THESIS


by

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## Title and Subtitle
The Political Economy of Counterdrug Policy: The Case of Bolivia, 1997-2006

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## Abstract
Analysts have long argued that Latin American countries will not implement tough counterdrug policies because: (1) they view drugs as a demand-side (U.S.) problem; (2) drugs play a central role in their economies; (3) there are strong pressures from domestic interest groups not to; and (4) international pressure can only generate minimal compliance. Despite this, a variety of governments have implemented tough policies since the mid-1990s. The explanation: a president’s “grand strategy” mediates the influence of the four aforementioned factors. This thesis examines the case of Bolivia, in which President Hugo Banzer implemented a very successful eradication strategy (*Plan Dignidad*) because he believed a positive international image was necessary for his country’s economic development. Subsequent presidents lacked grand strategies that justified tough counterdrug policies; therefore, they mostly focused on meeting minimal requirements to avoid decertification by the United States. The thesis also addresses the factors that influence the effectiveness and sustainability of counterdrug policies. It challenges the conventional wisdom that *Plan Dignidad* was not sustainable because it was based on forced eradication and the militarization of the Chapare. It shows instead that the Plan would have been sustainable if not for a premature push into the Yungas. It also demonstrates that “forced” eradication depends on firm but fair negotiations with *cocaleros*, backed by a public relations campaign that strengthens the government’s hand.

## Subject Terms
- Bolivia
- Plan Dignidad
- counterdrug policy
- counternarcotics policy
- Evo Morales
- Hugo Banzer
- Gonzalo Sanchez de Lozada
- counterdrug strategy
THE POLITICAL ECONOMY OF COUNTERDRUG POLICY:
THE CASE OF BOLIVIA, 1997–2006

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The thesis also addresses the factors that influence the effectiveness and sustainability of counterdrug policies. It challenges the conventional wisdom that Plan Dignidad was not sustainable because it was based on forced eradication and the militarization of the Chapare. It shows instead that the Plan would have been sustainable if not for a premature push into the Yungas. It also demonstrates that “forced” eradication depends on firm but fair negotiations with cocaleros, backed by a public relations campaign that strengthens the government’s hand.
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I. INTRODUCTION

A. PURPOSE OF THESIS

For decades, the United States government has been unwavering in its support for a set of drug control policies focused heavily on eradication in drug-producing countries and has believed that the main obstacle to success in Latin America’s drug war has been the lack of political will among partner nation governments. Scholars have expounded on this lack of political will, listing the reasons why the implementation of tough counterdrug policies is not in the political or economic interest of Latin American governments. Historically, U.S. policymakers have either ignored these constraints or argued that bold leadership is enough to overcome them. The lack of tough counterdrug policies in the region prior to the mid-1990s seemed to confirm the scholars’ views. However, since that time, the governments of Alberto Fujimori (1990-2000) in Peru, Andres Pastrana (1998-2002) and Alvaro Uribe (2002-present) in Colombia, and Hugo Banzer (1998-2001) in Bolivia have all implemented tough counterdrug policies. In Peru and Bolivia, coca eradication policies resulted in a 54% and 70% drop, respectively, in the number of hectares under cultivation.1 On one hand, the willingness of these governments to fight drugs and their initial success seems to support the U.S. government’s take on the centrality of bold leadership. On the other hand, the drastic change in drug control policy in Bolivia since 2001 and particularly under the government of Evo Morales (2006-present) seems to support the more traditional academic viewpoint.

This thesis examines Bolivian drug control policy over the past decade in an effort to adjudicate between these competing views regarding the factors that drive the formulation of drug control policies. It also analyzes the factors necessary for the successful implementation and sustainability of drug control policies over time – factors which may be different from the conditions that shape policy formulation.

The Bolivian case highlights the complexity and the challenge—for both the Latin American governments and the U.S. government—of establishing and implementing a counterdrug policy. The past three Bolivian administrations have attempted to balance U.S. pressures with the need to pursue their own interests, which at times have either favored or contradicted those of the United States. The thesis will demonstrate how a variety of forces can create an unstable environment for an effective and sustainable drug policy.

This chapter reviews the conventional wisdom about the main factors that affect the formulation and implementation of drug control policies. First, it identifies the reasons academic and policy analysts typically give for the lack of tough counterdrug policies observed in the region throughout much of the 1980s and the first half of the 1990s. Next, it details the emphasis U.S. policy makers place on the importance of “political will” in shaping drug control policies. The third section then offers a critique of both schools of thought and outlines a more comprehensive “political economy” approach to understanding the formulation and implementation of effective and sustainable drug control policies. The final section provides an overview of the organization of the thesis.

B. THE ACADEMIC AND POLICY LITERATURE

Conventional wisdom in the academic and policy literature is that Latin American governments do not have an incentive to put into effect the kinds of policies the United States advocates. Four factors are usually identified as important in shaping the choice of counterdrug policies: (1) views on the nature of the drug problem; (2) the role of drugs in the economy; (3) pressures from domestic interest groups; and (4) international pressure, primarily from the United States.

First, drugs are often seen by both Latin American elites and the Latin American public at large as a U.S. problem because the United States holds “…the greatest illegal
drug market in the world and, thus, [is] the engine that drives the drug trade.”

Scholars point out that the forces of supply and demand cannot be ignored, and that the United States must concentrate the “bulk of their efforts on reducing demand within the United States” and on “domestic criminal organizations involved in drug trafficking and the laundering of drug proceeds;” otherwise, they argue, the perennial drug problem will persist. Many Latin Americans agree with this view and are resentful of being asked to implement politically and economically costly drug control policies in order to address what is characterized as a U.S. problem.

Second, it is widely believed that leaders in drug-producing countries will not implement tough counterdrug policies because drugs are too important to the economies of their countries. For example, by the mid-1990s, Bolivia was earning roughly four percent of its Gross Domestic Product from the cocaine industry. The significant amount that gets reinvested into the economy creates new jobs that the government itself cannot create. The illicit industry is responsible for employing approximately 74,000 persons, about three percent of the workforce in the country. This number, however, does not reflect the cocaine’s indirect employment effect, which benefits an additional 16,000-18,000 people. In an effort to launder their profits, drug traffickers invest their illicit revenues in sectors of the economy. In 1995 alone, Bolivia repatriated income from the cocaine trade amounting to $714 million in 1995.

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4 Ibid., 160.


6 Ibid., 15-16.

Third, key domestic groups oppose, and none support, radical drug control policies because they undermine their own interests or they cause severe social injustices in coca-growing regions. Raphael Perl explains that effective counterdrug policies are often met with “active and violent opposition from a combination of trafficker, political, and economic groups.” As one knowledgeable analyst noted in 1989: “The Bolivian government… does not dare eradicate coca plantations without the consent of the powerful growers’ federations. To do so would risk provoking a civil war in Bolivia.” Coca grower unions enjoy enormous support from the predominantly indigenous population that sees coca as a cultural right. Traditionally, coca leaves are chewed, used for spiritual and medical purposes and consumed in tea as a stimulant, appetite suppressant, and remedy for stomach ailments. This cultural right is reinforced by Bolivia’s Law 1008, which permits the growth of 12,000 hectares of coca in the Yungas. In addition, efforts to eradicate illicit plots exacerbate tensions over class and ethnicity; the indigenous population sees resistance against eradication as part of taking a firm stand against the ruling classes.

More broadly, Rensselaer W. Lee III notes that “the cocaine industry as a whole has accumulated significant political clout.” Counterdrug efforts may threaten the interests of corrupt politicians, who receive bribes from drug organizations, and political leaders, who need the support of coca growers to secure their reelection. At the very least, politicians need to provide general political and economic stability, something which can be threatened by the social protests that eradication efforts often unleash.

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Fourth, academics stress that U.S. efforts to influence the counterdrug policies of Latin American government are usually futile. Threats to decertify governments for non-compliance, a measure which would cut off all non-counterdrug assistance to a country, at most secure only half-hearted support for counterdrug policies. On the one hand, a show of compliance is usually enough to forestall decertification. On the other hand, full compliance can undermine domestic support for the government and even threaten government stability.

C. U.S. GOVERNMENT VIEWS ON POLITICAL WILL

Conventional wisdom among U.S. policy makers suggests that the political will of a government is essential to curb the drug problem. For example, Senator Mitch McConnell, Chairman of the Subcommittee on Foreign Operations, Export Financing, and Related Programs, during the Joint Hearing on Supplemental Request for Plan Colombia, opened the hearing by noting “…there is no substitute for aggressive political leadership in Colombia, Peru, Bolivia, and Ecuador.”13 The United States is more willing to allocate funds to countries that implement aggressive policies and demonstrate political will, as in the case of Colombia.14 Under Secretary of State Thomas R. Pickering adds that, “It does not work if the countries themselves are not prepared to gear up and do the job.”15

The United States once praised and rewarded Bolivia, seeing it as a model of aggressive political will. The Press briefing on release of 1998 International Narcotics Control Strategy Report extolled Bolivia for showing resolve and political will in continuing to reduce coca production “despite continuing violence against eradication and counternarcotics forces.”16 General Barry McCaffrey, Director of the Office of National Drug Control Policy, similarly argued that the success that Plan Dignidad

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14 Ibid., 3.
15 Ibid., 23.
enjoyed during this time was thanks to the leadership of the Banzer government.\textsuperscript{17} In the words of Honorable Benjamin A. Gilman during his report to congress in June 2001, “Bolivia has provided some important lessons for all of its neighbors about how strong political will has taken one nation out of the illicit drug business and has controlled the supply of precursor chemicals.”\textsuperscript{18} However, once Bolivia did not fully live up to its goals, and its political will weakened in the face of serious coca grower contestation and protest, “Ambassador Rocha warned that U.S. assistance was tied to the political will of the Bolivian government to eradicate coca, and that without it $120 million in aid would disappear.”\textsuperscript{19}

U.S. policymakers believe that political will does not arise entirely from U.S. pressure. Countries should have their own reasons for wanting to address the production and trafficking of drugs. In particular, Latin American leaders should address the drug trade because it is a dilemma that threatens the stability of governments across the Americas.\textsuperscript{20} Drug use is growing among Latin American population, plaguing those countries’ greatest assets; furthermore, increased violence and corruption in the region will only serve to aggrandize the threat against Latin American governments.

D. A POLITICAL ECONOMY APPROACH: UNDERSTANDING “GRAND STRATEGY”

Each of the two existing approaches has something to offer in terms of understanding the formulation and implementation of counterdrug policies. The

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academic emphasis on the ideas, interests, and power of key advocacy groups and government actors is fundamentally sound, but has been biased in its application. It has focused too much on explaining the forces arrayed against drug control and has failed to acknowledge the possible reasons governments might have for adopting tough policies. The U.S. political will approach, in contrast, highlights the arguments that could be made on behalf of tough counterdrug policies but does not explain when these arguments will actually gain traction with Latin American governments. This approach also fails to take into account the vast interests that are affected by these policies—interests which undermine the policies’ sustainability and medium to long term effectiveness.

This thesis employs a political economy approach to identify, review, and evaluate the factors that shape the formulation and drug control policies. It also identifies the conditions under which the Latin American governments can establish a counterdrug policy that will be effective and, most importantly, sustainable. It does so by addressing the following questions:

1. What factors have affected the formulation of counterdrug policy in Bolivia over the past decade?

2. What factors have shaped the effectiveness and sustainability of counterdrug policy in Bolivia over the past decade? Is it just a matter of the political will to implement the correct set of policies? Or must policy prescriptions be modified to ensure their sustainability in the face of foreseeable pressures?

The thesis argues that the formulation of counterdrug policy is shaped primarily by a president’s “grand strategy” for economic and political development. In that regard, a government’s “grand strategy” refers to where the national leadership is trying to take the country. A country’s “where” can take the shape of strengthening its economy by promoting social advances or reaching a leadership position in a world counsel. Policies in all other governmental areas are then subordinated to this overarching strategy. In the area of drug control, a president’s “grand strategy” shapes the four factors identified by academics: views on the drug war, the influence of domestic pressure groups, perceptions of the role of drugs in the economy, and the impact of international pressure.
Banzer defied academic conventional wisdom because his greater national strategy served to justify tough counterdrug policies. Banzer’s plan was to make Bolivia a strategic producer of gas for South America and a provider of the same to the California market. His free-market economics driven by development of the oil sector, however, required foreign investment. Banzer believed that Bolivia needed to remove the stigma of being a drug-producing country in order to attract foreign investment and other financial assistance. The United States’ monetary assistance and political support for Bolivia would help secure loans from the International Monetary Fund. In June 2001, for example, the World Bank’s International Development Association forgave about $2 billion of Bolivia’s debt in order to boost the government’s poverty-alleviation programs.\(^2\) Additionally, in 2001 the Paris Consultative Group of donors, for the first time in its fourteen years of existence, pledged to Bolivia aid totaling $1.36 billion.\(^2\) Banzer’s grand strategy for Bolivia’s development required that it be viewed favorably by the international community and his counterdrug policies were designed to serve that goal.

