

A REVIEW OF THE ANDEAN INITIATIVE

HEARING AND MARKUP

BEFORE THE

SUBCOMMITTEE ON
THE WESTERN HEMISPHERE

OF THE

COMMITTEE ON
INTERNATIONAL RELATIONS
HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

INCLUDING MARKUP OF

H. Res. 181

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A REVIEW OF THE ANDEAN INITIATIVE AND MARKUP OF H. RES. 181

THURSDAY, JUNE 23, 2001

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 11:08 a.m. in Room 2172, Rayburn House Office Building, Hon. Cass Ballenger [Chairman of the Subcommittee] presiding.

Mr. BALLENGER. The trafficking of illegal drugs and the other criminal activity that goes along with it are most serious threats to our national security of the United States. Unlike other foreign policy challenges, drugs and crime simultaneously target both our internal and external national interests. Illegal drugs and drug-related crime subvert U.S. social and economic structures and we can see it in the eyes of our children who have become hooked on drugs and in the eyes of the victims of the crime that drug trafficking leaves in its wake.

If drugs have such a devastating effect on the United States, think what they do to fragile democracies with struggling economies. I cannot think of one issue that is more important to the stability of our hemisphere than this. In order to maintain our own security and economic stability, the United States must be surrounded by stable democracies with strong economies.

Transnational crime poses a clear and present threat to our nation. Ideological conflict has been giving way to the pursuit of illicit profits from criminal activity. International criminal syndicates are becoming increasingly global. Illegal drug trafficking generates billions of dollars that finance black market arms trafficking, fueling violence and socially degrading criminal activity in Colombia and throughout the hemisphere.

The recent U.S. seizure of the Belize-flagged fishing vessel *Svesda Maru*, which was carrying 26,397 pounds of cocaine and a crew of eight Ukrainian and two Russian nationals believed by Latin American law enforcement authorities to be linked to the Russian mafia, is a real wake up call.

No nation is immune from this transnational crime. The United States must be ready and willing to support those nations who will join us in opposing the drug trafficking that fuels transnational crime.

The situation in Colombia is as complex and dire as any I have ever known in all my years in Congress. I have said before that what happens in Colombia affects what happens here in our own

home towns, not years down the road, but on a daily basis. Failing to help Colombia and the surrounding nations will no doubt put our nation and citizens in jeopardy. It may seem as though the cost is great now, but I can assure you that the cost will be much higher if we do not act now. Having recently returned from Colombia, my Committee colleague Mr. Smith and I saw firsthand how important our assistance for Plan Colombia is to that beleaguered nation. From what I saw, there can be little doubt that Colombia is committed to Plan Colombia.

I am very pleased to learn that the Bush Administration is tackling this issue head-on by pursuing additional economic and counter-narcotics assistance, as well as the extension of trade preferences for Colombia and its regional neighbors.

Today, we welcome Mr. James Mack, Deputy Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State, and Mr. Michael Deal, Acting Assistant Administrator for the Bureau for Latin America and the Caribbean, the United States Agency for International Development, who will present testimony on the Administration's Andean Regional Initiative.

The Andean Regional Initiative builds upon the resources already provided in support of Plan Colombia. As you know, U.S. support for Plan Colombia is a bipartisan policy developed by the Congress and the Clinton Administration which enjoys continued support from the Bush Administration.

Although the actual plan is just beginning to be implemented, we have already had successes and the policy is working. It has been estimated that since the end of December, roughly 45,820 hectares of coca have been sprayed. Together with Colombia we are also, and must continue to, redouble our efforts to completely eradicate the opium poppy that is entering the U.S. as a very pure, highly addictive heroin. It is going to take time, dedication and resolve, but, working together, we can implement a sustained strategy that will lead to final victory over the drug lords who peddle poison to our children.

Today, we are holding this hearing to find out just how the Administration plans to administer this aid package to the Andean region. What are the primary goals? Who will be in charge? What will the roles and responsibilities of each agency be involved? What are the timetables and the benchmarks we can expect from this initiative? I believe that this initiative will permit the continued implementation of a comprehensive drug and crime control strategy.

We look forward to hearing our distinguished witnesses' thoughts and recommendations on how to best implement an efficient and effective means to fight this terrible drug problem.

[The prepared statement of Mr. Ballenger follows:]

PREPARED STATEMENT OF THE HONORABLE CASS BALLENGER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH CAROLINA, AND CHAIRMAN, SUBCOMMITTEE ON THE WESTERN HEMISPHERE

The trafficking of illegal drugs and the other criminal activity that goes along with it are most serious threats to the national security of the United States. Unlike other foreign policy challenges, drugs and crime simultaneously target both our internal and external national interests. Illegal drugs and drug related crime subvert U.S. social and economic structures. We can see it in the eyes of our children who

become hooked on drugs—and in the eyes of the victims of the crime that drug trafficking leaves in its wake.

If drugs can have such a devastating effect on the United States, think what they do to fragile democracies with struggling economies. I can't think of one issue that is more important to the stability of our hemisphere than this. In order to maintain our own security and economic stability, the United States must be surrounded by stable democracies with strong economies.

Transnational crime poses a clear and present threat to our nation. Ideological conflict has been giving way to the pursuit of illicit profits from criminal activity. International criminal syndicates are becoming increasingly global. Illegal drug trafficking generates billions of dollars that finance black market arms trafficking, fueling violence and socially degrading criminal activity in Colombia and throughout the hemisphere.

The recent U.S. seizure of the Belize-flagged fishing vessel *Svesda Maru*, which was carrying 26,397 pounds of cocaine and a crew of eight Ukrainian and two Russian nationals believed by Latin American law enforcement authorities to be linked to the Russian mafia, is a real wake up call.

No nation is immune from transnational crime. The United States must be ready and willing to support those nations who will join us in opposing the drug trafficking that fuels transnational crime.

The situation in Colombia is as complex and dire as any I have ever known in all my years in Congress. I have said before that what happens in Colombia affects what happens here in our own home towns, not years down the road, but on a daily basis. Failing to help Colombia and the surrounding nations will no doubt put our own nation and citizens in jeopardy. It may seem as though the cost is great now, but I can assure you that the cost will be much higher if we don't act now. Having recently returned from Colombia, my Committee colleague, Mr. Smith and I saw firsthand how important our assistance for Plan Colombia is to that beleaguered nation. From what I saw, there can be little doubt that Colombia is committed to Plan Colombia.

I am very pleased to learn that the Bush Administration is tackling this issue head-on by pursuing additional economic and counter-narcotics assistance, as well as the extension of trade preferences for Colombia and its regional neighbors. Renewal of the Andean Trade Preferences Act is critically important to our counter-narcotics strategy in the Andean region.

Our first witness today will be the Chairman Emeritus of the International Relations Committee, The Honorable Benjamin A. Gilman of New York. No Member of Congress has been more dedicated to the fight against drugs than Ben Gilman. We are honored to have him testify before this Subcommittee.

Today we also welcome Mr. James F. Mack, Deputy Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State, and Mr. Michael Deal, Deputy Assistant Administrator of the Bureau for Latin America and the Caribbean, United States Agency for International Development. Both gentlemen will present testimony on the administration's "Andean Regional Initiative".

The Andean Regional Initiative builds upon the resources already provided in support of Plan Colombia. As you know, U.S. support for Plan Colombia is a bipartisan policy developed by the Congress and the Clinton administration which enjoys continued support from the Bush administration. Although the actual plan is just beginning to be implemented, we have already had successes, and the policy is working. It has been estimated that since the end of December, roughly 45,820 hectares of coca have been sprayed. Together with Colombia we are also—and must continue to—redouble our efforts to completely eradicate the opium poppy that is entering the U.S. as very pure, highly addictive heroin. It is going to take time, dedication and resolve, but by working together, we can implement a sustained strategy that will lead to final victory over the drug lords who peddle poison to our children.

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Mr. MENENDEZ. Thank you, Mr. Chairman.

I think it is appropriate that you call this hearing of this Subcommittee on the Andean Regional Initiative. We might consider that this hearing is as much as about Plan Colombia and its implementation of which the Andean Regional Initiative is but a continuation. This is a vitally important topic regarding the hemisphere's most troubled region.

What we do here together with our Andean friends will affect the region for years to come.

With the Plan Colombia, as it appears with this initiative, the United States continues to try to address two problems of significant magnitude and importance to U.S. national interests: First, tackling the U.S. domestic problem of illicit drug consumption and, second, fashioning of an effective U.S. response to a domestic Colombian problem that affects both the United States and Colombia's neighbors.

I doubt that there are many people knowledgeable about the region who would argue that there is not a crisis in Colombia. If that crisis were to go unchecked, it may threaten the viability of the Colombian state. And that most definitely would affect U.S. interests. The question is what Colombia, its neighbors and the United States have done and are going to do about that crisis.

Some wonder how it is that this crisis developed so suddenly, practically almost without notice. That was the sense last year when we debated the supplemental bill to fund U.S. assistance for Plan Colombia to the tune of \$1.3 billion. There are those who claim that there is no crisis, this was election year get-tough-on-drugs politicking, but I respectfully disagree.

A couple of things happened to bring Colombia to where it is today. First, a largely rural revolutionary insurgency that is close to 40 years old and had never really threatened the viability of the full Colombian state has changed dramatically in character over the last decade due to a single and very distinctive transformation.

The Revolutionary Armed Forces of Colombia has essentially become a major, dangerous and highly profitable drug trafficking operation. Let us have no illusion. The battles the guerrillas are now waging in southwestern Colombia are not for winning the heart and soul of Colombia; they are for gaining control of drug supply routes.

Second, coca cultivation in Colombia, particularly in southern Colombia, increased dramatically and thus did its impact on the United States. It seemed that practically overnight Colombia had moved radically from shipping and refining coca to growing and refining coca to the point where, to its great detriment and danger, it supplies 80 percent of the United States market.

Last year, the Clinton Administration presented to Congress an emergency supplemental bill designed as a response to what it said was an emergency on the ground in Colombia. The programs funded in that supplemental were devised to address the crisis or emergency that was almost entirely narcotics-formulated.

Mr. Chairman, in policy making, we are confronted with choices and must make decisions. Last year, the United States had a choice: either do something or do nothing to help one of our closest and historically best friends at a time of dire need. The previous

Administration decided it was appropriate to do something. The U.S. contribution in Plan Colombia was the response.

Now, the question I would like to pursue today in this hearing is: Has it worked 6 months into the implementation, not has it worked in its ultimate conclusion, because obviously that is not enough time, but what is the progress we have made over this last 6 months, where do we go from here?

That is the crux of the issues I think we need to discuss and in that regard I certainly want to look at some of the measurable components of Plan Colombia that we can take stock of on questions of eradication and questions of alternative development and counter-drug battalions and the Colombia military's performance in respect for human rights. Those are clearly some of the issues.

Lastly, as it relates to this Andean Regional Initiative, in the process of consulting on the Plan Colombia it became apparent that many of us in Congress and elsewhere expressed concern that the problem was broader than Colombia and involved more than a security and law enforcement issue.

Whether or not the Andean Regional Initiative is in response to these concerns, it expands Plan Colombia, as it were, to neighboring countries that are affected by the crisis in Colombia and to other areas such as democratic institution building, judicial sector reform and social welfare issues that must be addressed because in a very real sense they are at the heart of the matter. There is a fundamental interconnectedness among these issues that our hemispheric friends and we ignore at our own peril. Once again, we are faced with a policy choice with consequences for years to come.

Let me close, Mr. Chairman, by stating that I am dubious that our efforts on the supply side of the narcotics trade alone can eliminate the cash incentive from the drug trade over the long term. And in that regard, I know that many of my colleagues, myself included, are concerned about our efforts at working seriously at sustainable development issues within Colombia and the Andean region and for that matter I would say within the hemisphere.

For 9 years that I have sat on this Committee, I have been advocating a Latin American development fund. Fifty percent of the people in this hemisphere live below the poverty level. If you want to avoid coca growing, if you want to avoid illegal immigration, if you want to avoid the spread of diseases, if you want to preserve biodiversity, we must do something more than simply trade. Trade is certainly important, but trade in many respects often widens the gulf between those who live in poverty and those who can avail themselves with the education and backgrounds to achieve the benefits that trade can provide.

So, yes, trade is important, but sustainable development is very important, and I hope we will focus on some of that as we also seek to make sure that interdiction, eradication and other forms of curtailing the supply side, while I hope we will intensify here at home the demand side, so that we can ultimately achieve the successes that we want as a country in our national interests, in our national security, and also in those of our friends to the south.

Thank you, Mr. Chairman. I look forward to hearing the testimony.

[The prepared statement of Mr. Menendez follows:]

PREPARED STATEMENT OF THE HONORABLE ROBERT MENENDEZ, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW JERSEY

INTRODUCTION

Mr. Chairman, thank you. It is appropriate that you call this hearing now on the Andean Regional Initiative. We might consider that this hearing is as much about Plan Colombia and its implementation, of which the Andean initiative is but a continuation. This is a vitally important topic regarding the hemisphere's most troubled region. What we do here together with our Andean friends will affect the region for years to come.

PLAN COLOMBIA, THE ANDEAN REGIONAL INITIATIVE AND US INTERESTS

With the Plan Colombia, as it appears with this initiative, the United States continues to try to address two problems of significant magnitude and importance to US national interests. First, tackling the US domestic problem of illicit drug consumption; and, second, a fashioning an effective US response to a domestic Colombian problem that affects both the US and Colombia's neighbors.

I doubt that there are many people knowledgeable about the region who would argue that there is not a crisis in Colombia. That crisis, were it to go unchecked, may threaten the viability of the Colombian State. And that most definitely would affect US interests. The question is what Colombia, its neighbors and the United States have done and are going to do about that crisis.

Some wonder how it is that this crisis developed so suddenly, practically without notice. There was that sense last year when we debated the supplemental bill to fund US assistance for Plan Colombia to the tune of \$1.3 billion. There are those who claim that there is no crisis—this was election-year get-tough-on-drugs politicking. I respectfully disagree.

A couple of things happened to bring Colombia to where it is today.

First, a largely rural revolutionary insurgency that is close to 40 years old and had never really threatened the viability of the Colombian State, has changed dramatically in character over the last decade due to a single and very distinctive transformation: the Revolutionary Armed Forces of Colombia (FARC) has essentially become a major, dangerous and highly profitable drug trafficking operation. Let us have no illusion: the battles that the guerillas are now waging in southwestern Colombia are not for winning the heart and soul of Colombia. They are for gaining control of drug supply routes.

Second, coca cultivation in Colombia, particularly in Southern Colombia, increased dramatically, and thus did its impact on the US. It seemed that practically overnight, Colombia had moved radically from shipping and refining Coca to growing and refining Coca to the point where it supplies 80 percent of the US market—to its great detriment and danger.

Last year, the Clinton Administration presented to Congress an emergency supplemental bill designed as a response to what it said was an emergency on the ground in Colombia. The programs funded in that supplemental were devised to address the crisis or emergency that was almost entirely narcotics-formulated.

Mr. Chairman, in policymaking we are confronted with choices and must make decisions. Last year, the United States had a choice: either do something or do nothing to help one of our closest and historically best friends at a time of dire need. Last year, the Clinton Administration decided it was appropriate to do something. The US contribution to Plan Colombia was the US response.

Has it worked six months into implementation? And where do we go from here? I believe *that* is the crux of the issue before us today. There is much history particular to Colombia that I will not touch upon here that factors into this equation, such the *la violencia* period of the 1940s and 50s, which nonetheless is quite relevant.

So much is said and written about the Plan Colombia that one can lose focus. So let me try to frame the discussion a bit if I may, Mr. Chairman. Let me suggest to my colleagues that there are specific and measurable components of Plan Colombia that we can take stock of. In general, based on what I have reviewed, I cannot say that overall things have gone badly. Let me address some of the key points that I believe we must focus on in terms of oversight of this the Plan Colombia and in assessing the new Andean Initiative:

ERADICATION

I understand that Colombia is on track toward meeting its objective of a 30 percent reduction of drug production in two years and a 50 percent reduction over the five-year course of Plan Colombia. Over 43,000 hectares have been eradicated by air

in Colombia of a total 136,500 of coca cultivation. Despite these evident successes, I do have reservations about aerial eradication because it is only a short-term fix, it is subject to errors, and I worry about the possibility that this coca can be replanted. Perhaps our witnesses can address these concerns and discuss whether manual eradication is a viable alternative. Is it too cumbersome and dangerous given conditions in southwestern Colombia? Finally, there are those who claim that aerial eradication should not occur unless and until alternative development takes greater hold. I'd be interested in our witnesses' views on this and whether or not they believe eradication provides an incentive for coca growers to accept alternative development packages.

