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Plan Colombia: A Progress Report

Connie Veillette, Foreign Affairs, Defense, and Trade Division

January 11, 2006

Abstract. Because Plan Colombia is a six-year plan that expired at the end of 2005, Congress has been and will likely continue assessing its progress in light of the Administration request to continue ACI funding, the latter having no statutory enddate. The House-passed FY2005 Foreign Operations Appropriations Act (H.R. 4818) expressed concern that the FY2005 budget request increased ACI levels for Colombia, despite its scheduled conclusion. The language noted the Committee's expectation that the FY2006 request for Colombia would be less. However, the FY2006 request essentially maintained the same level of funding for Colombia, \$463 million. The House version of the FY2006 Foreign Operations Appropriations Act (H.R. 3057/H.Rept. 109-152), while essentially approving the Administration's request, directed the Secretary of State to report to the Committee on a "future, multiyear strategy" for Colombia.

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Plan Colombia: A Progress Report

Updated January 11, 2006

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<http://wikileaks.org/wiki/CRS-RL32774>

Plan Colombia: A Progress Report

Summary

Plan Colombia was developed by former President Pastrana (1998-2002) as a six-year plan to end Colombia's long armed conflict, eliminate drug trafficking, and promote economic and social development. The Andean Counterdrug Initiative (ACI) is the primary U.S. program that supports Plan Colombia. In addition, Colombia receives assistance from the Foreign Military Financing (FMF) program and the Department of Defense's central counternarcotics account. ACI funding for Plan Colombia from FY2000 through FY2005 totals approximately \$2.8 billion. When FMF and DOD assistance is included, the total level of U.S. support to Colombia is \$4.5 billion. Congress approved the Administration's request to continue support for Plan Colombia beyond FY2005, but it also expressed the need for an evaluation of progress and a plan for future years.

The objectives of Colombia and the United States differ in some aspects, although there is a significant overlap of goals. The primary U.S. objective is to prevent the flow of illegal drugs into the United States, as well as to help Colombia promote peace and economic development because it contributes to regional security in the Andes. The primary objectives of Colombia are to promote peace and economic development, increase security, and end drug trafficking. Both U.S. and Colombian objectives have also evolved over time from a strict counternarcotics focus to encompass counterterrorism activities.

Because Plan Colombia is a six-year plan that expired at the end of 2005, Congress has been and will likely continue assessing its progress in light of the Administration's request to continue funding the ACI account, the latter having no statutory end-date. Congress has expressed the expectation that funding would begin to decrease in FY2006. Some Members have also expressed the opinion that the ratio between interdiction and alternative development should become more balanced, and that the U.S. role should diminish as Colombia develops more operational capabilities.

Measurable progress in Colombia's internal security has been made, as indicated by decreases in violence and the eradication of drug crops. After many years of stable prices, purity, and availability of cocaine and heroin in the United States, prices for both drugs have increased, whereas purity and availability have decreased. Military operations against illegally armed groups have intensified, but the main leftist guerrilla group seems no closer to agreeing to a cease-fire. The demobilization of rightist paramilitary fighters is proceeding, but it is doing so amid controversy with regard to its implementation.

For more information on Colombia and the Andean Counterdrug Initiative, see CRS Report RL32250, *Colombia: Issues for Congress*; CRS Report RL32337 *Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2005 Assistance*; and CRS Report RL33163, *Drug Crop Eradication and Alternative Development in the Andes*, all by Connie Veillette. This report will be updated as new data become available.

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Plan Colombia: A Progress Report

Plan Colombia and the Andean Counterdrug Initiative

Plan Colombia was developed by former President Pastrana (1998-2002) as a six-year plan to end the country's 40-year old armed conflict, eliminate drug trafficking, and promote economic and social development. President Uribe (2002-present) has continued the work of Plan Colombia, but with an increased emphasis on security concerns. It was envisioned that a significant portion of the costs of Plan Colombia would be provided by the international community, although to date, the United States has been the most significant contributor.¹

The Andean Counterdrug Initiative (ACI) is the primary U.S. program that supports Plan Colombia, as well as assistance to other nations in the Andean region. In addition to ACI funding, Colombia also benefits from the Foreign Military Financing (FMF) program, and the Department of Defense's central counternarcotics account. U.S. support for Plan Colombia began in 2000, when Congress passed legislation (P.L. 106-246) providing \$1.3 billion for the region in interdiction and development assistance. ACI funding for Plan Colombia from FY2000 through FY2005 totals approximately \$2.8 billion. When FMF and DOD assistance is included, the total level of U.S. support to Colombia is \$4.5 billion.

The Administration requested Congress to continue support for Plan Colombia beyond FY2005 with an additional \$463 million in ACI funds, and \$90 million in FMF for FY2006. The FY2006 Foreign Operations Appropriations Act (P.L. 109-102), enacted in November 2005, provided \$469.5 million in assistance to Colombia. The conference report did not earmark FMF funds to Colombia, but the Senate version approved the Administration's \$90 million request. U.S. resources support the eradication of coca and opium poppy crops, the interdiction of narcotics trafficking, and the protection of infrastructure, through the training and material support for Colombia's security forces. U.S. programs also support alternative crop development and infrastructure development to give coca and opium poppy farmers alternative sources of income, and institution building programs to strengthen democracy. Components of U.S. assistance include human rights training.

