

# CRS Report for Congress

## Colombia: Issues for Congress

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## Summary

Recent debate on U.S. policy toward Colombia has taken place in a context of concern for the volume of drugs readily available in the United States and elsewhere in the world, security issues in the Andean region, and the U.S. Colombia Trade Promotion Agreement. The United States has made a significant commitment of funds and material support to help Colombia and the Andean region fight drug trafficking since the development of Plan Colombia in 1999. In support of the plan, Congress passed legislation providing \$1.3 billion in assistance for FY2000 (P.L. 106-246) and has provided more than \$6 billion to support Plan Colombia from FY2000 through FY2008 in both State Department and Defense Department accounts. Since 2002, Congress has granted the State Department expanded authority to use counternarcotics funds for a unified campaign to fight both drug trafficking and terrorist organizations in Colombia. In 2004, Congress raised the statutory cap on U.S. personnel allowed to be deployed to Colombia in support of Plan Colombia. The three main illegally armed groups in Colombia participate in drug production and trafficking and have been designated foreign terrorist organizations by the State Department.

President Alvaro Uribe, re-elected in May 2006, is seeking to address the 40-year plus conflict with the country's leftist guerrilla organizations, as well as the rightist paramilitary groups that have been active since the 1980s. President Uribe enjoys high levels of popular support, which has not been significantly affected by the scandal concerning government ties to the paramilitaries. Parties loyal to President Alvaro Uribe dominated the March 2006 congressional elections.

U.S. policy in Colombia remains controversial. Proponents of current U.S. policy point to inroads that have been made with regard to the eradication of illicit drug crops and improved security conditions. However, nongovernmental organizations argue that U.S. policy does not rigorously promote human rights, provide for sustainable economic alternatives for drug crop farmers, and has not reduced the amount of drugs available in the United States. Congress has expressed concern about a number of Colombia-related policy issues including the aerial eradication of illicit drug crops, interdiction programs, the situation of U.S. hostages, funding levels for Plan Colombia, and human rights. Moreover, Congress has debated U.S. policy options in Colombia on the basis of the country's prominent role in drug production, and the effects of drug trafficking on terrorism, regional security, and oil production. Congress has also been concerned about labor activist killings as it considers the U.S.-Colombia Trade Promotion Agreement. Congress is likely to continue to monitor these issues in second session of the 110<sup>th</sup> Congress.

For background on legislation affecting Colombia and the Andean Counterdrug Initiative, see the following reports by Connie Veillette: CRS Report RL32337, *The Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2007 Assistance*; and CRS Report RL32774, *Plan Colombia: A Progress Report*. See also CRS Report RL33163, *Drug Crop Eradication and Alternative Development in the Andes*, by Connie Veillette and Carolina Navarette-Frias. This report will be updated as events warrant.

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# Colombia: Issues for Congress

## Introduction

Colombia is a South American nation of 44 million people. It is an ethnically diverse nation — 58% of the population is mestizo, 20% white, 14% mulatto, 4% black, 3% black-Amerindian, and 1% Amerindian. Colombia has one of the oldest democracies in Latin America, yet in spite of this tradition it has been plagued by violence and a conflict that has been ongoing for over 40 years. Colombia's rugged terrain historically made it difficult to establish state control over large swaths of the nation's territory. Furthermore, high rates of poverty have also contributed to social upheaval in the country. In 2006, 45% of Colombians lived in poverty, down from 60% in 2000. Drug trafficking has helped to perpetuate Colombia's conflict by providing earnings to both right and left wing armed groups.

The focus of U.S. policy toward Colombia has been to curb narcotics production and trafficking. The United States also seeks to promote democracy and economic development in order to strengthen regional security. Colombia's spacious, rugged and sparsely populated territory provides ample isolated terrain for drug cultivation and processing, and contributes to the government's difficulties in exerting control throughout the nation. The country is known for a long tradition of democracy but has had to contend with continuing violence from leftist guerrilla insurgencies dating from the 1960s and persistent drug trafficking activity. Recent governments also have had to deal with rightist paramilitaries (or "self-defense" forces) formed in the 1980s. The two main leftist guerrilla groups are the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN), both of which regularly kidnap individuals for ransoms, and reap profit from their participation in the drug trade.

Most of the rightist paramilitary groups were coordinated by the United Self-Defense Forces of Colombia (AUC) which disbanded in 2006 after more than 30,000 of its members demobilized. The AUC has been accused of gross human rights abuses and collusion with the Colombian Armed Forces in their fight against the FARC and ELN. The AUC also participated in narcotics trafficking. The Uribe administration's application of the 2005 Justice and Peace Law to the demobilization process has been highly controversial. In 2007 there were reports that a new generation of paramilitaries was forming. The nature of ties, if any, between the new paramilitary groups and the AUC remains unclear. Plan Colombia, a multi-year effort to address Colombia's key challenges, has been the centerpiece of U.S. policy toward Colombia since 2000. Other issues of ongoing interest to Congress include human rights, economic issues, and the U.S.-Colombia Trade Promotion Agreement.

## Conditions in Colombia

### Political Conditions

Colombia is a democratic nation with a bicameral legislature. In spite of its democratic tradition, Colombia has suffered from internal conflict for over 40 years. This conflict and drug violence present unique challenges to Colombia's institutions and threaten the human rights of Colombian citizens. The Liberal and Conservative parties, which dominated Colombian politics since the 19<sup>th</sup> century, have been weakened by their perceived inability to resolve the roots of violence in Colombia. In 2002, Colombians elected an independent, Alvaro Uribe, president, largely because of his aggressive plan to reduce violence in Colombia. High public approval ratings, likely due to reductions in violence, prompted Colombia to amend its constitution in 2005 to permit the consecutive re-election of presidents. Members of Congress from the pro-Uribe Partido de la U (Party of the U) agreed in February 2008 to pursue measures that would allow President Uribe to seek a third term in office. President Uribe has not responded to this latest effort, but he reportedly stated in late 2007, that he would only consider a third term in the event of a disaster.

**The Uribe Administration.** On August 7, 2006, independent Alvaro Uribe was sworn into his second term as president. Pro-Uribe parties won a majority of both houses of congress in elections held in March 2006, giving President Uribe a strong mandate as he started his second term. The domination of pro-Uribe parties, most of them new, appears to have further weakened the traditionally dominant Liberal and Conservative parties which dominated Colombian politics since the 19<sup>th</sup> century.

First elected in 2002 as an independent on a platform focused on defeating the guerrilla insurgents, addressing the paramilitary problem, and ending narcotics trafficking, Uribe took some controversial steps in his first term.<sup>1</sup> One of the more controversial measures is the framework for paramilitary demobilization under the Justice and Peace Law, discussed below. President Uribe has taken a hard-line approach to negotiations with armed groups, declaring that the government would only negotiate with those groups who are willing to give up terrorism and agree to a cease-fire, including paramilitary groups, with which former President Pastrana had refused to negotiate. There are indications that this hard-line approach has produced measurable results. Some 30,000 paramilitaries have demobilized. Police are now present in all of Colombia's 1,098 municipalities, including areas from which they had been previously ousted by guerrilla groups. Homicides fell from a high of nearly 30,000 in 2002 to just over 15,000 in 2006, including deaths from the armed conflict. The number of kidnappings also fell significantly, from nearly 3,600 reported cases in 2000 to just under 700 reported cases in 2006.

President Uribe retains widespread support in Colombia, with support typically ranging from 60% to 70%. For his second term, President Uribe has pledged to continue implementing his security strategy, which has included a controversial plan

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<sup>1</sup> See CRS Report RS21242, *Colombia: The Uribe Administration and Congressional Concerns*, by Nina M. Serafino.



to demobilize paramilitary groups (discussed below) and holding peace talks with the leftist National Liberation Army (ELN), the smaller of Colombia's two guerrilla groups. In a change from his first term, Uribe has demonstrated a willingness to discuss a prisoner exchange with the FARC. President Uribe also introduced land reform legislation to combat rural poverty.

Since the election, there have been a number of scandals involving the armed forces. In July 2007, Defense Minister Juan Manuel Santos announced arrests of several military members following the discovery that both the FARC and drug traffickers had infiltrated the armed forces, likely impeding both counternarcotics and anti-guerrilla efforts. The subsequent investigation led to the September 2007 disclosure that the Norte del Valle cartel received information on the location of U.S. naval ships and aircraft in the Caribbean to interdict drug shipments. This followed a May 2007 wiretapping scandal involving the police intelligence agency which revealed that some demobilized paramilitaries were conducting drug deals from prison. Santos fired the head of police intelligence and named a more junior officer to head the agency forcing the retirement of the 10 more senior officers. Defense Minister Santos has indicated that the infiltration of the military by drug traffickers is likely related to the May 22, 2006, killing of 10 members of an elite counternarcotics unit as they conducted a raid in broad daylight. In June 2006, Colombia's attorney general ordered the arrest of seven soldiers, including a battalion commander. Initially portrayed as a friendly fire incident, the seven soldiers are under investigation for murdering the counternarcotics officers to protect a drug trafficker. In October, the Attorney General charged six army officers for faking terrorist attacks shortly before Uribe's inauguration that were blamed on the FARC, including a car bomb which killed one civilian and injured 20 soldiers. General Montoya, head of the Colombian army, announced in September that soldiers were responsible for the incidents.<sup>2</sup>

President Uribe made two visits to the United States in May and June 2007 to urge Congress to approve the U.S.-Colombia Trade Promotion Agreement. In June, House Democratic leadership announced that it cannot support a trade agreement with Colombia until there are measurable results concerning impunity for human rights violations and the role of paramilitary groups. Supporters of the agreement maintain that it will help to create legal economic opportunities for Colombians. Some supporters consider the lack of U.S. congressional action on the Colombia Trade Promotion Agreement an insult to the United States' strongest ally in South America.<sup>3</sup>

Recent prisoner escapes and the release of 150 imprisoned Revolutionary Armed Forces of Colombia (FARC) members by President Alvaro Uribe have led to renewed attention to the plight of Colombians and foreign nationals kidnapped and held for ransom by the FARC. In late June 2007, the FARC announced that 11 deputies from the southern province of Valle del Cauca had died during an exchange

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<sup>2</sup> Juan Forero, "Traffickers Infiltrate Military in Colombia," *Washington Post*, September 8, 2007 and "Drug Organizations and Guerrilla Groups Infiltrate Colombia [sic] Forces," *Jane's Country Risk Daily Report*, July 31, 2007.

<sup>3</sup> Economist Intelligence Unit, "Saying No to Free Trade," July 18, 2007.

with an unidentified armed group. The group had been held hostage since April 2002. The Uribe Administration maintains that the 11 deputies were killed in cold blood by the FARC. France, Spain, and Switzerland proposed that the killings be investigated by a Geneva-based body that investigates war crimes. President Uribe angrily rejected this suggestion. In April 2007, Colombian police officer Jhon Frank Pinchao escaped after eight years in FARC custody. During part of his captivity Pinchao was held with three U.S. contractors who have been held by the FARC since their plane crashed in 2003. Pinchao came to the United States in July to testify against FARC leader Ricardo Palmera, who was later convicted of conspiracy to kidnap. In January 2008, Palmera was sentenced 60 years for his role in the kidnapping of the three U.S. hostages. The three Americans — Keith Stansell, Marc Gonsalves, and Thomas Howes — are the longest held U.S. hostages in the world. The FARC continues to insist on a demilitarized zone in southern Colombia as a precondition to any hostage exchange. The Uribe Administration rejects this; a move supported by the majority of Colombians. In August 2007, President Uribe announced that opposition Senator Piedad Cordoba and Venezuelan President Hugo Chávez could negotiate with the guerrilla group in the hopes that they would be able to secure an exchange. FARC representatives were due to meet with President Chávez in October 2007, but were unable to secure safe passage guarantees from the Colombian government. On November 8, 2007, President Chávez announced that he had met with an unnamed FARC representative in Bogotá and expects to meet with him again in the near future. President Chávez indicated that he has asked the FARC to provide proof of life for the hostages.