In contrast, the administration of former cocalero leader, Evo Morales, seems to confirm conventional academic wisdom about the reasons for a lack of tough counterdrug policies. Morales’ base support is also one of the strongest key domestic groups in the country. Nevertheless, neither Morales’ background as a former coca grower, nor his wanting to keep his constituency group content, is sufficient to explain his counternarcotic policy. Morales sees coca cultivation as more than an economic benefit for coca growers; he sees it as a political statement which supports the rights of a society that has been marginalized. By reviewing Morales “grand strategy” one can truly understand the factors that shape his counterdrug strategy.

With regards to the implementation of policies, this thesis challenges the conventional wisdom that forced eradication is a primarily coercion-based strategy that is inherently unstable. It argues that the gains of Plan Dignidad in the Chapare could have

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been sustained if not for the government’s decision to try to extend the plan to the Yungas. The decision to extend the plan was driven more by President’s Quiroga’s desire to demonstrate his resolve, but failed to carry out the negotiations and public relations campaign that were key to the success in the Chapare. In sum, the initial success of Plan Dignidad shows that Bolivian leaders do have a margin within which to maneuver, but its failure demonstrates that this margin is more limited than the “political will” argument suggests.

E. THESIS ORGANIZATION

This thesis will examine the political economy of the counterdrug policy in Bolivia through a process tracing approach as multiple events case study. The framework developed in this chapter will be applied to understand the counterdrug policies of four presidential administrations in Bolivia over the past decade.

The second chapter reviews the counterdrug policies of the administration of Hugo Banzer (1997-2001). This section will show that Banzer implemented a counterdrug policy (Plan Dignidad) in alignment with the United States defying conventional academic wisdom that Latin American governments will not implement tough counterdrug policies. It will explain how the administration’s “grand strategy” for Bolivian development led to these policies and helped secure initial public support for a tough counterdrug policy. Finally, the chapter shows that the government’s strategy was successful in forcefully eradicating coca in the Chapare region and did so with relatively little social unrest, much to the surprise of most analysts.

The third chapter describes and explains the unraveling of the success of Plan Dignidad at the end of the Banzer administration and under subsequent presidents Jorge Quiroga (2001-2002), Gonzalo Sanchez de Lozada (2002-2003), and Carlos Mesa (2003-2005). The latter two administrations came into office at a time when Plan Dignidad’s momentum was dwindling while the coca growers were gaining influence and impetus. Lacking “grand strategies” that might act as a countervailing pressure, both President Sanchez de Lozada and interim President Mesa were buffeted by coca growing protests and gave into demands, in a manner consistent with academic conventional wisdom.
The fourth chapter will review the counterdrug policies of the administration of Evo Morales (2006-present). On the one hand, this portion of the thesis seems to confirm conventional academic wisdom concerning the lack of tough counterdrug policies. Conventional explanations, however, would lead us to expect Morales’ drug policies to deviate even more than they have from U.S. demands since Morales was formerly head of a coca grower union before becoming president. An understanding of Morales’ grand strategy of reducing national poverty and removing racial discrimination – which depends upon a certain level of international assistance – helps explain a certain element of pragmatism in Morales’ counterdrug policies.

Sources used consist of scholarly literature on the benefits, problems, and recommendations involved in the perennial struggle in the drug war. The Congressional Research Service has published a myriad of up-to-date documents that review and assess the U.S. and drug-source countries’ views, strategies, and effects of their contemporary drug strategy. In addition, U.S. Senate and Congress Hearings, State Department documents, newspaper articles, and statements from key officials were examined to understand and assess the U.S. approach to an effective counterdrug strategy. Finally, members of the U.S. Embassy’s Narcotics Affairs Section in La Paz and former and current Bolivian government officials were interviewed during a September 2007 site visit to the country.
II.  PLAN DIGNIDAD – INITIAL SUCCESS

During the 1980s and early 1990s, Bolivia displayed no signs of progress in decreasing coca cultivation, despite the millions of dollars in aid given to the country each year by various countries and organizations to target this problem. Bolivia, like many other drug-source countries in Latin America, limited itself to meeting only minimal eradication targets to avoid decertification, which would interrupt the flow of U.S. monetary assistance. Bolivia’s lack of commitment to tough counterdrug policies can be explained by the four factors discussed in the preceding chapter: (1) key domestic interest groups that benefit from the drug production cycle and none that benefit from eradication; (2) the view that the drug problem is a matter of demand and should be addressed in the United States; (3) the fact that drugs play a central role in the economy, and their cultivation cannot be attacked without damaging economic well-being; and (4) U.S. pressure exerted through a certification process that does not generate real compliance.

Despite this, at the outset of 1998, Bolivia implemented Plan Dignidad, a highly aggressive strategy responsible for the almost complete eradication of coca in the Chapare region, one of the two main coca growing regions in the country. How can this unprecedented embrace of aggressive counterdrug policies be explained? Although U.S. pressure might have played a role in President Hugo Banzer’s institution of a more aggressive counterdrug strategy, it does not sufficiently answer why Banzer committed himself to an aggressive campaign that jeopardized his social capital, especially when all that was needed were slight efforts to meet with the minimum requirements called for by the United States. This thesis will show that Banzer’s counterdrug policies only make sense when viewed within the context of his overall grand strategy for creating an economic, social, and political environment fertile for foreign investment.

Banzer’s U.S.-oriented neoliberal economic policies shaped his administration’s view of the impact of drugs on the Bolivian economy and increased his dependence on U.S. assistance. Banzer wanted to remove the stigma of being a drug-producing country from Bolivia’s image, and this same impetus engendered a successful public relations
campaign that eventually won the support of the Bolivian population’s for adoption of such tough antinarcotics measures. This support, in turn, bolstered the government’s position in negotiations with cocaleros that were crucial to the success of the government’s policy of forced eradication.

This chapter will begin by providing a historical background of coca cultivation in Bolivia and the country’s counterdrug efforts prior to 1998, showing that counterdrug efforts were half-hearted even in the face of decertification. The next section explains why president Banzer chose to implement Plan Dignidad, an ambitious counterdrug program that was part of his grand strategy for the economic development of Bolivia. It concludes by showing that Plan Dignidad was, initially, very successful and resulted in the eradication of a large amount of coca without unleashing the high levels of violence that were predicted by most analysts.

A. COCA CULTIVATION IN BOLIVIA & COUNTERDRUG EFFORTS PRE-1998

Coca has been chewed by peasants in Bolivia for thousands of years in order to repress hunger and alleviate altitude sickness. However, the coca-cocaine boom of the late 1970s lured to the country powerful drug traffickers who became entrenched in the coca growing regions and undermined the already weak political and social institutions of the country. Historically, the Yungas region has grown Bolivia’s licit coca and has been the main supplier to the markets for traditional coca users, while the Chapare region has been known to grow much of the unauthorized coca.

By the 1980s, Bolivia played a major role in the production of coca leaf for the international cocaine market. Bolivia, a country with the highest number of military coups in Latin America, was too weak to combat drug traffickers. Democratic elections

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in 1982 brought to the Presidency Hernan Siles Suazo who reopened the inflow of U.S. aid and created, with the help of the United States, a rural drug police to help in the new drug control efforts.

In 1983 narcotraffickers began to gain control over the Chapare, and the state’s presence and influence in the area began to collapse and disappear. In 1986, the state regained control through the militarization of the region, after defeating the drug lords through surgical operations aimed at targeting laboratories, traffickers’ ranches and strongholds. Through sources within the government, many traffickers got wind of such operations and began to flee to Panama City.25 The damage created by the drug kingpins, however, had already taken root: the institutions created prior to 1983 practically disappeared during the reign of the drug traffickers.26

In an additional effort to address the drug trade, the Bolivian government passed Law 1008 in 1988 in order to regulate coca production in Bolivia. At that time, 80,000 hectares of coca were being cultivated in the Yungas and Chapare regions. Law 1008 broke down the areas of coca production into three zones: 1. zones for traditional production; 2. excess zones (or transitional zones); and 3. zones of illicit production. The Chapare was designated as an excess zone, where coca production would be tolerated but also targeted for reduction. Only 12,000 hectares were designated as legal (for traditional production) and these were limited to the Yungas region. Since the law categorized the leaf as a controlled substance, individuals cultivating outside the legal boundaries were considered criminals.27 Despite this law, the lack of a strong state presence in the coca growing regions left the government in a position too weak to adopt new and effective strategies. Likewise, many alternative development plans offered under Law 1008 were extremely difficult to implement.


27 Healy, “Coca, the State, and the Peasantry in Bolivia,” 105-126.
Overall, the pre-Plan Dignidad period can be characterized as maintaining the status quo and meeting the minimum requirements necessary to insure the continuance of U.S. aid. During his first term as president (1993-1997), Gonzalo Sanchez de Lozada’s primary focus was on the economy, including the privatization of five major state-owned companies. As a result, he paid little attention to the War on Drugs.28 By the end of Sanchez de Lozada’s term, Bolivia was on the verge of decertification by the United States because he had not met eradication quotas; however, he eventually met those quotas by accomplishing minimal requirements – a strategy typical of Latin American countries.29 Sanchez de Lozada’s response illustrates how threats of decertification can lead to superficial compliance but not to tough policies.

In March 1995, Bolivia was decertified for the first time for its weak performance on eradication, but was granted a national interest waiver. Ambassador Kamman, however, “…issued a confidential ultimatum – threatening to decertify the country [and revoke the national interest waiver] by June 30, 1995, if coca eradication targets were not met.”30 President Sanchez de Lozada’s reaction to this threat was not to overhaul the voluntary eradication system and push for a more aggressive approach; instead, he pressed on to meet his country’s initial commitment destroying the additional 7,000 hectares of coca plantation needed for the year. After meeting resistance from coca growers, Sanchez de Lozada was forced to militarize the Chapare, though he did not change his goal or means (i.e., voluntary eradication):

On April 18, 1995, the government declared a three-month state of siege in response to widespread social protest and in order to complete required eradication efforts by June. The state of siege, which lasted six months, established a curfew, banned meetings, and sparked mass detentions of coca growers and other leaders. At its conclusion, the government finally reached its goal through voluntary eradication by cocaleros.31

29 Ibid.
30 Ibid.
Once Sanchez de Lozada accomplished his minimum requirements, he regressed to his original stance. Having faced immediate confrontation with coca growers, his surge was conducted in a vacuum and with a limited objective. As a result, throughout his tenure net coca cultivations level (i.e., overall hectares of cultivation minus hectares eradicated) stayed relatively the same.32 (See Table 1)

### Eradication and Seizures Under the Sanchez de Lozada Administration

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<td>Seizures</td>
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<td>Coca Paste (mt)</td>
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<td>-</td>
<td>0.05</td>
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<tr>
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<tr>
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<td>8.19</td>
<td>7.46</td>
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<tr>
<td>Agua Rica (lts)</td>
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<td>2,275</td>
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<tr>
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<td>966</td>
<td>600</td>
<td>1,469</td>
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<td>Labs Destroyed</td>
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<td>32</td>
<td>10</td>
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<tr>
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<td>2.033</td>
<td>2.226</td>
<td>1.891</td>
<td>1.300</td>
</tr>
</tbody>
</table>

**Includes Apolo, Chapare, and Yungas.

**Suspension of cocaine base in a weak acid solution. 37 liters equal one kg of cocaine base.


Table 1. Eradication and Seizures Under the Sanchez de Lozada Administration.33

Although it did not pursue forced eradication, presumably because of the social protest and instability that would result, the Sanchez de Lozada administration did take some strong counterdrug stands that were more politically feasible. The Bolivian government, for example, admitted for the first time that coca grown in the Chapare was exclusively for use by the cocaine industry; and it signed an extradition treaty with the United States that would send some Bolivians to U.S. trials and jails.34 It also intensified its efforts targeting the production of cocaine, as opposed to the cultivation of coca (See Table 1).

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33 Ibid.
34 Ibid., 12.
B. FORMULATING PLAN DIGNIDAD: PART OF A “GRAND STRATEGY”

In 1997, former General Hugo Banzer was elected president of Bolivia, and he brought with him a plan to deepen neoliberal economic reforms in Bolivia. No one expected him to take a strong stance on drug control. His party Accion Democratica Nacionalista (ADN) had affiliations with the Movimiento de Izquierda Revolucionaria (MIR), whose leader, Jaime Paz Zamora, was suspected of having ties with a prominent Bolivian drug trafficker during Zamora’s previous presidential administration. Furthermore, Banzer refused to sever his ties with Movimiento de Izquierda Revolucionaria (MIR), placing him in an even more questionable position in the eyes of the United States.\(^{35}\) In addition, Banzer and his family were suspected of ties to drug traffickers dating back to his period as dictator of Bolivia from 1971 to 1978.