¹ The original plan estimated costs to be \$7.5 billion, with \$3.5 billion coming from international donors and the remainder from the government of Colombia. "Plan Colombia Fact Sheet," Bureau of Western Hemisphere Affairs, U.S. Department of State, March 14, 2001. European countries provide economic and social development funds but do not consider them to be in support of Plan Colombia.

Because Plan Colombia is a six-year plan that expired at the end of 2005, Congress has been and will likely continue assessing its progress in light of the Administration request to continue ACI funding, the latter having no statutory end-date. The House-passed FY2005 Foreign Operations Appropriations Act (H.R. 4818) expressed concern that the FY2005 budget request increased ACI levels for Colombia, despite its scheduled conclusion. The language noted the Committee's expectation that the FY2006 request for Colombia would be less. However, the FY2006 request essentially maintained the same level of funding for Colombia, \$463 million. The House version of the FY2006 Foreign Operations Appropriations Act (H.R. 3057/H.Rept. 109-152), while essentially approving the Administration's request, directed the Secretary of State to report to the Committee on a "future, multiyear strategy" for Colombia.

The House bill, as well as some individual Members of Congress, expressed the opinion that the ratio between alternative development and interdiction should be more balanced. The FY2006 request maintained the same balance as in FY2005: \$124.8 million for alternative development and institution building; \$27.4 million for rule of law programs; and \$310.9 million for interdiction. However, the FY2006 appropriation increased the amount for alternative development to \$131.2 million. Other Members have suggested the need for an exit strategy that would have Colombia develop the capabilities to take over the types of operations for which the United States is now providing support. The House appropriation bill included report language that expressed concern with the Colombian government's ability to assume more operational and maintenance functions of Plan Colombia.

Objectives

The objectives of Colombia and the United States for Plan Colombia differ in some aspects, although there is a significant overlap of goals. The primary U.S. objective is to prevent the flow of illegal drugs into the United States, as well as to help Colombia promote peace and economic development because it contributes to regional security in the Andes.² The primary objectives of Colombia are to promote peace and economic development, and increase security. Addressing drug trafficking is considered a key aspect of those objectives.³

The objectives of each country have evolved over time. This evolution became evident when President Uribe was elected on a platform of taking a tougher approach

² Statement of the President, William J. Clinton, Office of the Press Secretary, January 11, 2000.

³ *Plan Colombia: Plan for Peace, Prosperity, and the Strengthening of the State*, Government of Colombia, Office of the Presidency, October 1999. "The government is committed to consolidating the central responsibilities of the state: promoting democracy and the rule of law and the monopoly in the application of justice, territorial integrity, employment, respect for human rights and human dignity, and the preservation of order as established by political and social rules.... It is central to this strategy to move forward decisively in partnership with the countries which produce and those which consume illegal drugs, under the principles of reciprocity and equality."

to the illegally armed groups (IAG) that operate in the country and benefit from participation in drug trafficking. He vowed not to negotiate with any of the armed groups until they declared a cease-fire and disarmed. In addition, Uribe implemented new laws giving the security forces increased powers, and instituted a one-time tax to be used to increase the troop strength and capabilities of the Colombian military. He increasingly equated the guerrillas with drug traffickers and terrorists, and initiated a military campaign, called *Plan Patriota*, to recapture guerrilla-controlled territory.

U.S. policy has also evolved from a strictly counternarcotics focus to support for Colombia's fight against IAGs. In 2002, the Administration requested, and Congress approved, expanded authority to use U.S. counternarcotics funds for a unified campaign to fight both drug trafficking and terrorist organizations in Colombia.⁴ The three main armed organizations in Colombia — the leftist Revolutionary Armed Forces of Colombia (FARC), and the National Liberation Army (ELN), and the rightist United Self-Defense Forces of Colombia (AUC) — have been designated foreign terrorist organizations (FTOs) by the State Department [pursuant to Section 219 of the Immigration and Nationality Act, as amended by the Antiterrorism and Effective Death Penalty Act of 1996 (P.L. 104-132)].⁵ In 2003 the FARC and AUC were designated Significant Foreign Narcotics Traffickers under the Foreign Narcotics Kingpin Designation Act (P.L. 106-120).

Assessment of Key Objectives and Issues

Drug Flows to the United States

After many years of stable prices, purity, and availability of cocaine and heroin in the United States, prices for both drugs have increased in 2005, whereas purity and availability have decreased. This represents the first statistics that may indicate that Plan Colombia is having a favorable effect on drug flows to the United States, according to government agencies responsible for tracking drug trends. Colombia produces most⁶ of the world supply, with 90% of the cocaine entering the United States originating in or transiting through Colombia. The country also produces significant quantities of high quality heroin.

The supply of drugs is often judged by changes in price, with higher prices signifying decreased supply. In November 2005, the Office of National Drug Control Policy (ONDCP) announced that from February to September 2005, prices for cocaine increased 19% while purity decreased 15%. This follows a long trend line,

⁴ The State Department and DOD explain this expanded authority as providing them with flexibility in situations where there is no clear line between drug and terrorist activity.

⁵ The ELN and FARC were first designated FTOs in 1997, and subsequently redesignated in 2001. The AUC was first designated in 2001.

