

Coca Eradication in the Andes: Lessons from Bolivia

By Jon Hellin

1. Introduction

The long-running war on drugs has moved into a different phase with the U.S. contribution to the *Plan Colombia*. The main objective is to eradicate over 120,000 hectares (ha) of coca leaf plantations. Another component of the *Plan Colombia* is to provide farmers with a viable alternative to growing coca. A major focus of this “alternative development” is to promote legal agricultural crops and provide improved road and farming infrastructure, and marketing skills to farmer associations.

Less well known is that over the last decade coca eradication and alternative development have been tried in the Chapare region in Bolivia. While the former has been “successful” (coca was officially eradicated from the Chapare at the end of last year), the results of alternative development have been mixed. Much resentment has built up in the Chapare, partly as a result of the heavy-handed way that the coca has been eradicated, but also because (despite some success stories) alternative development has failed to provide a decent livelihood to the majority of ex-coca growers.

The mistakes made in Bolivia are now being repeated in Colombia. In the case of Bolivia, coca eradication and alternative development took place in a country whose social fabric is still intact. Colombia, on the other hand, is plagued by social dislocation. The danger is that, with its focus on coca eradication rather than meaningful alternative development, the *Plan Colombia* will accentuate Colombia’s already chronic social, political and economic problems and destabilize the Andean region.

2. Migration and Coca in the Chapare, Bolivia

Coca (*Erythroxylon coca*) is a robust shrub that flourishes in the eastern lowlands of the Andes where the sunny climate and acidic soil conditions increases its alkaloid content.¹ Although the coca leaf is the source of cocaine, chewing it and drinking coca tea have a very different effect from using the refined powder and have been a part of Andean culture for centuries.² There is no evidence that coca is harmful. On the contrary, coca acts as a mild stimulant and alleviates the effects of altitude sickness, tiredness and hunger. It enables people to walk long distances and work long hours.

During the pre-Colombia era, coca played an important role in the region's barter economy. After the arrival of the Spanish conquistadors, the Catholic Church identified the consumption of coca as a pernicious and pagan custom. This condemnation did not, however, prevent the Church from collecting a 10 percent tax on its sale.³ Coca leaves are still traditionally chewed by indigenous people from northern Colombia⁴ to Bolivia and as far south as northern Argentina.⁵

The groundwork for the cocaine explosion was actually laid after World War II when governments in Peru, Bolivia and Colombia identified the Amazon basin as an area which could absorb population growth and alleviate land pressures in highland areas. In the case of Bolivia, thousands of highland farmers migrated to the Chapare, a process exacerbated by the agrarian reforms of the early 1950s.⁶

The Chapare, east of the capital La Paz, lies in the sub-humid tropics at the foot of the eastern range of the Andes. Soils are relatively poor with only about 32 percent of the area suitable for permanent

¹Michael Smith, Charunee Thongtham, Najma Sadeque, Alfredo Bravo, Roger Rumrill, and Amanda Dávila, *Why People Grow Drugs: Narcotics and Development in the Third World* (London: The Panos Institute, Panos Publications Ltd., 1992), p. 12.

²Fernando Cabieses, *La coca: Dilema Trágico?* (Peru: Empresa Nacional de la Coca S.A., 1992), p.13.

³Smith, *et al.*, *op. cit.*, p. 12.

⁴Alan Ereira, *The Heart of the World* (London: Jonathan Cape, 1990), p. 28.

⁵Sophie Higman, "Town meets country, but for how much longer? Letter from Argentina," *The Guardian Weekly*, December 21, 2000.

⁶James Jones, *The Chapare: Farmer Perspectives on the Economics and Sociology of Coca Plantation* (Binghamton, New York: SARSA and Institute for Development Anthropology, Clark University, 1990), p. 4.

agriculture.⁷ Hence, following the first wave of migration to the area, introduced crops such as coffee and cacao did not bring the benefits originally anticipated. At the beginning of the 1980s, the tin industry collapsed,⁸ the Bolivian economy floundered, and unemployment soared. Impoverished farmers and ex-miners migrated from the highlands to the Chapare in a second wave of migration. These migrants included farmers and ex-miners. Between 1981 and 1985, the population in the Chapare rose from 80,000 to 120,000.

The second wave of migration to the Chapare coincided with a boom in the international market for cocaine.⁹ Coca, the basic ingredient of cocaine, has been cultivated in the Chapare for centuries¹⁰ and is well suited to the region. Coca does not require fertilizer, it suffers from few pest problems, it grows well in impoverished soils, it can be harvested three or four times a year, it is easy to transport and despite price fluctuations it can bring in a good reliable income.¹¹

The combination of inward migration and burgeoning demand for cocaine led to a rapid increase in the area planted with coca plantations. Coca became the one crop that enabled farmers to escape abject poverty and its cultivation was a rational choice in the face of economic collapse.¹² The coca was processed into cocaine paste and taken to Colombia to be further refined and then sold abroad. Moreover, the dollars brought in by drug trafficking in the Chapare were welcomed by the Bolivian central bank in order to ease the foreign exchange shortage in the country.

⁷J.A. Tosi, *Ecology and Land Capability Analysis of the Chapare Project Area* (Cochabamba, Bolivia: Report for USAID/Bolivia, 1983), p. 37.

