

**CARIBBEAN DRUG TRAFFICKING: RETURN OF THE
CARIBBEAN CONNECTION**

HEARING

BEFORE THE

SUBCOMMITTEE ON CRIMINAL JUSTICE OVERSIGHT

OF THE

COMMITTEE ON THE JUDICIARY

UNITED STATES SENATE

ONE HUNDRED SIXTH CONGRESS

SECOND SESSION

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CARIBBEAN DRUG TRAFFICKING: RETURN OF THE CARIBBEAN CONNECTION

TUESDAY, MAY 9, 2000

U.S. SENATE,
SUBCOMMITTEE ON CRIMINAL JUSTICE OVERSIGHT,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:15 a.m., in room SD-226, Dirksen Senate Office Building, Hon. Strom Thurmond (chairman of the subcommittee) presiding.

Also present: Senator DeWine.

OPENING STATEMENT OF HON. STROM THURMOND, A U.S. SENATOR FROM THE STATE OF SOUTH CAROLINA

Senator THURMOND. The subcommittee will come to order.

Today's hearing is concerned with the increasing use of the Caribbean by narcotics trafficking organizations as a transshipment point for smuggling drugs, primarily cocaine and heroin, into the United States.

Without question, the illicit drug trade has a devastating effect not only on the United States, but also on those countries that are being used as transit points. Puerto Rico's murder rate, much of it drug related, is reported to be the highest in the United States or its possessions. Jamaican and Dominican drug gangs are renowned for their unrestrained use of violence to further their goals, and the drug trade has fueled growing corruption of police forces and government officials in these transit countries.

To add some context to this hearing, the Caribbean used to be the favored route of smugglers, but as the United States focused its counter-drug efforts on this region, the narcotics traffickers shifted their efforts to our Southwest border region. In response to this, we also shifted considerable enforcement resources and efforts to the border.

However, the drug cartels and other traffickers are dynamic and innovative, constantly changing their routes and methods to exploit any potential weakness. Today, the entire Caribbean is becoming an increasingly attractive avenue for trafficking and is the second major conduit for contraband. Interagency studies and intelligence sources indicate that detected smuggling attempts in the Caribbean are up—I repeat—up 30 percent since 1998, and it is estimated that 33 percent of the total amount of cocaine smuggled into the United States last year came through the Caribbean.

Given the expanse of water, the seemingly countless islands, and the instability of a number of nations in the Caribbean, drugs are

easily smuggled through the region. Traffickers using cargo ships, private aircraft, and go-fast boats are moving literally tons of cocaine and heroin out of South America, through the Caribbean, and into the United States.

Particularly disturbing is the prominent role which Puerto Rico has taken in drug smuggling. Traffickers are eager to get drugs onto Puerto Rico, for once their illicit cargo is on that island it can be hidden among legitimate cargo bound for the United States and will never have to pass U.S. customs examinations and inspections.

Long before the explosion in drug trafficking, the Caribbean was famous for being the home of offshore banks. The lax banking regulations in several of the Caribbean nations had made this part of the world attractive as a major drug money laundering center. The flow of hidden money imposes significant hardships on legitimate commerce, and for many Caribbean nations money laundering creates financial volatility.

Clearly, the increased use of the Caribbean as a pipeline for drugs bound for the United States represents a disturbing trend and a serious threat to our Nation. Even more clearly, we must refocus enforcement and interdiction efforts on this region and find ways to increase cooperation amongst domestic law enforcement organizations and between American law enforcement agencies and their counterparts in the Caribbean.

We are fortunate to have a distinguished and honorable panel testifying before us today: Michael Vigil, Special Agent in Charge of the Caribbean Field Division of the DEA; John Varrone, Acting Deputy Assistant Commissioner with the Office of Investigation for the U.S. Customs Service; and Vice Admiral John Shkor, Commander of the Coast Guard Atlantic Area.

These witnesses represent the agencies that are leading our efforts to stem the flow of narcotics through the Caribbean, and I am certain their testimony will be enlightening and educational. Gentlemen, we appreciate your appearing before us today. Before we get started, I would like to say for the record that we appreciate all your hard work. There are few professions more demanding and dangerous than law enforcement, and I commend each of you for your hard work, selfless efforts, and dedication to serving the Nation.

Would you like to make a statement?

**STATEMENT OF HON. MIKE DeWINE, A U.S. SENATOR FROM
THE STATE OF OHIO**

Senator DEWINE. Mr. Chairman, thank you very much. I want to congratulate you for holding this hearing. It is very important that we focus on what is going on in the Caribbean region in regard to drug trafficking and drug transit coming into this country.

We do have a drug crisis in this country, as you have pointed out, Mr. Chairman, and it is largely a result of the abundant supply of drugs that originate many times in Colombia and that enter our country from transit points in the Caribbean.

The fact is that when drugs are readily available because they cross our borders and end up on our streets, Americans, usually our children, too often end up using them. To be effective, our drug control strategy needs to be a coordinated effort, a coordinated ef-

fort that directs and balances resources and support among three key areas: domestic law enforcement; international eradication and interdiction efforts; and demand reduction, treatment, and education.

I believe, Mr. Chairman, that part of our problem in the last few years is our anti-drug strategy has become imbalanced. We have not put enough resources into international interdiction. We began to change that recently, but we need to reexamine exactly where we are and exactly what is going on in the Caribbean.

Because of the lack of emphasis on stopping drugs before they reach our borders, drug traffickers prey upon weak nations, weak nations unable to combat the strength and power of the illicit drug trade. That is why the Caribbean remains a prime enabler for a majority of the illicit drugs that make landfall into the United States.

One example is Haiti. We all know that the situation in Haiti is a mess. Because of the island's weak political and economic condition, Haiti has become increasingly attractive to international drug traffickers. According to a U.S. Government Interagency Assessment on Cocaine Movement, in 1996 between 5 and 8 percent of the cocaine coming into the United States passed through Haiti. But also according to that same study, by 1998 the amount jumped to nearly 20 percent.

And let me just say based on my own experiences in traveling to Haiti on many occasions, I think it is probably impossible for us to tell what is going through Haiti. But the estimates are frightening.

I think we must recognize that Haiti's growing popularity as a lane of choice on the drug trafficking highway is linked to the continued political, economic, and legal instability that continues to plague that country. The transit of drugs in Haiti represents a serious threat to an already very fragile democracy. If Haiti's current political vacuum is filled by drug cartels and drug dealers, that democracy may collapse, and we must not let this happen.

Mr. Chairman, in 1998 I came back from a trip to the region convinced that unless we increase our investment in drug interdiction, we risk losing the Caribbean to organized crime and drug trafficking. As a result, we in Congress addressed this concern with the passage of the Western Hemisphere Drug Elimination Act. This Act is a \$2.7 billion, 3-year bipartisan plan to increase our investment in international eradication, interdiction, and crop alternatives.

As a result of our initial investment of \$844 million for international drug control and interdiction in fiscal year 1999, we made significant gains in stemming the flow of illicit drugs into our country. For instance, the U.S. Coast Guard seized a record amount of cocaine in fiscal year 1999—111,689 pounds.

However, Mr. Chairman, sadly, the administration has not put significant emphasis on drug interdiction. Sadly, we have not in the past year put enough resources into this bill. I think it is our obligation this year to revisit this issue to see exactly where we are, and I would hope, Mr. Chairman, that after we do that, we will resolve as a Congress to put additional funds into the Western

Hemisphere Drug Elimination Act. It is vitally important that we do this.

If we are to continue having a significant impact on illicit drug trafficking, we must be committed to invest in the long term in the Coast Guard and other key agencies, such as Customs and the Drug Enforcement Administration. These agencies are America's front-line defense against drugs crossing our borders. We must provide them the resources necessary to address the illicit drug threat.

Mr. Chairman, I want to again thank you for holding this hearing, and I want to thank our three witnesses. I look forward to their testimony.

Thank you, Mr. Chairman.

Senator THURMOND. Thank you very much.

Panel one: Vice Admiral John E. Shkor.

Vice Admiral SHKOR. Good morning, Mr. Chairman.

Senator THURMOND. Glad to have you with us.

Mr. Michael S. Vigil, glad to have you with us.

Mr. VIGIL. Good morning, Senator.

Senator THURMOND. Mr. John C. Varrone, glad to have you with us.

Mr. VARRONE. Thank you, sir.

Senator THURMOND. You may proceed.

PANEL CONSISTING OF VICE ADMIRAL JOHN E. SHKOR, COMMANDER, COAST GUARD ATLANTIC AREA, PORTSMOUTH, VA; MICHAEL S. VIGIL, SPECIAL AGENT IN CHARGE, CARIBBEAN FIELD DIVISION, DRUG ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE, SAN JUAN, PUERTO RICO; AND JOHN C. VARRONE, ACTING DEPUTY ASSISTANT COMMISSIONER, OFFICE OF INVESTIGATIONS, U.S. CUSTOMS SERVICE, WASHINGTON, DC

STATEMENT OF VICE ADMIRAL JOHN E. SHKOR

Vice Admiral SHKOR. I am Vice Admiral John Shkor, Commander of the Coast Guard Atlantic Area. Thank you for the opportunity to appear before you today to discuss the Coast Guard's efforts against the drug smuggling problem in the Caribbean.

With your permission, I ask that my formal statement be accepted for the record and that I offer a summary at this time.

Senator THURMOND. Without objection, so ordered.

Vice Admiral SHKOR. The Coast Guard is the lead agency for maritime drug interdiction and shares lead agency responsibility for air interdiction with the Customs Service. We are on the front line daily in the maritime drug interdiction fight, facing an opponent who is well financed and ruthless.

According to interagency figures, in calendar year 1999, 512 metric tons of cocaine flowed from source countries, primarily Colombia, en route to the U.S. market. Our role is against smugglers operating in the transit zone, and our goals come from the National Drug Control Strategy. Goal 4 requires us to shield America's frontiers from illegal drugs, and sets out clear performance measures which call for us to reduce the rate of illicit drug flow through the transit and arrival zones by 10 percent in 2002 and 20 percent in 2007.

At the same time, our national emphasis is on source zone operations, something that is vital to achieving our national supply reduction goals. The operative metaphor is we must shoot the archer rather than the arrows. It remains necessary, and the National Drug Control Strategy provides for, a balance which recognizes that while we fletch our arrows, prepare long bows and seek a place down range from which to do battle, the archer is killing some 15,000 of our citizens each year. We must sustain the shield of transit zone interdiction while source country programs take effect.

The chart on my left shows the path of cocaine moving through the Caribbean. Last year, about half of the cocaine leaving South American destined for the United States was shipped through the Caribbean transit zone. About 90 percent of the cocaine flow generally goes by sea. Much of that movement is on go-fast boats, typically 40- to 50-foot boats with high-horsepower outboard engines which carry more than half a ton of cocaine on each trip. Much of the movement of cocaine is carried on commercial vessels, large and small, as well.

The highest threat axis is to Puerto Rico and nearby islands. The tonnage moved to Haiti is significant, but not quite as large. Of note is that an estimated 40 percent of the cocaine flow into Haiti is by way of non-commercial air and is currently beyond our ability to directly influence. Lesser amounts move to Jamaica and the western Caribbean. Indeed, the flow estimates for the western Caribbean have dropped in the past 2 years.

Nearly all of my available counter-drug effort is focused on the Caribbean, amounting to nearly 90,000 cutter operating hours and 16,500 aircraft flight hours last year. We allocate 60 percent of our major cutter operational time to the counter-drug mission.

Mr. Chairman, I thank the Congress for the supplemental funding for fiscal year 1999 which allowed the Coast Guard to initiate several programs to enhance end game capability. We have put the funds you provided to good use. The initial deployment of armed helicopters with over the horizon small boats has been a tremendous success. While this prototype operation was limited to only two helicopters deployed only a part of the time, six go-fast boats were detected and six were stopped—much better than one out of six, as is the case without this capability.

Senator DeWine, none of this would have been possible without your interest in our Nation's drug problem. You were a sponsor of the Western Hemisphere Drug Elimination Act. The supplemental funding which followed has translated into tangible improvements in the Coast Guard's ability to catch smugglers and seize drugs. The equipment you enabled us to deploy made last year a record for the Coast Guard, some 51 metric tons seized, and we are ahead of that pace this year with 34 metric tons seized. Speaking on behalf of Coast Guard men and women who have put those tools to use, a sincere thank you.

Roughly one-fourth of all cocaine entering the United States comes via the 110-mile-long island of Puerto Rico. My primary counter-drug focus in Atlantic Area for the upcoming year will be on Puerto Rico, with a secondary focus on Haiti. Cocaine flow into Puerto Rico has doubled over the past three years. Part of this in-

crease can be attributed to a secondary movement of cocaine first delivered to Haiti and then transported westward.

You can see from this second chart that while the amount seized by interagency efforts has risen, the percentage of that amount as compared to the flow has decreased. The end result is that significantly more drugs are successfully arriving in Puerto Rico for further transport to the mainland United States.

Senator, I see a red light. Should I stop? I see a red light, sir. Should I stop or continue with my statement, Senator?

Senator THURMOND. Yes, proceed.

Vice Admiral SHKOR. Reduction in cocaine movement during 1997 and 1998 was the result of a surge in operations by the Coast Guard under Operation Frontier Shield and a surge by the Customs Service under Operation Gateway. It is extremely regrettable that because of resource limitations, neither agency has been able to sustain that level of effort over time.

The Coast Guard is working with other members of the Federal law enforcement community in Puerto Rico to develop a systemic approach to attacking this reemerging threat. The U.S. interdiction coordinator some months ago asked that the Federal law enforcement community in Puerto Rico look at how it could respond to the resurgence of cocaine movement.

I am pleased to report that my partner at the table, Mr. Mike Vigil, is coordinating this effort through the Puerto Rico HIDTA Executive Committee, of which he is chairman. We need to dismantle smuggling organizations moving cocaine through Puerto Rico. We need to cut the annual tonnage of cocaine moving through Puerto Rico from something over 100 metric tons to something under 50 metric tons and keep it there. We need to regain control of our own backyard.

I would like to speak to Haiti briefly. When we focus on Haiti, we must recognize the realities of our limitations operating in and around there. These limitations result in an extremely unfavorable operating environment, particularly on the ground. We do not yet have the fundamentals of law enforcement that we do in Puerto Rico, or even as is found in most of the Caribbean nations with which we partner. This chart shows that reality. U.S. law enforcement seizes 23 percent of the cocaine moving into and through the Puerto Rico op area, while only 4 percent of the cocaine moving to Haiti is seized.

The most effective means we have of addressing cocaine movement into Haiti is to remove the incentive to the trafficking organization. We suspect that a significant amount of cocaine moves from Haiti to Puerto Rico, just as a significant amount moves to south Florida. Attacking that secondary flow effectively would reduce the attractiveness of Haiti to smuggling organizations.

The appropriate strategy to address Haiti from our perspective, then, takes three parts. First, we need to attack the secondary flow into Puerto Rico with a closely coordinated interagency response that maximizes the effect of combined resources. This should involve land-based operations supporting our partners in the Dominican Republic whose western border is with Haiti, as well as maritime operations dealing with the movement by sea. Land-based operations in Haiti itself seem problematic for the time being. If the

post-election situation in Haiti results in a more favorable operating environment, that should be pursued as well.

Second, we need to sustain the highly effective Operation Riversweep that the Customs Service leads and which is supported by the rest of us to support the secondary flow into south Florida.

Third, we need to persuade Venezuela to open their air space to United States tracker aircraft to enable end-game effectiveness against smugglers now delivering cocaine to Haiti by air. Our Colombian counterparts have demonstrated a willingness and a capability to deal effectively with smuggling aircraft when we can maintain track back into Colombia. Smugglers exploit Venezuelan policies by flying through Venezuelan air space on their way back to Colombia. It functions like a pick in basketball, scrubbing the defender off the man with the ball. And as a result, they are able to reenter Colombia with impunity.

Senators, let me thank you again for the opportunity to appear and present a Coast Guard view. Your ongoing interest and legislation you have sponsored have made significant improvements in the Nation's ability to protect itself from drugs. I look forward to answering your questions.

Senator THURMOND. Thank you very much.

[The prepared statement of Vice Admiral Shkor follows:]

PREPARED STATEMENT OF VICE ADMIRAL JOHN E. SHKOR

Good morning, Mister Chairman and distinguished members of the Subcommittee. I am Vice Admiral John Shkor, Commander of the Coast Guard Atlantic Area. Thank you for the opportunity to appear before you today to discuss the Coast Guard's efforts with regard to the Drug Smuggling Problem in the Caribbean.

The Coast Guard is the lead agency for maritime drug interdiction and shares lead agency responsibility for air interdiction with the Customs Service. As the only Armed Service with law enforcement authority, and the only Federal agency with broad enforcement authority on the high seas, the Coast Guard is on the front line daily in the maritime drug interdiction fight. Our opponent is well-financed, agile, and ruthless in pursuing his single-minded purpose. Illegal drugs thus remain a scourge on our society, and continue to pose a significant enforcement challenge. According to the Interagency Assessment of Cocaine Movement, in calendar year 1999, 512 metric tons of cocaine flowed from source countries—primarily Colombia—en route to the United States market.

THE COAST GUARD ROLE

The National Drug Control Strategy calls for a balanced array of demand and supply reduction programs. The Coast Guard provides crucial law enforcement essential to reducing supply. However, supply reduction requires both source and transit zone operations. Emphasis on Source Zone operations is, of course, vital to achieving our national goals. The operative metaphor, as I understand it, is that, "We must shoot the archer, rather than the arrows."

The Coast Guard's role with respect to maritime and air operations is against smugglers operating in the Transit Zone. From that perspective I want to review my goals, which come from the National Drug Control Strategy. Goal Four requires us to shield America's frontiers from the scourge of drugs, and sets out clear performance measures. Those measures call for us to reduce the rate of illicit drug flow through Transit and Arrival Zones by 10 percentage points by 2002 and 20 percentage points by 2007 as measured against the 1996 base year.