⁶ The United Nations Office on Drugs and Crime (UNODC) estimates that 67% of the world's cocaine supply was produced in Colombia in 2003. The State Department's *International Narcotics Control Strategy Report* (INCSR) puts the figure at 80%.

beginning in the early 1980s, of falling cocaine prices. Earlier in the year, ONDCP reported that the availability of South American heroin had also fallen, with heroin prices increasing 30% and purity decreasing 22%.⁷ Heroin purity had been steadily increasing since the 1980s. Despite increasing prices, the National Institute on Drug Abuse (NIDA) reported that drug use among young people has declined by 11% from 2001 to 2003, and again by 6% from 2003 to 2004.⁸ While these surveys report a declining trend in overall drug use, they also report that the use of cocaine and heroin has remained stable. In fact, the National Survey on Drug Use and Health reported that “There was no change in the overall rate of illicit drug use between 2002 and 2003.”⁹ The same report showed that cocaine and heroin use has remained stable over the same time period at 2.3 million persons (not limited to young Americans) and 119,000 users respectively. Some observers criticize the value of these types of surveys because they rely on self-reporting.¹⁰

Some observers have expressed caution in interpreting the ONDCP figures on price, purity, and availability. They maintain that short-term fluctuations are not uncommon and may not be sustainable.¹¹ There are several reasons why prices and supply remained stable for such a long period. In testimony before Congress in June 2004, John P. Walters of ONDCP argued that interdiction efforts take time to show their impact on price and availability, and that the effect would begin to show in the next 12 months.¹² Some argue that an increase in the street price of cocaine and heroin is unlikely to appear in the near term because of the large profit margin. Even if the availability of coca leaf and opium poppies is decreasing, and consequently the price for the raw materials is increasing, they constitute a very small fraction of the U.S. retail price. Traffickers are easily able to absorb this increased cost.¹³

⁷ Lauren Monsen, “Colombia’s Efforts Help Reduce Supply of Narcotics in U.S.,” *Washington File*, November 17, 2005; Office of National Drug Control Policy, *Pulse Check*, January 2004; and U.S. Department of Justice, National Drug Intelligence Center, *National Drug Threat Assessment 2004*, April 2004.

⁸ National Institute on Drug Abuse, *2003 Monitoring the Future*, December 2003, and *2004 Monitoring the Future*, December 21, 2004.

⁹ Substance Abuse and Mental Health Services Administration (SAMSHA), *Findings from the 2003 National Survey on Drug Use and Health*, September 2004.

¹⁰ Walsh, John M., *Drug War Monitor: Are We There Yet?*, Washington Office on Latin America, December 2004. (Hereafter cited as Walsh, *Drug War Monitor*.)

¹¹ Juan Forero, “Cocaine Prices Rise and Quality Declines, White House Says,” *The New York Times*, November 18, 2005.

¹² John P. Walters, ONDCP, testimony before the House Government Reform Committee, “A Status Report on Plan Colombia Successes and Remaining Challenges,” June 17, 2004. “... we believe we will see a change in the availability in the United States in the next 12 months as a result of what happens here.... It takes some time between the planting and the processing and the shipping and the dealing, we believe that will probably first appear in reductions in purity, because most of the market for this product as you know is dependent individuals.”

¹³ According to a 1994 study, coca leaf constitutes 2% of the retail price of cocaine. James Painter, *Bolivia and Coca: A Study in Dependency*, Boulder: Lynne Rienner Publishers, (continued...)

The interdiction of the final product, rather than the raw ingredients, imposes greater costs on traffickers. In June 2004, the Drug Enforcement Agency (DEA) reported that domestic seizures of heroin had steadily increased from 1,152 kilograms in 1999 to 2,351 kilograms in 2003. Seizures of cocaine, both domestic and maritime, have increased from 106,623 kilograms in 2000 to 115,725 kilograms in 2003. Much of this gain is from maritime seizures in the South Atlantic and Caribbean, and southwest Pacific regions. Operation Panama Express, which targets Colombian cocaine trafficking in the Caribbean and eastern Pacific oceans, resulted in seizures of more than 15.7 metric tons since it began operations in February 2000.¹⁴ In Colombia, the Ministry of Defense reports cocaine seizures of 148 tons in 2004, a 30% increase from 2003, and heroin seizures of 721 kilograms in 2004, a 43.9% increase from 2003.

The State Department's *International Narcotics Strategy Report 2005* (INCSR) credited the Air Bridge Denial (ABD) program (a joint U.S.-Colombian aerial interdiction program) with the destruction of 13 aircraft, the capture of three aircraft in Colombia and eight in Central America, and the seizure of about 3 metric tons of cocaine in 2004. This is in addition to the destruction of several aircraft and the seizure of more than five metric tons of cocaine during 2003. The U.S.-funded Special Reconnaissance and Assault Unit of the Colombian Navy seized 12 metric tons of cocaine, 12 kilograms of heroin, 17 "go-fast" boats, 34 outboard motor boats, 2 commercial fishing vessels, and 75 traffickers. The Colombian Police Anti-Narcotics Directorate (DIRAN) is credited with destroying 83 laboratories, and seizing 48 metric tons of cocaine and cocaine base, 1,539 metric tons of solid precursors and 755,588 gallons of liquid precursors. (Solid and liquid precursors, such as kerosene, are used to process coca leaf into cocaine base.)¹⁵

Cultivation of Drug Crops¹⁶

Both the State Department and United Nations report decreases in acreage devoted to growing drug crops since 2001, although the Office of National Drug Control Policy (ONDCP) recently reported no significant reduction of coca cultivation during 2004.¹⁷ A key component of Plan Colombia is the manual and

¹³ (...continued)

1994. See also Kathryn Ledebur, "Bolivia: Clear Consequences" in *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, edited by Coletta A. Youngers and Eileen Rosin, Lynne Rienner Publishers, 2005; and Walsh, *Drug War Monitor*.

