

## Chapter 13

# Taking narcotics out of the conflict: the war on drugs

### Acknowledgements

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Box: Fabio Trujillo.

Illegal drugs have become the center of gravity of Colombia's conflict. Traffic in narcotics catapulted the military capacity of the armed groups, increased their capacity to obtain income, criminalized their activities, eroded the legitimacy of the political system and internationalized the confrontation.

It follows, therefore, that weakening the drug trade is now a necessary condition for overcoming the conflict. However it will not be enough, since the relationship between the two problems is quite complex. The dominant perception on this matter does not take into account such complexity and a correlation with a cause-and-effect link. In fact this perception, which strongly influences present policies towards the armed conflict, mistakenly commits the error of supposing: i) that the armed groups are only interested in money; ii) that putting an end to the drug trade would end the conflict too; iii) that stopping the conflict would end the drug trade; iv) that so long as there is an illegal drug traffic there will be conflict; and v) that the drug trade must be stopped no matter how and no matter what it costs.

This chapter begins by discussing these fallacies, since unfortunately they have led to mistaken and counterproductive actions. To better clarify the relation between drugs and the conflict, Section B will remind the reader of the main reasons why Colombia became a leading country in this illegal industry. The reason is not simply the existence of the conflict, but: i) the way private interests suffocate concerns over the public good; ii) the weakness of social restrictions as against illegal conduct; iii) the country's competitive advantages, and iv) traces of the first incursions in the business of drug trafficking.

Section C will examine four ways in which drug trafficking nourishes the conflict: namely, i) as a direct source of violence, ii) as a factor of local legitimization of armed groups; iii) as a source of income for those groups, and iv) as a corrupting element in the political system.

Given that Colombia's priority is to attend to the armed conflict, the assessment of the fight against drug trafficking cannot be carried out only in terms of the impact on this industry, but also its impact on the dynamics of armed confrontation. Based on this consideration, the chapter will conclude with four

suggestions on how the fight against the drug trade might contribute to de-activating the Colombian conflict. Namely:

- A new international dialogue on drug traffic
- Non-criminalization of peasants who plant coca-leaf crops and the demilitarization of the fight against drugs
- Concentrating repression on the intermediaries in the drug chain
- An international alliance to reconstruct the social tissue among peasant farmers involved in (or likely to become involved in) the economy of illicit crops.

### A. Illegal drugs, an essential but not the sole factor in the conflict

Though it is true to say that there exists a close relationship between the armed conflict and drug traffic in Colombia, this relation has given rise to five exaggerations or erroneous inferences, which seriously affect the drawing up of policies to tackle both the conflict and the drug problem.

#### 1. First fallacy: armed groups are only out to make money

For the *economic theory on conflict*, especially the empirical current represented by Collier (2000), drugs are an exact example of how armed groups are motivated by greed rather than creed. And yet the armed groups are not income-hunters only. They are also, among other things, political projects, armies and agents who dispute the regulation of local conflicts (See Chapter 16).

#### 2. Second fallacy: ending the drug trade will end the conflict

There are those who suppose that once crops are eradicated, or the commercial chain has been broken up, illegal armed groups will disappear as if by magic. But this way of seeing things does not take sufficiently (or adequately) into account the importance of other motives behind the armed conflict in Colombia. That such motives exist becomes very clear when one observes, for example: i) that the root causes and dynamics of the conflict vary a great deal from one region to another, or ii) that the armed groups obtain a good deal of their incomes – perhaps most of it – from activities other than drug trafficking (See Chapter 12).

#### 3. Third fallacy: stopping the conflict will put an end to the drug trade

It is obvious that the illegal drugs business developed and functions largely outside the armed conflict. The trade was organized and continues to be run mainly by firms which are independent of armed groups – the so-called drug cartels, whether large or small. Besides, international evidence shows that the production of drugs persists in post-conflict situations (Box 13.1).

## Box 13.1

### Civil war and drugs<sup>\*</sup>

When a recognized government exercises dominion over the whole of a country, the effectiveness of legislation against illegal crop-growing is very high. But then this dominion is not complete, there is greater probability that crops will prosper, since they require a territory not under the control of recognized authorities. A proof of this is the fact that 95% of opium production takes place in countries suffering from (or which have suffered from) civil wars. In those lawless territories, protected by wars, the production and distribution of drugs becomes more and more likely. Drug production persists even after conflicts are over, because civil war has created a territory outside government control, and because during and after a civil war, conventional economic opportunities are very restricted. Anti-drug policies permanently generate a demand for territories outside government control, a demand that is satisfied in countries that suffer from (or have suffered from) a civil war.

<sup>\*</sup> Based on Paul Collier, 2003, *Civil War and Development Policy*, Policy Research Report, World Bank Group, discussion draft, February 7.

#### 4. Fourth fallacy: so long as there are drugs there will be war

The fact that drugs have fuelled the conflict does not mean that they have caused it. This is shown by the fact that countries which are big producers or traders in illegal drugs (Bolivia or Mexico, to go no further) do not have an internal conflict comparable to Colombia's.