Despite his suspect connections, in 1998 Banzer launched the most effective and aggressive eradication program Bolivia has ever seen. This can be explained by Banzer’s “grand strategy” for Bolivia’s development. All decisions he made as president, in particular the adoption of Plan Dignidad, were in support of his grand strategy – to develop Bolivia economically and make it the center of energy in South America. This required heavy foreign investment to not only build plants that would transform the gas into liquid gas, but also to build a pipeline through Chile that would facilitate shipment to California. For this vision to succeed, Bolivia would need an image which was free from the stigmas of corruption, contraband, and narcotrafficking.\(^{36}\) Banzer would need to implement policies that would strengthen his country’s, as well as his own, credibility in the international forum, thus increasing the amount of foreign assistance to his country and, of course, gaining U.S. favorability and assistance in facilitating international loans and debt relief.

In order to enhance the government’s credibility in its seriousness about combating drugs, the Banzer administration put Vice President Jorge Quiroga at the forefront of the country’s counterdrug strategy. The international community, media, and


U.S. diplomats respected and admired the American-educated Quiroga for his charismatic presentations, strong command of the English language, and his “…ease at communicating Bolivia’s message.”

He was responsible for the implementation of Plan Dignidad, and was widely regarded as the author of the plan.

Fearing possible decertification would jeopardize U.S. anti-narcotic aid, as well as lead to the “loss of access to international development funds,” foreign direct investment, and the needed U.S. influence in the international arena, president Hugo Banzer set in motion the framework for Plan Dignidad. While Banzer knew that drugs played a central role in the economy, his grand strategy would provide investment to replace that income and provide for greater levels of development. In 2001, Banzer warned that “[t]he time [had] come for the world to value our action and translate this into investment that will generate employment to replace the jobs and income eliminated along with the coca fields, and open its markets to products that have replaced the volume of poison that we helped remove from [drug] consumption areas.”

The overarching explanation for instituting the plan, therefore, dealt more with Banzer’s overall grand strategy that would create an economic, social, and political environment fertile for foreign investment. The country’s strong association with drugs and its characterization as a narco-democracy played an integral role in the adoption of Plan Dignidad. The strategy’s objective was to regain the dignity of the Bolivian people through removal of the coca-cocaine stigma so that the international community would feel comfortable investing in Bolivia. Most Bolivians understood the negative connotation the international stigma brought upon them and wished to remove that characterization; in 1999, a Bolivian Vice-Minister said, “Bolivia is tired of living under

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38 Ibid.
40 Ledebur, “Coca and Conflict in the Chapare,” 6.
the stigma of narcotraffickers, we’re tired of being considered a nation of narcotraffickers.”

The Bolivian government played off this sentiment and achieved public support by building its public relations around this cry. The motivating factor behind the tough counterdrug policies was the Banzer administration’s whole-hearted belief “that illicit crop cultivation and production actually hurt Bolivia’s development prospects and international image.”

Prior to Plan Dignidad, Bolivians had been more tolerant of coca growers and had even encouraged the government to negotiate with farmers and increase alternative development spending. However, several factors caused these views to change and made it even more possible for Plan Dignidad to take place. First, as previously stated, Bolivians were tired of the narco-stigma. Second, the periodic demonstrations, blockades, and marches onto urban areas would disrupt the daily lives of urbanites, whose tolerance of coca farmers, as a result, decreased. Thus, urban dwellers believed that complete eradication of coca in the Chapare would also bring to an end the endless road marches. Third, the government focused its public relations campaign on linking the Chapare coca growers with the hated drug-traffickers. During the 1990s, some Chapare dwellers turned from coca growing to producing cocaine; once this link was established, it became much easier to win the support of the rest of the country for coca eradication in the Chapare.

C. IMPLEMENTING PLAN DIGNIDAD: INITIAL SUCCESS

Plan Dignidad was the proposed strategy that would solve the narcotic problem in Bolivia. The plan had a four-pronged approach, which included eradication, alternative development, interdiction, and prevention and rehabilitation within a period of five years. Between 1998 and 2002, the goal was to reduce coca production by 38,000 hectares and provide an alternative crop to 35,000 families. Interestingly, the militarization of the Chapare, which came to be synonymous with the plan, was not part of the original

44 Ibid., 13.
design. It came about not to force eradication upon coca growers but was an impromptu response to prevent their promised demonstrations that would significantly disrupt the daily flow of subsistence and commerce to the cities of Cochabamba, La Paz, and Santa Cruz. The government’s preemptive operation led to the stationing of military units which facilitated the use of forced eradication, both of which were not part of the original plan. Even more surprising, the militarization process and success of the plan’s ambitious eradication goal was met with limited violence.

1. The Plan Evolves: Forced Eradication and Militarization of the Chapare

On August 6, 1997, a member of the Banzer administration was in direct negotiations with cocalero leader Evo Morales to get him to eradicate the rest of the targeted 7,000 hectares of coca; however, Morales stalled negotiations, promises were unfulfilled, and nothing was done. In October 1997, the Bolivian government, press, and Chapare coca grower unions, including Morales, again met to discuss the dilemma of meeting eradication goals and the failures of the coca grower unions to meet those demands. In order to meet eradication goals that year, the Banzer government approached one of the federations in the Chapare, Yungas del Chapare, and struck a deal with them: if they would voluntarily eradicate 500 hectares before the end of the year, the rest of the 7,000 hectares targeted would come from the other five federations. By now, Morales found himself in a weak position and obliged to negotiate. The period of negotiations also led to the rumors of roadblocks that resulted in militarization. 45

The challenges of those negotiations led the Banzer administration to realize that dealing with coca growers to convince them to eradicate the required hectares was inevitably going to be a long and arduous process. A new approach had to be found. 46 This new approach, called forced eradication, meant the government would stop giving compensation money for the eradication of coca. Prior to Plan Dignidad, government payments of up to $2,900 per hectare provided growers the converse incentive to keep

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45 Personal interview with a former high-level Bolivian government official responsible for implementation of Plan Dignidad, 14 September 2007.
46 Ibid.
planting coca. Abolishing cash compensation forced coca growers to abandon the excess coca plots that had neither the government nor the traffickers as buyers. To make up for the elimination of cash compensation, the government helped each community by providing it with the technical assistance needed for developing new crops. The plan called for shifting compensation from the individual to the community on a quarterly basis, as shown below:

1998:

*January – March*: individuals would continue to receive $2,500 dollars per hectare, and the community would receive zero dollars;
*April – June*: individuals would receive $1,650 and the community would receive $850;
*July – September*: individuals would receive $800, and community would receive $1,700;
*October – December*: only the community would receive $2,500.

1999:

*January – September*: community would receive $2,000;
*October – December*: community would receive $1,500;

2000:

*January – June*: community would receive $1,500;
*July – December*: community would receive $1,000.

2001:

*January – March*: community would receive $1,000;
*April – December*: community would receive $500.47

The Banzer government followed this plan and succeeded with it. The offering of technical assistance to coca growers, in addition to some cash compensation, won the acquiescence of *cocaleros* to eradication. Forced eradication refers to the free range of

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47 Personal interview with a former high-level Bolivian government official involved in the implementation of *Plan Dignidad*, 14 September 2007.
authority of the government to remove or destroy coca that was on a person’s land or in public areas where the plant was not authorized to be grown; however, as the plan above suggests, forced eradication rested heavily, at least initially, on some element of negotiation.

Another key ingredient for the success of Plan Dignidad was the militarization of the Chapare. At the outset of 1998, rumors began to spread that coca growers were thinking about conducting a large protest and road block demonstration that would paralyze daily life, businesses, and government operations. In order to ‘beat them to the punch’, in April 1998, the government pushed for a massive military operation to prevent such a block and to remove the excess coca which coca growers had been promising to eradicate, although the growers themselves had been stalling on fulfilling that promise. The operation was one of the largest the country had ever seen. Large equipment had to be deployed to the Chapare: helicopters were used to bring in troops, logistics, and equipment. Thus, the initial reason for sending the troops in was not to eradicate coca but to prevent the potential road blocks and demonstrations that would handicap that part of the country.48

During this same time period, the United States helped the Bolivian government with funding to form a joint task force in the Chapare, composed of military and police, which would assist in the eradication of coca and the interdiction of chemical precursors and coca leaf. In September 1999, the U.S. government reported that it would also help build three military camps in the region to house the newly formed Ninth Bolivian Army Division.49 The decision to maintain the military in the Chapare region was decisive and demonstrated Banzer’s political will. This is especially true when one considers that experts prognosticated an increase of violence and shootings; however, the extremes of that assessment did not come to pass.50

The increased military and police presence in the region facilitated the targeting of production and trafficking and delivered immediate and impressive results. Based on

48 Personal interview with a former high-level Bolivian government official involved in the implementation of Plan Dignidad, 14 September 2007.
49 Ledebur, “Coca and Conflict in the Chapare,” 6.
the money allocated, interdiction was the second most important factor of the *Plan Dignidad* strategy. The government almost doubled the number of coca leaf seizures at the outset of *Plan Dignidad*, and in 1999 saw an increase in arrests, drugs, and chemical seizures.\(^{51}\) The Banzer government claimed significant success in this area and stated that its precursor interdiction policy was fundamental to the achievement of *Plan Dignidad*. Drug traffickers were forced to use cheap alternative substances and rely on substitutes “for scarce and expensive chemicals smuggled in from neighboring countries and an inferior process to streamline base and HCl [hydrochloride] production,”\(^{52}\) which resulted in low quality cocaine. This success led traffickers to shift the processing of coca into hydrochloride from Bolivia to Brazil, where chemicals were readily available.\(^{53}\)

The numbers indicate that *Plan Dignidad* was an overwhelming success. From 1993 to 1997, Bolivia’s illicit cultivation of coca bush and the production of cocaine averaged about 47,500 hectares (See Table 1). In its first year, *Plan Dignidad* decreased that average by nearly 10,000 hectares. In 1999 and 2000, the government sustained the already decreased levels and destroyed an additional 7,200 hectares each year.\(^{54}\) In 2000, the INCSR praised Bolivia as the archetype for the region in coca eradication.\(^{55}\) The government was so successful that by 2001 only 600 hectares of coca remained to be eradicated to meet the ultimate goal of “zero coca” in the Chapare region. The accelerated eradication of coca crops caused an increase in the price of coca leaves from an average annual price per kilogram of $1.20 in 1997 to $5.60 in 2001.\(^{56}\) This trend is indicative of how *Plan Dignidad* caused a shortage of coca.

According to Eduardo A. Gamarra, *Plan Dignidad* was one of three factors that helped reduce coca growing in Bolivia. The other two involved developments in Peru and

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53 Ibid.


Colombia: first, Peru’s antinarcotics effort and policy of shooting down airplanes carrying coca paste from Bolivia and Peru into Colombia reduced the market for coca leaf. Second, given the disruption in the supply of leaf from Bolivia and Peru and increasingly permissive conditions within Colombia for coca growing, Colombian drug lords made a strategic shift toward concentrating cocaine production in their own country. As a result, some argue that Bolivia’s success was the result of a “‘balloon’ effect, in which coca production shifts to other areas with less law enforcement presence.”

2. Violence in the Chapare

Not only was Plan Dignidad successful in dramatically reducing levels of coca cultivation in the Chapare region, but it did so without the dramatic increase in social unrest and violence that most analysts predicted. A review of the U.S. State Department’s Report on Human Rights Practices between 1996 and 2001 shows that violence between security forces and protesters - be they coca growers, teachers, or miners – predated Plan Dignidad and did not increase significantly with its implementation. Protests, road blocks, and demonstrations have always been the methods that the Bolivian rural population uses to affect policy. In 1995 and 1996, before Plan Dignidad was in effect, clashes between the government and coca growers resulted in the deaths of five civilians in 1995 and two civilians in 1996. The armed and hostile coca growers “self-defense” group that emerged in 1996 would threaten and coerce farmers into growing coca in their fields and force them to repel eradicators. In 1997, violence between coca growers and security forces claimed the lives of eight

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61 Ibid.
people: five civilians and three police officers. The civilian deaths took place during demonstrations, while the police officers were killed during ambushes conducted by hostile coca growers. The State Department Human Rights report for 1997 states that authorities tried to stay away from confronting the demonstrators, and only became involved once the crowd had turned violent or protesters had significantly interrupted civic duties.

