



*Directorate of
Intelligence*

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International Narcotics Situation Report

October 1992

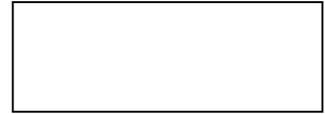
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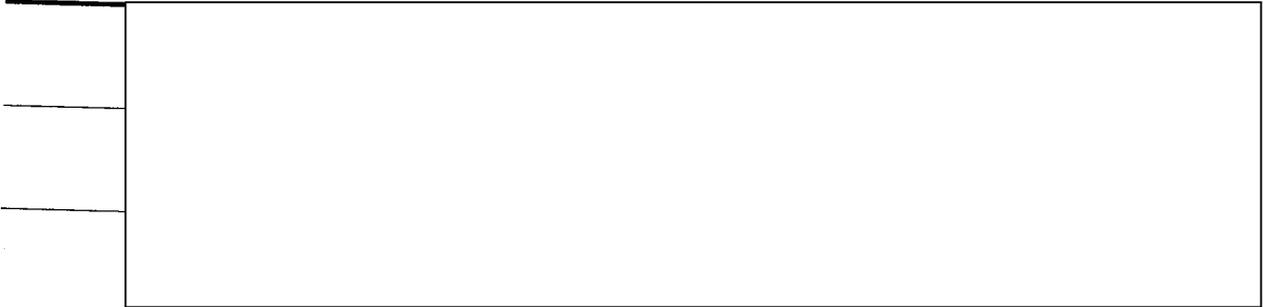
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**International Narcotics
Situation Report** 

October 1992



11 Worldwide Opium Crop Continuing To Rise 



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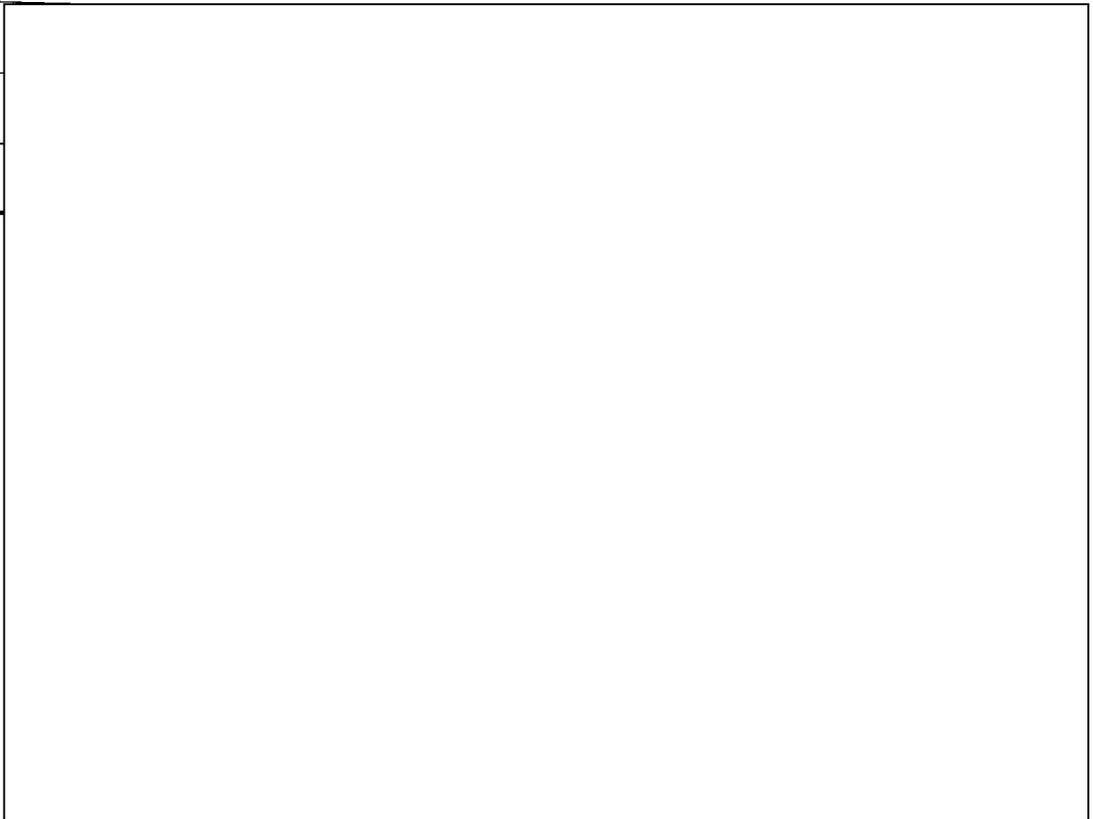


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**International Narcotics
Situation Report** 

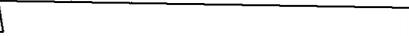
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Perspective

Potential for Expansion in Narcotics Cultivation 

The cultivation of illicit narcotics during this decade is likely to expand to new areas as established growers move away from government antidrug operations or insurgent violence and as farmers shift from licit to illicit crops to gain dramatic increases in profits. Even if some countries manage successful eradication programs, traffickers would be able to find with ease new sources of narcotics. 

Few Constraints on Crop Cultivation

Vast hectarage is available worldwide for illicit narcotics cultivation. Narcotics crops now are primarily grown in relatively small areas in Colombia, Peru, and Bolivia for coca and in the Golden Triangle and Golden Crescent for opium poppy. In fact, the total land devoted to coca and opium poppy cultivation worldwide,  would fit into an area about the size of Delaware. 

Climate is not much of a constraint. While *Erythroxylum coca* variety *coca*, from which over 90 percent of the world's cocaine is derived, requires constant, moderate temperatures and high humidity for optimal cocaine alkaloid production, the other three varieties of coca are not so selective. Although these varieties produce far less cocaine alkaloid, they can thrive and produce alkaloid in almost any climate that precludes frost. Only extreme temperatures and drought prohibit poppy cultivation. *Papaver somniferum*, the poppy from which virtually all heroin is derived, can grow almost anywhere from equatorial regions to about 60° latitude. The highest opium yields are obtained in areas with cool temperatures and uniformly moist growing conditions. 

Shifting Cultivation

Shifts in cultivation patterns occur regularly and over time can result in significant changes:

- Coca growers in Peru's central Huallaga Valley continue to migrate away from insurgent violence, counternarcotics operations, and environmental degradation brought on by poor farming practices. New coca growing areas are being established in the northern part of the Valley and in the Aguaytia and Ucayali Valleys.