#### 5. Fifth fallacy: the drug trade must be stopped at any price

The fight against drugs has not been free of the ill-conceived notion that in war nothing is forbidden. ("All's fair in love and war.") Somehow this idea is behind the equally punitive and harsh treatment of all links in the production-distribution-consumption chain, and in underestimating the undesirable side effects of such measures as chemical and military repression of coca crops, and their inefficacy when it comes to reducing both the armed conflict and drug trafficking..

### B. Why are there drugs in Colombia?

Just as it is incorrect to assume that the cause or main determining factor in Colombia's armed conflict is drug traffic, so is it wrong to suppose that drug trafficking exists because of the armed conflict. Although it is true that the presence of guerrillas and paramilitaries has greatly facilitated the planting of crops and the production and commercialization of illicit substances, it is no less true that the drug industry arose in Colombia without any mediation on the part of those groups and functioned for years pretty well independently of them. To dispel this misunderstanding, it is worth recalling some of the best established explanations as to why drug traffic is so pervasive in Colombia.

Neither poverty nor inequality, nor the rural crisis, nor geographical conditions favorable to drug production and exports, are convincing reasons: many other countries have a similar situation and yet do not produce drugs.

Also, the fact that the United States and other countries consume a very large quantity of drugs does not explain why Colombia, in particular, produces them. Other nations could have done so. Yet it is interesting to note how drug consumption in the United States somehow reflects underlying social tensions (high incidence of family breakdowns, urban unemployment, racial discrimination, etc.). To put it another way, both in the consumer country and in the producer country, drug traffic is more a consequence or result of the social situation than an autonomous phenomenon. It is a symptom, rather than the illness itself.

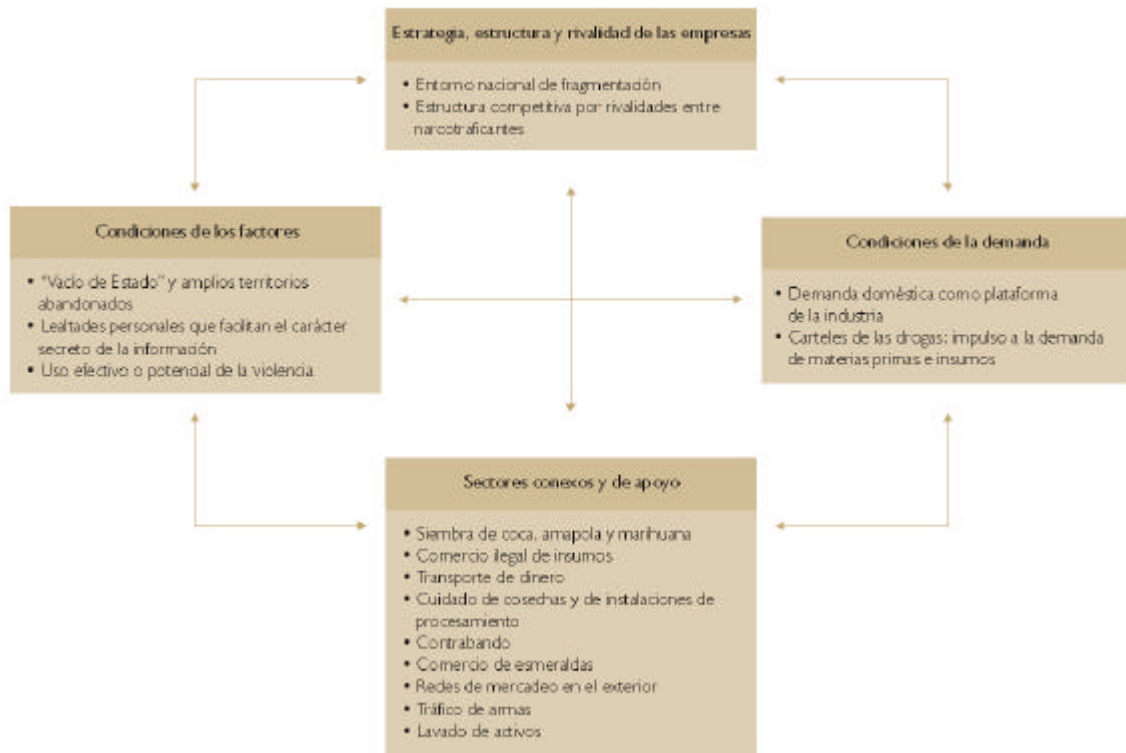
The “malaise” which Colombia suffers from, and from which springs its “vocation” as a drug trafficking nation, has been the object of different diagnoses. Among others, we will comment on four, which are not mutually exclusive, but rather complement one another. Beginning with the most general reasons and concluding with the most specific, let us put it briefly :

- The so-called “almond hypothesis”, according to which the organizing principle of Colombian society is the primacy of individual rationalities over collective rationality, of loyalty over and above the law, of ability to gain personal advantage over collective action, of private interest over and above public concerns (Gómez, 1999). In the absence of stable, predictable and universally accepted rules, a plurality of rules have appeared, rules which are used, interpreted or defended according to the particular convenience of each group or individual, and that increase the degree of uncertainty and mistrust towards others. A tendency to act illegally is a logical corollary of this principle, and therefore a primary explanation, although still rather abstract, of why there is such a high incidence of drug trafficking.