⁸Ingrid Carlson, "A Decade after the Coca Boom: Politics and Economics in Bolivia's Chapare Region," *Entrecaminos*, 2000.

⁹Michael Painter and Eduardo Garland, *Socioeconomic Issues in Agricultural Settlement and Production in Bolivia's Chapare Region* (Binghamton, New York: Institute for Development Anthropology, Clark University, 1991), p. 6.

¹⁰Michael Painter, *Institutional Analysis of the Chapare Regional Development Project (CRDP)* (Binghamton, New York: Institute for Development Anthropology, Clark University, 1990), p. 1.

¹¹"A Crop that Refuses to Die," *The Economist*, March 4, 2000; Smith, *et al.*, *op. cit.*, p. 16; LaMond Tullis and James Painter, *Illicit Drugs: Social Impacts and Policy Responses* (Geneva, Switzerland: United Nations Research Institute for Social Development, 1994), p. 6.

¹²Neil MacDonald, *An Oxfam Report: The Andes, a Quest for Justice* (Oxford, UK: Oxfam, 1992), pp. 43-44.

By 1989, the area of coca cultivation peaked at 52,900 ha in Bolivia,¹³ of which the overwhelming majority was in the Chapare. Approximately 12,000 ha of coca are grown in the Yungas. This area lies to the north-east of La Paz and in recognition of the historical and cultural importance of coca, it has been declared a legal coca-growing area (see below).

The explosion in the area planted to coca also occurred in Peru and Colombia. In the case of Colombia, the increased demand in the West for cocaine and the subsequent war on drugs also coincided with the suspension of the International Coffee Agreement (ICA). The result was a major decline in the world price for coffee which was Colombia's leading legal export. Between 1989 and 1993 there was a 50 percent reduction in the world price of coffee,¹⁴ and in December 2000 international coffee prices hit a 30-year low.¹⁵

3. Coca Eradication and Alternative Development in Bolivia

Alternative Development: The First Faltering Steps. Coca eradication and alternative development began in the Chapare in 1987 following legislation in the U.S. that not only approved funds for alternative development but also began the process of certification whereby countries that were not certified as adequately fighting the war on drugs were blocked from receiving funds from the World Bank, the International Monetary Fund and the United States Agency for International Development (USAID).

In 1988 the Bolivian government approved Law 1008. This law recognized two types of coca: firstly, coca that is used for traditional uses and secondly, the coca that is linked to the production of cocaine. The law approved of the former and sanctioned 12,000 ha of legal coca in the Yungas region of Bolivia. The second type of coca, approximately 37,000 ha in the Chapare region, was declared illegal and was earmarked for eradication in conjunction with alternative development initiatives. Much of the funding for these initiatives has come from USAID. Initial attempts to persuade smallholder farmers to replace profitable coca cultivation with alternative crops proved much more difficult than first envisaged.

¹³Dirección General de Reconversión Agrícola, *1998 Annual Report*, p. 20.

¹⁴The Fairtrade Foundation, *Spilling the Beans: What is Wrong with the Coffee Trade?* 1997, website: <<http://www.fairtrade.org.uk/spillf.htm>>.

¹⁵Oliver Brown, Céline Charvériat and Dominic Eagleton, "The Coffee Market — A Background Study" (revised draft, January 1, 2001) (Oxford, UK: Oxfam, 2001), p. ii.

A variety of licit annual and perennial crops was promoted as a viable alternative to coca but were not suited to farmers' situations or prevailing markets.¹⁶ Furthermore, many species were promoted on the basis of results from on-station trials at a research station in the Chapare and were not representative of on-farm conditions. Initial results were disappointing in terms of a long period without income between planting and first harvest, low yields and disappointingly small markets. Following the forced coca eradication process, this further engendered a feeling of mistrust towards outsiders on the part of many farmers.

Stepping up the Pressure in the Chapare. Initially, coca eradication was voluntary and farmers were compensated for each ha of coca eradicated. However, few farmers voluntarily eradicated their coca despite the fact that in 1994 compensation levels were increased to \$2,500 per ha. The coca growers' argument was that the alternative crops did not provide a decent livelihood. Although approximately 25,000 ha of coca were eradicated between 1988 and 1994, farmers continued to establish new plantations. By the end of 1994 there were still 36,000 ha of coca in the Chapare.¹⁷

Bolivia's government began forcible coca eradication in 1995 after being warned by the U.S. that it was on the point of being decertified.¹⁸ Pressured by the U.S., the Bolivian government introduced the *Plan Dignidad*. The Plan began in early 1998 and set targets to reduce the area of coca to 7,000 ha within a five year period. This would clearly require eradication efforts in the 12,000 ha traditional coca-growing area in the Yungas (see below). Individual compensation for eradication was replaced by communal compensation, although the amount has been progressively reduced on a yearly basis.

Despite the shortcomings exposed by the alternative development initiatives in the early 1990s, this was still seen as the way forward and alternative development was identified as a central pillar of the *Plan Dignidad*. Since the early 1990s technical assistance and marketing support have focused on a smaller number of crops deemed to be suitable to the Chapare. These species include banana, pineapple, palmheart, and, to a lesser degree, passion fruit and black pepper.¹⁹

¹⁶Painter, 1990, *op. cit.*, p. 12.