¹⁴ U.S. Drug Enforcement Agency, Drug Intelligence Briefing, *Federal-Wide Drug Seizures 1999-2003*, June 2004.

¹⁵ U.S. Department of State, *International Narcotics Control Strategy Report 2004* (covering 2003, released in March 2004), and *International Narcotics Control Strategy Report 2005* (covering 2004, released in March 2005).

¹⁶ For more information on eradication programs, see CRS Report RL33163, *Drug Crop Eradication and Alternative Development in the Andes*, by Connie Veillette and Carolina Navarrete-Frias.

¹⁷ ONDCP, *2004 Coca and Opium Poppy Estimates for Colombia and the Andes*, March 25, (continued...)

aerial eradication of coca and poppy crops. (See the tables below for eradication and cultivation statistics.) The United Nations Office on Drugs and Crime (UNODC) estimates that at the end of 2003, Colombia had 212,506 acres of coca under cultivation, having reduced its production by 47% since 2000. Opium poppy under cultivation covered about 10,000 acres, from 16,000 acres in 2000.¹⁸ In 2004, ONDCP reports that 337,000 acres of coca and 27,000 acres of opium poppy were sprayed. However, its recently completed survey concluded that the area under cultivation for coca remained stable in 2004, due to replantings of previously eradicated crops. Although the 282,000 acres of existing coca crops remained stable, ONDCP argues that cocaine production fell from 460 to 430 metric tons in the previous year because newly-planted crops are less productive. Opium poppy cultivation decreased by 52% between 2003 and 2004. The UNODC recently reported that cultivation in 2004 had decreased by 7%.¹⁹

In order to induce growers to give up illicit crops, ACI funding supports alternative development programs administered by the U.S. Agency for International Development. The State Department reports that 12,845 families benefitted from this type of assistance in 2004, and a total of 44,015 families have benefitted since 2001. The program supported the development of 40,791 acres of licit crops in 2004, and 136,000 acres since 2001. In 2004, USAID completed 244 infrastructure projects, bringing the total to 874 since 2001.

Table 1. Eradication of Drug Crops, 1999-2004

(in hectares and acres)

	1999	2000	2001	2002	2003	2004
Coca crops eradicated (ha)	43,246	47,371	84,251	122,695	132,817	136,555
(Acres)	106,861	117,054	208,184	303,179	328,191	337,427
Poppy crops eradicated (ha)	NA	9,254	2,583	3,371	3,830	3,060
(Acres)	NA	22,867	6,383	8,330	9,464	7,561

Source: U.S. Department of State, *International Narcotics Control Strategy Reports*, covering 2003 and 2004.

The eradication program, including the aerial fumigation of crops, has been controversial. Criticism has centered on the possible environmental and health

¹⁷ (...continued)
2005.

¹⁸ United Nations Office of Drugs and Crime, *2004 World Drug Report*, June 2004. While the State Department reports that 323,400 acres were sprayed in 2004, the United Nations reports that there were 212,506 acres of coca under cultivation by the end of 2003. The difference could be due to different survey methodology used, or to replantings. Spraying does not prevent, although it may discourage, replantings of illicit crops.

¹⁹ U.N. Office on Drugs and Crime, *Coca Cultivation in the Andean Region: A Survey of Bolivia, Colombia, and Peru*, June 2005. The report also noted increases of 17% in Bolivia and 14% in Peru.

effects of the fumigant used, and on the pace of development programs to provide farmers with alternatives to drug crop cultivation. Some critics argue that the ratio of security assistance to alternative development programs is skewed too heavily in favor of the former. They contend that more resources need to be devoted to development as the only sustainable method to reduce drug crop cultivation in the long run.²⁰ They believe the focus on counternarcotics at the level of coca cultivation causes serious problems for growers who rely on illicit crops for their livelihoods. They contend that spray drift has destroyed licit crops and that growers seeking compensation, as provided by law, are regularly denied benefits.²¹ Some observers also contend that eradication of crops in one area results in their displacement to other areas, and they cite coca production increases in Bolivia of 17% in 2003. In the same period, cultivation in Peru dropped 15%. In 2004, cultivation increased slightly in Bolivia and fell slightly in Peru, according to ONDCP. This information counters the prediction of an official with Peru's anti-narcotics agency that acreage devoted to growing coca probably increased in 2004 and that further increases could be expected in 2005.²²

Some observers believe that reporting the acreage of crops sprayed does not reflect actual cultivation, and that the technology used does not produce accurate assessments. Fumigation causes defoliation, but does not always kill the plant. Further, spraying does not prevent, although it may discourage, the replantings of illicit crops. Surveys of the area under cultivation conducted by the United States often differ from those of the United Nations. (See tables below.) According to U.S. government sources, the acreage under coca cultivation has dropped by 7% since 1999, while the United Nations shows a 50% decrease. There are also indications that growers are resorting to smaller plots, and are interspersing them with legitimate crops, making the aerial imaging of plantings difficult. The UNODC reported that the size of single plots had decreased, with the majority on plots of 7.4 acres or less.²³

²⁰ Lisa Haugaard, Adam Isacson, Kimberly Stanton, John Walsh and Jeff Vogt, "Blueprint for a New Colombia Policy," March 2005, and Coletta A. Youngers and Eileen Rosin, "The U.S. 'War on Drugs': Its Impact in Latin America and the Caribbean," in *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, Lynne Rienner Publishers, 2004.

