AFGHANISTAN: ARE THE BRITISH COUNTERNARCOTICS EFFORTS GOING WOBBLY?

HEARING

BEFORE THE

SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES OF THE

COMMITTEE ON GOVERNMENT REFORM HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS

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AFGHANISTAN: ARE THE BRITISH COUNTER-NARCOTICS EFFORTS GOING WOBBLY?

THURSDAY, APRIL 1, 2004

House of Representatives, SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN RESOURCES, COMMITTEE ON GOVERNMENT REFORM, Washington, DC.

The committee met, pursuant to notice, at 11:30 a.m. in room 2154, Rayburn House Office Building, Hon. Mark Souder (chairman of the committee) presiding.

Present: Representatives Souder, Cummings, and Clay.

Staff present: Marc Wheat, staff director and chief counsel; Nicole Garrett, clerk; Tony Haywood, minority counsel; and Jean Gosa, minority assistant clerk.
Mr. SOUDER. The subcommittee will come to order.

Good morning, and I thank you all for coming. Our subcommittee continues its oversight work on the impact of Afghan opium poppy production and what impact it has on the global supply of heroin. Last year's Afghan opium poppy production was the second highest on record. According to data and maps provided to the subcommittee by a U.S. intelligence agency, Afghan opium poppy cultivation is soaring, and the estimates of hectares under cultivation are now approaching the highest level of past production. I am concerned, because over 20,000 Americans die every year from drugs, and 7 percent to 10 percent of heroin sold in the United States is traced to the Afghan region.

The United Nations Office on Drugs and Crime [UNODC], has conducted annual opium poppy surveys in Afghanistan since 1994. The 2003 survey shows that Afghanistan again produced threequarters of the world's illicit opium last year, resulting in income to Afghan opium farmers and traffickers on the order of \$2.3 billion, a sum equivalent to half the legitimate GDP of the country. The UNODC concluded that "Out of this drug chest some provincial administrators and military commanders take a considerable share. Terrorists take a cut as well. The longer this happens, the greater the threat to security within the country and on its borders."

Today, we bring into focus a very time-sensitive concern that the British-led effort on eradication of opium poppy is stalled just as the opium harvesting season in the south of Afghanistan is upon us. Reportedly, the weather has been remarkably good for the growth of poppy, and therefore the harvest season is accelerating. The subcommittee has received disturbing reports that while our

British allies were supposed to eradicate a targeted 12,000 acres of opium poppy, they are barely off the ground in Helmand and have done almost nothing in Nangarhar. According to our sources, there is dithering on agreement on how to measure what is actually being eradicated, which hampers accountability among the govern-

ments pledging counternarcotics resources.

Let me be clear: if it is true that there is some degree of foot dragging by the British in this complex matter, the U.S. Department of Defense comes off far worse. Let me quote from our House Government Reform Committee's Views and Estimates on the Fiscal 2005 Budget of the United States, which was unanimously approved by the committee on February 26, 2004: Our British allies have identified many Afghan opium processing plants necessary to the heroin trade. Yet despite the financing of terrorists and other destabilizing elements from the drug trade, the Department of Defense does not view these as military targets. The committee urges in the strongest terms for the Department to reconsider, and will monitor this issue incident to its oversight activities on behalf of the public safety. Therefore, if the Department is unwilling or otherwise task saturated and unable to fulfill its authorizations, the committee would support the President's requested reduction with the provison that the funds be redistributed to other agencies capable of filling the void.

Let me continue by saying this. I am tough on everyone working the difficult mission of counternarcotics in Afghanistan because the stakes are so high. I met with both the former King and President Karzai in Kabul just recently. I had previously met with the former King when he was in exile in Rome. Both told me and other Members of Congress who were there that elimination of the drug trade is vital to the future of Afghanistan. They also pointed out that it didn't used to be in Afghanistan years ago, that it was a very pro-

ductive agricultural country prior to heroin.

And when Mr. Cummings and I met with him in Rome, he made that very clear. He said, I don't want my country to go back and be an opium country. I want us to work with alternative development, to come up with other things. It would be a devastation for

Afghanistan to go this direction.

They agreed again on this last trip with the U.N. Assessment Office of Drugs and Crime, that there will be a palpable risk that Afghanistan will again turn into a failed state, this time in the hands of drug cartels and narcoterrorists. We owe it to the people of Afghanistan and the people of the United States and of Europe and around the world to make sure that this does not in fact happen.

[The prepared statement of Hon. Mark E. Souder follows:]

Opening Statement Chairman Mark Souder

"Afghanistan: Are the British Counternarcotics Efforts Going Wobbly?"

Subcommittee on Criminal Justice, Drug Policy, and Human Resources Committee on Government Reform

April 1, 2004

Good morning, and thank you all for coming. Our Subcommittee continues its oversight work on the impact of Afghan opium poppy production has on the global supply of heroin.

Last year's Afghan opium production was the second highest on record. According to data and maps provided to the Subcommittee by a U.S. intelligence agency, Afghan opium poppy cultivation is soaring, and that the estimates of hectares under cultivation are now approaching the highest level of past production. I am concerned because over 20,000 Americans die every year from drugs, and 7-10% of heroin sold in the U.S. is traced to the Afghan region.

The United Nations Office on Drugs and Crime (UNODC) has conducted annual opium poppy surveys in Afghanistan since 1994. The 2003 Survey shows that Afghanistan again produced three-quarters of the world's illicit opium last year, resulting in income to Afghan opium farmers and traffickers on the order of \$2.3 billion, a sum equivalent to half the legitimate GDP of the country. The UNODC concluded that "out of this drug chest, some provincial administrators and military commanders take a considerable share... Terrorists take a cut as well... the longer this happens, the greater the threat to security within the country and on its borders."

Today we bring into focus a very time-sensitive concern that the British-led effort on eradication of opium poppy is stalled just as the opium harvesting season in the south of Afghanistan is upon us. Reportedly, the weather has been remarkably good for the growth of poppy, and therefore the harvest season is accelerating. The Subcommittee has received disturbing reports that while our British allies were supposed to eradicate a targeted 12,000 acres of opium poppy, they are barely off the ground in Helmand, and have done almost nothing in Nangarhar. According to our sources, there is dithering on agreement on how to measure what is actually being eradicated, which hampers accountability among the governments pledging counternarcotics resources.

Let me be clear – if it is true that there is some degree of footdragging by the British in this complex matter, the U.S. Department of Defense comes off far worse. Let me quote from the House Government Reform Committee's "Views and Estimates on the Fiscal Year 2005 Budget of the United States," which was unanimously approved by a vote of the Committee on February 26, 2004:

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Let me conclude by saying this: I am tough on everyone working the difficult mission of counternarcotics in Afghanistan because the stakes are so high. I met with both the former King and President Karzai in Kabul. Both told me and the other members of Congress who were there that elimination of the drug trade is vital to the future of Afghanistan. They agreed with the assessment of the UN Office on Drugs and Crime that "There is a palpable risk that Afghanistan will again turn into a failed state, this time in the hands of drug cartels and narco-

terrorists..." We owe it to the people of Afghanistan, and the people of the United States, to make sure that does not happen.

Mr. SOUDER. I now yield to the distinguished ranking member.

Mr. Cummings. Thank you, Mr. Chairman.

Mr. Chairman, just over a month ago, this subcommittee heard testimony concerning the rapid rise in production in Afghan opium and the state of international efforts to combat opium production in Afghanistan. The testimony received from DEA Administration Karen Tandy and Assistant Secretary of State Robert Charles, who appears again before us today, underscored the importance of coalition counter-drug efforts to the success of the broader reconstruction effort in Afghanistan.

The testimony also revealed what an enormous challenge Afghanistan faces in terms of establishing a governmental presence and respect for the rule of law and how high the stakes are for curtailing the drug trade. As the Director of the U.N. Office on Drugs and Crime put it recently, Afghanistan is at a critical juncture. It could go either way. It could embrace democracy and the rule of law and prosper under it, or it could devolve into a lawless narcostate in which terrorist and extremist elements once again

thrive.

Clearly, Mr. Chairman, we cannot afford to allow the latter to take place. Given that opium harvesting season is imminent and Presidential elections in Afghanistan are on the near horizon, the next several weeks and months will be critical to Afghanistan's future. The links between the drug trade and factions seeking to destabilize the interim Karzai government and/or perpetrate international terrorism appear to be well established. Breaking those linkages is critical to the effort to provide for security and stability in Afghanistan and to eliminate what appears to be a key source of funding for terrorists and other groups hostile to democracy in and beyond Southwest Asia.