**Parapolitical Scandal.** A scandal involving alleged paramilitary ties to politicians, including current members of the Colombian Congress, erupted in November 2006. Paramilitary leaders claimed to control 35% of the congress in 2005. On November 9, 2006, the Colombian Supreme Court ordered the arrest of three congressmen for their alleged role in establishing paramilitary groups in the Caribbean state of Sucre. Since the scandal broke, several Colombian politicians, including over a dozen current members of the Colombian Congress, have been charged with ties to paramilitary groups. Foreign Minister Maria Consuelo Araujo was forced to resign due to the investigation into her brother's and father's connections to the paramilitaries and their involvement in the kidnapping of Alvaro Araujo's opponent in a Senate election. Several governors and former members of Congress have also been caught up in the scandal. In July 2007, the Colombian Supreme Court opened a preliminary investigation into the alleged paramilitary ties of President Uribe's cousin, Senator Mario Uribe. In December 2007, Congressman Erik Morris was sentenced to six years in prison for his ties to the paramilitaries, making him the first Member of Congress to be sentenced in the ongoing scandal.

In February 2008, the former head of Colombia's Department of Administrative Security (DAS), Jorge Noguera, was formally charged with collaborating with paramilitaries, including giving paramilitaries the names of union activists, some of whom were subsequently murdered by the paramilitaries. Noguera's deputy, Rafael García, has already been convicted for purging information damaging to paramilitaries from DAS databases. Paramilitary leader Salvatore Mancuso also charged that Colombian Vice-President Francisco Santos encouraged paramilitary operations in Bogotá and that Defense Minister Juan Manuel Santos met with

paramilitaries to discuss the overthrow of the government of President Ernesto Samper (1994-1998).

The scandal has increased tensions between the government and paramilitaries. Two demobilized paramilitaries were murdered in November, leading President Uribe to warn paramilitary leaders that if they ordered the killings, they will lose benefits under the Justice and Peace Law that governs the demobilization process, including protection from extradition to the United States. The government transferred 59 demobilized paramilitaries from confinement in a former resort to a regular prison, reportedly due to rumors that they were planning a break out, though others maintain that President Uribe ordered the transfer in response to the growing scandal over paramilitary ties to politicians loyal to him. Paramilitaries have threatened to withdraw from the demobilization process. However, the Colombian government asserts that it is too late for them to withdraw as they have demobilized and the process has entered the judicial phase.<sup>4</sup>

**The Justice and Peace Law and Demobilization.** Upon taking office in 2002, President Uribe pursued a two-pronged approach to Colombia's armed conflict, engaging paramilitaries in negotiations while seeking to defeat leftist-guerrillas militarily. Negotiations with the paramilitaries resulted in the July 15, 2003, agreement with the United Self-Defense Forces of Colombia (Autodefensas Unidas de Colombia, AUC) to demobilize its members by the end of 2005. Colombia's High Commissioner for Peace estimates that over 31,000 paramilitaries demobilized. An estimated 2,000 paramilitaries remain outside of the disarmament process. Not all paramilitaries demobilized, and still others have returned to paramilitary activities since demobilizing. Moreover, there are credible reports that a new generation of paramilitaries is forming and may be recruiting demobilized paramilitaries.<sup>5</sup> Membership in the new paramilitary organizations is estimated at 3,000 to 9,000. Some former AUC members continue to be active in the drug trade.<sup>6</sup> Further concern has focused on the ability of the government to re-incorporate ex-

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<sup>4</sup> Hugh Bronstein, "Colombia's Uribe, Facing Crisis, Threatens 'Paras,'" Reuters, November 30, 2006; "Paramilitary Scandals Damage Uribe," *Latin American Andean Group Report*, December 5, 2006; "Colombia: Friendly Fire Turns from Tragedy to Scandal," *Latin American Regional Report - Andean Group*, June 2006; "Colombia: Investigation Launched into Army Scandal," *LatinNews Daily*, October 13, 2006; "Colombia Politician Probe Widens," *BBC News*, November 11, 2006; and, "Colombia: Para Congressmen on the Run," *LatinNews Daily*, November 13, 2006.

<sup>5</sup> Department of State, Bureau of Democracy, Human Rights, and Labor, *Country Reports on Human Rights Practices 2006*, March 2007; International Crisis Group, *Tougher Challenges Ahead for Colombia's Uribe*, October 20, 2006.

<sup>6</sup> OAS Mission to Support the Peace Process in Colombia, "Tenth Report to the Secretary General," October 31, 2007; International Crisis Group, *Colombia's New Armed Groups*, May 10, 2007; and U.S. Department of State Bureau of International Narcotics Control and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2007*, March 2007.



fighters into law-abiding civilian life and to provide some type of restitution to their victims.<sup>7</sup>

As part of demobilization, President Uribe proposed the controversial Justice and Peace Law granting conditional amnesties to illegal combatants, which would mean that the law could also apply to FARC and ELN fighters if they decide to enter into negotiations with the government. Colombia's congress approved the legislation in 2005. The Justice and Peace Law calls on demobilized fighters to provide a voluntary account of their crime and to forfeit illegally acquired assets in exchange for an alternative penalty of up to eight years' imprisonment. If the accused is subsequently found to have intentionally failed to admit to a crime, the alternative penalty can be revoked and the full sentence imposed. Critics contend that the penalties are too lenient and amount to impunity. The Uribe Administration argues that without the inducement of the new law, paramilitary leaders and fighters will be unwilling to demobilize and a spiral of violence will continue in Colombia. At the start of peace negotiations, AUC leader Carlos Castaño had said that without reduced sentences, peace talks would "blow up in pieces."<sup>8</sup>

In July 2006, Colombia's Constitutional Court upheld the constitutionality of the law. In the same ruling, however, the Constitutional Court limited the scope under which demobilizing paramilitaries can benefit from the reduced sentences. Paramilitaries who commit crimes or fail to fully comply with the law will have to serve full sentences. The ruling also stipulates that paramilitaries must confess all crimes and make reparations to victims using both their legally and illegally obtained assets. Paramilitary leaders reacted by stating that they would not comply with the law. In response, President Uribe ordered paramilitary leaders to turn themselves in. By October 2006 all but 11 paramilitary leaders had complied with this order.<sup>9</sup> President Uribe also issued a draft decree on the application of the Justice and Peace Law that human rights groups maintain attempts to restore some provisions of the Justice and Peace Law already determined to be unconstitutional by Colombia's Constitutional Court, including credit at sentencing for time served in collection zones during the disarmament process.

The OAS Mission to Support the Peace Process in Colombia has expressed concern about the institutional frailty of the Justice and Peace process. Important issues still need to be resolved about the processing of demobilized paramilitaries,

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<sup>7</sup> "Colombia: Security," *Jane's Sentinel Security Assessment*, August 24, 2006; Oficina Alto Comisionado de la Paz, "Desmovilizaciones colectivas de las autodefensas," July 28, 2006; Washington Office on Latin America, "Post-Election Colombia: Careful Monitoring of the Paramilitary Demobilization Process Should be Top Priority of Congress," May 30, 2006; and, International Crisis Group, "Colombia: Towards Peace and Justice?," March 14, 2006.

<sup>8</sup> "No Peace Without Amnesty, Colombian Warlord Warns," Reuters, September 4, 2003.

<sup>9</sup> "Country Report - Colombia," *Economist Intelligence Unit*, October 2006; Human Rights Watch, "Colombia: Court's Demobilization Ruling Thwarts Future Abuses," July 19, 2006; "Gobierno colombiano abrirá debate público sobre decretos reglamentarios de ley de Justicia y Paz," *El Tiempo*, August 29, 2006; "Jesús Roldán, alias 'Monoleche,' está dispuesto a revelar el paradero del cadáver de Carlos Castaño," *El Tiempo*, August 29, 2006.

that the OAS fears could turn back some of the progress made. For example, paramilitary groups temporarily withdrew from the peace process following a July 2007 decision by the Colombian Supreme Court that demobilized paramilitaries cannot be considered political prisoners. President Uribe has expressed anger with the decision, and introduced legislation to formalize the demobilized paramilitaries' political prisoner status.

The Justice and Peace Law has been controversial both in Colombia and the United States. Critics contend that the penalties under the law are too lenient and that paramilitaries demobilizing under the law are unlikely to be extradited to the United States to face drug trafficking charges. Supporters believe it is an effective means to end paramilitary activities. The Bush Administration has expressed support for the law, with then-U.S. Ambassador to Colombia William Wood stating that its success may depend on its implementation. Implementation of the Justice and Peace Law is also of concern to the law's critics who are concerned that the paramilitaries will not be held accountable for their illegal activities and, that by under reporting illegally obtained assets, fail to provide adequate reparation to their victims. Critics allege that paramilitaries facing drug trafficking charges in the United States will avoid extradition by confessing to the drug charges as part of their confession under the Justice and Peace Law, thus triggering Colombia's prohibition of extraditions that amount to double jeopardy. The Uribe administration has removed some demobilized paramilitaries, including Carlos Mario "Macaco" Jiménez, from the Justice and Peace process due to their continued participation in illegal activities. Critics also note that the Colombian president already has the discretion to suspend an extradition authorized by the Colombian Supreme Court. President Uribe has already suspended the extradition of paramilitary leaders Don Berna and Salvatore Mancuso, wanted on drug trafficking charges in the United States, because of their participation in the peace process. Other areas of concern for critics of the law include land holdings belonging to Colombia's internally displaced population. Critics also believe the new law will not effectively dismantle the paramilitary network or prevent demobilized fighters from returning to illegal activities.<sup>10</sup>

## Internal Conflict

**Roots of the Conflict.** Colombia has a long tradition of civilian, democratic rule, yet has been plagued by violence throughout its history. This violence has its roots in a lack of state control over much of Colombian territory, and a long history of poverty and inequality. Conflicts between the Conservative and Liberal parties led to two bloody civil wars — The War of a Thousand Days (1899-1903) and The Violence (1946 to 1957) — that killed hundreds of thousands of Colombians. While a power sharing agreement between the Liberal and Conservative parties ended the

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<sup>10</sup> Latin America Working Group Education Fund, "Longing for Home," September 2006; Human Rights Watch, "Colombia: Letting Paramilitaries Off the Hook," January 2005; Amnesty International, "Amnesty Head Meets President Uribe and Calls on Him Not to Ratify Impunity Law; July 14, 2005; Inter-American Human Rights Commission, "AICHR Issues Statement Regarding the Adoption of the 'Law of Justice and Peace' in Colombia," July 16, 2005; and *Smoke and Mirrors: Colombia's Demobilization of Paramilitary Groups*, Human Rights Watch, August 2005.

civil war in 1957, it did not address the root causes of the violence. Numerous leftist guerrilla groups inspired by the Cuban Revolution formed in the 1960s as a response to state neglect and poverty. Right-wing paramilitaries were formed in the 1980s to defend landowners, many of them drug traffickers, against guerrillas. The shift of cocaine production from Peru and Bolivia to Colombia in the 1980s increased drug violence, and provided a new source of revenue for both guerrillas and paramilitaries. The main paramilitary organization, the United Self-Defense Forces of Colombia (AUC) began demobilization in 2003 and disbanded in 2006. Major armed groups today are the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), and the new generation of paramilitary groups.

