

An Overview of Alternative Development in the South American Andes

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Note with credits:

This is the first of two regional reports on Alternative Development in the Andes. The second report, "Alternative Development in the South American Andes: Report of Findings," draws on this report but incorporates material from a case study in Peru's central Huallaga Valley. Mr. Jones, a former UNODC Alternative Development regional advisor for the Andes, also drafted that report as well as participated in and supervised the Peru case study on behalf of UNODC. He later prepared a global report for UNODC, combining material from a parallel effort in Southeast Asia, where a field case study was conducted in northeast Thailand. The global report was presented to the Commission on Narcotic Drugs in March 2005, and later published by UNODC as an official document.

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Introduction

This study is an overview of Alternative Development (AD) in the Andean countries of Colombia, Peru, and Bolivia. Complementing it is an in-depth field study of the topic in Peru's Aguaytía-Neshuya area, with the results of both exercises combined in a single regional report. Another such regional report will be prepared for Southeast Asia (including a field study in Thailand), with the two regional reports serving to prepare a single global report on the topic. The entire effort forms part of a global "thematic evaluation," or assessment, of Alternative Development as practiced over the past decade.

The assessment recognizes that much is already known about Alternative Development—how it works and what its best practices are. And so the task at hand is to refine—to broaden and to deepen—that consensus, and suggest problem areas. The overview presented here draws on evaluation documents, seminars, workshops, and other studies; on interviews with a range of actors involved in Alternative Development; and on the writer's own experience. It will look at whether actual practice conforms to the best-practice consensus, and thereby identify weaknesses, and it will look at areas that need more attention.

After some brief but cogent background, the report turns to five AD thematic areas: Commitment, Development, Human Rights and Democracy, Law and Law Enforcement, and Conflict Resolution. These areas seem best to demarcate both the current consensus and the debate as regards AD, and so will focus the presentation here.

Background

Some version of rural and regional development crafted to serve drug control, today called Alternative Development, enjoys a 25-year history in parts of the Andes.¹ It began

¹ There has been much debate over the years on what Alternative Development is, or how it relates to rural development, or to integrated rural development. Alternative Development, simply put, is a variable collection of rural-development concepts and tools used to create a licit economy as alternative to an illicit one. The Action Plan on International Cooperation on the Eradication of Illicit Drug Crops and on Alternative Development, adopted by the United Nations General Assembly's Twentieth Special Session in 1998, defines AD "as a process to prevent and eliminate the illicit cultivation of plants containing narcotic drugs and psychotropic substances through specifically designed rural development measures in the context of sustained national economic growth and sustainable development efforts in countries taking action against drugs, recognizing the particular socio-cultural characteristics of the target communities and groups, within the framework of a comprehensive and permanent solution to the problem of illicit drugs" (quoted in *The Role of Alternative Development in Drug Control and Development Cooperation*. International Conference, January 7-12, 2002. Feldafing, Germany. GTZ-UNODC. p. 4).

as “crop substitution” in the mid-1970s in Bolivia’s Chapare, and in the early 1980s in Peru’s Upper Huallaga Valley. The United States was the major donor. United Nations Fund for Drug Abuse Control (UNFDAC), an antecedent of UNODC, entered Colombia, Peru, and Bolivia with projects in late 1984. But in Colombia, unlike in Bolivia and Peru, the scale of AD remained small until about 2000. By then, the country had already well surpassed Peru and Bolivia to become the world’s largest coca producer.² In that year, the US began to invest in AD as a relatively small part of its support to Plan Colombia.

Many donors have contributed importantly to AD in the region over the years. But the major ones, in the order given, have been the US (USAID), the UN (UNODC), and Germany (GTZ), with the EU now beginning to play a growing role.³ But in magnitude of investment, the US surpasses all others. In Peru, the US funded about 95 percent of AD in 2003. The Andes fall within a historic US sphere of influence, and the US deems illicit drugs from there, and the money they generate, a national security threat. This, and the resulting heavy US investment, give the US strong leverage over national drug-control policies and programs. Indeed, that leverage conditions the setting and defines national drug-control frameworks. And it must figure decisively in any study of AD in the Andes.

After a quarter-century, donors and practitioners still often fail to appreciate the social, economic, and cultural milieu in which AD operates. The Office of Technology Assessment of the US Congress noted this in 1993: “Development activities designed to reduce coca production have been created with insufficient understanding of the existing sociopolitical, economic, and environmental conditions of recipient countries.”⁴ More than a decade later, this “insufficient understanding” continues to plague AD, inviting unrealistic expectations and projects that are doomed to failure.

Class and ethnicity are fundamental organizing principles in Latin American society. Backed by four centuries of history, the principles run deep. Class lines, among the world’s most rigid, allow the richest one-tenth of the population to earn 50 percent of total income, and the poorest tenth but 1.6 percent.⁵ As the co-author of a recent World Bank report on inequality and exclusion in the region notes,

² UNFDAC began working in Cauca Department in 1984, and soon extended its activities into Caquetá, Guaviare, and Putumayo. But its initiatives were small in relation to the magnitude of the growing spread of illicit crops.

³ UNODC’s main contributors to Andean AD over the past ten years have been Italy, Germany, the United States and Sweden.

⁴ Office of Technology Assessment (OTA). 1993. *Alternative Coca Reduction Strategies in the Andean Region*. United States Congress. OTA-F-556. July. U.S. Government Printing Office. Washington, D.C.