ALTERNATIVE DEVELOPMENT

Alternative Development takes much longer to get off the ground and is difficult because people need to be persuaded or compelled by circumstances—such as eradicated coca crops or interdiction—to cooperate. I understand there has been some success by Colombia in signing up over 17,000 families to voluntarily pull up coca plants over a year's time, and in return the government will give them cash, seeds, small farm animals, and also help build roads, schools and health clinics. Despite these successes, I remain skeptical about anyone's ability to essentially substitute the alluring cash incentive of growing coca with far less lucrative crops and look forward to hearing testimony on this matter.

COUNTER-DRUG BATTALIONS

The often-debated US military assistance provided under Plan Colombia was geared to training and equipping these counterdrug troops. There are now between 2,200 and 2,300 such troops and by all accounts they have performed quite well. They mainly are involved in ground and airborne operations that take down cocaine labs, whether in the *centros de acopio* or collection areas where finished coca base or the big coca processing labs. The battalions unquestionably have achieved success, having knocked out 180 counterdrug targets in Putumayo and Caquetá, including nine big HCl or finished cocaine labs, over 100 of small base labs and numerous transshipment and storage sites. Just as importantly, there have been no accusations against them of human rights abuses and I commend the Colombian Government for that.

COLOMBIAN MILITARY PERFORMANCE AND RESPECT FOR HUMAN RIGHTS

I believe we have to give credit where credit is due. The Colombian military continues to make progress in improving its respect for human rights. The number of violations continues to go down. Five to six years ago, half of all human rights accusations were attributed to members of the security forces. In the last couple of years, these numbers have shrunk to just 2 percent. They also have made progress in dismissing poor performers and paramilitary collaborators. But they still have improvements to make. Although there is no evidence of which I am aware of institutional collaboration with the paramilitaries—an important point—tactical collaboration does exist, and I urge the Colombian Government to address this in the most forceful terms. I would appreciate the State Department commenting on this.

ANDEAN REGIONAL INITIATIVE

In the process of consulting on the Plan Colombia it became apparent that many of us in Congress and elsewhere expressed concern that the problem was broader than Colombia and involved more than a security and law enforcement issue. Whether or not it the Andean Regional Initiative is in response to those concerns, it expands Plan Colombia, as it were, to neighboring countries that are affected by crisis in Colombia, and to other areas such as democratic institution-building, justice-sector reform and social welfare issues that must be addressed because in a very real sense they are the heart of the matter. There is a fundamental interconnectedness among these issues that our hemispheric friends and we ignore at our own peril. Once again we are faced with a policy choice with consequences for years to come.

Let me close, Mr. Chairman, by stating that I remain dubious that our efforts on the supply side alone of the narcotics trade can eliminate the cash incentive from the drug trade over the long term. It appears that Plan Colombia has gotten off to a good start. This jury will deliberate for quite some time.

Thank you.

Mr. BALLENGER. Our first witness today will be Chairman Emeritus of the International Relations Committee, the Honorable Benjamin A. Gilman of New York.

No Member of Congress has been more dedicated to the fight against drugs than Ben Gilman and we are honored to have him testify before this Subcommittee.

Congressman Gilman, it is yours.

STATEMENT OF THE HONORABLE BENJAMIN A. GILMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. GILMAN. Thank you, Mr. Chairman. I thank you for your kind words, Chairman Ballenger. And I want to thank the Committee for calling today's hearing on the Andean Regional Initiative, something that is extremely important to our nation, and providing us with the opportunity to testify.

I welcomed the Administration's new Andean regional plan of providing more than \$800 million for that region. When we met with our Andean colleagues, parliamentary colleagues, not too long ago at the Bolivian conference, they stressed how they are wanting to be cooperative in the drug fight, but they also need help with regard to their economy and pleaded with us to give some attention to the trade barriers that they are confronted with and I think that this proposal by the Administration will help in that direction. I think it is a proper progression following our Plan Colombia \$1.3 billion dollar counter-narcotics program.

With regard to Peru, we are making considerable progress in our fight against illicit drugs in the Andean region, especially in Peru and Bolivia, but we need to stay the course. It is time for us to progress and restore the shoot down policy over the skies of both Peru and Colombia after building in proper safeguards that are fully needed to prevent the kind of tragic unfortunate circumstance surrounding the April 20th missionary aircraft incident.

But we must not throw out the baby with the bath water and allow the loss of any more innocent lives from illicit drugs coming from the Andean region to our shorelines while we delay over just what to do about the tragic mistake in Peru, which we all sincerely regret.

With regard to drug trafficking in Bolivia, we are finding a success story in a sea of unfounded pessimism. Bolivia's total elimination of coca leaf in the Chapare region and its efforts to control the small remaining illicit crops in the Yungas area is a model for the entire world. Bolivia gives us all hope. Our continued support to sustain this startling Bolivian drug fighting success is essential.

Bolivia has provided some important lessons for all of its neighbors about how strong political will has taken one nation out of the illicit drug business and has controlled the supply of precursor chemicals. We all recall how in years gone by Bolivia was one of the major producers of illicit drugs. In Bolivia today, it is a crime equal to drug trafficking, with the same punishment, if anyone were to engage in illicit precursor chemical trafficking.

Other nations should follow that Bolivian example. Too many have been reluctant to try to control the extent of trafficking and precursor chemicals. It has had a major impact on the purity and

availability of Bolivian drugs, for without these chemicals, of course, there can be no drug production.

Now, in Colombia, it is gratifying to learn we have resumed opium eradication, which had been cut off for a while. According to the anti-drug chief of the Colombian National Police and our embassy in Bogota, we may be able to totally eliminate opium in Colombia by the end of this year if we can use the Black Hawks which our Committee led the way in obtaining and which have been very slow in delivery. The helicopters that we are providing will save lives and will help protect our young people here at home from the deadly scourge of Colombian heroin which has impacted our nation's East Coast.

We still need to solve the supply line problems in Colombia and that is the Achilles heel of Plan Colombia, as we all know and have long recognized. The State Department's proposal of a costly-to-operate C-27 transport plane with parts that have to come from Italy, along with more American contract crews in Colombia, and which cannot land on 80 percent of the airstrips that the CNP drug police need to bring fuel and herbicide to those areas just will not do. It is a non-starter. We should get the CNP the kind of buffalo supply planes the police leadership have been asking for over the past few years and which have been denied to them by the State Department.

Now, with regard to the FARC, the Revolutionary Armed Forces of Columbia, I remain concerned along with many of my colleagues just about what agreements, if any, the Colombian government may have with the FARC to limit coca eradication spraying and the safety and security of Americans in Colombia as we aggressively go after the drugs there. Our Americans are at risk and targeted in Colombia. Accordingly, I think it is time to drop the fiction that only anti-narcotics aid should come from the United States. For example, we should help the CNP's anti-kidnaping unit with lift capacity. It has reduced kidnaping in Bogota by 50% and just captured 50 criminals and guerrillas linked to the kidnaping and killings of American oil workers in Ecuador.

Overall, I believe we need to keep going and do more in the region. We must sustain what we have begun in places like Peru, Bolivia and Colombia. We must also help Colombia's neighbors like Ecuador, Venezuela, Brazil and Panama that are facing the spillover affect of our battle against drugs. Ecuador, for example, which has helped with the new Forward Operating Location after we left Panama, deserves our strong support, especially as it faces a new FARC-inspired and trained insurgency.

We must continue to show we are serious and do even more. I have a great deal of reservation with regard to President Pastrana's safeguarding and providing a haven in the FARC area in Colombia. It just has not worked. Today, there are more kidnapings. They say that 70 percent of the world's kidnapings take place in that part of the world. They are smuggling. They are involved in drug trade and there are abundant killings. And I think it is time that President Pastrana take another look at what he has done in providing that kind of a safe haven for the FARC.

With regard to the Andean Trade Preference Act, this year it is important, I believe, for the Congress to renew the Andean Trade

Preference Act, ATPA, a 10-year-old initiative, that was intended to help the Andean region in our common fight against illicit drugs. Trade with our Andean friends helps increase jobs and helps their economy, diminishes the attraction of illicit crop production and helps support farmers who seldom benefit from many of the illicit narcotics trade.

Congressional renewal of the ATPA, I think, is an essential part of the regional package to help make alternative crops and development viable. I look forward to working with our colleagues on the Ways and Means Committee to make the ATPA renewal a reality and I am urging the Administration to effectively advocate for its renewal and I hope our Committee will do the same in urging the Administration to get on with the ATPA renewal. It sends an important message that our nation is serious, that we are good partners and that we are reliable allies in the region.

And with regard to the European Union, I think our State Department, along with the governments of the Andean region, need to demarche the European governments and the E.U. to do their share to help stem the flow of drugs from the Andean region. One-third of the cocaine from this region is now headed for Europe, and places like Holland, Belgium and others in Europe, provide large uncontrolled quantities of the precursor chemicals to the region that help make drugs, which in turn flow back to Europe.

The Europeans should not be standing idly by on the sidelines in this battle. We need their cooperation in controlling these precursor chemicals, and for more alternative development aid, as we and our Andean neighbors do our share and do the tough work. Since illicit drugs affect all of us, it is not too much to expect help from our European allies and to help us stem the problems in America's backyard.

So, Mr. Chairman, I cannot commend you enough for tackling this problem as we take a good hard look at what we should be doing to control illicit narcotics that are affecting so many of our communities here and so many communities abroad.

Thank you.

[The prepared statement of Mr. Gilman follows:]

PREPARED STATEMENT OF THE HONORABLE BENJAMIN A. GILMAN, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW YORK

Mr. Chairman. Thank you for calling today's hearing on the Andean Initiative and providing me this opportunity to testify. I welcomed the Administration's new Andean regional plan of more than \$ 800 million. It is a natural progression after our Plan Colombia \$ 1.3 billion dollar counter-narcotics aid program.

PERU

We are making progress in our fight against illicit drugs in the Andean region, especially in Peru and Bolivia. We need to stay the course. It's time to get off the dime and restore the shoot down policy over the skies of both Peru and Colombia after we build in whatever safe guards are clearly needed to prevent, the tragic, unfortunate April 20th missionary incident.

We must not throw out the baby with the bath water and allow the loss of any more innocent lives from illicit drugs coming from the Andean region to our communities and towns, while we procrastinate over what to do about this tragic mistake in Peru, which we all sincerely regret.

BOLIVIA

With regard to drug trafficking in Bolivia, we find a success story in a sea of unfounded pessimism. Bolivia's total elimination of coca leaf in the Chapare region, and its efforts to control the small remaining illicit crops in the Yungas area, is a model for the world. Bolivia gives us all hope. Our continued support to sustain this startling Bolivian drug fighting success, is essential.

Bolivia has provided some important lessons for its neighbors about how strong political will has taken one nation out of the illicit drug business, and has controlled the supply of precursor chemicals. In Bolivia today, it's a crime equal to drug trafficking, with the same punishment, if you engage in illicit precursor chemical trafficking. Others should follow that example. It has had a major impact on the purity and availability of Bolivian drugs. For without these chemicals, there is no drug production.

COLOMBIA

In Colombia, it is gratifying to hear we have resumed opium eradication. According to the anti-drug chief of the Colombian National Police (CNP) and our embassy in Bogota, we may be able to totally eliminate opium in Colombia by the end of this year using the Black Hawks which our Committee led the way in obtaining. They will save lives and help protect our children here at home from the deadly scourge of Colombia heroin which has impacted our east coast.

THE SUPPLY LINE

We still need to solve the supply line problems in Colombia, the "Achilles heel" of Plan Colombia, as we all know, and have long recognized. The State Department's proposal of a costly-to-operate C-27 transport plane—with parts that have to come from Italy, along with more American contract crews in Colombia, and which can't land on 80% of the airstrips the CNP needs to bring fuel and herbicide to—won't do. It's a non-starter. We should get the CNP the Buffalo supply planes the police leadership have asked for themselves to fly these past years.

THE FARC¹

I remain concerned about what deals, if any, the Colombian government may have with the FARC to limit coca eradication spraying, and the safety and security of Americans in Colombia as we aggressively go after drugs. Americans are at risk and targeted in Colombia. Accordingly, it's time to drop the fiction that only anti-narcotics aid should come from the United States. For example, we should help the CNP's anti-kidnaping unit with lift capacity. It has reduced kidnaping in Bogota by 50%, and just captured 50 criminals and guerillas linked to the kidnaping and killings of American oil workers in Ecuador.

Overall, we need to keep going and do more in the region. We must sustain what we have begun in places like Peru, Bolivia and Colombia, and also help Colombia's neighbors like Ecuador, Venezuela, Brazil and Panama that face the spill over affect of the fight against drugs there. Ecuador, which has helped with the new forward operating base after we left Panama, deserves our strong support, especially as it faces a new FARC inspired and trained insurgency. We must continue to show we are serious, and do even more.

ANDEAN TRADE PREFERENCE

This year, Congress ought to also renew the Andean Trade Preference Act (ATPA), a ten-year old initiative initially intended to help the region in our common fight against illicit drugs. Trade with our Andean friends helps increase jobs and wealth, and diminishes the attraction of illicit crop production for the poor farmers, who seldom benefit from illicit narcotics. Congressional renewal of the ATPA is an essential part of the regional package to help make alternative crops and development viable. I look forward to working with our colleagues on the Ways and Means Committee to make the ATPA renewal a reality. I urge the Administration to lobby hard and effectively for its renewal. It sends an important message that we are serious, good partners, and reliable allies in the region.

E.U. SUPPORT

Finally, I call upon the State Department, along with governments in the Andean region, to demarche the European governments and the EU to do their share to help

¹ Revolutionary Armed Forces of Colombia

stem the flow of drugs from the Andean region. One-third of the cocaine from this region is headed for Europe, and places like Holland, Belgium and others in Europe, provide large uncontrolled quantities of the precursor chemicals to the region that help make drugs, which in turn, flow back to Europe.

The Europeans should not be standing idly on the sidelines. We need their cooperation in controlling these precursor chemicals, and for more alternative development aid, as we and our Andean neighbors do our share and do the tough part. Since illicit drugs affect all of us, it isn't too much to expect some European help in America's backyard.

Thank you.

Mr. BALLENGER. Thank you, Congressman Gilman.

If I may explain to the next panel, before we continue with hearing testimony from today's witnesses, we want to mark up H. Res. 181, Congratulating President-elect Alejandro Toledo on his election to the presidency of Peru, congratulating the people of Peru for the return of democracy in Peru, and expressing sympathy for the victims of the devastating earthquake that struck Peru on June 23, 2001.

And so pursuant to notification of the Chair, I call up the resolution H. Res. 181 for the purpose of mark up and move that it be reported favorably to the Committee. Without objection, the resolution will be considered as read and open for amendment at any point.

Today, we have before the Subcommittee H. Res. 181 congratulating the President, Alejandro Toledo, and congratulating the people of Peru on their return to democracy.

Yesterday, Chairman Hyde and our Committee's Ranking Democratic Member, Mr. Lantos, hosted a meeting with President-elect Toledo and he spoke eloquently of his commitment to restoring full strength to Peru's fragile democratic institutions. He also spoke very clearly about his commitment to giving Peruvians fiscally sound government that can bring Peru out of its current economic recession.

It is fitting that this resolution enjoys extensive bipartisan support. Reversing the manipulation of democracy that occurred in Peru was possible because, as President-elect Toledo pointed out yesterday, key Republicans and Democrats took a principled stand together. As our friend and colleague, the gentleman from Massachusetts Mr. Delahunt noted yesterday, President-elect Toledo said it best when he said "Democracy has no country."

As Peru prepares to inaugurate its new President and to rebuild from the recent terrible earthquake, we should take this opportunity to express our congratulations for the Peruvian people's accomplishment and also express our sympathy and support for the victims of the earthquake. Accordingly, I urge my colleagues in joining me in support of this resolution.

And now I would like to recognize the Ranking Member, the gentleman from New Jersey, Mr. Menendez, for his statement on the resolution.