²¹ Maria Clemencia Ramirez Lemus, Kimberly Stanton and John Walsh, "Colombia: A Vicious Circle of Drugs and War," in *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, Lynne Rienner Publishers, 2004.

²² Robin Emmott, "Colombia Cocaine Purge Drives Up Peru Drug Output," *Reuters*, January 8, 2005. Fernando Hurtado, deputy head of DEVIDA, the government anti-narcotics agency, was quoted: "Coca eradication in Colombia has been successful, but less coca means prices rise and drug traffickers are coming to Peru to plant."

²³ Ibid. UNODC. See also, "War And Drugs in Colombia," International Crisis Group, January 27, 2005, and "Going to Extremes: The U.S. Funded Aerial Eradication Program in Colombia," Latin American Working Group, March 2003.

Table 2. Land Under Coca and Poppy Cultivation in Colombia, 1999-2004 — U.S. State Department and ONDCP Sources
(in hectares and acres)

	1999	2000	2001	2002	2003	2004
Coca Cultivation (ha) (Acres)	122,500 302,698	136,200 336,550	169,800 419,576	144,450 356,936	113,850 281,323	114,000 281,694
Poppy Cultivation (ha) (Acres)	7,500 18,533	7,500 18,533	6,500 16,062	NA NA	4,400 10,872	2,100 5,189

Sources: U.S. Department of State, *International Narcotics Control Strategy Reports* covering years 20001, 2002, and 2003, and 2004; figures for 2004 are from the Office of National Drug Control Policy, "2004 Coca and Opium Poppy Estimates for Colombia and the Andes," March 2005.

Table 3. Land Under Coca and Poppy Cultivation in Colombia, 1999-2004 — UNODC Surveys
(in hectares and acres)

	1999	2000	2001	2002	2003	2004
Coca Cultivation (ha) (Acres)	160,000 395,360	163,000 402,773	145,000 358,295	102,000 252,042	86,000 212,506	80,000 197,680
Poppy Cultivation (ha) (Acres)	6,500 16,062	6,500 16,062	4,300 10,625	4,100 10,131	4,030 9,958	3,950 9,760

Source: United Nations Office on Drugs and Crime, *Coca Cultivation in the Andean Region: A Survey of Bolivia, Colombia and Peru*, June 2005, and *World Drug Report, 2004*.

Violence and Crime

Most observers agree that public safety conditions in Colombia have improved. Police have been redeployed to areas from which they had been previously ousted by armed groups, and now have a presence in every municipality. A greater security presence has significantly given Colombians more confidence to travel by road. According to the State Department, the Colombian National Police has trained and deployed 9,176 officers to rural areas, 8,166 to protect major roadways, and 397 to defend 12 of the country's 16 petroleum pipelines. Although the rate of kidnappings has decreased significantly, Colombia still has the highest kidnapping rate in the world. Various studies conclude that the cost of the armed conflict to the Colombian economy is between 3% and 7% of GDP.²⁴

²⁴ Mauricio Cárdenas, Ximena Cadena, and Carlos Caballero, "Análisis del Incremento en el Gasto en Defensa y Seguridad: Resultados y Sostenibilidad de la Estrategia," Fundación Seguridad y Democracia, February 2005. (Hereafter cited as Cardenas, et al., 2005.)

Table 4. Measures of Violence

	2004
Homicides	-15%
Massacre Events	-52%
Massacre Victims	-48%
Kidnappings (total)	-34%
Kidnappings for Extortion	-49%
Illegal Road Blocks (Jan.-Oct.)	-62%

Source: Ministry of Defense, Government of Colombia.

Armed Conflict

A major goal of the Colombian government is to end the armed conflict that has plagued the country for more than 40 years. Several illegally armed groups of both the right and left operate in the country and derive profit from participating in the drug trade. The two main leftist guerrilla groups are the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN). Most of the rightist paramilitary groups are coordinated by the United Self-Defense Forces of Colombia (AUC). The AUC, with estimated membership ranging from 12,000 to 19,000, has agreed to demobilize, resulting in their planned disbandment by the end of 2005. Legislation that would provide for conditional sentencing for their human rights abuses and other crimes, as well as their reintegration into society, was approved by the Colombian legislature, and the demobilization process has been proceeding. The new Peace and Justice Law has been controversial in both Colombia and the United States. Critics believe it is too lenient and could interfere with the U.S.-Colombia extradition treaty. Supporters believe it is the only possible way to end paramilitary activities. It is estimated that about half of AUC members have demobilized, leaving 10,000 yet to lay down their arms.²⁵

Negotiations with the FARC have not taken place under the Uribe Administration, since the FARC has refused Uribe's demands that they first agree to a cease-fire and demobilization. The FARC controls vast territory in the country, mainly in the southern and eastern regions. There is conflicting evidence of FARC resources, most likely due to the difficulty in determining the extent of their business activities. The United Nations estimates that the FARC's average annual income is \$342 million of which \$204 million comes from the drug trade. However, the

²⁵ "Paramilitary Demobilisation Rescheduled," *Latinnews Daily*, November 22, 2005, and Human Rights Watch, "Colombia Demobilization Scheme Ensures Injustice," January 18, 2005.