**Illegally Armed Groups.** The Secretary of State has designated three Colombian groups as foreign terrorist organizations (FTOs) 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). The three groups are the FARC, ELN, and the AUC. Although the AUC disbanded in 2006, it remains a designated foreign terrorist organization. Additionally, the FARC and AUC have been designated Significant Foreign Narcotics Traffickers under the Foreign Narcotics Kingpin Designation Act (P.L. 106-120). As such, it is unlawful to provide them with funds or other material support. Members of these organizations can be denied visas or otherwise prohibited from entering the United States, and U.S. financial institutions must block their funds and that of their agents.

**The Revolutionary Armed Forces of Colombia (FARC).** The Marxist FARC was formed in 1964 as the military wing of the Colombian Communist Party. With membership estimated to be between 9,000 and 15,000,<sup>11</sup> it is the oldest, largest, and best-equipped and financed guerrilla organization in Latin America. It mainly operates in rural areas, but has shown its ability to strike in urban areas, including the capital of Bogotá. It conducts bombings, murders, mortar attacks, kidnappings, extortion, and hijackings mainly against Colombian targets. It is fully engaged in the drug trade, including cultivation, taxation of drug crops, and distribution, from which it reaps healthy profits.

It is estimated that the FARC earns millions of dollars from the drug trade, extortion, and ransoms. A Colombian Joint Intelligence Committee report obtained by *Jane's Intelligence Review* estimated that in 2003 the FARC had a total revenue of U.S. \$1.36 billion. Of that amount, 46%, or \$630 million, is from the drug trade. Other sources, however, put FARC drug earnings at between \$200 million and \$400 million. The Colombian intelligence report mentioned above also estimates that the FARC earned \$560 million from extortion and some \$92 million from kidnaping for ransom.<sup>12</sup>

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<sup>11</sup> The State Department's *Country Reports on Terrorism 2006* and "Security -Colombia," *Jane's Sentinel Security Assessment*, December 11, 2007.

<sup>12</sup> "Backgrounder: FARC, ELN, AUC," *Council on Foreign Relations*, November 2005; Jeremy McDermott, "Colombian Report Shows FARC is World's Richest Insurgent Group," *Jane's Intelligence Review*, September 1, 2005; and, Steven L. Taylor, "When Wars Collide: The War on Drugs and the Global War on Terror," *Strategic Insights*, June 2005. It is (continued...)

During the Pastrana Administration, the FARC entered into peace negotiations under which it was granted control of a Switzerland-size territorial refuge while the peace process was underway. With continued FARC military activity, including the kidnapping of a Colombian Senator, President Pastrana halted the negotiations and ordered the military to retake control of the designated territory. During the inauguration of President Uribe on August 7, 2002, the FARC launched a mortar attack on the Presidential Palace that killed 21 residents of a nearby neighborhood. No peace negotiations are currently being undertaken between the FARC and the Colombian government.

Efforts to secure the release of hostages held by the FARC gained renewed interest following the June 2007 killing of 11 departmental deputies held since 2002. In August 2007, President Uribe permitted leftist Senator Piedad Córdoba and Venezuelan President Hugo Chávez to conduct dialogue with the FARC to secure the release of some 45 high-profile hostages, including the three Americans. Negotiations stalled in November due to the FARC's failure to provide proof of life of the hostages and allegations that President Chávez inappropriately contacted the head of the Colombian Army. Hostage exchange talks were fitful with several apparent deceptions by the FARC that called into question its willingness to engage in future talks. The Colombian government found over a dozen proof of life videos, including videos of the three American contractors, in a November 2007 raid on the FARC. Two hostages were ultimately released to a delegation led by President Chávez in January 2008 and the Colombian government was able to successfully reunite one of the hostages with a son born to her in captivity that the FARC had turned over to the Colombian foster care system more than two years ago. Following the release of the hostages, President Chávez criticized countries that classified the FARC a terrorist organization, leading to an increase in tension between the two countries. The FARC continues to hold three U.S. citizens hostage after their plane crashed in FARC-controlled territory in February 2003. The three are civilian contract employees working in support of Plan Colombia. In January 2008, a senior FARC commander, Ricardo Palmera, was sentenced to 60 years imprisonment for his role in the kidnapping of the three U.S. contractors.<sup>13</sup>

The State Department's *Country Reports on Terrorism 2006* observed that Cuba provides the FARC and ELN with some medical care, safe haven, and political consultation. In addition, three Irish nationals suspected of being Irish Republican Army members were arrested in Colombia in 2001 for providing explosives training to the FARC and traveling on false passports. The three were convicted on appeal

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<sup>12</sup> (...continued)

difficult to ascertain the exact amounts and sources of funding because of the nature of illegal activities.

<sup>13</sup> Vivian Sequera, "60-Year Sentence for Colombian Rebel Likely to Complicate Efforts to Free U.S. Hostages," *Associated Press*, January 29, 2008; "Colombia: Uribe Declares Assault on FARC," *Latinnews Daily*, October 23, 2006; "Colombia: Uribe II Starts with Land Reform and Privatisation," *Latinnews Daily*, August 15, 2006; Kim Housego, "Colombia Hopes to Form International Commission to Facilitate Prisoner Swap," *Associated Press*, November 21, 2005; and "Colombia: FARC Rejects Prisoner Exchange," *Latinnews Daily*, January 3, 2006.



and sentenced to 17 years' imprisonment in December 2004. They were freed on bail at the time of their sentencing and fled to Ireland. Irish authorities arrested and subsequently released the three in August 2005. Colombia is seeking their extradition, but there is no extradition treaty between Colombia and Ireland. Ireland is investigating if it can charge one of the men with traveling on a false passport.<sup>14</sup>

**National Liberation Army (ELN).** The smaller ELN was formed in 1965, inspired by the ideas of Fidel Castro and Che Guevara. With a membership of about 3,000, it is less active than the FARC, but has still been able to carry out a number of high profile kidnappings and bombings. In addition to the rural civilian population, the ELN has also targeted the country's infrastructure, especially its oil and electricity sectors. Its operations are mainly located in the rural areas of the north, northeast, the Middle Magdalena Valley, and along the Venezuelan border. The ELN earns funds from the taxation of illegal crops, extortion, attacks on the Caño-Limón pipeline, and kidnapping for ransom.<sup>15</sup>

In recent years, the ELN has shown more of a willingness to attempt peace negotiations with the government. In December 2003, President Uribe revealed that he had met with an ELN leader to discuss possible peace initiatives, but a subsequent ELN statement ruled out any possibility of demobilization. However, in 2004, the ELN and the Colombian government accepted an offer from Mexican President Vicente Fox to facilitate peace negotiations. In June 2004, Mexico named Andres Valencia, a former Mexican ambassador to Israel, as its facilitator. Meetings with Valencia and the ELN occurred, but the rebel group rejected Uribe's offer of a cease-fire.<sup>16</sup> In April 2005, the ELN rejected further Mexican facilitation after Mexico voted to condemn Cuba at the U.N. Human Rights Commission. The Colombian government and the ELN have held several rounds of exploratory talks in Havana, Cuba since December 2005. The most recent talks were held in August 2007. At this point there is disagreement about the terms of a cease fire. The Colombian government want ELN troops to concentrate in designated zones while the ELN wants its troops to remain mobile. Other points of disagreement include kidnapping and land mines. The Colombian government wants the ELN to stop kidnapping and to demine. The ELN earns much of its revenue from kidnapping and drug trafficking.<sup>17</sup>

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<sup>14</sup> Department of State, *Country Reports on Terrorism 2006*; "Fuerzas Armadas Revolucionarias de Colombia (FARC)," *Jane's World Insurgency and Terrorism*, December 16, 2005; and "Interpol Adds Three Irishmen to List of Most-Wanted Fugitives," *Jane's Terrorism Watch Report-Daily Update*, January 13, 2005.

<sup>15</sup> "Security – Colombia," *Jane's Sentinel Security Assessment*, December 11, 2007; Department of State, *Country Reports on Terrorism 2006*; International Crisis Group, "Colombia: Moving Forward with the ELN?" October 11, 2007; and "Security – Colombia," *Jane's Sentinel Security Assessment*, December 11, 2007.

<sup>16</sup> Kate Joynes, "ELN Rebels Rebut Colombian Government's Peace Pledge," *WMRC Daily Analysis*, July 12, 2004.

<sup>17</sup> International Crisis Group, "Colombia: Moving Forward with the ELN?" October 11, 2007; "Colombia, Rebels Start Peace Process," *Associated Press*, October 26, 2006; "Colombian government, Rebel Group Meet in Havana to Fashion Peace Agenda,"



**Paramilitaries.** Paramilitary groups trace their origins to the 1980s when wealthy ranchers and farmers, including drug traffickers, organized armed groups to protect them from kidnappings and extortion plots by the FARC and ELN. The largest paramilitary organization, the United Self-Defense Forces of Colombia (AUC) was formed in 1997 as an umbrella organization for a number of local and regional paramilitary groups operating in the country. As discussed in more detail below, the AUC disbanded in 2006. Not all paramilitary groups joined the AUC umbrella. The AUC conducted massacres and assassinations of suspected insurgent supporters and directly engaged the FARC and ELN in military battles. The Armed Forces of Colombia have long been accused of turning a blind eye to these activities. The AUC, like the FARC, earned most of its funding from drug trafficking. In 2005 the State Department estimated that 70% of AUC funding came from its participation in the drug trade. *Jane's World Insurgency and Terrorism* estimated that in 2006 paramilitaries handled 40% of Colombian cocaine exports.<sup>18</sup>

On July 15, 2003, the AUC reached an agreement with the Colombian government to demobilize its troops by the end of 2005. At that time, the State Department estimated that there were between 8,000 and 11,000 members of the AUC, although press reports used numbers ranging up to 20,000. The demobilization process begun in 2004 officially ended in April 2006. As of April 18, 2006, over 30,000 AUC members demobilized and turned in over 17,000 weapons. AUC leaders remained at large, however, until August 2006 when President Uribe ordered them to surrender to the government to benefit from the provisions of the Peace and Justice Law, discussed previously. Vicente Castaño, brother of AUC founder Carlos Castaño, remains at large. Vicente Castaño is under investigation by Colombian authorities for ordering the 2004 murder of his brother who reportedly planned to turn paramilitary leaders over for extradition to the United States as part of peace negotiations.<sup>19</sup>

Not all paramilitaries demobilized, and still others have returned to paramilitary activities since demobilizing. Moreover, there are credible reports that a new generation of paramilitaries is forming and may be recruiting demobilized paramilitaries.<sup>20</sup> Membership in the new paramilitary organizations is estimated at

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<sup>17</sup> (...continued)

*Associated Press*, April 25, 2006; "Colombia: ELN Given Political Status at Talks," *Latin American Weekly Report*, February 28, 2006; "ELN Accepts Talks Offer," *Latinnews Daily*, November 21, 2005, and "Uribe Makes Progress with ELN as FARC Intensifies Its Offensive," *Latinnews Weekly Report*, January 3, 2006.

<sup>18</sup> U.S. Department of State, *Country Reports on Terrorism 2005*, and, "Autodefensas Unidas de Colombia," *Jane's World Insurgency and Terrorism*, August 10, 2006.

<sup>19</sup> "Country Report - Colombia," *Economist Intelligence Unit*, October 2006; "Fiscalía indagará a José Vicente Castaño por la muerte de su hermano Carlos," *El Tiempo*, August 24, 2006; "No aparecen cuatro extraditables 'paras,'" *El Tiempo*, August 18, 2006; and, "Autodefensas Unidas de Colombia," *Jane's World Insurgency and Terrorism*, August 10, 2006.

<sup>20</sup> Department of State, Bureau of Democracy, Human Rights, and Labor, *Country Reports on Human Rights Practices 2006*, March 2007; International Crisis Group, *Tougher* (continued...)