[The resolution, H. Res. 181, follows:]

107TH CONGRESS
1ST SESSION

H. RES. 181

Congratulating President-elect Alejandro Toledo on his election to the Presidency of Peru, congratulating the people of Peru for the return of democracy to Peru, and expressing sympathy for the victims of the devastating earthquake that struck Peru on June 23, 2001.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2001

Mr. BALLENGER (for himself, Mr. HYDE, Mr. MENENDEZ, Mr. DELAHUNT, Mr. FALDOMAVAEGA, Mr. LEACH, Mr. HASTINGS of Florida, Mr. SHERMAN, Mr. BERMAN, Mr. CROWLEY, Mr. HUTCHINSON, Ms. WATSON of California, Mr. DAVIS of Florida, Ms. PELOSI, Mr. ORTIZ, Mr. KUCINICH, Mr. DEFazio, Mr. TIERNEY, Mr. CAPUANO, Mr. UDALL of New Mexico, Mr. RYUN of Kansas, Ms. WOOLSEY, Mr. LANGEVIN, Mr. THOMPSON of California, Mr. PETERSON of Minnesota, Mr. FARR of California, Mr. OLVER, Mr. KENNEDY of Minnesota, Mr. ETHERIDGE, Ms. HARMAN, Mr. CONDIT, Ms. SOLIS, Mr. MORAN of Virginia, Mr. GALLEGLY, Mr. HERGER, Mr. BROWN of South Carolina, Mr. DUNCAN, Mr. GRAHAM, Mr. JENKINS, Mr. SAXTON, Mr. CRANE, Mr. CALLAHAN, and Mr. FLAKE) submitted the following resolution; which was referred to the Committee on International Relations

RESOLUTION

Congratulating President-elect Alejandro Toledo on his election to the Presidency of Peru, congratulating the people of Peru for the return of democracy to Peru, and expressing sympathy for the victims of the devastating earthquake that struck Peru on June 23, 2001.

1 *Resolved,*

1 **SECTION 1. DEMOCRATIC ELECTIONS IN PERU AND**
2 **UNITED STATES-PERUVIAN RELATIONS.**

3 (a) FINDINGS.—The House of Representatives finds
4 the following:

5 (1) The people of Peru have courageously
6 struggled to restore democracy and the rule of law
7 to Peru following the fraudulent elections on May
8 28, 2000, and the decade of undemocratic rule by
9 former President Alberto Fujimori.

10 (2) In elections on April 8 and June 3, 2001,
11 the people of Peru held democratic elections to
12 choose their government.

13 (3) These elections were determined by domes-
14 tic and international observers to be free, fair, trans-
15 parent, and the legitimate expression of the will of
16 the people of Peru.

17 (4) The 2001 elections in Peru form the foun-
18 dation for a democratic government that represents
19 the will and sovereignty of the people of Peru.

20 (b) STATEMENT OF POLICY REGARDING ELECTIONS
21 IN PERU.—The House of Representatives, on behalf of the
22 people of the United States—

23 (1) congratulates the people of Peru for the
24 successful completion of free and fair elections held
25 on April 8 and June 3, 2001;

1 (2) congratulates Alejandro Toledo for his elec-
2 tion as President of Peru and his continued strong
3 commitment to democracy;

4 (3) congratulates Valentin Paniagua, the cur-
5 rent President of Peru, for his commitment to en-
6 suring a stable and peaceful transition to democracy
7 and the rule of law; and

8 (4) congratulates the Organization of American
9 States (OAS) Electoral Observer Mission, led by
10 Eduardo Stein, for its service in promoting rep-
11 resentative democracy in the Americas by working to
12 ensure free and fair elections in Peru.

13 (c) SENSE OF THE HOUSE OF REPRESENTATIVES
14 REGARDING RELATIONS BETWEEN THE UNITED STATES
15 AND PERU.—It is the sense of the House of Representa-
16 tives that—

17 (1) the United States should expand its co-
18 operation with the Government of Peru to
19 promote—

20 (A) the strengthening of democratic insti-
21 tutions and the rule of law in Peru; and

22 (B) economic development and an im-
23 proved quality of life for citizens of both coun-
24 tries;

1 (2) the Governments of the United States and
2 Peru should act in solidarity to promote democracy
3 and respect for human rights in the Western Hemi-
4 sphere and throughout the world; and

5 (3) the Governments of the United States and
6 Peru should enhance cooperation to confront com-
7 mon threats such as corruption and trafficking in il-
8 licit narcotics and arms.

9 **SEC. 2. EARTHQUAKE OF JUNE 23, 2001, IN PERU.**

10 (a) FINDINGS.—The House of Representatives finds
11 the following:

12 (1) On the afternoon of June 23, 2001, a dev-
13 astating and deadly earthquake with a magnitude of
14 8.1 on the Richter scale struck Peru, killing at least
15 97 people, injuring thousands, and leaving thou-
16 sands more homeless and sleeping in the streets in
17 freezing temperatures.

18 (2) The earthquake has left significant damage
19 throughout southeastern Peru, including the devas-
20 tation of mountain villages, and severe damage in
21 the historic, colonial city of Arequipa.

22 (3) An aftershock of 5.7 on the Richter scale
23 has already been recorded and additional aftershocks
24 are expected to occur.

1 (4) The people of Peru have displayed strength,
2 courage, and determination to rebuild in the after-
3 math of this earthquake.

4 (5) Peru has appealed to the International
5 Committee of the Red Cross and other relief organi-
6 zations in the international community for economic
7 assistance to meet the relief and reconstruction
8 needs of Peru in the aftermath of this earthquake.

9 (6) The United States has offered technical and
10 monetary assistance to Peru through the United
11 States Agency for International Development.

12 (b) STATEMENT OF POLICY.—The House of
13 Representatives—

14 (1) expresses—

15 (A) deep sympathy to the people of Peru
16 for the tragic losses suffered as a result of the
17 earthquake of June 23, 2001; and

18 (B) support for the efforts of the people of
19 Peru to rebuild their homes and lives;

20 (2) expresses support for relief and reconstruc-
21 tion assistance to Peru provided by international re-
22 lief agencies and the international community, in-
23 cluding the United States Agency for International
24 Development;

- 1 (3) urges the President of the United States to
- 2 encourage such entities to expedite such assistance;
- 3 and
- 4 (4) encourages assistance by other countries

Mr. MENENDEZ. Thank you, Mr. Chairman. I am very pleased to join you in introducing this resolution which we mark up today.

First, I would like to express my sincere condolences to the people of Peru for the earthquake and especially to the families of the victims in Arequipa. I hope that the United States will act in its traditional role, as it has so many times, in helping our neighbors through the Office of Foreign Disaster Assistance, in this regard.

I want to heartily congratulate the Peruvian people and Peruvians everywhere, including in my congressional district in New Jersey, for conducting a free and fair election. It was an exemplary election. It was the election of the people and, once again, Peru is a democracy of the Peruvian people.

As someone who advocated quite a bit for change in Peru, who noted what was going on in Peru, who met now President-elect Toledo when he was struggling to create opportunities in his country for a real democracy, I certainly am very happy to see his historic victory. I think his courage in confronting Fujimori when others would not is admirable.

I have no doubt that he will apply that same courage in looking out for the interests and welfare of all Peruvians.

Now, we heard from the President-elect yesterday and certainly Peru's challenges are many and formidable. Fortunately for Peru, the President-elect has a very clear understanding of the needs of the Peruvian people and the challenges that will face his government.

I know that President-elect Toledo is committed to democracy in substance, not just in form, as was his predecessor. This has implications beyond Peru in South America and throughout the hemisphere. I am confident that the people of Peru and the people of South America will not be fooled by those who go through democratic motions to get elected, but would proceed to install authoritarian governments.

The President-elect also has a keen and sophisticated understanding of the social issues that he must address as leader of his country: poverty that is extreme in many cases, as he knows because he lived through it; illiteracy; lack of access to basic health care; clean water; clean air; unemployment and underemployment. These are just some of the challenges that he faces. As the dinner plates of many Peruvian families are empty, the President-elect's policy plate is quite full.

As he carries the torch of returning truly representative democracy to Peru, of fighting corruption, of restoring faith in a broken judicial system, I want the President-elect to know that he has the strongest support of so many of us here in this Congress. So this is a happy and historic occasion to note, Mr. Chairman.

Let me take the opportunity once again to congratulate the Peruvian people. I think that what happened in Peru reverberates far beyond its borders, sends a very clear message to the rest of the people of the hemisphere and is one very worthy of our recognition today.

Mr. BALLENGER. Thank you, Mr. Menendez.

Are there others who would like to be recognized?

Mr. Smith?

Mr. SMITH. Thank you, Mr. Chairman.

As Chairman of the Science Subcommittee on Research that oversees our earthquake efforts in the United States, I have been particularly impressed with not only the U.S. cooperation, both government and non-government, but also with world-wide cooperation to assist and cooperate when other countries have devastation due to an earthquake. My legislation in the last session put \$172 million into development and construction of a new seismic system to give us the ability for a little earlier detection.

It is an area that all the countries of the world need to cooperate in an effort to have a better understanding, the possibility of increasing our warning efforts by—some optimists have guessed up to 10 seconds. And that could make worlds of difference in electronically shutting off the gas lines or the electricity lines that might devastate areas. But I am encouraged so much by the world effort in coming to the aid of such countries that have had earthquakes and hope that we will again renew this country's effort in helping Peru rebuild and overcome, and add my sympathy for the devastation and the personal destruction that has happened in Peru.

Thank you, Mr. Chairman.

Mr. BALLENGER. Thank you.

Are there any others that care to—

Mr. DELAHUNT. Mr. Chairman, I thank you for recognizing me. I am pleased to join with you in cosponsoring this resolution and I applaud you for bringing it before the Subcommittee in such a timely manner.

This is certainly a new day for Peru and it is clear that it is emerging from years of darkness to claim its rightful place as a democracy. And credit goes to many for this victory. The current President, President-elect Toledo, and the Organization of American States all deserve praise. So also do the losing candidates, Flores and Garcia, who respected the will of the people and accepted defeat. And many in the international community, including people in this room, rose above the interests of party and nation to promote genuine democracy in Peru.

But as the Ranking Member said, the real credit goes to the Peruvian people. They suffered through long years of war, recession, and authoritarian government with a yearning for democracy intact. Their outrage at corruption drove Fujimori and Montesinos from power, and their faith in democracy and dedication to creating rule of law ensured this election happened and that it was free and that it was fair.

Now comes the tough part. Too often we herald a country's return to the family of democracies when it has a free and fair election and then we forget about it. Well, let us not make this mistake as it relates to Peru. It is so clear, as the President-elect yesterday spoke with us—Peru's democratic institutions are fragile. The rule of law has been deeply subverted and the criminal network that kept the Fujimori-Montesinos regime in power has yet to be fully dismantled. And, tragically, unfortunately, southeastern Peru has just suffered a massive earthquake. Any one of these problems could slow Peru's recovery.

While the Peruvian people are ultimately responsible for their future, we can assist in a variety of ways. Most immediately, we

must provide disaster relief to the earthquake victims and we must encourage other nations to do the same. We must engage economically with Peru to help raise its standard of living. Unless its people see a brighter future for their families, they may sour on democracy, as has happened in other parts of Latin America.

And, as the President-elect said yesterday, he is going to attack poverty and mentioned a figure, I think it was 54 percent of the Peruvian people live below the poverty line. We must join him in that war on poverty because the benefits will accrue to the benefit of us all, not just Peruvians. And we must help Peru restore its democratic institutions. To do so, we must help dismantle the web of criminality that kept Fujimori and Montesinos in power.

It is interesting that we now find our alleged allies in the war on drugs were benefitting—were benefitting—from the trade in illegal narcotics.

And, Mr. Chairman, I would respectfully request, given the statement by my dear friend and colleague Mr. Gilman, that this Subcommittee conduct a hearing on the so-called shoot down policy. I eagerly await to hear the Administration's position in this matter and also to explore alternatives.

In any event, President-elect Toledo has asked that the Administration declassify any information that we may have about the extent of corruption under the Fujimori-Montesinos regime. I would hope that the Administration would fully cooperate with President-elect Toledo's request. In particular, the CIA should provide information regarding Montesinos.

It has been reported in the newspapers that there was a relationship between Montesinos and the CIA. That relationship should be fully revealed to the American people as well as to the people of Peru.

In addition, our own Department of Justice should offer its assistance in restoring Peru's judicial system. An independent judiciary free of interference by the legislative or executive branches is the bedrock of healthy democracy. President-elect Toledo himself stressed this yesterday at our luncheon and has pledged to respect the independence of the judiciary. What a breath of fresh air.

Well, the Peruvian people deserve our praise and support and I urge my colleagues to support this resolution.

I yield back.

Mr. BALENGER. Congressman Gilman?

Mr. GILMAN. Thank you, Mr. Chairman. I will be brief.

I want to join in congratulating President-elect Alejandro Toledo who visited with us in our Committee just yesterday. And I think we were all duly impressed with his sincerity and his reminding us of the pain that he went through in his impoverished family background when he first grew up. It reminded him of what he has to do to be of help to his nation.

So we look forward to working with President-elect Toledo. We hope that we can provide a better quality of life for our Peruvian neighbors and we want to commend Peru for what it has done in the past in fighting the drug war. And our sympathy, of course, goes out to the many victims of the massive earthquake of June 23rd and the need for our nation to assist technically and monetarily as Peru tries to rebuild from that crisis.

Thank you, Mr. Chairman.

Mr. BALLENGER. Representative Napolitano.

Ms. NAPOLITANO. Thank you, Mr. Chairman. After listening to my colleagues, and I totally join in their comments and I identify myself with them, I believe that one of the many interesting things that we do in this Committee is discuss information that deals with the policies and the politics of the country.

And I am, of course, very much in favor of both, but I also want to add economic betterment of the country because as the economy increases, so does the ability for the people to be more in control of their fate. And I would pledge that any efforts that can be made should be made, not only by your chambers, but by our small businesses, our Department of Commerce and other areas to make sure that we do our utmost to assist the people in maintaining that democracy, because it is so precious and it can be very fragile.

I believe that all that is being done is very laudable and I think that we can also continue to work on other fronts to ensure that democracy maintains.

And I certainly add my comments to my colleagues in expressing sympathy for the earthquake that just recently was felt in that eastern portion of Peru and wish the government all the good wishes for a continued fight against the drug trafficking and I am very, very much impressed by what I am hearing.

Thank you, Mr. Chairman.

Mr. BALLENGER. Thank you.

Are there any amendments to the resolution?

[No response.]

Mr. BALLENGER. If there are none, now the question is on the motion to report passage of the resolution favorably.

All those in favor say aye.

[Chorus of ayes.]

Mr. BALLENGER. Those opposed, say no.

[No response.]

Mr. BALLENGER. In the opinion of the Chair, the majority having voted in the affirmative, the resolution is agreed to.

And before going to the additional witnesses that we have, we will also take any statements that would like to be made by any of our Members.

Pardon me, ladies and gentlemen. We are doing it differently.

Those that would like to make statements on the hearing itself.

Mr. Delahunt?

Mr. DELAHUNT. Thank you, Mr. Chairman. I appreciate you providing me this opportunity to make a statement. I want to make this statement prior to our witnesses because they might want to respond to the concerns that I will express.

As you know, Mr. Chairman, last year, myself and Representative Farr from California, during the course of the debate on Plan Colombia, along with Chairman Gilman and Representative Goss of Florida secured an amendment regarding respect for human rights conditionality based upon the transfer of military assistance.

Well, as you know, I have been an advocate of enhanced civilian oversight and professionalization of the Colombian military and, in fact, under the leadership of President Pastrana and the chief of the armed forces, Fernando Tapias as well as Attorney General

Gomez, it has to be acknowledged, I believe, that Colombia has made significant advances in this regard.

However, I think we have to understand the context. That context has been that the record of the Colombian military in terms of human rights abuses was the worst in all of Latin America. So from the beginning, there was much improvement that, in the opinion of many of us, was necessary. And improvement, again, I reiterate, has been made.

And it is critical. Unless the Colombian military is clean, efficient and professional, its troops will continue to commit human rights abuses and collaborate with drug dealers, guerrillas and paramilitaries. In short, it will be part of Colombia's problem, not part of its solution.

I am concerned that the progress which I alluded to may now be under threat. Last week, the Colombian Congress passed a so-called national security bill. I have followed this bill's progress through the course of its consideration before the Colombian Congress.

In fact, I communicated with appropriate Members of the Committee of jurisdiction in the House of Representatives of the Colombian Congress about those concerns. I am pleased to report that a number of them were deleted, but a number of them still exist and, in my opinion, may threaten to undo everything that has been accomplished by the Colombian military in the last few years.

