

Statement of Roger Mackin

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Department of Homeland Security
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Subcommittee on Criminal Justice, Drug Policy and Human
Resources**

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Introduction

Chairman Souder, Congressman Cummings, and distinguished members of the subcommittee; It is a distinct pleasure and privilege to appear before you today in what is my first opportunity to testify before the Congress as the Counternarcotics Officer of the Department of Homeland Security and the U.S. Interdiction Coordinator. Mr. Chairman, I know you played an integral role in successfully offering language contained within the Homeland Security Act of 2002 to provide for a senior-level official within the new Department to coordinate counternarcotics matters with respect to interdicting the entry of illegal drugs into the United States and tracking and severing connections between illegal drug trafficking and terrorism. I am grateful for your efforts and leadership in assisting this critical mission. I want to thank you for your unwavering support to our Department, our mission and our personnel.

As I was designated to the position of Department of Homeland Security (DHS) Counternarcotics Officer and US Interdiction Coordinator just three and a half months ago, this is my first opportunity to apprise you of my progress in fulfilling these roles. The first portion of this assesses the current achievements of the DHS against the illicit drug threat and testimony focuses on my role as the DHS Counternarcotics Officer. The latter part of the testimony focuses on the synergism achieved by combining the DHS Counternarcotics Officer role with that of the US Interdiction Coordinator. The two roles work very well together. The broader perspective of the US Interdiction Coordinator gives the DHS Counternarcotics Officer knowledge and insights about the whole US Counterdrug Community from which the DHS can only benefit. The detailed knowledge the DHS Counternarcotics officer gains from working inside that Department is of great benefit as the US Interdiction Coordinator supports the whole Counterdrug Community

Overview

The Department of Homeland Security (DHS) is sustaining a high level of activity against the flow of illicit drugs to the United States. While addressing the terrorist threat, the Department's interdiction resources have remained effective against efforts of international drug trafficking organizations to smuggle illicit narcotics into our country. The Department has a strong commitment to improving and expanding, where possible, its counterdrug interdiction

capabilities. We are already finding that enhancements to our border security are yielding results within the counter drug mission as well. For example, our seizures at the border of methamphetamine and marijuana shipments are higher this year than a year earlier. The Department is carefully assessing the current drug threat and plan is to continue to apply interdiction resources where the returns will be the greatest. Taking into account the flow of drugs coming across our borders, the Department's assessment will include taking a close look at potential vulnerabilities that relate to trade and movement of persons. This is of particular importance when considering adjustments for the flow of goods and persons in an expedited fashion

The DHS Counternarcotics Officer

As the Department's Counternarcotics Officer, I report directly to Secretary Ridge, and have done so since I joined DHS in late March 2003. Drawing on my earlier counternarcotics operational assignments and experience, I have endeavored to move at a quick pace to assess the counterdrug capabilities of the department and determine their adequacy against the smuggling activities of international drug trafficking organizations. I visited the Air Marine Operations Center (formerly AMICC) at Riverside, CA and have had very productive multiple meetings with the managers of the Bureau of Immigration and Customs Enforcement (BICE) Air and Marine Operations Division (formerly AMID) on the deployment and operations of their valuable P-3 aircraft. I have had

extensive briefings and discussions on US Coast Guard capabilities and operations.

I have made productive visits to the two source countries that pose the greatest threat to the U.S. – Mexico and Colombia. We have also had discussions with the Commander of the US Southern Command and visited SOUTHCOM's subordinate Joint Interagency Task Force – South to learn how effectively DHS resources are supporting the interdiction of the illicit drug flow from Colombia through the Eastern Pacific and the Caribbean toward the U.S. I have also visited the Joint Interagency Task Force – West, another valuable interdiction command that employs DHS resources.

While traveling to the above locations, I met with DHS special agents and inspectors who operate on the US Southwest border and at the Miami, Florida International Airport. The insights these stops provided, coupled with discussions with other similarly knowledgeable border security professionals, are helping me to dialog with senior DHS managers on strengthening our counterdrug effectiveness.

We have established productive interfaces with the leaders of the US counterdrug community organizations– law enforcement, intelligence, military, and policy. I also serve as a representative for DHS to the National Security Council Policy Coordination Committee (PCC) on International Drug Control, and head, for that committee, a productive sub-PCC that focuses on organization attack planning and issues. As DHS Counternarcotics Officer, I concurrently serve as the U.S.