⁵ According to the 2004 UNDP World Development Report, Colombia (Gini coefficient = 57.6) is the ninth most unequal country in the world. And the trend may be growing: the percentage of national income going to the poorest 20 percent of the population fell from 3.0 percent in 1996 to 2.7 percent in 1999. A 2004 Colombia Controller-General’s report on social policy notes that two-thirds of all Colombians, (64.3%), and 85.3% of rural Colombians, live below the poverty line of three dollars per day. And the wealthiest 10 % of the population earned 80.27 times more than the poorest 10 % in 2003 (cited in Kare Calligaro and Adam Isacson 2004. *Do Wealthy Colombians Pay Their Taxes?* Center for International Policy. Aug. 3. <http://ciponline.org/colombia/040804cip.htm>)

"Latin America and the Caribbean is one of the regions of the world with the greatest inequality....Latin America is highly unequal with respect to incomes, and also exhibits unequal access to education, health, water and electricity, as well as huge disparities in voice, assets and opportunities. This inequality slows the pace of poverty reduction, and undermines the development process itself." ⁶

Andean clients of AD are victims not only of social exclusion, but also of a criminal drug enterprise with a vested interest in maintaining the exclusion. The clients are overwhelmingly upland migrants, most of whom entered remote tropical lowlands after 1950. Many of the migrations preceded the advent of illicit drug economies. Factors triggering them include land shortage, drought, political violence, and often illusory colonization schemes, sometimes promoted by governments as substitutes for much-needed but politically volatile land reform. Colombia, where land reform has never worked, experienced a migration from the center to an expanding frontier periphery over most of the last century. ⁷

But the rate of Colombian migration greatly increased in the early 1950s as peasants sought to escape the turmoil of *La Violencia*. In Peru, government colonization schemes, which typically promised much and delivered little, drew many highland peasants into the Upper Huallaga Valley during the 1960s. And in Bolivia, the 1952 revolution and upland agrarian reform freed many peasants from serf-like conditions. And they too soon began to colonize the country's northern and eastern lowlands, including the Chapare.

As the industrial world's demand for cocaine grew in the 1970s, criminal enterprise chasing huge profits entered these remote hinterlands to involve long-forgotten peoples in an illicit economy. Peasants worked as growers, couriers, processors, and lookouts and saw money as never before. Merchants, prostitutes, and hoteliers flocked to boom towns like Shinaota (Chapare), Tocache (Upper Huallaga), and Puerto Asís, Orito, and La Dorada (Putumayo). And new migrants came in droves, some to stay, others to work seasonally, but all "pushed" by what earlier migrants had fled, yet now "pulled" by the elusive promise of quick relief from poverty, if not dreams of something more.

Other forces paralleled and fueled the growth of this illicit economy. In Bolivia, large numbers of miners made redundant by "structural adjustment" in the mid-1980s entered the Chapare. They had few agricultural skills, and planted coca to survive. Peru over the same decade reeled under its worst economic crisis in more than a century. And in Colombia, "neo-liberal" reforms in the 1990s, and the soaring costs of a bloody internal

⁶ David de Ferranti, World Bank Vice President for Latin America and the Caribbean. <http://wbln0018.worldbank.org/LAC/LAC.nsf/ECADocByUnid/4112F1114F594B4B85256DB3005DB262?Opendocument> The report is *Inequality in Latin America and the Caribbean: Breaking with History?* David de Ferranti, Guillermo Perry, Francisco H.G. Ferreira and Michael Walton. The World Bank. 2003.

⁷ The results of a Colombian government study released in March 2004 reveal that 0.4 percent of landholders (15,273 holdings) accounts for 61.2% of registered agricultural land, whereas 97% of landholders (3.5 million) account for only 24.2 % (cited in Kare Calligaro and Adam Isacson 2004. *Do Wealthy Colombians Pay Their Taxes?* Center for International Policy. Aug. 3. <http://ciponline.org/colombia/040804cip.htm>

war, cut State support to agriculture and threw that sector into a crisis deepened by falling international coffee prices.

The clients of Alternative Development are mestizo and Amerindian peasants on whom these historical forces have operated. Their world is a peasant world in which relations are face to face and markedly personal. High rates of illiteracy make for a strong oral tradition, and a spoken promise tends to carry the force of a written contract in the literate world: failure to keep one's word is a breach of contract. Their outlook is decidedly local: most have little functional knowledge of how the world works beyond their local communities. It is not unusual to find those born in remote colonization zones who have never been beyond the provincial capital, if there.

The historical forces have twisted and distorted this peasant world in perverse ways. Social bonds in migrant communities tend to be tenuous as do those of organizations—when organizations exist at all; indeed, “community” itself may exist in little more than a geographic sense. The social texture is brittle and vulnerable to internal and external disturbance. Further aggravating matters has been an often ugly violence. Drug trafficking alone has often brought it, as rival bands compete for control of territory and enforce “contracts” with growers. Adding to the violence, especially in Peru and Colombia, has been the presence of irregular armed groups, sometimes tapping the illicit economy to generate resources to pursue their own aims. They recruit peasants in their insurgent war against the State, or against each other for momentary control of space and transit routes. The violence inflicted by Peru's Shining Path on hamlets in the Huallaga and Apurímac Valleys in the 1980s and early 1990s was stunning in its brutality, as has been that by insurgents, and much more so by rightwing militias, often allied with the State, on hamlets in rebel-held parts of Colombia.⁸ Both irregular groups have violently opposed local efforts to organize, seeing them as enemy-inspired or a threat to their own interests.