3,000 to 9,000. Some former AUC members continue to be active in the drug trade.<sup>21</sup> There are reports that the AUC continues to take part in drug trafficking, in spite of the demobilization process. *Jane's World Insurgency and Terrorism* reports that since demobilization the AUC's purpose has shifted from combating the FARC and ELN to protecting drug trafficking networks and preventing the extradition of leaders wanted on drug trafficking charges in the United States. The State Department's *Country Reports on Terrorism 2006* also claims that some demobilized paramilitaries remain involved in the drug trade and seek to influence local politics. The State Department and OAS both note that the new illegal groups do not share the political ideology of the AUC, which sought to defeat leftist guerrillas.

The significant difference between earlier estimates of AUC size and the number of demobilized paramilitaries has resulted in criticism that the demobilization program is being abused by ordinary drug traffickers seeking to avoid extradition to the United States. The United States has requested the extradition of 24 AUC leaders on drug trafficking charges. One AUC leader, Hernán Giraldo Serna, is charged with ordering the murder of two DEA agents. Leaders sought for extradition include Diego "Don Berna" Murillo Bejarano, Salvatore Mancuso, and Vicente Castaño. The Colombian government suspended the extradition of both Don Berna and Salvatore Mancuso, citing their role in the demobilization process. Salvatore Mancuso was among the paramilitary leaders who handed themselves over to police for processing under the Justice and Peace Law in August 2006.<sup>22</sup>

**Armed Conflict.** In mid-2003, the Colombian military's *Plan Patriota*, a campaign to recapture FARC-held territory, began operations in what was largely seen as a successful effort to secure the capital and environs of Bogotá. 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. The FARC initially responded with a tactical withdrawal of forces, but launched a new counter-offensive in February 2005. The conflict with the FARC has, however, largely remained in the countryside and the FARC was unable to disrupt President Uribe's August 7, 2006,

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<sup>20</sup> (...continued)

*Challenges Ahead for Colombia's Uribe*, October 20, 2006.

<sup>21</sup> International Crisis Group, *Colombia's New Armed Groups*, May 10, 2007 and U.S. Department of State Bureau of International Narcotics Control and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2007*, March 2007.

<sup>22</sup> Presidencia de la República de Colombia, "Lista Justicia y Paz: 2.695 Postulados Remitida a Consideración de la Fiscalía General de la Nación Agosto 15/2006 Solicitados en Extradición: Total 15," August 29, 2006, accessed at [[http://www.presidencia.gov.co/prensa\\_new/proyectos/justicia\\_y\\_paz.htm](http://www.presidencia.gov.co/prensa_new/proyectos/justicia_y_paz.htm)] on August 30, 2006; "Presidencia de la República de Colombia, "Listado de Privados de Libertad de las AUC Remitidos a la Oficina del Alto Comisionado por los miembros representantes de los grupos armados al margen de la ley desmovilizados colectivamente solicitados en extradición: 8," August 29, 2006, at [[http://www.presidencia.gov.co/prensa\\_new/proyectos/justicia\\_y\\_paz.htm](http://www.presidencia.gov.co/prensa_new/proyectos/justicia_y_paz.htm)] on August 30, 2006; Human Rights Watch, "Colombia: Human Rights Overview," January 2006; Adam Isacson, "Peace — or 'Paramilitarization'?" *Center for International Policy*, July 2005;

inauguration. In 2006 the FARC was estimated to control 30% of Colombian territory.<sup>23</sup>

The Colombian military claims that *Plan Patriota* has reduced FARC ranks from 18,000 to 12,000.<sup>24</sup> Other sources continue to estimate that FARC forces number 15,000-16,000. 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.

With regard to *Plan Patriota*, critics believe 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). Colombia has the second largest displaced population in the world, though, there is discrepancy over the current rate of displacement. The Colombian government reports that the rate of displacement dropped 37% from 2003, when *Plan Patriota* began, to 2004. Meanwhile, during the same period Colombian human rights groups reported a 39% increase in displacement to 289,000, many of whom have not registered with the Colombian government.<sup>25</sup> The Colombian government registered over 250,000 IDPs in 2007, a decline of about 8,000 from 2006. The U.S. Committee for Refugees noted previously that many IDPs do not register with the Colombian government out of fear, and procedural barriers.<sup>26</sup> The Department of Defense reports that the U.S. 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.

Landmines appear to be an increasing problem in Colombia. The International Committee to Ban Landmines reports that Colombia had the highest number of landmine casualties in the world in 2006, with 1,106 in 2006, down from 1,112 in 2005. Landmine casualties increased nearly 25% in 2005. Afghanistan and Cambodia continue to have higher rates of landmine casualties than Colombia. Both

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<sup>23</sup> "Colombia: Executive Summary," *Jane's Sentinel Security Assessment*, August 24, 2006.

<sup>24</sup> 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.

<sup>25</sup> Cesar Garcia, "Colombian Rights Group: Offensive Against Rebels Forcing Thousands of Peasants to Flee Their Homes," Associated Press, February 1, 2005.

<sup>26</sup> U.S. Committee for Refugees, *World Refugee Survey 2005*, March 2005; U.S. Committee for Refugees, *World Refugee Survey 2006*, March 2006; and, Presidencia de la República de Colombia, Agencia Presidencial para la Acción Social y Cooperación Internacional, "Tabulados Generales de la Población Desplazada," December 31, 2007.

Human Rights Watch and the International Committee to Ban Landmines report that the vast majority of landmines are laid by the FARC and ELN.<sup>27</sup>

**Terrorism.** The three designated foreign terrorist organizations in Colombia, and the threats that terrorism poses to Colombia and the Andean region are often cited as justification for U.S. involvement. The most widely accepted definition of terrorism is politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents.<sup>28</sup> With the exception of Colombia, terrorism in Latin America is not as prominent as in other areas of the world.

However, the Western Hemisphere has a number of domestic terrorist groups that operate in Colombia and Peru, and the Triborder Area of Argentina, Brazil and Paraguay is thought to be a regional hub for Hizbollah and Hamas fundraising. The State Department reports that there is no confirmed or credible information of an established Al Qaeda presence in Latin America, although it notes that terrorist fundraising continues to be a concern. Some press reports have quoted unnamed foreign security analysts as claiming a link between Al Qaeda and the FARC, but these reports have not been confirmed by official sources.<sup>29</sup>

The Organization of American States (OAS) formed an Inter-American Committee Against Terrorism (CICTE is the Spanish acronym) in 1998 as a coordinating body for member states on counterterrorism issues. Its focus has been on information sharing, training, and strengthening of financial and border controls. OAS members signed an Inter-American Convention Against Terrorism in June 2002 with the objectives of improving regional cooperation by committing member states to deny safe haven to suspected terrorists. The United States ratified the Convention in November 2005. At the February 2005 CICTE session OAS members re-affirmed their commitment to increased cooperation to combat terrorism and to expand their work by addressing aviation, seaport, and cyber security.<sup>30</sup>

## **Socio-Economic Conditions<sup>31</sup>**

In 2006 some 45% of Colombians lived in poverty according to State Department data. The United Nations Economic Commission for Latin America and the Caribbean's (ECLAC) *Social Panorama 2006* data indicates a decline in both poverty and indigence rates since 1999. ECLAC reports that 55% of Colombians

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<sup>27</sup> International Committee to Ban Landmines, *Landmine Monitor 2007* and Human Rights Watch, *Maiming the People*, July 2007.

<sup>28</sup> For more information on terrorism issues in general, see CRS Report, *Terrorism and National Security: Issues and Trends*, by Raphael Perl; and CRS Report RS21049, *Latin America: Terrorism Issues*, by Mark P. Sullivan.

<sup>29</sup> Jacques Thomet, "Al Quaida, Una Nueva Amenaza Para America Latina," *Agence France Presse*, October 29, 2003.

<sup>30</sup> For more information see, CRS Report RS21049, *Latin America: Terrorism Issues*, by Mark P. Sullivan.

<sup>31</sup> Unless otherwise noted, data in this section is from the United Nations Economic Commission for Latin America and the Caribbean, *Social Panorama 2006*.



lived in poverty in 1999, with 27% living in extreme poverty or indigence. By 2005 those poverty and indigence rates fell to 47% and 20%, respectively. Since 1990 Colombia has reduced the incidence of extreme poverty by over 60%. Poverty rates are lowest in the metropolitan area around the capital of Bogotá and highest in rural areas. In 2005, 34% of Colombians in the Bogotá area were poor, compared to 49% in other urban areas and 51% in rural areas. Rural Colombians are also much more likely to be indigent. In 2005, 12% of Colombians in the capital region were indigent, while 20% of Colombians in other urban areas and 26% of rural Colombians were indigent.

Income distribution in Colombia has become more skewed in recent years with ECLAC changing its classification of Colombia from a highly unequal society in 2002 to one with very high levels in inequality. Colombia is now the fourth most unequal society in Latin America and the Caribbean, after Bolivia, Brazil, and Honduras.

Colombia has a fairly high literacy rate, which has been improving further since 1980. In the period from 1980 to 1985, 16% of Colombians were illiterate. That figure fell to 7% in the period from 2000 to 2005.

Educational attainment varies significantly between rural and urban areas, though there has been significant improvement in educational attainment in both rural and urban areas since 1990. In 1991, 60% of rural Colombians aged 18 to 24 had between 0 and 5 years of schooling; 26% had completed 6 to 9 years of schooling; and 14% completed 10 to 12 years of schooling. Less than one percent had over 13 years of education. By 1999, the majority of rural Colombians aged 18 to 24 completed more than 5 years of schooling — 46% completed 0 to 5 years of school; 31% completed 6 to 9 years of school; and 22% completed 10 to 12 years of schooling. Just over 1% of rural Colombians completed more than 13 years of schooling. In 1991, 22% of urban Colombians had 0 to 5 years of education; 38% completed 6 to 9 years of school; 30% completed 10 to 12 years of school; and nearly 11% completed more than 13 years of schooling. By 1999 educational attainment among urban Colombians aged 18 to 24 improved to: 15% with 0 to 5 years of schooling; 32% with 6 to 9 years of education; and 43% with 10 to 12 years of schooling. The percentage of urban Colombians with 13 years or more schooling fell to just under 10% by 1999.

Colombia has pursued a number of programs to combat poverty. One program, Families in Action, created in 2001, provides food subsidies to children under 7 and school subsidies for children aged 7 to 18 provided their families meet the requirements of the program. Families in Action has benefitted 494,000 Colombians. The Colombian government has spent over \$192 million on the program since 2000. Another initiative is the Forest-Ranger Families program. This program is for peasants, Afro-Colombians, and indigenous groups who live in threatened, environmentally sensitive areas where illicit crops are cultivated. The program provides monetary support, as well as social, environmental, and/or productive technical assistance so that families can improve their income through licit crop production and become more involved in society. The Forest Ranger Families program has provided assistance to nearly 34,000 Colombians at a cost of just over \$72 million since 2000.