¹⁷Dirección General de Reconversión Agrícola, *op. cit.*, p. 20.

¹⁸*The Economist*, March 4, 2000, *op. cit.*

¹⁹Viceministerio de Desarrollo Alternativo, "Consolidating Alternative Development Efforts," *Nuevo Gran Angular*, 1, (La Paz, Bolivia), 2000, p. 16.

“Success:” *The Official Definition*. In 1998, 70 percent of farmers in the Chapare depended on coca for 60 to 100 percent of their income.²⁰ By the end of 1999 there were fewer than 10,000 ha of coca in the Chapare²¹ and by the end of 2000, the last remaining coca was officially eradicated.²² Farmers in the Chapare, however, continue to plant some coca among rows of yucca to avoid detection by satellites.²³ Legal commercial crops now cover over 100,000 ha in the Chapare, almost three times as much as in 1986.²⁴

Those promoting alternative development acknowledge that it is almost impossible for alternative licit crops to match the income that coca can provide, but they argue that alternative development can still deliver a decent livelihood to ex-coca farmers.²⁵ Reporting on activities in the Chapare in 1998, the United Nations Office for Drug Control and Crime Prevention (UNODCCP) claims that alternative development initiatives were “highly successful” in providing farmers viable, legal alternative crops, and helped solidify public opinion against coca cultivation.²⁶

While few would deny that the Bolivian government has been successful in eradicating coca in the Chapare, the success of the alternative development program in terms of the social and economic impact on ex-coca growers is questionable. While quantitative data on the area planted to licit crops is one criterion for measuring the “success” of alternative development, it is not the whole story. Closer inspection reveals that the picture is not as rosy as officials portray.²⁷

Welcome to the Globalized World. While the development of the infrastructure means that Chapare farmers have better access to markets, access is no guarantee that the market solution will actually work. As early as 1991, development specialists stressed that one of the critical issues that needed to be addressed was the opening of market

²⁰A *Brief History of Alternative Development, Compensation and Repression of Coca in the Chapare* (Cochabamba, Bolivia: Andean Information Network, 2000).

²¹*The Economist*, March 4, 2000, *op. cit.*

²²*The Economist*, “Coca’s Second Front,” January 6, 2001.

²³Jon Hellin and Sophie Higman, “Substituting Alternative Crops for Coca: A Viable Alternative for Farmers?” *Appropriate Technology*, 27, 4, 2000.

²⁴*The Economist*, March 4, 2000, *op. cit.*

²⁵Pino Arlacchi, “Bolivia’s Coca Crop,” Letter, in *The Economist*, January 13, 2001, p. 8.

²⁶United Nations Office for Drug Control and Crime Prevention (UNODCCP), “Bolivia: Status of the Country,” *Gran Angular*, 34, 1998.

²⁷Hellin and Higman, *op. cit.*

opportunities.²⁸ The lack of markets for their produce, oversupply, price fluctuations, quality of produce, timing of production and lack of reliable transport remained the main problems voiced by farmers last year.²⁹

Pineapple has been plagued by harsh reality, the rules of supply and demand. Between 1990 and 1995, there was a stable national market for pineapple, along with a small export market to Chile and Argentina. However, as part of the alternative development program, about 3.5 million pineapple plants were distributed to farmers in the Chapare. In 1986 there were 338 ha of pineapple; by 1997 this had risen to 3,804 ha. Overproduction and a collapse in the national market price coincided with the imposition, by Chile, of stringent phytosanitary requirements that Bolivia could not meet. Farmers reacted to the market collapse by reducing the area cultivated. By 1999, the area of pineapple had dropped to 1,660 ha.³⁰

Palmheart is one of the most commercially important crops in the Chapare. The majority of farmers sell their produce to two local processing plants. The price of palmheart on the international market has dropped substantially over the last two years, due to currency devaluations in Brazil and Ecuador. Since then there has been almost a 50 percent reduction in the farm-gate prices that farmers had been led to expect. They do not understand the reasons for the reduction and feel that they are being cheated. Recognizing the threat that the collapse of the price of palmheart represents to the Chapare, USAID is now considering providing a performance-based incentive to the palmheart processors/exporters which would enable them to offset some of their losses during the past year, as well as to maintain a steady flow of purchases from small farmers at favorable farm gate prices.

Bananas are seen as one of the success stories in the Chapare. Bananas have traditionally been grown for the local market and in 1991, commercial varieties for the external market were introduced. In 1997, the leaf-browning fungal disease caused by *Micosphaerella fijensis* was inadvertently introduced to Bolivia. As a result local banana varieties were decimated and the costs of production have risen because bananas now require regular spraying to control the disease. Those farmers who have benefited most from the introduction of new banana varieties tend to be members of a handful of farmer associations who have managed to secure a niche in the export market. This was achieved through

²⁸Painter and Garland, *op. cit.*, p. 61.

²⁹Hellin and Higman, *op. cit.*

³⁰Viceministerio de Desarrollo Alternativo, *op. cit.*, p. 17.

considerable technical advice, training in administration, accounting and marketing, and substantial assistance in infrastructure, such as packing sheds, wells and cable lines.