- The hypothesis that in Colombia breaking the law is good business. According to the economic theory on crime, the tendency to break the law is a direct function of expected benefit and an inverse function of the probability of punishment. But besides that, in each culture or society there exists a more or less demanding “honesty parameter” to evaluate the relation between benefit and cost; and in Colombia this parameter is very low (Bourguignon, 1999: 20).

- A more specific explanation can be found in the so-called “competitive advantages”. According to the well-known theory of “the diamond” (Porter, 1997), there are four kinds of attributes that explain why one country achieves competitive advantage in a particular industry or economic activity: i) conditions of production factors; ii) conditions of demand; iii) related and supporting sectors; and iv) the strategy, structure and rivalries of the firms. Colombia, therefore, would have competitive advantages for drugs in each one of these four categories (See Diagram 13.1):

DIAGRAMA 13.1 DIAMANTE EN LA INDUSTRIA ILEGAL DE LAS DROGAS



Fuente: Elaborado sobre la base de Porter (1991)

—Production factors. There are three crucial factors in the production of illegal drugs: geography, information and violence. Colombia possesses the climatic and topographical conditions: deserted beaches and, especially, vast territories where there is little State presence. It also possesses the ethics of personal loyalty that helps to keep secrets on matters such as “routes”, “contacts” and other information on which the drug industry depends. It is also characterized by violence, and that is decisive in a criminal industry where contracts are guaranteed solely by the use of non-State force.

—Conditions of demand. Colombia’s domestic demand for drugs has acted since the seventies as a sort of launching pad for the drug trade. Nevertheless, the decisive element has been the existence of cartels that foment the demand for prime material and ingredients.

—Connected and support sectors. Colombia offers advantages in crucial auxiliary or complementary activities for the drug industry, such as arms trafficking, blackmail and bribery of the authorities, money laundering, loyal distribution networks abroad, illegal trade in ingredients, transportation of large sums of money, care of crops and harvests, marketing networks overseas and quality laboratory services (Thoumi, 2002: 79).

—The structure, strategy and rivalry of the firms. Rivalry between Colombia’s cartels has served as a powerful catalyst for technological innovation in such matters as variety of crops, processes, product marketing and money laundering.

- The role of history (or “path dependency”, as it is technically known). To simplify, one can say that marihuana arrived in Colombia “by accident” (perhaps brought in by Peace Corps workers), that crop-spraying in Mexico and Jamaica concentrated the trade in Colombia (Thoumi, 2002: 108, 109), that something similar occurred with coca-leaf crops in Peru and Bolivia, and that Colombian businessmen learned from the previous “generation”, or used ingredients in one phase (that of routes, private armies, etc.) to progress in the following phase.

### C. Drugs and conflict

As was already said, drug trafficking has exerted its powerful and intricate influence on the conflict in four main ways.

#### 1. Drugs as a direct source of violence

The illegal nature of the industry prevents people from resorting to the courts to demand that contracts be honored. Problems in this juridical no-man’s-land can only be solved by private violence (hit men, hostage-taking, death threats, etc.). And given that the profits from the trade are enormous, enormous too are the private armies and the brutality of their violence (Box 13.2).

#### Box 13.2

##### Violence: a tribunal of illegality

Ibán de Rementería\*

Conflicts of interests between different agents that participate in illegal production and trade cannot be resolved by the formal institutions that society has created to handle such matters, either by administrative or legal channels; that is, by means of commercial or labor laws. The State cannot solve the conflict of prices for the cocaine base between local agents –*chichipatos* in Colombia and *traqueteros* in Peru – and the farmers by means of an administrative decision by the Ministry for Agriculture, nor fix wages for *raspachines* (coca pickers) by a decree of the Ministry of Labor. Nor can the parties have recourse to a tribunal of civil law to demand the fulfillment of a contract for buying and selling, or denounce an unjustified dismissal. The only public norm that rules relations between the participants in these illegal activities is that of criminal law, which looks on them as leaders, authors, accomplices, cover-up men, etc. for the crime of drug trafficking. This being so, the parties can only impose or defend their interests by means of an accumulation of strength and the use of violence.

\* Adapted from De Rementería, 2001, *La guerra de las drogas: cultivos ilícitos y desarrollo alternativo*, Bogotá, Editorial Planeta.

#### 2. Drugs as a source of local legitimacy

As was said in Chapter 2, armed groups tend to perform a dual role as protectors of crops and as regulators of illegality (norms on extent of plantations on each property, permits for buying and selling the leaf or poppy latex, wages and other labor conditions, etc.). This turns them into a quasi-State which enjoys and exercises a certain legitimacy, a phenomenon that does of course increase to the extent to which illegal crops are extended. The pronounced crisis in the agricultural sector (including coffee) and

the displacement of crops to Colombia proceeding from Peru and Bolivia, have been two decisive factors that foment this process.

### 3. Drugs as a source of income

Colombia is not the only country where drugs finance a war. In Tayikistan, 70% of the income of the armed opposition comes from illegal drugs, and the same happened in Afghanistan and Peru. Drug traffic provides income for anyone who can protect the traffickers (Kaldor, 2001), but in Colombia it is not just a matter of protection, but of regulation, commercialization *in situ* and even of adopting the role of drug trafficker.