During the initial implementation of Plan Dignidad in 1998, there was a slight increase in human rights violations against protesters, as well as incidents of violence, torture, and killings against security personnel on and off duty. The year 1998 brought an increase of eight dead from the previous year: thirteen civilians and two security forces. A Bolivian investigative group released its report on the death of the thirteen civilians killed in 1998 and revealed that only five cases could have resulted from conflict between illegal coca growers and security forces. Coca growers, however, continued to claim that all thirteen were the result of conflicts between these two parties.

The State Department reported in its Bolivian Human Rights Report for 1998 that “…there [was] no credible evidence that the security forces used force except in self-defense;” and that, “There were reports that coca growers unions used physical coercion and intimidation to prevent farm workers from cooperating with the Government in coca eradication. Indigenous groups complained that armed coca growers continued to invade their lands by force and coerce or bribe their members to cultivate illegal coca.”

In 1999, Security forces continued their eradication efforts in the Chapare; this time, however, there were no reported deaths and fewer reports of human rights

There appeared to have been no deaths which resulted from confrontations between the government and cocaleros. The absence of major clashes between security forces and illegal coca growers gave a strong indicator to the Bolivian government that its eradication efforts were yielding empirical and social results.

In September and October 2000, a range of protesters, including illegal coca growers in the Chapare, indigenous farmers in the highlands, urban and rural teachers’ unions, and groups protesting a controversial municipal water project in Cochabamba staged a massive demonstration which led to the deaths of up to 10 civilians. It is unclear, however, how many coca growers were involved in the conflict (which came to be known as the “Water War”). Nevertheless, the demonstration did earn coca grower leaders the attention of the Bolivian government. In October 2000, Bolivian leaders and coca planters met to discuss negotiations; although the Bolivian government offered an additional $60 million to the Cochabamba region to support alternative development, the government was firm and resolute in its “zero coca” policy.

Table 2. Deaths and Injuries Incurred During Drug Control Efforts in the Chapare.

![Table 2](image)

Taken from Ledebur, “Bolivia: Clear Consequences,” 164.

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68 Ibid., 2.
In January 2004, the Chapare Human Rights Ombudsman’s Office released a chart with the deaths and injuries incurred during drug control efforts in the Chapare. A comparison of the U.S. Human Rights Report and the Ombudsman’s Office reveals that the numbers are the same with the exception of 1998. The United States report claims that an internal investigation conducted by the Bolivian government concluded that only five deaths resulted from confrontations between coca growers and security forces; the Ombudsman Office claimed that nine deaths were involved. In 2000, again there is a discrepancy between both reports: the U.S. Human Rights report is not clear on how many deaths involving coca growers occurred, while the above chart shows that only two fatalities took place. (See Table 2)

Overall, negotiations with leaders of peasant organizations appear to have been important in preventing an initial violent response to the government’s forced eradication efforts. The Banzer government began negotiations with leaders of the coca federations over eliminating the compensation to individuals as an incentive for eradication and, subsequently, introduced new community incentives, instead. In September 1997, Roland Vargas, one leader from the peasant organization replied, “We are demanding the fulfillment of previous agreements: if this time around the promises are kept, there will be no more violence in the Chapare.” In addition, the Bolivian government had already publicly admitted and labeled the Chapare as an area where the coca harvest went solely for the production of cocaine. This shift in public sentiment seems to have led coca growers to adopt a more cautious “wait and see” attitude with the government.

D. CONCLUSION

Sanchez de Lozada’s first term as president focused very little on the counterdrug front. Although it sought to eradicate and meet only minimal U.S. requirements, the administration found itself hard pressed to accomplish even that. U.S. pressure affected the Sanchez de Lozada administration a great deal, which resulted in the administration admitting that the Chapare coca was mainly for the illicit production of cocaine and signing an extradition treaty with the United States; however, Sanchez de Lozada

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continued to show little interest in adopting a more aggressive eradication strategy. Banzer, on the other hand, chose to adopt a more forceful counterdrug strategy because it supported his grand strategy of making Bolivia the “vital heart of South America.” Banzer embraced *Plan Dignidad* as a symbol of his economic desires and vision for his country to regain credibility, international respect, and monetary assistance, all of which were necessary in order to bring his grand strategy to fruition. *Plan Dignidad* proved to be a success at an unprecedented level. Initially, scholars predicted bloody clashes between coca growers and security forces, but the first several years of the plan’s implementation were no more bloody than previous years when voluntary eradication was in full effect, and the results in terms of reducing net coca cultivation levels far surpassed any previous efforts.
III. THE SUCCESS UNRAVELS: THE PUSH INTO THE YUNGAS

At the beginning of 2001, the Bolivian government enjoyed tremendous support and praise from the international community for having cut more than half of its coca cultivation level in just four years. Emboldened by its success, the government decided to expand its strategy into the Yungas in mid-2001. The government failed in this effort, which only served to galvanize coca growers in the Chapare and undermine the gains that had been made there. Furthermore, the severe consequences of that decision debilitated subsequent presidential administrations that failed to engage coca growers effectively. By 2005, coca cultivation levels had risen to pre-Plan Dignidad levels. This chapter describes this course of events, arguing that the failure of the government to consolidate its gains in the Chapare was the result of its strategic misstep (the push into the Yungas), rather than the inevitable result of a strategy of forced eradication.

A. THE PUSH INTO THE YUNGAS: 2001

In late 2000, members of the Banzer administration met with U.S. Ambassador to Bolivia Manuel Rocha to discuss where Plan Dignidad stood on its timeline. During this gathering, a proposition was offered wherein a plan with a similar strategy as Plan Dignidad should be “considered” for the Yungas. At this time, the proposition was only a suggestion and in such early stages of consideration that the Bolivian government still needed to create a timeline, calculate how much money that strategy would cost and discern how much of that cost the United States would be able to cover. The tentative chronology of the plan, which did not include using the military until possibly the last phase, was as follows:

Phase I. Oct – Dec 01. The Bolivian government would send an advisory group to encourage, advise, and sell the proposal to leaders in the Yungas. U.S. AID assistance and a payment plan for cooperation, which involved the same trimester monetary assistance plan as in the Chapare, would be offered.
Phase II. Jan – Mar 02. Logistic and service support sites would be built to provide information assistance to Yunga growers.
Phase III. Apr – Jun 02. Negotiated and voluntary eradication would commence.
Phase IV. Jul – Sep 02. Considerations regarding the implementation of a forced eradication strategy would take place.⁷¹

1. **Why the Push into the Yungas Failed**

The plan was initially placed on hold while both governments deliberated what it would take to bring about a second successful and sustainable eradication policy, this one to the Yungas. A series of events within the Banzer administration in 2001, however, led the government to move into the Yungas ahead of the schedule detailed in the plan and without following the phases detailed above.

In 2001, Banzer was diagnosed with lung cancer which would lead him to eventually resign in August 2001, when he was succeeded by Vice President Quiroga. Prior to this, while Banzer was undergoing medical treatment, Quiroga ran the presidency. Quiroga was the mastermind behind the aggressive *Plan Dignidad* strategy and was constantly praised by the international community for the immediate progress “his” strategy brought. In addition, two very important government positions, the ministry of agriculture and the ministry of government, which had played an intimate role in the planning, implementation, and execution of *Plan Dignidad*, underwent devastating changes. Both these key positions were refilled with persons who had had very little contact and experience with the complex relationship between the government and coca growers.⁷²

Encouraged by the success of *Plan Dignidad* in the Chapare region, and perhaps motivated by a desire to demonstrate “political will” in anticipation of the 2002 presidential elections, the government announced in March 2001 that it would shift its attention and eradication efforts to include the Yungas.⁷³ In June 2001, the Bolivian administration moved its military to destroy the 1,700 hectares of excess coca in the

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⁷¹ Personal interview with a former high-level Bolivian government official involved in the implementation of *Plan Dignidad*, 14 September 2007.

⁷² Ibid.

The results of that decision would eventually put the government in a compromising position, consequently causing Bolivia to lose ground in the progress it had made toward the eradication of coca.

The decision was a disaster because the government did not follow its own tentative plan: it completely skipped the first three and ultimately more important phases, plunging directly into the last phase, which called for the possibility of deploying a security force. This demonstrated the failure of the new administration members to understand the critical underpinnings of *Plan Dignidad*—a public relations campaign and negotiations with *cocaleros*. Additionally, although most Bolivians disagreed with aggressive counterdrug strategies, *Plan Dignidad* was working and had enjoyed public support because it had targeted the region known for its illicit cultivation. The Yungas, however, was legally protected, and moving into it required a more diplomatic approach. Kathryn Ledebur, an analyst and scholar who has studied and worked in Bolivia advocating against aggressive counterdrug policies for some time, stated that, “This attempt to eradicate coca in the traditionally legal zone [Yungas] diminished public support for *Plan Dignidad* as the Bolivian people expressed frustration with shifting parameters for compliance with anti-drug goals.” Plainly, the decision to send security forces to the Yungas was an impetuous and misguided one.

As a result, the eradication forces that moved into the Yungas that June found themselves surrounded by thousands of campesinos. The paradigm adopted in the Chapare could not work in the Yungas because the region enjoyed partial protection under Law 1008 which authorized parcels of coca to be grown for the national market. Since the Yungas region had no defined areas where legal coca was to be grown, the majority of the Yungas population grew coca and attempted to blanket itself under the 12,000 hectares authorized by the law. In addition, the government had failed to engage

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76 Ledebur, “Coca and Conflict in the Chapare,” 6.
in the informational meetings and negotiations necessary to adapt the program to regional circumstances and make it palatable to the local population.

The standoff between coca grower leaders in the Yungas and the government ended with the Bolivian government promising never again to seek forced eradication in the Yungas. Gamarra states that the “... agreement [that] was signed in which the [Bolivian] government pledged to never forcefully eradicate coca in the Yungas... probably... averted a bloodbath. At the same time, however, it also signaled a turning of the tide against Plan Dignidad that would have an impact on the Chapare campaign.”

Indeed, the failed attempt only served to embolden and galvanize cocaleros from the Chapare. After the Yungas event, the government returned to the Chapare only to face a more determined cocalero coalition, as protests and demonstrations became more common and more violent.

**B. FALLOUT IN THE CHAPARE**

Cocaleros in the Chapare saw the government’s failure in the Yungas as an opportunity to force the government to cease forced eradication and to demilitarize their region. The eradication campaign, which had met with relatively little violence until this point, saw a significant increase in hostilities after the government’s failed push into the Yungas in June 2001. The Chapare region witnessed an upsurge in violent incidents between the government and coca growers as “cocaleros took a more assertive stance against U.S.-funded militarized eradication in mid-September 2001 by surrounding eradication camps and blocking troops’ access to replanted coca fields...Tensions in the region increased throughout September.”

During the post-Yungas demonstration in the Chapare from August 2001 to January 2002, “the high levels of violence and unrest spiraled...[and] there was an average of one death a week and one detainee and two wounded per day.” In 2000, there had been two fatalities and seventy-two injured coca

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79 Ledebur, “Coca and Conflict in the Chapare,” 1.
80 Ibid., 5.
growers; in 2001, those numbers increased to seven fatalities and 193 injured. By 2002, five more died and 145 more coca growers were injured. The increase in violence is clearly documented in Table 2.

Peasants now began to demand from the government that each family be allowed to retain a cato (1,600 square metres) of coca bushes for traditional use. By the end of October, the government threatened to push additional forces to the Chapare, and coca growers in the region responded by saying that they would “use all weapons at their disposal, including dynamite to defend their crops.” The rate of eradication in the Chapare slowed (although a total of 9,395 hectares were eradicated in the region during 2001). Chapare growers began a “massive illegal replanting [which] led to increased coca cultivation.” By the end of 2001, coca cultivation in Bolivia had increased to almost 20,000 hectares from 14,600 in 2000. By June 2002, coca cultivation had increased by 23 percent from the previous year. (See Table 3)

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<tr>
<td><strong>Coca</strong></td>
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<td>Cultivation (ha)</td>
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<tr>
<td>Eradication (ha)</td>
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<td>Net Cultivation (ha)</td>
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</table>


82 Ibid., 7.
83 United States, Department of State, International Narcotics Control Strategy Report 2002 (March 1, 2003), IV-6 and IV-7.
Furthermore, the state failed to close 15 illicit markets in the Chapare and prosecute violators who continued to grow and sell illicit coca. Responding to pressure from *cocaleros*, the government released several individuals detained for violating a government decree that threatened arrest and prosecution to individuals involved in transporting illegal coca from the Chapare.

