

STATEMENT FOR THE RECORD

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Introduction

Madam Chairman, Co-Chairman Grassley, and other distinguished members of the Caucus, I appreciate this opportunity to testify about U.S. – Andean Security Cooperation.

Given the remarkable progress that has been made over the past decade, the increasingly complex challenges we face in the region today, and the President's recently released Strategy to Combat Transnational Organized Crime, this hearing is especially timely. The transnational illicit drug trade is a multi-faceted national security concern for the United States. The drug trade, particularly in the Andean source zone, is a powerful corrosive force that weakens the rule of law in affected countries, preventing governments from effectively addressing other transnational threats, such as terrorism, insurgency, organized crime, weapons trafficking, money laundering, human trafficking, and piracy. Controlling drug-related and other criminal activities, and thereby enhancing citizen security, requires responsibilities to be shared among every country in the Americas as well as among a variety of institutions in each country. My remarks are organized to address the three topics in which the Caucus has expressed interest:

- Regional trends in the spread of narcotics-related activity
- Effectiveness and adequacy of programs, funding and authorities
- Counter-narcotics programs and initiatives as a key element of Security Cooperation

Before I begin, however, I'd like to call the Caucus's attention to a legislative issue that has resulted in the temporary lapse in three of our essential counternarcotics authorities that expired in FY2011 - Section 1004, Section 1021, and Section 1022, of the National Defense Authorization Act. These authorities allow the Department to provide critical counterdrug support for state, local, federal, and foreign law enforcement partners, support to Colombia's unified campaign against narco-terrorism, and to provide limited, but often essential, counternarcotics support for counter-terrorism activities. While all three of these authorities are

extended in the House and Senate versions of the FY2012 NDAA, temporary extensions were not included in the current Continuing Resolution. Our mitigation efforts thus far have resulted in the continuation of many of our programs through other authorities, but many activities have been reduced in scope, delayed, or suspended altogether. Even where we have found other authority or resources to keep certain programs operational, these mitigation efforts are temporary and limited, stop-gap measures.

The lapse in authority has had a clear impact on key national security objectives and on diplomatic relations with key foreign partners. In addition to the suspension of certain counternarcotics efforts that directly support the warfighter in Afghanistan, these impacts are particularly relevant to today's hearing as we are very concerned about the signal this sends to our Latin American allies as to whether the United States remains a reliable partner in this fight. As the Congress finalizes its authorization and appropriations process for FY2012, we ask that you make the extension of these authorities a high priority.

Current Trends

I would like to begin by addressing three major, interrelated trends in illegal drug activities: globalization, networked threats, and criminal diversification. Almost every country in the world now suffers to some degree from illegal drug consumption, production, or drug-related corruption and violence. Certain parts of the Americas suffer particularly acute challenges, which in some circumstances are severe enough to undermine effective governance. Even in less-afflicted areas, law enforcement and judicial institutions may need support from national defense and other instruments of government to cope with powerful transnational criminal organizations (TCOs) and/or gangs with international links. TCOs are highly adaptable and will adjust their operations to follow the path of least resistance. For instance, TCOs are increasingly

exploiting the smaller countries of Central America to avoid robust security efforts in Mexico and Colombia. They are similarly exploiting countries in West Africa to transit narcotics to lucrative European markets, taking advantage of the limited capacity of those governments to confront them.

The second major trend is toward threat networking. This refers to a tendency for drug trafficking and other TCOs to network with each other and at times to enable, support, or facilitate insurgency or terrorism, as well as to corrupt legitimate government, finance, and trade. The depth and intensity of such networked relationships vary widely, from tactical, episodic transactions to strategic alliances, but their defining characteristic is flexibility. While DoD and other parts of the U.S. national security community tend to focus on violent threats, the counternarcotics community has long understood the power of money, which is often the glue binding threat networks together. In fact, the corrupting influence of hundreds of millions of illicit dollars may so badly erode governance in some places that it creates an enabling environment for other threats, whether or not a more direct nexus exists. In such circumstances, TCOs' money can be more powerful than violence. At the low end of the spectrum, an extremist group may use drug-related or other crime to finance arms purchases. At the high end of the spectrum, profit-oriented crime can become so intertwined with political/ideological terrorism or insurgency that the distinctions blur. This narcoterrorism phenomenon continues to be most pronounced in Colombia, although that country has made enormous strides in recent years toward defeating such threats and expanding the rule of law. Colombia, in fact, is now helping other countries with some of the lessons it has learned.