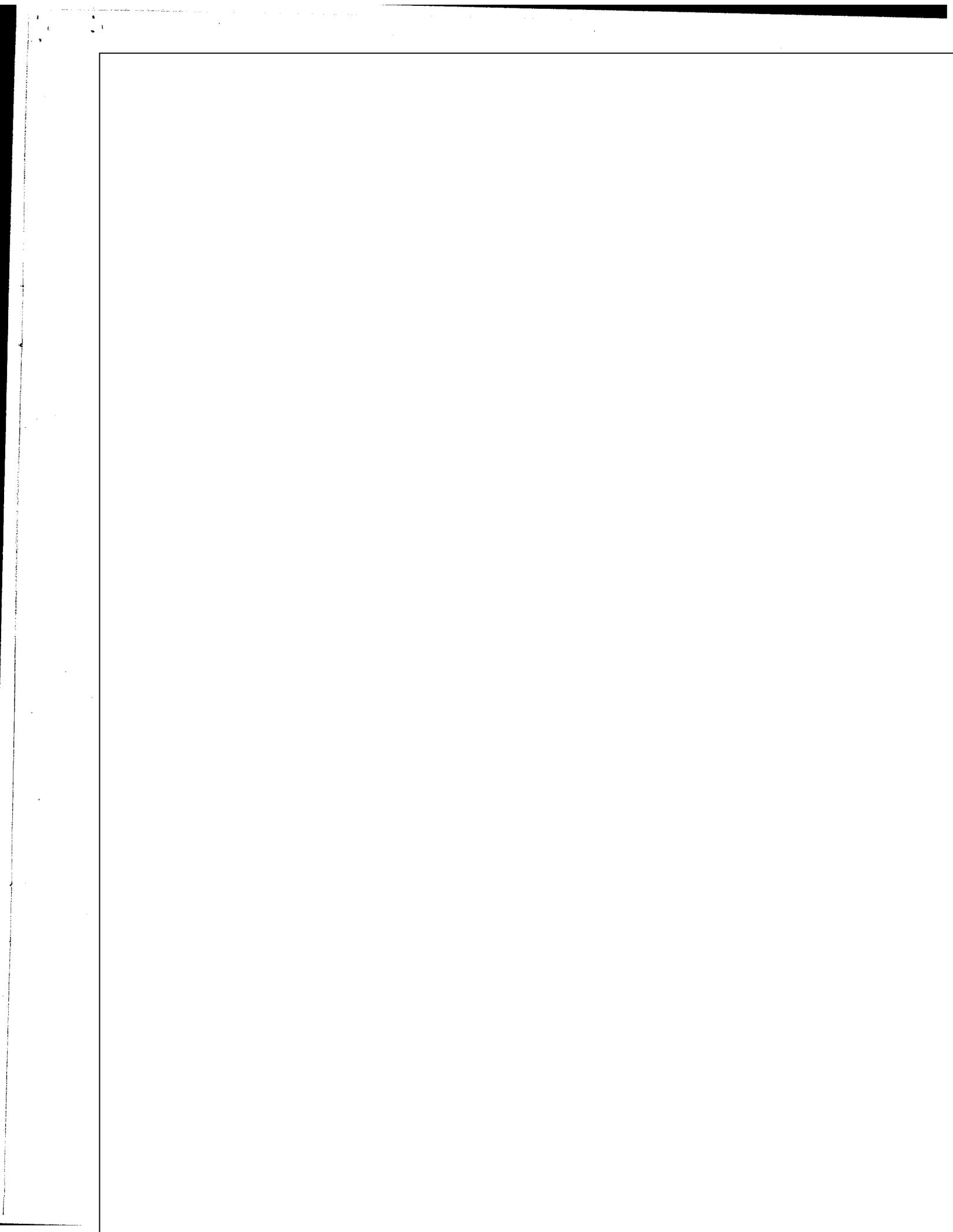
- Colombia has emerged as the largest cultivator of opium poppy in the Western Hemisphere, although labor shortages and grower inexperience are holding down yields. Poppy cultivation is also emerging in Peru and Ecuador.
- Opium poppy cultivation reemerged in Afghanistan's Helmand Valley following the 1990 assassination of Mullah Nasim, a tribal leader who had imposed a cultivation ban there in 1989 and 1990. Poppy cultivation is expanding in other areas as refugees of the war return home.