Increased protest in the Chapare was also likely fueled by the failure of the government to ensure that alternative development worked in the region. It fell short of providing enough economic resources to make up for the deficit in family incomes. For a number of peasants, growing coca greatly supplements their already low family-income. And although the success of the plan brought further funding for alternative development, the impact of the program was very slow paced, and in 2001 “only about 12,000 of the total 35,000 coca-growing families benefited, not just from USAID, but also from all alternative development projects combined.” While the 2001 INCSR report provides somewhat higher numbers – claiming that as of September 30, 2001, “More than 16,167 farm families in 298 farmer organizations [were] receiving alternative development assistance in the Chapare…” – it remains that another 19,000 families failed to receive their share of alternative development funding or supplemental assistance.

By June 2002, a year after the attempted move into the Yungas, the government had not only lost control of the Chapare region but it also faced broader national dissatisfaction with its counterdrug policies as peasants from the Chapare began to rally in masses, blocking entrances to the capital city of La Paz. In response, the government “made broad concessions to *cocaleros* in order to maintain its legitimacy within Bolivia and to improve its political standing for the June 30 elections.”

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86 Ledebur, “Coca and Conflict in the Chapare,” 5.
88 Ledebur, “Coca and Conflict in the Chapare,” 1.

In August 2002, Gonzalo Sanchez de Lozada was elected president, having
promised during his campaign to demilitarize the Chapare and stop forced eradication. It
is not clear that Sanchez de Lozada intended to keep these promises; once in office, he
continued with the status quo, enforcing Plan Dignidad with very little flexibility despite
the recent turn of events.

Constant clashes between security forces and Chapare growers led to a three-and-
a-half month dialogue beginning in September 2002 between the government and coca
harvesters. Cocaleros demanded a temporary suspension of forced eradication to allow
for the dialogue and demilitarizing of the Chapare coca-growing region. Sanchez de
Lozada rejected a pause in eradication, arguing that it was the law, but he stated that he
might be willing to change Law 1008 to allow coca production for families in the
Chapare.89 Cocaleros further requested an objective study of legal coca consumption and
markets and a reevaluation of alternative development. The cocaleros said they would
respect the results of the study: if the demand for coca was greater, then they should be
allowed to grow the additional amount; if demand called for less coca, growers agreed to
eradicate freely. The dialogue partially worked, but the key points of contention were not
resolved.

Sanchez de Lozada was encouraged to maintain tough counterdrug policies by the
United States. During a November 2002 visit to Washington:

President Gonzalo Sánchez de Lozada warned President Bush that while
he would push ahead with coca eradication plans, he needed more money
to soften the impact on farmers. If he did not get that, he cautioned, he
would be back next year—seeking political asylum. He received only a
fraction of the aid he requested. Today he is living in exile in the United
States after a popular uprising.90

Sanchez de Lozada erred in going to President Bush as his actions were
interpreted by Bolivians as going to President Bush to ask for permission to pause

89 Kathryn Ledebur, “Coca Conflict Turns Violent,” Washington Office on Latin America, February
2003, 2.

eradication and not, as was intended, to request for help. As a result, coca growers drove this point to the public, undermining Sanchez de Lozada’s credibility in Bolivia. Furthermore, Sanchez de Lozada’s request to ease off on eradication was something that President Bush would not understand because the U.S. president was far removed from the realities of the situations on the ground. For this reason, many believe that pressure from the U.S. prevented Sanchez de Lozada from keeping his campaign promise to stop eradication and caused him to continue to push for eradication of coca as laid out in Plan Dignidad.

Sanchez de Lozada may also have been motivated by a fear that demilitarizing the Chapare would open the gates for the return of the powerful cartels. During the Sanchez de Lozada administration, the former Drug Czar of Bolivia was asked for his thoughts on the plans to demilitarize the Chapare. The former Drug Czar explained that during the presidency of Virgilio Barco, former president to Colombia during the late 80s, Barco’s initiative to remove the cartels from the county was so successful that it drove those same cartels to migrate to neighboring countries such as Peru, Ecuador, and Bolivia because those states were weak and easy to manipulate. Prior to the cartel migration, Bolivia only produced coca paste. The cartels taught Bolivians how to make hydrochloride, a purer form of cocaine, all while the Chapare enjoyed zero security presence. Therefore, the Drug Czar added, demilitarizing the Chapare zone could prove devastating if major cartels, perhaps even the FARC, again begin to populate and control that region. He concluded that this was a frightening thought because, if Mexico, for example, which has more established institutions and legal system than Bolivia, was having a challenging time controlling their own cartel problem, then it would be a terrifying experience for Bolivia.91 It is unclear how much this meeting impacted on the decision to maintain security forces in the Chapare, but it is true that Sanchez de Lozada never followed up on his promise to remove military forces from the Chapare.

The Chapare growers returned to the streets on January 13, 2003. The government responded with military forces, which resulted in the deaths of eleven

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91 Personal interview with a former high-level Bolivian government official involved in the implementation of Plan Dignidad, 14 September 2007.
people. A new dialogue took place on January 18, 2003, this time with President Sanchez de Lozada present at the negotiation table. One of the leading figures negotiating with the government was Morales. The four issues of contention were: (1) demilitarization of the Chapare coca-growing region; (2) modification of anti-drug Law 1008; (3) creation of an objective study of legal coca consumption and markets; (4) a break in eradication. The government rejected all these requests, attempting to postpone actions by promising other offers such as “… to make alternative development efforts more sustainable and participatory. Other offers [included] improvements in economic growth, health care, housing and infrastructure for basic services… The government also [planned] to accelerate efforts to give Chapare residents legal titles to their land.”

In October 2003, Sanchez de Lozada resigned after a series of demonstrations and protests calling for the President to step down from office. Although a portion of the indigenous population resented his U.S.-backed counterdrug policy, it was not the coca growers from either the Chapare or Yungas who pushed him out of office. His forced resignation had to do more with a combination of factors: (1) how badly the economy affected the poorer sectors of society, (2) the government’s project for a gas pipeline to run through Chile; and (3) the government’s use of force in repressing strikes and demonstrations. First, Bolivians in general were unhappy with neoliberal economic policies that were perceived as not benefiting the citizens. This dissatisfaction predated Sanchez de Lozada’s administration, and he inherited months of protests, strikes, and “road blockages that resulted in up to 80 deaths in confrontations with government troops” that continued to take place during his term. But the protest activities were exacerbated by Sanchez de Lozada’s decision to raise taxes on the poor and cut social

93 Ibid., 3.
spending. In addition, the Bolivian peasants became even more angered by the requirements the International Monetary Fund was placing on Bolivia.

Second, a proposal by Sanchez de Lozada to export natural gas via a pipeline that would run through Chile undermined his presidency. The “… decision by the Sánchez government to permit the export of Bolivian natural gas by transnational companies was the spark for the protests that led to the president’s resignation in October 2003.”\textsuperscript{96} The decision was particularly controversial because Bolivians still resent Chile for taking its coastal department of Litoral after defeating Bolivia in the War of the Pacific in 1879, thus denying the country any access to the sea.

The final event that led to Sanchez de Lozada’s resignation took place in October 2003 when he made a decision that showed preferential treatment. It began when Edwin Huampo, a close friend of Felipe Quispe, leader of the United Trade Union Confederation of Peasant Workers of Bolivia (CSUTCB), was arrested and sentenced for stealing cattle. Another individual who was arrested for the same crime was subsequently released after the Sanchez administration intervened in his favor. This incident led Quispe to call for a hunger strike demanding the release of Huampo. Despite hundreds of peasants going on strike, the government did not release Huampo. Quispe’s followers also forcibly detained a group of tourists in Huarisata by not letting them leave the hotel in which they were staying. The international community intervened, demanding the Bolivian government do something about the tourists’ plight. The government sent the military to free the group. Peasant workers reacted by attacking the military convoy, resulting in the deaths of some civilians.

Peasant workers responded to the government’s tough approach by setting up road blocks on La Paz’s four major highways that lead into the city. The roadblocks successfully blocked La Paz from receiving many necessities such as gas, basic foods, and medical supplies. The government set up convoys to bring these items into the city, but in El Alto, a town right outside La Paz, a military convoy was attacked and more people died. After this event, Sanchez de Lozada resigned from office. Therefore, it was

actually the peasants from the Alti Plano, La Paz, who forced Sanchez de Lozada to resign and for Bolivians to demand a constitutional assembly. 97

In sum, Sanchez de Lozada’s 15-month long presidency was not guided by any clear counterdrug policy. Instead, as during his first presidential administration, “his emphasis was on the economy [and] so he did not personally involve himself too much on the counterdrug front.” 98 In fact, he rarely met with coca leaders or visited the Chapare, whereas Banzer had been seen regularly in those areas, showing an interest in how everything was evolving. This lack of grand strategy and the increased and unprecedented international assistance (and pressure) Bolivia was receiving led Sanchez de Lozada to administer the status quo half-heartedly at a time when drug control policies needed to be either modified or vigorously defended and enforced.


With Sanchez de Lozada’s resignation in October 2003, Vice President Carlos Mesa became the interim President of Bolivia. He spent his first year in office appealing to the conglomerate campesinos from the Alti Plano, which included a very small percentage of coca growers, because it had been they who brought down Sanchez de Lozada.

In regards to counterdrug strategy, Mesa did not have a strategy and spent most of his time reacting to events rather than planning for and anticipating them. Coca growers continued to push for modifications of Law 1008, an end to forced eradication, and the demilitarization of the Chapare. Mesa proved to be reluctant to use military force to break up protests in the Chapare out of fear of the political consequences, which had already contributed to bringing down previous administrations, and this reluctance weakened his position. His administration characteristically stalled any efforts toward a

97 Personal interview with a former high-level Bolivian government official involved in the implementation of Plan Dignidad, 14 September 2007.

98 Personal interview with a former high-level Bolivian government official involved in the implementation of Plan Dignidad, 14 September 2007.
resolution on coca grower issues that needed resolution, until a decision absolutely had to be made—and then he felt he had no other choice but to succumb to the coca growers to rid himself of the problem.

This was the case in October 2004 when President Carlos Mesa, Morales and other growers arrived at an agreement that ameliorated the tension between the government and growers that had been fomenting since 2001. The agreement favored the *cocaleros* and ceded to them the majority of their demands. The agreement allowed Chapare citizens to grow 3,200 hectares of coca legally for one year (one cato per family); in return, the growers promised to destroy roughly 3,000 hectares. Legal coca crops were sold to intermediaries licensed by the government drug agency, which controlled the two legal coca markets. The one cato was to provide a family with a secure income of $70 to $110 monthly, which was intended as a safety net while alternative development programs were put into place. The excess harvest would be subject to voluntary eradication, rather than forced eradication.

The government stopped its forceful eradication of coca and agreed to conduct the activity jointly with families. Since security forces and coca growers understood the legal amount of coca permitted by the new agreement, families would designate which cato they chose to keep, and the government would eradicate the rest. Cooperative eradication, as it came to be called by the government, was seen by the *cocaleros* as gaining one more demand in their favor.

Another agreement reached with President Mesa involved the authorization of a legal market study of coca. *Cocaleros* had argued that there was a higher demand for coca than the 12,000 hectares that Law 1008 allowed. Growers stipulated that the market study should be conducted by a disinterested party. The United States or the Bolivian government could not lead the study, and everyone conceded that the Europe Union should be responsible for conducting the study. According to the president of a cocalero labor union, “Studies of the market for legal uses of coca leaves will show [them] how much is necessary for traditional and medicinal consumption of the plant. That could

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signify the need to modify Law 1008 because it could lead to an increase in the number of hectares on which cultivation is authorized.”

In sum, the Mesa administration ultimately gave in to coca grower demands because it was the only way for the government to gain some control over the unending protests, riots, and road blockages that affected the economy. According to the 2005 INSCR:

Political challenges to democratic governance in Bolivia severely limited the ability of the Government of Bolivia (GOB) to curb dramatic increases of coca cultivation in the Yungas. The besieged Mesa Administration, at times, seemed more concerned with containing possible confrontations with cocaleros through negotiation and concessions than with the consistent application of the rule of law. It also failed to give political support to GOB programs advocating drug prevention and to undertake an effective social communication program to explain the dangers that excess coca production, drug production and consumption pose to Bolivian society.  

E. IMPACT ON CULTIVATION (2001-2005)

Between 2001 and 2005, coca cultivation increased by 33 percent in Bolivia while eradication decreased by 36 percent. (See Table 4) The Sanchez de Lozada and Mesa administration were incapable of regaining the lost momentum.