Another feature of these associations is that farmers have consolidated individual 10-15 ha holdings to form large blocks of over 100 ha. Some degree of scale economy is achieved and the large blocks also facilitate control of *M. fijensis*. Two of the three banana export companies have their own plantations but USAID encourages them to purchase bananas from the farmer associations by paying the companies a start-up incentive of \$0.25 per box of farmer-produced export bananas. It is unclear what would happen were the subsidies removed.

The largest export market for bananas is Argentina. Although Argentina imports approximately 15 million boxes of bananas each year, less than one percent of these are supplied by Bolivia. According to banana exporters, the major obstacle to increased exports is a shortage of transport due to the poor condition of sections of the road to Argentina. The road was improved last year but it is unclear whether the Bolivian government is committed to road maintenance, which is often more costly than initial improvements. The difficulties facing banana exporters have also been exacerbated in recent months by the sharp fall in banana prices in Argentina caused by the import of cheaper Ecuadorian bananas, following the massive currency devaluation in that country.

Marketing specialists in the Chapare argue that more farmers could take advantage of market opportunities if they were to follow the example of the more advanced banana associations and move away from atomized farm plots of a few ha towards larger consolidated holdings (essentially monocultures) which have the potential to be economically sustainable. By so doing farmers could reduce their costs through shared equipment and volume buying of agricultural inputs, and justify the expense of a permanent staff of administrators and marketers. However, it is far from clear whether or not newer farmer associations following this path can secure a niche in volatile domestic and international markets.

In addition, while large blocks of single species may, in some circumstances, be “economically sustainable,” are they “environmentally sustainable?” Other development efforts in the Chapare stress the importance of agricultural diversification at the farm level and promote diverse agroforestry systems incorporating licit agricultural crops. Although these may prove to be environmentally

sustainable, can an agriculture based on diverse farm plots survive in the globalized economy?

Redefining Success. Quantitative measures such as the amount of coca eradicated and the area covered by licit alternative crops are not indicators of success. What are needed are qualitative criteria that capture farmers' assessments of the changes in their quality of life. In the past few years, there has been much social unrest in the Chapare, illustrating farmers' discontent with enforced eradication and alternative development. In 1998, coca farmers' unions closed roads in protest at the compulsory eradication program and there were more road blocks in September 2000.³¹ Meanwhile the population in the Chapare has already fallen perhaps by as much as 50,000 to 100,000 people.³²

Alternative development could be made to work for more farmers (see below) but in its present guise it is unlikely to deliver a decent livelihood to the majority of ex-coca growers irrespective of the claims of the United Nations. This should not come as a surprise. During an interview, a development official cited a public report dating from the early 1980s that states that the majority of the Chapare is not suitable for permanent agriculture.³³

The same official admitted that alternative development will only benefit a minority of ex-coca producers. He suggested that many growers were going to have to find non-agricultural work. He cited eco-tourism as a viable alternative despite the fact that the beneficiaries of eco-tourism are often outsiders rather than locals.

The Economist reports one experienced aid worker in the Chapare admitting that only 20 percent of the ex-coca growers in the area are likely to become successful farmers, with another 20 percent being forced to migrate and the rest surviving on the margins of farming.³⁴

Coca eradication has had several unexpected consequences. It has been reported that some of those migrating from the Chapare have returned to their land in the highlands. These farmers are now engaged in growing potatoes, one of the few crops that can be grown in this harsh environment. Partly as a result of this, potato production in 2000 rose dramatically and the market price for this staple subsequently dropped, threatening the livelihoods of another section of Bolivian society. Additionally, with fewer coca- and cocaine-derived dollars in the

³¹“Like Peru?” *The Economist*, September 30, 2000.

³²*The Economist*, March 4, 2000, *op. cit.*

³³Tosi, *op. cit.*

³⁴*The Economist*, March 4, 2000, *op. cit.*

economy, house building in the thriving city of Cochabamba has almost come to a standstill. The sustainable management of forests is another component of alternative development in the Chapare and Cochabamba is one of the key markets for Chapare timber. As demand for timber plummets, the market for another well-meaning alternative to growing coca is undermined.

The Yungas: Coca and Coffee. Now that coca has been largely eradicated in the Chapare, attention is now being directed at the Yungas despite the facts that coca has been grown there since before the Spanish conquest and that the Bolivian government recognizes 12,000 ha of coca as legal. The government claims that there are 14,500 ha of coca and hence an eradication program of 2,500 ha can be justified. Local coca growers bitterly dispute this figure, claiming that there are only 9,000 ha. They claim that officials have misinterpreted satellite images by including abandoned coca fields.³⁵

The coca-producers have much reason to be concerned about an eradication program. They explain that in the late 1980s, the United Nations tried to introduce alternative crops such as coffee and citrus fruits. These crops did not grow on the steep and impoverished slopes where the hardy coca shrub thrives. Despite evidence to the contrary, the UN continues to claim that coffee is a viable alternative to coca.³⁶ The only evidence of successfully introduced coffee varieties is in the Caranarvi area which lies 80-100 km north of the designated 12,000 ha traditional coca-growing area.³⁷

Most of the coca growers in the Yungas have less than 0.3 ha in coca. The entire process is regulated. Coca-growers are registered, the volume of coca taken to the legal market is recorded with the details checked by roadside government officials. Finally coca is sold in the market only by licensed vendors. Farmers are adamant that coca is three times more profitable than alternative crops such as coffee. Such alternatives would in theory be more attractive if international prices increased dramatically. However with huge oversupply of coffee, a big recovery in coffee prices is unlikely.³⁸ In addition there is intense competition among smallholder coffee producers world-wide to secure a niche in the more lucrative fair trade, organic and gourmet coffee markets.