Just to cite one example, the bill as originally drafted would have exempted from prosecution acts committed by soldiers while engaged in operations against a criminal organization. Let me suggest that is nothing more than a blank check for abuses. Well, I am happy to report that that provision seems to have been taken out of the final conference report.

It has been difficult to get the details of what was in the final version, but they seem, and I underscore seem, they seem to include the following: Authority of the military to arrest citizens and hold them for an unspecified period of time until they can be turned over to judicial authorities; assumption by the military of certain judicial powers if civilian judicial authorities cannot be present; restrictions on civilian oversight of infractions committed by the military, possibly expanding a loophole that has been used in the past to block investigations of human rights abuses; and reduction of the amount of time to decide on formal investigations of military personnel from 1 year to 2 months.

Given the state of affairs in Colombia, let me respectfully suggest this is not enough time for a thorough preliminary investigation. Thus, this measure could very well preclude any charges being brought against soldiers committing such acts.

The bill is now awaiting President Pastrana's signature.

Mr. Chairman, until I have some clarification of the language, the intentions behind it, and how it will be implemented, I will withhold judgment on the proposal before us, the Andean Regional Initiative.

If all of the progress that has been made, much of which the U.S. has insisted on as a condition for providing aid last year will be reversed by this piece of legislation, I cannot in good conscience support that aid to Colombia's security forces.

I look forward to hearing from our witnesses.

Mr. BALLENGER. As you folks know, we just got a ring on the bell. We have two more people that would like—if their statements are short, we could take their statements, go vote and then come back and listen to you fellows, if that works.

Mr. Smith?

Mr. SMITH. Thank you, Mr. Chairman. Short and maybe I can even talk fast.

First, I would like to associate myself with the comments of the Chairman Emeritus, Congressman Gilman, and certainly with you, Mr. Chairman. Your statements, I agree with the comments, having traveled with you recently to Colombia, that we are very concerned that our whole effort has got to be more than just coca or the poppy crop eradication. It has to encompass an effort to economically assist the opportunities that some of the farmers have in those areas if we are going to demand that the crops that are now affording them a fair amount of income are going to be eliminated. It has to be partially a social view of not just one country at a time, but the whole area.

I was concerned that in our meetings in Colombia when asked about statistics, we got different responses from the Colombians that did not match with some of our responses from our State Department people and I hope the witnesses will relate to that.

And with that, certainly part of the solution for the problem has to fall on Europe and the United States and the other countries that continue the demand for those illicit drug products.

Thank you, Mr. Chairman.

Mr. BALLENGER. If you gentlemen would like to relax for about—I do not know—it will probably take 15 minutes, anyhow, and we will be back. I want to thank you for your ability to sit there and listen to us. In the meantime, let us go vote.

[Recess.]

Mr. BALLENGER. The Subcommittee will come to order and we will now proceed with our official witnesses.

The Chair will first recognize Deputy Assistant Secretary William Brownfield for a brief introductory statement.

Fire away.

STATEMENT OF WILLIAM J. BROWNFIELD, DEPUTY ASSISTANT SECRETARY OF STATE FOR WESTERN HEMISPHERE AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. BROWNFIELD. Thank you very much, Mr. Chairman.

We apologize for the confusion from our side of this hearing. As you have already correctly noted, the name Brownfield has suddenly and mysteriously appeared between the names of Deal and Mack. May I reveal the name of the fourth member on our panel as well, who is representing the State Department's Bureau of Economic and Business Affairs, Mr. Ben Fairfax. He specializes in trade issues, Mr. Chairman, in the unlikely event that this hearing might focus on some trade-related issues.

Our proposal, Mr. Chairman, is that I might speak for just a couple of moments by way of an overview of the Andean Regional Initiative, how we got there and where we hope it is taking us, and then allow Mr. Mack and Mr. Deal to offer a brief statement in

each case on the counter-narcotics side of the initiative and the social and economic development and institutional reform side.

If you will permit me, I would like to do about 30 seconds of history as to how we got here. In the summer of 1999, Colombia faces three crises: a security crisis; an economic crisis, their then second, now fourth consecutive year of recession; and a drug crisis. Colombia has faced each of those crises in the past, sometimes two at the same time, never three simultaneously.

Their response was Plan Colombia, a Colombian plan that was meant to be integrated and comprehensive to respond to each of those crises.

The U.S. response was the congressional passage of the emergency supplemental in July of last year in support of the Colombian initiative, a \$1.3 billion supplemental which focused on six basic areas: first, the push into southern Colombia, the heart of drug production in Colombia, at this time; second, support for interdiction efforts by the Colombian government; third, direct support for the Colombian National Police; fourth, support for institutional reform throughout Colombia; fifth, support for alternative development; and, sixth and finally, some regional support outside of Colombia.

Mr. Chairman, in the months since last July, we have heard commentary and from time to time criticism from constituencies, from the press, from other governments and, even perish the thought, from time to time, from Members of the United States Congress. Their commentary has focused largely on three areas: one, how widely and thoroughly had we consulted in advance before launching this initiative; second, that the initiative was focused too heavily on security and law enforcement issues, not enough on social and economic issues; and, third, that the initiative was focused excessively on Colombia and ignored or underplayed other countries in the region.

We would like to think, Mr. Chairman, that we heard those criticisms, we heard that commentary. At the Quebec Summit of the Americas in April, followed up in May by his budget presentation to the United States Congress, the President announced his Andean Regional Initiative. The Andean Regional Initiative includes a strategy, and being simple people in the Executive Branch, we call it the strategy of the three Ds.

The first D is democracy, by which we mean not just support for political institutions, but support for administration of justice, human rights, municipal governments, anti-corruption and education.

The second D is development and in that category we very definitely include trade issues. The President has made very clear that the Andean Trade Preference Act extension as well as a free trade agreement for the Americas are integral parts of the Andean Regional Initiative.

The third D is drugs and the fact that we recognize that while our policy and our initiative must be comprehensive, part of it and, in fact, an essential part of it, must be a vigorous and aggressive counter-narcotics effort.

The President submitted his budget to the Congress, Mr. Chairman, in May. It included an \$882 million request for the Andean

Regional Initiative. That was to cover seven countries, not one. Those seven were the five countries of the Andean region, Venezuela, Colombia, Ecuador, Peru, and Bolivia, in addition to some programs to support spill-over type issues and concerns in Brazil and Panama.

The proposal, Mr. Chairman, is, in our judgment, regional in nature. It is roughly 45 percent to go to Colombia, roughly 55 percent for the rest of the region. We believe it is balanced in that, unlike last year, roughly 50 percent of this proposal is to support security and law enforcement efforts and 50 percent would support social and economic development and institutional reform.

Mr. Chairman, we believe that the President's initiative has been well consulted in advance by other governments and countries. We believe it is widely supported as a proposal in the region, particularly among the seven governments involved. We believe that it addresses the core problems that we have identified over the last 2 years as affecting the Andean region and through the Andean region the United States of America. We believe that the initiative and the programs that it would fund are very much in the U.S. interests and we hope that it will find support in the United States Congress.

That is a brief overview, Mr. Chairman, and if you will permit us, could I perhaps suggest Mr. Mack would offer a bit on the Andean Counter-Drug Initiative.

Mr. BALLENGER. If I may, let me go ahead and do it formally. I have a written introduction here, this has been such a screwed up operation anyhow, let us do it right from here on out.

Let me now welcome the testimony from Mr. James F. Mack, Deputy Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, U.S. Department of State, followed by Mr. Michael Deal, Deputy Assistant Administrator of the Bureau for Latin America and Caribbean, United States Agency for International Development.

And, so, Mr. Mack, if you will, fire away.

STATEMENT OF JAMES F. MACK, DEPUTY ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. MACK. Good afternoon, Mr. Chairman, and Members of the Committee. I would request that my full statement be included for the record.

Mr. BALLENGER. Without objection.

Mr. MACK. I am pleased to be here to discuss with you the status of U.S. Government support for Plan Colombia and to describe to you the Department's Bureau for International Narcotics and Law Enforcement Affairs component of the Andean Regional Initiative.

The Department is moving very quickly to implement the U.S. Government's support for Plan Colombia. In less than 1 year, the Department has committed approximately 75 percent of the \$1 billion, 2-year Plan Colombia supplemental. And by committed, we mean that we have contracted for equipment or services, we have signed reimbursable agreements with our agencies, or with bureaus within the Department of State or that we have contributed to the United Nations Drug Control Program. Taken together,

these commitments total approximately \$750 million of the supplemental as passed in year 2000.

Delivery of helicopters and aerial spray aircraft is proceeding smoothly and is generally adhering to anticipated schedules. Some deliveries have even been accelerated from their original estimated timed deliveries.

We have intensified our support for the Colombian government's aerial spray operations and alternative development programs, which my USAID colleague will describe in detail in a few moments. Both are proceeding well.

Looking toward the future, INL submitted in our fiscal year 2002 budget request \$731 million for a proposed Andean Counter-Drug Initiative. I wish to talk about that a little bit. The Andean Counter-Drug Initiative is the largest component of the Andean Regional Initiative. That is to say it is \$731 million of the \$882 million Andean Regional Initiative.

This initiative addresses holistically through assistance to social and economic development as well as for counter-narcotics and security efforts, the narcotics scourge throughout the Andean region, and we are hopeful that this macro approach will eliminate the balloon effect which we observe when programs are developed country by country.

The Andean region does represent a significant challenge but also an opportunity for U.S. foreign policy for the next few years. Important U.S. national interests are at stake. Democracy is under pressure in all the countries of the Andes. Economic development is slow and progress toward liberalization is inconsistent.

The Andes produce virtually all the world's cocaine and an increasing amount of heroin used in the United States, thus representing a direct threat to our public health and our national security. All of these problems are interrelated and none of the region's problems can be addressed in isolation.

Our goals in the Andes are three: first, to promote and support democracy and democratic institutions; second, to foster sustainable economic development and trade liberalization; and, third, to significantly reduce at the source the supply of illegal drugs that are coming to the United States.

No nation in the region is free of trafficking or the attendant ills of other crime forms and corruption. To combat these ills, we propose a regional versus a Colombia-centric policy and a comprehensive and integrated package that brings together democracy and development as well as drug initiatives.

For this reason, we plan to allocate almost one-half of the requested \$731 million proposal for this initiative, the Andean Counter-Drug Initiative, to countries other than Colombia. In doing so, we intend to build on the successful efforts and tremendous progress we have made in counter-narcotics in countries such as Peru and Bolivia, while preventing further expansion of the drug trafficking problem into other countries of the region such as Brazil, Panama, Venezuela and Ecuador.

In addition to ensuring regional balance, the Andean Counter-Drug Initiative, which I said before is part of the Andean Regional Initiative, also spans all three of our stated goals: counter-narcotics, economic development and support for democratic institu-

tions. The full proposed Andean Regional Initiative budget of \$882 million breaks into approximately a 50/50 split between counter-narcotics on the one hand and alternative development and institution building programs on the other.

Its Andean Counter-Drug Initiative component, the \$731 million I referred to, breaks into 60/40 counter-narcotics versus development/democracy split. The sum of \$293 million of the Andean Counter-Drug Initiative will be devoted to programs focused on alternative development and support for democratic institutions.

All of Colombia's neighbors, Mr. Chairman, are worried about the possibility of spill over, specifically that the pressure applied by the government of Colombia in southern Colombia will result in a number of problems: the flight of refugees, guerrillas and paramilitaries or narcotics traffickers across porous borders into other countries.

Since we believe that Plan Colombia will result in major disruption of the cocaine industry in Colombia, the Andean Counter-Drug Initiative approach, its regional approach, becomes even more of an imperative. Traffickers will undoubtedly attempt to relocate as their operations in southern Colombia are disrupted.

We believe they will first try to migrate to other areas in Colombia itself and then, failing that, try to turn to traditional growing areas in Peru and Bolivia, but if those options are forestalled, they may well seek to move more cultivation processing or trafficking routes into other countries such as Ecuador, bordering Brazil and Venezuela.

The nations of the region are heavily committed in all three of the major areas of concern, democratization, economic development and counter-narcotics. All those countries devote significant percentages of their annual budgets to these areas and are willing to work with us in the design and in the implementation and integration of successful programs.

Programs to provide humanitarian relief for displaced persons, to help small farmers and low level coca workers find legitimate alternatives to the drug trade, and to strengthen governance, the rule of law and human rights will all be incorporated into the Andean Counter-Drug Initiative.

Finally, I would like to mention that the renewal, again, of the Andean Trade Preference Act is perhaps the single largest short-term contribution to economic growth and prosperity in the Andes. By renewing the act and expanding its benefits, we can continue to provide economic alternatives to narcotics trafficking in Bolivia, Peru, Ecuador and Colombia.

I appreciate the opportunity to speak with you today and I look forward to responding to questions which the Members of the Committee may pose.

[The prepared statement of Mr. Mack follows:]

PREPARED STATEMENT OF JAMES F. MACK, DEPUTY ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, U.S. DEPARTMENT OF STATE

Good morning, Mr. Chairman, Members of the Committee. I am pleased to be here today to discuss with you the status of Plan Colombia and to describe for you the Department of State's programs envisioned under the Administration's proposed Andean Regional Initiative, or ARI.

First, I'd like to provide you background on the origin of the President's Initiative. In July 2000, Congress approved a \$1.3 billion supplemental appropriation to carry out enhanced counternarcotics activities in the Andean region. Of that amount, approximately \$1 billion in Function 150 funding through the State Department was the U.S. contribution to what has become known as Plan Colombia, a comprehensive, integrated, Colombian action plan to address Colombia's complex and inter-related problems. The initial two-year phase of Plan Colombia focused on the southern part of the country. It began with an intensive counternarcotics push into southern Colombia, along with the expansion of programs aimed at social action and institutional strengthening, and alternative development. Plan Colombia is now well underway and showing good results. In addition to stemming the flow of narcotics entering the U.S., our assistance is intended to support institutional and judicial reform, as well as economic advancement, in one of this hemisphere's oldest democracies.

Members of Congress, the NGO community, and other interested observers had previously expressed concerns regarding aspects of U.S. government support to Plan Colombia. Those concerns focused particularly on three areas: that we did not consult widely enough in putting together our support package; that we focused too much on security and law enforcement, and not enough on development and institutional reform; and that our assistance was too heavily oriented toward Colombia as compared to the rest of the region.

The Administration has taken to heart those concerns in formulating the President's proposed Andean Regional Initiative (ARI). ARI is the product of extensive consultations with the staffs of committees and Members of Congress, with the governments of the region, and with other potential donor countries and international financial institutions. ARI addresses the three issues that lie at the heart of the challenges facing the region: democracy, development, and drugs. ARI balances the need to address the continuing challenges in Colombia with the competing priority of working with the rest of the region to prevent a further spreading of Colombia's problems or backsliding in areas where progress already has been made.

The President has proposed \$882 million in Function 150 programs as part for of the the ARI. \$731 million of the \$882 million in ARI is for the Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) funding of the Andean Counterdrug Initiative (ACI). The broader ARI also includes funding for relevant Economic Support Funds (ESF), Developmental Assistance (DA), and Child Survival and Disease (CSD) programs, plus a small amount of Foreign Military Financing (FMF). covers programs in Bolivia, Colombia, Ecuador, Peru, and Venezuela, and those areas and programs in Panama and Brazil most affected by the region's problems and those where our assistance can best make a difference. The ARI covers programs in Bolivia, Colombia, Ecuador, Peru, and Venezuela, and those areas and programs in Panama and Brazil most affected by the region's problems and those where our assistance can best make a difference. In addition to being more balanced geographically, our budget will likewise be balanced programmatically. About 540 percent of the ACRI budget will be devoted to programs focused on development and support for democratic institutions. Integral to ARI as well are the economic development and job creation afforded by expanded trade opportunities. The Free Trade Area of the Americas (FTAA) can help the entire region through increased investment and job creation. More immediately, renewal and enhancement of the Andean Trade Preferences Act (ATPA) can provide real alternatives to drug production and trafficking for farmers and workers desperate for the means to support their families.

Our support to Plan Colombia was the first step in responding to the crisis underway in Colombia. The Andean Regional Initiative is the next stage of a long-term effort to address the threat of narcotics and the underlying causes of the narcotics industry and violence in Colombia, while assisting Colombia's neighbors to ward off those same dangers in their own countries. Their success is vital to our own national interests in promoting the spread of strong democratic institutions, the enhancement of trade and investment opportunities for U.S. businesses and workers, and the reduction of narcotics production and trafficking that threaten our society.