<table>
<thead>
<tr>
<th></th>
<th>2001</th>
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<tr>
<td>Coca</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Net Cultivation (ha)</td>
<td>19,900</td>
<td>24,400</td>
<td>23,200</td>
<td>24,600</td>
<td>26,500</td>
<td></td>
</tr>
<tr>
<td>Eradication (ha)</td>
<td>9,435</td>
<td>11,839</td>
<td>10,000</td>
<td>8,437</td>
<td>6,073</td>
<td>5,070</td>
</tr>
</tbody>
</table>

SOURCE: United States Department of State, INCSR 2007

101 Ledebur, “Coca and Conflict in the Chapare,” 2.

Modest efforts to eradicate at least the minimum international requirements were being attempted, but overall Bolivia’s coca cultivation would continue to return to previous high numbers, and more significantly, Bolivian cocaleros had regained the moral high ground of the issue, diminishing the likelihood of aggressive eradication policies in the future.

F. CONCLUSION

Plan Dignidad was initially a stunning success. It virtually eliminated coca cultivation in the Chapare and drastically reduced the overall cultivation of coca in Bolivia to numbers never before achieved. The Plan’s main achievement came from implementing forced eradication and militarizing the Chapare region. Despite the social tensions caused by stationing the armed forces in the Chapare region, the significant increase in violence and human rights violations took place only after the government attempted to eradicate coca in the Yungas. The peasants in the Yungas were able to revolt successfully in part because the law permitted coca to be grown in the Yungas, whereas in Chapare it was illegal. The government had been successful in its public relations campaign surrounding the Chapare, in part because the illegality of growing coca in the Chapare meant that they had no allies outside the region. In addition, the government failed to lay any of the public relations groundwork as they had done in the Chapare, leaping immediately to the militarized phase four of the plan. The peasants were able to not only push back eradication forces, but also to convince the government to promise never to forcefully eradicate coca in the Yungas area. This agreement encouraged the Chapare to rally against the government in the same fashion in order to accomplish similar goals. The effect in Chapare was similar to that of the Yungas: the government gave the demands of the cocaleros.

Sanchez de Lozada entered office on the wrong foot after breaking his campaign promise to demilitarize the Chapare and end forced eradication. Although his stern approach to upholding Plan Dignidad caused much dissent among coca growers, Sanchez de Lozada’s resignation was not directly due to the cocaleros’ uprising, but from a combination of his taking the wrong approach to a dire situation and the Bolivians’ general dissatisfaction with the economy. Interim president Mesa, on the other hand,
avoided the coca problem in the Chapare as much as possible and made very few efforts to come up with a resolution; having no strategy and wishing to rid himself of the cocalero problem, he gave in to demands by coca growers. As a result, during the period of both administrations, coca cultivation continued to increase while eradication efforts decreased.
IV. THE ADMINISTRATION OF EVO MORALES (2006-PRESENT)

Coca grower federations across Bolivia exert tremendous influence on Bolivia’s polity. It was the cocaleros who in 2001 demonstrated and conducted roadblocks that prompted the government to concede to their demands and played a part in forcing Sanchez de Lozada from the presidency. In December 2005, Evo Morales, the leader of a cocalero union from the Chapare region, rose to the Bolivian presidency on a radical platform calling for an end to coca eradication and the abolition of Law 1008. Once in office, Morales continued his rhetoric about the sacredness and importance of the coca leaf to the peasantry, slowed eradication efforts to minimal international requirements, and pushed the international community to accept industrial uses of the coca leaf. He changed many of the provisions of Law 1008 through presidential decrees, though he has refrained from revoking the law. At the same time, he has promised to step up interdiction efforts to prevent the production and trafficking of cocaine.

In many ways, Morales’ administration confirms the academic wisdom about the reasons Latin American governments will not implement tough counterdrug policies. First, Morales views drugs as a U.S. problem and believes that the United States should control its internal demand for drugs. Second, under Plan Dignidad, eradication caused a 3% drop in the gross domestic product (GDP), which Bolivia can ill afford and which Morales hopes to recoup.103 Third, as a former cocalero leader, it is no surprise that Morales would be receptive to the demands of this pressure group. Finally, while his administration is susceptible to international pressure, this is only enough to generate minimal compliance with counternarcotic requirements. Despite the explanatory power of these four factors, an understanding of Morales “grand strategy” remains important for assessing Morales’ counterdrug policies. For example, Morales has a vision to transform the role of coca through industrialization, which requires a lax counterdrug strategy. In addition, Morales’ grand strategy for Bolivia’s development emphasizes hydrocarbons and constitutional reforms, leaving counterdrug policies in a secondary plane that allows

103 Vice President Jorge Quiroga’s presentation to U.S. Congress, February 2001.
some room for negotiation with the United States. This grand strategy also requires a level of international cooperation that motivates a greater level of pragmatism in the government’s counterdrug strategy than one might expect from a former cocalero leader.

This chapter will also address the growing debacle over the effectiveness and sustainability of Morales’ counterdrug policies. While Morales’ policies may not match U.S. preferences, some analysts believe that his close ties to the coca growers may place him in a position to adopt effective counterdrug measures that are acceptable to his coca growing constituency. Morales’ policy of cooperative eradication, they argue, could achieve their objectives while preventing human rights violations and being sustainable. In 2005, the United Nations offered numbers that indicate voluntary eradication has been successful. Conversely, critics of Morales argue that his policies are ineffective as they lead to the increase of coca cultivation and drug traffickers’ increased interest in Bolivia due to its growing availability of coca. Thus, ineffectual policies such as these only serve to tip the scale in favor of traffickers, making it inconsequential to sustain such policies. This chapter shows that the latter position is more credible.

A. MORALE'S PRESIDENTIAL PLATFORM

Evo Morales played a significant role during the negotiations with the previous administrations which ended in a successful resolution to many of the cocaleros’ demands. Before reaching the presidency, Morales’ tone was clear and resolute, calling for immediate government satisfaction of cocalero demands. On January 21, 2003, for example, he “threatened to launch a campaign to unseat the government if it [did] not respond quickly to the demands of coca farmers manning a roadblock on the country’s main highway for the past week.”104 When President Sanchez de Lozada requested demonstrators to disband and return back to negotiations with the government, Morales and a large conglomeration of unions said “they would take even more radical measures if the government failed to respond to their demands....”105 Morales’ reactions as a cocalero leader were forceful and called for immediate responses, and his unbending

persistence to resolve the issues affecting *cocaleros* made it appear that, once in office, his first priority would be to address and resolve, once and for all, the coca conundrum. Based on his radical requests as a presidential candidate, it would not be surprising to see Morales as President completely throw out Law 1008 and remove coca from the list of controlled substances within Bolivia. In March 2004, Morales, as a congressman, was trying to pass legislation that clarified that Law 1008 did not require forced eradication.\(^{106}\)

It is important to note that counterdrug policy was only one of many issues on which Morales was elected. Despite the claim by some that *Plan Dignidad* was the driving force to bringing Morales to power, Clare Ribando suggests there were additional factors “…that may have led to his victory includ[ing] the perception that pro-market economic reforms had not benefited the majority of the Bolivian population; the corruption of the traditional parties that had ruled since 1982; and the tough, nationalistic positions he has taken against foreign investors.”\(^{107}\) The reality is that the Bolivian people wanted a change. They felt that previous governments were not looking out for what was best for the country. Morales also campaigned on this note, which summarizes his own grand strategy of economic and social development by reducing poverty and racial discrimination,\(^{108}\) carrying out land reform, and securing higher revenues for Bolivia from the extraction of its natural resources.

As a result, coca has not been the foremost issue on Morales’ policy agenda. Instead, the new president has spent his time and influence addressing issues of land reform and the “nationalization” of Bolivia’s oil and gas sectors. By consenting to coca growers, his base support, Morales is “buying social peace.”\(^{109}\) Meanwhile, it is also important for Morales to deliver to his own constituency because, after all, it is they who

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\(^{108}\) Personal interview with a highly-placed U.S. government official working in Bolivia, 14 September 2007.

\(^{109}\) Ibid.
brought him to power. So although Morales’ priorities, again, fall more in line with nationalizing the country’s natural resources and land reform, he must continue to play out his defiance against those who push for aggressive counterdrug strategies.

B. MORALEAS AS PRESIDENT

 Once in office, Morales revealed his fourfold drug control agenda: to eliminate forced eradication and implement cooperative eradication (later termed “Rationalization” by the Morales administration); to focus on interdiction as the main plank of drug control efforts; to conduct an independent study to discover whether there was a market for the sale of coca; and to review the alternative development program, investment in infrastructures, and promotion of small businesses. Morales does not promise a policy of “zero coca.” Instead, the slogan is “coca yes, cocaine no.” This is to indicate that the fight is not against peasants planting the crop, but against drug traffickers who use coca to make cocaine. He seeks to differentiate between coca as a plant and cocaine, the illegal drug.110 As a result, he argues that the demand for cocaine also needs to be addressed: “Morales’ approach to the coca issue is that the cocaine problem should be solved on the consumption side, not by eradicating the coca plantations and by sending more military into the coca-growing regions.”111 Morales hopes to extend the cooperative approach to coca-growing areas outside the Chapare without the social conflicts that have taken place in the past. Interdiction efforts and targeting money laundering and corruption are prioritized over eradication efforts, all while recognizing “…the cultural, religious, health and other positive attributes of the coca leaf.”112 The endstate of his strategy is the industrialization of coca for licit uses.


C. COOPERATIVE ERADICATION: AN EFFECTIVE AND SUSTAINABLE APPROACH?

Many believe that Morales’ policy of cooperative eradication is promising and could finally bring positive results on the War on Drugs: “As a coca grower himself, President Morales has an unprecedented opportunity to devise a drug control strategy that enjoys significant support within the country, and that could achieve the kind of durable results that have proven so elusive.”113 His prominence with the cocaleros gives him an advantage for negotiating with the local peasants and reaching promising agreements. His administration is already engaged in dealing with local coca unions to identify areas that need to be eradicated. In the Yungas, for example, the government has been able to strike deals with Yungas’ representatives; cocaleros in La Sunta, Yungas, agreed to eradicate between 1,000 – 1,500 hectares in exchange for 11 million dollars of alternative development.114

The process of eliminating coca crops, however, has become more bureaucratic than action driven. Hence, the number of hectares under cultivation seems to be increasing rather than decreasing. According to the United Nations Office on Drugs and Crime in 2006, Bolivia’s “… coca cultivation rose eight percent to 27,500 hectares, due to increases in the main cultivation regions, Yungas of La Paz and Chapare.”115 By the end of 2006, Bolivia had eradicated 5,070 hectares of coca, surpassing its goal of 5,000 hectares by only 70 hectares of coca.116 This compares unfavorably with the 6,073 and 8,437 hectares eradicated in 2005 and 2004, respectively.

Morales’ cooperative eradication efforts have been undermined by a number of concessions he made to cocaleros upon assuming office. He expanded to every coca growing family in Bolivia the right to grow at least one “cato” of coca; President Mesa

114 Personal interview with a highly-placed U.S. government official working in Bolivia, 14 September 2007.
had extended this right only to families in the Yungas. In June 2006, Morales announced a new ministerial resolution that states that coca will no longer be controlled, but will be cultivated for health, culture, and nutrition. According to Law 1008, coca can be sold only in two government-controlled markets, in La Paz and Cochabamba. Under the new resolution, however, any licensed vendor can cultivate, transport, and sell coca.

Law 1008 stipulates that excess coca that has been seized from persons will be burned in order to prevent it from being used to make cocaine. The new ministerial resolution, however, undermines this mandate by requiring that excess coca be auctioned instead of burned. Furthermore, Law 1008 is also clear that all undocumented coca leaf will be confiscated by the Bolivian drug task force unit, the organization responsible for the control of the legal transportation of coca. The published Ministerial Resolution states that a percentage of illegal coca seized from a person will be returned to the violator. The person responsible will not be subject to any formal legal proceedings; the violator’s punishment, instead, is to lose forty percent of the coca on the first infraction, sixty percent on the second infraction, and the entire amount the third time.

The Ministerial Resolution was a smart way for Morales to accomplish his objective while not overturning Law 1008. It demonstrates how Morales does not intend to follow U.S. sought policies. Although the ultimate goal is for Law 1008 to be overturned, this is very unlikely to happen because Morales’ party lacks the necessary votes in the senate and because the United States and Europe would likely object. Still, Morales is working on draft legislation to revise Law 1008. The change would be to allow an increase of up to 20,000 from the current 12,000 hectares for cultivation, an additional 8,000 for the Chapare for coca growth. The proposal stipulates that eventually the 20,000 hectares would go down to 16,000 hectares.117 The Ministerial Resolution helps Morales gain political support from his constituency base, but it completely undermines coca eradication efforts.

