There is a paradox in the narcotics world these days in that, according to the United Nations, the world drug problem is being contained. By that it means that there’s a general stability in price, availability, and other measurable elements, but the paradox is that the devastating effects of drugs not only on individuals but on political society seem to be growing in various countries. We only have to look, for instance, at Central America where the rule of drug traffickers, the role of drug gangs, the political influence, the increase in violence is putting several of those governments at risk.

Seizures are generally up around the world according to the United Nations. By the way, the United Nations, not to bore you with facts, says that about five percent of the world’s population between 15 and 64 use drugs. Of that, about a half of one percent of the world’s population are consistent drug users. An important point about drug trafficking in the United States which makes the international component so much more important is that drug syndicates in the United States are essentially controlled through the entire supply chain down to the street level by Colombian and Mexican cartels.

There’s a parallel in Western Europe where many of the entire supply chains are controlled by the Russian Mafia or North Africans. The biggest issue today in the international drug market is Afghanistan, which has traditionally produced over 90 percent of the world’s heroin. We’re all reading the same newspaper stories. We all know the production seems to be going up, and it says something about the intractability of this problem that in a country which is currently occupied by tens of thousands of foreign troops, supply seems to be increasing.

U.S. policy, and I should state at the outset that I’m not here to either represent or defend U.S. policy, involves repression and treatment at home. There was a major and significant increase in the size of the prison population of the United States during the 1990s largely attributed to new legislation, new laws relating to crack cocaine. On the treatment level, according to the U.S. Government, only about 17 percent of the people in the United States that need and want treatment are able to get it—obviously a giant failure on our part.

The United States remains the largest user of cocaine in the world. Five hundred to 700 metric tons of cocaine leaves South America every year, basically heading to the United States. All of the cocaine is grown in three countries: Bolivia, Colombia, and Peru. Mexico does not produce cocaine. It does produce marijuana, although the United States is a major producer of marijuana itself. Mexico does produce some poppy and, of course, is as involved in chemical drugs which, as Paul pointed out, are a godsend for drug producers, because they can be produced in laboratories anywhere in the world.

U.S. strategy overseas is to stop cultivation and processing, intercept transit, follow the money, intercept financial flows, enhance legal cooperation with other countries through extradition, through training and improvement of judicial systems and by recognizing our shared responsibility. Well, let me just mention three countries in this hemisphere that have different characteristics, and they are very important because
they are all political issues or evolving political issues for the United States.

First, Colombia. It is fair to say that the government of President Uribe has been successful in fighting drugs. It has been a consistent and very difficult fight, but it has been successful in the following sense. Violence, as measured by drug-related kidnappings and other criminality, is down in Colombia. In fact, last year in the city of Bogota, which a few years ago, we all remember, was suffering many kidnappings every day, went for almost the entire year without one kidnapping. That’s a success.

A lot of that had to do with squeezing the drug cartels. The United States has been supplying Colombia with massive amounts of aid through Plan Colombia for the last six years or more. Between 2000 and 2006, the United States Congress appropriated $4.7 billion dollars for Colombia, making it the largest recipient of U.S. foreign assistance outside of Israel and Egypt and Iraq. This has largely been used for eradication. The United States maintains a fleet of 20 airplanes in Colombia to eradicate fields. It has given over 70 helicopters to the Colombian Army.

By 2005, the amount of land in Colombia under cultivation for cocaine had dropped by almost 80 percent. However, the amount of cocaine produced in Colombia remained constant. The market has responded. It has responded by becoming more efficient. Producers do a better job of growing coca, and on one-fifth of the land that they were using before, they are producing essentially the same amount. The government of Colombia has done a very good job in interception. Last year it intercepted about 200 metric tons of cocaine, and its cooperation with the United States on such issues as extradition of drug kingpins is exemplary.