Our transit zone interdiction operations are, of course, a necessity. They provide a balance to source zone operations that recognizes we must sustain the interdiction shield in the transit zone until that archer in the source zone can be permanently stopped.

In the Transit Zone, we must maintain a credible presence in high-threat areas, assign assets to respond to all actionable information, and conduct combined operations with our foreign law enforcement counterparts. These activities involve both surface and air assets. In addition, we must maintain an agile and flexible end-

game capability that is credible and able to respond to intelligence cueing. We have taken steps to improve our end-game capability with initiatives such as Deployable Pursuit Boats, Maritime Interdiction Support Vessels, and Operation NEW FRONTIER, which includes Airborne Use of Force and Over-the-Horizon cutter boats.

CURRENT THREAT

In calendar year 1999, more than 40 percent of the cocaine detected leaving South America destined for the United States was shipped through the Caribbean Transit Zone. About 90 percent of the cocaine flow moves by maritime means, and in the Caribbean, over 80 percent of the time the traffickers' choice of conveyance is by "go-fasts"—typically 30- to 50-foot, multi-engine boats which carry 500 to 1,500 kilograms of cocaine in each trip. This method of conveyance is agile and responsive to smugglers' changing needs, and poses a significant challenge for our slower and less maneuverable vessels. Clearly then, the Caribbean Transit Zone requires significant attention and a focused application of concerted effort.

In the Caribbean Transit Zone, the highest threat region is Puerto Rico, followed by Haiti, then Jamaica, and the Western Caribbean. While we are maintaining some Coast Guard presence in the waters around Haiti, we see that around 40 percent of the cocaine transshipment activity into Haiti is via non-commercial air and is currently beyond Coast Guard Atlantic Area's ability to influence. The Drug Enforcement Administration and Joint Interagency Task Force East are studying this issue under the direction of the U.S. Interdiction Coordinator.

CURRENT EFFORT

Based on the threat, nearly all of my available counterdrug effort is focused on the Caribbean Transit Zone. In fiscal year 1999, nearly 90,000 cutter operating hours, and over 16,000 aircraft flight hours were applied against the Caribbean threat, amounting to nearly one-third of the hours available from these assets for all missions within Coast Guard Atlantic Area.

We continue to seek innovative solutions in expanding our efforts in the transit zone. Operation New Frontier—the Use of Force from Aircraft combined with Over-the-Horizon cutter boats using night vision goggles, has been a tremendous success, stopping all six of the go-fasts engaged. The Maritime Interdiction Support Vessel has sailed to the Caribbean with Deployable Pursuit Boats that can match and exceed the speed of the smugglers' go-fasts. And we have been able to upgrade aircraft sensor packages to improve our ability to acquire and track smuggling vessels.

I thank the Congress for its support in funding our new 87-foot Coastal Patrol Boat fleet. That initiative has allowed us to reposition the homeports of a number of our more capable 110-foot Patrol Boats further south to place them closer to the counterdrug threat, reducing patrol transit time and resulting in more "steel on target."

We continue to negotiate a series of bi-lateral maritime counterarcotics agreements with foreign governments to enable more effective and efficient coordination with interdiction forces. A tribute to the success of these efforts is the recent signing of an agreement with the government of Honduras, bringing the total number of bi-lateral agreements with Transit Zone nations to twenty-two. These agreements help maximize the effectiveness of our cutters by reducing the time they spend waiting for authorization to either board suspect vessels or to enter the territorial seas of signatory nations in pursuit of suspect trafficking vessels. The Caribbean Support Tender, that the Administration requested and Congress authorized, has already begun its work of providing maintenance and logistics support in the Eastern and Central Caribbean to lay the groundwork for improved performance by their regional maritime services. Our multilateral efforts have made significant progress toward effective cooperation with our Caribbean neighbors who are working with us to deny safe havens to drug smugglers who routinely violate the national sovereignty of these nations.

Last year, with my full encouragement and support, the U.S. Interdiction Coordinator made a decision to raise the priority of counterdrug efforts against the movement of cocaine in the Eastern Pacific. Joint Interagency Task Forces East and West, and Coast Guard Pacific Area, made a number of record seizures and proved that effort effective. Thus, we have demonstrated effective interdiction can be accomplished in both oceans.

FUTURE FOCUS

My primary counterdrug focus in Atlantic Area for the upcoming years is on Puerto Rico, where the smuggling infrastructure is well developed, entrenched, and historically successful. Roughly half of all cocaine flow to the U.S. in 1999 came

through the Caribbean. About half of that Caribbean flow is destined for Puerto Rico. Therefore, one-fourth of all cocaine destined for the United States is being shipped via the 110-mile long island of Puerto Rico. The utility of this route to the smugglers is evident by the fact that although we have been more effective seizing drugs along this route than any other route in the Caribbean, it is still the route with the highest flow.

Cocaine flow into Puerto Rico, the U.S. Virgin Islands, and their approaches has increased nearly threefold over the past two years. While the amount seized by interagency efforts has risen, the percentage of that amount compared to the flow has decreased slightly. The end result of these two factors is that significantly more drugs are successfully arriving in Puerto Rico for further transport to the mainland United States.

The profit margin in drug smuggling is high—indeed, the smugglers treat their quarter-million dollar go-fast boats as consumable items—and the smugglers' long-term transit strategy appears robust enough to survive periodic shifts in routes. As such, the drug trafficking organizations will continue to successfully operate if we simply repeat history and cause them to shift between Haiti and Puerto Rico. Credible law enforcement actions must disrupt the transportation and distribution of cocaine—forcing them to abandon that route. We are working with the Interagency to develop a systematic approach to attack this re-emerging threat and to collectively force smugglers away from Puerto Rico with a desired result of cutting the Puerto Rican throughput in half. As mentioned earlier, the traffickers' infrastructure in Puerto Rico is well established and increasing at sea interdictions alone will not result in long-term behavioral changes. Our focus is to engage in cooperative interagency efforts to achieve breakthrough-level results, through linking interdiction and investigation to permanently dismantle smuggling organizations.

As our efforts over time are successful in this regard we would expect a shift to Haiti and Jamaica as smuggling activity in Puerto Rico becomes prohibitively risky to traffickers. Thus we also need to support continued interagency planning to deal with increased smuggling through Haiti and Jamaica. We must be quick to shift to the emerging threat, while remaining mindful that any time traffickers sense a lessened resistance in Puerto Rico, they will return to that preferred route.

To deal with cocaine movement into Haiti we are trying to remove the reason for the trafficking organizations to ship it there in the first place. Most of the secondary flow from Haiti goes to Puerto Rico, a part of the U.S. Customs Zone, and to a lesser extent, to southern Florida. By attacking that secondary flow effectively, I believe we can reduce the primary flow into Haiti.

The appropriate tactical strategy position to address Haiti then takes three parts. First, attack the secondary flow into Puerto Rico with a closely coordinated interagency response that maximizes the effect of combined resources. Second, sustain the highly effective Miami River Operation to reduce the secondary flow into southern Florida via Haitian coastal freighters. And third, influence Venezuela to open their airspace to United States tracker aircraft to enable effective end-games against the aircraft currently delivering cocaine to Haiti and returning home with virtual impunity.

BUDGET SUPPORT

Congressional support of the President's fiscal year 2001 budget request is essential for the Coast Guard's Deepwater Capability Replacement Project. Without it, the Coast Guard's ability to contribute to national drug interdiction efforts in the long-term, as well as meet the demands of our many other missions that protect the interests of the United States on the high seas, will be significantly impeded as our major assets face obsolescence and retirement over the next twenty years. Our fiscal year 2001 budget provides for investments in the use of aviation assets, and force multipliers such as deployable law enforcement detachments, intelligence collection, and international engagement. We need your continued support.

CONCLUSION

The record seizures the Coast Guard has enjoyed this part year are noteworthy and commendable, but they do not tell the whole story. Increased cocaine flow challenges us each and every day. Your support has enabled us to begin to close the gap through improved sensors and equipment, and to increase Coast Guard and interagency end-game effectiveness. More remains to be done.

To achieve the goals of the National Drug Control Strategy, we must have the right arrows in our quiver—arrows that can be loosed in the counterdrug fight without diminishing our ability to carry out our assigned missions. The Deepwater Recapitalization Project will address our operational capital needs for the future. Oper-

ational enhancements and readiness-related budget initiatives within the President's budget will provide us enhanced capabilities and will permit the most effective use of resources for all our missions.

The Office of National Drug Control Policy estimates that annual illegal drug profits are nearly ten times the Coast Guard's annual budget, and we know they are using that ill gotten gain to invest in current and future operations against our national interests. We have the talent, expertise, and technology to deliver extraordinary interdiction results—what we need are resources equal to the job ahead. Funding the Coast Guard at levels requested by the President will permit us to deliver what is needed in this fight.

Thank you for your support and for the opportunity to discuss this important issue with you today. I will be happy to answer any questions you may have.

Senator THURMOND. We would be glad to hear from you.

STATEMENT OF MICHAEL S. VIGIL

Mr. VIGIL. Mr. Chairman, members of the subcommittee, I appreciate the opportunity to appear today to discuss the issue of drug trafficking throughout the Caribbean. I would first like to thank the subcommittee for its continued support of the Drug Enforcement Administration and overall support of drug law enforcement.

As you are all aware, the international drug syndicates operating throughout our hemisphere are resourceful, adaptable, and extremely powerful. These syndicates have an unprecedented level of sophistication and are more powerful and influential than any of the organized crime enterprises preceding them. The leaders of these drug trafficking organizations oversee a multi-billion-dollar cocaine and heroin industry which has wreaked havoc on communities throughout the United States.

Over the last two decades, cocaine trafficking over the United States southern border has shifted between the Southwest border and the south Florida-Caribbean corridor. In the 1980's, most of the cocaine that entered the United States transited the Caribbean and south Florida. With increased law enforcement pressure, the South American cartels eventually built new alliances with criminals in Mexico in order to gain access to their long-established smuggling routes into the United States.

The Colombian drug cartels turned increasingly to the Southwest border in the 1990's. By June 1996, approximately 70 percent of the cocaine in the United States transited Mexico, prompting the United States to concentrate its law enforcement resources on the Southwest border. Today, five years into the Southwest Border Initiative, drug trafficking is once again increasing in and through the Caribbean-south Florida corridor.

For purposes of this hearing, I will provide an overview and assessment of the drug trafficking situation in the Caribbean, then specifically address drug-related issues in Puerto Rico and Haiti. In concluding, I will briefly discuss some recently concluded joint law enforcement operations and initiatives in the region.

The Caribbean has long been an important transit zone for drugs entering the United States and Europe from South America. These drugs are transported through the region to both the United States and Europe through a wide variety of routes and methods. The primary method for smuggling large quantities of cocaine through the Caribbean to the United States is via maritime ships. Go-fast boats, small launches with powerful motor; bulk cargo freighters;

and containerized cargo vessels are the most common conveyances for moving large quantities of cocaine through the region.

The Caribbean also plays an important role in drug-related money laundering. Many Caribbean countries have well-developed offshore banking systems and bank secrecy laws that facilitate money laundering. In countries with less developed banking systems, money is often moved through these countries in bulk shipments of cash, the ill-gotten proceeds of selling illicit drugs in the United States.

The ultimate destination of the currency and/or assets is other Caribbean countries or South America. Presently, many international drug trafficking organizations utilize Puerto Rico as a major point of entry for the transshipment of multi-ton quantities of cocaine being smuggled into the United States. Puerto Rico has become known as a gateway for drugs destined for cities on the East Coast of the United States.

Puerto Rico's 300-mile coastline, the vast number of isolated cays, and 6 million square miles of open water between the U.S. and Colombia, make the region difficult to patrol and ideal for a variety of smuggling methods. Only 360 miles from Colombia's north coast and 80 miles from the east coast of the Dominican Republic, Puerto Rico is easily reachable by twin-engine aircraft hauling payloads of between 500 to 700 kilograms of cocaine.

The go-fast boats make their round-trip cocaine runs to the southern coast of Puerto Rico in less than a day. Today, cocaine and heroin traffickers from Colombia have transformed Puerto Rico into the largest staging area in the Caribbean for illicit drugs destined for the U.S. market. This situation has aided in the creation of a public safety crisis in Puerto Rico. This crisis has resulted in difficulties retaining Federal drug enforcement personnel in the Commonwealth of Puerto Rico.

Few personnel from the continental United States are willing to accept a transfer to Puerto Rico, and those who do so often want to leave soon after arrival. Such quality of life issues as independent public services, unreliable utilities, limited accessibility of medical care, the high cost of living, an exclusionary social structure, limited availability of appropriate schools for dependent children, and the high incidence of crime have contributed to early turnover and family separations. As a result, DEA has in place several incentive packages for special agents, diversion investigators, and intel analysts relocating to Puerto Rico.

Just under 130 miles from Colombia's most northern point and 80 miles from Puerto Rico, the island of Hispaniola is easily by twin-engine aircraft hauling payloads, again, of between 500 to 700 kilograms of cocaine. The two countries on the island, Haiti and the Dominican Republic, share similar coastal features, facilitating intra-island boat traffic.

Just as is the case with the Dominican Republic, Haiti presents an ideal location for the staging and transshipment of drugs. Furthermore, there is no border control between the two countries, allowing essentially unimpeded traffic back and forth. In addition, there is no effective law enforcement or judicial system in Haiti, so there are few legal impediments to drug trafficking.

Recently, DEA has significantly increased manpower in Haiti, and increased interdiction efforts to counter air drops and identify freighter shipments. However, recent statistics released by the Interagency Assessment on Cocaine Movement, in which the DEA participates, indicates that approximately 15 percent of the cocaine entering the United States transits either Haiti or the Dominican Republic. DEA is represented on the island of Hispaniola by the Port-au-Prince country office in Haiti and the Santo Domingo country office in the Dominican Republic.

Due to the lack of an integrated, cohesive intelligence support network, the Caribbean Field Division created UNICORN, which stands for the Unified Caribbean Online Regional Network. With this system, participating Caribbean law enforcement agencies can share photographs, data, and information concerning various targets, locations, and groups involved in drug trafficking and money laundering. The Drug Enforcement Administration loans the equipment to participating agencies and provides training to host country counterparts, as well as installing and implementing the system.

The UNICORN system has already reaped tremendous benefits, as exhibited in the success of Operations Columbus, Genesis, and most recently Conquistador. These enforcement operations, planned and coordinated by the Caribbean Field Division, have severely disrupted drug trafficking organizations throughout the Caribbean region.

For purposes of today's hearing, I would like to briefly comment on Operation Conquistador. Operation Conquistador was a 17-day multinational drug enforcement operation involving 26 countries in the Caribbean, Central and South America. The operation was simultaneously launched on March 10, 2000, in Panama, Colombia, Venezuela, Bolivia, Ecuador, Suriname, Trinidad and Tobago, Montserrat, Dominica, St. Kitts, Nevis, Antigua, Anguila, St. Martin, British Virgin Islands, Barbuda, Grenada, Barbados, St. Vincent, St. Lucia, Aruba, Curacao, Jamaica, Haiti, the Dominican Republic, and the Commonwealth of Puerto Rico.

The primary objective of Conquistador was to develop an effective regional strategy intended to disrupt drug trafficking activities and criminal organizations operating throughout the Caribbean. Command and control of the operation was executed from the DEA Caribbean Field Division in San Juan, Puerto Rico, with forward operating command posts in Trinidad and Tobago and the Dominican Republic.

The U.S. Coast Guard provided an expanded presence of interdiction assets throughout the Caribbean, and executed air and maritime command and control of sea and airborne drug interdiction assets from all countries. The Bureau of Alcohol, Tobacco and Firearms conducted traces of all seized weapons. The operation concluded on March 26, 2000.

Although the arrests and seizures in Operation Conquistador were extremely impressive, they were secondary to the cooperation and coordination among the 26 countries that participated in this endeavor. Despite limited resources and infrastructure in many of the countries, all responded with notable efforts and results. Throughout the duration of the operation, all participants ex-

changed information with each other through the UNICORN system.

In conclusion, we have discovered that the transit of illegal drugs throughout the Caribbean creates unique challenges to law enforcement. DEA is aggressively addressing the drug trafficking threat and working to improve the ability of DEA personnel assigned to the region to confront the threat. In addition, DEA will continue to assist and support our Caribbean counterparts in the counter-drug arena.

With the recent successes of the law enforcement initiatives I detailed earlier, cooperation among the DEA and the island nations in the region are continually progressing. We must sustain this cooperative effort to effectively identify and target the drug trafficking organizations operating throughout the Caribbean.

Mr. Chairman, thank you for the opportunity to appear before this subcommittee. I appreciate the interest you and the subcommittee have shown in DEA's drug law enforcement efforts in the Caribbean. At this time, I will be happy to answer any questions you or any other committee members may have.

Thank you.

Senator THURMOND. Thank you very much.

[The prepared statement of Mr. Vigil follows:]

PREPARED STATEMENT OF MICHAEL S. VIGIL

Mr. Chairman, Members of the Subcommittee: I appreciate the opportunity to appear today to discuss the issue of drug trafficking throughout the Caribbean. I would first like to thank the Subcommittee for its continued support of the Drug Enforcement Administration (DEA) and overall support of drug law enforcement.

As all of you are aware, the international drug syndicates operating throughout our hemisphere are resourceful, adaptable and extremely powerful. These syndicates have an unprecedented level of sophistication and are more powerful and influential than any of the organized crime enterprises preceding them. Traditional organized crime syndicates, operating within the United States over the course of last century, simply cannot compare to the Colombian and Mexican drug trafficking organizations functioning in this hemisphere. These drug trafficking organizations have at their disposal an arsenal of technology, weapons and allies, corrupted law enforcement, and government officials enabling them to dominate the illegal drug market in ways not previously thought possible. The leaders of these drug trafficking organizations oversee a multi-billion dollar cocaine and heroin industry which have wreaked havoc on communities throughout the United States.