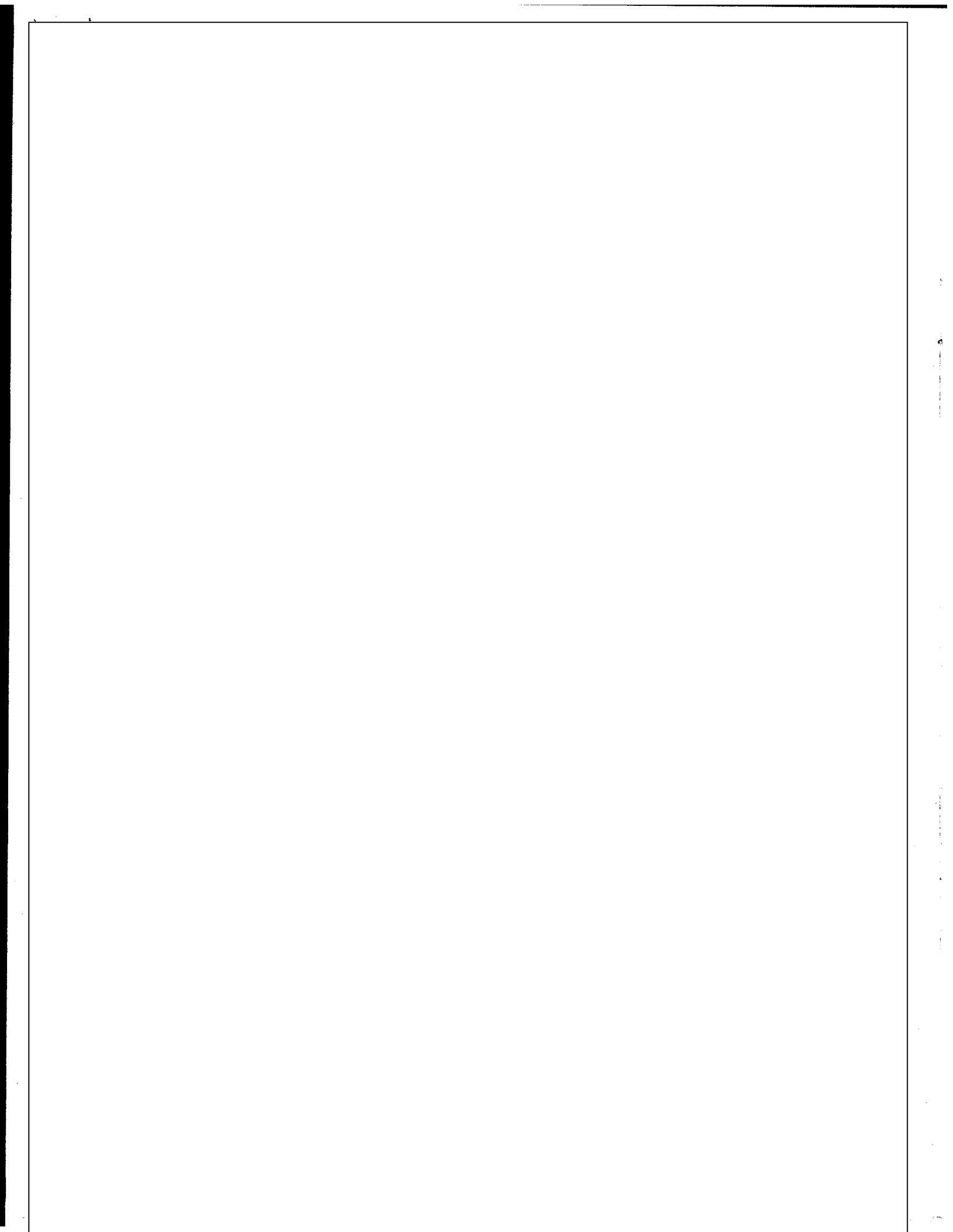
Potential for Expansion

We expect continuing expansion in existing areas of narcotics cultivation as well as appearances of new growing areas:

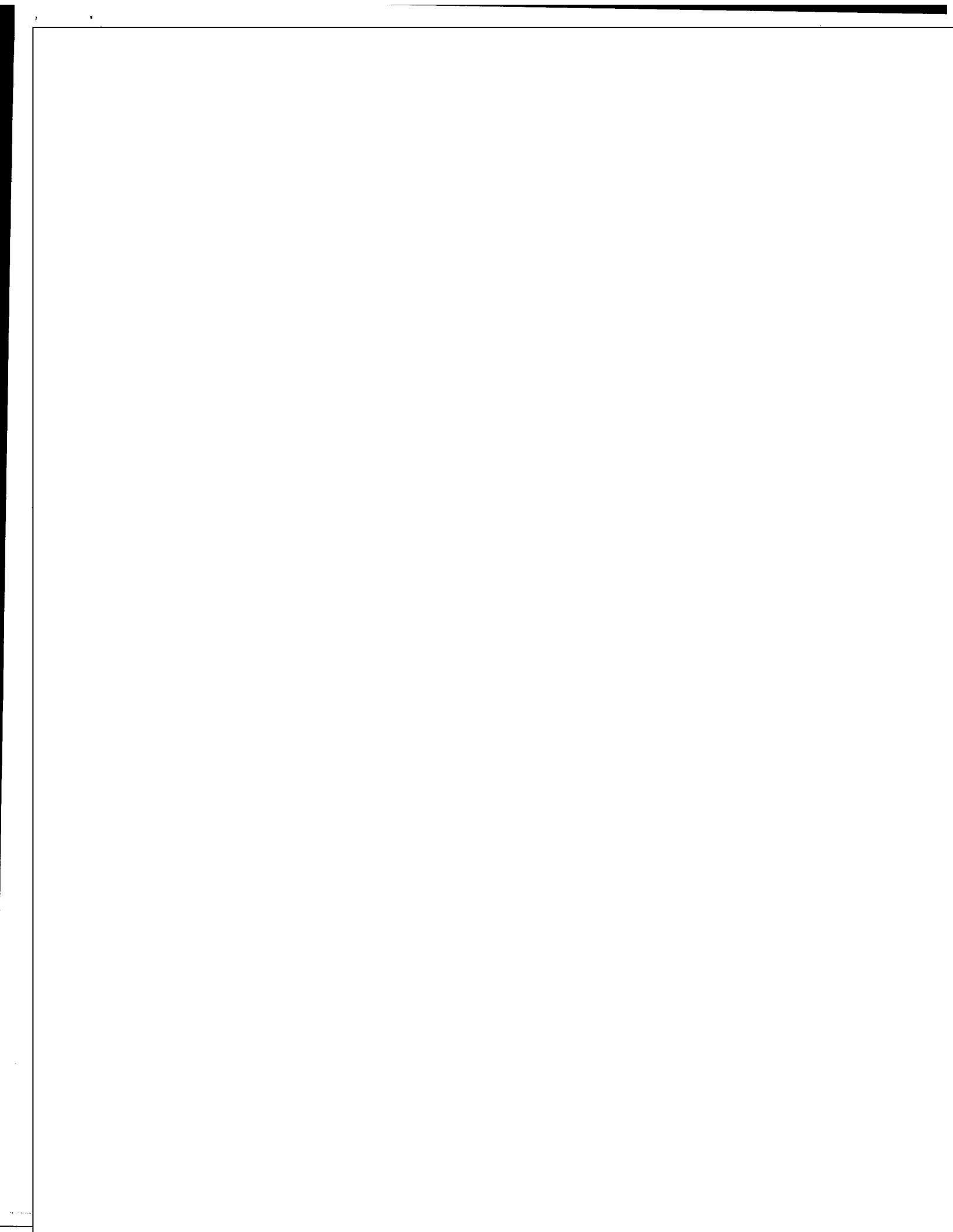
- In existing growing areas, we believe cultivation will shift within countries or into neighboring states in reaction to government pressures or depletion of soils.
- Significant new growing areas will most likely emerge in areas of the developing world where farmers have few economic alternatives and where national governments, lacking resources or public support, cannot exercise complete control.
- Narcotics cultivation, especially of opium poppy, may increase in Eastern Europe and many of the republics of the former Soviet Union as political turmoil continues and economic conditions worsen.
- China—which at the turn of the century produced some 35,000 tons of opium annually—and, in particular, Yunnan Province, could easily again become a major producer of opium.

