

**Testimony
Of
R. Gil Kerlikowske
Director
National Drug Control Policy**

Committee on Oversight and Government Reform

"The Rise of the Mexican Drug Cartels

and

U.S. National Security"

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Director, Office of National Drug Control Policy
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Thank you, Mr. Chairman. I am pleased to be with you, Ranking Member Issa, and all of the Committee Members today. Our Nation's response to the challenges on the border is a top priority of the Obama Administration, and all of us very much appreciate your focus on this issue and your longstanding support of these efforts.

Just over a month ago, DHS Secretary Napolitano, Attorney General Holder, and I publicly released the National Southwest Border Counternarcotics Strategy in New Mexico. Prior to the public event, I asked the High Intensity Drug Trafficking Area (HIDTA) Directors from the Southwest border to brief me on the border challenge and to stand with me when we presented the strategy. What the HIDTA Directors told me, and what I believe Members of this Committee already know, is that our frontline State, local, and tribal law enforcement partners are under enormous strain and are bearing a tremendous burden. Police and sheriff departments situated on or near the border, and their colleagues throughout their local criminal justice systems, face tremendous risk from the violent international drug trafficking organizations that move large quantities of drugs northbound and money and weapons southbound across the border. Although this strain is most acute on the border, clearly it is a national problem, with every state challenged with drug-related crime and violence and widespread availability of dangerous, addictive drugs.

The Administration intends to get help to those who need it on the border and to maintain our intense focus on this threat for as long as it takes. The investments from the Recovery Act are going to make a real impact as those new projects get going, and there will be more support to follow. DHS is making major investments at the border, including: \$40 million for non-intrusive inspection systems; \$60 million for tactical communications equipment and radios; \$100 million for SBInet and related border security technology; and \$420 million for planning, management, design, alteration, and construction of CBP Ports of Entry. In addition, much

needed Department of Justice law enforcement funds will provide: \$2 billion for Byrne Memorial Justice Assistance Grants; \$225 million for Byrne Competitive grants; \$125 million for Rural Law Enforcement; \$40 million for Project Gunrunner; and \$225 million for Tribal Law Enforcement Assistance. I am not going to tell you we can solve this problem with a new strategy or with budget initiatives in a single year. But I do want to tell you that I am confident that we have already begun to move in the right direction.

A key objective of mine, as well as of my colleagues at DHS and DOJ, is to strengthen the Federal Government's partnership with State, local, and tribal officials. In fact, when offered the position as ONDCP Director by President Obama, I immediately thought that one way I could make a unique contribution as Drug Czar was to utilize my 36 years of experience in law enforcement to ensure a more effective collaboration between State and local law enforcement and Federal agencies. My experience in St. Petersburg, Florida; Buffalo, New York; and Seattle, Washington has taught me, beyond a shadow of a doubt, that there is tremendous untapped knowledge resident in State and local law enforcement. This knowledge, if effectively integrated with our national efforts, would greatly advance our goal to rid this Nation of violent drug trafficking organizations.

In addition to the existing relationships across the country between Federal law enforcement agencies and State, local, and tribal authorities, partnerships are being built by task forces such as those created and supported by the HIDTA and Organized Crime Drug Enforcement Task Force (OCDETF) programs. The Byrne-Justice Assistance Grants, the Community Oriented Policing Services (COPS) initiative, and grants provided by the Federal Emergency Management Agency have empowered State, local, and tribal agencies to enhance the safety and security of their localities. These initiatives need continued support. There is much more that can be accomplished if we bring together all of our law enforcement capabilities into a combined enforcement effort against the leadership and organizational structure of international drug trafficking organizations.

There has been a lot of discussion, as there should be, about the drug and violence-related challenges faced by the Government of Mexico and the steps they need to take to defeat the drug

cartels. I have nothing but respect for the courageous efforts by President Calderon to take on the cartels; they are deserving of our sustained support. I have already had several meetings with Mexican officials and I look forward to traveling to Mexico City for additional discussions later this month. However, when it comes to law enforcement efforts on the U.S. side of the border, and the extent to which we are marshaling all the capabilities of our Nation in this effort, we should not be satisfied with the status quo. We need to do better, much better.

