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DOD Counter-Drug Activities:
GAO Review of DOD's Compliance With
FY 1989 DOD Authorization Act

Statement of
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Before the
Subcommittees on Legislation and National
Security, and Government Information, Justice
and Agriculture,
Committee on Government Operations,
House of Representatives



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Mr. Chairmen and Members of the Subcommittees:

We are pleased to be here today to discuss the Department of Defense's (DOD) counter-drug activities pursuant to the requirements of the fiscal year 1989 DOD Authorization Act. We will discuss the results of our 3-week effort to determine how DOD has implemented its enhanced counter-drug responsibilities and what DOD has done with the \$300 million appropriated for such purposes. We will also discuss, as you requested, our recent evaluation of federal capabilities for interdicting airborne smugglers.¹

Let me emphasize that due to the short time available to prepare for this testimony, we did not independently verify or evaluate much of the testimonial and documentary information obtained by us at the DOD. I believe, however, that our testimony will provide insight into how DOD went about implementing the 1989 act.

SIGNIFICANT INCREASE IN DOD
RESPONSIBILITY MANDATED FOR 1989

Since 1981, DOD has played a significant role in the war on drugs, assisting federal, state, and local law enforcement agencies and spending hundreds of millions of dollars. Its support traditionally has been provided as an adjunct to what it considered its national security mission.

¹ DRUG SMUGGLING: Capabilities for Interdicting Private Aircraft are Limited and Costly (GAO/GGD-89-93) June 9, 1989.

However, the National Defense Authorization Act, Fiscal Year 1989 (P.L. 100-456, Sept. 29, 1988) significantly increased DOD's counter-drug responsibility by tasking DOD to (1) become the lead agency for detecting and monitoring illegal drugs entering the United States, (2) integrate U.S. command, control, communications, and technical intelligence assets (C3I) dedicated to drug interdiction into an effective communications network, and (3) enhance the expanded use of the Army and Air National Guard in supporting drug enforcement activities.

By appropriating \$300 million² for fiscal year 1989 to fund DOD's expanded role, Congress directed DOD to include its counter-drug role as a part of its overall mission. Recently, Secretary of Defense Cheney established counter-drug activities as a high priority national security mission for the military.

STATUS OF \$300 MILLION APPROPRIATED
FOR COUNTER-DRUG ACTIVITIES

The \$300 million were appropriated to DOD's operations and maintenance (O&M) and military personnel accounts. The appropriation specified that

²The 1989 Department of Defense Appropriation Act (P.L. 100-463, Oct. 1, 1988).

--not less than \$40 million of the \$300 million was to be earmarked for Army and Air National Guard drug interdiction activities;

--the Secretary of Defense must submit to the Committees on Armed Services and on Appropriations a report describing the proposed use of the funds and the relationship between those activities and the drug interdiction strategy of the United States; and

--no more than \$30 million could be obligated or expended until 30 days after the submission of this report.

Authorizing legislation differed from appropriation legislation on how much money was available and when. The authorization act denied DOD access to the entire \$300 million until 60 days after the DOD report was submitted³. As a result of the Office of the Secretary of Defense's (OSD) reading of this restriction, funds were not available to DOD until April 16, 1989, more than 6 months into fiscal year 1989.

On February 15, 1989, DOD submitted its plan and notified Congress it would allocate \$40 million to support National Guard activities, \$60 million to support C3I systems integration, and \$200 million for detection and monitoring activities. However, since legislation directed the funds into military personnel and O&M accounts, DOD undertook reprogramming actions to meet the requirements of its counter-drug program.

³Although appropriation language restricted access to funds for 30 days, OSD's General Counsel Office considered the more prohibitive 60-day restriction of the authorization act to apply.

On July 7 and 10, 1989, DOD asked the responsible congressional committees⁴ to approve the reprogramming of \$192.077 million and \$1.5 million, respectively, from the original \$300 million to procurement and research and development (R&D) appropriation accounts. These reprogramming requests covered \$59,050,000 in procurement for C3I activities, \$79,000,000 for aerostat (a radar balloon) related procurement, \$54,027,000 for other monitoring and detection procurement, and \$1.5 million for R&D. No procurement money was requested for National Guard activities. On August 8, 1989, 10 months into the fiscal year, the reprogramming actions for procurement were approved by the congressional committees.

The House Appropriations Committee denied DOD's request to reprogram \$1,500,000 into an R&D appropriation. Although the decision was made early in August 1989, the OSD did not learn about it until September 29, 1989. Rather than allow funds to expire, OSD internally reprogrammed these funds to the Defense Mapping Agency on September 30, 1989, for a counter-drug mapping survey. Table 1 shows the appropriation accounts into which DOD eventually allocated these funds.