Colombian Finance Ministry reports FARC revenue in 2003 at \$77.16 million, of which drug trafficking accounted for \$11.54 million.²⁶

In mid-2003, the Colombian military's *Plan Patriota*, a campaign to recapture FARC-held territory, began operations to secure the capital and environs of Bogotá from FARC attack. This phase was largely seen as successful, based on the decrease in kidnappings and roadblocks in the region. In 2004, military operations, conducted by up to 17,000 troops, turned to regaining FARC territory in the southern and eastern regions of the country. Anecdotal evidence indicates that the Colombian military has forced the FARC to change tactics by atomizing into smaller cells to avoid detection and reducing the number of large-scale attacks on military facilities.²⁷ However, renewed FARC attacks on military facilities and other military engagements in 2005 indicate an offensive capability.

The Colombian military claims that *Plan Patriota* has reduced FARC ranks from 18,000 to 12,000 in the past year.²⁸ Information provided by the Office of the Colombian President reports that the campaign was able to take back control of 11 FARC-run villages, destroy more than 400 FARC camps, capture 1,534 explosive devices and 323 gas-cylinder bombs, kill 2,518 combatants, and capture large amounts of ammunition and weapons. With regard to FARC drug trafficking activities, as of September 2004, it was reported that the Colombian military located and destroyed more than 47 tons of solid chemical supplies, 18,000 gallons of liquid precursors, half a ton of cocaine base, and \$34,000 in cash.

The smaller ELN, which some observers believe is less involved in the drug trade, has been more amenable to talks with the government. Both the ELN and the Colombian government accepted a 2004 Mexican offer to facilitate peace negotiations, although a cease-fire is not in effect. However, in April 2005, the ELN rejected Mexican facilitation after Mexico voted to condemn Cuba at the U.N. Human Rights Commission. The ELN agreed in November 2005 to begin discussions with the government, and meetings occurred in Cuba in December, with plans for more talks in January.

With regard to *Plan Patriota*, critics argue that because the territory is so rugged and inaccessible, complete defeat of the FARC may be impossible. They further point to the campaign's negative effects on the civilian population by measuring the number of internally displaced persons (IDP). There are conflicting reports on IDP levels. The Colombian government reports that displaced persons dropped 37% from 2003, while a Colombian human rights groups reported that levels increased 39%

²⁶ United Nations Development Program, *National Human Development Report 2003: Solutions to Escape the Conflict's Impasse*, October 8, 2004, and "Las Cuentas de las Farc," *Semana.com*, January 30, 2005.

²⁷ "FARC Losing Battle to Colombian Government, Analyst Says," *BBC*, October 13, 2004.

²⁸ Juan Pablo Toro, "Colombian General Says Rebels on the Run," *Associated Press*, February 3, 2005, Steven Dudley, "Rebels Kill 15 in Raid on Navy Base," *The Miami Herald*, February 2, 2005, Juan Forero, "Image Offensive: Rebels Undercut Colombian President," *New York Times*, February 12, 2005, "Rebels Kill 17 Colombian Troops With Mines, Guns," *Reuters*, April 7, 2005.

from 208,000 in 2003 to 289,000 in 2004, many of whom have not registered with the Colombian government as displaced.²⁹ The Department of Defense reports that Southern Command (Southcom) is supporting the development of a civil affairs capability of the Colombian military to mitigate the negative impact of military operations, and to integrate humanitarian assistance into military planning.

Some critics of U.S. policy believe that assistance to the Colombian military serves to increase its autonomy from civilian authority, and provides a rationale for the military to be concerned with internal enemies, in the form of drug traffickers, rather than external threats, the standard function of militaries. This is of particular concern in Latin America where militaries have often intervened in civilian politics. Critics contend that the United States should not be expanding the role of foreign militaries to perform functions that would not be in line with its own laws or those of other democracies. (The U.S. Posse Comitatus Act of 1878 established the principle prohibiting the use of the armed forces in law enforcement activities.) According to this argument, U.S. assistance counters other U.S. objectives, such as to promote democracy by ensuring civilian control of the military. Instead, it blurs the distinction between police and military functions.³⁰

Economic Development

Confidence in the economy has increased with the improved security situation, although some observers believe the country's economic rebound may be stalling.³¹ The World Bank characterizes Colombia as a middle income country, with per capita GDP of \$7,040 in 2003, according to the U.N. Development Program. GDP growth was 3.5% in 2004 with an inflation rate of 5.5%. It is estimated that the drug trade contributes between 2.0% and 2.5% to Colombia's annual GDP.³² Colombia had the best performing stock market in the world in 2004. Colombian exports help the economic situation, especially the benefits it receives under the Andean Trade Promotion and Drug Eradication Act. Colombia, with Peru and Ecuador, is currently negotiating a free trade agreement with the United States.