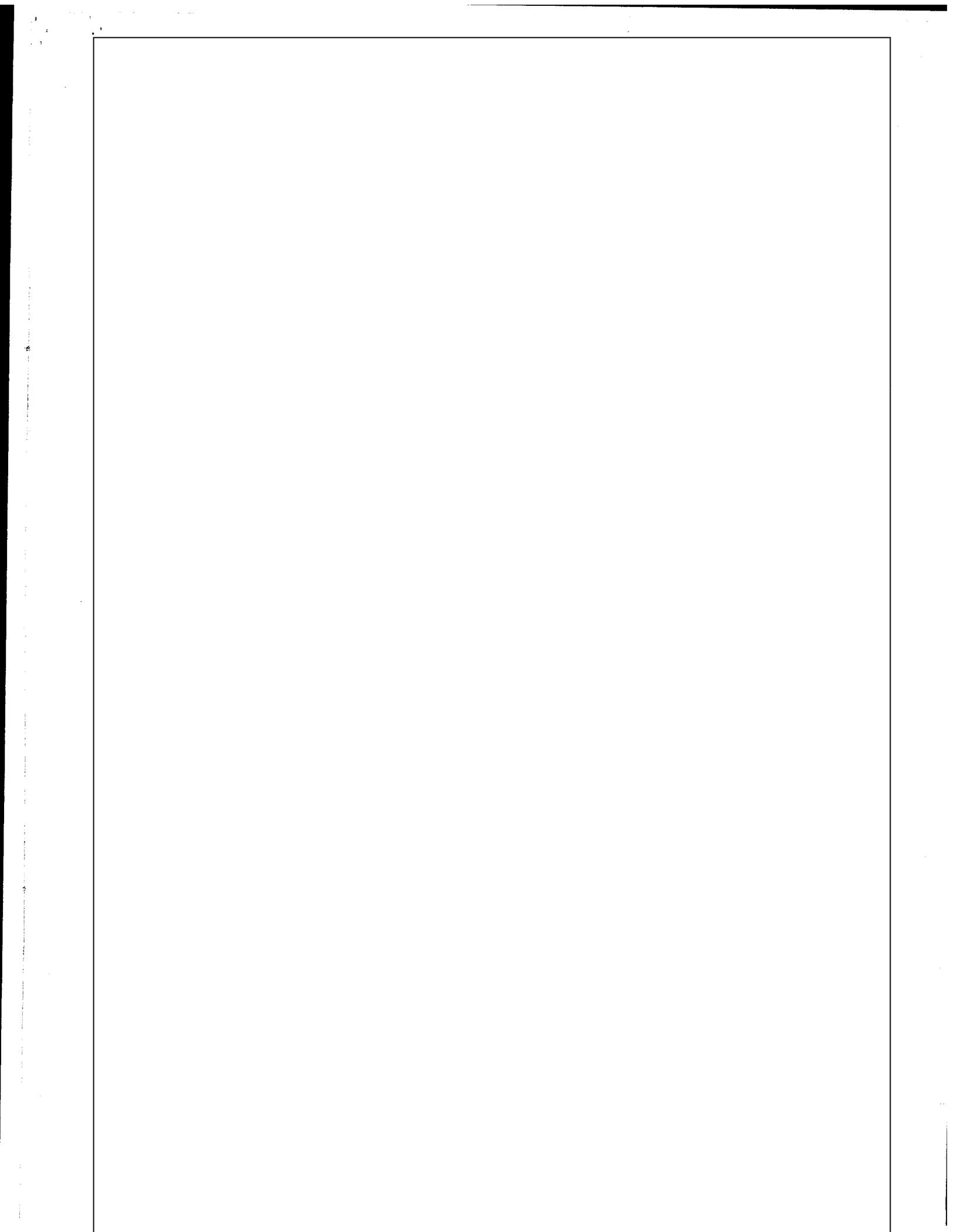
Traffickers, who as businessmen will do their best to develop new markets and boost profits, will, in our view, do whatever is necessary to ensure their supply of illicit drugs. With prices of illicit drug crops often three to 10 times the price of wheat, rice, or other crops, many impoverished farmers would readily respond to invitations to grow coca or opium poppies.