This historical dynamic, steeped in violence, has given rise to an individual psychology whose essence is fear and deep mistrust. The fear and mistrust are directed not only at the “outsider,” which includes a State that has long neglected its rural citizens, but also at others in the community. Things are thought to be other than what they seem, nobody is trusted; devils, real and imagined, parade endlessly through the psyche. This is the setting, perverse and treacherous, in which Alternative Development typically operates.

⁸ The dynamic involving insurgents, peasants, and drug traffickers was vastly different in the two Peruvian valleys. Until legislation de-penalized coca-growing in Peru in 1991 (as a counterinsurgency measure) and made peasants candidates for Alternative Development, Shining Path, before itself plunging deeply into the drug trade, often protected peasants in Huallaga from both the State and ruthless drug dealers. In Apurímac, by contrast, where coca expanded on a large scale in the early 1990s, peasants allied themselves with drug traders to secure arms to fight Shining Path, which used the valley as a retreat and laboratory for learning to control rural populations. This points to the often marked historical differences between coca-growing regions in a single country—differences that bear on the workings of Alternative Development and that need to be understood.

Where We Are—Do We Measure Up?

Commitment

All AD donors and practitioners subscribe to the need for commitment at the international, national, and local levels. Yet the interpretation and form of that commitment varies substantially. At the international level, the US deems illicit drugs a national security threat; stemming their entry into the country ranks high as a foreign-policy interest.⁹ One of five goals of the US National Drug Control Strategy is to “Break foreign and domestic drug sources of supply.” Eradication and AD at the source are seen as part of a “balanced strategy.”¹⁰ Yet a reading of evaluation and other reports, as well as interviews with officials and farmers, suggest that the thrust of the policy has favored the reduction of illicit crops through direct eradication, where progress is immediately demonstrable. The US General Accounting Office (GAO), a congressional investigative arm that examines the use of public funds, reveals this thrust: “We also suggest that the Congress consider requiring that USAID demonstrate measurable progress in its current efforts to reduce coca cultivation in Colombia before any additional funding is provided for alternative development.”¹¹ Indeed, AD can even be viewed as impeding this demonstrable reduction, as another GAO report reveals regarding Colombia:

“The appropriations act for fiscal year 2003 also requires that the aerial eradication program meet certain environmental conditions in its use of herbicide and that alternative development programs be available in the areas affected by the spray program. Otherwise, funds provided in the act that are used to purchase herbicide for the aerial eradication program may not be spent. State [Department] officials are still trying to determine the ramifications of the restrictions, but State and NAS officials are concerned that these requirements could delay funding needed to purchase herbicide and result in a temporary suspension of the program, making it more difficult for the program to achieve its ambitious goals. Such a suspension would also likely undermine the progress made in 2002 by allowing the coca and poppy farmers to reestablish their fields.”¹²

Standing in sharp contrast is Germany’s international commitment. In the words of a report by the German Federal Ministry for Economic Cooperation and Development:

⁹ The nature of the threat can be ambiguous. For some it is the negative socioeconomic effects of domestic drug abuse, for others the large revenues accruing to transnational groups averse to US interests.

¹⁰ Office of National Drug Control Policy. 2001. *The Drug Threat: Situation and Challenges*. Executive Office of the President of the United States. April.

¹¹ United States General Accounting Office (GAO). 2002. *Drug Control: Efforts to Develop Alternatives to Cultivating Illicit Crops in Colombia Have Made Little Progress and Face Serious Obstacles*. Report to Congressional Requesters. February. p. 3.

¹² General Accounting Office (GAO). 2003. *Drug Control: Specific Performance Measures and Long-Term Costs for U.S. Programs in Colombia Have Not Been Developed*. GAO report number GAO-03-783. June 24. <http://www.gao.gov/>.

“The US approach is mainly geared to stopping the cultivation of illegal drug plants; the most important measure is total eradication.... German development policy is based on the assumption that the problems caused by illegal drugs in developing and transition countries can be markedly reduced by promoting development.... Drug problems are development problems: it is not criminal ingenuity that leads small-scale farmers, predominantly in Latin America and Asia, to plant drug crops, but poverty and the need to support their families.”¹³

The international commitment of European countries is generally at one with that of Germany. A DFID official (UK) in the region reminded this writer that DFID was a development agency, not a drug-control agency, and acted as such. A EU official told him that the EU thinks in terms of “alternatives to poverty” rather than “alternatives to coca.”

UNODC’s commitment is to support countries in their implementation of an international AD consensus as embodied in the three drug-control conventions and in the objectives adopted by Member States at the 1998 General Assembly’s Twentieth Special Session on the World Drug Problem (UNGASS). Specifically, the 1998 UNGASS produced the “Action Plan on International Cooperation for the eradication of illicit crops and alternative development.” Yet securing international commitment is tricky since these instruments are not always congruent in their emphasis. The 1961 convention adopts a hard line toward illicit cultivation—a “punishable offense” and subject to “provisions of the criminal law” (Article 36). The 1988 convention reaffirms this hard line, yet opens a space for “integrated rural development”:

“The Parties may co-operate to increase the effectiveness of eradication.... Such co-operation may...include support, when appropriate, for integrated rural development leading to economically viable alternatives to illicit cultivation” (Article 14).