My USAID colleague will describe in detail the status of our alternative development projects. However, I want to point out that alternative development is an integral part of our plan for weeding out illicit coca and poppy cultivation in the Andes. We have had large alternative development programs in Bolivia and Peru for many years, and they have been quite successful, combining with aggressive eradication and interdiction programs to produce significant declines in the coca crops of those countries. Colombia is trying to replicate that success in Plan Colombia, combining a substantially expanded alternative development program with aerial eradication

and interdiction activities in southern Colombia, currently the largest concentration of coca cultivation in the world.

I am pleased to report that the Department is moving quickly to implement our support to Plan Colombia. Below, I will discuss delivery of helicopters, aerial spray aircraft, and other equipment, which is proceeding smoothly. I will also describe our support for the Colombian government's aerial spraying program.

I'd then like to discuss the proposal we have submitted in our FY 2002 budget request for INL's \$731 million Andean Counterdrug Initiative (ACI), as part of the larger \$882 million ARI. This initiative addresses holistically—providing assistance for social and economic development as well as for counternarcotics and security efforts—the narcotics scourge throughout the Andean region. We are hopeful that this macro-approach will eliminate the “balloon effect” which we observe when programs are developed country by country.

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AERIAL SPRAYING

Plan Colombia-related aerial spray operations began on December 19, 2000 in the southern department of Caqueta and moved into neighboring Putumayo on December 22. Operations later shifted to the northern and eastern parts of the country.

Some allege that the glyphosate used in the spray program results in health side-effects to exposed populations. First, let me stress that glyphosate is one of the least harmful herbicides available on the world market. Glyphosate has been the subject of an exhaustive body of scientific literature which has shown that it is not a health risk to humans, and is extremely environment-friendly. It is used throughout the United States and over 100 other countries and has been rigorously tested for safety for animals and humans. Nonetheless, we feel compelled to probe assertions that it is making people sick. At the request of Congress, the U.S. Embassy in Bogota, with assistance from our regional EPA representative in Embassy Lima, is sponsoring two studies on the issue. The first dealt with the individuals who reported reactions to the spraying. The final report is not yet complete but the physicians who reviewed those cases found them to be inconsistent with glyphosate exposure. In fact, many of the cases were reported prior to any exposure from the spray program. The second study is getting underway and will compare populations before and after their areas are sprayed to see if any differences could be attributable to spraying. The Center for Disease Control is assisting in designing an appropriate sampling methodology for this study.

The timing of spray operations in Putumayo was based on a number of factors. Some were operational concerns, such as seasonal weather conditions. The timing of operations was also meant to discourage the return of an itinerant labor pool (coca leaf pickers or "raspachines") who generally spend the December holidays at their homes in other parts of the country. Importantly, the timing also corresponded with efforts to recruit communities to enroll in development programs. While the intent of the Colombian government to conduct eradication in southern Colombia was well publicized, coca growing communities in the region initially showed little interest in participating in development programs, preferring instead to continue their illicit activity. Only after those initial spray efforts in Putumayo, which demonstrated the government of Colombia's resolve to address the growing problem of coca cultivation in the region, did these communities express real interest in abandoning their illegal activities in exchange for assistance. Funding was already in place for these programs at the time spray operations began and, as each community signed up for the program, the process began to tailor community-specific assistance packages.

Many safeguards are built into the selection of spray targets and further improvements are constantly being made to the system. And while the Department of State does not select the spray locations, (those decisions are made by the government of Colombia), the Department, through the Narcotics Affairs Section (NAS) of U.S. Embassy Bogota, does consult on the selection and supports the Colombian National Police (CNP) efforts.

According to Colombian law, an Inter-Institutional Technical Committee (ITC) of Colombian government officials determines what areas of the country may or may not be sprayed. The CNP generates quarterly estimates of the illicit coca crop by flying over coca growing regions on at least a quarterly basis to search for new growth and to generate an estimate of the illicit coca crop. This information is reviewed for accuracy by technical/environmental auditors and is passed on to the ITC. The Directorate of Dangerous Drugs (DNE) chairs the ITC, which includes representatives from the Anti-Narcotics Police, Ministry of the Environment, the National Institute of Health, the National Institute of Agriculture, the National Plan for Alternative Development (PLANTE), regional environmental agencies, and technical/environmental auditors. The CNP notifies the NAS Aviation Office of all decisions as to which areas may not be sprayed. Spray operations are then coordinated and conducted in approved areas only.

Generally, reconnaissance flights are conducted over areas identified by the CNP in their quarterly coca crop estimates. With the use of SATLOC, an aircraft-mounted global positioning system, these flights identify the precise geographical coordinates where coca is being grown. Areas with large concentrations of coca are then plotted, and a computer program sets up precise flight lines, calibrated for the width of the spray swath of the spray plane to be used. Once the government of Colombia has approved spraying in a given area, spray pilots then fly down those prescribed flight lines and spray the coca located there.

Also, every effort is made to protect legitimate farming operations from possible damage from the aerial spray program. The spray aircraft apply glyphosate at low altitude against predetermined fields, identified by earlier reconnaissance. The

planes carry computerized GPS monitoring equipment that records their position and the use of the spray equipment. This system serves to verify that glyphosate is being accurately applied to intended areas. After spraying, combined U.S.-Colombian teams also visit randomly chosen fields, security permitting, to verify that the treated plants were indeed coca. To further aid in the identification of fields not subject to aerial eradication, the government of Colombia is currently working to produce a comprehensive digitized map indicating exempted areas.

Furthermore, the government of Colombia maintains a system to compensate farmers for damages caused by the program. Over the past few months, we have encouraged the Colombian government to streamline the process and efforts have begun to better educate the public about that option.

Recent field visits encountered evidence that coca growers in southern Colombia are using dangerous chemicals, such as paraquat. That is a concern to us as it presents a very real risk to the people of the region. The traffickers' utter disregard for human health and environmental security that pervades the illegal drug industry goes beyond the obvious examples of poisoning millions of drug consumers with their illegal products. It includes the clear cutting of rain forest; the contamination of soil and watersheds with acids and chemical salts; and the exposure of their workers and themselves to potentially deadly chemicals—all in the name of profit.

For example, the expansion of coca cultivation, production, and trafficking in Peru, Bolivia and Colombia has resulted in the destruction of, at an absolute minimum, 2.4 million hectares of the fragile tropical forest in the Andean region over the last 20 years. In addition, the very act of refining raw coca leaves into finished cocaine creates significant environmental damage because of the irresponsible disposal of large amounts of toxic chemicals used in the process. A study conducted by the U.S. Drug Enforcement Administration (DEA) in 1993 of cocaine production in the Chapare region of Bolivia showed that production of one kilo of cocaine base required the use of three liters of concentrated sulfuric acid, ten kilos of lime, 60 to 80 liters of kerosene, 200 grams of potassium permanganate, and one liter of concentrated ammonia. Processors discard these poisonous waste products indiscriminately, often dumping them into the nearest waterway, where the extent of damage is greatly increased. They also may dump these chemicals on the ground, where as point sources, they may infiltrate through the soil to groundwater. A report from the National Agrarian University in Lima Peru estimated that as much as 600 million liters of so-called precursor chemicals are used annually in South America for cocaine production. This translates to more than two metric tons of chemical waste generated for each hectare of coca processed to produce cocaine.

These environmental concerns are another reason why we must continue in our efforts to help the governments of the Andean region in their ongoing struggle against the narcotics industry.

INL'S PROPOSED ANDEAN COUNTERDRUG INITIATIVE (ACI)

The Andean region represents a significant challenge and opportunity for U.S. foreign policy in the next few years. Important U.S. national interests are at stake. Democracy is under pressure in all of the countries of the Andes. Economic development is slow and progress towards liberalization is inconsistent. The Andes produces virtually all of the world's cocaine, and an increasing amount of heroin; thus representing a direct threat to our public health and national security. All of these problems are inter-related. Sluggish economies produce political unrest that threatens democracy and provides ready manpower for narcotics traffickers and illegal armed groups. Weak democratic institutions, corruption and political instability discourage investment, contribute to slow economic growth and provide fertile ground for drug traffickers and other outlaw groups to flourish. The drug trade has a corrupting influence that undermines democratic institutions, fuels illegal armed groups and distorts the economy, discouraging legitimate investment. None of the region's problems can be addressed in isolation.

Of the \$882 million Andean Regional Initiative (ARI) request, \$731 million is for INL's Andean Counterdrug Initiative (ACI). Our goals in the Andes are to:

- Promote and support democracy and democratic institutions
- Foster sustainable economic development and trade liberalization
- Significantly reduce the supply of illegal drugs to the U.S. at the source

Just as Plan Colombia represented an improved approach by considering drug trafficking as part of Colombia's larger crisis, the Andean Counterdrug Initiative benefits from its appreciation of the illegal drug industry as part of something bigger. Drug trafficking is a problem that does not respect national borders and that

both feeds and feeds upon the other social and economic difficulties with which the Andean region is struggling.

No nation in the region is free of trafficking or the attendant ills of other crime forms and corruption. To combat these ills, we propose a regional versus Colombia-centric policy and a comprehensive and integrated package that brings together democracy and development as well as drug initiatives.

For this reason, we plan to allocate almost one-half of the requested \$731 million for this initiative to countries other than Colombia. In so doing, we intend to bolster the successful efforts and tremendous progress we have made in counternarcotics in countries such as Peru and Bolivia, while preventing the further expansion of the drug trafficking problem into other countries of the region, such as Brazil, Panama, Venezuela and Ecuador.

In addition to ensuring regional balance, the ACI also spans all three of our stated goals—counternarcotics, economic development, and support for democratic institutions. The full ARI budget of \$882 million breaks into an approximately 50/50 split between counternarcotics and alternative development/institution-building programs. Its ACI component (\$731 million) breaks into a 60/40 (counternarcotics vs. development/democracy) split. \$300,293 million of the ACI budget will be devoted to programs focused on alternative development and support for democratic institutions.

All of Colombia's neighbors are worried about the possibility of "spillover," specifically that the pressure applied by the government of Colombia (GOC) in southern Colombia will result in the flight of refugees, guerrillas, paramilitaries and/or narcotics traffickers across porous borders into other countries. We will work with the countries of the region to strengthen their capacity to cope with potential outflows. In Peru and Bolivia, we will work with those governments to continue their reductions in coca through a combination of eradication, interdiction, and alternative development. In all countries, we will work to strengthen democracy and local institutions in order to attack trafficking networks which move precursors, money, fraudulent documents and people.

Since we believe Plan Colombia will result in major disruption of the cocaine industry, ACI's regional approach becomes even more of an imperative. Traffickers will undoubtedly try to relocate as their operations in southern Colombia are disrupted. We believe they will first try to migrate to other areas inside Colombia, then try to return to traditional growing areas in Peru and Bolivia. But if those options are forestalled, they may well seek to move more cultivation, processing and/or trafficking routes into other countries such as Ecuador, Brazil, or Venezuela.

The nations of the region are already heavily committed in all three of the major areas of concern: democratization, economic development and counternarcotics. All devote significant percentages of their annual budgets to these areas, and are willing to work with us in the design and integration of successful programs. Exact figures are impossible to come by, but the nations of the region in total are committing billions of dollars to economic development, democratization and counternarcotics efforts. For example, Ecuador has established a Northern Border Initiative to promote better security and development in the region bordering Colombia. Brazil has launched Operation Cobra, a law enforcement effort concentrated in the Dog's Head region bordering Colombia. Bolivia has been attacking drug production through its Dignity Plan and is developing a comprehensive poverty reduction strategy. Colombia continues to pursue its commitments under Plan Colombia. Panama has taken concrete steps to improve security and development in the Darien region. The new Peruvian government has made reform of democratic institutions a national priority, and continues to pursue aggressively the counternarcotics missions. In Venezuela, local authorities have cooperated admirably on drug interdiction, exemplified by last year's record multi-ton seizure during Operation Orinoco.

Programs to provide humanitarian relief for displaced persons, to help small farmers and low-level coca workers find legitimate alternatives to the drug trade, and to strengthen governance, the rule of law, and human rights will also be incorporated into the ACI.

ATPA RENEWAL

Renewal of the Andean Trade Preferences Act (ATPA) is perhaps the single largest short-term contribution to economic growth and prosperity in the Andes. By renewing the Act and expanding its benefits, we can continue to provide economic alternatives to narcotics trafficking in Bolivia, Peru, Ecuador and Colombia. The Act has already succeeded in doing so without adverse economic impact for the U.S. The original justification for the legislation still stands, but it expires at the end of the year, and should clearly be renewed at the earliest possible date. ATPA renewal

would serve to strengthen the credibility of democratically-elected governments in the region and provide them with a clear demonstration of the benefits of continuing to cooperate on counternarcotics. It would also halt a potentially crippling exodus of U.S. industries that relocated to the region when ATPA was established.

I appreciate the opportunity you have given me to speak to you today, and I look forward to responding to questions which Members of the Committee may have.

Mr. BALENGER. Mr. Deal, go ahead.

STATEMENT OF MICHAEL DEAL, ACTING ASSISTANT ADMINISTRATOR, BUREAU FOR LATIN AMERICA AND THE CARIBBEAN, USAID

Mr. DEAL. Mr. Chairman, Members of the Subcommittee, I am pleased to be here to briefly summarize the U.S. Agency for International Development's role in the Andean Regional Initiative and progress to date in implementing Plan Colombia. I request that my prepared statement be included in the hearing record.

Mr. BALENGER. Without objection.

Mr. DEAL. USAID's program directly supports a comprehensive, integrated approach to our Andean counter-drug strategy by balancing the interdiction and eradication efforts of other agencies with social and economic development assistance. Our experience demonstrates that no single facet of our counter-drug program can be successful without the other two also being effectively applied.

The Andean Regional Initiative, like our support for Plan Colombia, maintains a belief that the problems of drugs and violence will not be solved in any sustained way unless the fundamental causes of these problems are also addressed. Democratic institutions must become stronger, more responsive, more inclusive and more transparent. The presence of government in rural areas must increase and provide better services to the rural poor and give them a stake in the future and improve the quality of life. The justice system must be more accessible and efficient, must reduce impunity and the human rights environment must improve.

Unless the problem of widespread corruption is solved and legal employment opportunities are created to absorb the high number of unemployed, these fundamental causes and their effects on the region and on America's national interests will be with us for a long time to come.

But addressing these tough issues is going to take time. They will require a sustained commitment and interest on the part of the U.S. Government. The Andean Regional Initiative proposes that USAID manage \$390 million in fiscal year 2002 funds. This initiative expands many of our existing programs in response to the changing circumstances in the region.

USAID assistance will be directed in three main areas: first, strengthening democracy; second, economic growth through trade enhancement and poverty reduction; and third, alternative development.

In order to strengthen democracy in the region, we propose to commit \$59 million in fiscal year 2002. USAID will assist in court administration and training of judges, institutionalizing the public defender system, and working with NGOs and other interested groups to provide greater oversight and participation in judicial reform.

We are helping human rights groups increase their capacity to document abuses and monitor individual cases. In Colombia, our activities are designed to help prevent killings with the development of an early warning system. We also have programs directly aimed at the protection of human rights workers and union leaders.

We are and will continue to strengthen local governments by training mayors and council members. We are working to strengthen the ability to expose corrupt practices and investigate and prosecute corrupt officials and, very importantly, make citizens realize they have the right to demand accountability from their governments.

The second major area of emphasis for USAID assistance will be economic growth, trade enhancement and poverty reduction, for which we propose \$123 million. All of the economies in the region have struggled over the last few years and continue to be vulnerable to setbacks.

USAID assistance will directly support the poverty reduction strategies, including macroeconomic policy and banking reform, employment generation activities, support for micro enterprise and trade capacity development.

We will also continue health programs in Peru and Bolivia and we will pay specific attention to education, including an Andean regional Center for Excellence for teacher training as announced by the President in Quebec at the Summit of the Americas.

Protection of their natural resources and helping rehabilitate environmental damage from coca cultivation will also receive attention.

Our third and largest area of attention is expanding our work in alternative development for which we are proposing \$207 million. After a decade of work in Bolivia and Peru, we know that alternative development works. In Colombia, we are seeing that the risk of illegal coca production is credible, as evidenced by the fact that over 24,000 farmers have lined up to sign coca crop eradication agreements in just the last 3 months.

In Peru and Bolivia, we are concentrating on sustaining the dramatic advances made in these countries in coca eradication. We want to help these governments and these farmers withstand the temptation to slide back under the shadow of narcotics production. In Ecuador, USAID will expand two key initiatives along the northern border with Colombia.