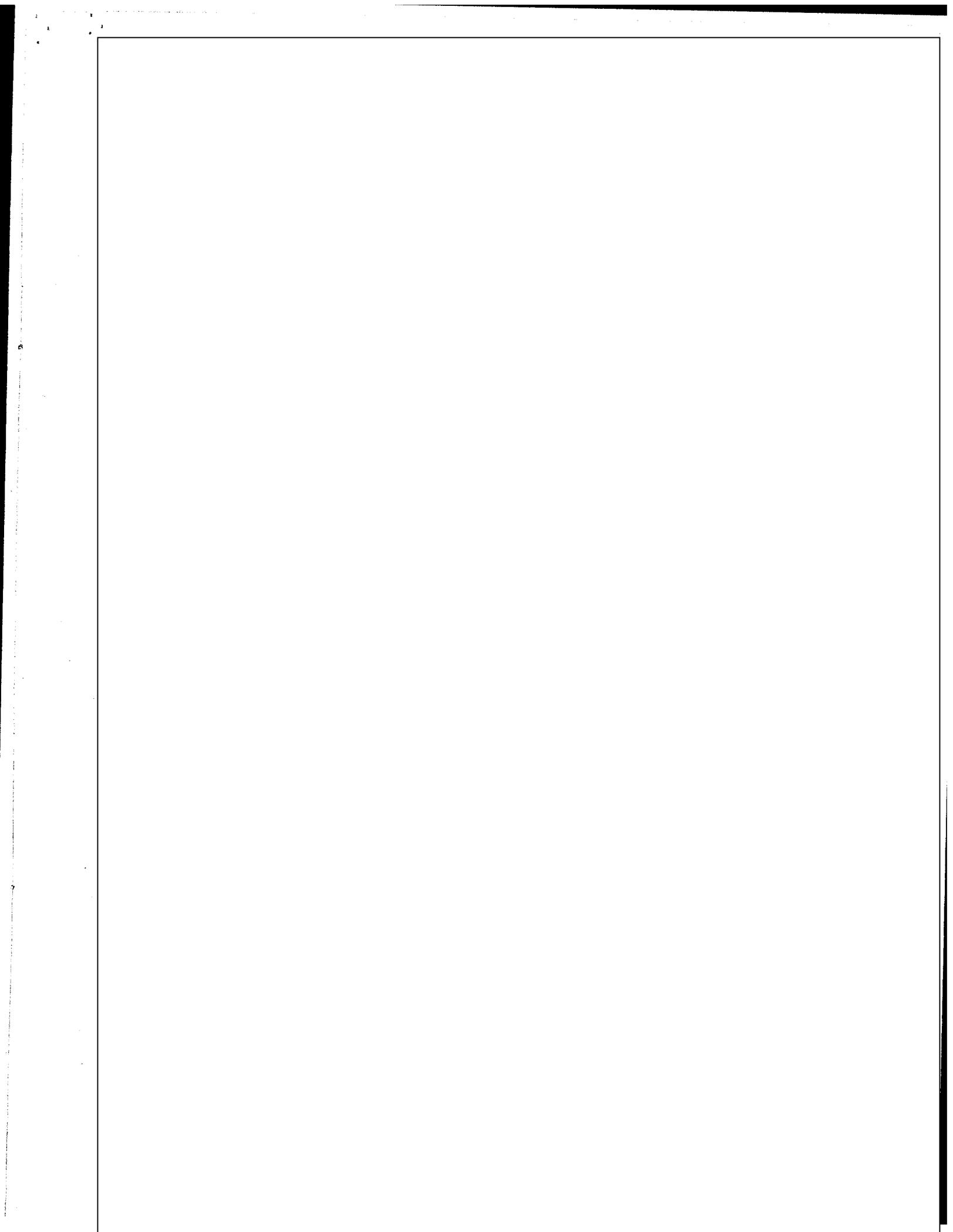


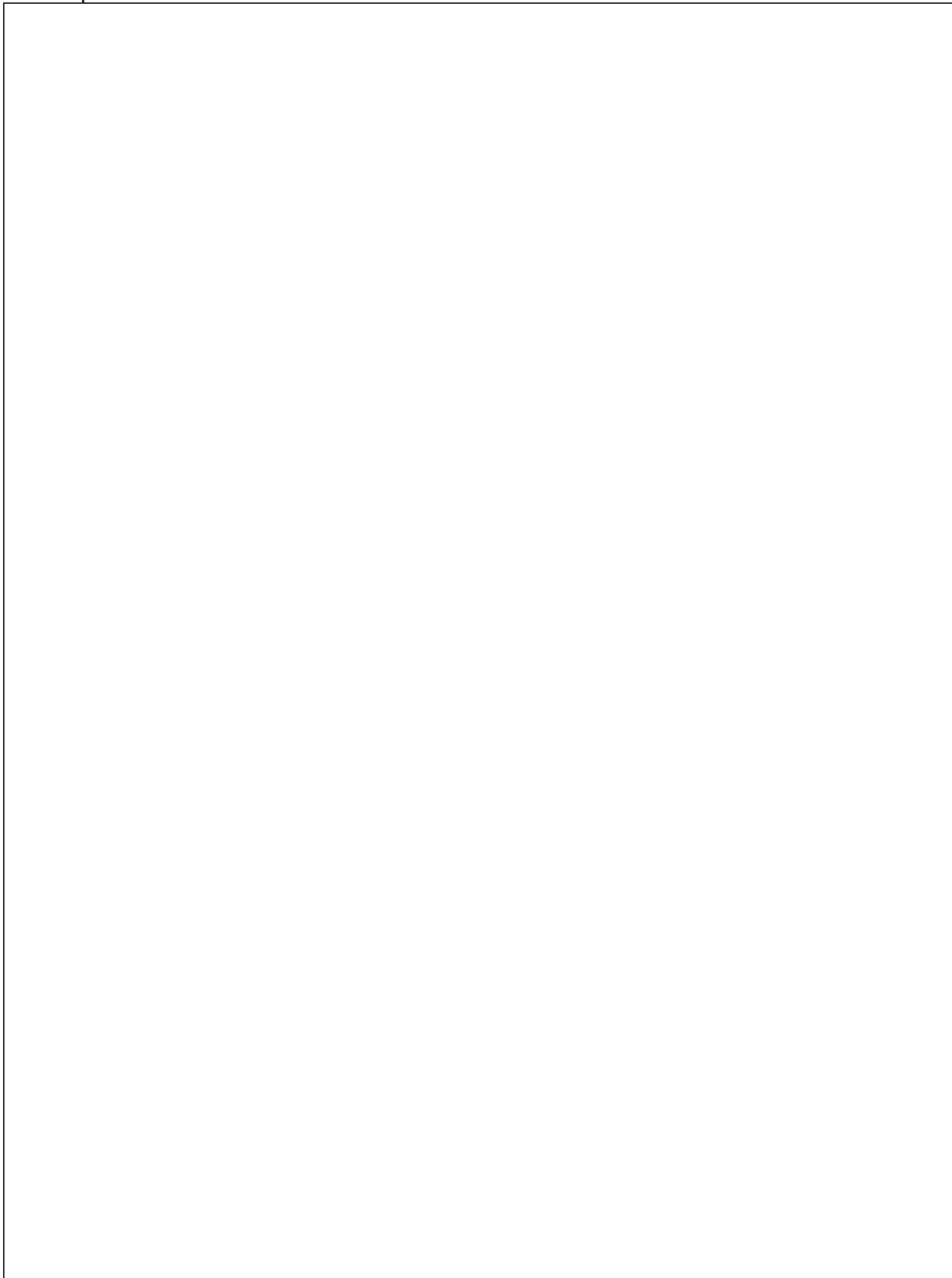






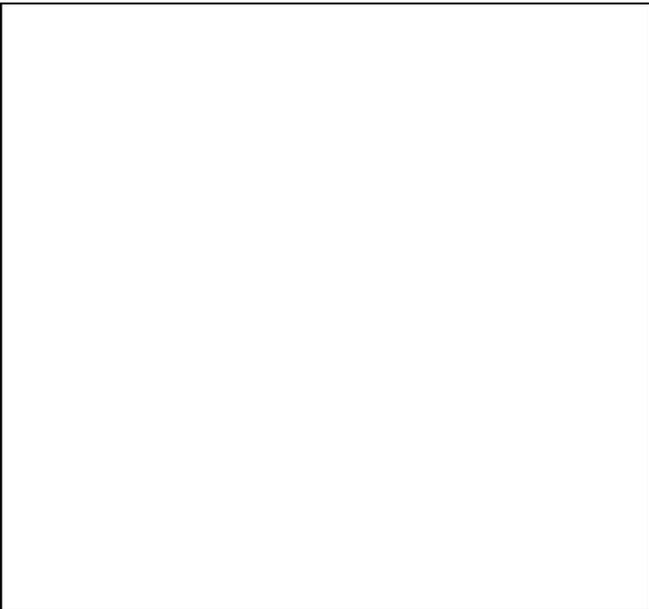
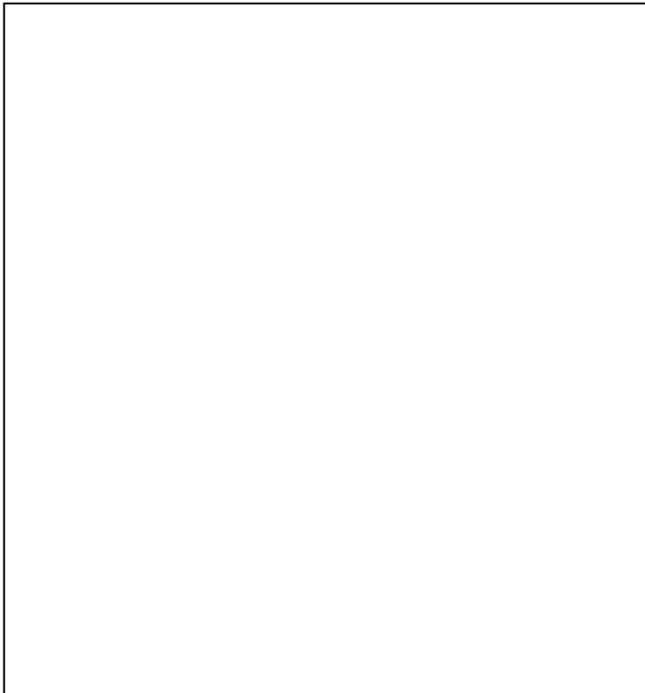