Eradication remains the major thrust in 1988, with rural development, “when appropriate,” in an adjunct role. The 1998 Action Plan’s political declaration a decade later further softens the hard line and opens yet more space for AD by stressing “the special importance of cooperation in alternative development, including the better integration of the most vulnerable sectors involved in the illicit drug market...” The Plan proper recognizes that

“...the illicit production of narcotic drugs... is often related to development problems.... Alternative development programmes and projects should be consistent with national drug control policies and national sustainable development policies and strategies.... In cases of low-income production structures among peasants, alternative development is more sustainable and socially and economically more appropriate than forced eradication.”

¹³ German Technical Cooperation (GTZ). 2004. *Development-oriented Drug Control: Policy, Strategy, Experience, Intersectoral Solutions*. German Federal Ministry for Economic Cooperation and Development (BMZ). March. Eschborn: GTZ. pp. 5, 14-15.

UN drug control thus embodies both a hard line and a soft line, with ambiguity as regards when and where to apply each, or in what mix. This ambiguity reflects the international “consensus”—or dissensus—that UNODC implements, thus placing UNODC awkwardly between hard-liners and soft-liners in the world community.¹⁴ Further complicating matters, UNODC belongs to a larger UN system with agencies whose concerns—health, environment, human rights, and development itself—can at times conflict with those of UNODC, although all express a commitment to ‘sustainable development’ vis-à-vis a growing recognition among them that illicit drugs and their markets can act as powerful impediments to human development.

The US view regarding national commitment vis-à-vis the Andean countries is clear:

“...the lessons learned in Bolivia and Peru indicate that effective alternative development demands a strong host government commitment to a comprehensive array of counternarcotics measures and years of sustained U.S. assistance to support them. Chief among the...lessons for Colombia are that progress requires host government control of drug-growing areas and an enduring political will to interdict drug trafficking and forcibly eradicate illicit crops.... Coca producer participation in USAID’s Counternarcotics Consolidation of Alternative Development Efforts Project [CONCADE] increased substantially as a result of the Bolivian government’s forced manual eradication of nearly all the coca from Bolivia’s Chapare region in 1998 and 1999.”¹⁵

The ambiguity, however, poses a dilemma for the commitment of national governments precisely because they depend on international assistance. In Peru, for example, the government—DEVIDA—cannot use US funds for AD that is “unlinked” to eradication. The Europeans, by contrast, impose no conditions. UNODC’s field work aims at the gradual elimination of illicit crops and the prevention of the resurgence of illicit markets *through* alternative development. The result is a national unevenness in Peru with regard to government commitment, which in some cases has caused local tensions in regions where both donors are active. In Bolivia, the government until recently refused to involve municipalities in AD programs because they were controlled by leaders of coca-grower organizations that opposed, sometimes violently, forced eradication. The EU, which funds an AD project to strengthen those municipalities, threatened to withdraw its support if its project were included in the ban.

The Action Plan alludes to this dilemma, but offers little advice on resolving it:

“The development and implementation of alternative development is primarily the responsibility of the State....However, States with illicit drug crops will need continued funding, on the basis of shared responsibility, to support national efforts to

¹⁴ For a good analysis of ambiguities in the international drug-control system, see *Cracks in the Vienna Consensus: The UN Drug Control Debate*, by Martin Jelsma and Pien Metaal. Washington Office on Latin America. Drug War Monitor. January 2004.

¹⁵ GAO 2002. pp. 2, 6.

eliminate drug crops. Currently, there is insufficient funding for alternative development at the national and international levels.”

The dependence on international assistance can also be a luxury for countries producing illicit crops. Peru’s policy in the mid-1990s was not to incur debt to finance AD, but rather to appeal to donors (especially the US) under the principle of co-responsibility.¹⁶ Yet the investment of public resources, at all government levels, encourages commitment and is strong evidence of it. Using co-responsibility in this way can thus undermine national commitment to improving the lot of citizens growing illicit crops. And as the US Office of Technology Assessment put it in 1993, “...without national commitment to improving opportunities for rural communities in general, and coca farmers specifically, potential for effective alternative development programs is greatly reduced.”¹⁷ A Bolivian peasant gave the author his view: “In moments of crisis, the government always signs agreements and makes promises to *cocaleros*, but it never keeps them. There’s little confidence in the government’s agreements and commitments.”

There is another related issue. A country typically creates an “extraneous” agency to coordinate, and sometimes implement, internationally funded AD projects—PLANTE in Colombia, CONTRADROGAS/DEVIDA in Peru, PDAR/FONADAL in Bolivia. These entities are sometimes seen as necessary to respond to the special situation defined by the presence of illicit crops, and as such, are not intended to address long-term development needs. As a UNODC AD report explains,

“...the specialized AD agencies do not, like mainstream development institutions, have as their ultimate objective medium-term and long-term development. Their action in the field will therefore be of a more partial and limited nature.... [This] distinguishes AD interventions from mainstream development where drug cultivation is an absent phenomenon”¹⁸

While this arrangement has bureaucratic and other advantages for donors, and may allow countries to capture, even manage, resources better, it can also lend itself to political manipulation and the slighting of line development agencies—ministries of transportation, agriculture, and sustainable development, for example. One peasant leader touched upon this issue in an interview with the author:

“Alternative Development has been a political booty for each successive government—a way to get more money, to provide jobs for political supporters. Technical staff are chosen for their political affiliation rather than their expertise. We know it all too well. Projects have a large bureaucracy, and their resources benefit the bureaucrats. Project management is elitist, projects are imposed...”