Let me conclude by saying that the Andean Regional Initiative should be viewed as the national program in each of the affected countries, responding to their priorities and problems. They are the ones that are going to have to make this work. Our role is one of facilitating the process and we will be working along with them over the next several years in this effort.

Thank you for giving me this opportunity to outline our programs, and I would be pleased to respond to any of your questions. [The prepared statement of Mr. Deal follows:]

PREPARED STATEMENT OF MICHAEL DEAL, ACTING ASSISTANT ADMINISTRATOR,
BUREAU FOR LATIN AMERICA AND THE CARIBBEAN, USAID

Mr. Chairman, Members of the Subcommittee, I am pleased to be here to speak about the U.S. Agency for International Development's (USAID) role in the Admin-

istration's proposed Andean Regional Initiative and progress to date in implementing Plan Colombia.

USAID's program directly supports a comprehensive, integrated approach to our Andean counter drug strategy by balancing the interdiction and eradication efforts of other agencies with social and economic development assistance. Our experience demonstrates that no single facet of our counter drug program can be successful without the other two also being effectively applied.

The Andean Region faces a wide range of challenges. There are growing doubts among significant numbers of the region's populations whether democratic government can deliver essential services and a better life. Sluggish economies produce political unrest that threatens democracy and, in turn, weak democratic institutions; corruption and political instability discourages investment, and contributes to slow economic growth. This vicious cycle provides fertile ground for drug traffickers and other illegal groups to flourish, and forces large segments of the population to rely on crime, insurgency and the drug economy to survive.

The Andean Regional Initiative, like our support for Plan Colombia, maintains a belief that the problems of drugs and violence in the Andean region will not be solved in any sustained way unless the fundamental causes of these problems are also addressed. Democratic institutions in the region must become stronger, more responsive, more inclusive and more transparent. The presence of governments (both national and local) in rural areas must increase and provide better services to the rural poor, and give them a stake in the future, and improve the quality of life. The justice system must be more accessible and efficient, must reduce impunity, and the human rights environment must improve. Unless the problem of widespread corruption is solved, and legal employment opportunities are created to absorb the high number of unemployed, these fundamental causes and their effects on the region and on America's national interests will be with us for a long time to come.

Helping address these tough social and economic issues is going to take time. They will require a sustained commitment and interest on the part of the U.S. Government. The Andean Regional Initiative, which builds upon the FY 2000 supplemental funding for Plan Colombia, proposes that USAID manage \$390 million in FY 2002 funds. This initiative expands many of our existing programs in response to the changing circumstances in the region. USAID assistance will be directed in three main areas: first, strengthening democracy; second, economic growth through trade enhancement and poverty reduction; and third, alternative development.

STRENGTHENING DEMOCRACY

In order to strengthen democracy in the region, we propose to commit \$59.3 million in FY 2002. This assistance will help address the problems of fledgling institutions, political instability and corruption which lessen popular support for democracy at a time when most economies are under-performing.

USAID will assist in improving the *administration of justice* by helping to make justice systems work, make them more modern and efficient, more transparent, and more accessible. An independent and vigorous judicial system is vital to the observance of human rights, the defeat of narcotics trafficking, and the decrease of white collar and street crime. Working with the U.S. Department of Justice in Colombia, for example, we are helping move from an inquisitorial to a more open, accusatorial judicial process. We are strengthening court administration and training of judges, institutionalizing the public defender system, and working with NGOs and other interested groups to provide greater oversight and participation in judicial reform. Part of that program provides access to justice for the poor through one stop legal offices called "*Casas de Justicia*" (*Houses of Justice*), in the poorer neighborhoods of major cities. We are doing this now in Colombia and Peru with very good results. In Colombia, 18 "*Casas de Justicia*" have been established thus far, each hearing 150 cases per day and using alternative dispute resolution techniques to resolve problems.

We also have a program that is designed to help improve the observance of *human rights* which will continue. We are strengthening human rights institutions and groups, increasing their capacity to document human rights abuses and monitor individual cases. In Colombia, our activities are designed to help prevent killings with the development of an early warning system that works with the human rights ombudsman and channels information up the line to law enforcement and the military. We also have programs directly aimed at the protection of human rights workers and union leaders. In Peru, we will continue to promote increased observance of human rights through informal mechanisms for the resolution of disputes, with support to legal clinics and conciliation centers, which provided assistance for 145,000 cases in 2000.

We are and will continue to *strengthen local governments* in rural areas of Peru, Ecuador, Bolivia, Colombia, and Panama where the lack of basic institutional and social services has marginalized rural populations. Where the state is present, it is in the form of an overly centralized, unresponsive bureaucracy that does not necessarily work or understand the local interests of a community. Thus, we are training mayors and council members in identifying and monitoring projects, setting priorities, and handling financial resources in a more accountable, transparent way. It is a very important part of bringing democracy to rural areas. And it is an indispensable part of any program where local empowerment and ownership of national goals—such as the war against drug cultivation—will be required to assure the continued enforcement of agreed upon eradication agreements.

With USAID assistance and through policy dialogue, the decentralization process in Bolivia helps targeted municipal governments to develop and carry out action plans in a participatory fashion, engaging civil society at the local and regional level in the process. As a result, citizen participation in government has increased, and municipalities have organized themselves into a nationwide Federation, with departmental associations and an association of women council members.

Corruption is another very serious problem. The ongoing corruption scandal from the Fujimori era in Peru has shaken public confidence in the government institutions of the country. We will work closely with the incoming administration to strengthen democratic institutions and promote good government. Similar problems are being encountered throughout the region, where we are working to strengthen the ability to expose corrupt practices and investigate and prosecute corrupt officials and very importantly, make citizens realize they have the right to demand accountability from their governments.

SOCIAL AND ECONOMIC DEVELOPMENT

The second major area of emphasis for USAID assistance will be economic growth, trade enhancement and poverty reduction, for which we propose \$123 million in FY 2002 funding. All of the economies in the region have struggled over the last few years, and continue to be vulnerable to setbacks. Each of the Andean countries has a large divide between a small wealthy elite and a large impoverished class, frequently indigenous in origin. Some lack the mix of policies necessary to promote growth. Others have constructive policies, but lack the popular support necessary to sustain them over the long run.

USAID assistance will directly support the poverty reduction strategies of Ecuador and Bolivia, and will also address macroeconomic policy and banking reform in Ecuador. After an intense economic crisis in 1999, recent increases in oil prices have helped Ecuador's economy and contributed to a successful dollarization that has restored confidence in the economy. However, important and necessary structural reforms are still pending, particularly in the banking sector, for a sustainable recovery. In both countries, our assistance will promote employment generation and access to private lending capital through support to microenterprise.

Support for trade capacity development will be strengthened to help these countries develop WTO consistent trade regimes. The Administration has endorsed an extension of the Andean Trade Preference Act and a desire to move aggressively toward creation of a Free Trade Area for the Americas by January 2005. USAID Administrator Natsios has consulted with Trade Representative Zoellick as to how we can advance these trade liberalization measures. Early in June, my staff presented a range of options for promoting free trade to our Andean country Mission Directors. We look forward to helping our cooperating governments analyze their existing trade regimes and prepare themselves for discussion of competition policy and other issues. We will also assist cooperating governments in bringing civil society into the process to ensure, not only that there are economic and social development benefits from globalization, but that there is also a broader understanding of those benefits.

We will also continue health programs in Peru and Bolivia, and we will pay specific attention to education, including an Andean regional Center for Excellence for teacher training as announced by the President in Quebec at the Summit of the Americas.

Protection of their natural resources, preserving their unique ecological diversity, and helping rehabilitate environmental damage from the use of harsh and persistent chemicals for producing illicit drugs will also receive attention. Cultivation of illicit crops has a devastating effect on the environment, both in the high mountains where poppy is grown and in the lower altitudes where coca is produced. In both cases, delicate forests are cleared and their fragile soils degraded by the illegal crop. Even after the coca or poppy is eliminated, the land remains exposed and environmentally sound production systems must be adopted for sustainable conversion

to pasture or agriculture. As part of our commitment to the Amazon, we have encouraged the Government of Colombia's decision to support sound livestock production systems within alternative development areas. Our Parks in Peril program extends from Mexico through Colombia, Ecuador, Peru, and Bolivia, providing practical assistance in protected area management. Also, we continue to manage local funds created under the America's Fund and the Tropical Forestry Conservation Act that underwrite the programs of local environmental NGOs.

ALTERNATIVE DEVELOPMENT

Our third and largest area of attention is expanding our work in alternative development for which we are proposing \$207.5 million for FY 2002. We know that alternative development works. After a decade of work in Bolivia and in Peru, we have seen conclusively that a three-pronged strategy of eradication, interdiction, and alternative development has dramatically reduced coca cultivation in both of those countries. There is nothing as economically profitable as coca. The incentive to get out of coca on a voluntary basis is not economic. Rather, it is the threat of involuntary eradication or interdiction because drug production is illegal. There has to be a credible threat and a risk of continuing to stay in coca in order for our alternative development approach to work.

In Colombia, we are seeing that the risk of illegal coca production is credible, as evidenced by the fact that over 24,000 farmers have lined up to sign coca crop eradication agreements in just the last two months. But this is not the only ingredient. Once eradicated, production has to cease. It cannot be allowed to grow back and farmers cannot move down the road to replant the same crop. To make elimination sustainable, farmers have to have credible alternatives and local governments and organizations have to apply pressure and provide incentives for the entire community to stay out of illicit production.

Our alternative development approach is basically the same in all of the Andean countries. Groups of small farmers, communities, or farmer associations sign agreements with the government, agreeing to voluntarily reduce their coca crop in exchange for a package of benefits both at the farmer level and at the community level. At the farmer level, the benefits help get them involved in legal income-producing alternatives, and at the community level, the Government agrees to provide basic infrastructure such as schools, health clinics, public water systems, and rural roads.

Last year USAID set a target in Colombia for voluntary eradication of 30,000 hectares of coca and 3,000 hectares of opium poppy within five years. We have started in the Department of Putumayo, which presents a particularly challenging situation. Compared to the coca areas in Peru and Bolivia, the climate is harsher, the soils are poorer, the access to markets is more difficult, the infrastructure is not as good, and of course the security situation presents an additional complication for legitimate agricultural activity. Despite these challenges, the turnout of farmers who are voluntarily agreeing to sign these pacts and eradicate coca has been quite promising. Our pre-Plan Colombia heroin poppy eradication program has already eliminated 675 hectares of poppy and produced 600 hectares of productive, licit crops benefiting 770 families in the highlands of Tolima, Huila and Cauca.

In Peru, where coca production has dropped from a high of 129,000 hectares to just over 38,000, we will concentrate our efforts in the Huallaga valley. Here we intend to put into practice our beliefs that local ownership of the coca eradication goals and local empowerment to make decisions regarding the economic and social life of the region will create the environment to deter a minority from going into, or back into, coca production. In coca producing valleys, more than 27,000 hectares of crops such as coffee, cacao, palm heart and pineapple have generated around 10,000 full time jobs. Niche industries and global link-ups with international groups have been promoted in the chocolate and specialty coffee areas.

In Bolivia, coca cultivation in the once notorious region of the Chapare has all but been eliminated. Where once over 44,000 hectares of coca grew, there are now over 114,000 hectares of licit crops and pastureland. Last year alone the value of licit crops in this region exceeded \$49 million. Our agricultural programs have enabled Bolivian products such as bananas, canned palm hearts and dried fruit to enter the highest quality markets, such as Germany, Switzerland and Chile. Last year, Chapare exports represented \$5.7 million, an increase of 68 percent over the previous year. We intend to consolidate these successes by providing agricultural services used for coca growers to other farmers who have not yet benefited from the program but who are susceptible to offers from drug networks.

In Ecuador, USAID will continue two key border initiatives begun with Plan Colombia supplemental funding and expand the northern initiative along the Colom-

bian border. Support will be provided to community organizations working on land-titling, social and infrastructure services, income earning activities, integrated farming activities for indigenous populations, irrigation, potable water and sanitation projects. Recognizing that support for local initiatives and institutions can help extend the presence of the state and its accountability to citizens, we will introduce activities to strengthen the capacity of local governments both on the southern border, as well as throughout the country.

Since beginning work in January, Plan Colombia has already begun implementation of 23 projects valued at \$5.0 million and benefiting 117,000 people. They include potable water systems, sewers, bridges, roads, land titling, income generation, and human rights. We have special programs with indigenous communities in Carchi province and an innovative approach to assisting the 24,000 Afro-Ecuadorans who live in northwestern Esmeraldas province.

STATUS OF PLAN COLOMBIA IMPLEMENTATION

Mr. Chairman and Members of the Subcommittee: I would also like to take a moment to review, specifically, some of our progress in Colombia. While the task is complex, and even dangerous, and requires extraordinary coordination among many actors, we are pleased with our start-up activities and the progress we have made to date.

Because of our close collaboration with international organizations and NGOs prior to receiving Plan Colombia funds, we were able to sign over \$22 million of our displaced person monies almost immediately upon receiving the funds. By renegotiating certain contracts funded prior to Plan Colombia, we were able to "jump start" the important southern Colombia elements of the program. Because of the size of other aspects of the program and the interest of the U.S. private sector, it took several months to compete and sign our initial contracts. However, all of our funds were obligated with the government by September of 2000, all commitments to contractors and subcontractors for reintegrating and resettling internally displaced persons have been made, and to date, all contractors have mobilized in the field. These efforts have resulted in tangible successes on the ground.

I have already mentioned our successes in heroin poppy eradication. In the Plan Colombia phase of our program, I can report that, as of June 11th of this year, 26 of the 31 coca elimination pacts have been signed. Those pacts are pledges to the Colombian Government by small farm families to eradicate coca in exchange for short and long term assistance in substitute production, and these 26 pacts represent promises to eradicate over 29,000 hectares of illicit coca crops by the end of next year.

Supporting the program has been our local governance strengthening effort in southern Colombia. Memos of Understanding have been signed between USAID and the 13 municipal mayors of Putamayo. These memoranda outline the specific activities that USAID will undertake in each municipality over the next year. To date, social infrastructure fund activities have engaged scores of small farmers in their villages in Southern Colombia, providing many of them with the first tangible evidence of government concern regarding their economic and social development.

In democracy strengthening, 6 of 12 planned pilot courtrooms have been established to demonstrate the efficiency and fairness of oral trials in helping to move Colombia from an inquisitorial to an accusatorial judicial system. USAID has supported institutional development of the national Judicial School, which has trained 3,400 judges in oral advocacy, legal evidence gathering, and courtroom management procedures. USAID has also worked with NGOs and other civil society actors to analyze remaining needed reforms, increase coalition building and support full implementation of the modernization process in the justice sector.

In our highly successful effort to promote justice through alternative dispute resolution, 18 of a targeted 40 *casas de justicia* or houses of justice have been established. These "casas" are neighborhood judicial centers in underserved communities which bring together a variety of services in one location, giving residents "one stop" access to legal services.

Protection of human rights workers remains a major concern. In addition to having selected a long term local contractor to help design and implement a management information system for the Ministry of the Interior to monitor abuses and progress, to date 197 individuals have received some sort of protection from the program. We are pleased to say that 38 individuals received needed relocation assistance within Colombia and two were relocated internationally under the program.

We have also made grants to seven human rights NGOs in Colombia totaling over \$575,000 to help improve delivery of human rights services.

Concerning our efforts to respond to the needs of displaced persons, we can report that over 176,000 individuals have received or are receiving direct USAID assistance in the areas of housing, employment generation, health-care or education. This figure exceeds by about 70 percent our target of 100,000 individual recipients by this time—which was considered to be very optimistic during our planning of this vitally important activity.

USAID also supports a \$2.5 million program for Ex-Combatant Children which strengthens Colombian initiatives in clarifying the legal status of these children, extend them appropriate treatment and provides concrete and durable reintegration solutions. In preparation for a large-scale release of child soldiers by an illegal armed group, USAID is preparing a network of decentralized organizations to respond to such a release, as well as to assist individual cases where children must be rehabilitated after exposure to combat conditions. The Program aims to benefit directly 800 ex-combatant children through January 2003.

It is important to underscore the enormous commitment that the Colombians have shown in the various efforts we are supporting. Our efforts are complemented by \$62 million that the Colombian Government has contributed this year through the sale of government “peace bonds” and an additional “peace tax”. Major roads within Putamayo and connecting southern Colombia to national and international markets are already underway, as are smaller social and infrastructure projects, such as the Casas de Justicia, health clinics and schools. There have been problems at times given the need for coordination with the large number of agencies involved, and the Government of Colombia’s complex procurement procedures, but these were not unexpected and have not been serious obstacles. When issues have surfaced, we have worked with the Colombians to improve the process.