**Worldwide Opium Crop
Continuing To Rise**

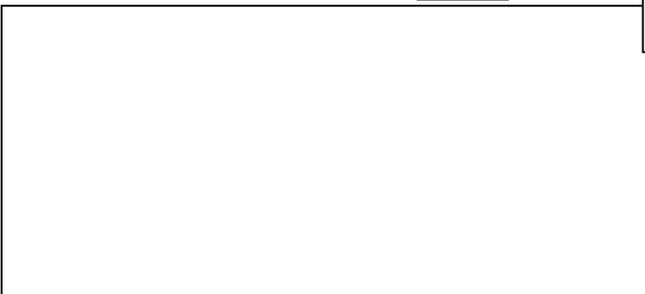
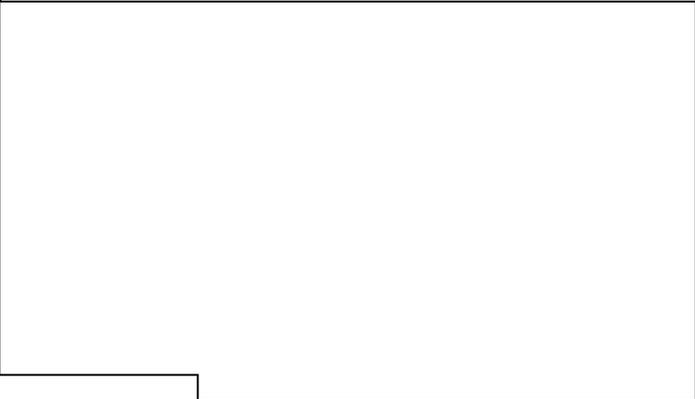




Outlook: Additional Increases Expected in 1993

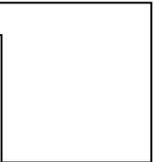
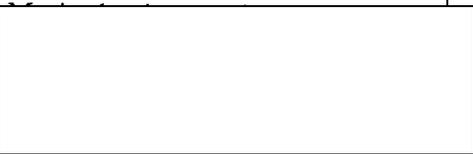
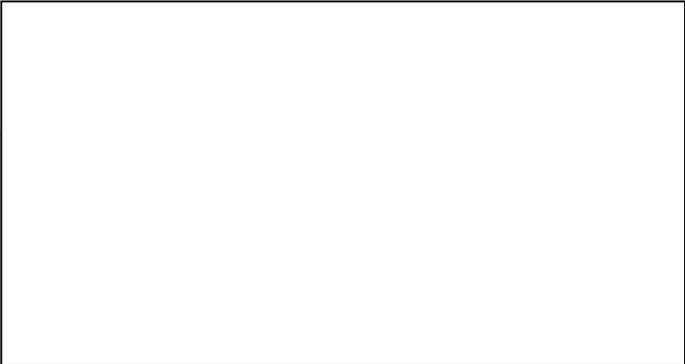
Latin America Up as Well

Despite successful eradication programs in Mexico and Guatemala, opium cultivation and production in Latin America—where, unlike most of the world, multiple opium crops are harvested each year—increased in 1992 as Colombia became the dominant opium producer in Latin America. Production in Colombia will likely be two to four times that of Mexico and Guatemala combined. [redacted]



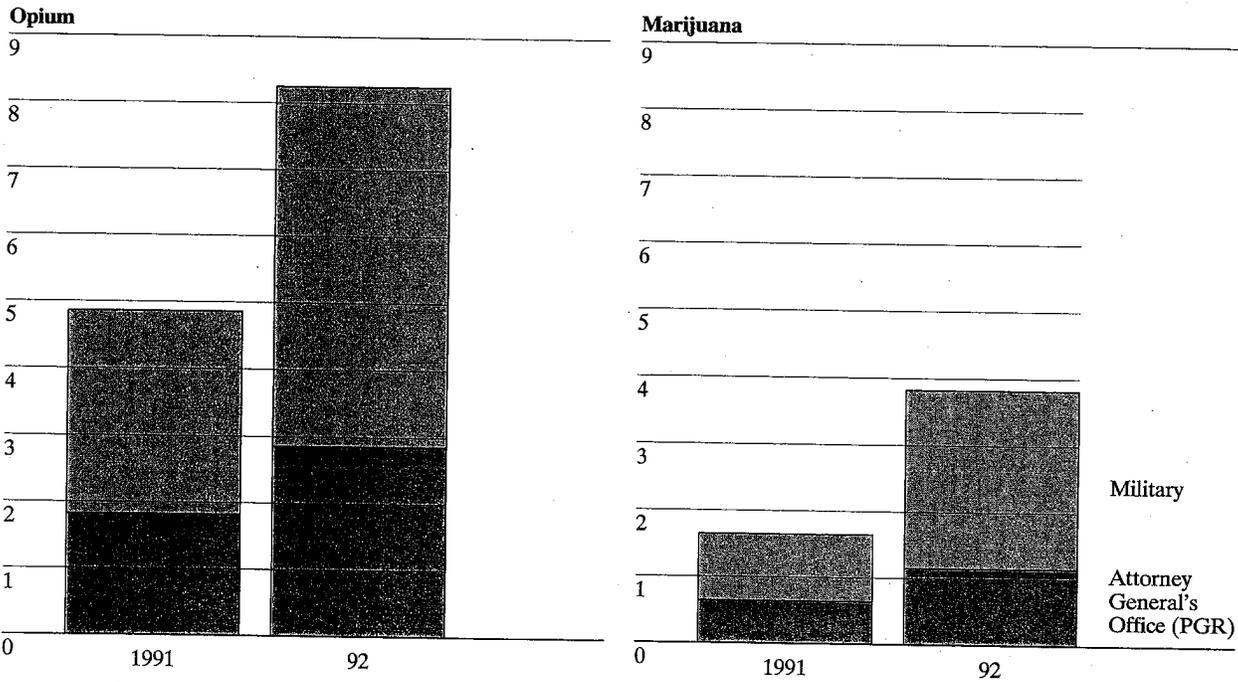
[redacted] Opium poppy cultivation in Mexico and Guatemala probably will decrease as strong eradication programs continue to put pressure on growers. [redacted]

In Mexico, we believe net cultivation and potential production this year will be less than last year's 3,765 hectares, yielding some 41 tons of gum. [redacted]



Mexico: Eradication Claims, 1991-92 ^a

Thousand hectares



^aData are for the first six months of each year.