¹⁶ IICA-GTZ. 1996. *Seminario-Taller sobre Proyectos de Desarrollo Alternativo*. Nov. 13-14. Lima. pp. 13-14.

¹⁷ OTA 1993, p. 11.

¹⁸ United Nations Office for Drug Control and Crime Prevention (UNODCC). *Alternative Development in the Andean Area: The UNODC Experience*. Revised edition. 2001. New York. p. 9.

Since the “extraneous” entities are by nature “short-term,” this slighting of development agencies can reduce commitment as well as the chances for sustainable initiatives.

At the community level, donors and practitioners alike agree that there must be commitment. And AD projects typically require some evidence of it (e.g., materials, labor), though the nature of the evidence varies much. Reduction pledges in exchange for AD can be tricky. As a peasant once told the author, pledges send the message that government values reduction of the illicit crop more than the welfare of peasant farmers.

Development

Alternative Development is an orphan child. It falls in a gray area between drug control and development, as those are usually understood. And its relation to each has long nettled both developers and drug fighters, each saying it properly belongs to the other.

Most analysts argue that AD should be integrated with government development policy. The Action Plan says that “Alternative Development programmes and projects should be consistent with national drug control policies and national sustainable development policies and strategies...,” and should contribute “in an integrated way to the eradication of poverty.” AD experts at a conference held in Feldafing, Germany in 2002 concluded that “governments of the producing countries should make alternative development a key element in drug control policy and should handle it as a cross-sectoral task in national development planning....” As GTZ’s Director General said, “Alternative Development programs have been realized best where the development goal was at the fore.” And according to UNODC’s director,

“Alternative Development will only be successful and sustainable if it is part of a comprehensive development effort. That is why we emphasize so much the need for mainstreaming the drug control component into the planning and implementation of development programs.”¹⁹

Yet such mainstreaming is the exception in practice, as is the involvement of government development agencies.²⁰ As one UNODC consultant put it in the mid-1990s, “...the institutional framework for Alternative Development policy assumes in practice that the development model and instruments used in other parts of [Bolivia] cannot be used in coca-growing zones.”²¹ According to a 1999 UNODC/FAO Chapare evaluation,

¹⁹ GTZ 2004. pp. 8-9, 17, 27.

²⁰ The phrase “alternative livelihoods” rather than AD is now increasingly used in Afghanistan and elsewhere, especially by the Germans and the British. The concept of alternative livelihoods differs from that of AD in at least two ways: it is not project-based, and it seeks to “mainstream” drug-control development into regional and national development plans and programs.

²¹ Jean-Pierre Malé. 1996. *Identificación de Actividades de Cooperación del PNUFID en la Nueva Etapa del Desarrollo Alternativo en el Trópico de Cochabamba. Informe de consultoría de la misión realizada en La Paz, Cochabamba y el Chapare.* Programa de Naciones Unidas de Fiscalización Internacional de la Droga (PNUFID). March 25-April 12. Barcelona.

“The orientation toward marginal groups is still insufficient. An explicit focus on poverty reduction is absent.... Most of the project weakness to date derives from the special character of Alternative Development, whose priority does not necessarily coincide with development policies for the region....”²²

As an independent critic recently observed, “There exists reasonable doubt that the goals of [US]AID in the Chapare bear any relation to economic development at all, as almost every U.S. government document defines coca eradication as the goal, with economic alternatives given little importance.”²³ A Colombian researcher in Putumayo described to the author the “social pacts” and an “early eradication” program there: “These are mini-projects disarticulated from development programs. There is no participation, no consultation with farmers....” And a peasant leader in Peru’s Apurimac-Ene region puts it bluntly: “As regards what we think of Alternative Development, as it’s understood and practiced, it doesn’t suit our needs because it’s a response to drug trafficking rather than to poverty.... [P]rojects fail to recognize that poverty reigns here.”²⁴

To understand the serious gap between theory and practice, it is useful to ponder issues like the design, implementation, monitoring, and evaluation of projects from two conceptually different starting points: *drug control*, with its focus on the illicit crop, and *development*, with its focus on people and poverty. The points affect how the issues are addressed, and the paths leading from the points, though betimes merging, are different.

The US Government, for example, distinguishes between “counter-narcotics funds” (which finance AD) and “development” funds. To quote from one GAO report on Peru:

“In September 2001, State’s inspector general found that monitoring efforts were not specific enough to establish an adequate link between investments in alternative development and coca reductions. Embassy officials, with input from USAID, are developing a monitoring system that addresses this concern. One component of the system the embassy is considering would involve a requirement for the Peruvian government to provide proof of compliance with eradication agreements before it could draw future alternative development funds. The system would likely employ the Peruvian Interior Ministry in plotting the relevant areas of farmland and monitoring the corresponding eradication efforts there.”²⁵

The US, working with DEVIDA, thus designed a system “to link activities directly to the sustained reduction/eradication of coca cultivation...and explicitly link the strategies and

²² United Nations Drug Control Program (UNODC)/FAO. 1999. *Informe de Evaluación de Medio término. Proyecto Manejo, Conservación y Utilización de los Recursos Forestales en el Trópico de Cochabamba, Fase II (AD/BOL/97/C23)*. June 17. p. 4. Author’s translation.