Eradication of opium poppy is regarded by experts as a key component of coalition counterdrug efforts in Afghanistan. Thus, it is troubling to hear that on the verge of the harvesting season, the United Kingdom may not be equipped, literally speaking, to handle its share of the load in this area, despite being the lead nation on

counter-drug efforts in Afghanistan.

The subcommittee has not received much in the way of background on the particular issue of the British readiness to pursue eradication aggressively. Thus, I look forward to hearing the testimony of Assistant Secretary Charles, and hope that he can shed some light on the situation on the ground in Afghanistan as it relates to the United Kingdom's commitment and capacity to eradicate opium poppy in its areas of responsibility.

With that, Mr. Chairman, I thank you and I yield back.

[The prepared statement of Hon. Elijah E. Cummings follows:]

Opening Statement of

Representative Elijah E. Cummings, D-Maryland Ranking Minority Member

Hearing on "Afghanistan: Are the British Counternarcotics Efforts Going Wobbly?"

Subcommittee on Criminal Justice, Drug Policy and Human Resources Committee on Government Reform U.S. House of Representatives 108th Congress

April 1, 2004

Mr. Chairman,

Just over a month ago, this Subcommittee heard testimony concerning the rapid rise in the production of Afghan opium and the state of international efforts to combat opium production in Afghanistan. The testimony received from DEA Administrator Karen Tandy and Assistant Secretary of State Robert Charles, who appears again before us today, underscored the importance of coalition counterdrug efforts to the success of the broader reconstruction effort in Afghanistan.

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Thank you, Mr. Chairman.

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Mr. SOUDER. Thanks. I want to add just a little bit further that several years ago, when I traveled with this subcommittee to England and we met with the different departments there in London as well as the intelligence there, they were very critical of our efforts in Afghanistan and our commitment on the heroin question and urged us to be more aggressive against our own Government

in pushing them on, which we have been doing.

At last year's InterParliamentarian conference that was held in Europe, one of the major discussions in addition to another prevention conference that Ambassador Sembler's wife, Betty Sembler, organized in Rome, UNODC directly criticized the United States for not being more aggressive on the heroin effort in Afghanistan. We need to be working together, and with our close allies, of which Britain is clearly our closest ally in the world right, and on this effort. They've been prompting us and we need to work together. I

wanted to make sure I got that into the record.

Also, the unusual title of today's hearing about, "Are the British Counternarcotics Efforts Going Wobbly," I want to make sure people understand why we chose that title. When President Bush was presenting the Medal of Freedom to Margaret Thatcher, he used the story, he said, I called her to tell her we were fully intending to interdict Iraqi shipping, we were not going to let a single vessel heading for Oman enter the port down at Yemen without being stopped. She listened to my explanation, agreed with the decision and then added these words of caution, words that guided me through the Gulf crisis, words I'll never forget as long as I'm alive, remember, George, she said, this is not time to go wobbly.

And that's very appropriate as we tackle this Afghan heroin

question. We both need to be pushing hard.

With that, I look forward to hearing more data on what's exactly happening on the ground over in Afghanistan from Assistant Secretary Charles. Thank you for coming this morning.

STATEMENT OF ROBERT B. CHARLES, ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS

Mr. CHARLES. Thank you, Mr. Chairman. And thank you, Con-

gressman Cummings.

I appreciate the opportunity to be here in front of you to testify on this topic and on the topics that orbit this topic. Your hearing today is extremely timely and could not be more important. I might note very briefly that today's Washington Post has an article on page A19, "Afghans Asked for Economic Aid to Prevent Domination by Drug Trade," a critical telling signal of our times. And I just wanted to quote one statement from what was a very poignant plea yesterday.

Mr. SOUDER. I'm sorry, I forgot a procedural matter that you're very well familiar with. I need to swear you in.

Mr. Charles. Yes, sir.

Mr. SOUDER. Please stand and raise your right hand.

[Witness sworn.]

Mr. SOUDER. Let the record show you responded in the affirmative. Also let me take care quickly of the other two procedural things, I'm sorry. I ask unanimous consent that all Members have

5 legislative days to submit written statements and questions for the hearing record, that any answers to written questions provided by the witnesses also be included in the record. Without objection, so ordered.

I also ask unanimous consent that all exhibits, documents and other materials referred to by Members and the witnesses may be included in the hearing record and that all Members be permitted to revise and extend their remarks. Without objection, so ordered. What made me think of that is that we'll submit that article for the record.

Sorry to interrupt.

Mr. CHARLES. Not at all. Thank you, Mr. Chairman.

I thought I might also just quote from President Karzai's quite poignant speech yesterday in Berlin. Many poignant lines in the speech, but perhaps the most powerful one was the quote, the fight against drugs is actually the fight for Afghanistan. And that relates of course to democracy, stability, rule of law and all the things we value, not to mention the impact here.

Two opening thoughts before I go to my formal testimony. One is that while all seems quiet, I will always tell you the straight facts as you ask me to come before you, and I will respond as fully as I can in this open session to every question you ask. You have both been leaders in this area and I feel that my obligation very much to the U.S. Congress and people is to give you everything I can give you

While it is all quiet, this is crunch time in Afghanistan. The first crop is coming very rapidly. And if we don't react collectively, all those who wish to bring democracy the kind of hope that it has there, we will pay a price later if we don't react right now.

The second thing I want to say is that what happens in Afghanistan directly affects us here. It affects us because the Afghan heroin goes directly to the world heroin market, but it also affects us because it feeds the extremists and the terrorists that have destabilized so much of the globe.

So once again I'm grateful for the chance to be here. and for your steadfast leadership. I am here chiefly to update you on the status of the impending 2004 poppy crop and the eradication efforts that we are jointly undertaking in Afghanistan. There is no more urgent or fundamental issue than the drug situation, which left unchecked will become a cancer that spreads and undermines all that we otherwise are achieving in the areas of democracy, stability, anti-terrorism and rule of law.

Opium is a source of literally billions of dollars, if you count it out, to extremists and criminal groups worldwide. As a result, it should go without saying that cutting down the opium supply is central to establishing a secure and stable democracy as well as winning the global war on terrorism. A chart I have here today shows the potential relationship of Afghan opium to some of the terrorist and extremist groups. I don't know if there's any way to put it up, but you have it in front of you at the very least. In fact, there are two charts, one is color coded, the other is a description of the four of the main extremist/terrorist groups in Afghanistan, the HIG, the Taliban, the IMU and Al-Qaeda. You'll see that one

has a full description of the linkages and the other one has the various levels of linkage as we know them.

Of course, terrorists don't carry cards. So the idea of having a card carrying terrorist of a various organization is always subject to review and rethinking. But the bottom line is that there are linkages that seem quite clear, and that's one of the reasons we're

most concerned about the Afghan heroin.

It's hard to imagine how any economic development program can be feasible if it ignores the fact that the IMF estimates how that as much as 50 percent of the GDP of Afghanistan is derived from narcotics, or the opium crop can yield up to 100 percent more profit than the alternatives. Clearly, Afghan drugs affect Afghanistan and the progress of democracy there. But Afghan drugs also affect all consuming nations and dozens of countries on the drug trafficking routes. Afghan heroin presents a sobering domestic issue for our European allies, since 90 percent of the heroin in the European streets comes from Afghanistan.

As Ronald Reagan was fond of pointing out, facts are stubborn things. Initial reports just in from the field indicate that we could be on a path for a significant surge. Some observers indicate perhaps as much as 50 to 100 percent growth in the overall 2004 crop. Those are troubling figures, because they give us an uptick from what was already the second largest production year last year.

By these measurements, unless direct, effective and measurable action is taken immediately, we may be looking at well over 120,000 hectares, certainly in the range of 90,000 hectares, of poppy cultivation this year. That would constitute a world record crop, empowering traffickers and the terrorists they feed, raising the stakes and vulnerability of the Afghan democracy, and raising

the supply of heroin in the world market.

Even more disturbing, these reports indicate that the clock is ticking faster than many anticipated, due partly to warmer than expected weather in southern Afghanistan, and I should say southern and eastern Afghanistan. You have before you a map which has been declassified, as in fact the other two charts are declassified. It shows that among the places where a great deal, in fact two of the breadbaskets, if you will, of heroin are Helmand and Nangarhar, and that in these locations and the others to the south, the weather is warmer now than was anticipated. In other words, there's been good weather and they're seeing as a result an earlier harvest.