The main regulation to generate income for an armed group is the so-called “tax per gram”. Although it is not easy to assess the exact amount, it is known that “in 1998 the Farc charged between 20,000 and 40,000 pesos (between US\$10 and US\$20 dollars) for every hectare of coca-leaf, per harvest – 45 to 60 days -, depending on the quantity of hectares owned by a particular farmer. For those with more than five hectares, the charge was on one kilo of leaf harvested, or on one kilo of paste produced. For example, for 22 hectares, the tax was per three kilos of paste per harvest” (Ramírez, 2001: 80).

The value of the tax is multiplied when the armed groups collect in kind, since they then commercialize it directly. In that case, the armed group replaces local intermediaries, known as *chichipatos*. The group charges these *chichipatos* a gram tax on every coca-leaf, coca paste or cocaine transaction and armed groups even decide who will carry out this activity, and who will not. Likewise, territorial control enables them to charge rights for the use of clandestine runways. Guerrillas and paramilitaries have also made incursions into the production and distribution stages, adopting the role of drug traffickers. They substitute local intermediaries in certain regions, order farmers to plant crops and buy the harvest at “subsistence prices”. They in turn sell to refiners and wholesale exporters and even organize their own exports. There are indications that some guerrilla groups “have attempted to set up networks using as their routes what remains of Left-wing movements in Latin America. Further still, it is also believed that they have only managed to export limited quantities by this means, and that the prices obtained were significantly below those on the international wholesale market, which are nonetheless very much better than local prices” (Thoumi, 2002: 135). So the guerrillas have begun to take part in global crime: they develop international contacts for arms traffic, smuggle chemical ingredients and practice large-scale money laundering via the international finance system, virtual banking and infiltration of legal firms. As for the paramilitaries, their links with drug traffickers are equally close and complex. They go back to the very origins of paramilitarism, as drug lords became landowners and the agrarian counter-reform in the middle-Magdalena valley was taking place in the eighties (See Chapter 2).

### 4. Drugs as a corrupting element in the political system

The rise of drug traffic – especially in the eighties and nineties – penetrated society and political institutions and escalated the already high levels of corruption. This way drug trafficking fueled the conflict by accentuating one of the conditions in which armed groups prosper: the partial erosion of the State (Bejarano, Pizarro, 2001).

## D. Present-day policies

Policies on drugs suffer from serious misconceptions and problems of execution. Those centered on the chemical and military repression of the supply, for example, do not take into account two serious negative effects of their application, while programs of alternative development along with crop-spraying are faced with three great difficulties, which have not been well analyzed, and which also give rise to disquieting legal paradoxes.

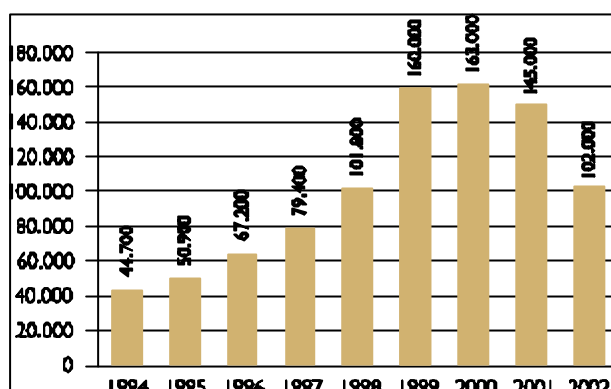
### 1. A mistaken approach

Anti-drug policies are not very sensitive to the results of objective assessment. This is shown by their insistence on ignoring some well-known consequences such as the *balloon effect* and the *effect of opening up the umbrella of illegality*.

- *The balloon effect.* Just as a balloon, when inflated, presses the air out in all directions, so anti-drug policies based on repressing the supply displaces the production from one place to another, but does not eradicate it. That happened with fumigation of marihuana in Mexico, which caused it to migrate to Colombia. The same happened with marihuana in the Sierra Nevada, which migrated to Cauca. Later – towards the end of the eighties – coca-leaf crops were suppressed in Bolivia and Peru, only to be replaced when Colombian traffickers decided to substitute imports for their own crops. In recent years, with the intensification of spraying in Putumayo, crops have been planted in other departments such as Nariño, Guaviare, Arauca, Cauca, Caquetá, Huila, Meta and the North of Santander. Even so, the area under cultivation in Putumayo represents 7% of the total number of crops in the country (Presidency of the Republic, DNP, 2003: 31).

The economic mechanism underlying the global effect is quite simple: the success of eradication in one area temporarily reduces the supply, and that translates into a price rise. Then, given that the supply function is fairly elastic, higher prices stimulate people to plant crops in other places. This transferring of crops is facilitated to the extent that the costs involved are quite low, given that the majority of property rights on land planted with illicit crops are ill defined. The decrease in the area planted since 2001 – especially the fall of 29.6% between 2001 and 2002 – is taken as proof of success for the policy of crop-spraying, when in fact it is nothing more than predictable lag in the “balloon effect” while the regional composition of crops is being relocated (Graph 13.1). A report by the UN Office on Drugs and Crime (UNODC), based on satellite images complemented with aerial photographs, reveals that in Guaviare the number of hectares rose steeply from 17, 619 in August 2000 to 27, 381 in December 2002. During the same period, in Nariño the increase was from 9,343 to 15, 131 hectares, and in Arauca, from 978 to 3,030 hectares.<sup>1</sup> The report also indicates that small new plantations have been detected in areas beyond the agricultural frontiers of Guainía, Vaupés, Guajira, Chocó and the Amazon valley, and in areas of peasant economy such as the Atlantic coast and the coffee-growing center. Since the monitoring program has not verified what is happening in non-traditional parts of the country, results from them were not included (UNODC, 2003a: 10).

