precursor chemicals moving south from the United States and Europe.

With a large international banking industry and bank secrecy laws that protect the customer, Panama is an ideal haven for laundering narcotics money. Unlimited amounts of money may be brought into and out of the country with no reporting requirements. There are, however, no solid estimates on the amount of drug money laundered.

The U.S. has proposed to Panama a Mutual Legal Assistance Treaty (MLAT) that would enable U.S. law enforcement agencies to obtain evidence in Panama related to the entire range of criminal activity, including bank records. In response to our proposal for an MLAT, the GOP plans to introduce tougher anti-narcotics legislation this fall. The bill, if passed, would criminalize drug money-laundering but, in its present form, would not provide us with bank data in evidentiary form and could complicate existing extradition procedures.

Due to the relatively small size of the Panamanian marijuana crop (400-500 hectares) as well as joint GOP/USG eradication campaigns using INM supplied aircraft carried out in October 1985 and January 1986, Panama experienced a significant decrease in marijuana cultivation in 1986. Presently joint eradication efforts are being held in abeyance pending the determination that cultivation is sufficient to warrant the commitment of further USG resources.

Panama's anti-narcotics program centers on two areas: improving the capability of law enforcement agencies to deal with narcotics interdiction on a country-wide basis; and eradication of marijuana cultivation.

Panamanian authorities have been cooperative in permitting U.S. Coast Guard vessels to search and seize Panamanian-registered vessels suspected of carrying drugs. They have also cooperated in expelling directly to the U.S. trafficking fugitives, usually provided that they are not Panamanian citizens.

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PERU

On entering office in July 1985, Peruvian President Alan Garcia committed his government to an aggressive campaign against narcotics trafficking. Following an anti-corruption drive in which more than 1500 police personnel were fired or retired, the Interior Minister announced details of police reorganization designed to unify forces and eliminate fragmentation, corruption, duplication of effort and institutional rivalries.

The Garcia government has pushed coca eradication efforts. Under GOP/USG program agreements almost 5,000 hectares were eradicated in 1985, but 1986's total as yet is only 2,064, due in part to public demonstrations, the threat of violent confrontations and the July murder of 6 eradication workers on the job.

Drafting of a comprehensive multisectoral GOP narcotics plan nears completion. Under conditions imposed by the U.S. Congress, the plan must be finished and its implementation begun before FY87 USG economic and military assistance can be provided to Peru. FY86 non-narcotics assistance was provided following certification to the Congress that substantial progress on the plan had been accomplished.

Regional drug cooperation is increasing, as exemplified by the signing in Peru of the Lara Bonilla Treaty by representatives from Colombia, Venezuela, Bolivia, Ecuador and Peru. The accord calls for coordinated efforts in prevention, repression of trafficking and drafting of narcotics legislation by the signatory countries. Peru has also conducted interdiction efforts coordinated with Colombian forces.

INM, acting through the Embassy's Narcotics Assistance Unit, has maintained project agreements in Peru since 1978, providing a total of \$21 million. We currently support a balanced program of enforcement, education, crop control and alternative agricultural development. USAID is implementing AID's largest public awareness initiative worldwide, a \$4 million project to increase public awareness of Peru's growing drug abuse.

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THAILAND

The single most important aspect of the narcotics problem in Thailand is its role as the principal transit country for heroin produced from poppies grown in Burma. Royal Thai Government (RTG) efforts to establish better border security and to interdict narcotics within the country have caused some shift in trafficking routes. However, Thailand's extensive communications infrastructure and easy access to international transportation will probably cause it to remain the route of choice.

Both opium and marijuana are grown in Thailand. Opium cultivation is confined to mountainous areas in the northern part of the country. Marijuana has long been grown in the northeast, but in recent years its cultivation has spread throughout the country.

RTG policy has been influenced by the traditional nature of opium cultivation and by government concern for the welfare of the non-ethnic Thai hilltribes growing it. In 1984-85 the RTG initiated a policy of forced manual eradication. Combined with existing development assistance incentives to discourage opium production, the new policy produced a 50% drop in opium acreage planted in late 1985. Although good weather improved yields per acre, total opium production fell to 16-27 metric tons, down from 35.7 metric in 1984-85.

The RTG, alarmed by the explosive expansion of marijuana cultivation, is devoting increased resources to marijuana control. Reportedly Western (including American) traffickers are providing funding and technical know-how.

Estimates of the extent of heroin and opium addiction indicate that Thailand is a net importer of opiates. The country is regarded as a leader in drug abuse prevention and treatment programs. Mrs. Reagan visited Thailand and Malaysia in May 1986 as part of her anti-drug abuse campaign.

U.S.-Thai cooperation on the narcotics issue is excellent. U.S. anti-narcotics assistance, which totalled \$3.6 million in FY-86, will increase to \$4.2 million in FY-87.

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VENEZUELA

Venezuela has not been a major drug producing country although some marijuana and coca cultivation occurs in the Perija Mountains along the border of Colombia. Plots generally are one to five hectares in size and are destroyed upon discovery by the National Guard. But success with the Colombian eradication campaign will likely lead to increased cultivation in Venezuela. At mid-year 700 hectares of marijuana and coca plants were discovered in the Perija Mts. Subsequent to that, National Guardsmen discovered a total of approximately 22,500 acres of marijuana in the same area and have been conducting eradication operations since August.

Venezuela has focused on narcotics interdiction and on building public drug awareness. Cocaine is usually shipped to the U.S. by private aircraft in 50-200 kilo loads. Marijuana is generally transshipped from Venezuelan ports on Colombian flag vessels. The National Guard has encountered abandoned cocaine laboratories with multi-ton refining capacities.

Venezuelan President Lusinchi publicly opposes the illicit drug trade. In February, Venezuela's judiciary council president made a commitment to remove delinquent magistrates for failure to process narcotics cases, but there is a question whether the judiciary can police itself. Allegations of judicial corruption have received moderate press coverage.

The GOV has few resources with which to monitor its vast wilderness borders with Colombia and Brazil. The government has made little progress in identifying domestic drug abuse, inventorying narcotics seizures or in estimating trafficking from neighboring producer countries.

From July 1984 through June 1985, estimated drug-related seizures included 0.9 metric tons (mt) of cocaine, 47.8 mt of marijuana, 0.2 mt of bazuco and 964,000 gallons of ether/acetone. In 1985, there were 12,919 drug-related arrests.

The GOV and USG anticipate a closer working relationship on drug matters in future. Improved intelligence sharing and increased Venezuelan resource allocation to interdiction and eradication are subjects of mutual concern.