I have recently learned that the U.N. Office of Drugs and Crime expects that the unusually warm weather in southern Afghanistan will result in an early harvest, which in some provinces has already started. As you know, the U.K. is the designated lead on counternarcotics efforts in Afghanistan. Our two nations have worked very closely together with the Afghan government and our coalition partners to achieve a consensus on how best to combat the illicit drug economy in a free Afghanistan.

Let me say unequivocally that we have no better ally on counterterrorism and counternarcotics in the world than the United Kingdom. The cooperation between our governments, our diplomatic services, our military forces, our intelligence agencies and our law enforcement agencies has never been greater and continues to yield innumerable successes in these areas. Some of these I can talk to you about in this setting, others I can't but I can talk to you about in another setting.

With respect to counternarcotics efforts in Afghanistan in particular, we continue to work hand in hand to achieve our mutual goal of destroying the illicit drug economy in Afghanistan. It's a

daunting task.

In general, the support of overall counternarcotics program in Afghanistan, the United Kingdom is providing roughly 70 million British pounds over a 3-year period. There is a typographical error I think in the text there, but it is over a 3-year period. Their focus has been on drug law enforcement, capacity building and demand reduction. one program which has received significant results is the Afghan interdiction unit, whose efforts are strongly supported by the United Kingdom. Under the supervision of the Afghan Ministry of the interior, which is also quite dedicated, this special drug interdiction force is playing a crucial role as part of the wider Afghan law enforcement effort on illegal drugs.

As the lead government on counternarcotics in Afghanistan, the United Kingdom has pledged approximately 2 million British pounds, approximately \$3.6 million, for manual eradication by provincial Governors. The United Kingdom is integrally involved in the creation of what they call the central planning cell within the Afghan Ministry of the Interior to address eradication. The British have pledged to provide eradication targeting options directly to senior levels of the Afghan government and provincial Governors. The U.K. counternarcotics officers have also worked closely with INL officers to develop a phased eradication plan for the three key provinces. I mentioned before Helmand and Nangarhar. I mentioned also the third very big one, which is Badakhshan. And I'll talk more about the phased program if asked.

Though it's too early to predict the level of success in our overall eradication effort and what we will ultimately get, we continue to work together to achieve significant results. Here I must pause. It would be inaccurate to say that we are in complete agreement on all aspects of the eradication effort or on the ways to achieve the essential, critical and mutual goal of eradicating a measurable and

significant quantity of heroin poppies.

For example, we believe that the current set of eradication targeting criteria, while designed with the best of intentions, may be overly restrictive. Criteria such as developing alternative development to be in place and a preoccupation with avoiding any possibility of resistance may restrict our ability to collectively reach these eradication goals. By current estimates, without targeting approximately 35,000 hectares for eradication, the Afghan-led, British supported phase I effort, combined with the Afghan-led U.S. supported phase II effort, will not effectively counter and deter the 2004 crop.

We believe eradication of a significant portion of this target is achievable and in fact would be sufficient to deter future planting across the country. I know that Chairman Souder and Congressman Cummings have both been involved in efforts previously in other hemispheres, this hemisphere, for example, in which similar percentages of targeting have actually generated very significant results. So I think that it's clear that if we do what we set out to

do, we can achieve the kinds of results that we all believe we need

In addition, we firmly believe that it is the role of the Britishled planning cell to provide the Afghan government with a comprehensive target list to determine, based on domestic considerations and concerns, what targets are suitable, and then aggressively support eradication in these areas. If Afghanistan's future matters, and it does, we cannot speak warmly of progress in eradication without the planning, blood, sweat and conviction that will make our words real.

Since you have obviously also seen the worrisome phase I progress to date, and thus called this hearing, we would encourage the British Government to revisit the issue also of funding available to their program in support of the Governor-led eradication. The window of opportunity for effective eradication in the two major opium producing provinces of Helmand and Nangarhar is fast closing. Substantial efforts must be made immediately if we are to begin genuinely deterring the expansion of the opium growth. Specifically, we are entering the first stage of the poppy harvest. The harvest begins in the southern provinces, and actually has already begun, in fact, and will continue in counter-clockwise pattern across the country, including in the northern provinces in September. Actually if you look at the current projections on whether it may even be August or July, possibly even as early as June.

The U.K. financed, Governor-led eradication effort commenced just in one province this past weekend, and has reportedly been unfolding somewhat slowly. There is still time for it to unfold in a way that will make a direct, significant impact in these prov-

Speaking frankly, I think it is now important that we and the U.K. redouble our efforts and provide the necessary additional resources to achieving our mutual, critical and attainable goals. The climb is steep but the pace must be swift and our resolve must be unwavering. Indeed, it has to match President Karzai's words, again, I want to note that he says, the fight against drugs is the fight for Afghanistan.

We are going to continue to work with our closest ally and together send a clear message, together, to traffickers that heroin has no place in Afghanistan. Mr. Chairman, I hope that on my next appearance I will be able to report that we are in fact accomplishing many of these common objectives. And I stand ready for ques-

tions.

I did want to add one last footnote, because I know it's of extreme importance to you and Mr. Cummings and the rest of the subcommittee. This morning, or last night, I think in many ways because of the pressure that you have provided upon all of us, including my office, we did come into possession of what appears to be the frag, or the guidance, military guidance that will govern what our military does in Afghanistan. I believe it is unclassified. I think it's all unclassified. And I would like to be sure that you get a copy of that, if you don't already have one.

I stand ready for questions.

[The prepared statement of Mr. Charles follows:]

Statement by Robert B. Charles Assistant Secretary of State for International Narcotics and Law Enforcement Affairs

House Committee on Government Reform Subcommittee on Criminal Justice, Drug Policy, and Human Resources

Thursday, April 1, 2004

"Afghanistan: Are the British Counternarcotics Efforts Going Wobbly?"

Good Morning Mr. Chairman, Members of the Committee,

Once again, I am both grateful for the chance to be here and for your steadfast leadership on this issue. I am here today to update you on the status of the impending 2004 poppy crop and eradication efforts in Afghanistan.

In Afghanistan there are no more urgent and fundamental issues than the drug situation, which if left unchecked, will become a cancer that spreads and undermines all we are otherwise achieving in the areas of democracy, stability, anti-terrorism and rule of law.

Opium is a source of literally billions of dollars to extremist and criminal groups. As a result, it should go without saying that cutting down the opium supply is central to establishing a secure and stable democracy, as well as winning the global war on terrorism. A chart I have here today shows the potential relationship of Afghan opium to some of these terrorist and extremist groups. (Chart)

It is hard to imagine how any economic development program can be feasible if it ignores the fact that the IMF estimates that as much as 50% of the GDP of Afghanistan is derived from narcotics, or that the opium crop can yield up to 100% more profit than alternatives.

Clearly, Afghan drugs affect Afghanistan, and the progress of democracy there. But Afghan drugs also affect all consuming nations and dozens of countries along the drug trafficking routes. Afghan heroin presents a

sobering domestic issue for our European allies, since 90% of the heroin on European streets comes from Afghanistan.

As Ronald Reagan was fond of pointing out, facts are stubborn things. Initial reports just in from the field indicate that we could be on a path for a significant surge—some observers indicate perhaps as much as 50% to 100% growth—in the 2004 crop over the already troubling figures from last year. By these estimates, unless direct, effective and measurable action is taken immediately, we may be looking at well over 120,000 hectares of poppy cultivation this year. That would constitute a world record crop, empowering traffickers and the terrorists they feed, raising the stakes for (and vulnerability of) Afghan democracy, and raising the supply of heroin in the world market. Even more disturbing, these reports indicate that the clock is ticking faster than many anticipated, due partly to warmer than expected weather in Southern Afghanistan. As a direct result, the time for action may be shorter than anyone anticipated. I have recently learned that the UN Office on Drugs and Crime expects that the unusually warm weather in Southern Afghanistan will result in an early harvest, which in some provinces has already started.

As you know, the UK is the G-8 designated lead on the counternarcotics effort in Afghanistan. Our two nations have worked closely with the Afghan Government and our coalition partners to achieve a consensus on how best to combat the illicit drug economy in free Afghanistan.