Globalization and threat networking are often linked to criminal diversification. Some TCOs may specialize in trafficking drugs, weapons, false identity documents or other contraband, but the overall trend is toward diversifying criminal activities to spread risk and maximize profit

potential. In some parts of the Andes, for example, some TCOs that primarily concentrate on drug trafficking also engage in kidnapping, armed robbery, extortion, petroleum diversion, and/or financial crime. In some countries, this criminal diversification is driven in part by government success in disrupting the illegal drug industry. Just as DoD CN efforts are globalizing, they are also extending into closely associated areas to enhance their effectiveness against drug trafficking and associated TCOs.

Effectiveness and Adequacy of Programs, Funding, and Authorities

In discussing the effectiveness and adequacy of programs and funding, it is important to note that DoD international CN cooperation is primarily carried out in support of a partner nation's efforts, and often in support of a lead civilian agency. DoD CN authorities support training, equipment, engineering, information sharing, communications, intelligence analysis, radar and other sensors, information technology, transportation, and other cooperation with U.S. and foreign law enforcement. DoD also supports others' efforts as it fulfills its statutory responsibility as the lead U.S. Federal agency for detection and monitoring of aerial and maritime transit of illegal drugs toward the United States. Working with U.S. law enforcement, the Department of State, and intelligence community partners, DoD provides critical CN support to foreign military, law enforcement, and other security forces. Therefore, DoD supports, and does not drive, CN and related efforts, as part of a whole-of-government approach to CN and confronting forms of transnational organized crime. DoD provides unique capabilities that cannot be replicated by other U.S. Departments or agencies.

DoD's base budget for CN is approximately \$1 billion, which tracks closely with the levels provided during most of the last decade. So, although TCOs are nimbly globalizing, diversifying, associating with other threat actors, and reaping rapidly-growing profits, DoD, as

many other federal agencies in today's fiscal climate, has had to respond to this growing threat without a proportional increase in resources.

DoD CN and related activities employ two principal "force multipliers" to get the maximum results from available resources. First, our unique CN-related authorities have enabled us to effectively partner and network, both with other countries and among U.S. institutions. Secondly, we stress ever-more sophisticated intelligence and information-driven operations. As an example to illustrate partnership and networking, DoD works with the Department of State to provide critical aviation mobility capabilities, Command Control Communications Computers and Intelligence (C4I), vehicles, boats, radios, training, and cooperation on civil-military efforts to Colombia. DoD not only helps Colombia address its national security challenges fueled by the revenue gained from the narcotics trade, but also helps to enhance its capacity to work with U.S. and other regional efforts. Those U.S. efforts increasingly combine military activities with law enforcement, intelligence, diplomatic, and even economic, governance development, and public-private partnership initiatives led by the State Department and other U.S. Government departments and agencies, including demand reduction initiatives addressing the prevention and treatment of substance abuse. In the long run – and these things take time – building flexibly-networked international and interagency partnerships is more effective overall and is more cost-effective than trying to rely on our own capabilities.

Information-sharing represents a particularly important sub-set of building networked partnerships. Although there are many complexities to sharing and exploiting information among U.S. agencies and foreign partners, we view these programs as crucial to "working smarter." To illustrate the point, DoD is moving toward conducting CN detection, monitoring, surveillance, reconnaissance, law enforcement "end game" support, and associated missions based on "cued" intelligence or other information from many sources, including foreign liaison.

Such targeting is more cost-effective than trying to patrol vast areas with limited air, maritime, or other assets. The CN Tactical Analysis Team (TAT) program provides an example of this strategy. The U.S. Southern Command places TAT analysts at U.S. diplomatic missions and international law enforcement operations centers in 21 countries to coordinate and synchronize intelligence analysis and reporting to support operations against TCOs. DoD also works with other U.S. agencies to exchange CN-related information and expertise with other countries as enabled with efforts such as the Cooperating Nations Information and Exchange System (CNIES) program. CNIES provides near real-time air and maritime radar and other sensor track data to 24 countries in the Americas, enhancing cooperation with the U.S. Joint Interagency Task Force – South.