In my first few weeks in office, I have heard from many of my former colleagues in State and local law enforcement. We talked about the importance of working together as one U.S. team to stop the relentless flow of drugs into our country as well as the outbound flow of bulk currency and weapons. This is a large, complex, and important undertaking. Strengthening this national partnership will be essential to our efforts to stop the flow of bulk currency and weapons from the United States across the border to Mexico. I applaud Secretary Napolitano and Attorney General Holder for their emphasis on stopping the flow of outbound money and guns that empowers the violent Mexican drug cartels. Clearly the money and weapons are just as important to the cartels, if not more important, than the drugs. Of course the purpose of the whole enterprise for the cartels is to garner profits and power; drugs are just a means to those ends. But beefed-up border facilities across the entire Southwest border cannot by themselves solve this problem. The tentacles of international drug trafficking organizations are everywhere, in every community. They operate in our cities, suburbs, rural areas, in our national parks and our public lands, and in our prisons. Without the help of State, local, and tribal law enforcement throughout our country, we will never have the detailed knowledge of local drug trafficking cells and their drug, money, and weapons distribution networks that is necessary to dismantle the international drug trafficking organizations that threaten not only our Nation, but also our neighbors throughout the region.

The thousands of packages of bulk currency and shipments of weapons that slip across our border with Mexico every year do not appear out of thin air. Illegal organizations, operating throughout the continental United States, collect and move their contraband through our local communities. They have built a national network of stash houses, organizational cells specializing in drugs, guns, and money, and a virtual army of couriers with vehicles and

advanced communications and logistics. State and local law enforcement personnel possess unmatched knowledge about the organizations that operate every day within their jurisdictions. Our law enforcement operations are most effective when this knowledge is combined with the skill, technology, and resources that Federal agencies bring to bear.

I know the Federal government can do a better job. Within the scope of applicable laws, Federal agencies have a responsibility to foster an improved and more timely exchange of information with State, local, and tribal authorities – this means a *two-way exchange*. Local officials have a right and good reason to know what happens to investigative leads that they provide to Federal partners, as well as a need to see near real-time relevant reporting from national authorities that impacts the safety and security of their jurisdictions. Agencies headquartered in Washington must participate fully in fusion centers, and ensure that vital criminal databases include all relevant information, are up-to-date, and are easily accessible to appropriate local authorities. In my two months on the job, through conversations with my counterparts, I know they are determined to do this.

The violent international drug cartels operating on both sides of the border are criminals, but they collectively pose a national security threat to our Nation. Information about every part of their operations must be made available to our State, local, and tribal law enforcement officers. It is simply short-sighted and dangerous in this day and age for a local police officer, who may have pulled a suspect over in the middle of the night somewhere, not to have rapid access to comprehensive and up-to-date criminal databases. That officer may be making an extremely consequential decision in determining how to appropriately handle that suspect. We must give our State and local police the information they urgently need to make the right call.

A key part of the Obama Administration's efforts to turn this problem around is through the National Southwest Border Counternarcotics Strategy. Each chapter in the National Southwest Border Counternarcotics Strategy contains specific recommended actions, developed by teams of experts from throughout our government, to enhance our operations. ONDCP is committed to ensuring implementation of this comprehensive plan.

Let me briefly highlight some elements of the new strategy that will provide some concrete help toward that end. Specifically, the strategy directs agencies to:

- Upgrade and standardize communications on the Southwest border. Federal, State, local, and tribal officials need to be able to speak to each other, not only in the case of an emergency, but also to conduct their normal day-to-day field operations.
- Fully establish classified communication capabilities for State and local use. Networks, such as SIPRNET in the Southwest Border HIDTA Intelligence Support Centers and the DHS Homeland Secure Data Network, will leverage military, law enforcement, and intelligence resources to provide greater interagency coordination, collaboration, and cooperation and provide network members a secure means to disseminate up-to-date information and protect information flows.
- Ensure State and local investigators have appropriate security clearances. All law enforcement personnel involved in Southwest border investigations must have the necessary clearances to perform their duties. Too often clearances have not been provided to those who need them to do their work. We will work with our Federal partners to make this happen.
- Enhance interior enforcement. Law enforcement efforts in the interior of the country must be expanded to focus on drug trafficking, tracking and interdicting illegal trafficking of weapons, and seizing bulk currency. The HIDTA program Domestic Highway Enforcement Initiative should continue to target their efforts on interdicting illicit bulk currency transiting our highways and should enhance the initiative with investigations of the trafficking organizations. Simply seizing cash or weapons is not enough, we must use knowledge gained during interior enforcement operations to better understand and then take down major drug organizations.
- Interdict bulk currency and arms. When illegal weapons and bulk currency do make it to the border, we must improve our capacity to interdict these shipments before they get to Mexico and into the hands of drug trafficking organizations. We must improve our use of intelligence-driven interdiction operations while also enhancing southbound inspection capabilities and infrastructure at checkpoints and ports of entry.