Let me state unequivocally that we have no better ally on counterterrorism and counternarcotics than the United Kingdom. The cooperation between our governments, our diplomatic services, our military forces, our intelligence agencies, and our law enforcement agencies has never been greater and continues to yield innumerable successes in these areas. With respect to counternarcotics efforts in Afghanistan in particular, we continue to work hand-in-hand to achieve our mutual goal of destroying the illicit drug economy in Afghanistan. As we enter the 2004 harvest season, we face a daunting task.

In general support of overall counternarcotics programming in Afghanistan, the UK is providing a total of 70 million British pounds over three years. Their focus has been drug law enforcement, capacity building and demand reduction. One program which has achieved significant results is the Afghan interdiction unit, whose efforts are strongly supported by the UK.

Under the supervision of the Afghan Ministry of Interior, this special drug interdiction force is playing a crucial role as part of the wider Afghan law enforcement effort against illegal drugs. This unit has proven to be extraordinarily effective in recent months. In January, the UK-trained force conducted a highly successful raid on a drug laboratory in Badakhshan. The drug lab and associated equipment were destroyed, 1.5 to 2 tons of opium and heroine were seized, and 11 arrests were made. Last month in Nangarhar, the interdiction force hit five heroine-producing laboratories, destroyed 400-500 kg of heroin and 150 kg of opium, seized a large quantity of weapons and arrested several suspected traffickers. And this is only the beginning. We expect significant success with this unit in the near future as the unit continues to hone its skills and gain further experience.

As the lead government on counternarcotics in Afghanistan, the UK has pledged approximately 2 million British pounds (approximately \$3.6 million) for manual eradication by provincial governors. The UK was integrally involved in the creation of a Central Planning Cell within the Afghan Ministry of Interior to address eradication. The British have pledged to which provide eradication targeting options directly to senior levels of the Afghan Government and the provincial governors. UK counternarcotics officers have also worked closely with INL officers to develop a phased eradication plan for three key provinces. While it is too early to predict the level of success that our overall eradication effort will experience, we continue to work together to achieve significant results. Here I must pause. It would be inaccurate, however, to say that we are in complete agreement on all aspects of our eradication efforts and on ways to achieve the essential, critical and mutual goal of eradicating a measurable and significant quantity of heroin poppies.

For example, we believe that the current set of eradication targeting criteria, while designed with the best of intentions, may be overly restrictive. Criteria such as requiring alternative development to be in place and a preoccupation with avoiding any possibility of resistance may restrict our ability to collectively reach key eradication goals. By current estimates, without targeting approximately 35,000 hectares for eradication, the Afghanled, British-supported phase one effort-combined with the Afghanled US-supported phase two effort will not effectively counter and deter growth of the 2004 crop. We believe eradication of a significant portion of this target is achievable, and in fact would be sufficient to deter future planting across the country.

In addition, we firmly believe that it is the role of the British-led Planning Cell to provide the Afghan Government with a <u>comprehensive</u> target list, to determine based on domestic considerations and concerns what targets are suitable, and then aggressively support eradication in these areas. If Afghanistan's future matters, and it does, we can not speak warmly of progress in eradication without the planning, blood, sweat, and conviction that will make our words real.

Since you have obviously also seen the worrisome phase one progress to date, and thus called this hearing to discuss it more fully, we would encourage the British Government to revisit the issue of funding available to their program in support of governor-led eradication. The window of opportunity for effective eradication in the two major opium producing provinces of Helmand and Nanarghar is fast closing. Substantial effort must be made immediately if we are to begin genuinely deterring the expansion of opium growth.

Specifically, we are entering the first stage of the poppy harvest in Afghanistan. The harvest begins in Afghanistan's southern provinces this month and will continue in a counterclockwise pattern across the country concluding in the northern provinces in September.

The UK-financed, governor-led eradication effort commenced in just one province this past weekend, and has reportedly been unfolding slowly.

Speaking frankly, I think it is now important that <u>we</u> and the <u>UK</u> redouble our efforts, and provide the necessary additional resources to achieve our mutual, critical and attainable goals. The climb is steep but the pace must be swift and our resolve must be unwavering. In fact, our resolve must match the words of President Karzai, "The fight against drugs is the fight for Afghanistan." We are going to continue to work with our closest ally, and together send a clear message to traffickers that heroin has no place in Afghanistan. Mr. Chairman, I hope that on my next appearance, I will be able to report that we are accomplishing our common objectives.

In closing, I want to commend President Hamid Karzai, Minister of Interior Ali Jalali, National Security Advisor Dr. Rassoul, Counter Narcotics Directorate Director Mirwais Yasini, and other prominent Afghan leaders whose commitment to the fight against drugs and for a free, stable,

democratic Afghanistan has been both noble and unwavering. As President Karzai said yesterday at the International Conference on Afghanistan in Berlin, "the fight against drugs is the fight for Afghanistan." Their unwavering commitment and strong view that this is central to all we hope to achieve in Afghanistan, is an inspiration to us all in our united stand against narcotics and terror.

Mr. SOUDER. We will also insert any unclassified portions into the record.

Let me start with just clarifying again just exactly what we're talking about today. You're saying that the poppy is coming to harvest, meaning it's ready to be cut by the people who are going to send it to the processor to ship to market. Now, it's already being processed and it's earlier than we expected.

Mr. Charles. Yes, sir. In the southern portions of the country,

southeastern.

Mr. SOUDER. That is expected to continue to be early, as it moves to the north as well?

Mr. Charles. Correct.

Mr. Souder. And when you said the U.K. financed—well, let me ask you this question first. It's my understanding that the British have the overall lead in counternarcotics efforts in Afghanistan. They have particular responsibility for helping the Afghans in the Pashtun speaking areas, which would be the south, predominantly, the east, while the United States is supporting a major eradication effort in the Tajiki speaking north, where the harvest season begins probably around May.

If there is minimal effort in the next few weeks at eradicating in the Pashtun speaking areas but a major effort then undertaken in the Tajiki speaking areas, wouldn't it be natural for the people of the north to think that there has been discrimination against their section where the Pashtuns are and the Pashtuns got off easy? Couldn't they blame President Karzai, who is in fact

Pashtun?

In other words, when the British don't move in this area, in the Pashtun area, how does that affect us in the north and our ability to follow through? How does it impact potentially the elections in Afghanistan if there is discrimination? And in fact, the British backing off could put us in a box or President Karzai in a box and the north as well.

Mr. Charles. Yes, sir, let me address that with two thoughts. First, I want to make clear that the British have begun in the Helmand area. I think the main point again, to respond directly and honestly to what you have asked today of me, the main point is that we need to be more aggressive and we need to be more complete and we need to be more determined and we need to be more ambitious about addressing these two huge and significant producers of heroin poppy. So I don't want to say that it has not begun, and I think that's important.

The second point is a significant overlay to the production issue by itself. You're absolutely right, these two provinces, Helmand and Nangarhar, are Pashtun majority and actually, the entire north basically, or the portions you've been talking about, Badakhshan, are Tajiki. So you do have what could seriously be a problem in terms of the sense that we have made a commitment to eradicate, and the United States takes over on May 1 the support of the central government in eradicating in Badakhshan. And actually probably in time beyond that at great numbers, thousands of hectares.

If we have not been highly aggressive in the south in doing the same, I think the question could be raised, why not. And I think

your point almost speaks for itself.

Mr. SOUDER. When you say that they have begun, and that you believe they are proceeding slowly, do you believe they have adequate resources devoted to this to eradicate the crop before it's going to market? That's really two questions. One is, do they have adequate resources to do the eradication fast enough, and at the pace they're moving, will they get it eradicated, or is it going to get

to market unless there is a change?

Mr. Charles. The resources that the British have dedicated, as I understand it, to these regions, amounts to about \$3.6 million. It is certainly, I guess if you were asking me whether we both, both countries could use more money and that would have an effect, I think the answer is yes, we could use more, and yes, it would have an effect. My sense is that if there is still a window, that window remains open for us to become more aggressive and for the British support of the provincial Governors, who incidentally have to be brought along to this effort, but are being brought along, if there were more money available, it would probably move faster and it would probably also give us a better shot at creating the kind of deterrence that you have aptly described needs to be created.