Interdiction Coordinator, a role that provides a broad perspective on the international drug threat and ways to raise the effectiveness of U.S. drug interdiction resources.

Over the past month, we have had analysts of the National Drug Intelligence Center and operations officers of the Drug Enforcement Administration in briefing the senior leadership of the DHS on the national illicit drug threat. With their heightened knowledge of the drug threat at the fore, my office is advising DHS managers on the best ways to apply their counterdrug resources to the implementation of the President's National Drug Control Strategy. These efforts are sharpening DHS management's understanding of the scope and nature of the overall drug threat to the US populace, and raising the department's capability to defend against this national menace.

Within DHS, the management official with specific responsibility for policy and operations relating to securing our nation's borders, including departmental efforts to interdict the flow of drugs and investigate drug trafficking and related financial crimes, is the Under Secretary for Border Transportation and Security (BTS). The Under Secretary (BTS) exercises these counter drug responsibilities through the BTS staff and operating agencies – the Bureau of Immigration and Customs Enforcement (BICE), the Bureau of Customs and Border Protection (BCBP), and the Transportation Security Administration (TSA).

As DHS' Counternarcotics Officer, and as USIC, I am working closely with Under Secretary Hutchinson of BTS and Admiral Collins, Commandant of the Coast Guard, to carry out my responsibilities and to assist them in carrying out theirs.

Examples of DHS Resource Commitment to Counterdrug Operations

Colombia -- Air Bridge Denial

The DHS Directorate of Border and Transportation Security are committed to providing P-3 Airborne Early Warning command and control aircraft from BICE to the forthcoming implementation of the Air Bridge Denial program in Colombia. The BICE P-3 AEW aircraft and crews are fully certified and ready to deploy in order to participate in this important interdiction program. The BICE Air and Marine Operations Division are also preparing its P-3 Tracker aircraft and crews for certification and participation in this program.

US Coast Guard Cutters

The Coast Guard is a mainstay of US maritime efforts to interdict the flow of drugs by sea craft deploying from the coasts of Colombia toward the U.S. Using an innovative approach to applying armed helicopters launched from Coast Guard

cutters, large numbers of drug trafficking “go-fast” craft have been intercepted, stopped, and seized with drug cargos. While engaging the challenges of increased Homeland Security requirements, the Coast Guard has done a commendable job in keeping up the pace of cocaine interdiction in the eastern Pacific and the Caribbean. Thus far in this fiscal year the Coast Guard has seized 92,341 pounds of cocaine compared to 117,780 pounds of cocaine for all of Fiscal Year 2002. With only one quarter left in FY03, the Coast Guard is on par to equal last year’s seizure numbers.

Contraband Smuggling Investigations

In pursuing our mission to “Identify, disrupt and dismantle significant drug smuggling organizations”, the high impact investigations conducted by BICE special agents continue unabated. They focus on disrupting the maritime flow of drugs through the Transit Zone, on using intelligence to support the identification of drug smuggling schemes, trends and violators, and interdicting the complex financial systems used by drug smuggling organizations to recover their illicit revenues.

The figures below clearly show that these efforts continue to be highly productive:

Controlled Deliveries

	FY 2002	FY 2003 thru 4/30/03
Nr. Of Deliveries	627	468
Initial Arrests	525	381
Additional Arrests	430	399
Currency Seized	\$3,251,396	\$1,928,332

Bureau of Customs and Border Protection Regional Offices

The following seizure statistics show that recent border interdiction activities are proceeding apace in comparison with earlier activities. Note that upward and downward trends vary from quarter to quarter. These results show that BCBP border interdiction efforts continue to produce results:

Drug	FY02	FY03 (8 Months)	Trend
Cocaine	171,362 lbs	107,072 lbs	Down 6%
Meth	3,447 lbs	3,793 lbs	Up 62%
MJ	1,393,843 lbs	1,091,445 lbs	Up 17%
Heroin	5,598 lbs	3,269 lbs	Down 11%

USIC

The vantage point of the DHS Counternarcotics Officer offers valuable detailed insight into the policies and activities of key elements of the Counterdrug Community—the Coast Guard, CBP, BTS aerial operations, and BICE’s counterdrug smuggling and financial investigations. The broader purview of the US Interdiction Coordinator role extends that knowledge base much further. It allows a single person to interact with any federal organization involved in the

process of deterring criminal narcotics organizations from bringing illicit drugs to market in the US.