Graph 13.1 Evolution in areas planted with coca-leaf in Colombia



Source: UNODC, 2003a.

Yet another proof of the geographical re-composition of crops is the fact that a reduction in plantations in Colombia has been accompanied by a new increase in Bolivia and Peru where there is a new increase in the number of plantations (Table 13.1). “Like the mythical marine serpent against which Hercules fought, the war against drugs is an elusive enemy: every time you cut off one of its heads, several others spring up” (Bertram, Blachman, et al., 1996: 28).

Table 13.1 Evolution in areas of coca-leaf planted in Colombia, Peru and Bolivia. Hectares

	2000	2001	2002
Bolivia	14,600	19,900	24,400
Colombia	163,300	144,800	102,000
Peru	43,400	46,200	46,700
Total	221,300	210,900	173,100

Source: UNODC. 2003b.

To what has already been said one must add that a reduced area does not automatically mean less production, since improvements in pest control and the use of new high-yield varieties increase the production per hectare.<sup>2</sup> In the longer term, the “balloon effect” leads to utter failure: “since the mid-nineties, in Colombia all historical records on crop-spraying have been broken ... and in just three years (from 1996 to 1999) the surface area of cultivated land grew by almost 100%. The total number of hectares went from 68, 280 to 120,000. An increased amount of spraying does not mean a smaller production of illegal drugs” (Tokatlián, 2000: 126).

This being so, if between 1998 and 2001 spraying was intensified to cover a total of 254, 783 hectares (Presidency of the Republic, DNP, 2003: 34), then it can be assumed that the decrease in crops was due more to a lag caused by the balloon effect than to the real effectiveness of the policy.

- *Opening up the umbrella of illegality.* Colombia's National Council on Narcotics distinguishes between large (more than ten hectares), middle-sized (three to ten hectares) and small crops (under three hectares), but the State's action criminalizes the small grower, since the law (Law 30 of 1986) does not contemplate any special treatment for small offenders, and besides, aerial spraying can hardly be selective. Despite the fact that the program of alternative development established in 1992 has attempted to distinguish between crops of different sizes, the policy has done away with the difference between large and small producers, so that the coca-growing *campesino* finds that he is protected either by the guerrillas or by the "self-defense" counter-insurgency group in his area.

## 2. Carrot and Stick

### a. The carrot

Not all anti-drug policies are oriented towards repressing supply. The menu includes a search for alternative legal productive activities for the population involved in illicit crops. With this in mind, first there was begun a program of crop substitution, and later more integral programs of alternative development. But there are at least three difficulties to be overcome if those programs are to be successful: i) it is very hard to find substitute crops that generate similar incomes; ii) the areas of illicit crops are mostly of difficult access, which makes the already difficult problem of commercialization even more difficult; iii) even if well paid products were to be found, the extraordinary profit margin of drugs enables the intermediary to pay more for the leaf; this becomes evident when we consider that "coca represents less than 1% of the street price of cocaine in the United States or Europe" (Thoumi, 2002: 364).

Nevertheless, alternative development programs play an important role in recovering the legitimacy of the State, since a large part of the rural population would be ready to give up coca-growing if they were offered different options. Growing coca brings violence in its train, as well as broken families and many headaches that peasant families know and would gladly avoid.

### b. The stick

Mass crop-spraying of illegal crops entails three debatable aspects:

- It is irresponsible to carry on fumigating so long as a doubt exists about the harm caused to human or animal health and to the environment.
- In any case, the lack of coordination between alternative development plans and fumigation routines increases the feeling of deceit felt by farmers, and therefore reinforces the arguments in favor of manual eradication, given the inevitable indiscrimination of spraying from the air.
- But besides, indiscriminate spraying brings with it some complex juridical problems. On the one hand, the criminal code dictates a sentence of six to twelve years imprisonment for anyone who sows more than one hundred plants. However, to determine whether or not a particular person possesses that number of plants would entail the individual study of each case by an expert, and that is something

which would certainly not be carried out in practice. On the other hand, spraying not only affects illegal crops, it also affects the farmer's perfectly legal goods, which goes against the precept that limits the State's action to confiscating or destroying elements related to crime.

## E. Recommendations

Anti-drug policies must be rethought with an eye to their effects on the armed conflict, and ought to achieve better results as far as reducing drug traffic is concerned. This means: i) that Colombia's priority is to end the bloodshed; ii) that anti-drug policies ought to focus on the problem's causes and not on its symptoms; iii) that the international community, and especially the United States, ought to acknowledge the need to avoid a dangerous boomerang effect. For these three reasons, this Report proposes an alternative international alliance. A New Deal in the matter of drugs, which would orient its repressive efforts against the middle men – where the largest portion of added value originates –, and promote the reconstruction of the social tissue among those farmers involved in (or liable to become involved in) planting illicit crops.

### 1. Reason to replace prejudice

The first step in this New Deal would be to substantially improve the international conditions of dialogue, so that policies may respond better to scientific assessment of their results. Despite academic progress in understanding the problem, “it is surprising to see how little the social sciences have influenced drug policies in the United States” (Thoumi, 2002: 45).