Colombia's ability to reduce poverty in recent years is at least partly due to an increase in the growth rate of the country's gross domestic product (GDP). Colombia did not suffer the economic setback of other Latin American countries in the 1980s, because it had comparatively less debt. Government spending increased during the administration of President Ernesto Samper (1994 to 1998), and the country was more vulnerable to a recession in the late 1990s. During the recession unemployment rose to 20%. At the same time, increasing violence among the nation's armed groups combined with the economic crisis to reduce foreign investment. Colombia's economy has stabilized under President Alvaro Uribe, benefitting from prudent fiscal management and rising commodity prices. Security improvements and a more stable economy have likely led to the recent increase in foreign direct investment (FDI). FDI grew to \$4 billion during the first six months of 2007, three times the level for the same period in 2006. The bulk of this new investment is in the oil and manufacturing sectors. The leading sources of FDI in Colombia are the United States, Spain, and Brazil. Colombia's gross domestic product (GDP) grew 6.8% in 2006 and nearly 7% in the second quarter of 2007, year on year.<sup>32</sup>

## Colombia and Global Drug Trends

Colombia's prominence in the production of cocaine and heroin is cited as justification for the U.S. focus on anti-narcotics efforts in the Andean region. According to various sources, Colombia produces 62% of the world's cocaine.<sup>33</sup> It is the source of over 90% of cocaine consumed in the United States. Even though Colombia produces only a small fraction of global heroin production, it is the leading supplier of heroin in the eastern United States, according to the State Department's 2007 *International Narcotics Control Strategy Report*. It is estimated that cocaine is abused by 14 million people worldwide and heroin by 15.6 million people. The United States is the world's largest cocaine market, although recent reports note that the number of cocaine users has declined in recent years.<sup>34</sup> The world's supply of cocaine is produced by just three countries: Peru, Bolivia, and Colombia. Until the mid-1990s, Peru and Bolivia were the two major producers. Colombia eclipsed Bolivia in 1995 and Peru in 1997, the result of increased eradication programs in those two countries and the displacement of coca cultivation to Colombia. Cocaine production in Colombia increased fivefold between 1993 and 1999.

Global production of the opium poppy, from which heroin is produced, increased 33% in 2006, largely due to production increases in Afghanistan. Its principal source countries are Afghanistan (82%) and Burma (Myanmar) (11%). Most heroin consumed in the United States, however, comes from Mexico (with just over 1% of global poppy cultivation in 2005) and Colombia (with 0.5% of global

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<sup>32</sup> "Economy — Colombia," *Jane's Sentinel Security Assessment*, August 10, 2007 and Economist Intelligence Unit, *Country Report Colombia*, October 2007.

<sup>33</sup> United Nations Office on Drugs and Crime (UNODC), *Colombia: Coca Cultivation Survey 2007*.

<sup>34</sup> United Nations Office on Drugs and Crime (UNODC), *World Drug Report 2007*.

poppy cultivation in 2006). In 2006, opium poppy cultivation in Colombia was estimated to be about 1,000 hectares.<sup>35</sup>

After a long period of stable prices, purity, and availability of illegal drugs in the United States, recent evidence indicates that the price of cocaine rose in the first nine months of 2007. On November 8, 2007, the U.S. Office of National Drug Control Policy announced that cocaine prices rose 44% in the first nine months of 2007 and purity was down 15% during the same period. The supply of drugs is often judged by changes in price, with higher prices signifying decreased supply. Declining purity is also used as a measure indicated decreased availability. ONDCP Director John Walters attributed this increase to regional counternarcotics efforts, including U.S. funded programs in Colombia. The ONDCP announced that Colombia eradicated a record amount of coca in 2007, though it did not specify how many hectares were eradicated. Colombia seized nearly 100 metric tons of cocaine within Colombia as of October 2007.<sup>36</sup> Information contained in the *National Drug Threat Assessment 2008* released in early November casts doubt on the likelihood that this trend will continue. The report, published by the Department of Justice's National Drug Intelligence Center (NDIC) states that cocaine shortages are unlikely to continue because "cocaine production in South America appears to be stable or increasing, cocaine availability could return to normal levels during late 2007 and early 2008." The NDIC reports that Mexican and South American (Colombian) heroin continue to dominate the U.S. market in spite of dramatic increases in Afghanistan's heroin production. The NDIC predicts that this trend is likely to continue because of the established trafficking networks for Mexican and South American heroin in the United States. Heroin purity had been steadily increasing since the 1980s. The purity of South American heroin has declined from 49.7% in 2001 to 36.1% in 2006. Colombian heroin production fell from 8.5 metric tons in 2002 to 4.6 metric tons in 2006. Nevertheless, the NDIC reports that the supply of South American white powder heroin is sufficient to meet U.S. demand.<sup>37</sup>

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.<sup>38</sup> They also question the likelihood the price increase will be sustained, given the *National Drug Threat Assessment 2008* prediction that supply could be restored as early as late 2007. Still others express caution because cocaine production levels have not fallen. Another possible explanation for the declining cocaine supply in the United States is that cocaine is

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<sup>35</sup> United Nations Office on Drugs and Crime (UNODC), *World Drug Report 2007*.

<sup>36</sup> U.S. Office of National Drug Control Policy (ONDCP), "White House Drug Czar, DEA Administrator Release New Data Showing Significant Disruptions in U.S. Cocaine and Methamphetamine Markets," November 8, 2007.

<sup>37</sup> U.S. Department of Justice, National Drug Intelligence Center, *National Drug Threat Assessment 2008*, October 2007.

<sup>38</sup> "U.S. Drug Czar Claims Cocaine Prices Fall," Associated Press, November 8, 2007.

being diverted to Europe where drug traffickers can earn more money, presumably because of the strong euro.<sup>39</sup>

**Drug Displacement.** One of the fears expressed by opponents of Plan Colombia is that it would drive coca cultivation to neighboring countries. A Central Intelligence Agency report written in 2000 noted the likelihood that reductions in coca cultivation in Colombia could result in increases in neighboring countries. There are conflicting indications that this may be occurring. The ONDCP changed its area of survey in 2006, leading to a finding that Colombian coca cultivation increased 9% from 2005 as almost all of the new growth detected was in the newly surveyed area. The ONDCP increased the area surveyed in Peru in 2006, and found a 25% increase in coca cultivation during the year. The increase in Peruvian coca cultivation remained high — 17% — when the ONDCP limited the 2006 analysis to the same area surveyed in 2005. The ONDCP found that coca cultivation in Bolivia was statistically unchanged, though it did not release a precise estimate on coca cultivation for the year. Coca eradication continued to decline in Bolivia during 2006 due to political pressures. The U.N. Office on Drugs and Crime (UNODC) reported a 17% decline in coca cultivation in Bolivia, and increases in Peru (4%) and Colombia (25%).<sup>40</sup>

## Colombia and Regional Security

One of the justifications of U.S. policy is that drug trafficking and armed insurgencies in Colombia have a destabilizing effect on regional security. With porous borders amid rugged territory and an inconsistent state presence, border regions are seen as particularly problematic. Colombia shares a 1,367 mile border with Venezuela, approximately 1,000 miles each with Peru and Brazil, and much smaller borders with Ecuador and Panama. The conflict in Colombia and its associated drug trafficking have led to predictions of a spillover effect in Colombia's neighboring countries. These predicted spillovers include a direct spread of fighting across Colombia's borders and the use of neighboring countries' territory by Colombian armed factions for safe havens, the displacement of the drug trade from Colombia, and the flight of refugees fleeing the conflict and economic displacement. There are indications that all of these activities are occurring, but various analyses dispute the degree and its importance to undermining regional stability.

**Cross-Border Incursions and Safe Havens.** Colombia's relations with its neighbors have been strained by the spillover from Colombia's civil war, including cross-border military activity. Colombia has asked both Venezuela and Ecuador for assistance in patrolling border areas where the FARC is strong. Press

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<sup>39</sup> Ibid and Chris Kraul, "U.S. Says War on Narcotics is Working," *Los Angeles Times*, November 9, 2007.

<sup>40</sup> "CIA Foresaw 'Balloon Effect' Five Years Ago," *Latin American Newsletter Weekly Report*, January 27, 2004; United Nations Office on Drugs and Crime (UNODC), *World Drug Report 2007*; Office of National Drug Control Policy (ONDCP), *2006 Counternarcotics Assessment for Bolivia*, April 25, 2007; ONDCP, *Counternarcotics Assessment for Peru*, May 14, 2007; and ONDCP, *2006 Coca Estimates for Colombia*, June 4, 2007.

accounts in 2005 and 2006 reported numerous FARC attacks in Colombia along its border with Venezuela. The two nations have close economic ties and Venezuela is Colombia's second most important trading partner. President Chávez's comments that the FARC and ELN should be considered belligerent groups, not terrorist organizations, following the January 2008 release of two prominent hostages held by the FARC increased tension between Colombia and Venezuela. The State Department's 2006 *Country Reports on Terrorism* report states that Venezuelan President Hugo Chávez's "ideological sympathy for the Revolutionary Armed Forces of Colombia (FARC) and National Liberation Army (ELN) limited Venezuelan cooperation with Colombia in combating terrorism." The FARC and ELN use Venezuelan territory as safehavens, and to transship arms and drugs, secure logistical supplies, and commit kidnappings and extortion. Splinter groups of the FARC also operate in Venezuela where they participate in drug trafficking. In November 2007, the Colombian military detonated three guerrilla land mines near the Venezuelan border.<sup>41</sup> Earlier in 2007 two Colombian intelligence officers were killed in Venezuela; the case has yet to be resolved.<sup>42</sup>

Opponents of President Chávez regularly accuse him of harboring FARC guerrillas. While the FARC uses Venezuelan territory as a safe haven, the State Department notes, "it is unclear to what extent the Venezuelan Government provided material support to Colombian terrorists and at what level."<sup>43</sup> There are reports that the FARC has developed links to pro-Chávez Venezuelan guerrilla groups, such as the Popular Liberation Army and the Bolivarian Liberation Forces. Press reports allege that the FARC kidnaps Venezuelan citizens and that some abducted Venezuelan farmers have been taken to FARC camps in Venezuela, though it is not clear how many FARC camps may be present in Venezuela.<sup>44</sup> The FARC has issued communiques in support of President Chávez's Bolivarian revolution, including a February 2006 offer to defend the Chávez government in the event of a U.S. invasion. Statements such as this and the FARC's continued presence in Venezuela have led Colombian leaders to charge that Chávez is harboring the FARC. President Chávez dismisses these allegations as propaganda.<sup>45</sup>

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<sup>41</sup> "Colombian Army Blows Up Rebel Mine Field," *EFE News Service*, November 4, 2007; Scott Wilson, "Venezuela Becomes Embroiled in Colombian War," *The Washington Post*, April 10, 2003. "Colombian Paramilitaries Clash With Venezuelan Troops," *Agence France Presse*, December 27, 2003.

<sup>42</sup> Simon Romero, "Leaders of Venezuela and Colombia, Ideological Opposites, are Tightening Ties," *The New York Times*, October 19, 2007.

<sup>43</sup> Department of State, Office of the Coordinator for Counterterrorism, *Country Reports on Terrorism 2006*.

<sup>44</sup> Juan Forero, "Venezuelans Grow Bitter Over Abductions," *Washington Post*, February 13, 2008 and Chris Kraul, "Venezuela Cattlemen Living in Fear," *Los Angeles Times*, July 25, 2006.

<sup>45</sup> "Colombian Rebels to Support Venezuela in Event of U.S. Invasion," *BBC Monitoring*, February 28, 2006; "Venezuela Jabs at Colombian Paramilitary Demobbing," Reuters, March 2, 2006.



Tensions with Ecuador have also increased, with accusations of incursions by Colombian troops chasing FARC units across the border. Colombia is concerned that the FARC are using Ecuadorean territory to launch attacks. Leftist Ecuadorean President Rafael Correa opposes U.S. involvement in Colombia and has indicated that he will not renew the United States' lease on the Manta air base when it is up for renewal in 2009. Ecuador is also concerned that aerial spraying of coca crops in southern Colombia is reaching into Ecuador potentially damaging licit Ecuadorean crops. Colombia suspended aerial spraying in the border area in late 2006 in response to these concerns. *Jane's Intelligence Digest* reports that the FARC are producing cocaine in laboratories based in Ecuador. Other concerns between the countries relate to refugees from Colombia's conflict. In August 2007, Ecuador asked the United Nations High Commissioner for Refugees (UNHCR) to organize the resettlement of 1,600 new refugees away from the border. The Colombian government was upset that Ecuador did not repatriate the refugees claiming that FARC members were included in the group.<sup>46</sup>

In February 2006, Ecuador briefly recalled its ambassador to Bogotá in response to a Colombian incursion. An Ecuadoran military intelligence report leaked to the press in May 2006 reported the destruction of six FARC camps in the northern province of Sucumbios with a combined capacity of 1,000. The report noted that the camps were used for "resupply, as bases to rest, and to plan their various attacks against Colombia's military forces."<sup>47</sup> The FARC also carries out cross-border operations from Panama and Brazil. FARC spokesman Antonio Cadena Collazos was arrested in Brazil in 2005, and granted asylum in 2006. Brazil has refused to extradite him to Colombia.<sup>48</sup>

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<sup>46</sup> "Border Clashes Boost Crime in Colombia," *Jane's Intelligence Digest*, May 29, 2007 and "Ecuador Moves Colombians from Border," *LatinNews Daily*, August 28, 2007.