²³ Linda Farthing. 2004. *Rethinking Alternative Development in Bolivia*. The Andean Informatin Network. Washington Office on Latin America. February. Washington, D.C. p. 3.

²⁴ Carlos Francisco Barrantes. Quoted in *Conceptos para un Desarrollo Alternativo Integral en Zonas Cocaleras del Perú: Actividades, Experiencias y Propuestas del Proyecto AIDIA*. Proyecto Piloto Asesoría e Investigación para el Desarrollo Integral Andino-Amazónico (AIDIA). GTZ, 2000. Mayo. Lima. p. 120. Author’s translation.

²⁵ GAO 2002. p. 38.

activities of *law-enforcement and development stakeholders into one cohesive and effective counter-narcotics effort.*²⁶ The system involves voluntary eradication pacts, which communities must sign in exchange for assistance—for a “development” offer. Coca reduction is thus assured, at least for a time—but “development” has not played a role in the reduction.²⁷ As one US official told the author, “Eradication drives Alternative Development.” (A GTZ rural-development officer, by contrast, said he was guided by asking himself what he would do if no coca were present.) This speaks to the bureaucratic requirements of drug control and the use of counter-narcotics funds.

There is another downside to these requirements, which the 1993 OTA report cited:

“Alternative development is not a short-term problem nor likely to be solved with short-term solutions. The transition time from coca to alternative production systems is likely to be lengthy and programs or projects must consider this investment time.... *Program components may be based on counter-narcotics goals rather than the underlying development needs to shift black-market economies to legitimate markets.*”²⁸

A GTZ report a decade later echoes the same: “Rapid results for these complex problems are impossible; pressure on AD projects for quick quantitative results is counterproductive in the social and economic sense.”²⁹ In Putumayo, for example, what later became the largely failed “social pacts” began in 2000 as a proposal prepared by peasants and local governments whereby assistance, including government services, would be delivered over a three-year period in exchange for voluntary and gradual coca eradication. But the government modified the proposal, arguing that the eradication timeframe was too long and that it had to show results in tandem with Plan Colombia’s aggressive aerial spraying campaign.³⁰

Haste can also lead to poor coordination between entities pursuing AD. With respect again to Putumayo, where the US has invested heavily in AD, a 2004 GAO report reads:

“...[C]oordination among USAID’s implementing partners is not always occurring. A February 2004 evaluation of USAID’s alternative development projects in Putumayo concluded that the successful continuation of these projects depended, in part, on greater coordination among USAID’s contractors and

²⁶ United States Agency for International Development (USAID). 2003. *Annual Report FY 2003*. March 13. pp. 6-7. Author’s italics.

²⁷ In 2002, USAID modified its AD strategy. In previous years, AD was seen as part of a strategy to reduce coca—a necessary (but never sufficient) condition. The new strategy reverses this logic by holding that coca reduction is a necessary (but not sufficient) condition for development.

²⁸ OTA 1993, pp. 17-18. Author’s italics.

²⁹ Eva Dietz, Robert Lessman, Joanna Kotowski-Ziss, and Cristoph Berg. 2001. *Drogas y Desarrollo en América Latina*. Drugs and Development Program, German Technical Cooperation (GTZ, GmbH). Eschborn: GTZ.

³⁰ Personal communication from Asociación Nacional de Usuarios Campesinos (ANUC). For more on the “social pacts” (whose status as “development” at all is dubious) as well as a good discussion of the failures and potential of AD in Colombia, see *Going to Extremes: The U.S.-Funded Aerial Eradication Program in Colombia*. Betsy Marsh. Latin America Working Group Education Fund. March 2004.

grantees. Many of the grantees and contractors implementing USAID’s three nonmilitary assistance programs told us they had never met as a group to discuss and coordinate their efforts....”³¹

Favoring counter-narcotics goals over development ones leads to mistakes for one simple reason: it undermines the use of sound development principles and practices and increases the likelihood of failure. The AD project literature brims with examples of the use of faulty development practices: agencies fail to coordinate with each other, promises to farmers go unkept, technologies are inappropriate to agro-ecological or socioeconomic conditions, “beneficiary” participation is absent or poorly structured, and so on. And the cost of the resulting failure is extremely high, and has a strong multiplier effect among marginal migrant peoples. Memories of failure linger for years, and word spreads to those who have not experienced AD, leading them to reject it. Failure also undermines local leaders who support AD by eroding their credibility with supporters, thus making militant opponents of those whose support is most valuable.³²

Drug control’s bureaucratic requirements, and a need to show a drug-control success, has another downside: it has tended to favor establishing unrealistic AD projects in areas with illicit crops rather than in expulsion zones, or areas from which migrants growing the crops originate. As the 2002 GAO report notes,

“The poor quality of the soil and infrastructure and the remoteness of project sites in coca-growing areas are further obstacles. Unlike the poppy-growing areas in northern Colombia—which have richer soils and better developed infrastructure and are closer to markets—much of the coca-growing areas in southern Colombia have soils that are poorly suited for licit crops and a lack of basic infrastructure. According to USAID officials, these problems are more severe in the coca-growing areas of Colombia than they were in counterpart areas of Bolivia and Peru. Even when suitable crops are identified, the distances involved make it difficult to transport produce for further processing or to potential markets.”³³

A World Bank study in 1996 also addresses this issue. The study recognizes AD in both a narrow sense— “...inducing farmers to grow crops other than coca by providing knowledge, materials and facilities that make other crops more attractive...,”—and a broader sense— “...improving the attractiveness of other areas of the country, so as to induce migration of people out of areas which have comparative advantage in few crops other than coca or opium....” The study concludes that

“Alternative development programs might be more useful if they were restructured to be more broadly targeted to areas that do not produce coca. This

³¹ GAO 2004. p. 23.