Mr. Souder. You said in your testimony that one of the problems here was that they believe the alternative development process needed to be in place before eradication. Could you clarify what precisely that means? All of us believe that alternative development is critical for Afghanistan. All of us realize we need to spend more money in that. The question is, do you have, what do you mean, do you mean that they are going to let the coca out if they don't have the alternative development in place. The coca is going to be cut down and processed and go to the streets of the United States and Europe if they don't have the alternative development

in place?

Mr. Charles. I think there are several layers of continuing discussion which probably need to be accelerated to a conclusion pretty rapidly on the ground in Afghanistan between the British and the United States. One of them does relate directly to the sequencing and the way in which alternative development or alternative incomes are made available. I think our position is that it would be valuable to have alternative incomes available at the time.

It is also true, however, that vast majority of the Afghan cultivated land, in fact 92 percent of the Afghan cultivated land, without alternative development, I might add, is planted with wheat, that's the No. 1 crop. The No. 2 crop is barley, the No. 3 crop is corn. Only 8 percent actually of the overall crop of cultivated, not

cultivatable but cultivated land, is heroin poppy.

It appears that our point of disagreement, to some degree here, and I point to it very directly, is that we believe that if there are alternative income streams, but more importantly, if there is heroin poppy there, which needs to be eradicated, we shouldn't be picking and choosing, we shouldn't be delaying, we shouldn't be making it conditional upon providing an instant and available income stream.

I would note that the 92 percent which are alternative crops, that's the free market doing its job. Where the invisible hand is creating in effect, corn seeds and fertilizer are available, so is wheat, so is barley. The bottom line is what we need to do is make

sure that this heroin poppy crop is actually destroyed. And the key here again is that deterrence occurs not because you have put alternative development programs in place first, or simultaneously. It occurs because it is no longer economically feasible to go to this roughly twice as valuable crop to them, and why does that matter to us? It matters to us, Mr. Chairman, because if we allow this to go on for anything like another year or year and a half or two, what we will see is the institutionalization of Colombia-like cartels in this domain, where the traffickers coerce the farmers very, very vigorously to produce. That is what we are seeking hard to avoid. And frankly, that's what I think President Karzai has made very clear is his priority.

So the short answer is, we do have a point of disagreement. We have time to resolve it, but we need to resolve it very quickly. And the point being that our priority should not be, it seems to me, some kind of misplaced sympathy for someone who will have to do a little more work, provide more resources ultimately for fertilizer and seed in order to grow an alternative crop, but rather to look at both the direct and indirect impact, the direct being destabilization of that government, the indirect being the destabilization of other governments and frankly the killing of many people through heroin in the rest of the world. We have to be direct and, this is a business that involves not looking away from the hard questions, but looking hard directly at them and resolving them. And in this case, heroin poppy eradication is a front and center problem that we need to just tackle.

Mr. Souder. Mr. Cummings.

Mr. CUMMINGS. First of all, I want to thank you for all your hard work. I thank you for just being so candid with us. As you well know, we share many of your views with regard to trying to rid our world of illegal drugs. So I'm really glad that you would come at such short notice at our request.

Can you tell me why it is, and you may have answered this when I left for a moment, why is it that production has gone up so high in such a short period of time? I think you said the production of opium has just skyrocketed. Is that because the country is in dis-

array or what?

Mr. Charles. I think that two things are at work. One involves the rule of law and the other involves economics. The rule of law piece is that this is a country which is recovering from war. They had been dominated by a group that was shot through with terrorists, and frankly, they are a post-war, post-conflict environment in which it is still difficult out in the fields to be assured of stability and security.

In that situation, criminal elements frankly have an opportunity to grow up. So the rule of law has to be properly established and addressed, and frankly, part of that is prosecuting bad guys, which they are doing, and frankly, the United Kingdom has also been very helpful on interdiction and on prosecution, law enforcement support in a number of ways. But the other part of it has to do with eradicating the crop which is in fact illegal.

The second piece of that is purely economics. Survival is a day to day issue for the many Afghans. They can survive by growing wheat, they can survive by growing corn, they can survive by growing heroin poppy right now until we make it clear that the heroin poppy is not, and the Afghan government is able to with our help make it clear that the heroin poppy is not going to be a staple of their future economy.

But what do they do right now? They get about \$1 at the farm gate, if you will, for what commands about \$100 on the streets of Paris or London. And therefore, they don't make very much money on this, the farmers. The people who make the money are the traffickers, who in turn are feeding a lot of the extremist groups that I have no chart that you have seen. The short answer again is that we are seeing what is the natural evolution of criminal organizations who, I would even say criminal individuals at this point, it has not been fully institutionalized, who are taking advantage of the average, everyday farmer. And some of it's forced, some of it is just survival.

But what we have to do is make it crystal clear, there is such a thing as a rule of law and we have to be extremely supportive, both we and the British, of what the President, President Karzai and his team want to do. I have heard no more moving speeches in the last year than the speech he gave yesterday in Berlin, and frankly, the one that was also given by Minister of the Interior Jalali who departed from his prepared remarks to make it crystal clear that the drug problem, including right down to and very much the eradication issue, are central to the success of a democracy in Afghanistan.

As you may have heard me say once before, because I think it's a good metaphor, you cannot build a castle that will last for any length of time on sand, and you cannot build a democracy that will last for any length of time on a heroin economy. So what we're seeing is the natural outgrowth of a war-torn country that is now seeking to get back on its feet with legitimate crops and legitimate economic inputs.

Mr. CUMMINGS. When you and Administrator Tandy were here not very long ago, you all talked about the training of police and just basically putting together the law enforcement apparatus to ensure that those involved in the drug trade would be arrested and hopefully prosecuted. Where are we with that right now? Have we made any progress? I know it was just about a month ago that you were here. But how are we moving with that?

And talk about this whole idea of the urgency of this moment and exactly what time period do we have to act. And if you could have a wish list as to how to address this 50 percent more heroin going out into the market, what it is that we could do in the Congress. Because that's what this is all about. How do we take steps now to prevent drugs from flowing all over the world? And just listening to your testimony, it appears that we could possibly do something right now that would be far less expensive than allowing all of these drugs to flood the market and then for us to have to deal with its consequences, not only based upon the expenditure of funds, but the wasting away of human lives.

So this is a critical moment from what I'm hearing from you. I want to know how critical and I want to know how long the moment is.

Mr. CHARLES. Yes, sir. We are all reacting, of course, to the assessment that the season has come earlier and that we need to be very aggressive right now. Let me address each of your questions

in turn, police, progress and wish list.

Police. We have trained about 6,500 police right now, frankly, with German assistance, in Afghanistan. That is the beginning of an effort that will produce 20,000 police by July 1 if not sooner. We are on track, we have the PERT charts, we watch it every day, we have seven academies, actually we have six up right now and we have two more on line coming. We have a very aggressive effort to be sure that everything that Minister Jalali and President Karzai need and want for purposes of stability, we are aggressively supporting.

Congressional support has been absolutely essential to that, the bipartisan congressional support has been absolutely essential to the product that I'm trying to produce by supporting the government there. So we could say a lot more about security, but the answer is, since the last hearing when Administrator Tandy and I testified, we are on track and we are in fact producing more police every day. The capacity is actually rising in each of the schools and

more schools are being opened.

Point two, progress, and in particular, progress with respect to counternarcotics as a result of this and also a result of British participation and non-interdiction. There are some things, and I will just say it elliptically here that the British are doing to support the Afghan government and that we are doing which have a lot to do with interdiction, information sharing, intelligence sharing and taking down both terrorists and drug traffickers. Those particular efforts are highly successful. And you may want to get a brief from me or from others in the Federal Government about exactly what those are. But they are successful, and the mechanisms being used are successful.

I would note that as an adjunct to that, in Badakhshan, for example, in January, there were seized and destroyed about 2 tons of opium and heroin. Laboratories and equipment were destroyed and there were 11 arrests. Direct progress from what we're doing. In March, in Nangarhar, again, one of the three big provinces for these purposes, about 500 kilograms of heroin and 150 kilograms of opium were destroyed, 5 heroin producing laboratories were destroyed and a large quantity of weapons were seized. Several traffickers were arrested.

At 4 p.m. yesterday, in fact, there was a dramatic takedown, and I'm hoping I have a copy of it here somewhere, which involved a number of laboratories and actually produced the kind of result that we all wished for on the interdiction front, a very direct apprehension of people and a number of arrests. I will get you a copy of that, I don't seem to have it right at my fingertips. But I will get you a copy of that.

