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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548  
STATEMENT OF  
ELMER B. STAATS, COMPTROLLER GENERAL OF THE UNITED STATES  
BEFORE COMMITTEE ON FOREIGN AFFAIRS, SUBCOMMITTEE ON EUROPE,  
HOUSE OF REPRESENTATIVES  
ON  
H.R. 8093, 6882 AND SIMILAR BILLS  
DESIGNED TO PREVENT NARCOTIC DRUGS  
FROM UNLAWFULLY ENTERING THE UNITED STATES

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today, at the invitation of the Subcommittee, to offer comments on H.R. 8093, 6882 and other similar bills which reflect the concern in the Congress for more effective means of countering the unlawful entry of narcotic drugs into the United States.

My comments are related primarily to the provisions of the bills bearing directly upon the responsibilities of the Comptroller General, and specifically to amend Section 620 of the Foreign Assistance Act of 1961 to require that:

"(V)(1)The Comptroller General of the United States shall review and determine annually (A) the effectiveness of measures being taken by each foreign country to prevent narcotic drugs, partially or completely produced or processed in such country, from unlawfully entering the United States, and (B) whether that country has undertaken appropriate measures to prevent any such narcotic drug from unlawfully entering the United States. Not later than March 31 of each year, the Comptroller General shall make a report to the Congress of his review and determinations for the preceding calendar year."

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The bill further provides that a negative determination by the Comptroller General would set in motion a procedure to stop further economic assistance to that particular country.

I am aware that the United States faces an extremely grave drug problem, and that effective ways must be found to eliminate or greatly reduce the unlawful entry of drugs into this country. We will of course make every effort to effectively carry out the intent of any legislation that is enacted. We have considerable question as to whether as a practical matter it would be possible for us to effectively carry out the above provisions.

I would like to discuss these matters and then suggest for your consideration, some alternatives which I believe would contribute to a sound procedure for more effective controls.

Two principal obstacles which we believe would limit the effectiveness of the present proposals include (1) a problem of availability of information, and (2) the need for criteria as to what would constitute "appropriate" measures by a particular country. Also, there is the question that several countries involved in the drug problem are not recipients of U.S. assistance.

#### Availability of information

To carry out the provisions of the present proposal it would be necessary for the General Accounting Office to make physical inspections of the activities of various foreign countries, and to have access to and examine the records of those countries, that relate to measures taken by such countries to prevent narcotic drugs from entering the

United States. There is serious doubt that the General Accounting Office could obtain even limited access to the data of foreign governments which would be essential to permit us to make an independent determination of effectiveness or appropriateness of measures taken by a country. Only where there is a mutual agreement between the U.S. and the recipient country would there be any basis or right for our auditors to make internal inspections or examinations of the activities of another sovereign country.

#### Establishment of criteria

For the General Accounting Office to make a determination as to whether a country has taken "appropriate" measures it will be necessary to give consideration to the social and political conditions prevailing in the particular country. These, coupled with the technical complexities of the narcotics drug problem, suggest that criteria against which any determination is made would be subjective and debatable. The determination of what would be "appropriate" under the circumstances in a particular country, would require GAO to make foreign policy judgments.

If the legislation spelled out the general criteria and required the Executive Branch to establish specific criteria for each country for which determinations are to be made, GAO could make factual examinations as to whether such criteria have been met. I would like to point out, however, that even if the law did specify criteria such as "complete cessation of production and shipment of narcotics", as comprising an "appropriate" measure, the unreliability of available data in many countries and the access problem mentioned above would in our opinion

preclude GAO from determining with any reasonable assurance whether production or shipments were in fact stopped.

Countries not receiving U.S. assistance

Countries that are not receiving assistance from the United States under the Foreign Assistance Act of 1961, as amended, and consequently would not be subject to penalty, may be involved in the production and processing or transportation of narcotic drugs. These would include Burma, France, Lebanon and Hong Kong to mention several that have been reported either in testimony or in the press as being possibly involved. I make this point not to suggest that some form of sanction against foreign aid recipients could not be effective but only to point out that this proposal would not affect some of those countries involved in narcotics traffic.

Executive Branch - central authority

In my earlier comments on H.R. 6882, transmitted to the Chairman, House Committee on Foreign Affairs on May 28, 1971, I suggested that the Committee may wish to consider legislation to require the Executive Branch to clearly establish a focal point of responsibility for administration and coordination of United States efforts to stop the entry of illegal narcotics including the relationships with other countries and international organizations.

As you are aware, the President submitted a message to the Congress on June 17 which proposed the establishment of a central authority with overall responsibility for all Federal drug abuse prevention, education, treatment, training and research programs in all

Federal agencies. This authority, to be located within the Executive Office of the President, would be known as the Special Action Office of Drug Abuse Prevention. The President stated that this Special Action Office would concentrate on the "demand" side of the drug problem and "would not be directly concerned with the problems of reducing drug supply," i.e., the international aspects of drug abuse. The Committee may wish to consider whether legislation on this subject should not also establish leadership authority within the Executive Branch for planning, policy-setting, objectives and priorities relating to the international aspects of drug abuse.

