TO: P - Mr. Kimmitt
FROM: INM - Melvyn Levitsky
SUBJECT: NSC Deputies Committee Meeting on Enhancing Anti-Narcotics Efforts in the Andean Region
        July 7, 1989
        White House Situation Room
        10:00 AM

I. PURPOSE
   o To discuss an Andean narcotics strategy paper which proposes a number of options for cocaine suppression. The paper will be the basis for a Presidential Decision Memorandum to be presented at a NSC meeting in the near future.

II. KEY POINTS
   o The President decided at the last full NSC meeting that the PCC core group should go beyond the focus on quick resumption of operations in Peru, and develop a set of resource options to attack the coca production and trafficking problem regionally.

   o The discussion paper developed from this trip lays out four funding options, ranging from $21.5 million to $357.3 million in FY-90 and continued high levels of funding through FY 91-94.

   o Some of the options propose that the President approve resources for an intensified anti-narcotics effort in one country at a time, rather than through a regional approach.

   o We believe resource allocations should be regional, in order to make a significant impact. Without a regional strategy, the traffickers will simply relocate their operations.
OMB Director Darman may make funding "suggestions" for FY-90 that would entail deferral or cancellation of specific State or DOD programs to bridge the funding gap.

The paper also proposes that the President raise a multilateral and jointly funded approach to coca control with the OECD countries, and agree to President Barco's for a drug summit, but limit it to an Andean-U.S. Summit.

The third decision of the paper attempts to clarify the role of DOD in U.S. counternarcotics efforts to assist host nation military and para-military enforcement agencies.

III. P's OBJECTIVES

- Deputies Committee agreement that a comprehensive three-country approach is the best way to make a long-term impact on the supply of cocaine.

- Recognition by the Deputies Committee that State cannot have funds taken from the current 150 account, as we have argued throughout the NSC review.

- That the Deputies Committee endorse the multilateral approach to gain support from our allies by:
  --agreeing to the Andean Summit;
  --encouraging greater allocation of resources from OECD countries to Andean programs bilaterally and through contributions to the U.N. Fund for Drug Abuse Control (UNFDAC) for Andean narcotics related projects;

- Make participants aware:
  --military assistance will go toward two uses: narco-insurgents and traffickers;
  --U.S. casualties will be inevitable depending on level of DOD involvement.

IV. PROPOSED STRATEGY

- Stress State's full support for going at the problem in a comprehensive way.

- Emphasize that the traffickers are highly organized, and can easily shift operations from one country to another. Addressing the problem country-by-country will be an endless resource drain with no impact on the flow of cocaine to the U.S. There is no "choke point" in the Andes.
Resources: recognize that this is a problem especially for FY 1990. The 150 account is fully subscribed. Elicit OMB's "suggestions", for alternatives.

Attachments:

Tab 1 - Talking points.

Tab 2 - Options paper.