Over the last two decades, cocaine trafficking over the United States' southern border has shifted between the Southwest border and the South Florida/Caribbean corridor. In the 1980s, most of the cocaine that entered the United States transited the Caribbean and South Florida. With increased law enforcement pressure, the South American cartels eventually built new alliances with criminals in Mexico in order to gain access to their long-established smuggling routes in the United States.

The Colombian drug cartels turned increasingly to the Southwest border in the 1990s. By June, 1996 approximately 70 percent of the cocaine in the United States transited Mexico, prompting the United States to concentrate its law enforcement resources on the Southwest border. Today, five years into the Southwest Border Initiative, drug trafficking is once again increasing in and through the Caribbean/South Florida corridor.

For purposes of this hearing, I will provide an overview and assessment of the drug trafficking situation in the Caribbean, then specifically address drug-related issues in Puerto Rico and Haiti. In concluding, I will briefly discuss some recently concluded joint law enforcement operations and initiatives in the Caribbean.

TRAFFICKING THROUGH THE CARIBBEAN TO THE UNITED STATES

The Caribbean has long been an important transit zone for drugs entering the United States and Europe from South America. The drugs are transported through the region, to both the United States and Europe, through a wide variety of routes

and methods. The primary method for smuggling large quantities of cocaine through the Caribbean to the United States is via maritime vessels. Go-fast boats (small launches with powerful motors), bulk cargo freighters, and containerized cargo vessels are the most common conveyances for moving large quantities of cocaine through the region. Drug traffickers also routinely transport smaller quantities of cocaine from Colombia to clandestine landings strips in the Caribbean, using single or twin-engine aircraft. Traffickers also airdrop cocaine loads to waiting land vehicles and/or maritime vessels.

Couriers transport smaller quantities of cocaine on commercial flights from the Caribbean to the United States. Couriers transport cocaine by concealing small multikilogram quantities of cocaine on their person or in baggage. Couriers also transport small quantities (up to one kilogram) of cocaine by ingesting the product.

Compared to cocaine, heroin movement through the Caribbean is limited. Heroin is generally not consumed in the Caribbean, but rather is transshipped to Puerto Rico or the Continental United States. Almost all of the heroin transiting the Caribbean originates in Colombia. Couriers generally transport kilogram quantities of Colombian heroin on commercial flights from South America to Puerto Rico or the Continental United States, concealing the heroin on their person or in baggage. Couriers also transport smaller quantities (up to one kilogram) of heroin by concealing their heroin through ingestion. The couriers sometimes make one or two stops at various Caribbean islands in an effort to mask their original point of departure from law enforcement.

Jamaica remains the only significant Caribbean source country for marijuana destined to the United States. Go-fast boats from Jamaica often transport multi-hundred kilogram quantities of marijuana through Cuban and Bahamian water to Florida.

The Caribbean also plays an important role in drug-related money laundering. Many Caribbean countries have well-developed offshore banking systems and bank secrecy laws that facilitate money laundering. In countries with less developed banking systems, money is often moved through these countries in bulk shipments of cash—the ill-gotten proceeds of selling illicit drugs in the United States. The ultimate destination of the currency and/or assets is other Caribbean countries or South America.

DRUG TRAFFICKING THROUGH PUERTO RICO

More than ever, international drug trafficking organizations utilize Puerto Rico as a major point of entry for the transshipment of multi-ton quantities of cocaine being smuggled into the United States. Puerto Rico has become known as a gateway for drugs destined for cities on the East Coast of the United States. Puerto Rico's 300-mile coastline, the vast number of isolated cays, and six million miles of open water between the U.S. and Colombia, make the region difficult to patrol and ideal for a variety of smuggling methods.

Only 360 miles from Colombia's North Coast and 80 miles from the East Coast of the Dominican Republic, Puerto Rico is easily reachable by twin engine aircraft hauling payloads of 500 to 700 kilograms of cocaine. The "go-fast" boats make their round trip cocaine runs to the Southern coast of Puerto Rico in less than a day. Today, cocaine and heroin traffickers from Colombia have transformed Puerto Rico into the largest staging area in the Caribbean for illicit drugs destined for the U.S. market.

Once the illicit narcotics are smuggled into Puerto Rico, they are routinely stored in secluded, mountainous areas of the island until transportation to the Continental United States can be arranged. The contraband is then repackaged into smaller shipments in preparation for the move. The narcotics are smuggled out of Puerto Rico via commercial maritime vessels and on commercial airlines, either in the possession of couriers, or concealed in cargo.

Puerto Rico is an active Caribbean sea and air transportation thoroughfare. The island boasts the third busiest seaport in North America and fourteen busiest in the world, as well as approximately 75 daily commercial airline flights to the continental United States. This presents an attractive logistical opportunity for drug trafficking organizations. The sheer volume of commercial activity is the trafficker's greatest asset. Criminal organizations have utilized their financial capabilities to corrupt mechanics, longshoremen, airline employees, and ticket counter agents, as well as government officials and others, whose corrupt practices broaden the scope of the trafficking.

Not only has corruption of legitimate business become a problem on the island, but Colombian drug trafficking organizations will routinely pay local criminal transportation organizations up to 20 percent of their product (cocaine) for their services.

This form of payment has acted as a catalyst for the development of a very profitable, but competitive, local distribution market. The interaction between Colombian drug traffickers and local transporters, along with the resulting distribution market, is commonly referred to as the "spill-over effect." The "spill-over effect" has resulted in an increase in violence and bloodshed within the Puerto Rican community. It is estimated that about 80 percent of all documented homicides in Puerto Rico are drug related. Law enforcement efforts are further impeded by the close-knit relationships shared by the drug trafficking organizations, which have developed and been fostered over the years.

PERSONNEL CHALLENGES IN PUERTO RICO

The open use of the Caribbean as a narcotics transshipment center has created a public safety crisis in Puerto Rico, and DEA must assign resources to the island to address this threat. Although this is necessary, we have had continuing difficulties retaining federal law enforcement personnel in the Commonwealth of Puerto Rico. Few personnel from the Continental United States are willing to accept a transfer to Puerto Rico, and those who do so often want to leave soon after arrival. Such quality of life issues as inadequate public services, unreliable utilities, limited accessibility of medical care, the high cost of living, an exclusionary social structure, limited availability of appropriate schools for dependent children, and the high incidence of crime have contributed to early turnover and family separations. As a result, DEA has in place the following incentive packages for Special Agents, Diversion Investigators, and Intelligence Analysts relocating to Puerto Rico:

- Relocation incentives of up to 25% of base pay (not to exceed \$15,000) are tied directly to remaining in Puerto Rico;

- A Foreign Language Bonus Package of up to 5% of base pay;

- A Tour of Duty Office of Preference offer upon completion of the assignment;
- Administrative leave available to find adequate housing and complete moving arrangements;

- 5 year, Government funded access, in the San Juan area, to Department of Defense schools (This now includes the children of support personnel.);

- Additional Home Leave, granted upon extension of assignment;

- Security assistance for threatened employees, ranging from home and personal automobile security systems to removal from the area;

- A 10% Cost of Living adjustment; and

- Department of Defense Commissary privileges for individuals on tour agreements.

DEA is further exploring the possibility of instituting incentive initiatives, which are commensurate with our foreign office assignments. However, DEA has not yet formulated an official position on making Puerto Rico a foreign posting, as Puerto Rico is a Commonwealth of the United States. There would need to be a change in State Department regulations in addition to the passage of legislation to establish service in Puerto Rico as a foreign posting.

HAITI: DRUG TRAFFICKING CROSSROADS OF THE CARIBBEAN

Haiti is strategically located in the central Caribbean, occupying the western half of the island of Hispaniola, which it shares with the Dominican Republic. At 27,750 square kilometers, the country is slightly larger than the state of Maryland. With the Caribbean to the south, and the open Atlantic Ocean to the north, Haiti is an ideal position to facilitate the movement of cocaine and heroin from Colombia to the U.S. DEA is represented on the Island of Hispaniola by the Port-au-Prince Country office in Haiti and the Santo Domingo Country Office in the Dominican Republic.

The island of Hispaniola is just under 430 miles from Colombia's most northern point, and easily accessible by twin engine aircraft hauling payloads of 500 to 700 kilos of cocaine. The two countries on the island, Haiti and the Dominican Republic, share similar coastal features, facilitating intra-island boat traffic. Just as is the case with the Dominican Republic, Haiti presents an ideal location for the staging and transshipment of drugs. Furthermore, there is effectively no border control between the two countries, allowing essentially unimpeded traffic back and forth. In addition, there is no effective law enforcement or judicial system in Haiti, so there are few legal impediments to drug trafficking. Recently, DEA has significantly increased manpower on Haiti (from one to seven Special Agents) and increased interdiction efforts to counter airdrops and identify freighter shipments. However, recent statistics released by The Interagency Assessment of Cocaine Movement (IACM), in which the DEA participates, indicates that approximately 15% of the cocaine entering the United States transits either Haiti or the Dominican Republic.

Due to the numerous uncontrolled points of entry and internal instability, vast amounts of narcotics from South America arrive in Haiti after being transported across the porous border with the Dominican Republic, and then shipped on to Puerto Rico.

TRAFFICKING ROUTES AND METHODS IN HAITI

Drug smuggling through Haiti is aided by the country's long coastline, mountainous interior, numerous uncontrolled airstrips, its 193-mile border with the Dominican Republic, and its location in the Caribbean. Haiti's thriving contraband trade, weak democratic institutions, and fledgling police force and judiciary system, contribute to its utilization by drug traffickers as a transshipment point.

As is the case throughout much of the Caribbean, the primary method for smuggling cocaine into Haiti is via maritime vessels. Traffickers also smuggle cocaine from Colombia into Haiti via general aviation; either by airdrops at sea or by landing at clandestine strips. Other common conveyances for smuggling cocaine into Haiti include cargo freighters, containerized cargo vessels, fishing vessels, and couriers on commercial aircraft.

As cocaine enters Haiti, it is usually stored locally until it can be shipped to the United States or other international markets. Cocaine is often smuggled out of Haiti in containerized cargo or on bulk cargo freighters directly to Miami. The cocaine shipments aboard cargo freighters are occasionally off-loaded to smaller vessels prior to arrival in the Continental United States (CONUS). Cocaine is also sometimes transferred overland from Haiti to the Dominican Republic for further transshipment to Puerto Rico, the CONUS, Europe, and Canada.

There are three primary smuggling routes for cocaine through Haiti. The first brings cocaine from Colombia into Haiti via general aviation conducting airdrops at sea. The second route is from source countries, via Panama or Venezuela, by commercial shipping. The third route is from source countries, via Panama or Venezuela, in coastal or fishing vessels.

A HEMISPHERIC LAW ENFORCEMENT RESPONSE

With the assistance of state and local partners domestically as well as counterparts in foreign governments, DEA works to build cases against, and ultimately incarcerate, the leaders of these sophisticated criminal syndicates as well as the underlings they send to other countries. Over time, this strategy serves to steadily undermine a criminal organization's ability to conduct business, leaving it even more vulnerable to law enforcement strategies. Successful cases against the leaders of international drug trafficking groups most often originate from investigations being conducted in or having a nexus to, the United States.

The Caribbean Corridor poses several impediments for a successful law enforcement strategy. First, the traffickers' use of sophisticated compartments in freighters make inspections very time consuming and laborious. Second, the volume and variety of commercial cargo flowing through the Caribbean further exacerbates inspection and interdiction efforts. Third, the sheer vastness of the Caribbean frequently makes it difficult to coordinate enforcement efforts with other countries in the region. As such, any meaningful, effective interdiction program must almost exclusively depend on quality, time sensitive intelligence. What was needed in the Caribbean corridor was an intelligence support network that would effectively serve the countries in the area.

As a result, the Caribbean Field Division, in an attempt to diffuse this intelligence void, created the UNICORN system (Unified Caribbean On-Line Regional Network). With this system, participating Caribbean law enforcement agencies can share photographs, data, and information concerning various targets, locations, and groups involved in drug trafficking and money laundering. The Drug Enforcement Administration loans the equipment to participating agencies and provides training to host-nation counterparts, as well as installing and implementing the system.

The UNICORN system has already reaped tremendous benefits, as exhibited in the success of Operations Columbus, Genesis and most recently, Conquistador. These enforcement operations, planned and coordinated by the Caribbean Field Division, have severely disrupted drug trafficking organizations throughout the Caribbean region. The first of these operations, dubbed Genesis, was a bi-national initiative designed to foster cooperation between Haiti and the Dominican Republic. Due to a mutual, long-standing mistrust, Haiti and the Dominican Republic had never before coordinated anti-drug efforts. The second action, titled Operation Columbus, was a multi-national operation, comprised of fifteen nations and their respective law enforcement agencies. The final initiative, the recently concluded Operations Conquistador, was a multi-national regional operation designed to expand upon the suc-

cesses realized in Operation Columbus. The following is a brief synopsis of each operation:

OPERATION GENESIS

In concept, Operation Genesis was designed to foster and maintain cooperation between Haiti and the Dominican Republic. This operation, which was conducted during November 1998, resulted in 126 arrests throughout Haiti and the Dominican Republic. Prior to Operation Genesis, Haiti and the Dominican Republic had never before coordinated their anti-drug efforts. However, the results garnered through Operation Genesis will undoubtedly assist in improving the ability to coordinate anti-drug efforts on the island of Hispaniola.

The long-term objectives for Operation Genesis were to promote the exchange of information between Haiti and the Dominican Republic, facilitate the integration and coordination of Haitian and Dominican anti-drug efforts, establish a mechanism that will support the counter-drug effort, develop institutional mentoring and training, and disrupt drug trafficking operations that are being conducted on the island of Hispaniola.

The operation was executed in both Haiti and the Dominican Republic, using roadblocks at strategic locations and border crossing points, interdiction operations at the international airports and seaports, and United States Coast Guard maritime interdiction along the southern coast of Hispaniola.

Operation Genesis resulted in unprecedented exchanges of law enforcement cooperation by both the Dominican Republic and Haiti. As a result, the Haitian National Police (HNP) assigned an officer and an analyst to the Dominican National Drug Control Agency's (DNDC) Santo Domingo office, and four (4) more HNP officers were stationed at Dominican border crossing points. DNDC officials, on the other hand, were assigned to the HNP headquarters' at Port-au-Prince, as well as several Haitian border crossing points.

The exchange of information was further expedited by the UNICORN system, which facilitated data base checks of suspicious persons and vehicles that were stopped. The information was sent to the Caribbean Field Division (CFD)/San Juan office where system checks were performed. The information was then sent back to the HNP via the UNICORN system.

OPERATION COLUMBUS

Operation Columbus was a multi-national regional effort involving the island nations of the Caribbean, in addition to Colombia, Venezuela and Panama. The operation focused on air, land and maritime interdiction, eradication and clandestine airstrip denial. DEA's Santo Domingo Country Office and Trinidad and Tobago Country Office served as the northern and southern command posts. The UNICORN system was used to facilitate the exchange of actionable intelligence. Operation Columbus's principle objectives were:

- The development of a cohesive/cooperative environment among source and transit countries,
- Disruption of drug trafficking activities;
- The consolidation of the counterdrug efforts in the Caribbean transit zone;
- and
- The continued development of a comprehensive regional strategy.

Operation Columbus was planned and initiated by the CFD to severely impact the drug trafficking activities in the Caribbean and source country areas. Columbus was implemented through interdiction and eradication efforts, enforcement operations involving the use of undercover agents, confidential sources, Title III interceptions, and surveillance.

OPERATION CONQUISTADOR

Operation Conquistador was a 17-day multi-national drug enforcement operation involving 26 countries of the Caribbean, Central and South America. The operation was simultaneously launched on March 10, 2000, in Panama, Columbia, Venezuela, Bolivia, Ecuador, Suriname, Trinidad & Tobago, Montserrat, Dominica, St. Kitts, Nevis, Antigua, Anguila, St. Martin, British Virgin Islands, Barbuda, Grenada, Barbados, St. Vincent, St. Lucia, Aruba, Curacao, Jamaica, Haiti, Dominican Republic, and the Commonwealth of Puerto Rico. The primary objective of Operation Conquistador was to develop an effective regional strategy intended to disrupt drug trafficking activities and criminal organizations operating throughout the Caribbean.

Operation Conquistador's main objectives were: (1) The development of a cohesive and cooperative environment between source and transit countries; (2) The integration within each country of all counterdrug entities; (3) The continued development

of a comprehensive regional strategy; (4) To facilitate the exchange of information between the participating countries with the use of the Unified Caribbean On-line Regional Network (UNICORN); (5) The mentoring and training of counter-drug entities in host countries; (6) To impact and disrupt trafficking organizations in the Caribbean area and source countries.

Command and control of the operation was executed from the DEA Caribbean Field Division in San Juan, PR, with forward command posts in Trinidad & Tobago and Dominican Republic. The U.S. Coast Guard provided expanded presence of interdiction assets throughout the Caribbean and executed air and maritime command and control of sea and airborne drug interdiction assets from all countries. The Bureau of Alcohol, Tobacco and Firearms (BATF) conducted traces of all seized weapons. The operation concluded on March 26, 2000.

Although the arrests and seizures in Operation Conquistador were extremely impressive, they, however, were secondary to the cooperation and coordination among the 26 countries that participated in this endeavor. Despite limited resources and infrastructure in many of the countries, all responded with notable efforts and results. Throughout the duration of the operation, all participants exchanged information with each other through the UNICORN system.

CONCLUSION

The transit of illegal drugs throughout the Caribbean creates unique challenges to law enforcement. DEA is aggressively addressing the drug trafficking threat and working to improve the ability of DEA personnel assigned to the region to confront the threat. In addition, DEA will continue to assist and support our Caribbean counterparts in the counterdrug arena. With the recent successes of the law enforcement initiatives I detailed earlier, cooperation among the DEA and the island nations in the region are continually progressing. We must sustain this cooperative effort to effectively identify and target the drug organizations operating throughout the Caribbean.

Mr. Chairman, thank you for the opportunity to appear before this committee. I appreciate the interest you and the subcommittee have shown in DEA's drug law enforcement efforts in the Caribbean. At this time, I will be happy to answer any questions you or the other committee members may have.