³² While examples of poor development practices are found throughout the Andes, they may be more common in Colombia, perhaps because Colombia mostly processed coca and marketed cocaine before becoming the region’s major coca grower in the 1990s, when the rapid expansion of coca induced panic among drug fighters; or because the armed conflict poses greater risk for development workers and renders areas inaccessible.

³³ GAO 2002. p. 15.

would include migration areas, which provide desperate poor people willing to get involved in coca production, such as Cochabamba, Chuquisaca and Potosí in Bolivia; and the departments in the Sierra Region in Peru and the Huila, Tolima, Valle and Antioquia departments in Colombia.”³⁴

In the early 1990s, USAID funded AD projects in Cochabamba’s High Valleys, an area that has contributed many migrants to the Chapare.³⁵ GTZ in Bolivia has projects today working in areas like Potosí, which contribute migrants. USAID in Colombia, in apparent recognition of Putumayo’s limitations, will soon focus more on nearby areas having greater “competitive” potential and that can draw migrants out of Putumayo—“to bring farmers to jobs rather than take jobs to farmers,” as one official told the author.

Human Rights and Democracy

In their Feldafing Declaration in 2002, AD experts make an important statement:

“We express our concern that the principles of self-determination, participation and empowerment of groups who have at present no power and no voice in the political debate are stressed in official documents but not always found in reality....Alternative Development programmes can only be successful in terms of supply reduction, improving social and economic conditions and conflict management if they are perceived as a process leading towards the realization of human rights. Client individuals and communities should be respected and recognized as bearers of such rights.”³⁶

Alternative Development, like drug control in general, has much to do with human rights and democracy. Both are of great concern today in a troubled Andean region. Indeed, democracy and governance projects aiming to instill a sense of civic responsibility are sometimes prepared in the context of drug control and considered part of AD, as in Peru. One AD expert who has written extensively on Colombia puts it aptly:

“The fundamental point is that for the market to function efficiently it is necessary that the State establish a legal framework that regulates capital accumulation and guarantees property, the resolution of disputes regarding it, and citizen equality before the law.... Democratic capitalism is not a wildflower that blooms in the absence of the State, but rather a plant that requires State nourishment and protection. The application of these principles to alternative development and to many regions in Colombia requires the State to play a proactive role, to guarantee

³⁴ World Bank. 1996. *Illegal Drugs in the Andean Countries: Impact and Policy Options*. Report No. 15004 LAC. Draft. Jan. 22. Washington, D.C. pp. 26, 30.

³⁵ See Jones 1991. *Farmer Perspectives on the Economics and Sociology of Coca Production in the Chapare*. Institute for Development Anthropology (IDA). Working Paper Number 77. Binghamton, N.Y.

³⁶ German Technical Cooperation (GTZ) and United Nations Office for Drug Control and Crime Prevention (UNODC). 2004. *The Role of Alternative Development in Drug Control and Development Cooperation*. International Conference, January 7-12, 2002. GTZ. Feldafing (Munich), Germany. p. 5.

the existence of the infrastructure necessary for production, including marketing systems and equal opportunity for all Colombians. *But most important, the State must promote the generation of “society,” ...of social institutions that regulate behavior and generate solidarity, social cohesion, and a mutual sense of confidence among Colombians.”*³⁷

The political opening occasioned by the recent spread of political democracy, deepened by the end of the Cold War, has created political space for the social and ethnic movements of long-neglected peoples, including growers of illicit crops. Governments are now faced with addressing their demands, some of which link, as in Peru and Bolivia, to a cultural revival that defends coca, a crop grown in the Andes since early pre-Columbian times.³⁸ Coca has medicinal and ritual value, and many peasants still deem it sacred. It symbolizes the revival, and some see it as a supernatural force that rescues them from poverty. Others, the more secular, see it as an item to be “traded” for development, as goods have always been traded in the Andes. Many in both camps reject the notion of coca as “illicit,” a concept alien to them at a visceral level. This cultural revival, and its defense of coca, has recently entered the political realm, deeply so in Bolivia, incipiently so in Peru. This complicates drug control, and AD, in both countries.

