



TESTIMONY

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**BEFORE THE SUBCOMMITTEE ON DOMESTIC POLICY
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“International Supply Reduction and Interdiction Programs”

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Chairman Kucinich, Representative Jordan, and other distinguished members of the Subcommittee, thank you for the opportunity to discuss the Department of Defense's (DoD) role in disrupting the production and trafficking of illicit narcotics bound for the United States. I'd like to begin by providing a brief overview of the DoD's counternarcotics (CN) program and what I consider to be a significant return on our investment by the demonstrable progress being made. I will then discuss the efforts we have undertaken to improve our performance management system.

Counternarcotics Program Overview

The transnational illicit drug trade is a multi-faceted national security concern for the United States. The drug trade 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. The global and regional terrorists who threaten interests of the United States finance their activities with the proceeds from narcotics trafficking. The inability of many nations to police themselves effectively and to work with their neighbors to ensure regional security represents a challenge to global security. Extremists and international criminal networks frequently exploit local geographical, political, or social conditions to establish safe havens from which they can operate with impunity.

The Department of Defense supports the *National Drug Control Strategy* by providing assistance to local, State, Federal, and foreign agencies to confront the drug trade and narco-terrorism. DoD support for law enforcement includes detecting and monitoring drug trafficking, sharing information, and helping countries build their capacity to confront drug trafficking. DoD CN efforts are also focused on maintaining force readiness through demand reduction programs for the Armed Services.

Through its Combatant Commands, the Military Departments, and the Defense Agencies, DoD provides unique military platforms, personnel, systems, and capabilities that support federal

law enforcement agencies and foreign security forces involved in CN missions. The DoD CN mission targets those terrorist groups worldwide that use narcotics trafficking to support terrorist activities by deploying CN assets in regions where terrorists benefit from illicit drug revenue or use drug smuggling systems.

The Office of the Deputy Assistant Secretary of Defense (DASD) for Counternarcotics and Global Threats (CN>) is the single focal point for DoD's CN activities, reporting to the Assistant Secretary of Defense for Special Operations/Low-Intensity Conflict and Interdependent Capabilities and the Under Secretary of Defense for Policy. The office of the DASD (CN>) was established to ensure that DoD develops and implements a focused CN program with clear priorities and measured results. Consistent with applicable laws, authorities, regulations, and funding, the office ensures that sufficient resources are allocated to the CN mission to achieve high-impact results.

All DoD CN programs, with the exception of Active Duty military pay and Service operations tempo ("OPTEMPO"), are funded through the DoD Counternarcotics Central Transfer Account (CTA). The CTA was established by the FY 1989 Defense Appropriations Act and designed to allow for maximum flexibility to respond to ever-changing drug trafficking patterns. In FY 2011, the Department has requested \$1.13 billion for CN efforts through the CTA. Of this total, approximately 12 percent would go to support demand reduction, 19 percent to support domestic law enforcement assistance, 18 percent to support intelligence and technology programs, and 51 percent to support international counternarcotics activities.

Return on DoD CN Investment

The narcotics threat has changed dramatically since the 1980's when the trafficking of cocaine directly into Florida made *Miami Vice* a hit television series during that time. While the counternarcotics mission was not a principal focus of the Department, it was soon recognized that DoD's aerial and maritime surveillance capability and command and control structure was uniquely suited for the detection and monitoring of illicit drug shipments bound for the United States. These DoD programs, primarily implemented by U.S. Southern Command, and its Joint

Interagency Task Force – South (JIATF-S), have made a tremendous impact on the drug flow directly into Florida and the U.S. mainland. While the counternarcotics mission was once slow to be embraced by some Defense policymakers, today the Department is widely recognized as a critical component of the *National Drug Control Strategy*, and JIATF-S is viewed as a model for interagency coordination and regional engagement.

During the late 1990's, DoD played a vital role in the development and implementation of Plan Colombia by providing equipment, information sharing, and capacity building to the Colombian armed forces. All recipients of DoD training assistance are required to undergo human rights vetting consistent with the Leahy Amendment. In Colombia, DoD CN programs, coordinated closely with the Department of State, DEA, and USAID, have helped the Government of Colombia increase its presence throughout the country, reduce levels of violence, disrupt drug production and trafficking, and dismantle drug trafficking organizations.