Interdiction under President Morales has been reasonably successful, but not dramatically different from the successes of previous administrations. This is to say that

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Morales’ interdiction overall has been reasonably successful, but not sufficient. The credit goes mainly to the counternarcotic units who are effective, professional, and who have made some advances against corruption.\(^{118}\) Interdiction, since 2001, has strikingly gone up - increased amounts per seizures and more frequent seizures. The Drug Enforcement Administration attributes this to four factors: 1. better intelligence; 2. better tactical operations; 3. Bolivia’s increased role as a cocaine transit route from Peru to Brazil and other Southern Cone countries; 4. an increase in coca leaf production.\(^{119}\) Coca cultivation is definitely out of control and has brought increased cocaine. Families who were formerly never involved in narcotrafficking are now doing so, and their reasoning is, “I don’t care what they do with the coca, I’m just selling them leaves.”\(^{120}\) In an interview on November 7, 2006, U.S. Ambassador to Bolivia, Philip Goldberg, stated that the United States sees the eradication of coca as a pillar to controlling narco-trafficking; one cannot separate coca from cocaine, as Morales attempts to do, because more coca will help produce more cocaine.\(^{121}\)

Since Morales came into office, interdiction statistics have increased from 2004-2006. In 2005 and 2006, seizures of cocaine/base exceeded 11 metric tons and 14 metric tons, respectively.\(^{122}\) Prior to 2006, each pit produced about one kilo of coca per day. Today, Bolivian producers employ the Colombian method which uses leaves that are still green, yielding two to three kilos per day per pit. In fact, between the twelfth and eighteenth of September, 2007, sixty-one labs were seized (each lab has between 1-3 pits) and a total of 81 pits were found in the Chapare. In the area of Potosi, 30 kilos of cocaine were seized in 2006; during the first nine months of 2007, over a ton was captured.\(^{123}\)

\(^{118}\) Personal interview with a Drug Enforcement Special Agent assigned to Bolivia, 17 September 2007.

\(^{119}\) Ibid.

\(^{120}\) Ibid.


\(^{123}\) Personal interview with a Drug Enforcement Special Agent assigned to Bolivia, 17 September 2007.
Intelligence has pointed out that a high influx of cartels, mostly Colombians and Mexicans, are beginning to show up in the Bolivian city of Santa Cruz; in that same city, an average of 156 kilos a month is seized. (See Table 5)

<table>
<thead>
<tr>
<th>Bolivia Statistics (2001-2006)</th>
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<tbody>
<tr>
<td>Seizures</td>
</tr>
<tr>
<td>Coca Leaf (mt)</td>
</tr>
<tr>
<td>Coca Paste (mt)</td>
</tr>
<tr>
<td>Cocaine Base (mt)</td>
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<td>Cocaine HCl (mt)</td>
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<tr>
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<tr>
<td>Agua Rica [4] (litr)</td>
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<tr>
<td>Labs Destroyed</td>
</tr>
<tr>
<td>Cocaine HCl</td>
</tr>
<tr>
<td>Bass</td>
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</tbody>
</table>

[1] The reported leaf-to-HCl conversion ratio is estimated to be 370 kg of leaf to one kg of cocaine HCl in the Chapare. In the Yungas, the reported ratio is 316:1.
[3] Most coca processors have eliminated the coca paste step in production.

Source: 2007 INCSR

Table 5. Bolivia Seizure Statistics 2001-20006

Morales’ policy is incoherent because he wants social peace in his base and sees a key role for coca in Bolivia society and economy. At the same time, he cannot have unlimited coca—because it affects him internationally and domestically, where crime rates are increasing as a result of increased cocaine production. In addition, problems with drug use in Bolivia are increasing; according to the 2006 INCSR, “Bolivia’s own...”

124 Personal interview with a Drug Enforcement Special Agent assigned to Bolivia, 17 September 2007.
consumption of cocaine products now approaches levels of use in the United States, when measured in terms of users as a percentage of population.”

Interestingly, although prior to the election, Morales’ political platform was one of solving problems without death and injury to society, he has not been able to make this platform work, and protests end up in violence and claim the lives of participants as well. On September 29, 2006, during Morales term as president, two coca growers were killed during a confrontation between security forces and coca growers. President Morales, has continued to maintain the same number of military personnel in the region. Today, as in 2001, there are 800 soldiers, 100 ecological police, 400 national police in Chimoré, Cochabamba.

D. THE LEGAL COCA MARKET: APPEALING TO EUROPE AND LATIN AMERICAN ALLIES

Bolivia is a country that heavily relies on external aid and loans for a large portion of its budget. The United States and European Union are huge donors of money to Bolivia, but happen to believe in different approaches to fighting the drug problem in the region. A president’s grand strategy guides how he will deal with each international actor, specifically the European Union and the United States. Bolivia receives significant amounts of money from both the European Union and the United States; but how much influence do the EU and the United States truly have over Bolivia? A review of the

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128 Personal interview with a Bolivian government official who had personal knowledge of the information due to his position and duties during the execution of Plan Dignidad, 17 September 2007.


expectation, policies, and requirements of each external actor can help one to better understand why Morales’ grand strategy is framed around cooperation with the European Union. Despite this, he continues to meet the minimum requirements of the United States and seeks $598 million dollars through the U.S. State Department’s Millennium Challenge Account for infrastructure development and small/medium business promotion.

European Union programs in Bolivia are designed to help the government strengthen institutions, infrastructure, education, and indigenous integration. The European Union emphasizes alternative development as the primary means to fight the cultivation of excess coca destined for the production of cocaine. Although the EU does express a need for eradication, it is not as concerned with eradication as the United States. More recently, the European Union countries have grown concerned about “the lack of improvement in eradication and alternative development”131 efforts by the Bolivian government.132

As one of the leading providers of financial aid to Bolivia, Europe can wield significant leverage on Bolivia’s counterdrug policy. The European Union provides roughly 324 million euro annually (equivalent to approximately 469 million dollars) of total assistance to the country, second only to the aid the U.S. provides to Colombia.133 About 53 percent of the assistance from Europe is disbursed by the European Union in financial, technical, and economic cooperation involving regional physical integration, alternative development, water sanitation, food security, disaster management, etc. The rest of the aid is channeled by member states that contribute funding for a variety of programs including administrative and judicial reform, civil society, rural development, health and child care programs, water sanitation projects, and education.134

Morales’ move to nationalize the gas industry gained Bolivia substantial influence in the European Union. After Morales’ victory, Morales was invited to Europe to address

132 Ibid., 26.
133 Ibid., 25.
134 Ibid.
concerns about his nationalization plans. Morales signaled that he would allow foreign investors to continue to manage and run Bolivia’s hydrocarbon industry and that they would also continue to see profit, but that Bolivia would now be asking for a higher percentage payback from previous times. Although many European countries made conciliatory gestures such as forgiving the Bolivian debt, Morales insisted that nationalization will occur and explained what that process meant to foreign investors. He asserted that “foreign companies would see returns on their investments, but as partners, not owners.”

Europe continues to cooperate with Bolivia in order to protect European foreign investors. Since a good number of investors and private companies running Bolivian gas plants come from the European Union, this gives the new Morales’ administration a card to play. Morales understands the leverage that he has in Europe, and he attempts to divert the attention from eradication of coca to resolving the dilemma of Europe’s foreign investment.

The European Union had already earmarked approximately 420,000 dollars to conduct a market study for the national demand of coca prior to Morales coming into office. The European Union agreed to the study to determine how much coca should be allowed to be legally grown in the country. Morales’ intentions are to industrialize coca and export the leaf. Europe, however, does not support the industrialization of coca.

There are two main reasons why the industrialization of coca is not supported by the European Union: first, coca leaf has been designated as a controlled substance by the United Nations; second, Europe (like the United States) believes the industrialization of coca would only generate greater quantities of cocaine. Nevertheless, the European Union’s Statistics National Institute is about to submit a proposal for the conduct of the study; the study will “begin this month [October 2007] and end 18 months later [which

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136 Ibid.
Morales hopes] will vindicate his decision to increase this year's coca leaf production from 29,652 acres to 49,421 acres.”

Cocalero unions expect that after a market study has been conducted, the finding will allow them to expand their coca crops. Many expect that products made from coca will be able to be exported to other countries. Since industrialization is a major goal of the cocaleros, they push Morales to remove the coca leaf from the United Nation’s list of controlled substances. If the survey calls for the harvest of less coca, Morales will face intense pressures from both external actors. It will also hurt him politically, for it may undermine some support from the cocaleros.

Morales is aligning with Venezuela and Cuba in an effort to show that those countries have a demand for products made of coca leaf. In February 2007, Venezuelan president Chavez met with Morales in Caracas to finalize a trade deal on coca products between the two countries; Venezuela promised “…to buy whatever legal products Bolivia could make from coca leaf…” In addition to providing a market for coca products, Venezuela and Cuba have promised to provide technical support on the production and construction of Bolivia’s three factories for legal coca products, which are already underway. By aligning himself with Venezuela and Cuba, regardless of what the European Union study shows, Morales will still be able to push for industrialization based on a market he created.

E. THE UNITED STATES

This only leaves the United States to push for eradication of the leaf, but the United States has little pull with Morales outside the Andean-U.S. Free Trade Agreement; threats of decertification are also futile because Morales intends to meet minimal requirements. Morales wants to join the United States Free Trade Agreement


140 Ibid.
and continue to receive U.S. aid. In order to appease the U.S., Morales will continue to negotiate with American officials. On November 17, 2006, Morales told La Razon, a Bolivian newspaper, that any negotiations made with the United States would be done through talks and not through statements being exchanged through the press.141

The U.S. government’s official position is that both governments should continue to be engaged with one another, and so cooperation continues at various levels. Nevertheless, the U.S. government grows concerned over the increasing negative rhetoric against the United States, which may cause a deterioration of relations in the future. Most significantly, relations may take a downward turn given the Bolivian government’s new ties with Iran. Another U.S. concern, which may also affect bilateral relations, concerns the possibility of cartels beginning to move in and take larger control of the drug trade in Bolivia. Interestingly enough, the U.S. Congress, in fact, just extended Bolivia’s antinarcotics assistance; as one government official noted, “because Morales has not failed demonstrably, the U.S. can’t decertify.”142 In the end, Morales does not want to be seen as weak or caving in to U.S. demands. This leads the United States to approach Morales in chambers rather than in the public forum. If agreements between the two countries are made and appear favorable to U.S. interests, these will not be made obvious to the coca growers for fear that Morales will be viewed as weak and betraying his own constituency.

F. CONCLUSION

Morales’ counterdrug policy is subservient to his grand strategy. Relaxing the coca eradication policy, for example, is not only playing to his constituency, but also contributes economically by providing a secure income for coca growers. This helps, at least in the short term, the poor receive some income; and, it sustains the respect for the sacred leaf, which is symbolic to the indigenous population. This is consistent with the

142 Personal interview with a highly-placed U.S. government official working in Bolivia, 14 September 2007.
“tough, nationalistic position,” he has taken to secure higher hydrocarbon revenues for Bolivia while also pushing for a land reform believed to benefit a larger pool of society.

Morales is effectively balancing all of the actors who have an interest in Bolivia’s counterdrug policy. The manner in which he balances between these pressures creates Bolivia’s current counterdrug policy. The strongest groups he faces are Europe, United States, and the cocaleros. Since Morales relies on the coca harvesters for political support, he tailors his rhetoric to them. The October 2004 concessions granted coca harvesters many of their demands. Morales’ Ministerial Resolution gave them the rest of what they wanted, without needing to overturn Law 1008. As long as Law 1008 stays intact, Morales can assert to the United States that it is “business as usual.” At the same time, the Morales administration continues to negotiate with the United States behind closed doors, while Morales takes stronger stands in public. In the open forum, Morales is going in the complete opposite direction from where the U.S. wishes him to go. Yet, it should not come as a surprise that Morales would check with and try to get a feel from the United States before adopting drastic law and measures, like introducing changes to be Law 1008. International aid is crucial to Morales’ grand strategy, thus he deals with Europe by using “nationalization of natural resources” rhetoric. Although the market study was the driving force to his proposed counterdrug policy during his campaign, he will benefit most if that study is prolonged.

Meanwhile, Bolivia’s liberal coca policies contribute to an increase in the country’s coca cultivation, and thus create a lax environment for increased coca production. On this, the facts speak for themselves: cocaine/base production has significantly increased, resulting in a corollary increase of interdiction numbers by law enforcement. Bolivia’s law enforcement accomplishments can be characterized as successful; experts point out that law enforcement in Bolivia has improved in areas of intelligence and tactical operations. Unfortunately, the vast number of coca leaves available means even the most experienced and trained agency will be unable to capture a large portion of the drugs produced in the country. Likewise, even the most experienced coca grower may not quite understand the international, and, most importantly, national impact his means of pursuing a livelihood are causing.