Counter-Narcotics Programs and Initiatives as a Key Element of Security Cooperation

Colombia is one of the best examples of U.S. assistance for a partner nation's efforts resulting in a real return on its investment. In 2000, Colombia was facing a seemingly insurmountable problem with several narco-terrorist organizations waging an active campaign against its legitimate government that all but closed all the major highways and saw numerous deliberate terrorist attacks against civilian targets throughout the country side, in the major cities, kidnapping, extortion, and the list goes on. This conflict, paid for with revenue of the narcotics trade, posed enough of a threat to U.S. national interests in the region to take a more involved role partnering with the Government of Colombia to end this conflict and to help resolve many of the underlying issues.

By 2003, this support was well under way and already showing some success when one of our surveillance planes crewed by four U.S. and one Colombian was shot down by the FARC. One of the Americans was murdered that day, but Keith Stansell, Thomas Howes, and Marc

Gonsalves lived as captives of the FARC over the course of the next five-and-a-half years. Finally, in July 2008, the Colombian military undertook a brilliant and daring rescue. They were able to convince the FARC to peacefully turn over Marc, Keith, and Tom and a group of high-value Colombian political hostages, to a group of Colombian military disguised as members of an international organization. This daring operation resulted in freedom for our citizens and the Colombian political prisoners without a shot being fired and sent a powerful message about the professionalism and restraint of the Colombian military.

But this was only the start of a string of successes as the Government of Colombia began gaining ground at a rapidly expanding rate not only in their military campaign plan, but also economically and across civil society. By 2008, the major highways could all be traveled freely for their entirety, both day and night, which had an enormously positive impact on commerce and trade. Increased security has not only enhanced legitimate economic opportunities, but also has served to reinforce a message of hope and the real possibility of a stable and positive future.

This increased Colombian military capacity is a direct result of a sustained counternarcotics and security assistance-funded effort across numerous sectors. This success has been possible through a focus on cooperating with key units in focused geographic areas oriented on threat centers of gravity - all coordinated as part of a comprehensive U.S. and Colombian effort across many selected Colombian sectors of government and civil society. Numerous Colombian capabilities, including Special Operations Forces and aviation, are now considered in many circles to be among the best of their kind in the world. While the conflict in Colombia is not yet won, Colombia has seen enough success in recent years to now be in a position where it is a true exporter of security in the region, supporting disaster relief operations throughout the region such as its significant donation of relief supplies and deployed capabilities in support of Operation Unified Response in Haiti in 2010, and similar assistance to relief efforts in Costa

Rica in 2011. Colombia now also provides training at the request of regional and international organizations and partners with countries throughout the region to leverage their unique and hard-won strengths and capabilities to work in cooperation with many of these nations in their own efforts to address the issues associated with narcotics and transnational organized crime such as its training of Mexican helicopter pilots at the DoD-supported helicopter training academy in Melgar, Colombia. And, the lessons learned from their conflict are not just staying within the region, but the success in Colombia has provided many lessons learned that are being applied to our own efforts in supporting Mexico, Afghanistan, and others around the globe.

Due to its robust economy and strategically important location, Colombian stability and economic growth will have a positive impact on the rest of the Andean Ridge. With Shining Path still active, albeit at much lower levels than the past, and increased drug production in Peru, and an uncertain political future in Venezuela, Bolivia, and Ecuador, it is imperative that we continue to support Colombia through a deliberate engagement strategy developed to bring a resolution to their internal conflict which, in turn, will further enable Colombia to grow as a key trade partner for the U.S. and an economic agent for stability within the region. Continued engagement with, and support to, the other Andean Ridge nations on counternarcotics and counter-trafficking efforts is also critical. The Andean ridge remains the source zone for 100% of the cocaine in the U.S. and the majority of cocaine trafficked around the world. Continuing to address this threat to our interests not only in Latin America, but also globally, remains a high national security priority.

Conclusion

Countering drug trafficking and other forms of transnational organized crime is a critical component of our security cooperation efforts -- and cooperation depends on coordination. With Colombia showing signs of truly being able to bring its decades long conflict to a conclusion, sustained U.S. interagency support is imperative to bring this conflict to a full resolution.

Thank you for the opportunity to testify. I welcome your questions and comments.