I should note the special dedication of the people such as the Ombudsman’s office representatives in the field, who face serious risks to their own personal safety as well. Their efforts are also supported by other members of the international community. International donors other than the United States have already pledged over \$300 million to assist Colombia’s effort, and the Colombians with our support have been working hard to press other donors to turn these pledges into real commitments and projects in the field.

Let me conclude by saying that just as in Colombia, the Andean Regional Initiative should be viewed as the national program in each of the affected countries, responding to their priorities and problems. They are the ones that are going to have to make this work. Our role is one of facilitating the process, and we will be working along with them over the next several years in this effort.

Thank you for giving me this opportunity to outline our programs, and I would be pleased to respond to any of your questions.

Mr. BALLENGER. Thank you.

Mr. Mack, I just got back from Colombia a little while ago and it seems that General Gallego has done an exceptionally good job as far as kidnaping is concerned and, since I think somebody has already made the statement in our hearing that the home of kidnaping in the world today is in Colombia, we at the time were trying to see what we could do to assist him and there was a request by him, is there any chance of getting me one or two helicopters, he says, we have to walk into every one of these mountain hideouts where they have people locked up and there is nothing like walking up a mountain with people at the top who have guns shooting down at you.

Is there any likelihood of the possibility of one or two helicopters for General Gallego?

Mr. MACK. Mr. Chairman, we, too, think very highly of General Gallego and we would like to help. The appropriation for the helicopters that went to the national police were for counter-narcotics purposes. We are looking at his request. We would want to get back to the relevant Committees of Congress to see whether some adjustment might be made and some sort of sharing program, although we would not be very anxious to actually transfer helicopters to his unit, but with the concurrence of the Congress we

might be able to provide some sharing of helicopter time so he could move his people where he had to.

Mr. BALLENGER. And a question I would like to throw in, you know, when we first decided to do Plan Colombia and we did not have any equipment, we took all the helicopters out of Guatemala and sent them down, what they had. Is there any likelihood we can give back to our DEA agents in Guatemala some helicopter possibilities?

Mr. MACK. Mr. Chairman, I have had this question a number of times in the he past. We might be able to deploy them on temporary deployments. Right now, our priority, as you know, is the Andes, particularly Colombia. So if we were to deploy them to Guatemala at the current time, it would be for a temporary period, it would not be a long period. But I understand your concern and we are looking at it.

Mr. BALLENGER. Well, I greatly appreciate it.

Let me ask you, if you could, everybody and his uncle keeps talking about the spray and what dangerous stuff it is and please, please, please do not destroy the ecology of the world by doing this.

environment and the use of glyphosate is not—repeat, not—endangering the environment.

Mr. BALLENGER. Thank you.

Mr. Deal, knowing that the Europeans do not think a great deal of the army or the arms part of the Plan Colombia, and I know Plan Colombia had a great deal of requests for—what do you call it—alternative development funds coming out Europe, have they come through? Have they stepped up to the plate? Have they ever produced?

They have not been very forward looking, since they are using at least a third of the drugs going out. I was just wondering if you have anything to say about that.

Mr. DEAL. Well, we have had two consultative group meetings with the Europeans to discuss their cooperation in the Andes and to date their commitments total approximately \$300 million. While substantial, we are disappointed that they have not come to the plate in a more forceful way. We think that they could do a lot more.

In just one area, the internally displaced persons program that we have, we were programming a much stronger contribution from the Europeans and that is an area where we have far exceeded our assistance in order to meet the demand, but the assistance is suffering because they have not come in a stronger way.

I do not know if Mr. Brownfield would like to add to that.

Mr. BROWNFIELD. Mr. Chairman, I went to the last of these consultative meetings with Under Secretary Grossman, this was in Brussels on April 30th. At that time, the numbers after we totaled them up between the Europeans, the Japanese, the Canadians as well as the international organizations, came up to roughly \$500 million. This was not as much as we had hoped for when we started down this road in 1999. Obviously, it is more than nothing.

Our hope is, and we have gotten reasonably good signals in this regard with our pre-consultations, that is, the President has widened the scope of his approach, from a heavy Colombia focus to a more regional focus, from a heavily law enforcement and security focus to a more balanced focus, that we will find more willingness on their part to work with us in supporting and funding these programs. But I do not wish to understate the case, we had hoped for more. We are disappointed so far.

Mr. BALLENGER Yesterday we met with President-elect Toledo of Peru, and he spoke to us about poverty and the need for assistance in Peru.

I was wondering, could you discuss AID's plans for Peru as an individual country?

Mr. DEAL. Yes. In our discussions with President-elect Toledo, he emphasized his desire to strengthen democratic institutions and to address poverty as the two principal emphases of his government.

Our program, I think, is very well situated to support him on both scores. With respect to democratic strengthening, we anticipate strengthening our activities in the administration of justice and support for decentralization. This was another area that he specifically mentioned in our meeting yesterday with Administrator Natsios. They are anticipating a number of tax measures which would provide more resources for the municipal governments. So

our support for municipalities in the decentralization process will certainly receive emphasis.

We have several new activities that we would like to explore. Support for the Truth Commission has been promised. Approximately \$1 million has been set aside for that activity. We also want to work with the Congress to strengthen its independence. We will also be offering assistance to strengthen civil-military relations and we anticipate continuing our assistance for the human rights ombudsman's office for human rights activities, working with civil societies and NGOs.

We provided approximately \$7 million for support to elections, both directly to the election tribunal, as well as to Transparencia, a local NGO, and for international observers.

In the area of poverty reduction, most of our assistance will be provided in alternative development in support of social infrastructure at the municipal level, the local community level, and also in terms of economic growth, finding new opportunities for licit employment and working also in micro enterprise activities.

I believe our program, along with INL resources, under the Andean Regional Initiative total approximately \$80 million, up from \$25 million this past year.

And with respect to the earthquake, to date, our Office of Foreign Disaster Assistance has provided \$600,000 in immediate emergency relief. We are positioning approximately 500,000 metric tons of food from our Food for Peace stocks in Lima to transport to the southern region, based on what exactly is needed there. But we anticipate that we will be responsive with additional resources as the OFDA assessment is completed and we have a better idea of the needs.

Mr. BALLENGER. Mr. Menendez?

Mr. MENENDEZ. Thank you, Mr. Chairman.

Thank you, gentlemen, for your testimony.

Mr. Mack, in your statement at the bottom of the first page you say that the ARI is the product of extensive consultation with staffs of Committees and Members of Congress. Could you tell me what Members of Congress you have spoken to?

Mr. MACK. I personally have not spoken to Members of Congress. My supervisor, Assistant Secretary Beers has spoken to many Members of Congress. In addition, we have briefed a very large number of staffs from various Committees, Committees of jurisdiction.

Mr. MENENDEZ. Well, just so you know, I did a little poll of some of my colleagues here who sit on this Committee which clearly has great concern over this issue as well as some of the jurisdiction and starting from the Ranking Member on down, none of us have been consulted, so I hope if you want to achieve support for some of your initiatives that you tell your colleagues that I think it would be important to consult with all of us. To get to 218 in the House is sometimes not the easiest proposition.

Let me ask you with reference to the 75 percent you said has been committed in Plan Colombia. How much of that is sustainable development commitments?

Mr. MACK. I could get you that figure, Mr. Menendez. I do not have it handy, but I could certainly get that figure.

Mr. MENENDEZ. Could you venture—I would appreciate the exact figure, but could you venture a sense of the 75 percent? Any percentage of it?

Mr. MACK. For development side?

Mr. MENENDEZ. Sustainable development.

Mr. MACK. I would imagine a substantial amount because we have—some of that figure has been obligated and contracts have been signed with various NGOs to implement some of those programs. I think Mr. Deal could probably give you some better information on that.

Mr. DEAL. I am sorry, Congressman. I do not have a precise figure, but essentially all of the resources were obligated in September when they became available. And essentially all of the contracts have been committed. Within the first several days of the resources becoming available, we signed up five grants to NGOs for the internally displaced persons program. Most recently, in March, we signed a \$75 million contract for the alternative development component. We also have signed a major contract for strengthening the justice system. So essentially all of the resources have been committed, either through grants to NGOs or through major contracts.

Mr. MENENDEZ. Now, looking specifically at sustainable development, I know that some Members of the Appropriations Committee have raised questions and considered offering amendments because their sense is that on the sustainable development side we are moving slow while we are moving rapidly on all of the other interdiction and enforcement type provisions.

You talk about issuing contracts. Is anything underway in terms of work? There is a difference between issuing a contract and getting something done.

Mr. DEAL. Yes, Congressman. We feel that we are pretty much on the time table that we had set out for ourselves. The government of Colombia has signed competitive grants with five NGOs. The initial grant has begun operations within the last 30 to 40 days in the Putumayo region. NGOs are giving short-term production assistance to approximately 1,800 families. Our contract that I mentioned has a 12-person team on the ground. They began their operations within just the last 30 to 40 days.

Over this last several-month period, 26 of the anticipated 31 coca elimination pacts have been signed, promising to eradicate over 29,000 hectares by the end of the year. I mentioned in my opening statement that over 24,000 farmers have signed these pacts in just the last 3 months.

We have signed memorandums of understanding with 13 mayors in the Putumayo area agreeing to the variety of infrastructure, social infrastructure programs that will be implemented in those municipalities over the next year.

The government of Colombia's commitment to this program, I should mention, has also been substantial, some \$62 million has been set aside thus far, \$11 million last year and a little over \$50 million programmed this year from government peace bonds and the peace tax. Major roads connecting southern Colombia to the national and international markets are underway.

A variety of smaller social and infrastructure projects including health clinics and schools as well as the Casas de Justicia, or Justice Centers, that we have a total of 18 casas out of the planned 40 that have already been established employing alternative dispute resolutions to deal with local problems.

In the human rights area, we have a contractor selected.

Mr. MENENDEZ. Okay. I do not want to cut you short and I would be happy to read all of your information. I am trying to focus on sustainable development. Those are other issues that certainly are of merit, but I am trying to focus on sustainable development, so I appreciate your laundry list, but I am trying to focus on sustainable development.

Let me go to the ARI initiative, which I understand is seven countries. Is that correct?

Now, in each of them, there is a breakdown of how much money goes to each country and in each country I have a breakdown here of what goes to what is broadly defined as the socio-economic aid packages, which includes in most of them alternative development, judicial reform, human rights, anti-corruption measures and support for the peace process.

Do you have either in dollar terms or in percentage terms how much of that rubric goes specifically for sustainable development?

For example, Colombia is getting \$399 million under the proposed initiative, \$146.5 is in socio-economic aid programs. How much of that is alternative development?

Mr. DEAL. For Colombia, under the Andean Regional Initiative, we have budgeted approximately \$95 million that AID would be managing, of which \$60 million would be for alternative development activities.

Mr. MENENDEZ. So \$60 million out of \$146 million goes toward alternative development.

Mr. DEAL. That is correct.

Mr. MENENDEZ. How about in Peru?

Mr. DEAL. In Peru, we are budgeting \$79 million for alternative development, out of a total package of approximately \$128 million.

Mr. MENENDEZ. In Bolivia?

Mr. DEAL. In Bolivia, we have \$40 million budgeted out of a total in the initiative of \$88 million.

Mr. MENENDEZ. In Ecuador?

Mr. DEAL. That total for alternative development is \$28 million, out of approximately half of the \$57.5 million budgeted.

Mr. MENENDEZ. Brazil does not have an economy that—Why are we giving money to Brazil?

Mr. BROWNFIELD. I can jump in on that, Mr. Menendez. Brazil, as you see, the number is not that large and they are focused strictly on those parts of the Brazilian—largely law enforcement community that work Andean regional issues.

And the focus, while I will not tell you that it is all up on the border, the programs that are to be supported will be supporting their efforts to manage, avoid, control narcotics flow along the Andean region.

Mr. MENENDEZ. So we are not looking at economic capacity of countries when we are making this determination?

Mr. BROWNFIELD. We are to the extent, Congressman, that we are putting much smaller—we are proposing to put much smaller amounts of money in countries that have a larger economic capacity, particularly on a per capita basis, such as Venezuela, such as Brazil. And there we are trying to target them solely on those areas where they are working closely with us, with our law enforcement community on counter-drug, counter-narcotics issues.

Mr. MENENDEZ. Let me ask you two overarching questions and then I will yield so that my colleague can have a chance here.

Some critics point out that the 50/50 distinction that you all speak of in terms of the state budget in the Andean initiative is misleading because it excludes Pentagon funding. Can you describe for me how you respond to that?

Mr. BROWNFIELD. I will take that on, Congressman, and I will say partly guilty as charged. I will also say to a certain—

Mr. MENENDEZ. Well, you get credit for honesty, as far as I am concerned.

Mr. BROWNFIELD. To a certain extent, we are trying to make a silk purse out of a sow's ear. We, like I presume you, are waiting to determine what the final budget proposal from the Department of Defense will be. When we see that, it will undoubtedly have some impact on the total split or spread between the social and economic side and the law enforcement and security side.

Having said that, in an attempt to be as honest and transparent with you as possible, we have in our defense tried to say this is a function 150 presentation that we are making.

Mr. MENENDEZ. I am fully aware of that and I would understand that technicality. Having said that, will you consider once you know the Pentagon's budget in this regard of readjusting your numbers or are your numbers going to forward regardless of the Pentagon's numbers?

Mr. BROWNFIELD. We believe, Congressman—

Mr. MENENDEZ. Excuse me. Let me just clarify my question. Not your total numbers, but how you are using your dollars.

Mr. BROWNFIELD. Understood. Let me give you a two-part answer. First, regardless of how the Pentagon numbers come in, we are quite confident that the split, which to put it in some context for you, last year the split was 79/21, 79 percent security and law enforcement, 21 percent social and economic development.

While we may not come out at 50/50 when the entire budgetary process and appropriations process is completed, we are confident and I hereby state on the record that we are extremely confident that the balance will be far closer this year than it was last year.

Second, we have operated on the assumption that the final Department of Defense budget proposal will be consistent with and not significantly different from where they came out last year. We made our budget proposals based upon that assumption. Therefore, my answer to your question is while we may propose some fine tuning, we do not expect to have to do any major surgery to the budget that the President submitted.

Mr. MENENDEZ. Well, let me do a little saber rattling for you. Seventy-nine/twenty-one gives a lot of room for a closer adjustment, so if it is not much closer, much closer, you will see many of us, many of us, engaged in making sure that sustainable development

and the related items that can truly get to the core of this—I am not even speaking about demand reduction in this country which is really, to quote the President back in May, and Secretary Rumsfeld, the single most important way in which we ultimately reduce the supply side. I have tremendous support here from my colleague from Massachusetts.

My final question is an over arching policy question and maybe, Mr. Secretary, you might be the best person to answer it.

What is the Administration's policy toward the counter-insurgency in Colombia? Does the Administration see a distinction as a matter of Administration policy between supporting the counter-insurgency in Colombia and the counter-narcotics effort?

Mr. BROWNFIELD. Let me give you two parts to my response, Congressman. First, the insurgency and how President Pastrana is addressing the insurgency is partly his peace process. The Administration's position on his peace process has been consistent and that is that we support President Pastrana's peace process, we encourage other governments and other institutions to support it as well.

We ourselves, the U.S. Government, do not engage directly with the parties, the FARC, the ELN, the AUC, because of some strongly held views on their human rights record and the fact that several of these organizations either have definitely or in all likelihood have targeted American citizens for kidnaping or for murder and have not accounted for them.

Secondly, you have asked a broader question about drawing the line, if you will, between counter-insurgency and counter-narcotics. As Mr. Mack said earlier in a response to one of the Chairman's questions or comments, virtually all of the funds that have been appropriated for use in Colombia up until this point in time have been appropriated for counter-narcotics purposes. We take that not only as a matter of guidance, but as a matter of law in terms of what they can be used for.

We believe, therefore, that what we are engaged in today in Colombia for the most part is support for counter-narcotics efforts, operations and activities by the government of Colombia.

Are there areas where there is overlap? Yes, of course there are. And that is where we have to make careful case-by-case calculations as to how much is this a counter-narcotics effort, how much is this a humanitarian or counter-insurgency effort and when those cases get tight enough, presumably they would be sent back to Washington for decision.