Senator THURMOND. Mr. Varrone.

STATEMENT OF JOHN C. VARRONE

Mr. VARRONE. Good morning, Mr. Chairman, Senator DeWine. It is my pleasure to have the opportunity to appear before this committee to discuss the law enforcement activities of the Customs Service, and in particular our enforcement efforts directed against drug smuggling in the Caribbean.

Before I begin, Mr. Chairman, I would like to submit my statement for the record.

As the committee is aware, the Customs Service is one of the primary Federal law enforcement agencies with responsibility for the interdiction of drugs in the arrival zone. In addition, the Customs Service shares the lead with the U.S. Coast Guard for air interdiction in the transit zone. Through our air and marine interdiction assets, we provide significant assistance to other domestic and international law enforcement agencies who have responsibility in both the source and transit zones.

I will begin by briefly describing our assessment of the drug smuggling threat in the Caribbean. As this committee is aware, the Customs Service continually develops, collects, and evaluates a variety of drug intelligence from the Caribbean area, where it is estimated by the Interagency Assessment of Cocaine Movement that approximately 43 percent of the cocaine destined for the United States arrives.

These estimates are clearly validated when you examine drug seizure activity in the Caribbean. In fiscal years 1998 and 1999, re-

spectively, the Customs Service seized 20,673 and 20,492 pounds of cocaine in the Caribbean. While cocaine is the primary threat, Customs also seized 3,442 pounds of marijuana in fiscal year 1999, which was an increase of more than 500 percent from the previous year. Thus far in fiscal year 2000, we have already seized 15,639 pounds of cocaine, an increase of more than 42 percent from the same period last year. In addition to our successful drug seizure activity, in Puerto Rico and the U.S. Virgin Islands the Customs Service effected 383 arrests in 1998 and 551 arrests in 1999 for drug-related crimes, a dramatic increase of 44 percent.

In assessing the overall drug smuggling threat, we are routinely confronted with a multitude of smuggling methods of operation. The interdiction operations of the Customs Service and other federal law enforcement agencies in the Caribbean have demonstrated that noncommercial smuggling operations remain a significant, if not our principal threat.

Customs intelligence analysis and recent drug interdiction successes have provided insight as to how these drug smuggling operations are conducted. For example, private aircraft are not used as often for direct flights from source countries to the United States as they once were. Rather, they are now being used more frequently to conduct air drops in the transit zone to a variety of vessels. These drops are predominantly made to go-fast boats, who then smuggle the drugs into Caribbean nations for staging and subsequent delivery to the United States. This activity most frequently occurs in the waters off Haiti, the Dominican Republic, Puerto Rico, and the Bahamas.

We believe that this change is due in large measure to our success in the interdiction and seizure of private aircraft used for drug smuggling. Our success often raises the cost to drug smuggling organizations and forces them to constantly change their tactics.

As I mentioned earlier, our air and marine interdiction assets fly in the source zone in support of the Andean region plan. We have seen how our support in the source zone to both source and transshipment countries has affected drug smuggling operations and how they adapt to our efforts. A good example of this impact or displacement is the use of Venezuelan air space by drug smuggling pilots as a refuge to avoid the Colombian shoot-down policy and our detection and monitoring assets.

While drug smuggling via private aircraft remains consistently high, a potentially more significant threat is posed by non-commercial maritime shipments, especially in Puerto Rico. This is primarily due to the minimal investment required for a maritime smuggling venture, as compared to the cost and potential loss of an aircraft during an air smuggling operation.

The minimal investment required for a go-fast boat is also complemented by a much higher drug load capacity that can be carried in go-fast boats, which on average carry 1,000-plus pounds, versus the 250 to 400 pounds that can be carried by a private aircraft. The number of go-fast boats intercepted and found abandoned on the Puerto Rico coastline by Customs and other agencies validates our current intelligence that drug smuggling organizations consider these to be disposable platforms.

To provide the committee with examples of our recent successes, I would like to describe three recent significant cocaine interdictions which highlight the importance of the Caribbean corridor to smugglers as well as our investigative operations.

On April 4, 2000, Customs agents in Puerto Rico developed confidential source information which led them to obtain a search warrant for a palletized shipment of 100 central processing units bound from Puerto Rico to Queens, New York. As a result of the execution of a search warrant, our agents seized more than 1,000 pounds of cocaine which had been concealed within the hollowed-out CPUs. As a result of this seizure, two Dominican nationals were arrested.

Just last Friday, our Customs inspectors in Port Everglades, Florida, seized approximately 820 pounds of cocaine that had arrived from the Dominican Republic in containerized cargo. And just last evening, Customs and other law enforcement authorities seized in excess of 500 pounds of cocaine and a 33-foot vessel near Rincon, Puerto Rico. As of this morning, they were still chasing the suspects in the woods and they hadn't come up with the bodies, unless Mike knows differently. But that is the challenge, when they litter the coastline of Puerto Rico with both their contraband and their boats, apprehending the suspects.

We believe that these significant cocaine seizures clearly demonstrate how criminal organizations are smuggling cocaine into the Caribbean in non-commercial conveyances, and subsequently smuggling it into the U.S. in commercial shipments. I would also like to point out that our investigative operations on Puerto Rico are aggressively focused on the internal drug smuggling organizations that have established bases of operation in Puerto Rico to support their illegal activities.

Another example which illustrates the increasing drug and related money laundering threat in Puerto Rico occurred between November of 1997 and September of 1999 when we conducted a long-term investigation entitled Operation Double Impact. This operation targeted a large-scale heroin smuggling and money laundering organization operating in and around San Juan.

The investigation used several long-term wiretap intercepts to gather evidence on the group that was laundering in excess of \$1.3 million a month through money remittance businesses. As a result of the investigation, 47 people were arrested, and 44 of them have already been convicted or pled guilty. In addition, the investigation has resulted in the identification of more than \$8.5 million in drug-related proceeds which is pending forfeiture.

I would also like to point out for the committee that the island of Puerto Rico was recently designated under the Treasury and Justice Department's 1999 crime strategy as a High-Intensity Financial Crime Area, or HIFCA, in recognition of this high level of drug-related money laundering activity that investigations like Double Impact have highlighted. While we continue to view Puerto Rico as one of the most significant avenues of approach in the Caribbean, we know that these criminal drug smuggling organizations continually change their operations based upon many factors.

Switching to Haiti, Haiti provides a telling example of how drug smuggling organizations adapt their operations in response to law

enforcement pressures. The political instability in Haiti, combined with its lack of law enforcement capabilities, provides a safe haven to drug smuggling organizations. Haiti is clearly well positioned for traffickers to use as a path of least resistance, particularly when enforcement activity in Puerto Rico is high.

In response to the increased threat from Haiti, the Customs Service led a multiagency enforcement operation called Riversweep. This operation focused on Haitian coastal freighters who were attempting to smuggle cocaine into the U.S. along the Miami River. In one two-week period in early February of this year, Customs officers seized more than 3,400 pounds of cocaine from 5 vessels which had arrived from Haiti. During April 2000, we have made two additional seizures, totaling more than 359 pounds of cocaine, which was concealed within two freighters also arriving on the Miami River.

I have brought with me today some photographs of these seizures to illustrate the types of concealments that we are constantly confronted with.

When you add these recent seizures to our fiscal year to date totals, the Customs Service has seized more than 6,000 pounds of cocaine arriving directly from Haiti. In excess of 5,000 pounds of this cocaine was seized as a direct result of Operation Riversweep.

Our air and marine interdiction assets have also been active in both interagency and multilaterally in and around Haiti working with other agencies and governments to interdict cocaine moving from South America. On March 1 of this year, we documented and recorded an ongoing suspected cocaine air drop operation in Haiti.

Mr. Chairman, with your concurrence, I would like to present a short video before the committee at the conclusion of my remarks.

While Haiti is clearly an area where there is currently a high level of activity, other areas in the Caribbean, particularly Jamaica and the Bahamas, are also used by drug smuggling groups as alternate delivery and storage locations prior to movement to the United States. I have also brought a second short video with me that depicts the detection of a private plane first identified south of Cuba and subsequently intercepted by a variety of law enforcement assets when it approached the north of Cuba. And we observed it conducting an air drop to a go-fast boat that was subsequently pursued by Customs marine assets. Mr. Chairman, I would also like to show you that short video.

On behalf of the men and women in federal law enforcement who are engaged on a daily basis in counter-narcotics activities in Puerto Rico and the Caribbean, and specifically our U.S. Customs officers, I thank you and your committee for all your support and the opportunity to present our enforcement activities and recent successes here today.

This concludes my remarks. I would be glad to answer any questions you may have after the video presentation. Thank you.

I will just briefly describe both of the videos so that I won't interrupt any of the questioning. The first video occurred on March 1, 2000. The target aircraft was picked up by radar approximately 22 miles from Maracaibo, Venezuela, as it headed north. This aircraft had been observed on several prior occasions and the tail number is a fictitious tail number.

After the air drop, our P-3 shadowed the aircraft until it entered Venezuelan air space, where we requested over-flight. Over-flight was denied, and therefore we are unsure if any end game actually occurred in Venezuela. The observations made by our officers during the suspected cocaine air drop was relayed to JIATF East and then to our colleagues in DEA in Haiti. However, due to lack of in-country support, no end games could be effected.

The second video which I briefly described before is a joint effort between Customs, the Coast Guard, and Department of Defense assets. And this is a Piper Aztec that was detected as a suspect aircraft south of Cuba. We picked it up just north of Cuba, observed it do a drop into the water to a go-fast boat, and like I said, we were able to intercept the go-fast boat. But it was a high-risk operation because the go-fast boat actually rams the Customs boat once or twice during this operation. Fortunately, there were no injuries. Five individuals were arrested on the vessel and the two pilots who had conducted the air drop.

[Videotape shown.]

Senator THURMOND. Admiral, the Coast Guard recently established a new policy which allows for the use of force from armed helicopters and pursuit boats against narco-smugglers in go-fast boats. Can you explain the parameters of this use of force and when and how it will be utilized, and what impact do you feel this will have on your ability to apprehend go-fast boats?

Vice Admiral SHKOR. Yes, sir, I can. Our new policy of arming helicopters was motivated by a frustration at watching high-speed smuggling boats simply leave behind our slower surface ships. Often, this was videotaped by helicopters from our ships. And we realized that if we could deploy a capability from the helicopters to force the smuggling boats to stop, we had a high chance of increasing our end game effectiveness.

Our policy calls for an escalating use of force that begins with the least onerous, simply declaring our presence and ordering vessels to stop. If they fail to do so after our sirens and verbal warnings, we will move to an escalating array of non-lethal technologies which include entangling devices dropped from the helicopter and intended to foul their propellers. It includes sting ball hand grenades used by law enforcement for riot control.

Finally, the policy allows for first-warning shots which are fired across the bow of go-fast vessels from a light machine gun that we keep on the aircraft. And if that fails to persuade, then we will undertake to shoot out the outboard motors of the smuggling boats to mechanically bring them to a stop.

I emphasize that our use of firearms in this mode is as a specialized tool to stop a piece of machinery. It is not aimed against human beings. We have demonstrated a capability on our proving grounds, if you will, of reliably and repeatedly hitting motors.

It has been extremely successful in its initial deployment. The Hit Run 10 helicopter squadron has come face to face with six instances of go-fast boats. We were able to stop all six. In two instances, it was necessary to shoot out the motors. In two instances, the use of other non-lethal technologies was sufficient. And in two instances, simply knowing that we now had a credible capacity

caused the smugglers to voluntarily pull back on the throttles and raise their arms in the air.

From our perspective, this capability has the potential to change the calculus, if you will, for us and for the drug smuggler. We will be extremely more effective, and what is vitally important to us is we will do so without requiring a huge increase in resources. This simply allows us to leverage what exists in our fleet and then expand it that last bit to achieve true end game effectiveness.

Senator THURMOND. Mr. Varrone, do you feel that the Customs Service should adopt a use of force policy that is parallel to the one established by the Coast Guard?

Mr. VARRONE. Well, Mr. Chairman, we are studying the approach that the Coast Guard has taken and most of our interceptions are marine interceptions in the arrival zone. I would say that because, as you can see from the video, we have numerous vessels engaged, shooting to render the vessels incapable is a little more difficult in the situation that we are in on the water.

So we are certainly studying that and other technologies, but we have not committed to a specific shoot policy yet. We do not as an organization shoot warning shots. When serious bodily harm is threatened, then we will employ as much deadly physical force as we need.

Senator THURMOND. Mr. Vigil, several studies have determined that Colombian drug trafficking organizations are increasingly using the Caribbean as a transshipment point for cocaine. Can you explain what is causing this shift in trafficking patterns away from Mexico?

Mr. VIGIL. Well, as I mentioned in my testimony, sir, we have what is called the Southwest Border Initiative, and we have poured a lot of resources into the Southwest border, the border along Mexico. We have conducted what I consider to be very significant investigations, immobilizing very significant traffickers along that area.

And as a result of that, what we are seeing is a shift from Central America, Mexico, into the Caribbean. The thing that you have in the Caribbean is that you have a multitude of countries, for example, such as Haiti, that have very little infrastructure in terms of their political and economic infrastructure. Therefore, you have many of the major Colombian organizations that are taking full advantage of this situation to exploit the Caribbean in terms of its drug trafficking endeavors.

Senator THURMOND. Admiral Shkor and Mr. Varrone, are you satisfied with the progress being made in establishing forward operational locations, and are they sufficient to meet your needs?

Vice Admiral SHKOR. From my perspective, United States Southern Command has done a very, very fine job at establishing alternative bases in Central America, in Curacao and further down range in Ecuador, to replace the loss of use of Howard Air Force Base. It is too early for me to tell what the true impacts will be on interdiction, but I think they are making the best of the situation that was thrust on them.

Senator THURMOND. Mr. Varrone.

Mr. VARRONE. Yes, sir, Mr. Chairman. I concur completely with what the Admiral has said. Basically, the DoD has the lead on this,

the FOLs. We are supporting them and looking forward to their success in Ecuador, which will serve as another platform for us.

Senator THURMOND. Mr. Varrone, the banking laws in several Caribbean countries are very conducive to support money laundering. What we are doing to detract the flow of drug proceeds into these Caribbean nations, and are we working with these countries to find ways which we can form partnerships?

Mr. VARRONE. Yes, sir. As stated in my testimony, the designation of Puerto Rico as a HIFCA is a key ingredient to that strategy. We are also doing international training along with our colleagues in the Department of Justice on anti-money laundering to many of the countries down in the Caribbean. I believe that the cases like Double Impact and other significant money laundering cases are identifying that the threat for money laundering in the Caribbean has increased, and I believe we are taking the appropriate steps to address that threat.

Mr. VIGIL. If I could also add to that, Mr. Chairman, we do have a serious problem with money laundering in several of the countries in the Caribbean, and one of the things that we are doing is we are working very closely with the host country nationals in order to get them to pass effective legislation on money laundering. Many of these countries have no legislation whatsoever in terms of addressing this problem that continues to expand.

One of the things that we have done in Puerto Rico is we have established a multiagency money laundering unit. We have established undercover shelf accounts, and we are working with some of the countries in the Caribbean under mutual legal assistance treaties to try to work joint investigations in these areas and work with one another in exchanging information so that we can amplify the investigations that are currently being conducted in the Caribbean.

Mr. VARRONE. If I may just add one thing, Mr. Chairman, pursuant to the 1999 antimoney laundering strategy between DOJ and the Department of the Treasury, we have created a money laundering coordination center here in the Washington area, and that will serve as a de-confliction center and a clearinghouse for all the money laundering investigations conducted by the Federal law enforcement agencies. So I think that that is a mechanism that will serve us very well in the near future.

Senator THURMOND. Mr. Vigil, how good are Caribbean nations in prosecuting and imprisoning those who have been arrested for narcotics trafficking-related offenses, and what Caribbean nations can we be certain that an end game will take place?

Mr. VIGIL. Well, the best way I can put it is that some countries need appropriate legislation to be able to prosecute some of these individuals. For example, you have Haiti that has a very weak legal infrastructure. However, much to their credit, as a result of Operation Genesis, they have now started working with the Dominican Republic. For example, they arrested the wife, son, and brother-in-law of Roberto Conelo, who is a major Colombian drug trafficker.

They did not have charges on him in Haiti, and therefore they took him to the border near the Malpass area and turned him over to the Dominican officials for prosecution there. The Dominicans, in return, have done the same, arresting Haitian individuals and

turning them back over to Haiti for prosecution. We are working very closely with them, again, in terms of passing laws, in terms of ensuring that these individuals remain in these countries in terms of their legal institutions.

The other thing that we are doing is we look at establishing solid investigations in the United States and hoping that we can establish extradition policies to extradite them into the United States or arrest them in other countries where we do have extradition treaties in order to allow for prosecution in the United States.

Senator THURMOND. Admiral Shkor, in 1998 the National Drug Control Strategy established a goal to reduce the flow of drugs into the United States by 10 percent by 2002 and 20 percent by 2007. In the Caribbean area, what progress have you made to date toward reaching this goal?

Vice Admiral SHKOR. Sir, our approach to reaching these interdiction goals is to deploy a major portion of our cutter assets to that theater of operation. Literally 60 percent of their time is spent there. We are, with the funding that you have provided to us, improving the detection sensor packages on our aircraft and on our cutters, and deploying new end game assets.

These include not only the use of armed helicopters which I described earlier, but the use of over-the-horizon RIBs which enable the cutters to expand their cone of effectiveness beyond the visible horizon and well forward of their location. We have added to our arsenal a converted TAYGO ship, the Persistent, which carries two 35-foot deployable pursuit boats, high-speed ocean racing craft which can outrun and out-maneuver smugglers. These are well-armed with weapons and communications capability, and we are looking for a good return on that investment.

But most important to us, we strive continually to partner ever more effectively with our counterparts in DEA, Customs, the FBI, and foreign nations so that collectively we have got a better handle on what the smuggler is doing and where we can stop him. Are we accomplishing the goal? Candidly, we are not moving toward it nearly as much as I would like, and that has to do with funding limitations.