The U.S. Government coca crop estimate for Colombia highlights for the first time the results of scientific studies showing how eradication pressure is diminishing the productivity of existing coca fields. New productivity data show that Colombia's maximum potential production dropped to 295 metric tons of pure cocaine in 2008. Based on recent scientific field studies by DEA on the impact of eradication, we can now calculate that Colombia's maximum potential production of pure cocaine has fallen a full 58 percent since its high point in 2001 (from 700 metric tons to 295 metric tons). This success is directly attributable to the will of the Government of Colombia to attack trafficking at its source through eradication, increased Government of Colombia presence, improved security, and development programs to provide alternatives to coca cultivation. The declines in maximum potential production, combined with other effective law enforcement efforts, have contributed to the decline in cocaine purity and increase in cocaine prices in the United States.

By working with the governments of producing countries, we can eliminate illegal drug crops before they move to final production and interdict drug shipments before they are broken down into smaller loads, thereby removing the greatest amount of narcotics from the market. In so doing, we assist partner nations in strengthening public security and democratic institutions,

and strike powerful blows against terrorist groups and international organized crime by denying those criminal groups access to the profits from drug production at the beginning of the trafficking chain.

Despite these many successes, Colombia continues to face challenges, including increasingly porous borders with its neighbors, particularly Venezuela, where there is almost no control of cocaine flow from Colombia and no cooperation with the United States or other allies to pursue cocaine movement through and from its territory.

JIATF-S continues to produce extraordinary results every year. Led by a U.S. Coast Guard Rear Admiral, JIATF-S is comprised of individuals from all four Military Services, 14 different Executive branch agencies, and 13 partner nations. Its joint operating area covers nearly 42 million square miles, which is almost 21 percent of the earth's surface. In the 20 years it has been conducting operations in this region, 2,500 metric tons of cocaine have been seized, 705,000 pounds of marijuana interdicted, 4,600 traffickers arrested, 1,100 vessels captured, and a total of approximately \$195 billion removed from the profits of the drug cartels.

In Mexico, the DoD CN program is supporting President Calderon's continuing campaign to confront rising violence fueled by drug trafficking and other organized crime. DoD CN support to Mexico is implemented primarily through U.S. Northern Command (NORTHCOM) and includes training, equipment, and information sharing as well as indirect support to units of the Mexican armed forces with counter-narcoterrorism missions. While outside of the scope of the Merida Initiative foreign assistance funding, DoD CN-funded support to Mexico complements Merida and is closely coordinated with our interagency partners both at post and in Washington. We are also working with SOUTHCOM and NORTHCOM to develop a joint security effort in the border region of Mexico, Guatemala, and Belize, that will complement the Merida Initiative and Central America Regional Security Initiative (CARSI).

Today, we are applying lessons from our experience in Colombia to the challenges we face in Afghanistan. While the two countries have vast differences and unique histories and circumstances, there are several key lessons that can and should be applied. First, we must

look at the CN problem in the wider context of counter-insurgency (COIN), counter-terrorism (CT), counter threat finance (CTF), anti-corruption, and other efforts to confront criminal activities. Second, in order to be successful, we must draw upon our interagency partners to apply a “whole of government” approach to this complex set of issues. In many ways, the experience of working side-by-side our interagency partners in Colombia is paying dividends in Afghanistan today, both strategically and operationally. While DoD has traditionally provided military support to law enforcement activities, in Afghanistan the opposite is also true. In Afghanistan, the expertise and authorities of our law enforcement partners are essential to our accomplishing our military objectives. While relatively little of the heroin produced in Afghanistan is ultimately bound for the United States today, U.S. law enforcement agencies such as DEA have been at the forefront of our CN efforts in support of broader U.S. national security interests. The revised counternarcotics strategy for Afghanistan emphasizes a CN mission that is incorporated into the overall counterinsurgency strategy and places greater emphasis on interdiction and alternative livelihoods.