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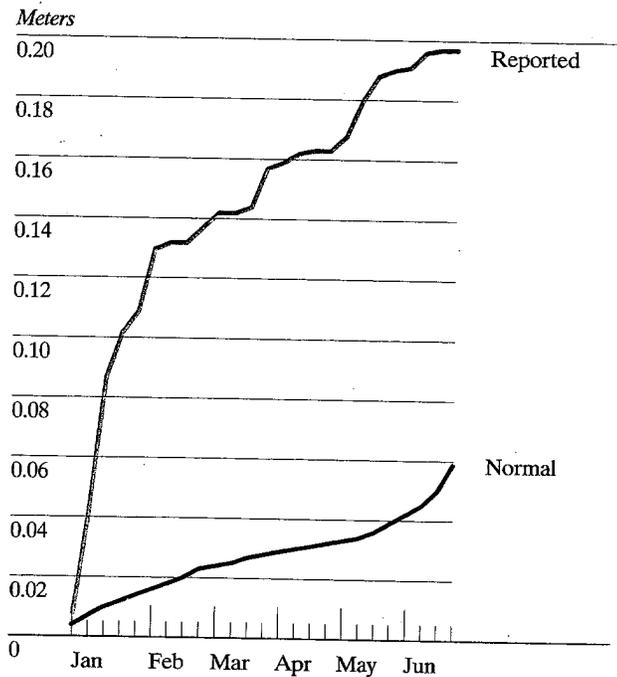
Mexico: Eradication Counters Increased Cultivation

Mexico's narcotics crop suppression programs were at a record-setting pace in 1992. Through June, the amount of opium and marijuana destroyed was nearly double the rate for the first six months last year. As a result, despite substantial increases in gross cultivation caused by much improved weather, harvestable cultivation of Mexico's opium crop will probably be less than last year's 3,765 hectares and the marijuana crop only slightly more than last year's 17,915 hectares.

The Trends

Growers probably are taking advantage of favorable weather to increase cultivation of both opium poppy and marijuana after two years of drought in Mexico's primary growing areas and more effective government eradication programs that have reduced their narcotics earnings in recent years. From 1989 to 1991, Mexican opium production fell 38 percent, and marijuana production dropped 67 percent. During the first half of 1992, greater than average rainfall in the north has resulted in nearly ideal growing conditions. Rainfall during the traditional dry season—March through June—maintained high soil moisture levels and provided irrigation water to overcome short dry periods.

Mexico: Accumulated Precipitation in the Northern Region, January-June 1992

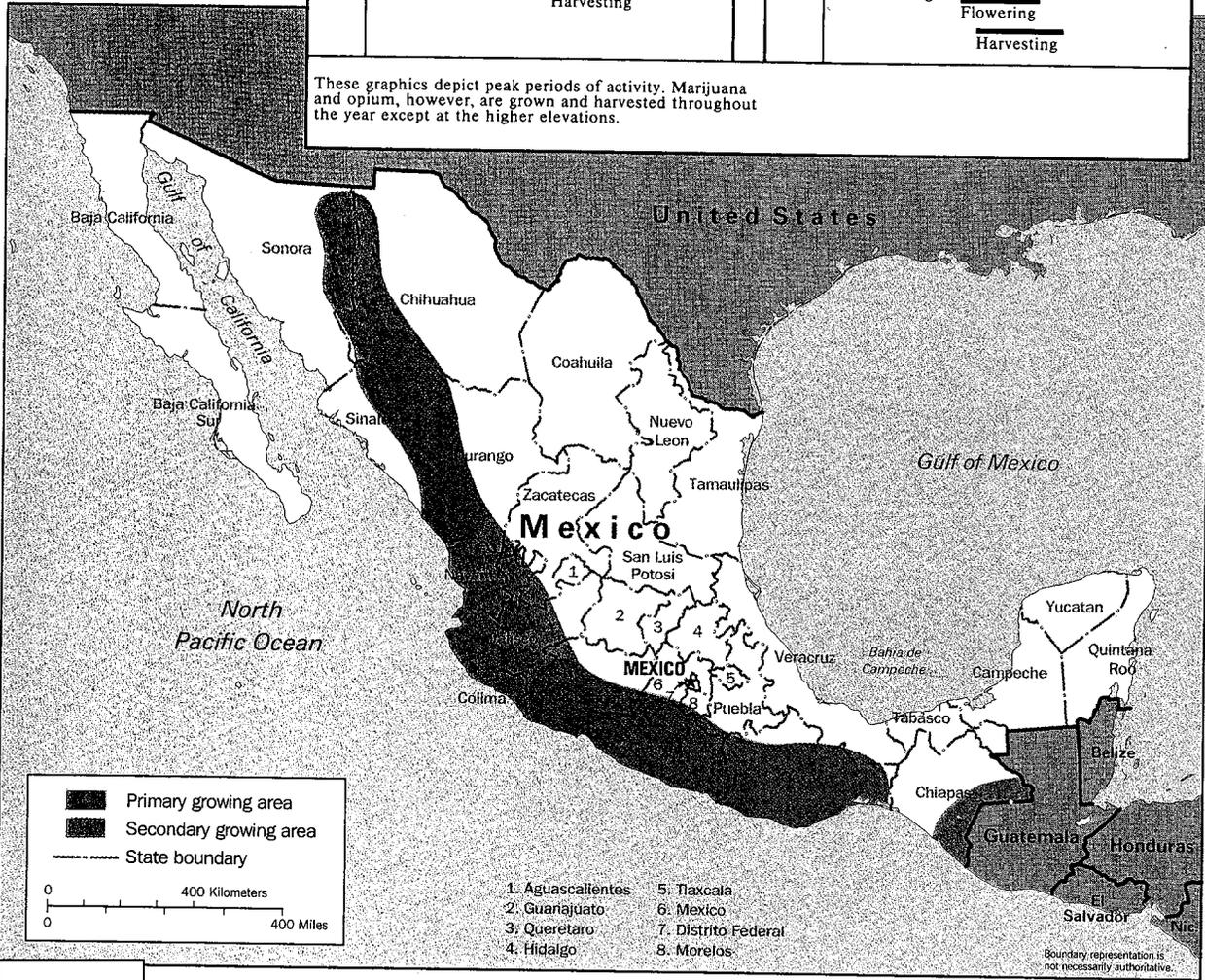


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Marijuana Crop Calendar												Opium Poppy Crop Calendar													
	J	F	M	A	M	J	J	A	S	O	N	D		J	F	M	A	M	J	J	A	S	O	N	D
Fall harvest					Planting								Spring harvest	Growing								Planting			
					Growing									Flowering										Growing	
												Harvesting		Harvesting											
Spring harvest												Planting	Fall harvest											Planting	
												Growing												Growing	
												Harvesting												Flowering	
																								Harvesting	
Summer harvest												Planting	Summer harvest											Planting	
												Growing												Growing	
												Harvesting												Flowering	
																								Harvesting	

Marijuana and Opium Growing Areas, 1992

These graphics depict peak periods of activity. Marijuana and opium, however, are grown and harvested throughout the year except at the higher elevations.