There would seem to exist three prejudices that obscure an adequate understanding of the phenomenon and hinder the drawing up effective policies. The first springs from a Puritanical approach in the United States; the second, from a certain cynicism in Colombia and other producer countries; and third, from underestimating the social cost of drug abuse.

#### a. *The prohibitionist prejudice*

The approach which implies zero tolerance on the subject of psycho-tropical substances – an attitude deeply rooted in U S tradition – sprang from intense ideological battles between different currents in American politics. The two great traditions in conflict were: i) pragmatic realism, whose logic says: “try it and if it doesn't work change it”, and ii) moral fundamentalism, rooted in religion, which inspired many a crusade against vice, long before war was declared on drugs.

If the pragmatic realism school had won through, we would surely have seen a “more scientific - perhaps even a more medical - approach to addiction”, in line with “the deep-rooted values that many Americans share on the importance of free choice and their antipathy to State authority” (Bertram Blachman, et al., 1996 : 58).

The other current, that of fundamentalism, is based on the Puritan tradition and sounds the alert against the threat posed by consumption of narcotics mainly by immigrants and ethnic minorities who might weaken the American moral fabric. The very unscientific treatment of the drug problem, as distinct from other worries on the US agenda such as the cigarettes, gambling and the Aids epidemic, is due to the fact that the Puritan tradition prevailed in regard to drugs, and not with

respect to those other “vices”. Its predominance was a result of power plays and bureaucratic struggles during the first half of the 20<sup>th</sup> century, resulting in the creation of a repressive apparatus which in turn works to reinforce the prohibitionist attitude (Bertran, Blachman, et al., 1996: 59).

#### *b. Cynicism in the South*

In Latin America and Colombia, there are contradictory positions regarding the US prohibitionist attitude, positions which turn out to be no less dogmatic nor less prejudiced than the US ones: “There is no lack of people who feel proud of Colombia’s success in exporting illegal drugs, and conclude that the US policy only wants to displace Third World countries in one of the few economic activities in which they have had success, so as to reap the benefits themselves of this illegal traffic” (López, 2002: 3).

This fallacy hardly needs disproving. Firstly because the profit margin in the drug traffic is due precisely to the fact that drugs are prohibited; it is US policy that creates – rather than diminishing - this enormous profit margin for the Third World. Secondly, because the U S economy demands not only drugs, but also a lot of other things that Colombia is not supplying because it is not in a situation to do so.

#### *c. Underestimating the social cost of drugs*

Among many advocates of “legalizing” drugs there does not seem to be sufficient awareness of the social harm their consumption causes. Since drugs are addictive, the consumption of “hard” varieties increases the risk of criminal behavior, contamination through syringes, and episodes such as abuse, suicide, family breakdown, poor school results and the loss of employment (Collier, 2003: 32).

The proposal to simply legalize drugs, therefore, also constitutes an obstacle to an intelligent treatment of the problem. In fact, most of these proposals are limited to denouncing the harm caused by a prohibitionist mentality, without making clear what sort of restrictions would be applied (minimum age, amount sold, etc.) or how to keep check on markets parallel to those administered by the State.

Another major difficulty is in the realm of collective action. Even if many people in the United States were in favor of legalizing, the costs of participating in an organized movement would exceed those implied by prohibition, since the latter costs are met by a far greater number of people. On the other hand, the political power of those in favor of repression is such that many politicians refuse – even against their own better judgment – to support other alternatives for fear of being stigmatized. This difficulty is similar to that faced by those who oppose free access to weapons in that country, which is without doubt a rational option and yet is not put into practice.

#### *d. The rational option*

In a word, prohibitionism in the North, cynicism in the South, and the fallacies inherent in proposals to legalize are hurdles to be overcome in the search for alternatives to reduce the harm caused by production and consumption, and by present policies.

The starting point for a new approach would be to accept reality: there is no use trying to totally eradicate a vice which is practiced by so many people. The United Nations estimates some 200 million consumers worldwide, of whom 163 million smoke marijuana and 20 million are in the United States, a country which produces 50% of its own demand. Cocaine is consumed by 14 million people, and 6.3 million of them live in the US. Heroin consumption is on the increase, especially in Eastern Europe. In 2000, 4.3% of the world population over 15 years of age was consuming drugs. In 2001, that proportion had risen to 4.7% (UNODC, 2003b).

The total eradication of crops seems to be a chimerical dream. Prohibition, the balloon effect, the rural crisis and persistence in the consuming of drugs will affect the matter in different proportions and intensity – as structural causes in some cases, and as detonators in others, of the decision to plant crops.

If neither consumption nor production can be eliminated, the rational and realistic option would be to reduce as far as possible the harm done by one and the other. This means concentrating our attention on the middle links in the chain – those who supply ingredients, manage routes, distribute the product wholesale, launder money, etc. – where effectiveness could be greater, since these activities are controlled by just a handful of people, while the ends of the chain (whether the grower or the final consumer) exhibit an enormous dispersion of small agents whose repression, as individuals, would mean almost nothing.