³⁵*The Economist*, January 6, 2001, *op. cit.*

³⁶Pino Arlacchi, *op. cit.*, p. 8.

³⁷Jon Hellin and Sophie Higman, "Supplanting Coca?" Letter in *The Economist*, February 3, 2001, p. 8.

³⁸"Commodity Price Index," *The Economist*, January 27, 2001.

Coca growers in the Yungas point out that the link between coca and the trafficking of cocaine was confined to the Chapare and they see any attempts to eradicate coca in the Yungas as an assault on Andean culture, a ploy to homogenize society, and an attempt to divide communities. Whilst to some this may seem an extreme interpretation, it reflects farmers' perception and any outside interference will be interpreted from this perspective.

Paternalism versus Participation. There is a more fundamental critique of the type of alternative development being promoted in the Andean region. The issue is less whether or not the components of the programs *per se* are appropriate, and more whether or not they can contribute in any meaningful way to "development." Development is a process of empowerment in which farmers learn to take charge of their lives and to solve their own problems by way of participation and innovation.³⁹ It is the opposite to the type of paternalism that is characteristic of many development efforts world-wide, including the Chapare.

It is far too easy to portray coca growers as both villains and victims of the drugs trade. The danger of this is that heavy-handed eradication efforts (that treat growers as villains) are combined with development alternatives that are imposed on the farmers. These alternatives are designed to "help" the farmers (the producer as victim) but a critical component is absent from these efforts, namely farmer participation.

Participation in problem identification and subsequent project formulation and implementation is now recognized as one of the critical components of rural development.⁴⁰ The only way to avoid growing dependency associated with paternalism is to motivate farmers to do things for themselves.⁴¹ The driving force behind participation is enthusiasm and the enthusiasm comes from programs that address farmers' priorities, work with farmers, and bring about early success. As farmers participate in programs, they gain self-confidence, pride and the satisfaction of having made significant achievements.⁴² The

³⁹M. Edwards, "The Irrelevance of Development Studies," *Third World Quarterly*, 11, 1, 1989.

⁴⁰Jules Pretty and P. Shah, "Making Soil and Water Conservation Sustainable: From Coercion and Control to Partnerships and Participation," *Land Degradation and Development*, 8, 1997.

⁴¹Roland Bunch, *Two Ears of Corn: A Guide to People-Centred Agriculture* (Oklahoma: World Neighbors), 1st edition, 1982, p. 23.

⁴²*Ibid.*, p. 28.

confidence that comes from participation increases farmers' ability to learn and experiment. Innovation is part of development and is vital because biophysical, social and economic conditions continually change. Farmers need to be able to adapt to these changing circumstances. In the absence of genuine farmer participation, it is highly questionable whether alternative development (as it is currently practiced) is going to make a meaningful contribution to human development. Alternative development does have a role to play in the war on drugs but some fundamental changes are needed, as we will see.

4. Plan Colombia

Where is the Funding for Alternative Development? The *Plan Colombia* unveiled by President Andres Pastrana was portrayed by the Clinton Administration as a comprehensive, integrated response to Colombia's economic and societal problems, the country's internal conflicts, and the narcotics business that fuels these conflicts. The program will cost \$7.5 billion to implement with Colombia paying most of the bill. However, President Pastrana is seeking \$3.5 billion in foreign assistance from the U.S. and other international donors. The U.S. rapidly agreed to provide \$1.3 billion over a two-year period.

The U.S. "contribution" to *Plan Colombia* is deeply flawed. One of the criticisms of the *Plan Colombia* is that the emphasis is on coca eradication and far less money is being directed at alternative development.⁴³ The lessons from alternative development efforts in Bolivia have not been heeded. Commenting on the situation in the Chapare, *The Economist* recognizes that repressive measures are only part of the solution and that there is no chance of success if government and aid donors do not deter farmers from planting coca by offering economic alternatives.⁴⁴ This is the trickiest part of the strategy and donors should be under no illusion, enormous amounts of money are required if alternative development is to be a success.⁴⁵

Almost 50 percent of the \$1.3 billion is directed at the eradication process. According to *The Economist* the main purpose of the American aid is to wrest military control of the southern coca-growing areas from the Revolutionary Armed Forces of Colombia (FARC).⁴⁶ Once that is done, the Colombian police should be able to eradicate the

⁴³Noam Chomsky, "The Colombia Plan: April 2000," <http://www.lbbs.org/zmag/articles/chomskyjune2000.htm>

⁴⁴*The Economist*, March 4, 2000, *op. cit.*

⁴⁵"Uncle Sam in Colombia," *The Economist*, February 3, 2001.