<sup>47</sup> "Ecuador: Seeking Help from Chávez, Moving Against FARC," *Latin American Weekly Report*, May 30, 2006.

<sup>48</sup> Department of State, Office of the Coordinator for Counterterrorism, *Country Reports on Terrorism 2006*; "Fuerzas Armadas Revolucionarias de Colombia (FARC)," *Jane's World Insurgency and Terrorism*, December 16, 2005.



## Issues for Congress

Recent debate on U.S. policy toward Colombia has taken place in a context of concern over the sheer volume of illegal drugs available in the United States and elsewhere in the world. The United States approved increased assistance to Colombia as part of a six-year plan called Plan Colombia in June 2000, totaling over \$6 billion from FY2000 to FY2008. The United States now considers assistance to Colombia on an annual basis through the Andean Counterdrug Initiative (ACI). The U.S. policy debate is focused on a number of related issues, such as the effectiveness and implementation of the program in general, the nature of U.S. support to address what many consider to be a purely civil conflict, and the socioeconomic factors that many observers claim are the underlying cause of the continuing conflict.

In addition to the basic debate over what role the United States should play in Colombia's struggle against drug trafficking and illegally armed groups, Congress has repeatedly expressed concern with a number of related issues. These include continuing allegations of human rights abuses; the health and environmental consequences of aerial eradication for drug control; the progress of alternative development to replace drug crops with non-drug crops; judicial reform and rule of law programs; and the level of risk to U.S. personnel in Colombia and the continued captivity of three American hostages held by the FARC.<sup>49</sup>

Supporters of U.S. policy maintain that Colombia is a beleaguered democratic ally under siege by powerful armed forces of the left and right fueled by drug money. With the growing recognition of the relationship between drug trafficking and the guerrilla insurgency, proponents argue that Colombia and its neighbors should be supported with counternarcotics and counterterrorism assistance before the situation deteriorates further. They favor expanding the scope of military assistance to strengthen the ability of Colombian security forces to combat the leftist guerrillas and to expand their control throughout rural areas, thereby undercutting the rationale and support for paramilitary groups. They also believe that guerrilla forces regularly cross borders using neighboring countries' territory for refuge and supplies, and that this has a potentially destabilizing effect in the region.

Opponents of U.S. policy respond that the counterdrug program uses a repressive military approach to curbing drug production which could provoke a negative popular reaction in rural areas. They argue for halting aerial fumigation of drug crops and aid to the Colombian military, believing that coca farmers cannot be expected to abandon coca farming voluntarily until adequate economic alternatives are in place. They fear that forcing such farmers to give up coca growing will only drive many to the ranks of the armed groups, or to become displaced persons dependent on the state. Further, they argue that any decreases in coca cultivation in Colombia will be offset by increases in neighboring countries. Instead, many urge that counternarcotics policy should stress interdiction rather than eradication so that

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<sup>49</sup> For more information, see CRS Report RL32337, *Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2005 Assistance*, by Connie Veillette; and CRS Report RL33163, *Drug Crop Eradication and Alternative Development in the Andes*, by Connie Veillette and Carolina Navarette-Frias.

the direct costs to peasant producers would be less. Some critics of U.S. policy would support a policy that focuses largely on economic and social aid to combat what they consider to be the conflict's root causes, curbs the still rampant human rights abuses by paramilitary groups, provides vigorous support for a negotiated end to the fighting, and emphasizes illicit drug demand reduction in the United States. Still others urge a regional and multilateral approach, in which drug consuming countries would fund land reform and rural development programs, as complementary to interdiction efforts.<sup>50</sup>

In response to an Administration request, Congress reconsidered the statutory caps on U.S. personnel allowed to be deployed to Colombia in support of Plan Colombia. The FY2005 National Defense Authorization Act (H.R. 4200; P.L. 108-375) raised the military cap from 400 to 800 and the civilian cap from 400 to 600. The cap does not apply to personnel conducting search and rescue operations, or to U.S. personnel assigned as part of their regular duties to the U.S. embassy. As of September 28, 2007, there were 364 U.S. military and 382 U.S. civilian contractors in Colombia in support of Plan Colombia. During the previous three months, military personnel levels varied from 274 to 461, while civilian personnel levels varied between 291 and 415.<sup>51</sup>

### **Plan Colombia and the Andean Counterdrug Program (ACP)**

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. The initial plan was a \$7.5 billion three-year plan, with Colombia providing \$4 billion of the funding and requesting \$3.5 billion from the international community. The U.S. Congress approved legislation in support of Plan Colombia in 2000, as part of the Military Construction Appropriations Act of 2001 (P.L. 106-246) providing \$1.3 billion for counternarcotics and related efforts in Colombia and neighboring countries. Plan Colombia was never authorized by Congress and subsequent funding has been approved annually. President Bush has continued support for the plan under the Andean Counterdrug Program, previously known as the Andean Counterdrug Initiative (ACI), which also provides assistance to Bolivia, Brazil, Ecuador, Panama, Peru, and Venezuela. Because narcotics trafficking and the guerrilla insurgency have become intertwined problems, the United States has exercised expanded authority, granted by Congress since 2002, for increased flexibility to use U.S. counterdrug funds for a unified campaign to fight drug trafficking and terrorist organizations.<sup>52</sup>

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<sup>50</sup> Julia E. Sweig, *Andes 2020: A New Strategy for the Challenges of Colombia and the Region*, Council on Foreign Relations Center for Preventive Action, January 2004.

<sup>51</sup> Information provided by the Department of State. Numbers vary because of program cycled. During 2005, the overall number of U.S. military personnel in support of Plan Colombia was between 149 and 501, while in 2004 it ranged from 126 to 388. During 2005, the number of U.S. civilian contractors was between 230 and 410, compared to 271 to 396 in 2004.

<sup>52</sup> The State Department and the Department of Defense explain expanded authority as providing them with flexibility in situations where there is no clear line between drug and  
(continued...)

Through the Andean Counterdrug Initiative (Andean Counterdrug Program account as of FY2008) and Foreign Military Financing accounts, the United States supports the eradication of coca and opium poppy crops, the interdiction of narcotics shipments, and the protection of infrastructure through training and material support for Colombia's security forces. U.S. assistance also supports alternative crop development and infrastructure development to give coca and opium poppy farmers alternative sources of income, and institution building programs to strengthen democracy. U.S. assistance includes human rights training programs for security personnel in response to Congressional concerns about human rights abuses committed by Colombian security forces. Congress has prohibited U.S. personnel from directly participating in combat missions and has capped the number of U.S. military and civilian contractor personnel that can be stationed in Colombia in support of Plan Colombia at 800 and 600 respectively.

The United States also supports the interdiction of drug shipments through the Air Bridge Denial Program. The Air Bridge Denial program is a joint interdiction effort between the United States, Peru, and Colombia that seeks to identify possible drug flights and to interdict them by forcing them to land, and if necessary to shoot down the aircraft. The program was suspended in 2001 after a flight carrying American missionaries was shot down over Peru. Following the establishment of new safeguards against accidental shootdowns, the program was renewed in Colombia in 2003. The State Department credited the Air Bridge Denial program with the destruction of two aircraft, the capture of five aircraft in Colombia and three in Central America, and the seizure of about four metric tons of cocaine in 2005. This is in addition to the destruction of several aircraft and the seizure of more than three metric tons of cocaine during 2004.<sup>53</sup>

**Aerial Eradication and Alternative Development.**<sup>54</sup> Upon taking office, President Uribe announced that aerial eradication, along with alternative crop development, would form a significant basis of the government's efforts. The Plan Colombia eradication spraying program began in December 2000 with operations by the U.S. funded counternarcotics brigade in Putumayo. It should be noted, however, that spraying does not prevent, although it may discourage, the replanting of illicit crops. During 2006 the Colombian National Police sprayed 171,613 hectares of coca and poppy and manually eradicated 42,111 hectares of coca and 1,697 hectares of poppy.<sup>55</sup> The United Nations reported a 50% decline in opium poppy cultivation in Colombia in 2006 to about 1,000 hectares and a 9% decline in coca cultivation. U.S. data from the Office of National Drug Control Policy showed a 9% increase in coca

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<sup>52</sup> (...continued)  
terrorist activity.

<sup>53</sup> U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs, *International Narcotics Control and Strategy Report 2006*.

<sup>54</sup> Also see CRS Report RL33163, *Drug Crop Eradication and Alternative Development in the Andes*, by Connie Veillette and Carolina Navarette-Frias.

<sup>55</sup> U.S. Office of National Drug Control Policy, "White House Drug Czar, DEA Administrator Release New Data Showing Significant Disruptions in U.S. Cocaine and Methamphetamine Markets," November 8, 2007.

cultivation in 2006. The United Nations and United States use different methodologies to determine cultivation levels. The different methodologies yield results that not only show different levels of cultivation, but different trends as well. The following tables include United Nations and United States data on coca cultivation in Colombia from 2000 through 2006. The area of cultivation is in hectares.

**Table 1. UNODC Coca Cultivation in Colombia**

Year	2000	2001	2002	2003	2004	2005	2006
Area	163,000	145,000	102,000	86,000	80,000	86,000	78,000
% change	—	-11%	-30%	-16%	-7%	8%	-9%

**Table 2. U.S. ONDCP Coca Cultivation in Colombia**

Year	2000	2001	2002	2003	2004	2005	2006
Area	136,200	169,800	144,450	113,850	114,100	144,000	157,200
% change	—	25%	-15%	-21%	0.2%	26%	9%

Aerial eradication has been controversial both in Colombia and the United States. Critics charge that it has unknown environmental and health effects, and that it deprives farmers of their livelihood, particularly in light of a lack of coordination with alternative development programs. With regard to environmental and health consequences, the Secretary of State, as required by Congress, has reported that the herbicide, glyphosate, does not pose unreasonable health or safety risks to humans or the environment. In consultation for the certification, the U.S. Environmental Protection Agency confirmed that application rates of the aerial spray program in Colombia are within the parameters listed on U.S. glyphosate labels. However, press reports indicate that many Colombians believe the health consequences of aerial fumigation are grave, and many international non-governmental organizations criticize the certification for being analytically inadequate.

The U.S. Agency for International Development funds alternative development programs to assist illicit crop farmers in the switch from illicit to licit crops, and provides assistance with infrastructure and marketing. The State Department's annual *International Narcotics Control Strategy Report* for 2005 claimed that more than 60,000 acres of licit crops were planted in previous coca and poppy areas during 2005. In addition, the United States assisted with the establishment of 874 social and productive infrastructure projects that benefitted 50,000 families in 17 departments.