Senator THURMOND. The next question is for any of you who care to answer it. Your agencies are having difficulty getting agents to accept assignments in Puerto Rico. Would making Puerto Rico an overseas assignment for agents help you meet your staffing needs in that territory?

Mr. VIGIL. I will take the question. I feel that if we can make Puerto Rico a foreign post of duty and get a housing stipend or housing for the individuals assigned to Puerto Rico, I think it would go a long way. There have been some incentives that we have obtained for the employees in Puerto Rico. However, I feel that they are not sufficient to alleviate this retention problem that all Federal agencies have on the island.

I believe that this would go a long way. I think that we need large monetary incentives to also include after the first 3 years maybe a \$25,000 incentive, or 25 percent of base pay. But without this situation, we will continue to have retention problems. The Drug Enforcement Administration stands to lose between 25 and

30 percent of its agent workforce by the year 2001 because of this retention problem.

Senator THURMOND. Senator DeWine.

Senator DEWINE. Thank you, Mr. Chairman, very much. Mr. Chairman, I do have a—

Senator THURMOND. Senator, I have got another commitment. Could you take over?

Senator DEWINE. I would be more than happy to. Thank you, Senator.

For the record, I have a statement by Senator Leahy which I would make a part of the record at this point.

[The prepared statement of Senator Leahy follows:]

PREPARED STATEMENT OF HON. PATRICK LEAHY, A U.S. SENATOR FROM THE STATE OF VERMONT

Earlier this year we began receiving requests from the courts for additional resources to help them meet their responsibilities in border districts like Puerto Rico. Unfortunately, Congress has taken no action in these regards. Instead, Congress has moved in the other direction by denying to these districts the resources that they need. Today, the Subcommittee's hearing illustrates this point by focusing on drug smuggling in Puerto Rico."

The Commander of the Coast Guard Atlantic Area testified that his "primary counter-drug focus * * * for the upcoming year is on Puerto Rico, where the smuggling infrastructure is well developed, entrenched, and historically successful" with "one-quarter of all cocaine destined for the United States * * * being shipped via the 110-mile long island of Puerto Rico."

There has been a District Court vacancy in Puerto Rico for almost 6 years, from June 1994. Since 1994, the time from filing to disposition for criminal felony cases in the Federal District Court in Puerto Rico continues to increase—now to almost twice as long as it was in 1994. Criminal felony filings jumped almost 70 percent last year alone. They are now the highest in that entire Circuit. By far the greatest number of criminal cases in Puerto Rico are drug cases, as over 40 percent of all federal criminal cases in the District of Puerto Rico are drug cases.

The President has nominated qualified people to fill the vacancy for years but to no avail. Now we have the nomination of Jay Garcia-Gregory, but there has been no action on his nomination.

I hope that as the Committee considers its reaction to this hearing, one of the matters on which we will take action without further delay is the confirmation of Jay Garcia-Gregory.

Senator DEWINE [presiding]. Admiral, you made the statement, we have virtually no ability to affect the noncommercial air that is going into Haiti. Is that correct?

Vice Admiral SHKOR. Yes, sir.

Senator DEWINE. Similar to the one we saw in the video?

Vice Admiral SHKOR. Yes, sir. We can track them north into Haiti, but there is not an effective on-the-ground end game capability there. That is something that potentially could be built over time, but I just don't see it present now. There are security concerns even if we were to try to consider using U.S. Hilo lift capability to carry in local police forces that would have to be addressed. They are not insurmountable, but they are there and they are difficult.

For that aircraft that returns southbound, JIATF East can sustain track, but the smugglers' knowledge that we are not allowed to fly into Venezuela makes that the route of choice for them. So we are scrubbed off and they can get back into Colombia.

Senator DEWINE. If I could summarize your statement about Haiti, basically what we are trying to do is indirectly to deal with

what flows out of Haiti. We are trying to deal with it as it goes into Puerto Rico, for example.

Vice Admiral SHKOR. To clarify, sir, I think historically we in the Coast Guard have tried to deal with the maritime flow going into Haiti. Recognizing now that such a large portion is going by air and beyond our efforts, I think I am suggesting that we need to shift our tactics as a future line of attack so that we collectively are dealing with that outbound secondary flow, whether it is to the Miami River or westward to Puerto Rico.

Senator DEWINE. But in both of those cases, you are fairly optimistic. For example, in the Miami River, the three of you have described the success there, and we are seeing some more success in regard to dealing with Puerto Rico as well. Is that correct?

Vice Admiral SHKOR. I am optimistic, that is correct. Does more work need to be done? My answer would be yes. I don't think we have as sophisticated an understanding of those secondary flows as we now realize we need to achieve.

Senator DEWINE. Mr. Vigil, I have been on the border of the Dominican Republic and Haiti, and I know exactly what you are talking about. You can just stand at that border and watch people walk back and forth, and Lord knows what they have on them. They just come and go back.

The infrastructure, obviously, as you all have pointed out, in Haiti is very fragile. The Dominican Republic is certainly a different situation, and we are seeing more cooperation between Haiti and the Dominican Republic. But it is still from a law enforcement point of view very problematic.

Mr. VIGIL. That is correct. I agree with the Admiral in terms of trying to do the secondary interdiction of drug loads. But at the same time, I think that we need to look at also interdicting the drugs before they get into Haiti, quite frankly, because they flow then northward to Cape Haitian, and from there to the southeastern part of the United States, or it goes across the border, as you mentioned, into the hands of more sophisticated drug traffickers, the Dominicans. And then from there also they have the routes directly into the continental United States or across the channel into Puerto Rico.

The thing is that unless we take a very proactive approach in Haiti, we are going to have Haiti become another Colombia, as it was many years ago. If you have been to Port-au-Prince, you can see the mansions going up on the hillsides, and a lot of those belong to Colombian traffickers who are establishing routes. Once they become deeply embedded there, it is going to be that much more difficult to eradicate the problem in Haiti.

Senator DEWINE. In 1998, when I traveled to Haiti, I found there was only one permanent DEA agent assigned to Haiti. So we put some additional money in the supplemental. We are up to eight now?

Mr. VIGIL. Seven agents, and getting the eighth relatively soon, yes, sir.

Senator DEWINE. How effectively can they operate in Haiti?

Mr. VIGIL. Well, we are working very effectively, I think, in Haiti. Obviously, hopefully in the future we can get additional personnel there, but we are working very well at the Port-au-Prince

International Airport with the BLTS, or the counter-narcotics arm of the Haitian National Police. They have made seizures. During the course of the last 8 months, I believe that they have been responsible for the seizure of \$8 million flowing from Haiti into Panama and other areas in the Caribbean.

We are in the process of establishing a maritime task force also in Port-au-Prince. We have intel projects where we are developing informants at Cape Haitian and throughout the country. Recently, I have started meeting with the Haitian National Police Director, Pierre Denize, and other members of customs, immigration, and what have you, to form a mobile multiagency task force that would address voids in intel and also investigative coverage throughout the country of Haiti.

Senator DEWINE. Mr. Vigil, I understand that DEA has had a successful program of vetted units in several countries, making possible highly successful investigations and cases such as the recent Operation Millennium in Colombia. Could this program be properly expanded to the Caribbean, and what are your thoughts about that?

Mr. VIGIL. Sir, I think it is a great benefit. Right now, we are working on establishing vetted units in the Dominican Republic and Haiti. Initially, we looked at Haiti as being the number one area. However, given the problems with the turmoil with the situation with the national elections and the instability of the Haitian National Police, I think it would be best served if we look at the Dominican Republic that has a little bit better infrastructure and then later look at the vetted unit in Haiti.

Senator DEWINE. But you are moving on the Dominican Republic?

Mr. VIGIL. Yes, sir, we are. That is correct.

Senator DEWINE. Anyplace else in the Caribbean?

Mr. VIGIL. I think that we should also look at areas such as Barbados and Curacao. We do have somewhat of a vetted unit in Suriname. So it is a beneficial program, I think, that would obviously assist us in our investigations.

Senator DEWINE. Admiral, how has the decrease in Department of Defense ship days and aircraft flight hours in the transit and source zones affected your counter-drug operations in the Caribbean?

Vice Admiral SHKOR. Yes, sir. As you know, the Department of Defense is the lead agency for detection and monitoring. They, if you will, will give us the targets against which we will interdict and apprehend. And decreases in that capability have a direct and adverse impact on our ability to discharge our mission and accomplish the goals of the National Drug Control Strategy.

The largest decrease, I think, has been the subject of hearings held earlier this year and amply discussed there. There was a 50-percent reduction in DoD assets in 1994.

Senator DEWINE. What percentage?

Vice Admiral SHKOR. Fifty percent, fully cut in half.

DoD continues to be pressed because as it is asked to enable the source country strategy, that results in a tension, or at least a competing appetite for the same kinds of assets that can be used both in the transit zone and in the source country.

Senator DEWINE. Admiral, I wonder if you could step over to the map over there a moment. I know it is contained in your testimony, but maybe if you could just integrate it with that map exactly what activity you have going on in the different parts of the region. For example, my understanding is you don't have anything going on, such as Operation Frontier Shield or Operation Frontier Lance now. Is that correct?

Vice Admiral SHKOR. We have it going on in name only. By that, I mean we have some assets. Frontier Shield was our effort that we mounted some time ago to focus on the Puerto Rican corridor. It was extremely successful. The throughput of drugs was reduced on an annualized basis from 25 to 30 metric tons. And, again, the Customs Service with Operation Gateway had mounted a similar surge operation at the same time.

It was truly a surge. It was at a level beyond which we could keep our ships and airplanes online, and so we have reduced to what we had hoped would have been an effective maintenance level, some 20 percent of what took place during the search. It has not been enough. Over the last 2 years, the throughput of cocaine in the Puerto Rican theater has risen from some 30 tons to something above 100 metric tons.

Senator DEWINE. So this is not seizure?

Vice Admiral SHKOR. This is the throughput.

Senator DEWINE. Throughput.

Vice Admiral SHKOR. Yes, sir.

Senator DEWINE. And how reliable is that figure?

Vice Admiral SHKOR. Well, the figure that I am giving you is interagency-based.

Senator DEWINE. I understand.

Vice Admiral SHKOR. I have a fair amount of confidence about it simply because the people that make those estimates tend to be relatively conservative. They don't want to be, if you will, held up to embarrassment by overstating the case.

Senator DEWINE. So this is a fairly reliable chart?

Vice Admiral SHKOR. Yes, sir.

Senator DEWINE. And what is your summary of this chart? What does it tell us?

Vice Admiral SHKOR. It tells me that, collectively, we have not maintained control of our backyard in Puerto Rico. In one sense, it is a favorable operating area. U.S. law applies. We don't have the problem of foreign sovereignty and we are relatively asset-rich. But the smuggler has made the choice that that is a place to bring cocaine into, and I think that choice is driven by the fact that once it is in Puerto Rico, from a Customs legal standpoint, it is effectively in Kansas. That makes it very, very attractive.

The agencies have worked hard. They have sustained seizure levels; 23 percent is the figure I gave you, and that is about 25 metric tons this last year. That is pretty good, but standing alone it hasn't been enough to deter that smuggler from making a business judgment. So from my perspective, we need to tighten the noose back around Puerto Rico.

Senator DEWINE. What is required for you to have a deterrent effect? Is there a point where we know from past experience that they will go somewhere else and they back off?

Vice Admiral SHKOR. I am looking for a slide that I don't have here. When we were doing Frontier Shield and Gateway at the full-up level, the seizure rates were 35 percent of the cocaine moving in. That level seemed to reduce the smuggler's reliance on Puerto Rico.

For me, though, the answer is not just in pounds on the table for seizures. I want very much to produce prosecutable cases, and that is what our aircraft use of force does for us. I don't want to just pick drugs out of the water. I want boats, I want drugs, I want criminals. I want the U.S. attorney to be able to put them in jail because that is where we really get deterrent. And from that perspective, my guidance to my people is to work very closely with Mr. Vigil and with Customs down range because there is, in my view, a symbiotic relationship between at-sea drug interdiction and support to investigatory law enforcement, and that works both ways.

Senator DEWINE. Well, let me ask you a basic question, then. If I am looking at this map and I look at Puerto Rico, on any one given day I would expect to see your assets where? Where would they be deployed?

Vice Admiral SHKOR. We will have assets operating on the underbelly of Puerto Rico. We will have them operating on the eastern end of Puerto Rico because there is a significant flow that comes from the windward islands. Of this 108 metric tons that we show flowing into Puerto Rico, maybe 20 to 22 metric tons is estimated to come from the Virgin Islands and non-U.S. windward islands.

There is also a flow of both migrants and drugs coming off the Dominican Republic, and so we will maintain a presence there. What we are not doing is maintaining it with a sufficient asset density or with a sufficient detection rate to provide that deterrence.

Senator DEWINE. Then when I move over off the coast of Haiti, what do I find?

Vice Admiral SHKOR. Well, you will find, in our judgment, about 78 metric tons going up into Haiti. Part of that, a significant portion, will be carried by go-fast boats that can make the run directly with enough fuel. They don't need to stop or be gassed up along the way. Some of that seagoing movement will go by small commercial freighter. We will often find drugs hidden in cargoes of cement that will be off-loaded in Port-au-Prince. But you are also going to find a very high density of air tracks going from Colombia up into Haiti, as was described very, very well in the videotapes.

Senator DEWINE. And what about the Coast Guard's assets, though, on any given day off Haiti? Would I find anything there or not?

Vice Admiral SHKOR. Much less, much less. We have an Operation Frontier Lance, but—

Senator DEWINE. But, again, that is not a surge?

Vice Admiral SHKOR. No, sir, by no means.

Senator DEWINE. The name is still there. You are there sometimes.

Vice Admiral SHKOR. Yes, sir. In fact, it is just the opposite. I have made some reductions in operations this year, so you are going to see less than you would have seen just last year.

Senator DEWINE. Do you want to take the rest of the Caribbean and tell me what is going on there?

Vice Admiral SHKOR. With regard to Jamaica, we will have pulsed operations with the Jamaicans from time to time. They have achieved the status of an archipelagic state, and that means that a large body of water south of Jamaica is their internal archipelagic waters. We have to operate there with their permission. We are endeavoring to use our bilateral agreements that allow ship riders and our operations in those waters to get us there, but that is really the third order of priority.

If I swing even further west, you will find much less of our assets, and that is intel-driven. The flow estimates, if you will, of cocaine going up into the Yucatan Peninsula have been much down from what they historically have been. Whether that has been effectiveness achieved by JIATF East—and they did get a very high percentage of detections—or whether it is action in Mexico or the Central American countries, I am not quite sure. But we are content, if you will, to keep our presence reduced and concentrate where we see the higher threat axes.

Senator DEWINE. Admiral, thank you very much.

Mr. Varrone, it is critical that we continue to explore new technologies to combat illicit drug trafficking. Last year, Senator Grassley and I in a letter to Commissioner Kelly expressed support for a new passive radar technology that would assist in closing coverage gaps in the arrival zone.

What is the status, in your opinion, of this program, and how and where could Customs utilize this new technology?

Mr. VARRONE. Sir, I am not familiar with the specific technology that you are referring to. Are you talking about the container x-ray technology or the radar technology?

Senator DEWINE. This is the passive coherent location system that provides a mobile surveillance capability that can be deployed to directly impact air interdiction missions of Customs. You are not familiar with that?

Mr. VARRONE. No, sir.

Senator DEWINE. OK, I appreciate that.

Well, listen, I thank you all very much. This has been a very helpful hearing, and you all are doing a great job. I wish we could give you more resources and more help, and we hope to do that in the future.

Thank you all very much.

Vice Admiral SHKOR. Thank you.

Mr. VARRONE. Thank you, sir.

Senator DEWINE. The record will remain open for one week for any additional submissions.

We stand adjourned.

[Whereupon, at 11:42 a.m, the subcommittee was adjourned.]

APPENDIX

QUESTIONS AND ANSWERS

RESPONSES OF JOHN E. SHKOR TO QUESTIONS FROM SENATOR THURMOND

Question 1. Cooperation from countries in the Caribbean is critical to successful interdiction, especially given their limited resources. In some of these countries, the United States does not have bilateral treaties or agreements regarding counterdrug efforts, such as to enter their waters. What is the status of efforts to achieve or strengthen counterdrug agreements with Caribbean nations?

Answer 1. The United States currently has cooperative counterdrug agreements with 22 nations, 21 of which have a Caribbean nexus, including the Bahamas and Turks & Caicos. The agreements contain all or portions of the components of a standard six-part maritime counterdrug bilateral agreement. The six parts of a standard agreement address shipboarding, shipriders, pursuit, entry-to-investigate, overflight, and relay order-to-land. The United States is pursuing bilateral agreements with nations with which there is no maritime counterdrug treaty in place, and we are attempting to broaden treaties that currently exist.

Building trust, enhancing multi-national capability, and encouraging interoperability are keystones of the Coast Guard's counterdrug strategy. We strengthen our international agreements through service-to-service contracts and cooperative efforts, such as the Coast Guard's International Training Detachment, the Caribbean Support Tender, stateside training for international officers, combined international exercises (Operations TRADEWINDS and UNITAS), assistance with the Caribbean Regional Security System, and cooperative operations (Operations CARIB VENTURE, CONJUNTOŚ, MAYAN JAGUAR, RIPTIDE, and FRONTIER LANCE).

Question 2. The General Accounting Office has often recommended that counter narcotics agencies need to develop a centralized system for recording and sharing lessons learned by various agencies while conducting their operations. Do the federal agencies involved in Caribbean interdiction have a formal arrangement for recording and sharing lessons learned?