On the side of demand, the reduction of harm implies moderating punitive actions against the consumer, accentuating preventive programs and seeing the consumer more as a sick person than as a criminal (Box 13.3). On the supply side, reducing harm means more manual eradication and less aerial spraying, more profitable alternatives for the settler or peasant farmer, more emphasis on prevention and on strengthening the social tissue, more distinguishing between the big dealer and the small farmer.

### Box 13.3

#### Reducing the harm done in the areas of supply and demand

The Action Plan annexed to the *Declaration of guiding principles on reducing the demand for drugs*, approved by the UN General Assembly on 2 February 2000, establishes that the member states commit themselves to offering “the whole gamut of services, including the reduction of the prejudicial consequences for society and health of the undue use of drugs”.

This reflects a general awareness of the fact that attending to the aspect of demand means more than just putting consumers behind bars, and has given rise to certain measures to alleviate the problem, such as de-criminalizing the use of certain substances, adopting the principle of proportionality in the application of the law and of supplying needles free of charge.

Similar progress, however, has not been recorded as regards the other side of the coin. An increase in crop-spraying, and the militarization of control over the offer of drugs, are measures that reflect a repressive tendency which does not take into account an important aspect of reality: namely, that producers are also victims of a problem whose costs consumers have to pay out of all proportion, but that price has to be paid, too, by small farmers and Indian communities.

For reasons both of justice and efficiency, the supply side of things ought to be treated with as much flexibility as the demand aspect. So long as the small grower is defined as a delinquent, the State has no reason to dialogue with him, nor is there a space provided for doing so, and certainly he will not be the recipient of any State service or subsidy. It has become urgent, therefore, to revise international law, beginning with the 1988 Convention. It will not be easy to reach a consensus on this matter. However, as the First United Nations World Report on Drugs stated (in 1997): "Laws – including international conventions – have not been written on stone. They can be modified whenever the democratic will of the nations deems that should happen".

\* Source: Transnational Institute, 2003, *Agenda para Viena: cambio de rumbo*. Vienna, Transnational Institute.

#### *e. The bi-national commission*

In order for policies to be based more realistically and more rationally, a genuinely renewed dialogue is needed between producer and consumer countries. In Colombia's case, a bi-national commission could be set up with the United States, made up of governments, multilateral organisms, authorities from producer regions, political leaders and representatives of civil society. This commission would have the mandate of drawing up a new bi-national alliance, a New Deal on the drug problem – which interests the United States above all – and also on the problem of the armed conflict, which especially concerns Colombia.

#### 2. Fortifying police control on demand *in situ*

The intermediate link in the narcotics chain begins with local commercialization networks. This would imply that punitive action should focus on capos and *traquetos* (small drug dealers) who supply the capital required to plant, and also on *chichipatos* (or local intermediaries). Local demand must be reduced so that price rises resulting from success in substitution programs do not lead to an increase in plantations in other farms of the area. This strategy implies closer coordination between the police, the DAS and the Attorney General's Office, above all in intelligence tasks. It also calls for a more careful selection and training of personnel working in producer areas, and more rigorous controls to prevent corruption.

#### 3. Fortifying aerial interdiction

Aerial interdiction has a greater impact on the supply of drugs than crop-spraying does, since it deals with a processed product and does not open up an illegality umbrella. This is proven by the successful experience of Peru, although that also underlines the need for better technological controls and records of legal transportation.

#### 4. More international action against mafias and their networks

The exchange of information, plus judicial and police cooperation, still have a long way to go to detect and dismantle routes and networks for supplying ingredients, arms and money laundering (See Chapter 12).

## 5. Demilitarizing anti-drug policies

In the perspective of reducing harm, we recommend de-militarizing anti-drug policies, since militarization, by turning the coca-planting peasant into an internal enemy, contributes to further opening up the illegality umbrella and undermines the State's legitimacy. In this sense, the bi-national commission could study the convenience of dismantling the Anti-narcotics battalion of Colombia's Military Forces and transfer funds for eradication tasks to the National Police.

## 6. Swaps or exchanging debt for eradication

Part of the strategy for closing the breach of illegality is to advance towards full acknowledgement of the peasant coca-growers' rights as citizens. This implies coming to an agreement with them on the manual eradication of crops and paying them whatever the cost of doing so might entail. To this end, the international community and financial organisms should agree on the possibility of exchanging some payments due on the national debt for the manual eradication of crops.

To lower the risk of assigning these subsidies erroneously, a prior census of crops should be taken jointly by the central government, departmental agriculture secretaries and municipal authorities. Farmers would commit themselves to reducing both the number of three-hectare plantations and the whole area under crops. The former, in order to avoid crops being transferred to a neighboring farm; and the latter, so that every farmer will be interested in freeing the entire region of these crops. A follow-up on these arrangements could be the task of the local agriculture secretary. The State would need to stick to its side of the bargain, as a failure to do so would undermine its legitimacy and open up even more space for armed groups. In the case of three-hectare or larger crops, manual and mechanical eradication would be carried out without the need for prior agreements, but in no case should eradication be done by using chemical substances.