The success of alternative development in Colombia has been limited both by security concerns and the limited scope of the program. Security concerns are blamed for the planned withdrawal of USAID assistance to five departments where coca production is increasing, according to a USAID memo leaked to the press in October 2006. The United Nations Office on Drugs and Crime (UNODC) reported



in June 2006 that alternative development programs have been successful, but only reach 9% of Colombian coca growers and called for a tenfold increase in international donor support for alternative development programs. In 2007, UNODC reported a disparity in spending on alternative development programs. The departments of Norte de Santander, Antioquia, and Santander received 65% of ongoing alternative development project funding, yet coca cultivation in these three departments is about 10% of the national total. In contrast, 40% of current coca cultivation is in the departments of Meta, Caqueta, Guaviare, and Vichada, which receive just 10% of ongoing alternative development project funding. Proponents of U.S. policy argue that both eradication and alternative development programs need time to work. USAID has argued that alternative development programs do not achieve drug crop reduction on their own, and that the Colombia program was designed to support the aerial eradication program and to build “the political support needed for aerial eradication efforts to take place.”<sup>56</sup>

**U.S. Hostages.** In February 2003, a Cessna 208 aircraft carrying both U.S. and Colombian personnel crashed in a FARC-controlled region. One American and a Colombian were murdered, and three are being held by the FARC. The three hostages — Marc Gonsalves, Keith Stansell, and Thomas Howes — are the longest held U.S. hostages in the world. They are included on the list of hostages that the FARC is willing to exchange for the release of guerrillas currently serving time in prison. Negotiations with the FARC to secure an exchange appeared to be gaining momentum in 2007. In August 2007, Colombian President Alvaro Uribe authorized opposition Senator Piedad Cordoba and Venezuelan President Hugo Chávez, to negotiate with the FARC. President Chávez met with a FARC representative in early November 2007 and requested proof of life of the 50 hostages. The FARC did not produce proofs of life prior to President Chávez's trip to France to discuss the case of Ingrid Betancourt with President Sarkozy. The Colombian government, however, discovered over one dozens proofs of life in a November 2007 raid on the FARC, including videos of the three American hostages. U.S. Ambassador Brownfield has said that the United States will remain outside negotiations until the FARC show a gesture of compromise. The main sticking point in negotiations is the FARC demand for a demilitarized zone in southern Colombia as a pre-condition to an exchange. President Uribe long refused this; a position supported by the majority of Colombians.<sup>57</sup>

**Funding for Plan Colombia.** From FY2000 through FY2008, U.S. funding for Plan Colombia totals over \$6 billion in State Department and Defense Department programs. Most U.S. assistance is provided through the Andean Counterdrug Initiative account of the State Department. In FY2008 that account was renamed the Andean Counterdrug Program account. In FY2008 Congress funded

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<sup>56</sup> Ibid, Joshua Goodman, “U.S. Pulling Economic Aid from Colombia’s Coca Infested South,” Associated Press, October 12, 2006; United Nations Office on Drugs and Crime (UNODC), “Coca Cultivation in Andes Stabilizes in 2005,” June 20, 2006; UNODC, *Coca Cultivation in the Andean Region*, June 2006; and, UNODC, *Colombia Coca Cultivation Survey*, June 2007.

<sup>57</sup> “U.S. Cools on Colombian Prisoner Swap,” *LatinNews Daily*, October 15, 2007 and “Chávez Meets Colombia FARC Rebels,” *BBC News*, November 8, 2007.

eradication and interdiction programs through the ACP account, and funded alternative development and institution building programs through the Economic Support Fund (ESF) account. In previous years, alternative development and institution building were funded through the ACI account. In addition, support for aerial eradication programs is provided from the State Department's Air Wing account. The Defense Department requests a lump sum for all counternarcotics programs worldwide under Sections 1004 and 1033, and under Section 124, of the National Defense Authorization Act. DOD can reallocate these funds throughout the year in accordance with changing needs. While not considered a formal component of the Andean Counterdrug Initiative, the Defense Department has provided Colombia with additional funding for training and equipment for a number of years, as well as the deployment of personnel in support of Plan Colombia.

Below is an outline of funding levels approved by Congress as part of the Andean Counterdrug Program and related funding programs since FY2007. See the table in the Appendix for allocations since 2000 broken down by agency.

- For FY2007, the Administration requested \$465 million in ACI funding, consisting of \$313 million for narcotics interdiction and eradication programs; and \$125 million for alternative development and institution building. The FMF request was again for \$90 million. On June 9, 2006, the House passed H.R. 5522, the FY2007 Foreign Operations Assistance Act, which provides \$545.2 million for Colombia, an increase of over \$80 million from FY2006. Significantly, the House measure would have moved some ACI assistance to traditional accounts, for example the \$135 million in alternative development assistance would be funded from ESF, not ACI. A foreign operations appropriations measure was not enacted for FY2007 and funding remained at FY2006 levels under a continuing resolution (P.L. 110-5). The United States provided \$556 million in assistance to Colombia in FY2007. Of that amount, \$465 million was for ACI, \$85.5 million for FMF, \$1.6 million for IMET, and \$4.1 million for NADR. Alternative development assistance continued to be provided through the ACI account in FY2007.
- For FY2008, the Administration requested a total of \$589.7 million in State Department funding for Colombia in FY2008. The Administration moved alternative development funds from the ACI account to the ESF account. For FY2008 the Administration requested \$367 million in ACI funding and \$139.5 million in ESF funding. Other funding requested by the Administration for FY2008 included \$78 million in FMF, \$3.7 million in NADR, and \$1.5 million in IMET. The Consolidated Appropriations Act (P.L. 110-161) cut overall assistance to Colombia by 7% from the requested level, funding \$546 million in assistance programs in FY2008. Both the Request and Consolidated Appropriations Act removed alternative development and institution building from the Andean Counterdrug Program (ACP, formerly ACI) account. The ACP account is now wholly dedicated to eradication and interdiction programs. The Consolidated Appropriations Act cut these programs

by 31% over the request; providing \$252 million. Enacted funding levels increase the proportion of assistance for alternative development and institution building programs. These programs will be funded through the ESF account – \$196 million; an increase of 40% over the Administration's request – and not less than \$39.75 million in INCLE funding. The Administration did not request any INCLE funding for Colombia in FY2008. An estimated \$541 million has been provided to Colombia for FY2008. Of that total, \$244.6 million is for ACP, \$194.4 million for ESF, \$55.1 million for FMF, \$1.4 million for IMET, \$41.9 million for INCLE, and \$3.7 million for NADR.

- The President's FY2009 Budget Request includes a request for \$543 million in assistance for Colombia. The request seeks to increase ACP funding for eradication and interdiction programs by 35% over FY2008 enacted levels. The request also seeks to decrease ESF funding for alternative development and institution building programs funded through the ESF account by 27% over FY2008 enacted levels. The Administration requested \$329.6 million in ACP funds, \$142.4 in ESF funds, \$66.4 million in FMF funds, \$1.4 million in IMET funds, and \$3.2 million in NADR funds.

## Paramilitary Demobilization

The 110<sup>th</sup> Congress will likely want to monitor the developing scandal involving paramilitary ties to Colombian politicians. Some Members of Congress have expressed concern about both the AUC demobilization process and the overall demobilization framework under the Justice and Peace Law approved by the Colombian Congress in 2005. The FY2005 Foreign Operations Appropriations Act, included as Division D in the FY2005 Consolidated Appropriations Act (P.L. 108-447), expressed concern that the demobilization process was not ensuring the dismantling of foreign terrorist organizations, was not deterring members from resuming illegal activities, and that the government of Colombia was not prosecuting those involved in drug trafficking and human rights violations. It recommended that the State Department not request FY2006 funds for demobilization unless the Department of Justice determined the activities to be consistent with U.S. anti-terrorism laws. It also made a future request for demobilization support contingent on a number of conditions, such as adherence to a cease fire and cessation of illegal activities, the continued adherence to the U.S.-Colombia extradition treaty, and the presence of a legal framework that prosecutes and punishes combatants in proportion to the crimes committed.<sup>58</sup> The FY2006 Foreign Operations Act (P.L. 109-102) provided \$20 million to assist in the demobilization of former members of foreign terrorist organizations, provided that the Secretary of State certified that the assistance only went to individuals who had verifiably renounced and terminated membership in the FTO; that the Colombian government was cooperating with the United States on extradition; that the Colombian government was working to

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<sup>58</sup> For details of the provisions, see CRS Report RL32337, *Andean Counterdrug Initiative (ACI) and Related Funding Programs: FY2005 Assistance*, by Connie Veillette.

dismantle FTO structures; and that the funds would not be used to make cash payments to individuals. A foreign operations appropriations measure was not enacted for FY2007 and funding remained at FY2006 levels under a continuing resolution (P.L. 110-5).

The FY2008 Consolidated Appropriations Act (P.L. 110-161) provided just over \$11 million to assist the demobilization of former members of foreign terrorist organizations (FTOs), if the Secretary of State certified the following:

- that assistance will be provided only for individuals who have verifiably renounced and terminated any affiliation or involvement with FTOs, and are meeting all the requirements of the Colombia Demobilization program, including disclosure of past crimes; the location of kidnap victims and bodies of the disappeared; and, knowledge of FTO structure, financing, and assets.
- that the Colombian government is fully cooperating with the United States in extraditing FTO leaders and members who have been indicted in the United States for murder, kidnapping, narcotics trafficking, and other violations of U.S. law; and is extraditing former paramilitary leaders who have been indicted in the United States and have breached the terms of the demobilization process;
- that the Colombian government is not knowingly taking steps to legalize titles of land or other assets illegally obtained by FTOs, their associates, or their successors; and that the Colombian government has established effective procedures to identify such land and assets;
- that the Colombian government is implementing a concrete and workable framework for dismantling the organizational structures of FTOs; and
- that funds will not be used to make cash payments to individuals, and funds will only be available for any of the following activities: verification, reintegration (including training and education), vetting, recovery of assets for reparations for victims, and investigations and prosecutions.

## Human Rights

Debate in Congress has continued to focus on allegations of human rights abuses by the FARC and ELN, paramilitary groups, and the Colombian Armed Forces. Human rights groups report a rise in extrajudicial killings by Colombian security forces in recent years. U.S. policy has supported the creation and assistance for a Human Rights Unit within the Attorney General's office, although some non-governmental groups have claimed it to be ineffective.<sup>59</sup>

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<sup>59</sup> Amnesty International and Human Rights Watch, "Colombia: U.S. Congress Should (continued...)"



Congress has annually required that the Secretary of State certify to Congress that the Colombian military and police forces are severing their links to the paramilitaries, investigating complaints of abuses, and prosecuting those who have had credible charges made against them. Congress has made funding contingent on these certifications. In the latest certification, issued on April 4, 2007, the Secretary of State asserted that the Colombian government and armed forces are meeting the statutory requirements with regard to human rights. This certification would have made available the final 12.5% of FY2006 funds appropriated by Congress, but a congressional hold was placed on the funds. While recognizing that more progress needs to be made, the certification noted the commitment of President Uribe to improve the country's human rights record. The certification noted the United States' commitment to work with the Colombian government to sever military-paramilitary ties and to investigate human rights violations. The certification was met with criticism from human rights organizations that claimed Colombia's record does not meet recognized standards of respect for human rights.<sup>60</sup>

As part of the Andean Counterdrug Initiative, the United States provides human rights training and vets units with regard to abuses before it authorizes support. In testimony before the Senate Foreign Relations Committee in October 2003, General James Hill, then commander of the U.S. Southern Command (SouthCom), asserted that this training is successful. SouthCom assisted in developing a Colombian Judge Advocate General (JAG) school that provides courses on military justice, international law, and operational law. The Department of State noted continued improvement in the Colombian government's human rights practices in 2006, though it noted that serious problems remain including extrajudicial killing, forced disappearance, and harassment of journalists and human rights groups. Illegal armed groups committed the majority of human rights violations in 2006, including political killings, forced disappearance, kidnapping, and the targeting of human rights workers, journalists, teachers, and union activists.<sup>61</sup> Congress has regularly included the so-called Leahy amendment in foreign operations appropriations legislation that denies funds to any security force unit for which the Secretary of State has credible evidence of gross human rights violations. The Secretary may continue funding if she determines and reports to Congress that the foreign government is taking effective measures to bring the responsible members of these security forces to justice. In January 2003, the United States cut off support to the Colombian 1<sup>st</sup> Air Combat Command for the lack of progress in investigating and prosecuting members who allegedly bombed civilians in a December 1998 incident. The United States also cut off support of the Colombian Army's 17<sup>th</sup> Brigade in 2005 and 2006 due to

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<sup>59</sup> (...continued)

Maintain Hold on Military Aid," October 18, 2007 and Human Rights Watch, "A Wrong Turn: The Record of the Colombian Attorney General's Office," November 2002.