Colombia has been an important petroleum exporter, but the armed conflict has led to production decreases. Oil exports are its largest single source of foreign revenue, accounting for 28% of export revenues and 10% of government revenues in 2003. Production declined to 560,206 barrels per day (bbl/d) in 2003 from a high of 830,000 bbl/d in 1999. It exported 195,000 barrels per day to the United States

²⁹ Cesar Garcia, "Colombian Rights Group: Offensive Against Rebels Forcing Thousands of Peasants to Flee Their Homes," *Associated Press*, February 1, 2005.

³⁰ George Withers, "Who's in Charge? Foreign Assistance Responsibilities Shift from State to Defense," Washington Office on Latin America, November 2005; Adam Isacson, Lisa Haugaard, and Joy Olson, "Creeping Militarization in the Americas," in *NACLA Report on the Americas*, November-December 2004; and Adam Isacson, "The U.S. Military in the War on Drugs," in *Drugs and Democracy in Latin America*, 2004.

³¹ "Colombia: Country Risk Summary," *Economist Intelligence Unit*, February 3, 2005.

³² "Country Briefings: Colombia, Economic Structure," *Economist Intelligence Unit*, December 29, 2003.

in 2003, a decrease of 25% from 2002. This follows a 13.5% decline the previous year.³³ Both the FARC and ELN have targeted energy production and transportation infrastructure. A major target has been the 490-mile Caño Limón Coveñas oil pipeline. In 2001, it was bombed 170 times resulting in shutdowns for seven months at a cost of approximately \$500 million in revenues and royalties to Colombia. Since then, there has been a marked decrease in attacks. Aggressive exploration of new reserves has been hindered by the fighting and the lack of effective government control of all parts of the country. Colombian officials have warned that the country could soon become a net importer of oil if no new significant fields are found.

Table 5. Attacks on Oil Pipelines, 2001-2004

	2001	2002	2003	2004
Caño Limón Coveñas	170	41	34	17
All Pipelines	263	74	179	103

Source: Ministry of Defense, Government of Colombia.

Promotion of Democracy, Rule of Law, and Human Rights

The promotion of democracy and rule of law, and respect for human rights are shared components of both Colombian and U.S. objectives for Plan Colombia. The State Department's annual report on human rights for 2004 reported that some progress had been made, but that serious problems remained. In 2004, there were between 3,000 and 4,000 civilian deaths due to the armed conflict. While the civilian judiciary is considered independent of the executive branch, it is reported to be "overburdened, inefficient, and subject to intimidation and corruption by terrorist groups and common criminals."³⁴ The State Department report recognized that the security forces were under the effective control of civilian authorities, but that there were still instances in which members of the security forces committed serious violations of human rights, including cooperation with paramilitary groups. Labor union leaders continued to be targeted by illegally armed groups, hindering trade union activities, but killings of trade union leaders declined 25% during 2004.

The U.S. Agency for International Development supports programs to modernize the criminal justice system, promote human rights, strengthen local government, and increase transparency. Thirty-seven "justice houses," providing access to legal services, have been created, handling about 2.7 million cases since 2001. USAID also helped establish 35 oral trial courtrooms, and provided training for judges in oral trials, legal evidence and procedures. The establishment of oral courtrooms is part of a larger effort to transition Colombia's judicial system from a Napoleonic to an accusatorial system, that it is believed will also improve its

³³ U.S. Energy Information Administration, U.S. Department of Energy, "Colombia: Country Analysis Brief," July 2004.

³⁴ U.S. Department of State, *Country Reports on Human Rights Practices, 2004*.

efficiency. Transparency International, a non-governmental organization that monitors corruption, reported that Colombia's ranking in its annual survey had improved by 17% between 2000 and 2003.

Non-governmental organizations monitoring human rights have consistently criticized the State Department for certifying that the Colombian government is making progress with regard to human rights. U.S. law requires that the Secretary of State annually certify that the Colombian military is suspending any personnel credibly alleged to have committed human rights violations or to have aided paramilitaries; that the government is cooperating with human rights investigations and is prosecuting those involved in violations; and that steps are being taken to sever links between the military and paramilitaries and dismantle paramilitary leadership and financial networks. Critics point to the State Department's own annual human rights report indicating that there is still collusion between paramilitaries and members of Colombia's security forces and that little progress has been made on a number of pending investigations. Human rights organizations have also expressed alarm at the passage of anti-terrorism legislation that grants Colombia's security forces increased powers to detain suspects for up to 36 hours, to search homes, and to tap phones, without a legal warrant. In September 2004, the country's constitutional court ruled the legislation unconstitutional.

Regional Stability

A justification for U.S. policy in the region is that drug trafficking, with its money laundering and corruptive influences, and armed insurgencies in Colombia have a destabilizing effect on the region. With porous borders amid rugged territory, and an inconsistent state presence in some areas, border regions are seen as particularly problematic. Colombia shares lengthy borders with Venezuela, Peru and Brazil, and much shorter borders with Ecuador and Panama. The State Department's *2004 Patterns of Global Terrorism* report states that Venezuela "continued to be unwilling or unable to assert control over its 1,400-mile border with Colombia," with the FARC and ELN using Venezuelan territory as safehavens, and to transship arms and drugs, secure logistical supplies, and commit kidnappings and extortion. The situation has at various times heightened tension between Colombia and Venezuela, the most recent tensions due to the kidnapping of a FARC official in Venezuela, who then turned up in Colombian custody. Tensions with Ecuador have also increased, with accusations of incursions by Colombian troops chasing FARC units across the border. Ecuador also is affected by a flow of displaced Colombians fleeing the fighting in the south of Colombia, according to an organization that monitors human rights in Colombia.³⁵

Prospects for U.S. Disengagement

Plan Colombia was presented to Congress as a six-year plan, and several committees have held hearings since in 2003 to assess its progress. Despite some expectations that U.S. support for Plan Colombia would end, or begin to decrease in

³⁵ Ibid., Garcia, February 1, 2005, and "Ecuador: Tension Over Colombian Incursion," *Latinnews Daily*, November 14, 2005.