Finally, I’d like to take the opportunity to discuss the positive impact made by the demand reduction programs my office supports. DoD drug prevention programs are critically important to the well-being of our Service members and their families and to the readiness and productivity of our Armed Services. All U.S. Service members are subjected to random drug testing throughout the year, whether in garrison or while deployed. Through the CTA account, my office provides approximately \$140 million annually for seven separate programs designed to provide anti-drug education and support for random urinalysis drug screening for military and civilian Defense personnel. These programs are managed through the U.S. Army Medical command, the Army Center for Substance Abuse Program (ASCAP), the Naval Environmental Health Center, the Office of the Naval Alcohol and Drug Abuse Prevention (NADAP), the Air Force Substance Abuse Prevention and Treatment, and the Armed Forces Institute of Pathology (AFIP). We are proud of these efforts and the results they have achieved in maintaining a positive test rate of less than two percent for military members and less than one percent for civilian personnel.

Measuring Progress Towards CN Strategic Goals

Soon after coming into this office last year, it became clear to me that the Department needed to do a better job in evaluating program performance to evaluate the effectiveness of our programs. While performance measurements were being collected and reported, they were inconsistent, too focused on inputs and outputs (e.g. flying hours, pilots trained, etc.) rather than outcomes (e.g. successful interdictions, seizures, etc.), were not adequately aligned with the *National Drug Control Strategy* or the Department's CN strategy, and were rarely used as a basis for budgetary or policy decisions. Many of these issues have been highlighted in a Government Accountability Office (GAO) report released today.

As one of several Federal agencies supporting the *National Drug Control Strategy*, DoD is required to provide annual CN performance data to substantiate progress towards our strategic objectives. To comply with this requirement, DoD employs a Counternarcotics Performance Metric System to track and collect annual data from the Military Departments and Combatant Commands with authorized CTA-funded projects and to report this information to the Office National Drug Control Policy. In FY 2009, the Department collected data on 285 performance metrics (222 unclassified and 63 classified) that align with the CN program's three strategic objectives for detection and monitoring, information sharing, and partner nation capacity building.

Recognizing the need to improve the performance management system for the Department's CN efforts, in June 2009, my office launched a comprehensive review of the system to improve its quality and usefulness. As part of the review, each of the 285 metrics were analyzed based on the following criteria: 1) the direct applicability of the stated measure, 2) measure's objectivity; 3) the usefulness of the measure for management, 4) the link between the measure and its related goal, 5) the timeliness of the data collection and 6) the adequateness of the stated measure to capture the activity.

Based on this preliminary assessment, we identified the following four corrective actions to improve the office's performance management system.

- 1) Establish a CN strategic results framework cascading from the *National Drug Control Strategy* through the DASD-CN strategic goals and objectives, to the individual theater CN strategies of each Combatant Command.
- 2) Distill the performance indicators to a more manageable size built around a uniform and consistent set of measurements.
- 3) Establish meaningful performance targets consistent with annual planning, programming, budgeting, and execution timeline.
- 4) Expand CN performance measurement guidance to institutionalize the performance metric system.

On May 18, 2010, I issued standard operating procedures to be used to document performance for any activity funded through the Department's CTA. These guidelines will create a more informative performance metric architecture and better align Military Department and Combatant Command CN objectives and performance measures with the Department's CN strategy. We have also begun an effort to revise the current DoD CN strategy to reflect adjustments to the *National Drug Control Strategy* and to establish more precise goals and objectives for the Department's CN program.

In FY 2011 and beyond, we will incorporate theater CN strategies of the COCOMs to produce theater-specific outcome and output data to help program managers quickly evaluate program performance and make immediate adjustments if necessary. We have begun to incorporate performance management into the Program Objective Memorandum (POM) budget process for FY 2012-2016 to ensure that our out-year budgets presented to Congress are informed by performance data that is clear, consistent, objective, and closely linked to key strategic objectives. Looking ahead, it is important that we ensure that the implementers in the field have significant "buy-in" to the performance measurement process. In order to produce

meaningful results, a performance management system must incorporate information that is useful to both leadership and to the program managers in the field.

Mr. Chairman, this concludes my prepared testimony. Thank you again for the opportunity to discuss these issues with you. I look forward to addressing any questions that you or other Members of the Subcommittee may have.

Appendix A – U.S. Department of Defense Counternarcotics Authorities

Section 1004 of the National Defense Authorization Act for Fiscal Year 1991, as amended, extended, and restated provides the Secretary of Defense may provide support for the counter-drug activities of any other department or agency of the Federal Government or of any State, local, or foreign law enforcement agency for any of the purposes [listed in statute] if such support is requested.

