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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

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6 March 1987

MEMORANDUM FOR: Acting Director of Central Intelligence
THROUGH: National Intelligence Officer for Warning
FROM: William R. Kotapish
National Intelligence Office for Narcotics
SUBJECT: Report on 19 February 1987 NIO/Narcotics Warning and
Forecast Meeting

Representatives of the Intelligence Community and appropriate law enforcement representatives met on 19 February 1987 to discuss the following: implications of expanded heroin trafficking by the Burmese Communist Party (presented by CIA/DI/OGI); the aftermath of Carlos Lehder's arrest and implications for Colombia (presented by DEA); and a presentation led by the DIO/Latin America on the receptivity of individual Latin American nations to US-military support for counternarcotics efforts.


William R. Kotapish

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National Intelligence Officer for Narcotics
Intelligence Coordination and Strategy Meeting

19 February 1987

Expanded Heroin Trafficking by the Burmese Communist Party (BCP)

1. The discussion was led by [REDACTED] CIA/DI/OGI. The principal points included:

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- o The BCP is stepping up its drive to become a major heroin supplier in the Golden Triangle.
- o The effort is a campaign intended to take over a large share of the narcotics trade along the Thai-Burma border from the Shan United Army, the Golden Triangle's dominant heroin-trafficking group.
 - The BCP is increasing its heroin output at refineries in the northern Shan State; sending shipments along routes into India, south through Burma, and increasingly into China.
 - It is also expanding trafficking and military activity in the north, beyond Kachim State and central Burma.
- o The Burmese Army -- some 12,000 strong -- has launched a counteroffensive against the BCP in the north.
 - Question remains open as to how long the Burmese army can sustain military operations at their current level.
 - If the BCP tries to establish itself permanently near the Thai-Burma border, Rangoon will likely be forced to take a stronger stand. The potential financial windfall to the BCP from heroin trafficking would be too great for Rangoon to ignore.

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- o Although the BCP is moving heroin north into India, routes across the Thai/Burma border remain the most serious trafficking threat.
2. The NIO/Narcotics then turned to a brief review of current, topical issues, among which were included:
- o A worldwide narcotics threat assessment was presented by the DDI to the National Drug Policy Board on 19 February.
 - o The NIO briefly reviewed the principal points discussed during a debriefing of Ambassador Gillespie (Colombia). Ambassador Gillespie observed that upon assuming office President Barco had two fundamental concerns: 1) insurgency (FARC); and 2) violence (M-19). As the narcotics trafficking organizations accelerated violent incidents, Barco began to adopt a more aggressive stance against them. Barco now appears more willing than ever before to allow the Colombian military a freer hand. Concerns over sovereignty have softened. Barco is now turning to the US mission country team for assessments on narcotics issues, e.g., Blast Furnace, extradition laws.

Colombia and Carlos Lehder

3. The Chief, Cocaine Unit, Operations Intelligence, DEA, Mr. Robert Fernandez, led the discussion. The significant points were:
- o Lehder was a member of the Medellin cartel, but an estranged, violent member.
 - o Pablo Escobar, who manages the most extensive narcotics trafficking cartel, was probably responsible for tipping off Colombian authorities to Lehder's whereabouts.
 - o The question of possible retaliation by the cartel remains a serious one.
 - Lehder may possibly retaliate against other members of the cartel.
 - There may be retaliation against members of the US Mission in Bogota.

Prospects for US-military Supported Counternarcotics Operations in Latin America

4. Colonel John Cash, USA, DIO/Latin America, led the discussion on this issue. It was prompted by a US SOUTHCOM request for a Community assessment of countries in Latin America taking into account where the drug

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problems are most severe and where the feasibility of US military assistance to local forces is the greatest. This assessment was completed last month and a DIA message, coordinated within the Community, was sent to US SOUTHCOM on 17 January 1987. Its principal conclusion was that the possibility for any operations similar to "Blast Furnace" were remote over the near term. However, several countries were mentioned which might be willing to cooperate with a low-profile, US-military support role, i.e. Venezuela, Ecuador and Colombia.

Community Report

5. The following representative of the narcotics intelligence community commented on the following:

- o Customs remarked that it would be conducting a training program in aircraft/passenger search procedures for the Pakistani soon.
- o US Coast Guard commented on current evasion techniques being used by narcotics traffickers.
- o NNBIS mentioned that Customs would soon be hosting a round-table discussion of the containerized cargo problem.
- o State commented on INM participation at Vienna preparatory meetings for the UN narcotics conference in June. One noteworthy development is the degree to which the Soviet bloc has supported US counternarcotics proposals.

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