[The information referred to follows:]

April 1, 2004 Robert B. Charles Page 33, Line 738

Question:

As reflected in the transcript, State/INL Assistant Secretary Robert B. Charles was asked to provide information regarding the "dramatic" destruction of a drug laboratory(s) that took place on March 31, as the Assistant Secretary referenced during his testimony to the House Committee on Government Reform of April 1 ("Afghanistan: Are the British Counternarcotics Efforts Going Wobbly?").

Answer:

As reported by the British Broadcasting Service (BBC) Worldwide Monitoring on March 31, Afghan forces claimed to have destroyed 65 heroin-producing factories in Nangahar Province, seized 500 barrels of chemical substances and opium, and captured thirty workers from the illegal drug laboratories. USG has been unable to confirm the report.

Mr. Charles. With respect to wish lists, I think I want divide it out into two different categories, if you will, of wish lists. What you are reacting to, the UNODC assessment that there is a dramatic uptick, that this is the first harvest, that we must not fail here, because ultimately if we fail here, the entire crop will be affected. The amount of heroin and of cultivation and of heroin that they have gotten from their cultivation will be dramatically and negatively affected if we do not right now, within a matter of the next week or two, become highly aggressive and the British in their lead position supporting the two provinces that we're talking about are not able to tackle with all of the various elements we've talked about already today, tackle it and get at it.

I think that my wish list in the first instance would be, you've done it here, I guess, I guess it's not really, I don't wake up looking for opportunities to testify, but by calling me up here and asking me these questions, you have answered one question, you've helped to push this forward in a way that makes it clear that we have to, for example, we have to collectively go after the fully flowering poppy. We can't say, well, these farmers have put a lot of effort into the poppies, so let's let it go this time. There is no let it go this time. If there's a let it go this time, there may not be a next

time.

So that's why we have to be highly aggressive at taking out the fully flowering poppy. We have to say, yes, of course, we all want alternative development support. But we cannot make our eradication efforts conditional on pre-existing or parallel, the necessity of parallel development. We have to be in lockstep with each other, all of us, the United States working under the British lead, the British and the United States working with both the provincial Governors, who the British are chiefly leading with in phase I, and with the central government where the United States is leading for phase II which begins May 1st.

So I would tick down through a list, if you will, of minor roadblocks or obstacles that I feel we are all guilty in effect for not having yet resolved, and we need to get those resolved and we need

to get them resolved fast, because there isn't a lot of time.

The last point I would say, you asked about resources. The truth is that if you look to 2005, sir, we will probably, I think the British and we probably could use twice the amount of money we have right now dedicated to eradication. As you know, the United States has dedicated just to eradication \$40 million and \$250 million to the overall effort including police and counternarcotics. But \$40 million is going to be enough to help us in May, but by the time the clock ticks around again, we may very well need twice that amount of money. The same is probably true with the British effort.

I think what you're really seeing is, I think you could help us by encouraging us, which you are doing, to be as aggressive as we can be in support of the Karzai government and the provinces, the provincial Governors. And you could encourage us, no doubt, by continuing to ask whether we could use more resources, which I think in this instance we probably in time will.

Mr. CUMMINGS. Just one other thing. One of the things that certainly, in reading your testimony, and it's certainly a concern for

this Congress, is the link between the drug trade and terrorism. It seems to me that if there is a link, and I do believe that there is, the urgency becomes even more significant. The President has been very clear that terrorism is a major concern for all of us. And when you think about Osama bin Laden and Al-Qaeda and those folks who do these harmful acts all over the world, I'm sure Americans sit and ask the question, where does the money come from to do this stuff?

And we get an answer in part from what's happening in Afghanistan and what we're talking about today. I just was curious, I know we have come to certain conclusions in the past that there is a link between the terrorism and this drug trading. As you move forward, are you seeing evidence more and more of that?

Mr. CHARLES. Yes, sir, I am.

Mr. CUMMINGS. So you're thoroughly convinced that there is a direct link?

Mr. Charles. Let me explain. Very often when people get on this topic, including me, we find ourselves being conclusory. We intuitively understand that terrorists need money and that bad guys spend time together and that somehow the linkages in places like Colombia where the ELN and the AUC are active, that it's sort of self evident. To a lot of people, I think it isn't self evident. And that leads to both understatement and overstatement of the problem. Let me tell you why I am convinced, particularly in this area.

First, our intelligence does support, and I'd like to use the word linkage, because I think linkage gives us bread, those who say, well, do we have corroborating evidence, do we have wire taps, do we have card carrying members of one group also to be found with a card from another group in their same billfold. Well, no, very often you don't have the level of evidence that beyond a reasonable doubt would allow you in a court of law at a 99 percent certainty to achieve utter and complete overlap between the two.

So let's talk about linkages and indications and very strong suggestions and anecdotal evidence. Again, you'll see much of this captured in the two charts that I've declassified, which I don't think have ever showed up in a newspaper, which are extremely relevant. And let me say that there are things happening right now that are changing and tightening that link. Let me give you some examples.

In 2002, the efforts supported by the U.S. Congress of President Bush were extremely successful at squeezing or wringing the terrorist financing out of the banking system and out of institution to institution transfers. There was approximately \$125 million of terrorist money taken immediately in that first year after September 11 out of the system. That's more than \$125 million actually, because if you think about it, really those bank accounts were instant flow-throughs. They were channels, they were tubes through which the terrorists pumped lots of money from many sources, including drugs, but from many sources.

What we did is put a grate down right in the middle and we knocked them backward in that way. In 2003, that effort continued and we pulled an additional \$15 million, and Treasury and all the departments that have worked together on this out of that system. What did that do to the terrorist world? What it did was it obvi-

ously set them back, but it also pushed them to move value, because they need money for OPSEC, they need it for recruiting, they need it for operations, they need it for maintenance, they need it for execution, they need it for all the things they do. Some are high

value, some are low value, but they need money.

It moved them to three different areas right away. It moved them to something called alternative remittances, or "huala," with which I know you're familiar, in which you have informal exchanges country to country. It moved them to commodities that are high value and easily transported and carry their value in low quantity, gold, diamonds, other what you'd call legitimate commodities but being traded for illegitimate purposes and for money laundering.

The third thing it did is it pushed them into false receipts, trade falsification of documents between countries in particular. What's happened as a result of that? Well, in the last year in particular there has been a very highly aggressive follow-on strategy which has produced significant movement toward trade transparency, which in turn begins to wring the money out of those, we're not

done, but wring the money out of those conduits.

Where does that push the terrorists? It pushes them very naturally to high value, non-perishable, easily divisible, easily transferrable assets that are otherwise untracked. And what are two of the biggest ones? Heroin, which you can bury in the ground and come back weeks later and find exactly as you left it, high value, low quantity, and amphetamine type substances. So what I think you're seeing is a movement naturally, do we have rock solid, 99 percent certainty evidence? Of course not. But we have movement naturally, intuitively and objectively in that direction.

Another thing that's happening is that they are realizing that in places like Colombia and Afghanistan that there is a high quantity of drug money available, and that's why we have to attack this with every ounce of effort and every sinew of our fiber to try to get

after it.

And the last thing I'll say is that in many ways, I've used the metaphor once before in writing, but I think it is true that if you wait to see the jaws, we spend time in my family sometimes up in the north Atlantic, if you wait to see the jaws of a shark, and we have seen them often, it is too late. You don't see the jaws of a shark, you see the fin. When you see the fin, you act. The fin is the drug money. The jaws are the terrorist acts that grow directly out of the financing that we permit them to have.

Mr. CUMMINGS. We're about to go out of session, so we have 2 weeks that we won't even be here. So what is it that we can do, right here, right now? As I understand it, a decision, you said, is

in the process of being made? Is that accurate?

Mr. Charles. Let me say, sir, yes, but let me say where the decision is being made. My understanding is that both President Bush and Prime Minister Blair are in absolute synch on the significance of this issue and of attacking it with vigor. I don't think there's any sunlight between them. I don't think there's any sunlight between Secretary Powell and the foreign minister. I think that somewhere down in the chain, somewhere in our chain, somewhere in their chain, there is not yet full agreement on the significance. I know

there is not yet full agreement, and you know from the documents that you've put in front of me that there is not yet full agreement

on how urgent this is.

My view is, it is urgent, you are right, the United Nations is right. My office and my effort has to be 150 percent to go after it now, but we do phase II, we are preparing for phase II. That's the May 1 launch, working with the central government to go after the north. The British are leading in the support of phase I, which is in the south.