- With the broad access of theUSIC, I use the knowledge of national counterdrug intelligence and operations activities to identify trends in the illicit drug market business process. This helps me to forecast possible changes in trafficker activities and procedures. As I learn, I am highlighting my findings to managers within DHS and to the whole CD Community in order to aid them in conceiving plans and programs to address the future, rather than reacting after-the-fact.
- An example of this is the threat that Mexican drug trafficking organizations pose to the US. Currently, I am highlighting to senior DHS managers, to the State Department, to the Defense Department, to the federal law enforcement agencies, and to the intelligence community the fact that Mexican drug traffickers largely control the drug markets in the US. The Mexican organizations smuggle the majority of drugs into the US, transport those drugs to the primary market cities, and then wholesale them to regional market distributors and to local retail organizations.

- I am emphasizing to our CD leaders that when we and the Colombian government have eradicated the bulk of the coca leaf production in Colombia, and the flow of Cocaine to the US is dramatically curtailed, we are likely to face a different threat. Mexican traffickers have already shown an ability and willingness to replace the absent cocaine with Methamphetamine. Mexican traffickers now produce 90% of the Methamphetamine consumed in the US, and, if not deterred, they will raise their production levels to meet any vacated market demand in the US.

Drawing on this broad vantage point, USIC can help individual managers in the CD Community gain a perspective that individually they don't have. In examining the traffickers' business cycle and our US focus on it, I note that return of revenues to traffickers' corporate headquarters is the most important part of that cycle. It is the endgame they pursue with great skill. And when I compare the importance of that process to where we are focusing our resources it strikes me that we could and should do more toward denying the return of drug trafficking revenues to the corporate drug "dons."

Accordingly, I am helping the managers of the CD Community plan to raise our efforts on revenue denial. Let me note that some very effective work in this area has been and is now underway. The DHS financial investigators in the Immigration and Customs Enforcement bureau and the IRS financial investigators

do innovative, commendable work daily to thwart drug money launderers. But more needs to be done. For example, during a visit to Colombia in May, I presented to Colombia's Vice President Santos a plan I helped create for a joint US-Colombia attack on the Black Market Peso Exchange (currency swap system used by Colombian drug traffickers to exchange drug dollars in the US for pesos in Colombia). He committed the Colombian government to the plan. I am also facilitating the creation of a national financial attack plan that will bring the best and the brightest of our federal drug financial investigators together to plan their activities in an environment of full interagency information sharing and productive operational collaboration.

We are facing a \$65 Billion dollar business in illicit drugs. These ill-gotten revenues are returned to the corporate drug "dons" by way of money laundering schemes and bulk currency movements. Central to highlighting drug revenue denial we need to know more about the business plans that traffickers implement, particularly with regard to revenue flows. I believe we have learned that a lot about certain areas of the illicit drug manufacturing and transportation processes, but not enough about the full drug trafficking business cycle, particularly about the flow of drug revenue back to traffickers.

To help remedy this gap and raise the impact of our tireless financial investigators, I am creating a secure, web-based portal where federal/state/local

drug analysts can post intelligence reports on how the traffickers, international and those operating within the US, do their daily business. There will be a particular focus on drug revenues. This program will draw on proven intelligence collection management methods established by the Department of Defense, providing a pathway to raise our collective knowledge of drug trafficker MO and to highlight for collection action the gaps that need to be filled.

Mr. Chairman, it has a been a busy and productive few months since I was privileged to be chosen to serve as the Department of Homeland Security's Counternarcotics Officer and the U.S. Interdiction Coordinator. It is a challenging job description that the Congress crafted and one which I relish. Like you and all the distinguished members of this subcommittee, I recognize both the direct, and the indirect threats that illicit drug trafficking poses to our country and our people. The Department of Homeland Security is populated by both leaders and operators who share that understanding and a commitment to utilize the skills, resources and superb personnel of the Department to continue to do all within our power to disrupt, deter and destroy the organizations that try to bring this scourge to our homes and our homeland.

I appreciate the opportunity to appear before you today. I thank you for your continued support and would be happy to answer any questions you have.