⁴⁶*The Economist*, March 4, 2000, *op. cit.*

coca fields by dumping herbicide on them from low-flying aircraft. The eradication effort is euphemistically referred to, by The White House, as a “Push into Southern Colombia Coca Growing Areas.” A further \$341 million is earmarked for Andean interdiction. The latter includes the construction of a Forward Operating Location in Manta, Ecuador.⁴⁷

With respect to alternative development, \$115 million will be spent to provide economic alternatives for Colombian farmers who now grow coca and opium poppy, and to increase local governments’ ability to respond to the needs of their people. An additional \$30 million will fund alternative development in Bolivia, Peru, and Ecuador. Funds for alternative development make up just over 10 percent of U.S. support for the *Plan Colombia*. The Pastrana government had hoped that the European Union would provide \$2 billion for social and development projects. After scratching its head because of the militaristic nature of the plan, the European Union decided in October of last year to give \$300 million, a fraction of the money requested.⁴⁸ During recent peace talks in Colombia between President Pastrana and Manuel Marulanda, the leader of FARC, the latter asked for the military side of *Plan Colombia* to be scaled down in favor of alternative development.⁴⁹

Over 25,000 ha of coca have now been sprayed with herbicide in the province of Putamayo. There is growing evidence that the spraying campaign has also destroyed farmers’ food crops such as plantain, yucca and fruit trees.⁵⁰ Spraying glyphosate also represents a health risk to the local population, with people complaining about diarrhea, vomiting, skin rashes, red eyes and headaches.⁵¹

Militarization of the Region. With the emphasis on punishment rather than incentives, coca eradication in Colombia is likely to lead to social dislocation, corruption, militarization, and abuse of human rights, all characteristic of other anti-drugs campaigns.⁵² “Democracy” in Latin

⁴⁷Juan Forero, “Ratcheting Up a Jungle War in Coca Fields,” *The New York Times*, December 10, 2000.

⁴⁸Maurice Lemoine, “South America’s Hostages and Victims: Narcotrafficking and War in the Andes,” *Le Monde Diplomatique*, translated by Julie Stoker, February 2001, issued with *The Guardian Weekly*, 164, 9, 2000; *The Economist*, February 3, 2001, *op. cit.*

⁴⁹“A Hug in the Colombian Jungle,” *The Economist*, February 17, 2001.

⁵⁰Christopher Marquis, “Colombian Governors Protest U.S.-Backed Spraying of Coca,” *The New York Times*, March 12, 2001.

⁵¹Juan Forero, “No Crops Spared in Colombia’s Coca War,” *The New York Times*, January 31, 2001; Martin Hodgson, “Colombia Food Crops Suffer in Air Assault on Drugs,” *The Guardian Weekly*, March 8-14, 2001.

⁵²Tullis and Painter, *op. cit.*, p. 5.

America is a recent phenomenon. Civilian governments in Bolivia, Ecuador and Peru have all been rocked in recent months by corruption scandals and gross mismanagement. Is it really sensible to undermine further these civilian regimes by militarizing the region?

As part of on-going eradication efforts in Bolivia, three military barracks are to be built in the Chapare.⁵³ There is also growing unease in Ecuador about the U.S. presence at Manta.⁵⁴ According to *The New York Times*, Secretary of State Colin Powell is preparing to make the case for vastly increasing aid to Columbia's neighbors. This is needed, so goes the logic, because as military pressure builds in Colombia, the war could spill over and destabilize the region.⁵⁵ In fact, this has already started. The spread of violence outward from Colombia has led to increases in killing, extortion and kidnapping in Sucumbios province in Ecuador which borders Colombia.⁵⁶

5. Alternative Approaches

Winds of Change? The Clinton administration sought to mobilize Americans around a drug-focused strategy for managing the crisis, rather than an all-encompassing approach.⁵⁷ The Bush administration is now becoming more aware that Colombia's problems are only getting worse and that solving Colombia's drug problem may involve something as fundamental as rebuilding the nation. The task is enormous; for example, there are estimated to be between two and three million internally displaced people in Colombia,⁵⁸ the legacy of decades of conflict of which coca cultivation is but another chapter.

The Economist argues that *Plan Colombia* should be molded into a more balanced policy that is designed to strengthen the democratic state.⁵⁹ This entails reform of the judiciary and a conscientious effort to deal harshly with the right-wing paramilitaries. The reality is that a policy that emphasizes eradication rather than social development cannot be effective because it does not address the roots of the drug

⁵³Lemoine, *op. cit.*

⁵⁴Larry Rohter, "As U.S. Military Settles In, Some in Ecuador Have Doubts," *The New York Times*, December 31, 2000.

⁵⁵Christopher Marquis, "America Gets Candid About What Colombia Needs," *The New York Times*, February 25, 2001.

⁵⁶"Ecuador: Collateral Damage," *The Economist*, February 3, 2001.

⁵⁷Marquis, February 25, 2001, *op. cit.*

⁵⁸"Displaced People: When is a Refugee Not a Refugee?" *The Economist*, March 3, 2001 p. 24.