## 7. Campaign for voluntary relocation and alternative bio-development

Eradication has to be accompanied by direct action for human development and the consolidation of the State's legitimacy. These actions ought to be differentiated according to the aptitude of soils. Many areas under crops today would not support agricultural or grazing developments. For these environmentally-fragile areas it would be worthwhile exploring two kinds of complementary measures: voluntary relocation of the population, and environmental royalties. The former alternative will be looked at in detail in Chapter 15. The latter consists in an economic stimulus for communities located in fragile ecosystems so that they might preserve the environmental balance. These "royalties" could be financed by a revision of the US Aid Package, national resources now devoted to aerial crop-spraying, and funds available for social programs in conflict zones (Presidency of the Republic, DNP, 2003: 44). These funds would be administered by a government agency for alternative development, with the participation of communities in selecting priorities and in following up on the way money is spent.

## 8. System of information on market windows

Productive projects to replace illegal crops ought to be based on the organizational capacity of the farmers themselves. Cooperatives and other forms of work in association ought to take part in production, dissemination of new technologies, acquisition of agro-chemicals and other agricultural

necessities, and marketing, especially of such items as organic products or products with a “peace seal” (see Chapter 11).

However, lack of access to dynamic markets is the key limitation on efforts for mass substitution (Fidamérica, 2001). Which is why we emphasize the need for “market windows” which will open up in developed countries or in the larger cities. To pin one’s hopes on products which require a lengthy cycle (for example, the African oil palm) not only poses the problem of generating incomes in the meantime, but also implies very high levels of uncertainty.

In order to take advantage of changing opportunities in dynamic markets, an information system is required which can rapidly identify places where - and periods when - particular products are scarce, so that the farmer can manage to sell his product at the best feasible price (Box 13.4). This system ought to inform producers and programs of technical assistance so that they can adjust volumes, quality, infrastructure and storage systems, refrigeration and transport. They ought also make a list of experimental products, or those with an incipient market in dynamic centers, and carry out corresponding surveys on viability among Colombian producers.

#### Box 13.4

##### Recovering the countryside’s ability to compete

Fabio Trujillo Benavides \*

Traditional agriculture has lost its capacity to compete in the face of coca crops and poppy plantations. But not because those crops are such a great business for the small farmer, as people think. No. They’re good for the middle man, for the owner of the laboratory, for the transporter, the trader, for everyone except the small grower. That is why we are convinced that if we can find a market for the agricultural products we grow in our mountains, then the result will be products able to compete with coca and poppies.

Let’s look, for example, at the fact that a pineapple in Puerto Asís (Putumayo) is worth between \$800 and \$1,000 pesos. An imported pineapple of lesser quality is worth US\$5 dollars in Washington. A pound of long-life tomatoes produced by farmers in hothouses in the high mountain regions of Nariño or Cauca cost US\$4 dollars in a Washington supermarket. The differences in price are enormous. So, if our farmer were paid a just price for his product, as a result of the possibilities provided by proper marketing, we would recover traditional agriculture’s ability to compete, and the end result would be that no small farmer would ever again want to grow coca or poppies.

We need market opportunities and customs facilities, that’s all. With a minimum proportion of the market we could satisfy a high percentage of the rural population. Colombia could be competitive with other markets. And besides, there are a lot more possibilities of trade between the two countries, possibilities that have not been developed and whose aim would be to put an end to illegal crops by substituting them with equally profitable legal ones. It is a matter of creating “market windows” – what we could call “windows in depth” – for farmers who grow these crops.

. Secretary of Agriculture in the Department of Nariño

This system will be coordinated by the Minister for Trade, Industry and Tourism, and especially by Proexport as the body responsible for identifying and informing exporters on market niches (“market intelligence reports”). Besides Proexport, the system should count on the Alternative Development Plan, the Ministry for Agriculture and the departmental agriculture secretaries. There are firms specialized in offering this kind of information. International cooperation will play an important role in this respect, beginning with the WFO, the US Department of Agriculture and its Foreign Agriculture Service.

#### 9. Removing of United States customs barriers for products from Andean countries

The Andean Trade Preferences Act (Atpdea) for the eradication of narcotics, passed by US Congress in 2002, could include a customs exemption for products certified as coming from a program of crop substitution. While it is true that the customs exemptions on products such as clothing, footwear, watches, flowers, leather goods, polymers, ceramics (among others) contribute to strengthening Colombia’s legal economy, it is also true that their direct impact on areas of illegal crops, and on economic opportunities for farmers in such areas, is practically nil.

#### 10. Non-focused provision of social services for alternative development

One of the negative effects of anti-drugs policies is the incentive to plant, an incentive that derives from subsidies and increased State presence in producer zones, but not in regions without illegal crops. Therefore, for obvious reasons of equity, the government’s social programs should be more widely extended.

Firstly, it would mean drug-related initiatives, such as the above-mentioned “swaps” or environmental royalties, to benefit not only producer regions but also zones vulnerable to the expansion of illegal crops (for example, areas of peasant economies, or those hardest hit by armed confrontations.)

Second, it would mean that basic social services provided by the State should not discriminate against the farmer who is obeying the law. This will be achieved, in part, by linking subsidies to the overall backwardness of an area where there are illegal crops, and not just to an individual producer; and in part it will be achieved by relocating the population in alternative development poles, which we will look at in Chapter 15.

1. Press reports show that in Arauca there are 8,000 hectares of coca being grown. *El Tiempo*, 31 March 2003.

2. The Peruvian variety “tingo María” produces six harvests in a year, and the Bolivian variety can produce up to eight harvests in the same period.

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