Answer 2. The Coast Guard is not aware of any formal arrangement for recording and sharing lessons learned among federal agencies involved in Caribbean drug interdiction. However, the Coast Guard and its drug interdiction counterparts have extensive interagency experience in operations planning, execution, and evaluation through involvement in Joint Interagency Task Force-East (JIATF-E) and various interagency operations. Interagency representation in these initiatives fosters information sharing through joint planning sessions, operations orders, and debriefings. For example, following Operation CONQUISTADOR, a 17-day interagency Caribbean counterdrug effort involving 26 countries of the Caribbean, Central and South America, the Drug Enforcement Administration reported that primary benefits of the operation were the networking, intelligence sharing, and feedback among participants.

Other initiatives include the Drug Enforcement Administration's Unified Caribbean On-Line Regional Network (UNICORN) designed to support information sharing among Caribbean nations, a JIATF-E-sponsored semiannual planning conference, and coordination of counterdrug activities in the Puerto Rico operating area through the Puerto Rico/U.S. Virgin Islands HIDTA Executive Committee.

Question 3. While trafficking along the Southwest border may have diminished slightly, I do not think anyone would contend that we are in a position to remove the considerable counterdrug assets located in that region. That said, it is obvious that narcotics traffickers are now looking to exploit the relatively open Caribbean to transport drugs into the United States. My question to each of you is "How many

more assets are required to fight the flow of drugs in the Caribbean without sacrificing the counterdrug infrastructure we have created on the Southwest border?"

Answer 3. The assets the Coast Guard requires to fight the flow of drugs in the Caribbean are reflected in its fiscal year 2001 budget request. The President's fiscal year 2001 budget request supports the three key priorities for Coast Guard drug interdiction efforts in support of the supply reduction goals of the National Drug Control Strategy:

- Increase surface end-game capability, including the ability to mount expeditionary pulse operations;

- Increase airborne maritime patrol capability to support surface end-game activities; and

- Enhance the capability and effectiveness of current assets with sensors, technology, and operational enablers such as intelligence support.

The Coast Guard also fully cooperates in the interagency working group that makes international interdiction asset recommendations. The U.S. Interdiction Coordinator, under charter from the Director, Office of National Drug Control Strategy, leads the Interdiction Planning and Asset Management Group (IPAMG). This standing interagency working group makes asset recommendations to ONDCP, with full support of all federal interdiction agencies.

Question 4. Would you please comment on what Caribbean nations are cooperative and what nations are uncooperative in fighting drug trafficking? Also, please address what effect Venezuela's refusal to allow the United States overflight access, as well its general resistance to our drug fighting efforts, is having on our ability to pursue traffickers?

Answer 4. The Coast Guard concurs with the Presidential Determination on Major Illicit Drug Producing and Drug Transit Countries (Presidential Determination No. 2000-16). Most Caribbean nations are aware of the adverse impacts of drug smuggling on their national security. Outward evidence of their concern is the existence of 21 bilateral counterdrug agreements between the U.S. and Caribbean nations. These agreements have enhanced our ability to conduct combined and cooperative counterdrug operations, such as Operations MAYAN JAGUAR, CONJUNTOS, BLUE WATER, and CARIB VENTURE, with these countries. Further, the Coast Guard employs International Training Detachments and the Caribbean Support Tender to help Caribbean nations needing assistance in personnel training and boat maintenance and operations.

Venezuela has not generally resisted U.S. maritime counter-drug efforts, as evidenced by the U.S./Venezuela bilateral agreement, and the presence of a Coast Guard attaché in Caracas. As for air interdiction efforts, Venezuela has not authorized U.S. tracker aircraft, in hot pursuit of drug smuggling aircraft, to enter its air space to effect interdiction end-game. Venezuela has cited national sovereignty concerns as their justification for protecting their air space. This decision negatively impacts the U.S. ability to effect an end-game on target aircraft since tracker aircraft are forced to break off pursuit and therefore cannot follow drug smuggling aircraft to their final destination to arrange for an end-game on the ground.

Question 5. I am concerned that we are not doing as good a job as we could when it comes to strategic planning and information sharing. What steps can we take to improve in these areas?

Answer 5. Federal counterdrug agencies have taken important steps to improve strategic planning and information sharing. The Coast Guard is completing an update to its counterdrug strategic plan, Campaign STEEL WEB, which supports the National Drug Control Strategy. In addition, the Coast Guard's operational commanders issue Theater Campaign Plans to support STEEL WEB and focus on their area of responsibility. The Theater Campaign Plans are developed with input and information from other counterdrug agencies. For example, the Atlantic Area Commander's Theater Campaign Plan was coordinated with the U.S. Southern Command (SOUTHCOM) and Joint Interagency Task Force-East (JIATF-E) to complement each organization's counterdrug efforts. The Coast Guard is also a full participant in the interagency process sponsored by the U.S. Interdiction Coordinator to develop periodic Interdiction Planning Guidance (IPG). This document sets forth strategic guidance for agencies involved in international interdiction to best focus planning and coordination of counter-narcotics operations.

The Coast Guard was an integral contributor to the General Counterdrug Intelligence Plan (GCIP), which reflects the collective need to clarify and make systemic improvements to U.S. drug intelligence and information programs. The GCIP's goal is to establish a drug intelligence framework that supports operators in the field, improves federal, state, and local relationships, and responds to policymaker needs as they formulate counterdrug policy, tasking, and resource decisions.

The Counterdrug Intelligence Coordination Group (CDICG) and the Counterdrug Intelligence Secretariat (CDX), with Coast Guard executive membership, was established to improve information sharing among National, Defense, and Law Enforcement intelligence agencies. The CDX will enhance intelligence production at the tactical, operational, and strategic levels by providing analyses and recommendations for deconflicting intelligence overlap, promoting intelligence exchange, and enhancing support to customers of law enforcement-related intelligence products at all levels of planning.

The Coast Guard and its drug interdiction counterparts have extensive interagency experience in operations planning, execution, and evaluation through our involvement in JIATFs and various interagency operations. Interagency representation in these initiatives fosters information sharing through joint planning sessions, operations orders, and debriefings. For example, Operation CAPER FOCUS has been exceptionally successful with record drug seizures in the eastern Pacific, which were the result of long-term strategic planning, and unprecedented interagency information sharing. Following Operation CONQUISTADOR, a wide-ranging interagency Caribbean counterdrug effort, the Drug Enforcement Administration reported that primary benefits of the operation were the networking, intelligence sharing, and feedback among participants.

Question 6. It seems that without having good information as to when, where, and how drugs will be shipped, we are essentially operating blindly. What steps can be taken to improve intelligence gathering efforts in the source zones?

Answer 6. The Coast Guard is not a member of the National Foreign Intelligence Community (NFIC) and as such has no legal authorization to collect intelligence in source zone countries. Therefore, the Coast Guard must rely on other agencies with requisite authority to provide critically needed intelligence information. To improve source country intelligence gathering efforts in support of Coast Guard operations, we continue to work with our partners in the Intelligence community to ensure that Coast Guard operational needs are supported to the extent possible. These efforts include increasing participation of the Coast Guard in the Defense Attaché program, evaluating the feasibility of Coast Guard membership in the NFIC/foreign intelligence community, and establishing Coast Guard intelligence liaison officer positions with the Federal Bureau of Investigation, Drug Enforcement Administration, Customs Service, and Interpol.

Question 7. I understand that one of the trends law enforcement is beginning to notice is the merging of criminal enterprises. For example, in the past, one organization might smuggle drugs, while another organization might smuggle migrants, but today, one organization might smuggle both. What sort of merging of criminal enterprises are you seeing in the Caribbean?

Answer 7. Over the last five years, the Coast Guard has noted the diversification of smuggling operations in the Caribbean. Smuggling organizations in South Florida, the Bahamas and the Dominican Republic move both illegal aliens and drugs as the opportunity arises. While there have been indicators of this dual-cargo smuggling, it has been difficult to find evidence of both types of trafficking in any single interdiction. A recent joint investigation in south Florida involving the Coast Guard, U.S. Border Patrol and U.S. Customs, has identified four separate organizations tied to both drug and migrant smuggling. This investigation is currently centered on go-fast type vessels, and has yet to explore the possibility of other modes of transportation such as coastal freighters.

Question 8. What would you rank as your most important priorities to counter the trafficking situation in the Caribbean?

Answer 8. The Coast Guard's primary counterdrug focus in Atlantic Area for the upcoming year is on Puerto Rico, where the smuggling infrastructure is well developed, entrenched, and historically successful. As our efforts over time are successful in this regard we would expect a shift to Haiti and Jamaica, as smuggling activity in Puerto Rico becomes prohibitively risky to traffickers. Thus, the Coast Guard must remain tactically flexible to address an anticipated increased flow into Haiti and Jamaica as our operations in Puerto Rico succeed.

Question 9. The Department of Defense assets devoted to interdiction efforts has decreased considerably in recent years. From 1992 to 1999, the number of DOD flight hours devoted to tracking illegal drug shipments in transshipment areas decreased by 68 percent. While this decline has been slightly offset by increased Coast Guard flights, the number of flight hours for all agencies combined is still down considerably from what they were in 1992. Has this reduction significantly harmed interdiction efforts in the Caribbean?

Answer 9. Successful counterdrug operations require robust intelligence collection and dissemination capability, dedicated detection and monitoring capability, and a

credible interdiction and apprehension capability. Since the drug seizure rate has increased in recent years, no evidence seems to indicate that changes in DoD flight hours have significantly harmed interdiction efforts. While Maritime Patrol Aircraft assets continue to be an integral part of interagency success, ongoing efforts to capitalize on interagency and international coordination and intelligence sharing continue to show positive results due to the “force multiplier” effect of such cooperation.

RESPONSE OF JOHN E. SHKOR TO A QUESTION FROM SENATOR DEWINE

Question 1. We have learned a lot about the readiness concerns of the other Armed Services, especially concerning recruitment, training, and equipment. I am disappointed that these discussions have not really included the Coast Guard. In fact, we recently learned that you have scaled back your operation 10 percent for the remainder of fiscal year 2000. Can you describe for me your current readiness situation, the potential need for further operational reductions this year, and how this has impacted your counterdrug operations in the Caribbean?

Answer 1. Lack of adequate funding has diminished our ability to sustain counterdrug operations. In January, we were forced to cut major cutters’ annual operating days from 185 to 175, the equivalent of tying a ship to the dock for a year. In March, my headquarters cut fixed wing air operations by 10% because the parts bins were running dry and couldn’t sustain operations through the end of the fiscal year. That is the equivalent of putting one C-130 and two Falcon interceptors in the hanger for a year. Now we are looking at further cutting back my counter-drug operations, by 25% because of fuel account shortfall. The T-AGOS Maritime Interdiction Support Vessel with Deployable Pursuit Boats promises tremendous payback, but funding constraint will limit us to 180 days of operation in fiscal year 2001—rather than the 270 days originally envisioned. The next phase of Aircraft Use of Force is now being planned for a much lower rate of implementation because of funding shortfalls.

Additionally, pilot shortages and the requirement to fully stand up two Great Lakes Air Facilities, will reduce the flight deck fill rate on counterdrug patrolling cutters from an already unacceptably low rate of about 60 percent, to in the neighborhood of 20 percent for the upcoming summer months.

RESPONSES OF MICHAEL S. VIGIL TO QUESTIONS FROM SENATOR THURMOND

Question 1. Cooperation from countries in the Caribbean is critical to successful interdiction, especially given their limited resources. In some of these countries, the United States does not have bilateral treaties or agreements regarding counterdrug efforts, such as to enter their waters. What is the status of efforts to achieve or strengthen counterdrug agreements with Caribbean nations?

Answer 1. Efforts are continual towards strengthening counterdrug agreements with our cooperating Caribbean nations. Most of the nations in the Caribbean do have “shiprider” agreements, which provide authority to embark law enforcement officials on platforms of the parties, where officials may then authorize certain law enforcement actions. Recent operations such as Genesis, Columbus and Conquistador have helped to create a unified bond of information gathering and sharing between the Caribbean nations and the United States, via the DEA Caribbean Field Division (CFD). DEA, along with other federal law enforcement agencies, has established cooperative efforts with 25 countries, as well as memoranda of understanding with several of these countries. DEA special agents assigned to the country offices work along with host nation personnel on matters pertaining to law enforcement. The use of United States (U.S.) military forces in these countries will have to be negotiated with the Caribbean Nations after cooperation efforts and bilateral treaties are established.

Question 2. The General Accounting Office has often recommended that counter-narcotics agencies need to develop a centralized system for recording and sharing lessons learned by various agencies while conducting their operations. Do the federal agencies involved in Caribbean interdiction have a formal arrangement for recording and sharing lessons learned?

Answer 2. The conglomerate of federal agencies involved in the interdiction of drugs throughout the Caribbean has formal processes for recording and sharing lessons learned at the administrative, operational, and strategic levels. The High Intensity Drug Trafficking Area (HIDTA) initiative, located in San Juan, Puerto Rico, serves as the forum through which all federal agencies exchange ideas, experiences, and intelligence information, vital to their decision-making processes. At the admin-

istrative level, the HIDTA Executive Committee, made up of the entire federal agency Special Agents in Charge (SACs), meets on a monthly basis. At the operational level, all supervisors from the different initiatives meet on a monthly basis to exchange information regarding their on-going investigations. At the strategic level, the Intelligence Coordination Center (ICC) Group Supervisors meet on a weekly basis to exchange intelligence information on the latest drug trends and investigations.

Question 3. While trafficking along the Southwest border may have diminished slightly, I do not think anyone would contend that we are the relatively open Caribbean to transport drugs into the United States. My question to each of you is "How many more assets are required to fight the flow of drugs in the Caribbean without sacrificing the counterdrug in a position to remove the considerable counterdrug assets located in that region. That said, it is obvious that narcotics traffickers are now looking to exploit infrastructure we have created on the Southwest Border?"

Answer 3. While the southwest border continues to be the primary point of entry for drugs into the United States, the role of the Caribbean Corridor in the transshipment of drugs destined for the U.S. cannot be ignored. The interagency Cocaine Movement Assessment Report estimates that 30–33% of the cocaine destined for the United States transits the Caribbean Corridor. In addition, the smuggling of heroin through the Caribbean is on the rise as well as marijuana and other dangerous drugs such as MDMA (Ecstasy). The international drug trafficking organizations operating in the CFD area of responsibility continue to exploit the advantages of the region. The vastness of the Caribbean Sea and the geographically fragmented nature of the Caribbean islands lure drug traffickers to the region. While the Unified Caribbean On-Line Regional Network (UNICORN) system provides institution building in the form of training, and several multi-national operations have contributed to the development of a comprehensive Regional Strategy, counternarcotic entities working in the Caribbean still face many challenges.

With hundreds of well-funded drug trafficking organizations operating throughout the Caribbean, the counternarcotic officers ability to rapidly respond to the diverse trafficking situations of the region is essential. Aircraft (helicopters), maritime interdiction vessels, related technological equipment, wiretap interception equipment, and trained personnel must be augmented in order to effectively immobilize drug trafficking organizations. Without these additional assets, the Caribbean, and subsequently the U.S., will increasingly feel the negative effects of drug trafficking in the forms of addiction, crime, and corruption.

Question 4. Would you please comment on what Caribbean nations are cooperative and what nations are uncooperative in fighting drug-trafficking? Also please address what effect Venezuela's refusal to allow the United States overflight access, as well its general resistance to our drug fighting efforts, is having on our ability to pursue traffickers?

Answer 4. The CFD has established positive working relationships with the various host-nation counterparts within its area of responsibility. While these nations have demonstrated good faith in their counternarcotic efforts, varying political and socioeconomic infrastructures have allowed for varying degrees of impact on drug trafficking. Overall, the nations covered by the CFD have been cooperative within the parameters of their respective limitations. (See previous questions for further details.)

Venezuela has become a major transshipment nation for cocaine and heroin produced in Colombia. The cocaine and heroin are transshipped through the chain of Eastern Caribbean islands enroute to the continental United States, Puerto Rico, and/or the United States Virgin Islands. Venezuela does not allow U.S. overflights in pursue of traffickers. However, the U.S. can apply for permission to do so on an individual basis. Venezuelan authorities rarely permit U.S. overflights. In the past year, Venezuela approved one overflight request. The lack of direct air interdiction has contributed to an increase in drug trafficking activities via airplanes from Colombia to Venezuela.

Question 5. I am concerned that we are not doing as good a job as we could when it comes to strategic planning and information sharing. What steps can we take to improve in these areas?

Answer 5. The CFD has taken significant steps to increase information sharing and strategic cooperation between Caribbean countries. The first of these efforts took place in October 1998 with Operation Genesis. Operation Genesis was a CFD initiative to establish a cooperative relationship between the Dominican Republic and Haiti. Historically, these countries which have had a history of hatred and distrust, agreed to cooperate in a major drug interdiction operation. Haitian and Dominican authorities exchanged personnel in furtherance of this operation. The objec-

tives of this operation included: border surveillance, airport interdiction and seaport interdiction, inspecting pleasure craft, raiding local targets, eradication (where applicable), patrolling targeted trafficking routes on land, sea, and air, follow-up investigations to identify organization members (if applicable), arrests, and seizures. The most important result of this operation was the extradition of 4 members of the Coneo Rios drug trafficking organization from Haiti to the Dominican Republic. The Coneo Rios family had been carrying out its drug trafficking activities in Haiti with impunity for many years until DEA personnel in conjunction with Haitian authorities arrested several of their members. Subsequently, in the first event of its kind, Haitian authorities extradited Sixta Tulia Higuera Carcomo, Jose Manuel Coneo, William Jimenez-Herrera and Ricardo Enrique Guerrero to the Dominican government. Operation Genesis paved the way for future cooperation between these countries.

In 1998 the CFD initiated an information sharing communication system known as UNICORN. UNICORN allows participating countries the ability to share law enforcement information with neighboring countries, especially under operational conditions. Participants can rapidly disseminate actionable enforcement information, and coordinate responses to emergent situations. The installed imagery capability, provided by scanners, can help overcome language barriers. Those nations with multiple UNICORN systems have them installed in the DEA Caribbean offices as well as the offices of the local counterparts.