Section 1033 of the National Defense Authorization Act for Fiscal Year 1998, as amended, provides that the Secretary of Defense may provide any of the foreign governments named [in the statute] with support, such as equipment, maintenance and repair of equipment, for the counter-drug activities of that government.

Section 1022 of the National Defense Authorization Act for Fiscal Year 2004, as amended, extended, and restated provides that a joint task force of the Department of Defense that provides support to law enforcement agencies conducting counter-drug activities may also provide support to law enforcement agencies conducting counter-terrorism activities.

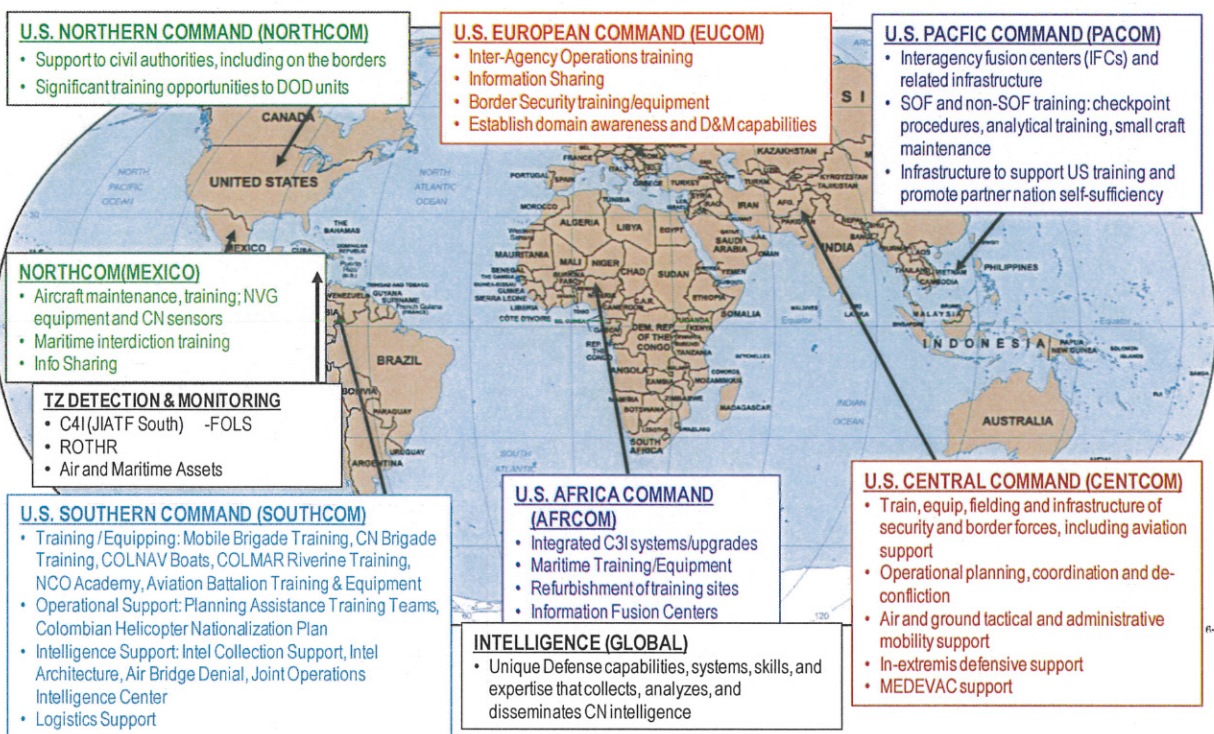
Section 1021 of the National Defense Authorization Act for Fiscal Year 2005, as amended, provides that DoD may provide assistance to the Government of Colombia to support a unified campaign by the Government of Colombia against narcotics trafficking and against activities by organizations designated as terrorist organizations.

Section 112 of United States Code Title 32 provides that the Secretary of Defense may provide funds to the Governor of a State for state drug interdiction and counter-drug activities, including drug demand reduction activities.

10 U.S.C. 2576a authorizes the Secretary of Defense to transfer excess personal property, including small arms and ammunition, to Federal and State agencies for use in law enforcement activities, including counter-drug and counter-terrorism activities.

Appendix B – U.S. Department of Defense Counternarcotics Efforts Worldwide

DoD CN Efforts are Worldwide



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