⁵⁹*The Economist*, February 3, 2001, *op. cit.*

problem: poverty in developing countries and the demand for drugs in developed countries.⁶⁰

While Clinton's *Plan Colombia* was being formulated, senior administration officials discussed a proposal by the Office of Management and Budget to take \$100 million from the \$1.3 billion then planned for Colombia, to be used for treatment of drug addicts in the U.S. There was near-unanimous opposition and the proposal was dropped.⁶¹ Tackling the "why" there is a high demand for cocaine may be too painful. However, it is an issue that eventually needs to be addressed because it is the key to why farmers grow coca.

The Balloon Effect. *The Economist* argues "the United States should recognise that aerial spraying of other people's fields with herbicides is no substitute for failing to stop its own citizens from taking drugs."⁶² Not one eradication or interdiction program in the past 35 years has had any serious impact on the supply of illegal drugs to the U.S. As some put it, military intervention cannot repeal the laws of supply and demand.⁶³

There *are* numerous examples of successful supply suppression, which however have led to production or drug refining activities being moved elsewhere, known as the "balloon effect."⁶⁴ Between 1995 and the end of 1999 the total amount of land under coca in the Andes fell by 15 percent. A breakdown of the figures makes interesting reading. While the area of coca in Bolivia and Peru fell by 55 percent and 66 percent, respectively, much of the coca migrated north: coca cultivation in Colombia increased by 141 percent from 50,900 ha to 122,500 ha over the same period.⁶⁵

At the beginning of the 1990s, in the Quillabamba area in Peru, many farmers participated in a United Nations-sponsored alternative development program while simultaneously opening up an average of one to two ha of new coca. So, too, in the 1990s while eradication efforts in the Chapare advanced, farmers established hundreds of ha of new coca deeper in the forest. Hence, in 1997, while over 7,000 ha of

⁶⁰Tullis and Painter, *op. cit.*, p. 11.

⁶¹Chomsky, *op. cit.*

⁶²*The Economist*, February 3, 2001, *op. cit.*

⁶³Kevin Zeese, "Just Say No to More Money for the Colombian Drug War," *The Wall Street Journal*, April 28, 2000.

⁶⁴Tullis and Painter, *op. cit.*, p. 9; Clifford Krauss, "Desperate Farmers Imperil Peru's Fight on Coca," *The New York Times*, February 23, 2001.

⁶⁵*The Economist*, March 4, 2000, *op. cit.*

coca were eradicated in the Chapare, the net reduction was only 2,300 ha.⁶⁶ Also within Bolivia, coca growing is moving into new regions.⁶⁷

Now that coca is being eradicated in Colombia, faced with continued high demand for cocaine in the West, the “balloon effect” continues. There are reports that coca is making a comeback in the Peruvian Huallaga Valley, an area where coca had supposedly been “eradicated.”⁶⁸ Coca has spread to the Colombian Amazon and may even spread to the Brazilian Amazon which in the 18th and 19th centuries was a traditional growing area.⁶⁹

Making Alternative Development Work. Although it is not a panacea, alternative development could be made to work for more ex-coca growers. More realistic alternative approaches exist, although they run counter to the prevailing philosophy of free trade (at least the version imposed on developing countries). Where alternative development has worked in the Chapare, much of the success has come from substantial investment *and* price support. The vagaries of agricultural markets are hard to cope with unaided, even for farmers in richer parts of the world. A leader of one coca grower federation in the Chapare explained that farmers will readily stop growing coca if the Bolivian government guarantees a minimum price for their produce, and a stable and secure market.

Is this idea so far-fetched? Is the concept really that different from the support given to farmers in the U.S. and Europe? Developed countries’ farm subsidies amount to over \$360 billion a year, which is \$30 billion more than Africa’s entire GDP.⁷⁰ In Europe, over 46 percent of the European Union’s budget goes on farm subsidies to the tune of an average of \$17,000 per farmer per annum.⁷¹ This at a time that developing countries such as Bolivia, Peru and Ecuador have been forced by international lending institutions dominated by the U.S. and Europe to cut subsidies to their farmers!

Noam Chomsky sardonically comments:

IMF-World Bank programs demand that countries open their borders to a flood of (heavily subsidized) agricultural products from the rich countries, with the

⁶⁶Dirección General de Reconversión Agrícola, *op. cit.*, p. 19.

⁶⁷Lemoine, *op. cit.*

⁶⁸Krauss, *op. cit.*; Zeese, *op. cit.*

⁶⁹“Debatan sobre los cultivos ilícitos,” *Tiempos del Mundo*, July 6, 2000.

⁷⁰“Africa’s Elusive Dawn,” *The Economist*, February 24, 2001.

⁷¹“From Bad to Worse, Down on the Farm,” *The Economist*, March 3, 2001.

obvious effect of undermining local production. Those displaced are either driven to urban slums (thus lowering wage rates for foreign investors) or instructed to become “rational peasants,” producing for the export market and seeking the highest prices — which translates as “coca, cannabis, opium.” Having learned their lessons properly, they are rewarded by attack by military gunships while their fields are destroyed by chemical and biological warfare, courtesy of Washington.⁷²

Subsidies for ex-coca growers need not lead to the type of paternalism criticized above *if* alternative development programs accommodate genuine farmer participation. A first step would be to ensure that the Chapare model is *not* followed, whereby farmers had to be certified as coca-free before they could receive any alternative development aid. Farmers often had to wait several years before the alternative crops started producing marketable goods and even then there was (and is) no guarantee that the products will command a reasonable price in fickle food product markets. A more logical alternative approach would be a process of gradual eradication, accompanied by effective alternative solutions decided upon by the farmers and outsiders. The risk to the farmers is reduced and if the experiment proves successful, the farmers will continue to eradicate the coca themselves.⁷³