There is currently a major political issue in the United States that we have to mention. The government of Colombia has come under serious criticism, particularly, I would say from the Democratic Party and elements of the Democratic Party—Senator Leahy, Senator Dodd, and a few others—because of its ties to right-wing paramilitary groups, which the government contends it has over the years been shutting down. But the criticism is that the violence coming from those groups has been, if not abetted by the government, at least at times ignored by the government. And this is playing out in the American Congress in an effort to limit the amount of money that goes to Colombia under Plan Colombia and more significantly in a move to deny Colombia a free trade agreement, which I think may be the single most stupid, ill-advised Latin American-related policy that we’ve seen coming out of Congress in many years. I’m speaking of the effort to deny the free trade agreement.

Colombia is not perfect. No country is perfect. President Uribe is not Thomas Jefferson, but here is a country that has truly put its shoulder to the wheel, done a good job, and to be castigated and punished at a time when, as we discussed yesterday, there are other political forces at work in Latin America, seems to me is about as unintelligent as our Congress can get, and we know that that is a very high bar.

Bolivia is another country I want to mention. The president of Bolivia is a coca producer. The political background of Evo Morales was as a union leader in the union, the syndicate of cocaleros. Bolivia and Evo Morales have said that they will do nothing to stop the production of coca because it is used by the Bolivian people and has been for centuries as part of their ritual and their daily life, but he will do what he can to stop the trade in cocaine. This is patently disingenuous. Bolivia produces a whole lot more coca leaves than it could possibly consume. This has not yet developed into a major issue in American policy. The amount of assistance given to Bolivia has gone down. I think it is, however, in terms of U.S. policy vis-a-vis Morales an issue that’s just waiting to blow up. We’ll see what happens in that regard.

Finally, let me just say a couple of words about Mexico. The situation in Mexico has improved radically over the years and particularly during the Fox administration and even more so under President Calderon. Mexico, for many years, refused to extradite any of its citizens to the United States. Over the past five or
six years, that has changed, and now Mexico is extraditing drug lords and other criminals to the United States who are accused of crimes there.

Javier Arellano-Felix was just sentenced to life in prison in San Diego. There has been a major change in the level of cooperation between Mexico and the United States on juridical cooperation and other issues relating to extradition. There is in Mexico, as there is everywhere else, and the Attorney General just mentioned this, an inextricable link between drugs and violence. It occurs on the streets of the United States. It occurs everywhere. In countries such as Mexico, drugs, violence, police corruption, the destruction of institutions such as the judiciary all go hand in hand. This is a political issue as well as a public health issue and a criminal matter.

President Calderon has taken a very courageous step in terms of Mexican politics and ideology in which he has publicly stated he wants more help from the United States. This is not an easy step for a Mexican politician, and right now the United States and Mexico are in the process of discussing increased levels of cooperation in a plan that will probably include considerable support for Central American countries as well.

I will say this, we have to be very careful, both the United States and Mexico. The way the U.S. Government bureaucracy works is that we will set a figure. The figure will be $300 million, $500 million or whatever. The plan itself is talking about $1.4 billion over a three-year period. And then the bureaucracy will go to work, and the great task of the bureaucracy will be to spend the money. That’s how bureaucracies work. And the easiest way to spend money in something like this is with equipment—helicopters, planes, and come to the end of the fiscal year we will be feeding helicopters into Mexico like Strasbourg geese are fed. You know, nail their feet to the ground and force them to take helicopters. Transferring goods like that doesn’t really work from my point of view.

Mexico and the United States should be cooperating much more on intelligence exchange, systems, phone interception, analyzing communications, analyzing bank transfers, etc. This doesn’t cost that much money but in a world in which government intent is measured by the amount of money that’s pledged and spent, you can be sure that we will be spending a lot of money on things. This will increase conflict in Mexico between the United States and, let’s say, the Mexican Army, because once the U.S. Government gives a helicopter to Mexico, it is going to make sure that it is used in the proper way according to the U.S. Army, and this will cause some friction.

The bottom line here is that I think President Calderon is being absolutely honest and courageous in his commitment in working with Eduardo Medina Mora, who is his principal ally in the fight against narcotics, because they realize the damaging effect that the narcotics trade is having on the institutions of their own country. I think the U.S. Congress should be as helpful as possible. But, we should be smart in the way we are helpful and I’m not entirely confident that we will be.

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