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Outlook



Despite big gains in eradication, net marijuana cultivation may increase slightly because the abundant rainfall almost certainly allowed for a much more dramatic increase in gross cultivation; unlike opium, Mexico's marijuana crop usually is not irrigated and depends more on rainfall for its water requirements. Even if net cultivation of opium and marijuana falls, however, improved growing conditions brought on by the abundant rains could lessen the impact of eradication by boosting crop yields. Assuming the favorable weather continues through the end of the year, opium gum production could approach 1991's 41 metric tons despite a decline in net cultivation, while smokeable marijuana could significantly exceed last year's 7,775 tons.



Highlights (U)

Latin America

Peru/Ecuador: Opium Production Proliferating [redacted]

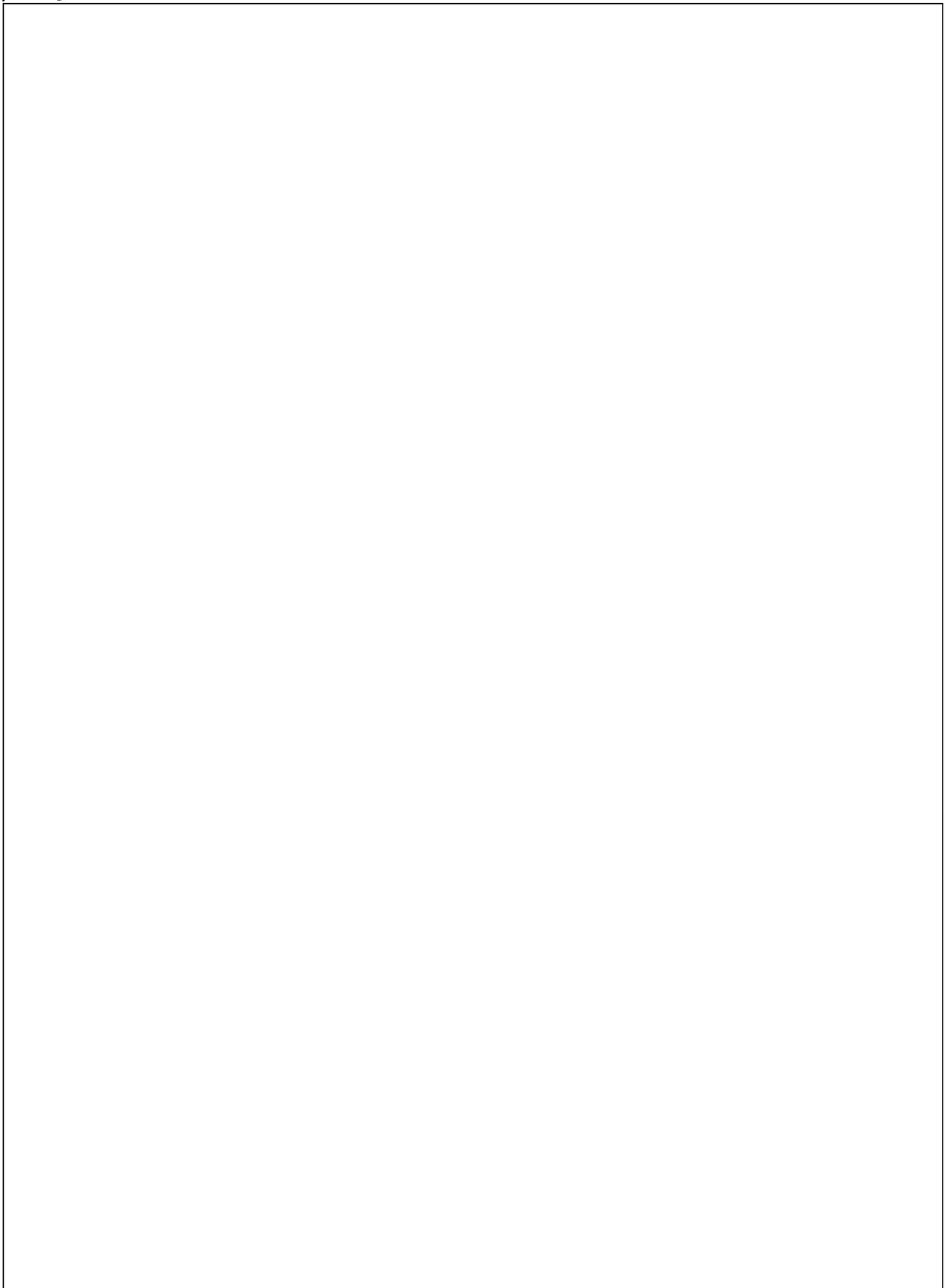
[redacted]

Colombian traffickers may be taking advantage of Peru's and Ecuador's highly favorable growing conditions to evade Bogota's eradication efforts. The quantities of opium gum [redacted] in Peru this year indicate that there are at least 100 hectares under cultivation in the Huallaga Valley, and the processing of heroin in Pucallpa raises the possibility that poppies may be cultivated in this area of Peru as well. [redacted]

Peru's New Drug Coordinator [redacted]

In mid-October, President Fujimori appointed recently fired Air Force Commander General Velarde as Peru's narcotics representative to Washington. In May 1991, Fujimori agreed to appoint a drug coordinator as part of a US-Peruvian pact to work jointly on antidrug issues, but the position had gone unfilled until now. In addition to his narcotics coordinator duties, Velarde reportedly also will serve as the Peruvian Air Force attache for the United States and Canada, representative to an OAS antidrug commission, and assistant air attache in Paris. [redacted]

Velarde's appointment allows Fujimori to fulfill the terms of a counternarcotics agreement with the United States and also to placate military concerns about the General's abrupt ouster. Fujimori is unlikely to concede much authority to Velarde, who, removed from Lima and given multiple duties, will be hard pressed to act as a focal point for Peru's counternarcotics policy and is unlikely to wield significant clout within the Embassy in Washington. [redacted]



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