CURRENT UNICORN PARTICIPANTS/SETS

1. Anguilla;
2. Antigua—1;
3. Aruba—2;
4. Barbados—2;
5. Bogota and Baranquilla, CO;
6. Bolivia;
7. Bonaire—1;
8. Caracas, VZ—2;
9. Curacao, NA;
10. Dominica—1;
11. Ecuador;
12. Grenada—1;
13. Port-au-Prince, Haiti—2;
14. Jamaica—2;
15. Miami (British Consulate);
16. Montserrat;
17. Panama—1;
18. San Juan, PR—3;
19. Santo Domingo, Dom. Rep.—3;
20. St. Kitts—1;
21. St. Lucia—1;
22. St. Vincent—1;
23. St. Maarten—1;
24. Suriname—1;
25. Tortola—1;
26. Trinidad—2.

Approximatley one dozen nations may be added to the system over the next year.

The UNICORN system played a major role in Operation Columbus, the second major CFD initiative directed at increasing cooperation between Caribbean and South American countries in the fight against drug trafficking. Operation Columbus had a much larger scope than Operation Genesis. Operation Columbus was a multifaceted operation initiated by the CFD involving fifteen countries and their respective law enforcement agencies united by a common goal to disrupt drug trafficking activities in the Caribbean corridor. The operation began on 9/29/99 and terminated on 10/10/99. The Santo Domingo Country Office served as the north command center and the Trinidad & Tobago Country Office served as the South Command Center.

The countries that participated in this joint cooperative effort were: Barbados, Grenada, St. Lucia, St. Vincent, Curaçao, Aruba, Suriname, Jamaica, Dominican Republic, Haiti, Colombia (Barranquilla & Bogota), Panamá, Trinidad & Tobago, Venezuela, and Puerto Rico.

The primary objectives of Operation Columbus were:

1. The development of a cohesive and cooperative environment among source and transit countries.

2. The integration within each country of all counter-drug entities.
3. The continued development of a comprehensive regional drug strategy.
4. The facilitation and exchange of information between the participating countries through UNICORN.
5. Mentoring and training of counter-drug entities in host countries.
6. To impact and disrupt drug trafficking organizations in the Caribbean corridor and source countries.

UNICORN was successfully used to facilitate the exchange and dissemination of information of strategic, operational and tactical value and was instrumental in handling information in a timely manner.

During March 1999, the third major multi-national CFD enforcement operation was carried out. Operation Conquistador was a multi-faceted, joint regional operation initiated by the CFD and supported by the United States Coast Guard Greater Antilles Section (USCG/GANTSEC). Operation Conquistador brought together twenty-six countries and their respective law enforcement agencies united by a common goal to disrupt drug trafficking activities in the Caribbean and South America.

The participating countries in this effort were: Jamaica, Haiti, Dominican Republic, British Virgin Islands, Anguilla, Dutch St. Maarten, Montserrat, Trinidad and Tobago, Barbados, Aruba, Curacao, Antigua, Barbuda, Dominica, Grenada, St. Kitts, Nevis, St. Lucia, St. Vincent, Suriname, Venezuela, Colombia, Panama, Ecuador, Bolivia, and Puerto Rico. The Santo Domingo Country Office and the Trinidad and Tobago Country Office served as the two command centers for the duration of the operation that began on 3/10/2000 and ended on 3/26/2000.

UNICORN once again played a key role in the exchange and dissemination of information with strategic, operational, and tactical value to all participating law enforcement entities of the participating countries.

The objectives of Operation Conquistador were:

1. The development of a cohesive and cooperative environment among source and transit countries.
2. The integration within each country of all counter-drug entities.
3. The continued development of a comprehensive regional drug strategy.
4. The facilitation and exchange of information between the participating countries through UNICORN.
5. Mentoring and training of counter-drug entities in host countries.
6. To impact and disrupt drug trafficking organizations in the Caribbean corridor and source countries.

As a result of these multinational operations, and the establishment of the UNICORN system, the Caribbean Field Division has made great advances in the sharing of information and strategic cooperation among Caribbean nations.

Question 6. It seems that without having good information as to when, where, and how drugs will be shipped, we are essentially operating blindly. What steps can be taken to improve intelligence gathering efforts in the source zones?

Answer 6. Within the CFD area of responsibility, the major source countries are marijuana producers. St. Vincent and Jamaica are the major marijuana growing countries in the Caribbean. During the past years, DEA has carried out multiple eradication operations in these source countries. The DEA Country Offices in Jamaica and Barbados have greatly improved our intelligence gathering capabilities in these countries. Also, increased funding to allow DEA Intelligence Analysts to travel to source and transshipment countries would allow for the gathering of first hand information about smuggling methods. Increased funding for wiretaps and Confidential Source recruitment would greatly improve intelligence gathering methods involving transshipment events.

Question 7. I understand that one of the trends law enforcement is beginning to notice is the merging of criminal enterprises. For example, in the past, one organization might smuggle migrants, but today, one organization might smuggle both. What sort of merging of criminal enterprises are you seeing in the Caribbean?

Answer 7. The Luis Muñoz Marín International Airport (LMMIA) in Puerto Rico is an important gateway of illicit smuggling activities. This is the busiest international air facility in the Caribbean and reportedly processes in excess of nine million passengers annually. The LMMIA is the eighth largest airport in the U.S. by number of arrival flights from foreign destinations.

According to INTERPOL, about 35% of all cocaine entering Puerto Rico is believed to be smuggled via Hispaniola (Haiti and Dominican Republic). Half of the total volume of cocaine entering Puerto Rico comes directly from Colombia or Venezuela.

DEA Intelligence reports have shown that approximately 30% of the cocaine that reached Puerto Rico and the U.S. Virgin Islands was for local consumption and the other 70% was for transshipment to the U.S.

According to DEA, the South American drug traffickers continue transporting multihundred kilograms of cocaine to Jamaica, the U.S., and the British Virgin Islands where it is warehoused and eventually transported to the U.S. Reportedly, the cocaine is broken into convenient smaller loads to be smuggled into the United States and Canada. The final movement is carried out by couriers on commercial air or air cargo flights, concealed shipments via containers, or via cruise ship passengers and crew.

Reportedly, another 15% of the total volume of cocaine entering Puerto Rico transits via the eastern Caribbean Island. The island of Vieques, located east of Puerto Rico and Culebra located to the northeast, are sometimes used as storage centers. St. Maarten, Netherlands Antilles (NA), remains an important transit center for narcotics destined to the U.S. via Puerto Rico. Recently, St. Maarten, NA, has realized an increased presence of Dominican smugglers and organizers. Go-fast boats routinely leave from St. Maarten to meet mother ships or pick up loads that have been airdropped.

During fiscal year 1999, Colombian drug traffickers had been "stashing" or warehousing considerable shipments of narcotics in Haiti. Intelligence has shown that Haiti received over 50 metric tons, approximately 15% over the previous years. Significant airdrops and smuggling activities via motor vessel have been detected in and around Haiti during fiscal year 2000.

International traffickers appear to have invested great efforts in Hispaniola over the last years and have been able to organize a supply and stash area for cocaine and other narcotics. Colombian drug barons come to Haiti mainly to exploit the many under-patrolled coastal areas of this impoverished country.

Traffickers may choose to warehouse and be selective about what shipments they conduct, depending on the challenge posed by authorities at any particular time. They can choose to send a shipment of a few hundred kilos of cocaine by go-fast boat directly to Puerto Rico, or load larger quantities aboard Haitian freighters heading to the United States.

Federal authorities have reported an increase in the frequency of alien trafficking during the past quarter. Local smugglers have been known to both smuggle cocaine and aliens, using the same trafficking patterns and vessels.

Over the years thousands of persons from Dominican Republic have made a journey to the southwestern coast of Puerto Rico using small boats, called "yolas" as means of transportation. The captains of these "yolas" will load as many as they can possibly fit in them. The presence of large segments of Dominicans in Puerto Rico and the U.S. Virgin Islands has effectively created a vast manpower pool for drug traffickers who have been described as an "army for hire".

Intelligence reports have noted that although some of the Colombian cartels worked primarily with their own countrymen, others continue to rely on Dominican nationals as transportation groups.

While the Colombian organizations broaden their grasp on drug trafficking in the Caribbean, Dominican organizations continue to be involved in dangerous aspects of the trade. They have been consolidating their own interests and groups to the point of locally challenging Colombians, and other local associates in the drug criminal infrastructure. The crimes associated with their presence and influence in the illegal drug activity leads to an increase in murders, assaults, robberies, rapes, and carjackings.

Dominican nationals have migrated throughout the Caribbean including Antigua, St. Maarten, Barbados, St. Lucia, and Puerto Rico. Although Colombians are responsible for the vast supply of cocaine and heroin smuggled, some Dominican groups have challenged their role in some drug smuggling ventures.

The Colombian drug trafficking organizations (DTO's), utilizing Dominican immigrants have created an efficient drug distribution system. They have made the Dominican Republic their choice location for command and control operations. The DTO's from Colombia view the Dominicans as reliable business partners who have proven their ability to manage a complicated distribution system and expand its reach through aggressive marketing practices.

Question 8. What would you rank as your most important priorities to counter the trafficking situation in the Caribbean?

Answer 8. 1. The most important priority is to place more specialized personnel in the area of intelligence gathering.

2. Conduct additional multi-national operations involving law enforcement entities from the Caribbean.

Question 9. What criminal organizations are operating in the Caribbean, and what are their ties to the United States? Do you see evidence of La Cosa Nostra, Russian Mafia, Nigerian Crime Groups, and Asian triads and tongs, etc.

Answer 9. Most of the drug trafficking organizations operating throughout the Caribbean are made up of Colombians and Dominicans. However, intelligence information obtained from different sources appears to indicate that other ethnic groups do have an influence in areas related to drug trafficking operations. For instance, although there are no official on-going investigations (guided by HIDTA or DEA CFD) involving the influence of Italians, Nigerians, or Asians, there is evidence of their presence regarding illegal businesses throughout the Caribbean. There is information that several Italian groups operate casinos and other businesses in the Dominican Republic which are allegedly used to launder drug proceeds. These groups also appear to be helping the Colombians move their drugs through the use of cargo containers.

In Puerto Rico, on the other hand, there seems to be a subtle increase of Nigerians who dedicate themselves to various financial frauds and schemes. Additionally, during the past decade, the presence of illegal Asians in Puerto Rico and the U.S.V.I. has been on the rise. Regarding the Russian presence, intelligence compiled during the course of an on-going DEA investigation has identified a criminal organization operating in Puerto Rico and New York with direct ties to the Russian Mafia. Specifically, the criminal organization operating in Puerto Rico as well as the organization operating in New York, are purchasing heroin from a source of supply in Romania and Kyrgyzstan. Payments are wired through Western Union and the heroin is sent via United Parcel Service parcels utilizing illegal aliens. Intelligence indicates the source of supply has been in the business of bringing illegal aliens into the United States.

Question 10. Without question the illicit drug trade has a negative effect in countries used as transit points. Puerto Rico's murder rate, much of its drug related, is reported to be the highest in the United States or its possessions.

Answer 10. For a long time Puerto Rico was used mainly to transship drugs to the U.S. by the Colombians. When the Dominicans started to take over as contractors for the transportation of drugs, a greater percentage of the cocaine made its way into the island of Puerto Rico. Dominicans requested 20% to 30% of the loads as payment for their services. The increased availability of drugs in Puerto Rico accounts nowadays for approximately 90% of all the homicides perpetrated on the island. However, corruption of government officials and police forces is not as prevalent in Puerto Rico as in other island/nations within the Caribbean corridor.

The Western Caribbean continues as the primary threat corridor for non-commercial aircraft movement and go-fast activity. This is primarily due to the lack of resources and corruption, especially within the countries of Haiti and Jamaica, where certain government and law enforcement officials are alleged to be involved in drug trafficking. The economic upheaval these two countries are submerged in, make any citizen a possible resource for the Colombians and other local drug traffickers. Substantial amounts of U.S. currency go through the Port-au-Prince International Airport and intelligence information indicates that Jamaica is overwhelmingly being utilized for storing drug shipments. Since the termination of Operation Frontier Lance II a substantial increase in both seaborne and airborne narcotics smuggling activities has been detected throughout the Western Caribbean corridor. Lack of assets and advanced warning continues to be a significant gap, hindering effective staging for detection, monitoring, and interdiction.

Question 11. Cuba has been found to be a state which sponsors terrorism. Do you think Cuba's involvement in drug trafficking is simply a criminal enterprise or is it being used by the government to raise currency to back terrorist actions?

Answer 11. DEA has no current information to suggest that senior Cuban government officials are involved in the drug trade and/or benefit from drug-related corruption. Furthermore, DEA has no information that senior Cuban government officials have engaged in drug trafficking to raise currency to back terrorist actions.

Question 12. In 1998, the Congress provided 60 additional DEA agents for the Caribbean Division, although they were not requested in the Presidents Budget. How many of these agents were assigned to work outside of South Florida.

Answer 12. In 1998 the 60 additional agents were assigned as follows: 19 agents assigned to the San Juan Divisional office, 40 agents assigned to the Miami Field Division, and one agent assigned to DEA Headquarters, Domestic Operations Caribbean.

Question 13. What nations in the Caribbean need to either establish or update extradition treaties with the United States?

Answer 13. Most of the nations in the Caribbean have established extradition treaties with the United States, with the exception of Haiti. Suriname has a treaty in place from previous Holland rule, but will not extradite their nationals at this time. The Netherlands Antilles and Aruba have functioning extradition treaties.

Barbados and all the eastern Caribbean states now have established extradition treaties, with the most recent addition being Dominica. In 1998, the Dominican Republic signed an extradition treaty with the United States that is presently being put into action. 15 people have been extradited from the Dominican Republic since the treaty took effect. Martinique, Guadeloupe, the French side of St. Martin, St. Barthelemy, and French Guiana are subject to French law and all international conventions signed by France.

Question 14. The number of DEA wire intercepts in the Caribbean increased from 0 in 1995 to 30 in 1998. Are these wire intercepts proving effective and is their use continuing to expand?

Answer 14. In 1999, 36 wire intercepts were used, an increase of six from 1998. Since 1995, there has been an increase of wire intercepts every succeeding year. The use of the Title III wire tap is an effective method to gather reliable information to prosecute criminals and to obtain intelligence in furtherance of our drug interdiction efforts.

Question 15. Narcotics trafficking has a tendency to breed corruption and to serve as a cancer on good government. It can even act as a destabilizing force on the government which is already in danger of collapsing. Are there any nations in the Caribbean that you would characterize as either having been turned into nations run by criminals or that are in danger of becoming such.

Answer 15. Every nation/territory within the area of operation of the CFD has experienced official corruption in one form or another as a result of drug trafficking throughout the region. The situation in Haiti stands out as particularly grim. With a history of smuggling through the island of Hispaniola (shared by Haiti and the Dominican Republic), the instability of the Haitian political system, and the grinding poverty in which the majority of its citizens live, Colombian traffickers have found fertile ground on which drug trafficking and corruption can flourish.

Drug monies have corrupted Haitian society through the following methods:

1. *Financing of political campaigns.* Intelligence has indicated that major Haitian and Colombian traffickers have contributed large sums of money to the campaigns of Haitian politicians throughout the country. Investigations are continuing in order to ascertain to what level the corruption has risen.

2. *Corruption of Law Enforcement agents and personnel at the airports and seaports.* This form of corruption represents the most visible form of official acquiescence, both passive and active, to drug trafficking through Haiti. Low-level Haitian police agents have been involved in transporting drug shipments that have been air-dropped over land in Haiti as well as shipments that have arrived via go-fast vessels. Law enforcement personnel have also served as escorts to traffickers both in transporting drugs over land in Haiti as well as through the Port-au-Prince International Airport. Allegations have arisen as to law enforcement personnel serving as sources of information for traffickers in regard to upcoming enforcement operations. Investigations are continuing in order to ascertain to what level the corruption has reached.

It is mainly the lack of resources dedicated to fighting drug trafficking throughout Haiti that has made the nation so attractive to Colombian traffickers. The vast, unpatrolled coastline and the inadequate security measures at the two international airports have often made official corruption unnecessary.

The Netherlands Antilles is another area in which official corruption has been problematic. Allegations have arisen against low-level enforcement personnel in relation to protected shipments arriving via go-fast vessels and leaving via commercial air and go-fast vessels. Law enforcement personnel have also served as sources of information for the traffickers. Nevertheless, the Curaçao Country Office reports that excellent working relationships have developed with important local counterparts.

The situation is similar in Jamaica, though drug-related corruption in the area of political campaigns is rife. Traffickers are particularly useful to police in the area of non-drug related crime. Tourism is the most important industry in Jamaica and murders and street crime with discourage vacations to the island. (The traffickers often provide information to the police that helps them solve and prevent crimes in the major north coast tourist resorts).

The traffickers have long had officials of the Jamaican Constabulary Force (JCF) on their payrolls and they are often seen having lunch together. This corruption ensures the traffickers are aware of any potential actions against them and to potentially make them aware of informants that they (the traffickers) may be dealing with. While top officials to the JCF may not be tainted, the people underneath them generally are, though not all of the same degree.

The traffickers have long been active in Jamaica's two main political parties, the Jamaica Labour Party (JLP) and the People's National Party (PNP). Many of the posses (drug gangs) of today started as armed supporters and security personnel of the JLP and PNP. From there it was a short step into the world of drug trafficking. The posses are active abroad as well, in cities such as New York, London, and Toronto. In addition, large scale traffickers generously donate funds to both parties.

RESPONSES OF JOHN C. VARRONE TO QUESTIONS FROM SENATOR THURMOND

Question 1. Cooperation from countries in the Caribbean is critical to successful interdiction, especially given their limited resources. In some of these countries, the United States does not have bilateral treaties or agreements regarding counterdrug efforts, such as to enter their waters. What is the status of efforts to achieve or strengthen drug agreements with the Caribbean nations?