FY2006, U.S. and Colombian officials have argued that significant progress has been made, but that more needs to be done.³⁶ Colombia has developed a follow-up plan, yet to be publicly released, that would entail continued international support.

There has been measurable progress in Colombia's internal security, as measured by decreases in violence, and in the eradication of drug crops. Recent price increases for heroin and cocaine in the United States may indicate that supply is being affected. Military operations against illegally armed groups have intensified, but the main leftist guerrilla group has neither been defeated, nor brought closer to wanting to enter peace negotiations. The demobilization of rightist paramilitary fighters is proceeding, but the new Peace and Justice Law has been criticized for being too lenient on AUC members who have committed gross violations of human rights and drug trafficking crimes.

While the demobilization process holds the promise of removing up to 19,000 fighters from the conflict, Congress has expressed concerns that the process ensures that illegally armed groups are dismantled, deters members from resuming illegal activities, and holds accountable those who have violated human rights and committed other crimes. The FY2005 Consolidated Appropriations Act (P.L. 108-447) recommended that the State Department not request funding for demobilization until the Department of Justice determines that the process is consistent with U.S. anti-terrorism laws, that the demobilizing groups are respecting a cease-fire and cessation of illegal activities, and that the legal framework eventually adopted not prevent the extradition of suspected criminals to the United States.

The FY2006 Foreign Operations Appropriations Act (P.L. 109-102) provided \$20 million for the demobilization process but conditioned it on a certification from the Secretary of State. The certification must demonstrate that assistance will only be provided for individuals who have terminated their association with foreign terrorist organizations (FTOs) and who are meeting the requirements of Colombia's demobilization law. It must also include assurances that the Colombian government is cooperating with the United States on extraditions and is implementing a workable framework for dismantling FTOs. U.S. funds can only be used for verification, reintegration, vetting, recovery of assets for reparations of victims, and investigations and prosecutions.

Some Members of Congress have urged the "Colombianization" of the program, under which Colombian security forces would assume the operational capabilities to take over functions now provided by the United States. General James T. Hill testified to Congress in 2004, when he was the head of the U.S. Southern Command, that the capabilities of the Colombian military had measurably improved, as evidenced by *Plan Patriota*.³⁷ On the other hand, the Government Accountability Office reported in 2003 that Colombia was not capable of assuming more

³⁶ Pablo Bachelet, "Bush Wants Spending on Colombia Drug War Altered Little," *The Miami Herald*, February 8, 2005.

³⁷ Testimony of General James T. Hill, Commander, U.S. Southern Command, U.S. House Government Reform Committee, June 17, 2004.

responsibilities in the near future, despite U.S. training programs.³⁸ The Colombian government is now spending more on its security forces than ever (4.5% of GDP), but some observers doubt the sustainability of the effort without fiscal reforms.³⁹ The House-passed FY2006 Foreign Operations Appropriations Act (H.R. 3057/H.Rept. 109-152) included report language that expressed concern with the Colombian government's ability to assume more operational and maintenance functions of Plan Colombia.

Some Members believe the international community should be providing more support for Plan Colombia. The Western Hemisphere Subcommittee of the House International Relations Committee held hearings on the topic on November 18, 2004. Rates of cocaine abuse have increased in Europe, yet critics argue that Europe has not provided sufficient levels of assistance. The Colombian Agency for International Cooperation reported that the European Union and its member states spent about \$120 million in Colombia in 2003.⁴⁰ At a February 3-4, 2005 international donors conference held in Cartagena, Colombia, attended by the United States, Europe, Japan, Canada, Argentina, Brazil, Chile and Mexico, the Colombian government presented its demobilization plan and the need for international support. It is estimated that the AUC demobilization will cost about \$160 million.⁴¹ Donors expressed support for the demobilization process, but insisted that Colombia adopt a legal framework that ensures demobilized fighters are prosecuted for crimes, citing the need for "truth, justice, and reparations," before aid would be committed.⁴²

³⁸ U.S. Government Accountability Office, *Drug Control. Specific Performance Measures and Long-Term Costs for U.S. Programs Have Not Been Developed*, June 16, 2003, GAO-03-783.

³⁹ Cárdenas, et al., 2005.

⁴⁰ Testimony of Robert R. Charles, Assistant Secretary, Bureau of International Narcotics and Law Enforcement, U.S. Department of State, Western Hemisphere Subcommittee of the House International Relations Committee hearing on Aid to Colombia: The European Role in the Fight Against Narco-Terrorism, November 18, 2004.

⁴¹ Gary Marx, "Colombia Demobilization Plan Faulted," *Chicago Tribune*, January 19, 2005.

⁴² Hugh Bronstein, "Colombia Is Told New Laws First, Then Aid," *Reuters*, February 3, 2005.