And I think one of the things that you can do and you are doing is you bring to my attention and to their attention that this is something that we cannot stutter step on, neither of us. We have to do everything in our power to get to immediate agreement and get to immediate execution. And I think we're willing to do that. I think we know that we have to do that, but your leadership and public effort to make us do that is doubly important.

Mr. CUMMINGS. Well, let me just send a message, if it helps, and thank you very much for your indulgence, Mr. Chairman, but I think this is such a critical moment. I hope that you will deliver, from this side of the aisle, and I'm sure the chairman can speak for his side of the aisle, is that we believe in the efficient and effective use of taxpayers' dollars. We also are very, very concerned about the eradication of illegal drugs, wherever they may be found.

When you put those two together and you look at what's happening based on your testimony and what we have before us, it is only rational, logical and it just simply makes sense that we act with all deliberate speed to address this issue. Because doing otherwise simply allows those drugs to flood neighborhoods all over the world, and then we go against the very things that we preach over and over again, that is the effective, efficient use of taxpayers' dollars.

I would ask you to deliver, from this side of the aisle, an urgent message that we must act at this critical moment, critical. And I do appreciate your testimony and hopefully we will save some lives, hopefully by acting immediately we will save some anguish and pain and suffering and we will save the taxpayers money so that we can then have more money in the long run to continue the efforts that we have been making in this regard.

Mr. Charles. Yes, sir, I will deliver that message.

Mr. CUMMINGS. Thank you.

Mr. SOUDER. Thanks. I want to cover a few more particular questions. If I can understand what you said, that you are saying that the British have a reluctance to eradicate heroin poppy as it's flowering, is that true or not? Is that the U.S. policy as well? Why would there be such a reluctance?

Mr. Charles. First, I want to say again, I feel as though in many ways we're discussing the one room in the house where there is still a little clutter when the rest of the house is as neat and tidy as you would ever want it to be. These are our best allies in the world, Mr. Chairman.

Mr. SOUDER. Well, as cleaning people, we're interested in the one room that might need cleaning. I've sponsored the resolution, praised Britain for what they've done, Tony Blair came to Congress, he's our hero for standing with us in many ways, and he's

taken a lot of grief back home. The fact is, if we have a cluttered room, we're trying to look at the cluttered room.

Mr. Charles. Yes, sir, and I think in this particular case, the

clutter could grow elsewhere if we don't address it here.

I guess I will say it this way. My understanding, I think it's the policy of the United States wherever we are to eradicate and when we set out to eradicate poppy fields, which in turn turn into opium and into heroin, we do not say, well, it's gotten to a point where they've put so much effort into it, we really hate to do that. That would be tantamount to saying, gosh, the trafficker is right on the steps of the bank, it really seems a shame to not let him make his

deposit.

The bottom line here is all of us are convinced, and I think everybody, frankly, I think the British and the United States, everybody is convinced that when you have the opportunity for maximum impact on the grower of heroin poppy you should go after it. I think probably somewhere down in the lower parts of our organizations is where the information comes back up to me that there is some, let's call it, absence of clarity, absence of commitment that we both share, that we are completely on board with the idea that even if we don't have alternative development right there at our fingertips for people who are having their crops destroyed, that we need to go ahead and do the act of destroying drugs which in turn will have a horrible ripple effect if we don't destroy them out across all the regions, not just Afghanistan but trafficking routes and into London itself and frankly into the United States. Some of these drugs make it here, too.

So I think that what I was expressing to you is that it has come back to me that there is maybe just an absence of agreement on this point, and that I wanted to let you know that my conviction is that wherever and however there is a crop which has gotten to maturity, it's my conviction that we do not stop, it is our position that you don't stop eradicating because for some reason it would be inconvenient or might have a disproportionately direct impact based on the amount of time that someone's put into growing it.

Remember, they make about one one-hundredth of what the trafficker is going to make on that crop. They may not make as much by growing the wheat or the barley or the corn, but right now that 92 percent that's out there that's grown is really not the direct result of alternative development programs. It has to do with the fact that the risks and costs for those people of growing something that's illegal and has all these bad, negative effects downstream are higher than the incentives that come with a stable, non-criminal feed your family crop in a different area.

So what we want to get to better agreement on, and you're putting the burden on me, and I understand that, and it is true, we need to get to full agreement that we are not going to be stutter stepping in this. We are absolutely dedicated, both we the United States and Great Britain.

Mr. SOUDER. In Colombia, we see when we do eradication, we look at it from the air, we monitor from the ground on a regular basis, and we're told that with X number of reduction. Are they monitoring this? Will we be able to see next week or the week after whether in fact it's being eradicated?

Mr. Charles. In theory, we should be able to see that. In fact,

I do not know of any monitoring that's in place.

Mr. SOUDER. So we could be looking at a situation like happened a few years ago under the Taliban where we saw this huge surge and then in fact a drop the following year merely because so much hit the market that they don't grow it the next year, because the market is saturated. And this surge could come at the very time when it's under ours and Britain's watch.

Mr. CHARLES. Let me clarify. We will have certain national technical means and other means by which we will measure the total cultivation in the succeeding year. Frankly, what you're seeing

is----

Mr. SOUDER. Once the people on the street are dying of heroin and buying the heroin, we'll know that we've had a big increase.

Mr. CHARLES. Yes, sir, that would be one way to know. And the other way—

Mr. SOUDER. Will we know, when it's time to cut it down, will

we know whether there's a big increase?

Mr. Charles. And that's what I was responding to. I do not know at this point of a Phase I metric saying that this is the large number. I think we have to be looking country-wide at about 35,000 hectares, if we're going to be serious about this. And I think we need to actually get down at least 25,000 hectares. And I think more than half of that has to occur probably in these two provinces we're talking about in Phase I in which the British are in support of the provincial governments, which we have to work with again

and bring aboard and bring along.

But the bottom line is, I do not know of any, if you're asking me if I know of a monitoring mechanism for identifying how much, do I know that there has been a monitoring mechanism agreed by which we will measure how much the British support efforts in the south right now will be eradicating, or what the metrics are, no, I do not know of that. But if you're asking the larger question, which is will we know later this year by technical means with a high degree of certainty both through the U.N. and through our own Government what the actual crops are, yes, we will know that. And of course, as you indicate, we will also know it because if the heroin in the global economy, the global heroin economy is increased we will see that, because we will probably see prices fall further and all the other—

Mr. SOUDER. So we'll know how much is planted and some measure of indication of how much was bought on the street by price-supply. But we won't know how much was harvested.

Mr. Charles. No, I want to be clear again. For the phase II U.S.

part——

Mr. SOUDER. Yes, and when you say phase II, that's the United States

Mr. CHARLES. We will track the amount that's harvested. We are actually contracting to do that right now.

Mr. SOUDER. But you don't know whether the British—

Mr. Charles. I do not know.

Mr. SOUDER. Let me ask one other round of questions. The British Government officials in the region have told our staff that attacking static targets like the opium warehouses and processing

plants, in other words, if these flowering poppies are harvested and they go to market, we've failed at round one. Now we're going to round two.

They're arguing that the opium warehouses and processing plants right now would have an enormous impact on destructing the drug trade in and around Afghanistan. How many warehouses, laboratories and other stationary drug targets have been de-

stroyed? Do you have any idea?

Mr. Charles. I would say it is in the double digits, but it is not in the triple digits, based on what I know. Clearly this is a choke point, and we must—and when I say we, I don't mean just the British or just the Afghans, I mean we the United States as well, we have to be very aggressive at tackling both the warehouses and the laboratories.

There was one very significant destruction that occurred, and when I say double digit I'm referring to both laboratories and warehouses, there was one very significant destruction of a warehouse that occurred in January. The effect that one destruction had sent a shock wave, a shiver throughout the entire affected economy. And frankly, it said very clearly that if you send a signal on eradication and you send a signal in interdiction that drugs will not be tolerated, that this is a criminal act and it will be both prosecuted and

destroyed, you will have a very direct effect.

And why? You'll have a direct effect more there than almost anywhere in the world, because it has not been institutionalized, because there are other strong factors that will support the idea of a non-drug economy. There is nothing inevitable, nothing inevitable about the Afghan economy being dependent upon heroin, nor the Afghan people. I think any democracy that's going to survive, and it will, and it is making enormous progress in this direction, has to recognize that, and we have to recognize that in support of them we have to get the drugs out of their economy in a significant way.