Answer 1. The primary tool used by the Customs Service to enhance our working relationship with our counterparts in law enforcement in the Caribbean is the Caribbean Customs Law Enforcement Council (CCLEC). CCLEC was established in the early 1970s as an informal association of Customs Administrations within the Caribbean region. Its principal objective was the exchange of information on smuggling and helping the smaller regional administrations adjust to the new threat of organized drug trafficking through the region. In 1990, 28 members of the CCLEC signed a Memorandum of Understanding regarding mutual assistance and cooperation for the prevention and repression of Customs offenses in the Caribbean zone. Since that time, the membership of the CCLEC has grown to 37 nations.

One of the early steps taken by the Council was the establishment of the Caribbean Enforcement Network (CEN), which is a system that supports the exchange of information between members. Each member has nominated an Enforcement Liaison Officer (ELO) who is generally an experienced enforcement or investigative officer at management level. Enforcement communications and other activities are originated with the ELO. In partnership with the World Customs Organization (WCO), the Joint Intelligence Office (JIO) was created within the U.S. Customs Service Communications Center in San Juan, Puerto Rico, to coordinate all regional activity in the CEN and to serve as the communications center of support for the ELOs.

CCLEC continues to assist its members in their counter-narcotics efforts through the following current key projects:

The Regional Clearance System (RCS) is an information system which monitors the movement of small vessels and aircraft in the region. The aim of the project is to develop intelligence which will direct enforcement activity and detect smuggling. Phase one of the training and installation is underway.

The Regional Airport Anti-Smuggling Initiative (RAASI), which began in 1996, addresses the smuggling threats at regional airports. This drug trafficking through Caribbean airports, often involving Caribbean nationals, poses a significant threat to communities in the region. RAASI examines systems and controls currently in place at the major Caribbean hub airports, identifies strengths and weaknesses, and recommends the implementation of effective countermeasures.

Based on an agreement negotiated by the State Department, the Customs Service has been operating from a forward operating location (FOL) in Aruba, Netherlands Antilles, since April 1999. This important FOL replaced our operation at Howard Air Force Base, Panama, which closed in April 1999.

We also work with Operation Bahamas, Turks and Caicos (OPBAT), a joint DEA-Bahamian operation based in Nassau. Assets from the Miami or Jacksonville Air and Marine Branches are launched when targets are identified. We also have sent Senior Detection Systems Specialists to our Embassy in Nassau on a TDY basis to help coordinate OPBAT operations. Customs Service P-3 aircraft assist in tracking targets in the Bahamian area. We have a large presence in Puerto Rico at the Caribbean Air and Marine Branch (CAB) and its subordinate units as well as at our Drug Intelligence Operations Center in Puntas Salinas, Puerto Rico. The CAB works closely with the Puerto Rico Air National Guard.

Question 2. The General Accounting Office has often recommended that counter narcotics agencies need to develop a centralized system for recording and sharing lessons learned by various agencies while conducting their operations. Do the federal agencies involved in Caribbean interdiction operations have a formal arrangement for recording information and sharing lessons learned?

Answer 2. Federal agencies involved in Caribbean interdiction operations currently have effective informal methods for recording information and sharing lessons learned. Following interagency operations, Joint Interagency Task Force East con-

ducts a debrief or “hot wash” at the action officer level to capture lessons learned. An after action report that discusses important issues is distributed to all law enforcement addresses.

High Intensity Drug Traffic Area (HIDTA) meetings are conducted monthly in Puerto Rico to discuss law enforcement issues in Puerto Rico and the U.S. Virgin Islands. All federal law enforcement agencies, the National Guard and United Forces of Rapid Response (FURA) or Commonwealth police have representation.

Following joint operations such as Operation Bahamas, Turks and Caicos (OPBAT), an after action report is drafted and distributed to the participating agencies.

Question 3. While trafficking along the Southwest Border may have diminished slightly, I do not think anyone would contend that we are in a position to remove the considerable counterdrug assets located in that region. That said, it is obvious that narcotics traffickers are now looking to exploit the relatively open Caribbean to transport drugs into the United States. My question to each of you is, “How many more assets are required to fight the flow of drugs in the Caribbean without sacrificing the counterdrug infrastructure we have created on the Southwest Boarder?”

Answer 3. There is clearly a need to strike a balance between infrastructure needs in different regions that affect one another. Several critical elements of the Caribbean counterdrug effort are unique. With current estimates that as much as 90% of the cocaine flow has a maritime component (airdrops to vessels or vessel transportation) in the Caribbean, there is a shortage of modern Maritime Patrol Aircraft (MPA).

The Customs Service operates detection and monitoring (D&M) aircraft, interceptors, maritime patrol aircraft, and a variety of vessels in the Caribbean. Our D&M assets are tasked to U.S. Southern Command (SOUTHCOM), as are the Customs interceptor aircraft based in Aruba. MPA, interceptor aircraft and vessels are assigned to Customs Caribbean Air and Marine Branch. They are based at several locations in Puerto Rico and the U.S. Virgin Islands. Additional assets and personnel from other Air and Marine Branches continuously augment our forces in the Caribbean.

The Customs Service has issued Requests for Information to industry soliciting data on new MPA and multi-role interceptor aircraft. Response from manufacturers was brisk, with several platforms in production meeting the criteria specified. Customs is examining these as replacements for aircraft in the existing fleet as part of our comprehensive modernization plan. When complete, the effectiveness of these replacement aircraft will allow us to safely and efficiently protect the Continental United States as well as meet our expanding obligations in the source and transit zones.

The Customs Service vessel inventory in the Caribbean is adequate to meet our existing missions, but most of the vessels have exceeded their serviceable life. As identified in the Customs Air and Marine Interdiction Division comprehensive modernization plan, each type of vessel in the current inventory has a serviceable life limit. In order to ensure safe and efficient operation, replacement is required when the vessel reaches its service life limit.

The Customs Service needs more vessel operators and aircraft crewmembers in order to meet our current commitments and increase operations in the Caribbean. The Customs Service has been recruiting to fill existing vacancies and has a 5-year plan to increase the number of vessel operators to accommodate an expanded maritime mission.

In order to meet our drug interdiction responsibilities in the Caribbean, without sacrificing the counterdrug infrastructure we have created on the Southwest Border, the Customs Service needs to:

- Acquire new Maritime Patrol Aircraft;
- Increase manpower to support Caribbean operations;
- Acquire new multi-role interceptor aircraft; and
- Acquire/refurbish replacement vessels.

Question 4. Would you please comment on what Caribbean nations are cooperative and what nations are uncooperative in fighting drug trafficking?

Answer 4. Based on our expertise and our interdiction perspective, all of the Caribbean nations cooperate to some extent. Internal politics and resources determine the amount of cooperation. Eradication and interdiction operations have been conducted with many of the Caribbean nations. Also, many have received training and equipment to improve their counterdrug capabilities.

Because of political instability, Haiti has no credible law enforcement interdiction response to airborne drug movements but allows overflight of U.S. interdiction aircraft. The Haitian Coast Guard is ineffective because it is limited to operations in

the Bay of Gonâve and intelligence indicates that maritime drug smuggling occurs on the southern coast of Haiti.

A weak economy has impaired the ability of the Cuban government to effectively respond to the smuggling threat. U.S. Government aircraft do not have overflight authority to transit Cuba or its territorial waters but, Cuban border guards have responded to U.S. Coast Guard requests to pursue smuggling vessels.

The Bahamian government has historically worked well with the United States in fighting drug trafficking. When Howard AFB closed, U.S. interdiction assets moved to Aruba and Curacao with minimal impact to the operational tempo. The government of Trinidad and Tobago has actively cooperated in fighting drug trafficking by sharing information and participating in the United Counterdrug seminars.

Question 4a. Also, please address what effect Venezuela's refusal to allow the United States overflight access, as well its general resistance to our drug fighting efforts, is having on our ability to pursue traffickers?

Answer 4a. The denial of Venezuelan overflight authorization for Customs Service aircraft has significantly decreased successful end-games in Colombia and has resulted in no end-games in Venezuela. Interagency data indicates that South American airborne drug smugglers are increasing their use of Venezuelan airspace during transits between Colombia and the transit zone. Smugglers flying between Colombia and other South American countries also routinely use Venezuelan airspace. Some air smugglers have been observed using Venezuelan airstrips as recovery points after completing drug shipments. Customs Service P-3 AEW aircraft patrolling in Colombia have often detected and tracked aircraft entering Colombia from Venezuela. Those aircraft were observed landing near the border, offloading and returning quickly to Venezuela. Opportunities to gather intelligence and support Venezuelan counter-drug programs were lost because requests for overflight were denied.

Question 5. I am concerned that we are not doing as good a job as we could when it comes to strategic planning and information sharing. What steps can we take to improve in these areas?

Answer 5. The Customs Service is an active participant in several strategic planning mechanisms that we believe enhance the effectiveness of our counter-drug operations. For instance, the Customs Service participates in the annual and semi-annual joint planning conferences hosted by the United States Interdiction Coordinator (USIC). As you know, the Customs Service provides a substantial percentage of the detection and monitoring assets that are deployed in the Source and Transit Zones. These joint planning conferences provide strategic guidance to agencies operating in the Source and Transit Zones to insure that common goals are achieved.

More recently, the Customs Service has been working with other agencies on the development of an Arrival Zone Interdiction Plan (AZIP). A key element of the AZIP has been identified as the creation of an Arrival Zone Interdiction Coordinator (AZIC). The AZIC will be responsible for coordinating all of the interdiction operations in the Arrival Zone and will complement the role of the USIC in the Source and Transit Zones. The AZIC will be responsible for insuring that interdiction operations in the Arrival Zone further the strategic goals of the National Drug Control Strategy.

With respect to information sharing, the Customs Service is an active participant in the High Intensity Drug Trafficking Area intelligence coordination center in San Juan, Puerto Rico, which also has representatives from the other law enforcement agencies in Puerto Rico. In addition, the Customs Service has a full time liaison to both the USIC and Joint Interagency Task Force (East).

Question 6. It seems that without having good information as to when, where, and how drugs will be shipped, we are essentially operating blindly. What steps can be taken to improve intelligence gathering efforts in the source zone?

Answer 6. The Customs Service traditionally has relied on the intelligence gathering efforts of the Drug Enforcement Administration and the intelligence community all of whom have extensive networks and responsibilities for collecting drug related intelligence overseas. Customs has extensive relationships with DEA and the intelligence community that facilitate the movement and exchange of intelligence on activities in the Source and Transit Zones that may be of interest to Customs.

More recently, The Customs Service has signed a new Memorandum of Understanding with the DEA, under the auspices of the General Counterdrug Intelligence Plan, that permits the placement of Customs Service staffed foreign intelligence teams in DEA foreign offices. Customs Service Foreign Intelligence teams are multidiscipline teams that have the sole responsibility of collecting information on drug smuggling in the countries where they are assigned. The Customs Service is in the

process of deploying these teams in the Source Zone to collect intelligence and information that can be used by the Customs Service for interdiction and enforcement purposes. The Customs Service has fielded three pilot teams in the past 10 months, including two teams to Mexico and one team to Ecuador.

The Source Zone continues to be a high priority for the Customs Service particularly as it relates to information on impending drug shipments and/or information that could assist Customs Service aircraft in their efforts to detect and monitor ongoing drug operations. The Customs Service will continue to actively pursue information in the Source Zone by pursuing all of its avenues of information including the deployment of foreign intelligence teams.

Question 7. I understand that one of the trends law enforcement is beginning to notice is the merging of criminal enterprises. For example, in the past, one organization might smuggling drugs, while another organization might smuggling migrants, but today, one organization might smuggle both. What sort of merging of criminal enterprises are you seeing in the Caribbean?

Answer 7. Our investigative and seizure activity has shown that there has been a limited amount of expansion on the part of criminal groups that have moved into new areas of criminal activity.

One recent example has been the expansion of Dominican smuggling groups into Ecstasy smuggling to the United States. Our investigations currently indicate that the Dominican Republic is being used as a transit point for European origin Ecstasy that is being smuggled to the United States. We have also recently documented an instance in which Dominican smuggling groups have smuggled cocaine to Europe where it has been exchanged for Ecstasy that was smuggled to the U.S.

We have also received periodic intelligence that Haitian cocaine smuggling groups are also involved in smuggling illegal aliens to the U.S. In a 1999 seizure in Fort Myers, Florida, Customs agents seized 56 pounds of cocaine and arrested five illegal aliens who had arrived on a private aircraft from Haiti.

Question 8. What would you rank as your most important priorities to counter the trafficking situation in the Caribbean?

Answer 8. Customs Air and Marine Interdiction Division has addressed the following priorities to counter the trafficking situation in the Caribbean:

- Acquire new Maritime Patrol Aircraft;
- Increase manpower to support Caribbean operations;
- Acquire new multi-role interceptor aircraft; and
- Acquire/refurbish replacement vessels.

With current estimates that as much as 90% of the cocaine flow has a maritime component (airdrops to vessels or vessel transportation) in the Caribbean, there is a shortage of modern Maritime Patrol Aircraft (MPA). The Customs Service currently operates a fleet of DOD surplus aircraft converted for the maritime patrol mission. To enhance safety, efficiency, and effectiveness, the Customs Air and Marine Interdiction Division comprehensive modernization plan identifies the need for a new, integrated maritime patrol aircraft.

The Customs Service needs more vessel operators and aircraft crewmembers in order to meet our current commitments and enhance operations in the Caribbean. Customs has been recruiting to fill existing vacancies and has a 5-year plan to increase the number of vessel operators to accommodate an expanded maritime mission.

The current Customs Service fleet of interceptor aircraft were acquired an average of 13 years ago. Their primary mission was detection and tracking of low and slow General Aviation targets common to the Southwest Border. Changing smuggler profiles and tasking throughout the source and transit zones have necessitated a re-evaluation of mission capabilities in our interceptor aircraft. To enhance safety, efficiency, and effectiveness, the Customs Air and Marine Interdiction Division comprehensive modernization plan identifies the need for a new, multi-role interceptor aircraft.

The Customs Service vessel inventory is adequate to meet our existing missions, but most of the vessels have exceeded their serviceable life. As identified in the Customs Air and Marine Interdiction Division comprehensive modernization plan, each type of vessel in the current inventory has a serviceable life limit. In order to ensure safe and efficient operation, replacement or refurbishment is required when the vessel reaches its service life limit.

Question 9. Your agencies are having difficulty getting agents to accept assignments in Puerto Rico. Would making Puerto Rico an overseas assignment for agents help you meet your staffing needs in that territory?

Answer 9. The Customs Service supports in concept the idea of making Puerto Rico a foreign assignment in order to attract qualified candidates to fill critical va-

cancies. Since there is not a “diplomatic mission” in Puerto Rico, designating the island as a foreign post of duty may pose regulatory or legal obstacles.

In order to address recruitment and retention issues on a more immediate basis, on March 13, 2000, Customs approved a Rotation Policy for all of our hardship locations, including Puerto Rico and the U.S. Virgin Islands. Under this new policy, Office of Investigations personnel who have been assigned to a hardship location for 3 continuous years are eligible for a government funded transfer to a non-hardship location.

We have begun the implementation of this policy and have identified approximately 130 Special Agents who are eligible for transfers under the Policy. We have begun the process of initiating moves under the policy, but we anticipate that, with current funding, it will take several years to fully implement the policy and resolve the backlog of moves.

In addition, all personnel assigned to Puerto Rico receive a 10 percent cost of living allowance and pay taxes to the Commonwealth of Puerto Rico.

Question 10. I understand that the DOD wants Customs to take over the Coronet Nighthawk program. Does Customs want to assume this mission and what assets would you need to perform this operation?

Answer 10. The Customs Service would be willing to take over the Coronet Nighthawk program if adequate funding is provided. We believe that Customs assumption of the program would benefit the overall U.S. counternarcotics program since it would allow us to cover the major transshipment corridors in the Caribbean. We also hope that the removal of F-16 military aircraft from Curacao would result in Venezuela reconsidering its position on the issue of overflight clearance. As an interim measure, we would perform the mission using aircraft already in our inventory with TDY crews. However, to perform this mission effectively on a permanent basis, we would require funding for a number of items. These include:

- Purchase two replacement multi-role interceptor aircraft;
- Hire 14 new personnel (3 crews);
- Upgrade and expand our facility at Aruba;
- Maintenance support; and
- PCS costs.

Question 11. What are Customs current marine and aviation assets operating in the Caribbean area and have these numbers gone up or down in the last 10 years?

Answer 11. At the current time, we have 27 vessels, including 15 interceptors and 8 utility, as well as 10 aircraft assigned to the Caribbean Air and Marine Branch and its subordinate units. We should also point out that personnel and assets from other Air and Marine Branches are used to augment our efforts in the Caribbean as required. The majority of this additional support comes from the Miami and Jacksonville Air and Marine Branches. In February 2000, the Customs Services began P-3 operations from Jacksonville, Florida, resulting in increased radar coverage in the Caribbean region. There has been a significant increase in the number of Customs assets and personnel assigned to the Caribbean region over the last 10 years. The Caribbean Air and Marine Branch, which was established in 1986 as a 2-man unit, because a branch in 1992 and the assets and personnel allocated to that location have grown steadily ever since. The number of vessels assigned to the Caribbean area has risen from 11 in 1990 to the current 27. Although the number of vessels assigned to the Caribbean is adequate for the current tasking, many of these vessels have exceeded their serviceable life limit and must be refurbished or replaced.

Question 12. How will trade agreements between the United States and Caribbean nations impact efforts to fight drug trafficking?

Answer 12. The overall impact of trade agreements in the Caribbean, or anywhere else, will be to increase the flow of goods from Caribbean countries to the U.S. From the Customs Service perspective, this means that we will be faced with an increase in the volume of cargo that passes through our custody and control and, therefore, the opportunity to smuggle will increase. In order to minimize the ability for drug smugglers to exploit this opportunity, however, we are engaged in a number of programs that focus on working with private industry to reduce the possibility that legitimate cargo can be compromised by drug smugglers.

Under the auspices of our industry Partnerships Program, for example, the Customs Service provides training and conducts site surveys for transportation companies and foreign manufacturers in order to enhance their internal controls so that drug smugglers cannot introduce drug into otherwise legitimate cargo.