To give you some sense as to how often that has happened, I have been in my current job for 2 years and not once has one of these cases arisen where the Ambassador has felt that he or she needed to come back to Washington to make the decision.

There has been a substantial amount of commentary in the last month or so, Congressman, about counter-insurgency, the argument to a certain extent is we cannot accomplish our objectives in Colombia without engaging in counter-insurgency. That is not our position. We do not agree with that. That is not what we are proposing in the Andean Regional Initiative. We are proposing a three-part strategy: democracy, development and counter-drug.

Mr. MENENDEZ. Mr. Secretary, as an attorney, I admire greatly your ability not to answer my question and I appreciate your career

service to our country and I am sure the State Department is extremely proud. And since I want to be courteous to my colleagues here, I will refrain from going any further.

Thank you, Mr. Chairman.

Mr. BALLENGER. Mr. Delahunt?

Mr. DELAHUNT. Thank you, Mr. Chairman.

Mr. Menendez has taken most of my questions.

Mr. MENENDEZ. Which you fed me.

Mr. DELAHUNT. No, I did not feed them. I am sure with the Chair's indulgence, we have as much time as the Chair feels appropriate.

I would echo the observations by Mr. Menendez as to the talents of Mr. Brownfield.

Mr. BROWNFIELD. And the passion. The passion.

Mr. DELAHUNT. The passion is there. The passion is noticeable.

I would make one observation, however. You referred to the peace process as involving the AUC and I think it is important to indicate for the record that clearly the AUC is not in any way, shape or form implicated in the peace process that I am aware of.

Mr. BROWNFIELD. I stand corrected. You are correct, Congressman.

Mr. DELAHUNT. I also find it interesting that it is the position of the United States Administration that we refuse to engage directly, I think that was your word, directly, as opposed to indirectly, whatever that may mean, in the peace process because of concern about the FARC, the ELN and you referenced the AUC's record on human rights. Am I quoting or paraphrasing you?

Mr. BROWNFIELD. So far, so good. Yes, Congressman.

Mr. DELAHUNT. I find it fascinating that the Administration, however, while expressing reluctance to engage in this particular peace process has recently resumed negotiations with North Korea regarding the negotiations and discussions that had been previously undertaken by the Clinton Administration. I guess that does not elicit any response from a career professional diplomat, but—

Mr. BALLENGER. Could I just ask a question?

Mr. DELAHUNT. I will yield to the Chairman.

Mr. BALLENGER. I am the only one that is not a lawyer in here and you all keep talking in circles. How about—

Mr. DELAHUNT. Well stated.

I just see a disconnect there, Mr. Brownfield. I really do. And it was my understanding—you know, if we can engage in negotiations with the regime in North Korea whose record is, I would suggest, as bad as the guerrilla groups in Colombia, that there is an inconsistency there. And that we have profound national security interest in what occurs in Colombia because that in turn implicates the entire Andean region.

I would hope—and it is my memory that the specific rationale or premise for refusal to engage in the peace process with the FARC was the murder of the three American missionaries. Is that correct?

Mr. BROWNFIELD. It is correct, Congressman, that less than 6 weeks after the one time that the U.S. Government did engage directly in discussions with representatives of the FARC whose only

precondition, the only precondition that the U.S. Government had imposed upon the FARC, was that they would agree to cease targeting U.S. citizens for kidnaping and murder, and less than 6 weeks later all evidence suggests and I believe in fact they have admitted it, they targeted and murdered three American citizens. So, yes, that is correct. For that specific event.

Mr. DELAHUNT. But that would not—I mean, I am unaware, and maybe I am ignorant, where there has been intelligence or information relative to the ELN in terms of targeting American citizens or American commercial interests.

Are you aware of any information involving the ELN? Because, as we know, there is a—there have been a series of negotiations and discussions going on between the Colombia government and the ELN.

Mr. BROWNFIELD. Congressman, I will not—because it would be no more helpful for you than for me—go into detail in terms of what the ELN has threatened or targeted. Obviously, they have targeted some things in a commercial sense that have a U.S. connection to them, such as the oil pipeline and so forth.

Having said that—and I do understand clearly what you are doing, which is differentiating between the FARC and the ELN, which I think is perfectly legitimate. I do not mean to suggest that the U.S. position or that the entire peace process is a static process, a rigid process, and that nothing is ever going to change. I did want to flag for you, and so unsuccessfully in my attempt to respond to Congressman Menendez—non-respond to Congressman Menendez's question, what our posture is as of this moment on the peace process.

Mr. DELAHUNT. And I welcome the inference that there is flexibility and I interpret that by your comment regarding the fact that it is a dynamic as opposed to a static process, if you will.

Mr. BROWNFIELD. And if I could add to your inference, that there are many ways to engage or to be involved in the peace process. It does not have to be direct. There are many players involved in this process. Some are with the United Nations. Some are with other international organizations. Some are additional governments. And all of these, I think, we are confident that we know what they are doing and are communicating with them on a regular basis.

Mr. DELAHUNT. We are in consultation with them.

Mr. BROWNFIELD. Yes.

Mr. DELAHUNT. Let me articulate, I think, a concern that was expressed by Mr. Menendez. I am pleased to hear that contracts are being signed and executed, but I have been particularly concerned and even disturbed by some reports about the tardiness, if you will, of the delivery of the so-called soft aid.

It would appear that what has transpired according to reports is that there for months now has been aerial eradication of crops without the simultaneous delivery of the soft aid to the affected farmers, campesinos, and that we now find ourselves with a population where in the past distrust has been the status quo, if you will, between the population and the government.

Some have suggested that has been exacerbated by the failure to deliver in a simultaneous fashion the aid itself that would provide

an opportunity for these farmers who are growing coca and poppy to survive while alternate crops are planted.

I really think it is important that we align our efforts so that there is a contemporaneous delivery of services along with the eradication. Clearly, there has been much controversy surrounding aerial eradication. You referenced Round Up and you seem to suggest that there is no ecological impact and yet am I correct when I say there is a study now that we are paying for being conducted by the Colombia government to determine if there is any adverse environmental impact?

Mr. MACK. Sir, the study is—first of all, they are going to examine the people who claim that they were harmed in some way by the herbicide that was sprayed. That is ongoing. In addition, they are going to do an epidemiological study in which they are going to take blood and urine samples from a random sample of people in the area who have not been sprayed, before any spraying has taken place, to get a baseline. And then they will get another representative sample of people after spraying takes place.

There has been virtually no spraying in Putumayo, in the southern part of Colombia for quite a few months now. But when it does resume, when the weather breaks up and they can spray, they will go back and take another random sample and then they will see what the exposure rate is.

The exposure rate—

Mr. DELAHUNT. You know, Mr. Mack, that really kind of concerns me, to be honest with you, because it is almost like these tests are going on and yet there are people out there. So making a control group of people who have not been sprayed on and people who are going to be sprayed on really makes me very, very uneasy, to be very candid with you.

I would hope—and, again, I think maybe these questions should have been answered previously before we embarked on a spraying program or at least we should have had people on the ground or the Colombia government with our assistance should have been prepared to deal with those issues.

Whatever the answer may be, clearly a population of people who are not reassured, who have concerns about the public health consequences of what is occurring—I am sure that is not a population that is going to be particularly amenable to engage in a positive way with the government of Colombia.

Mr. MACK. Sir, if I may, I would like to make two points.

Mr. DELAHUNT. Sure.

Mr. MACK. First, there are two or three decades of scientific studies into the impact of glyphosate on humans, on animals, on fish, on birds, and the aquatic environment. The overwhelming result of all these studies is that it is not damaging.

However, the study—we have undertaken the study to re-prove what we already are quite confident are the facts, but your point is well taken, there are many people down there, there is a lot of misinformation of the impact of spraying. You can make an argument that more preparation should have been made in advance.

Mr. DELAHUNT. A community outreach program.

Mr. MACK. I accept all that. I also would like to note one further point and that is at the time that the overtime of Colombia an-

nounced its alternative development program for Putumayo and southern Colombia, there were very few takers. Very few communities were interested. It was only after the spraying campaign began that the large numbers of communities all of a sudden realized the government was serious and then came forward and offered themselves to the program.

I would also like to point out that those communities that were initially singled out for participation in the program were all exempted from spraying. They have not been sprayed. There are now some communities coming in that were sprayed in the January, February timeframe, but the majority of those communities were not sprayed in advance. And what happened was there was an overwhelming response when the government showed it was serious in developing a coca-free Putumayo and they realized the government is serious and now want to participate in the program.

Mr. DELAHUNT. I thank you for the answer, but I want to pick up on something that Mr. Menendez made in terms of the alternate crop substitution.

It would appear that none of—first of all, there were promises. It is my understanding that promises were made in terms of a direct cash grant or subsidy in amount ranging from 2000 to 1000 and that was restructured so that it was not a cash grant but then became, you know, a food substitution. Can you respond to that?

Mr. MACK. I think Mr. Deal can respond to how that is working.

Mr. DEAL. Yes. I would like to reinforce the last point that Ambassador Mack made which is that of the pacts that I mentioned, the 26 pacts that have been signed, they are for voluntary eradication and they are dealing with communities that had not been affected by the spraying. And the promises that were made in those pacts, the timetable for voluntary eradication only begins once the delivery of services begins. There is not a fixed set of benefits established for the communities. The assistance is really based on discussions that the NGOs and the government of Colombia entity undertake with the communities. It could range from farm animals to seeds and farming supplies. So there are a range of things and it really is based on the discussions and the negotiations that they have with each individual community.

Mr. DELAHUNT. If I can have one final question?

You heard my opening comments regarding legislation that has actually passed the Colombian Congress and is now awaiting action by President Pastrana and I asked that a letter be distributed to the panel and I wonder if anyone on the panel might have information as to what is the current status of the legislation in terms of its provisions and what is anticipated in terms of action by the Pastrana Administration because, as I indicated, it causes me grave concerns.

We advocated vigorously for human rights conditionality as it related to military security assistance and that was sufficient for many of us to reluctantly—and I underscore reluctantly—support Plan Colombia. As soon as that assistance is delivered, then somehow this legislation is filed in the Colombian Congress and, as I mentioned earlier, in its initial stages was totally unacceptable.

And let me conclude there and see if any one of you can respond.

Mr. BROWNFIELD. Why don't I take a crack at that Congressman, if I can, please.

When Bill 81 was first introduced in the Colombian Congress, we were concerned, as were you, in terms of what it appeared to say and what its impact would be. A bill has passed, your understanding is correct or at least it is the same understanding as ours.

It is our understanding that it has passed both houses, that the bill in the Colombian Congress as it would in the U.S. Congress, you had a bill that required reconciliation, it went to conference, a conference bill came out and was then passed by both houses.

The President of Colombia has 20 days from the date of the passage of the conference bill to either sign the bill or under Colombian constitutional law the bill will be enacted by virtue of his non-signature. We calculate that that means he signs or he vetoes by the 10th of July.

Finally, we would be surprised if someone did not file a challenge against the law as being a violation of the Colombian constitution and if that happens past history indicates that the Colombian constitutional court process would take about a year to work its way through the entire process.

Now, the bill that has come out of the Colombian Congress so far is, we think, substantially different and substantially better than the bill that was first introduced. For example, it no longer gives the military authority to detain suspects for up to 7 days without review or challenge; it no longer explicitly allows the military to interrogate prisoners; it no longer exempts members of the military from prosecution for specifically designated issues. It is an improvement in that sense.

It still has some areas in it that could, if interpreted or used the wrong way, cause some, if you will, legal and human rights concerns, such as the breadth of the authority of the so-called Supreme Council for Defense and Security, how much power do they have, how much control are they under from the President, or the possibility of one of the articles giving local military commanders authority to usurp civilian control in the region.

We are working the issue with President Pastrana. I am not yet in a position to tell you what we understand his intentions are. I can tell you he is very much aware of our concern with the text of this legislation, but even more important with how it might be implemented and executed.

Mr. BALLENGER. Let me just say, if I may, gentlemen, we have some more votes coming up.

I want to thank you all for coming and giving us a clear picture, I think, a clearer picture of what is going on down there. I recognize that we have been there and we will all keep going back, but keep us posted.

Mr. Brownfield, one of these days I would like to sit down and talk to you without legalese just to figure out what in the world you just did say. I am not sure.

Mr. BROWNFIELD. I am ready, Mr. Chairman, but I am sure Mr. Menendez knows and can give it to you in perfect detail.

Mr. BALLENGER. Okay.

Mr. MENENDEZ. Mr. Chairman I would be happy to tell you what he said.

Mr. BALENGER. Okay.

Mr. DELAHUNT. Mr. Chairman, I really want to commend you—

Mr. MENENDEZ. It will not take very long, by the way.

Mr. DELAHUNT. I really want to commend you for this hearing and for your profound interest in Latin America and Central America. It is really very refreshing.

And I also—you know, it was interesting listening to Mr. Menendez list the countries that are impacted by this particular proposal and I would respectfully suggest that if possible hearings regarding the individual countries, because there are so many questions that I think need to be answered and addressed, ought to be considered, ranging from Colombia, obviously, to all of the countries that would be implicated in this initiative.

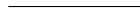
Mr. BALENGER. We will look forward to thinking about that. Right now, we have to go vote.

Gentleman, we thank you again.

The meeting is adjourned.

[Whereupon, at 1:46 p.m., the Subcommittee was adjourned.]

A P P E N D I X



MATERIAL SUBMITTED FOR THE HEARING RECORD

Commentary

BENJAMIN GILMAN

It has now been more than two months since the tragic April 20 civilian aircraft over the Andean Ridge, which resulted in the deaths of 70 people, was shot down by the Peruvian air force.

While the U.S.-backed shootdown policy continues to be on hold and the State Department led team the side-by-side with the Peruvian authorities to effectively intercept serial drug trafficking from that drug-producing region, no similar effort has been made to ensure that never happens again.

In both Colombia and Peru, under this effective program there have been nearly 100 shootdowns or flights, all without any tragic incidents such as the case on April 20 in Peru. Peru is no longer the world's leading coca producer and has seen a 60 percent reduction of the illicit coca crop, mainly because of this air

bridge deal program. This has driven the cost of cocaine trafficking up sufficiently that it exceeds any likely profits, with the result that poor Peruvian farmers are abandoning their illicit fields for legal crops. This is good for our children here at home and all around the globe.

It is incumbent upon our nation and our communities to fully investigate this tragic occurrence and to develop future safeguards in the program so this never happens again. We need to do all we can to ensure that never happens again. We need to do all we can to ensure that never happens again.

While not ceasing or minimizing this effort, we need to ensure that nearly 16,000 Americans lose their lives each year from the use of and sale of illicit drugs, many of which originate in the Andean Ridge area, including Peru. The tragic loss

those responsible for this recent tragedy. We need to ensure that ongoing interagency review should be adequate to learn the facts and to determine reforms to prevent future tragedies from occurring. However, this interagency review provides an advantage to the drug traffickers and cause any more loss of life. We must still confront these merchants of death, who are now in possession of our communities and destroying the lives of thousands of our young people.

While not ceasing or minimizing this effort, we need to ensure that nearly 16,000 Americans lose their lives each year from the use of and sale of illicit drugs, many of which originate in the Andean Ridge area, including Peru. The tragic loss

of innocent life in Peru needs to be viewed in the overall context of the illicit drug problem facing our nation, destroying our young people and communities.

ing the skies of Latin America to once again be awash with drug trafficking flights, moving their deadly poison more and more in our direction, using the lives of many more innocent people as collateral damage elsewhere around the globe.

With regard to the contention by many that demand here at home is where the emphasis should be in our mind that we are already spending billions to reduce that demand for drugs here in the United States. In turn, an unlimited supply of ever-increasing quantities of illicit drugs coming in unabated from abroad, impacts and increases demand here at home, as well. Simultaneously, we need to accomplish the reduction in supply and

demand, together, not one at the expense of the other.

The aerial drug-trafficking shootdown program in the Andean Ridge region, which produces all of the cocaine that is used in the United States as part of the supply-reduction effort. One tragedy doesn't justify more death and destruction on our nation's streets and communities.

tion using the lives of innocent people as collateral damage elsewhere around the globe. With regard to the contention by many that demand here at home is where the emphasis should be in our mind that we are already spending billions to reduce that demand for drugs here in the United States. In turn, an unlimited supply of ever-increasing quantities of illicit drugs coming in unabated from abroad, impacts and increases demand here at home, as well. Simultaneously, we need to accomplish the reduction in supply and

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