As a possible substitute approach, we believe such legislation might be more effective from a viewpoint of congressional control if it included a provision to require annual or other periodic reports from the Executive Branch to the Congress on the measures being taken in concert with foreign governments to control and eliminate the production, processing and traffic in narcotic drugs; specifying those countries who have not taken appropriate measures.

#### International efforts

The United States is currently pressing toward strengthening the international machinery to gain better cooperation in controlling narcotics traffic.

On March 18, 1971, the U.S. submitted to the Secretary General of the United Nations a series of specific amendments to the 1961 Single Convention on Narcotic Drugs. These proposals, which we understand have been urged by the United States representatives, are designed to

strengthen controls over the cultivation of opium poppy and other narcotic producing plants, and on the production, manufacture, and export of opium derivatives and other narcotics.

The amendments, if adopted, would enable the international community for the first time to (a) require fuller information from the countries involved as to the cultivation of the opium poppy and the production of opium, (b) order reduction in cultivation or production where there is a significant danger of illicit diversion or where world needs are already being met, and (c) order world-wide remedial measures to be taken, including a partial or full embargo on the export or import of drugs to or from an offending country.

Although the existing Single Convention calls for certain controls and sanctions against countries not taking appropriate steps, the responsible implementing bodies, for example, the International Narcotics Control Board, have lacked effective enforcement powers. We believe that the proposed legislation should include provisions that would promote multilateral pressure under a strengthened Single Convention or other international means.

Inspector General, Foreign Assistance

The extent of interrelationships between foreign assistance programs and narcotics control efforts is clearly a policy matter for determination by the Congress. If the Committee should assert that relationship, we would like to offer some thoughts as to the means of administering the control mechanisms and responsibilities for audit. The Committee might wish to give consideration to strengthening the Inspector General of

Foreign Assistance, as an agency established by the Congress for an independent inspection corps to represent U.S. interests in inspecting all elements of foreign assistance.

The Inspector General of Foreign Assistance already has broad legislative authority to stop a transaction or a program. That authority might be extended to include specifically the narcotics element. The authority and responsibilities of the Inspector General of Foreign Assistance under Sec. 624 of the Foreign Assistance Act of 1961, as amended, now include the making of such reviews, inspections, and audits of programs as he considers necessary, not only for ascertaining the efficiency and economy of their administration, but also for the purpose of ascertaining the extent to which they are in consonance with the foreign policy of the United States. He is charged with maintaining continuous observation and review to carry out these responsibilities and for making recommendations and evaluating the effectiveness of the foreign assistance programs in attaining United States Foreign Policy objectives.

#### GAO responsibility

Specific legislation would not be needed for GAO review and evaluation of organizational arrangements and activities of the Executive Branch to deal with the international aspects of drug abuse since our present authority for such reviews is adequate. Indeed, the GAO has work now under way in this regard. For example, we have undertaken (1) a review of the drug abuse problem among military personnel to be performed in the United States as well as in overseas locations, (2) a review of

Department of Justice (Bureau of Narcotics and Dangerous Drugs) efforts to reduce diversion of dangerous drugs which are produced domestically, and (3) a review of the domestic Federal narcotics rehabilitation program. We now have under consideration the possibility of a review of United States efforts to stop the flow of narcotics into the United States. In this connection we have developed background data on the international aspects of the problem, particularly in relation to Turkey. I have with me a paper dated May 21, 1971, prepared by our staff containing this information which I will not take the Committee's time to read but which I believe would make a useful addition for the Committee's record.

The present language of the proposals would require GAO to exercise foreign policy judgments now vested in the Secretary of State, thereby raising a basic question of displacement of Executive Branch responsibility. Regardless of the merits of the issues, I would not want to see the GAO in any way placed in the position of attempting to usurp or assume the basic management responsibility that rests in the Executive Branch, recognizing the possibility that it could weaken GAO capability to render service to the Congress as its independent auditor of Executive Branch activities.

I would suggest that means be sought to have a better focused management capability established in the Executive Branch, with responsibility and the necessary authority to deal with this subject in its entirety. I believe the GAO efforts could be most effective in reviewing and evaluating the Executive Branch performance, and making recommendations to the Congress.

## Summary

In summary, I suggest that:

1. A strong and clearly defined management control point be established in the Executive Branch, with requirement for periodic reports to the Congress.
2. More effective international controls be encouraged.
3. The Inspector General, Foreign Assistance be assigned specific responsibility for inspections and audits in this area, and
4. If the Committee believes that further specific responsibility needs to be assigned to the Comptroller General:
  - A. The Comptroller General be directed to review and evaluate the effectiveness of Executive Branch activities for carrying out the purposes of the legislation and to make reports including recommendations to the Congress; or as an alternative, that the Comptroller General be directed to review and evaluate the reports submitted by the Executive Branch, and the underlying supporting data, and
  - B. The Comptroller General have access, as he may require, to all records, reports, audits, reviews, documents, papers recommendations or other material of the agencies of the United States administering this legislation, or of the Inspector General, Foreign Assistance.

That concludes my statement Mr. Chairman. We shall be pleased to respond to any questions.