- Improve and integrate border databases. All too often a law enforcement officer will stop a known criminal but not be able to detain the individual because the vital information needed to establish probable cause for arrests has not been updated, fully integrated with all relevant data sources, and made accessible to local officers. Further, given the established links between the smuggling of illegal aliens and the smuggling of narcotics, greater access to border databases becomes a tool to establish probable cause for arrests that may not be available otherwise.
- Increase capacities of U.S. Attorneys Offices to handle Southwest border drug investigations and prosecutions. State and county prosecutors on or near the Southwest border face an increasingly overwhelming case load. More resources at the Federal level will help to relieve some of the pressure they are under.
- Expand Federal bulk cash concealment detection training. DEA and ICE train State and local officers in concealment “trap” detection and methods of courier debriefing. IRS’s bulk cash initiative is a pilot program which seeks to provide State and local officers with uniform training in evidence exploitation. These programs empower State, local, and tribal officers to help with this vital mission.

I am also deeply concerned about the tunnel problem. Since 1990, approximately 108 crossborder tunnels have been discovered by law enforcement agencies on the Southwest border. There were 24 tunnels discovered in CY 2008 alone. In fact, a few weeks ago -- and just days after the release of the National Southwest Border Counternarcotics Strategy -- U.S. Border Patrol agents discovered a sophisticated 83-foot-long tunnel underneath the U.S.-Mexico border in Nogales. The uncompleted tunnel featured side walls framed with two-by-four wooden studs, ceiling construction, and a hose used for ventilation. It extended from an abandoned building in Mexico under the border fence to another building more than 40 feet from the border within the United States. These tunnels pose a unique and ongoing threat to the homeland. As detailed in the appendix to the National Southwest Border Counternarcotics Strategy, we will pursue a comprehensive response that makes use of intelligence, interagency coordination, and the most advanced technology at our disposal.

These are just a few highlights. There are many more initiatives, including an array of important ones specifically dedicated to addressing the trafficking of weapons from the United States to Mexico. Because of our commitment to transparency in the Obama Administration we have publicly released a great deal of detail about what we intend to do. To make headway on the full array of border challenges, the Congress and the Administration need to work closely together and I hope this is a subject that the Committee will continue to focus on.

There is much work to do. ONDCP is responsible for coordinating strategy implementation. We will be relying heavily on DHS and DOJ in monitoring progress and highlighting problem areas. These agencies and others will be important partners in providing resources, personnel, and technology to get the job done. In fact, to ensure that the strategy is turned promptly into action, we will soon be announcing a dedicated interagency working group, which I will lead, in conjunction with the Department of State's lead on the Merida Initiative, to push forward full and effective implementation of the strategy. We will provide a public report on implementation of this strategy as part of the first Obama Administration National Drug Control Strategy, to be released early next year.

As part of my oversight responsibilities, my office recently identified overarching National Drug Control Strategy goals to help guide agencies in the development of their policy initiatives, programmatic efforts, and budget proposals. Over the coming months ONDCP will be working with the Departments of Homeland Security, Justice, State, Defense, and others to develop cross-agency performance goals and metrics for Southwest border initiatives. In addition, as agencies update their strategic plans, we will be working with OMB and the departments and agencies to integrate key Southwest border priorities identified in the National Drug Control Strategy and the National Southwest Border Counternarcotics Strategy into each department's strategic plan.

This will not only ensure accountability, but will make it clear that combating the flow of drugs, money, and weapons across the Southwest border must be a core element of our Nation's approach to the entire drug problem. In 2011, ONDCP and our partners, per the requirements of our 2006 reauthorization, will produce an updated version of the National Southwest Border

Counternarcotics Strategy, which will allow us to adapt appropriately to the dynamic threat environment on the border.

Of course, we must acknowledge that it is the demand for illegal drugs in the United States that drives the threat along the border. As Secretary of State Clinton has rightly pointed out, the wide scale consumption of illegal drugs within the United States is the major cause for the power, wealth, and violence of the cartels. The National Southwest Border Counternarcotics Strategy is an integrated component of this Administration's broader national drug control policy, which includes a renewed commitment to reduce the demand for illegal drugs at home. The strengthening of our treatment efforts, including through drug courts and the sensible use of our criminal justice system, will be central to our efforts. You will be hearing much more from ONDCP on these vital subjects in the months ahead. I recognize that treatment and prevention is not the focus of today's hearing, but I wanted to emphasize how important this subject is to all of us in the Administration.

Thank you again, Chairman Towns, for the opportunity to appear before the Committee today. I would be pleased to answer any questions and I hope to continue a close partnership with your committee throughout my tenure.