⁴ The House and Senate Committees on Appropriations and Armed Services approved the reprogramming action.

Table 1

Allocation of Funds
By DOD Appropriation Account

Procurement Appropriation	\$192,077,000
O&M Appropriation	79,022,000
Military Personnel Appropriation	28,901,000
Total	<u>\$300,000,000</u>

Table 2 illustrates how these funds were finally allocated among DOD programs after the reprogramming. Appendix I provides greater detail of this allocation.

Table 2y

Allocation of Funds
By Mission and Appropriation Account

	<u>Procurement</u>	<u>O&M and Mil. Personnel</u>	
	(in millions)		
National Guard	\$ 0	\$ 40.000	\$ 40.000
C3I	59.050	.950	60.000
Monitoring/Detection	133.027	66.973	200.000
Total	<u>\$192.077</u>	<u>\$107.923</u>	<u>\$300.000</u>

OSD officials told us that procurement funds had not been obligated as of September 30, 1989, but that DOD expects them to be obligated by the end of fiscal year 1990. Virtually all the funds allocated to the O&M and military personnel appropriation accounts have been obligated.

Funds unobligated in the military personnel and O&M accounts as of September 30, 1989, are no longer available to DOD. DOD was unable to obligate an estimated \$13 million to \$15 million of the National Guard appropriation and \$0.5 million for Navy personnel. OSD did

not attempt to reprogram these funds because DOD's legal staff determined that the legislation too narrowly defined how the funds could be used, but it hopes to obtain congressional approval to regain and obligate these funds in fiscal year 1990.

OSD does not have a consolidated report on how much of the \$300 million has been disbursed. Officials explained that disbursement reports need 60 to 90 days to be verified for reporting purposes and are not yet available.

LEAD AGENCY FOR MONITORING
AND DETECTING NARCOTICS TRAFFICKING

DOD was designated by the 1989 authorization act as the lead agency for monitoring and detecting narcotics trafficking into the United States. OSD undertook to develop, coordinate and implement detection and monitoring plans and integrate the detection and monitoring program. DOD was already significantly involved in supporting detection and monitoring narcotics trafficking. As lead agency, DOD views itself as a consensus builder armed with coordination authority but with no authority to direct other agencies.

In December 1988, the Chairman of the Joint Chiefs of Staff tasked

the Atlantic, Pacific, NORAD, and Southern Commanders⁵ with carrying out detection and monitoring operations within their functional or geographic areas of responsibility. The commanders were to have reported by mid-October 1989 on their plans for supporting the detection and monitoring mission. Methods used by the commands for counter-drug activities will depend upon the threat and the availability of command resources. The Chairman of the Joint Chiefs of Staff is responsible for coordinating the commands' activities through a Counter-Drug Directorate in OSD.

Regional Joint Task Forces (JTF) provide command and control over the detection and monitoring effort. The Atlantic Command, covering primarily Atlantic and Caribbean areas, established JTF-4 in Key West, Florida. JTF-4, commanded by a Coast Guard Vice Admiral who reports to the Atlantic Commander, is oriented toward quick response against threats from airborne smuggling.

The Pacific Command established JTF-5 in Alameda, California. JTF-5, commanded by a Coast Guard Rear Admiral who reports to the Pacific Commander, is most concerned with drugs smuggled by ship from the Far East.

⁵These commands officially are U.S. Commander-in-Chief, Atlantic (USCINCLANT), U.S. Commander-in-Chief, Pacific (USCINCPAC), U.S. Commander-in-Chief, NORAD (USCINC NORAD), and U.S. Commander-in-Chief, South (USCINCSOUTH).

The NORAD and Southern commands have elected to carry out their operations by expanding their existing command locations in Colorado Springs, Colorado, and Panama City, Panama, respectively.

Once fully operational, the JTFs will collect sensor and intelligence information, fuse it into a form usable for interdiction purposes, and then provide this enhanced target information to the U.S. Customs Service and Coast Guard. DOD will discriminate drug targets from ordinary air and maritime traffic, monitor their activities, and at an appropriate point in time, turn control of these targets over to Customs or the Coast Guard which will then direct assets to perform interdictions. DOD assets may be used to monitor the movements of suspected smugglers after control of the interdiction operation has been turned over to law enforcement agencies, but actual searches, seizures, and arrests will be made by law enforcement authorities.

It appears too early to evaluate whether DOD's strategy will significantly affect the supply of drugs in the United States. The JTFs have been in existence since July 1989. In addition, the full range of fixed and mobile sensors and radars are not in place to provide planned coverage.

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