The fundamental question is whether the West and especially the U.S. are now prepared to offer Andean farmers suitable price supports and subsidized credit? If not, competition from basic foodstuffs, produced on an industrial scale and often subsidized for export, will continue to undermine farmers’ food production. For example, in Peru, rice from Vietnam and corn from Brazil cost between 20 percent and 30 percent less in the urban marketplace than those same products produced in the Huallaga valley.⁷⁴

It is also necessary to locate support to agriculture in the wider context of rural development, and to avoid exclusive reliance on agricultural development to improve the quality of life.⁷⁵ Alternative

⁷²Chomsky, *op. cit.*

⁷³Lemoine, *op. cit.*

⁷⁴*Ibid.*

⁷⁵Julio Berdegué, Thomas Reardon, Germán Escobar, and Rubén Echeverría, “Policies to Promote Non-farm Rural Employment in Latin America,” *Natural Resource Perspectives*, Overseas Development Institute, London, 55, 2000.

development should also include greater emphasis on non-farm rural employment in industry, manufacturing and services. This type of employment is envisaged in the Chapare but initial attempts were not very successful. For example, a dairy was established with a capacity of 50,000 liters a day. Initial production was 1,500 liters; it didn't turn a profit; it had technical problems, and in 1998 was shut down without paying its workers.⁷⁶

An End to Double Standards. Coca producers in Bolivia have also expressed anger at Western double standards. The 1961 version of the United Nations Single Convention on Narcotic Drugs called for the habit of coca leaf chewing to be phased out in 25 years. Cosmetic changes in the 1988 Single Convention led to a recognition, albeit with ambiguous wording, of the legitimacy of traditional uses. Attempts to eradicate coca, especially in traditional growing areas such as the Yungas in Bolivia, are not only seen as an assault on Andean culture but also as an example of double standards.

The accusation is based on the fact that coca is still used in the manufacture of the world's "favourite drink." Bolivia and Peru legally export 70 and 45 tons of coca leaf annually to the U.S. The coca is refined at the Stepan Chemical Company in New Jersey and a decocainized flavor essence in the coca leaves is used in the manufacture of Coca Cola, according to a spokesperson at the United States Embassy in La Paz, Bolivia and spokesperson at the *Empresa Nacional de la Coca* [ENACO] in Peru. ENACO also has a laboratory in Lima that produces high grade cocaine base which is exported world-wide for use in pharmaceuticals.

Local non-governmental organizations in Bolivia have suggested that alternative licit markets for coca should be explored. Not only could the consumption of non-addictive coca tea be encouraged but chewing coca suppresses appetite and research could usefully be carried out on whether or not dietary supplements can be produced based on the coca leaf. Additional licit markets for coca could absorb some of the legal coca grown in the Yungas and also some of that cultivated illegally in the region.

6. Conclusion

The substitution of licit alternative crops for coca exposes farmers to the risks as well as opportunities of globalization. Globalization places a premium on adaptability and responsiveness and those least

⁷⁶Lemoine, *op. cit.*

able to respond to change are likely to be those adversely affected.⁷⁷ If alternative development is to contribute to sustainable rural livelihoods, there is a need for increased funding and fundamental changes which include active farmer participation. It is only through farmer participation that farmers will have the chance to learn the skills that they will need to overcome the obstacles and take advantage of the opportunities of globalization.

A seasoned marketing specialist working in the Chapare commented that agricultural development in Third World countries is an immense challenge, involving a complex inter-locking system of agricultural inputs, improved planting material, technical extension, packing, processing and marketing activities. Add to this the theme of coca-eradication and the challenge is all but overwhelming. The final outcome here depends heavily on whether alternative licit crops will satisfactorily replace the income and employment generated by the growing of coca. Assuring that this happens will require the active participation of the Bolivian government, as well as abundant support from the developed countries.

The U.S. contribution to the *Plan Colombia*, with its emphasis on eradication and interdiction rather than meaningful alternative development, demonstrates that the Clinton and Bush administrations have not heeded the lessons from Bolivia. *Plan Colombia* is bound to fail if it is seen only as a war on drugs.⁷⁸ According to the “balloon effect,” while the demand for cocaine exists there will always be a supply.

The tragedy is that while U.S. and Colombian military personnel spray herbicide on thousands of ha of coca (and in some cases food crops), trust between farmers and outsiders inevitably evaporates. Already markets have failed to materialize for some of the alternative development initiatives.⁷⁹ The result is greater social dislocation and regional destabilization. In this context, the challenge of alternative development becomes that much greater. With more foresight this need not have been the case.

⁷⁷Frank Ellis, and Janet Seeley, *Globalisation and Sustainable Livelihoods: An initial note*, Department for International Development, UK. Background Briefing, 2001, p. 5.

⁷⁸The Economist, February 3, 2001, *op. cit.*

⁷⁹Juan Forero, “Luring Colombian Farmers from Coca Cash Crop,” *The New York Times*, November 20, 2000.