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V. CONCLUSION

For the over thirty years, counterdrug policies in Latin America have been a prevailing topic among academics and policymakers. Overall, Latin American countries and the United States continue to disagree on what is the right mix of policies needed for an effective and sustainable counterdrug strategy; hence, inconsistent and oscillating antinarcotics strategies usually are the result, as new presidents attempt to adopt their visions. Scholars and policymakers have long battled over the correct approach; a myriad of proposals have been offered to those responsible for shaping and forming policies. As this thesis has shown, however, the formulation and implementation of effective and sustainable drug control policies is not just a technical matter, but rather a deeply political process that goes beyond “knowing” the right mix of interdiction, eradication, and education. Therefore, a better understanding of the politics behind both the formulation and implementation of drug control policies is fundamental for advances in the war on drugs. This chapter reviews the thesis’ findings on the factors that shape the formulation and implementation of effective and sustainable drug control policies. It then offers policy recommendations and suggestions for future research based on these findings.

A. THE FORMULATION AND IMPLEMENTATION OF EFFECTIVE AND SUSTAINABLE DRUG CONTROL POLICIES

This thesis has demonstrated that there are a number of factors that must be taken into consideration when trying to understand Latin America’s counterdrug policy. Academics typically identify four factors that work against the formulation and implementation of tough counterdrug policies: (1) the view that the drug problem is primarily one of U.S. demand; (2) the central role of drugs in the economy; (3) pressures from domestic interest groups; and, (4) the inability of international pressure to secure anything more than superficial compliance. In contrast, U.S. policymakers tend to stress that “political will” can overcome these obstacles and that it is the most important factor needed to gain ground in the War on Drugs.

The thesis argues instead that the formulation of counterdrug policy is shaped primarily by a president’s “grand strategy” for economic and political development. In
essence, a president will identify strategic goals for his or her administration and everything else will become subordinate to the overarching goal. “Political will” is largely linked to this grand strategy; in addition, a president’s grand strategy shapes a government’s views on the nature of the drug problem, its perception of the impact drugs have on economic development, and its approach to handling domestic and international interest groups. In the case of the Banzer administration, the president’s overall grand strategy was designed to create an economic, social, and political environment fertile for foreign investment. All decisions Banzer made as president, in particular the adoption of Plan Dignidad, were in support of his grand strategy – to develop Bolivia economically and make it the center of energy in South America. This required heavy foreign investment not only to build plants that would transform the gas into liquid gas, but also to build a pipeline through Chile that would facilitate shipment to California. For this vision to succeed, Banzer believed that Bolivia would need an image free from the stigmas of corruption, contraband, and narcotrafficking. Banzer needed to implement policies that would strengthen his country’s, as well as his own, credibility in the international forum, thus increasing the amount of foreign assistance to his country and, of course, gaining U.S. favorability and assistance in facilitating international loans and debt relief.

President Sanchez de Lozada, in contrast, had a grand strategy for the economy, but it was silent on the issue of coca cultivation and drug trafficking. As a result, Sanchez de Lozada’s 15-month long presidency was not guided by any clear counterdrug policy. Instead, as during his first presidential administration, “his emphasis was on the economy [and] so he did not personally involve himself too much on the counterdrug front.”

This lack of a grand strategy and the increased and unprecedented international assistance (and pressure) Bolivia was receiving at the time led Sanchez de Lozada to administer the status quo half-heartedly during a period when drug control policies needed to be either modified or vigorously defended and enforced. In contrast, President Mesa -- as an interim president faced with growing societal unrest -- lacked any kind of a

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143 Personal interview with a former high-level Bolivian government official involved in the implementation of Plan Dignidad, 14 September 2007.
grand strategy. As a result, he simply made concessions to interest groups in order to preserve social order. Finally, President Morales has governed the country not so much as a single-issue former cocalero, but rather as a leader with a grand strategy for his country’s development. Understanding the role of coca within this vision is important for understanding his drug control policies.

A second major argument of this thesis is that Plan Dignidad was not only an effective counterdrug plan but it also could have been sustainable, if not for the ill-fated push into the Yungas. While it is impossible for analysts to ignore the early gains of Plan Dignidad in eradicating coca in the Chapare region, most view it as an unsustainable policy because it was based on forced eradication and the militarization of the region. On the contrary, this thesis shows that the success of Plan Dignidad was rooted in a systematic series of talks and public relations campaigns to deal with coca growers during various phases of the strategy. Most significantly, negotiations with leaders of peasant organizations appear to have been important in preventing an initial violent response to the government’s forced eradication efforts. The Banzer government began negotiations with leaders of the coca federations over eliminating the compensation to individuals as an incentive for eradication and, subsequently, introduced new community incentives, instead. As a result, the implementation of Plan Dignidad in the Chapare was met with far less societal resistance and violence than most analysts had predicted, as revealed in Chapter II of this thesis.

Chapter III traces the setbacks in Plan Dignidad to the government’s reckless decision to move into the Yungas without the necessary preparation. The government’s plan was to adopt negotiations and strategies in the Yungas that paralleled those used in the Chapare. The government, however, did not follow its initially intended four-phase plan, but instead skipped ahead to the fourth phase – bringing the military in to implement forced eradication, without previously laying the necessary groundwork. Not surprisingly, the move into the Yungas failed and this failure served only to galvanize coca growers in the Chapare who were then able to rollback previous gains.

The Sanchez de Lozada and Mesa administrations were unable to deal effectively with the crisis that erupted in the Chapare post-June 2001. On the one hand, Sanchez de
Lozada came into office with promises he did not keep and continued his reliance in favor of Plan Dignidad measures that already had been weakened by the push into the Yungas. Also, Sanchez de Lozada made several political decisions that, in the eyes of the Bolivian population, mired his reputation as president: for example, pushing forward the gas pipeline through Chile during tense times; not resolving the Huampo problem at the outset; and failing to revitalize the economy. On the other hand, Mesa initially did not deal with the Chapare growers and attempted to avoid the situation as much as possible. Mesa did not have a new strategy to replace Plan Dignidad; instead, when there was absolutely no choice but to negotiate, Mesa gave in to the coca growers so that he would rid himself of the problem.

Chapter IV shows how the Morales administration largely confirms conventional wisdom about why Latin American countries avoid adopting aggressive counterdrug policies, but also calls attention to Morales’ grand strategy, which is based on reducing poverty and racial discrimination, advancing land reform and securing higher revenues for Bolivia from the extraction of its natural resources. His policy of “cooperative eradication” serves, more importantly, to support his greater vision for the country. Despite continued pressure from the United States, Morales has only met minimum eradication standards. Morales’ rhetoric on behalf of coca growing and his failure to eradicate have facilitated the growing of coca. The easy ability to make money from coca in the illicit market has pushed more and more families into the business. An interesting phenomenon is the reverse migration of city dwellers, who were once coca growers, back to the fields. Although interdiction efforts appear to be more successful than those of his predecessors, the reality is that the overabundance of coca has led to increased coca production in the country, which has led, in turn, to more targets of opportunity for interdictors. In fact, interdiction efforts continue to be similar in effectiveness to previous administrations. Today, though, the presence of Colombian and Mexican traffickers is more notable than in previous years.
B. POLICY RECOMMENDATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

Understanding a president’s grand strategy is crucial for determining what type of counterdrug policy a Latin American government will seek; how aligned that policy will be with that of the United States; and how susceptible that administration will be to U.S. pressure. Banzer and Sanchez de Lozada, for example, both believed in a grand strategy based on the kind of neoliberal economic policies favored by the United States. Based on this coincidence of U.S. and Bolivian government interests, it might be expected that both presidents would be equally receptive to U.S. preferences for tough drug control policies (and have the “political will” to carry them out). This was not the case, however, since a president’s grand strategy involves more than just economics. Banzer’s grand strategy incorporated clear ideas on the need to defeat corruption and end the Bolivian stigma of hosting narcotraffickers. The aging Banzer wanted to leave behind a legacy of having ended the coca problem in Bolivia. Sanchez de Lozada, on the other hand, pushed for neoliberal economics but limited his efforts to that venue. He did not significantly involve himself with counterdrug policies in either his first or second presidential administration. Finally, Morales’ grand strategy is grounded in the idea that cultural rights must be respected and the poverty gap reduced. However, it is important to note that his lax policies on eradication are motivated more by providing a steady income to coca growers than by displaying defiance to the United States. This has allowed the United States more room to maneuver in its dealings with Morales than many would have thought possible based on his background as a cocalero.

The thesis also offers important lessons about how “political will” should be understood. Too often, policy makers interpret “political will” as a government’s willingness to ignore pressure from interest groups. This thesis shows, however, that the ability to implement policies often depends on a government’s ability to acknowledge and negotiate forcefully with interest groups such as cocaleros. These interests groups are not going to go away, and they will continue to be strong factors affecting the formulation and implementation of Bolivian counterdrug policy. According to this study, one can infer that coca growers seek: (1) steady income; (2) respect of their culture; (3) bipartisan relations with the government. This study suggests that each factor should be
studied and analyzed to understand it better and to find common grounds with that specific factor in order to arrive at an effective and sustainable policy that can be implemented.

The thesis shows quite clearly that “forced” eradication still requires negotiations. The move into the Yungas failed because it did not adopt the negotiations part of the proposed plan for the region. The government’s decision to move into the Yungas ignored the first three and most crucial phases of the plan, which called for the government to negotiate, persuade, and sell to the Yungas coca growers the benefits of a Plan Dignidad-like strategy in their area. The decision to move into the region was doomed to fail because the government went directly into a show of force. Arguably, the government’s energies would have been better spent on consolidating its gains in the Chapare.

Negotiations with coca growers over eradication are crucial. Negotiations show that the government respects the coca growers as a group and does not intend to marginalize them; simultaneously, the government is also showing respect for the growers’ culture and respect of the “sacred leaf.” Much of Morales’ rhetoric, for example, surrounds the accusations that previous administrations did not treat coca growers with dignity and respect, which led to unnecessary human rights violations.

Negotiations and the law must be firm and conducted within the boundaries of Law 1008, which should be specific and applied. The government must be clear on what areas exactly are authorized for coca growing and what areas are simply illegal for the cultivation of coca. The military and coca growers enter into conflicts in the Chapare because Law 1008 has designated the region a transitional zone. Identifying this region as such, does not give the government full autonomy and authority to destroy coca in that region. A transitional zone continues to enjoy quasi-protective status, and the vagueness of this designation allows both parties to be in the right. Under its transitional status, Chapare cocaleros believe they are morally protected and, at least partially, protected under the law as well. It is necessary for Law 1008 to be definite and specific as to the status of the Chapare – legal or illegal zone - to avoid the prolonged conflicts. Forced eradication, then, would also confront much less resistance, and sustainability could be
achieved. Negotiations over this are necessary to help legitimize Law 1008, which should then be firmly enforced. The government should not agree to treaties that violate Law 1008 because this undermines the rule of law. Furthermore, bending the rules only creates a precedence and justification for every future president or coca grower leader to try and shape or modify the law to meet his or her own objectives. The law should be firm and clear so that party negotiations can take place on legitimate grounds and in the best interest of everyone.

Negotiations should consider and adopt those legitimate claims brought by cocaleros. Alternative development, for example, has been a topic of contestation among coca growers. They argue that alternative development is not working in certain areas, that funding is not directed down to the people that need it the most, and that a bureaucratic hierarchy slows the trickling process and allows money to remain in the higher echelons of the system. Most experts agree that this is a problem that needs to be addressed, but it is difficult to fix this problem without involving the growers. However this solution is accomplished, the government should consider two suggestions to ameliorate this process. One is for the government to solicit coca grower leaders who can advise and cite the problems and gaps in the current alternative development process. Second, the government should consider offering job opportunities other than farming to growers. Factories, for example, could be built in areas where feasible and additional community infrastructure could be built to provide benefits to ex-coca growers.

Finally, a combination of stick and carrots is needed – all negotiations do not work, as the Sanchez de Lozada and Morales administrations show. Forced eradication is necessary, plainly, because it helps keep a balance on the supply of the main ingredient of cocaine. In addition, a public relations campaign emphasizing the importance of gaining a handle on excess coca and narcotrafficking is equally important in negotiating with the cocaleros. Public pressure needs to be brought to bear on the cocaleros to gain concessions. Banzer did this effectively by linking illegal coca growing in the Chapare with drug trafficking. Today, excess coca production can be blamed for a series of societal ills and the argument can be made that the overabundance of coca plants brings
more harm to the country than good. For example, powerful coca cartels have reappeared and drugs have made their way into the cities, polluting the young and bringing increased violence.

A number of factors make the war on drugs a long and painful one for all parties involved. Latin American countries are more specifically at the tip of the sword because they not only have to implement the policies but also struggle with their own drug problems, while fending off influential drug cartels and other interests groups. A study of the Bolivian case offers an important lesson: firm policies accompanied with negotiations with major interest groups can result in gains; nevertheless, once gains have been achieved it is as important to sustain and foster those accomplishments.
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