I think the point is, if we stay on the course we're at, where we're doing both strong interdiction, for which the British deserve enormous credit, but we also do strong eradication, and we don't let the horses get out of the corral in the first place before we go try to hunt them down, we've got to bring them back in again, we've got to make sure that we stop the heroin from actually being produced at the farm gate and then we have to go after the places where it does get out and we have to be very effective about it. And we can be very effective about it.

Mr. SOUDER. How do you request assistance or assets from the Department of Defense, and do you usually get what you ask for,

and how about when you seek it from the British?

Mr. Charles. I think with respect to the coordination and cooperation with our Department of Defense, there are really two aspects. One is information sharing. I was in Kabul about a month or a little more than that now ago, and one of the points I made there is that we need to do a good job, a better job of sharing with each other, if you're hunting terrorists and you find drugs, you need to share that information with the people, like the DEA and others who are going to go out and tackle the drug issue. If we're hunting drugs and we find information in other ways, where the Afghan government does and we're working with them, then we

need to share that mutually so we can make maximum use of it, and maybe it's also feeding terrorists. And we need to tackle that.

So information sharing is a big one. And by and large, I think

that relationship is a good one and it's getting better.

The second piece of course that I think can be very valuable, our programs are multi-faceted. We support, this Bureau supports the training of the police, it supports many of the things happening in the field in the judicial sector, we're actually building courthouses, training judges, training prosecutors, helping the Afghan government to get institutional support capacities, to be able to do the things it needs to be able to do to bring people to justice. And of course we do the eradication piece and a lot of the counternarcotics support.

But at the same time, I think that, I do think that probably one of the things that has to happen is that we have to be better at getting at the interdiction side, and frankly, this piece of guidance that just came out is something that I myself have been looking for for quite a while, and I know you had put great pressure on all of us to find this. I find it redeeming, it really does say that drugs are found, they will be destroyed, and I haven't studied it in any

great depth. I know that there is—

Mr. SOUDER. Let me ask you a question about this, because we have a hearing come up that's been delayed, but it will be in April with the Department of Defense, and like you say, I'm really happy to see some of the clarifications. It's a little disturbing that some of these things weren't done, for example, the discovery of drugs and drug paraphernalia by coalition forces has resulted in a need to clarify procedures. Now in the clarification they're saying if they find drugs and drug paraphernalia they should seize it, if I basically understand the document to say. It also says that by seizing drugs and drug paraphernalia, on the last page, during the course of normal operations, that doesn't mean that they're now on a drug mission or a law enforcement mission, they're still in the military.

But then it says, it says also they will report any quantity of drugs or drug paraphernalia found during normal operations. Which means no special operations, basically, and then confiscate and destroy the drugs and drug paraphernalia. Which is good news, it makes you wonder what the position was before the order. Then it says this authority does not extend to the destruction of poppies in fields or unprocessed poppies. It also through silence doesn't suggest if it's not discovered in the course of normal operations in other words there were't be appointed an arrestions.

ations, in other words, there won't be special operations.

Does that mean that they won't help you when you request? Does that mean that they're undergoing, if they see a lab but it's not in the course of normal operations, they won't hit it? Do they then tell you in your agency?

Mr. CHARLES. Those are good questions, sir, and the document does say what you say it says. I think that we will have to see how

this plays out.

I guess I can make two observations. One, I look at the date-time group on it, and I notice that it was promulgated by this command, by JTF, I'm sorry, CJTF 180 in Afghanistan on January 31, 2004. So apparently it's been out there, that's good to know. So maybe there are some documents and facts out there already to be found.

Second, I have had no moment at which we have a disagreement in any way between the Department of State and the Department of Defense on this issue, except to the extent that I think going forward the problem gets bigger. We have to be able to both prioritize counternarcotics, not in place of counterterrorism in any way. Counterterrorism is essential. And it is the priority.

But we also have to recognize, as President Karzai said, that the fight against drugs is actually the fight for Afghanistan, that if you win the battle today but you lose the war, it's not going to do you any good. If you right the sailboat and we're all content that we've gotten the democracy piece right but we're heading over a water-

fall, we're in bad shape.

So we have to be able to go directly to both of these problems, coordinate well within the U.S. Government, which I think we are doing, and this is to me great evidence of the fact that it has been raised as a priority, perhaps by your leadership. But it certainly is out there, and it is making, it's going to make, I have no doubt it will make a difference. Then we have to coordinate well with our allies, which we are increasingly doing and frankly, we are doing well on almost every other category than the couple of rough spots we've discussed today.

Mr. SOUDER. But you haven't received any calls from the Department of Defense or British coalition forces saying, it's not in our area but we know from our intelligence that there's a drug lab over here, there's a stockpile over here, we can't hit it, can you do something?

Mr. Charles. I would have to consult with people in the field to

know whether a call like that had come in.

Mr. Souder. Must not be very regular.

Mr. Charles. Well, I will tell you, again, I just got this frag today, this morning. So I will have to go back now and find out, maybe the next time I testify you can ask me whether we've gotten progress in greater and greater coordination.

Mr. SOUDER. I will ask you in writing for this thing and try to

get that out.

Mr. Charles. Certainly.

Mr. SOUDER. Because as we get into our followup hearings, one of the questions is what is the coordination. We've been arguing the Department of Defense needs to see this as not the primary but part of their mission there. If it isn't part of their mission, then at least they should have the transfer of information.

Let me just say, on the ground, having been there, I know they're getting the information. The question is, what do they do with it.

I saw it with my own eyes.

Mr. Charles. Yes.

Mr. SOUDER. So without getting into any specifics with it, I know the information is there because of the way they're doing their things in Afghanistan.

Mr. Charles. Right.

Mr. SOUDER. So the question is, how does that information get transferred, and if they're not going to take action, how do we turn it over to other departments as we up the DEA presence there, as you have the law enforcement and narcotics eradication and alternative development in force. But whose responsibility is this, be-

cause the American people aren't pouring billions of dollars into Afghanistan to watch it turn into the heroin poppy nation of the world and an undemocratic, narcoterrorist controlled state. That's not why we went there. That's not why people in my district, who are there right now risking their lives along the border, getting shot at, are there fighting so that it can become a narcostate.

Mr. Charles. I could not agree with you more, and I take on full responsibility for the counternarcotics piece that the Department of State is responsible for in that country, and I do reach out to my DOD colleagues and I have had good response in general. I find great hope in this document, because I think it suggests that whoever is sending the message, it's being received that we have a dual mission and it is terribly important, and as the Department of Defense migrates naturally from being war fighters and just tacklers of terrorists, at the same time there is going to be a counternarcotics component and it's going to grow and we're going to see goodness out of that.

I will say that when I was in Kabul, either shortly before or shortly after you were, I will say that I did ask the question, had this gotten to the field yet, and at that time, the Marines I spoke to said they were more than willing to destroy drugs, but that the guidance had not actually arrived at that point. I now think based on what I'm reading here that it's there, and I think what that says to me is that on this topic, with respect to U.S. coordination among ourselves, this is a very good thing. I think we're headed in the right direction and I think the Department of State and Department of Defense will work well together.

Mr. SOUDER. Well, thank you for coming to this hearing today. I appreciate the time you took, and on short term notice. It's very important that our allies in Britain move aggressively. I strongly support alternative development efforts. We know that there's going to be huge challenges. Most of the people are following the law, all the people need to follow the law, raise legitimate products.

But the bottom line is, while we feel empathy to very poor people in many parts of the world, we cannot allow heroin and cocaine to come into the world markets that destroys families all over the world and eventually will come back and destroy, if not sooner, it will later destroy the countries that are producing it. We've seen this in Colombia, we saw how it corrupted their system, how judges were killed, how mayors are still killed and how President Arribe and Estran and others before him had to fight and we're still pouring billions of dollars into Colombia to try to make sure it gets stabilized.

We know President Karzai is committed to democracy, to reform in Afghanistan. The country is struggling. We cannot, as the coalition forces there, forget the long term, because we're struggling so hard and so importantly in the short term.

Thank you for your leadership with this, and we look forward to continuing to work with you.

Mr. Charles. Thank God for your leadership, sir. Thank you. Mr. Souder. The subcommittee hearing stands adjourned. [Whereupon, at 12:54 p.m., the subcommittee was recessed, to reconvene at 2:30 p.m. the same day.]

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