<sup>60</sup> The certification is available at the State Department's website, [<http://www.state.gov/r/pa/prs/ps/2007/apr/82824.htm>]. Opposing views can be found at [<http://hrw.org>], Amnesty International and Human Rights Watch, "Colombia: U.S. Congress Should Maintain Hold on Military Aid," October 18, 2007.

<sup>61</sup> Department of State, *Country Reports on Human Rights Practices*, March 6, 2007; and "Rights Groups Say Both Sides in Colombia Conflict Use Torture," Voice of America Press Releases and Documents, November 12, 2003.

pending investigations of human rights violations in the peace community of San José de Apartado. Despite this action, human rights organizations claim that the U.S. government often turns a blind eye to questionable activities of Colombian security forces.

Relations between the Uribe Administration and human rights organizations have often been tense with human rights organizations because of the groups' doubts about President Uribe's commitment to human rights. There was some speculation that President Uribe would not renew the United Nations High Commissioner for Human Rights (UNHCHR) mandate in 2006, because it has been critical of his administration. However, in September 2006, the Uribe administration extended the UNHCHR's mandate for another year. UNHCHR's mandate has since been extended until October 30, 2010. The UNHCHR has been critical of the paramilitary demobilization process and has criticized the government, along with paramilitaries and leftist guerrillas, for human rights violations in its annual report. The March 2007 report notes that there was comparatively less violence during the 2006 election cycle and notes improvement in overall security indicators. The UNHCHR continued to express concern about the demobilization process, particularly the rearming of mid-level paramilitary commanders. The report also noted the need for an improved reintegration framework to ensure that demobilized paramilitaries successfully re-enter society. The report noted an increase in human rights violations committed by Colombian security forces. The UNHCHR also reported that the FARC continued to massacre, kill, and displace civilians during 2006. Groups at risk for human rights violations include Afro-Colombians, indigenous Colombians, journalists, union leaders, and human rights workers. According to the UNHCHR, the number of trade unionists killed increased in 2006 and three journalists were killed as a direct result of their work.<sup>62</sup>

### **Internal Displacement and Refugee Flows to the United States.**

Colombia has the second largest population of internally displaced persons (IDPs) in the world. There are 3 million IDPs in Colombia, and the Colombian government registered some 250,000 displaced in 2007. There are also nearly 500,000 Colombian refugees and asylum seekers outside of Colombia. The vast majority of Colombian refugees and asylum seekers are in Ecuador (over 200,000) and Venezuela (over 200,000). The United Nations High Commissioner for Refugees (UNHCR) reports that there are also 20,000 indigenous Colombians living in refugee-like conditions in the Amazon region of Brazil.<sup>63</sup> The United States began resettling Colombian refugees in 2002. Admissions peaked at 577 in FY2004, but declined to 323 in FY2005 due to provisions of the REAL ID Act which bar the admission of

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<sup>62</sup> United Nations General Assembly - Human Rights Council, "Report of the United Nations High Commissioner for Human Rights on the Situation of Human Rights in Colombia," March 5, 2007.

<sup>63</sup> United Nations High Commissioner for Refugees, "UNHCR Global Appeal 2008-2009: Colombia Situation," December 1, 2007; U.S. Committee for Refugees, *World Refugee Survey 2007*; Agencia Presidencial para la Acción Social y la Cooperación Internacional, "Tabulados Generales de la Población Desplazada," December 31, 2007; and, Agencia Presidencial para la Acción Social y la Cooperación Internacional, "Gerencia de Sistemas de Información de Población Desplazada," July 31, 2006.

persons who have provided material support to terrorist groups.<sup>64</sup> In 2005, the UNHCR stopped referring Colombians for resettlement to the United States because of this issue. The State Department reports that 115 Colombian refugees were admitted to the United States in FY2006. H.R. 5918, introduced in the House on July 27, 2006, would amend the Immigration and Nationality Act so that persons who have provided material support to a terrorist organization under duress or coercion can be admitted to the United States. On September 6, 2007, the Department of Homeland Security issued a memorandum to U.S. Citizenship and Immigration Services (USCIS) to permit USCIS to exempt certain individuals who provided material support to the FARC under duress from the material support bar to admission. In December 2007, a similar directive was issued concerning individuals who provided material support to the ELN under duress. This exemption applies to all applications for admission (including refugees), permanent residence, and asylum, but does not apply to naturalization applications. It is not clear how this discrepancy will affect adjudication of naturalization applications submitted by individuals who have benefitted from the exemption.<sup>65</sup>

## Economic Issues

**U.S.-Colombia Trade Promotion Agreement.**<sup>66</sup> The Administration announced in 2003 its intentions to begin negotiating an Andean region free trade agreement (FTA) with Colombia, Peru, Ecuador, and Bolivia. In its announcement, the Administration asserted that an FTA would reduce and eliminate foreign barriers to trade and investment, support democracy, and fight drug activity. After regional talks broke down, the United States pursued bilateral trade agreements with Colombia and Peru. The United States and Colombia signed the U.S.-Colombia Trade Promotion Agreement on November 22, 2006; the agreement must now be ratified by both nations' congresses. Colombia, Bolivia, Ecuador, and Peru currently benefit from the Andean Trade Preference Act (ATPA). This trade pact, which was set to expire on June 30, 2007, was extended to February 29, 2008. On February 14, 2008 the House Committee on Ways and Means voted to extend ATPA preferences (H.R. 5264) for another 10 months. The ATPA authorizes the President to grant duty-free treatment to certain products, with more than half of all U.S. imports in 2004 from the Andean countries entering under these preferences.

Critics of the agreement are concerned about the status of labor rights in Colombia, as well as the ongoing para-political scandal. An issue of contention is the level of violence against labor activists in Colombia. Killings of labor activists declined under President Uribe, but increased in 2006. Data on the number of labor

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<sup>64</sup> Department of State Bureau of Population, Refugees, and Migration, "Refugee Admissions Program for Latin America and the Caribbean," May 9, 2006.

<sup>65</sup> U.S. Citizenship and Immigration Services, "Question and Answer: USCIS National Stakeholder Meeting," January 29, 2008; and U.S. Citizenship and Immigration Services, "Fact Sheet: USCIS Implements Authority to Exempt Certain Persons who Provided Material Support under Duress to the Revolutionary Armed Forces of Colombia (FARC)," September 26, 2007.

<sup>66</sup> See also CRS Report RS22419, *U.S.-Colombia Trade Promotion Agreement*, and CRS Report RS22548, *ATPA Renewal: Background and Issues*, both by M. Angeles Villarreal.

leaders murdered in any given year vary widely. In 2002, the Colombian government estimated that 99 labor activists were killed, while the National Labor School (ENS, a Colombian NGO) estimated that 178 labor activists were killed. In 2006, the Colombian government estimated that 60 labor activists were killed, while ENS estimated that 72 labor activists were killed. One reason for the discrepancy is that the Colombian government counts deaths of unionized teachers separately from other labor union deaths.

Another point of contention is whether or not labor activists were killed because of their union activity. Very few investigations have been completed — of the 470 union murders that have occurred since President Uribe first took office in 2002, 97% remain unsolved. More than 2,000 killings between 1991 and 2006 remain unsolved. In January 2007, the Colombian attorney general's office set up a unit of 13 prosecutors and 78 investigators to investigate 200 priority cases. In 2007 36 people were convicted on charges related to the murder of union members, more than were convicted from 2004 through 2006.<sup>67</sup>

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<sup>67</sup> Frank Bajak, "U.S. Unionists Alarmed by Colombia Woes," *Miami Herald*, February 13, 2008; and "Trade, Death and Drugs," *The Economist*, May 19, 2007.



**Table 3. List of Acronyms**

ACI	Andean Counterdrug Initiative
AUC	United Self-Defense Forces of Colombia
CICTE	Inter-American Committee Against Terrorism
DEA	U.S. Drug Enforcement Agency
ELN	National Liberation Army
FARC	Revolutionary Armed Forces of Colombia
FMF	Foreign Military Financing
FTO	Foreign Terrorist Organization
IMET	International Military Education and Training
INCLE	International Narcotics Control and Law Enforcement
NADR	Nonproliferation, Anti-Terrorism, Demining, and Related Programs

**Table 4. U.S. Assistance For Plan Colombia, FY2000-FY2008**  
(in millions \$)

	ACI	ESF	FMF	IMET	INCLE	NADR	AirWing	DOD	Total
FY2000	60.1	—	—	—	—	—	38.0	128.5	<b>226.6</b>
P.L.106-246	832.0	—	—	—	—	—	—	100.7	<b>932.7</b>
FY2001	48.0	—	—	—	—	—	38.0	190.2	<b>276.2</b>
FY2002	379.9 <sup>a</sup>	—	—	—	—	25.0	38.2	119.1	<b>562.2</b>
FY2003	580.2 <sup>b</sup>	—	17.1	1.2	—	3.3	41.5	165.0	<b>808.3</b>
FY2004	473.9	—	98.5	1.7	—	.2	45.0	122.0	<b>741.3</b>
FY2005	462.8	—	99.2	1.7	—	5.1	45.0	200.0	<b>813.8</b>
FY2006	464.8	—	89.1	1.7	—	—	45.0	112.0	<b>712.6</b>
FY2007	465.0	—	85.5	1.6	—	4.1	na	na	<b>556.2</b>
FY2008 (est)	244.6	194.4	55.1	1.4	41.9	3.7	na	na	<b>541.1</b>
FY2009 (req)	329.6	142.4	66.4	1.4	—	3.2	na	na	<b>543.0</b>
<b>Total</b>	<b>4,340.9</b>	<b>336.8</b>	<b>510.9</b>	<b>10.7</b>	<b>41.9</b>	<b>44.6</b>	<b>290.7</b>	<b>1,137.5</b>	<b>6,714.0</b>

Sources: Figures are drawn from the annual State Department Foreign Operations Congressional Budget Justifications for fiscal years 2002 through 2009; the State Department's Washington File, "U.S. Support for Plan Colombia, FY2000 Emergency Supplemental Appropriations," July 5, 2000; the FY2006 Foreign Operations Appropriations Act, P.L. 109-102, and conference report, H.Rept. 109-265; and the FY2008 Consolidated Appropriations Act (P.L. 110-161) and Division J Joint Explanatory Statement. Columns may not total due to rounding.

Notes: For FY2000 and thereafter, Plan Colombia funds are assigned to the State Department's International Narcotics and Law Enforcement Bureau (INL) or the Andean Counterdrug Initiative (ACI). The State Department transfers funds to other agencies carrying out programs in Colombia, of which USAID has received the largest portion. Defense Department funding is from its Counter Narcotics account. DOD requests one sum for programs around the world and adjusts its regional allocations as needed.

a. Includes \$6 million appropriated to FMF but transferred to the ACI account.

b. Includes \$93 million in FMF regular appropriations and \$20 million in FMF supplemental funds that were transferred to the ACI account.

Figure 1. Map of Colombia



Source: Map Resources. Adapted by CRS. (K.Yancey 2/6/04)

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