The essence of democracy is participation, and it is now routinely accepted that AD, as development generally, should be “participatory.” As if to stress the point, one major USAID project in Peru is entitled “Participatory Alternative Development.” Bolivia’s national drug-control plan for 1998-2002, the “Dignity Plan,” also makes the point:

“The scarce participation of coca producers in the planning and implementation of alternative development programs leads to a lack of credibility in their results... Alternative development policies to date have not recognized the decisive role of the peasant sector in promoting development.”³⁹

Participation, which creates a sense of “ownership” and enables participants to identify with development initiatives, assumes special importance in a milieu where the historical condition of would-be beneficiaries is one of exclusion. Yet participation has often not been practiced, or has been practiced in less than an effective way. The 2000 *UN World Drug Report* notes that “[I]ntegrated rural development projects, as they were designed, still failed to meet expectations.... One key flaw was that local communities participated little, if at all, in the actual design of the programs themselves.”⁴⁰

³⁷ Francisco Thoumi. 1997. “Políticas Económicas y Desarrollo Alternativo en Colombia.” In *Estrategias Nacionales de Control de Drogas, Desarrollo Alternativo, y Cooperación Internacional*. Taller Internacional. 16-18 de septiembre. Cochabamba, Bolivia. AIDIA/GTZ. Author’s translation and italics. p. 87.

³⁸ It was cultivated throughout the Andes in pre-Columbian times, including Colombia and Ecuador. A lowland variety of coca was also cultivated in the Amazonian regions of these “Andean” countries.

³⁹ República de Bolivia. 1998. *¡Por la Dignidad! Estrategia Boliviana para la Lucha Contra el Narcotráfico, 1998-2002*. Presidencia de la República. La Paz. p. 22. Author’s translation.

⁴⁰ Quoted in Jelsma and Metaal 2004. p. 12.

Many projects that tilt toward participation, do not go far enough. In the words of one observer, “A ‘participatory approach’ means more than just consulting communities about their wishes. It requires serious dialogue in which these communities are allowed to have substantial leeway for negotiation.”⁴¹ In other words, it means that the target population should participate directly and substantially in all stages of the project cycle: from project identification through project design, implementation, monitoring, and evaluation.⁴² Participation refers to individual households as well as to collectivities such as local organizations and local communities. At the higher levels, which often now enjoy a measure of political democracy, it refers to municipalities and regional governments.

The participation of collectivities, especially those closely associated with coca production, has occasioned much debate, and sometimes violence. Governments and donors, viewing the leaders of those collectivities as drug traffickers, or in collusion with them, have refused to fund projects in which the collectivities and their leaders participate. Notable in this regard is Bolivia’s Chapare, on which one observer reports:

“While USAID has provided training and support to 86 municipalities in other parts of Bolivia (out of a total of 321), it has largely ignored local governments in the Chapare, all five of which, with virtually no opposition, are controlled by the coca growers’ MAS party.”⁴³

A 1999 UN evaluation notes that “The involvement of [Chapare] municipalities is not yet satisfactory because of existing social conflicts in the zone....”⁴⁴ Finally, after violence reached alarming levels, and an indigenous leader of Chapare coca-growers nearly won a presidential election, a new regime quietly rescinded government policy and began negotiating with local municipalities in 2003. And the US followed suit in 2004, apparently as a result of the violence, the regime change, and a USAID assessment in early 2003, which notes:

“Municipal involvement has been a feature of [AD in Yungas] from the beginning. In the Chapare, local and regional institutions must begin to assume primary responsibility for the accelerated development of a licit, growing, environmentally sound economy.... Evidence during the last four years from the Chapare and the Yungas suggests that coca-reduction program results are more quickly achieved and sustained when community members are more fully engaged in the development activity planning and selection process....”⁴⁵

It is of more than marginal interest that the State’s refusal to direct resources to Chapare municipalities violated the country’s Popular Participation Law, dating from 1994. Part

⁴¹ Martin Jelsma, as quoted in GTZ and UNODC 2004. p. 25.

⁴² See Dietz et al. 2001. p. 58.

⁴³ Farthing 2004, pp. 3-4. Three *municipios* and two *subalcaldías* comprise the Chapare.

⁴⁴ (UNODC)/FAO. 1999. p. 4.

⁴⁵ United States Agency for International Development (USAID). 2003. *Assessment of the USAID/Bolivia Alternative Development (AD) Strategy. Terms of Reference*. January. pp. 3,5.

of a larger decentralization plan, the law aims to incorporate local communities into the country's political and economic life by directing resources to municipalities and the long-neglected countryside. It is noteworthy that the EU's Chapare AD project, PRAEDAC, which seeks to strengthen local government, ignored the illegal ban—the only donor working in the Chapare to do so—and continued to work with municipalities.

But corruption can complicate working with municipalities and local government. And substantial corruption has been reported in the Chapare. In Colombia, it was noted in a 1996 seminar that “People and their leaders in illicit-crop zones have little confidence in local mayors and municipal leaders. Decentralization, with sudden arrival of resources at municipal level, has generated widespread corruption.”⁴⁶ There is a twist to the corruption theme in Colombia, where AD must often accommodate to insurgents. According to a report from Popayán, “Insurgents could see help directed at local municipal government...as help directed at corrupt officials instead of at the local population, and this could lead insurgents not to favor local AD projects.”⁴⁷

Excluding communities or their leaders from participation in AD can be risky. It can lead to radicalization and even precipitate the emergence of violent groups, or an alliance with those already present. Perhaps the great lesson here comes from Peru's Huallaga Valley in the late 1980s and early 1990s, when Shining Path was protecting coca-growing peasants not only from greedy and violent drug traffickers, but also from the national police, who were involved in the traffic as well as repressed local peasants, who by law were deemed delinquents and so not candidates to receive AD. More on this later.

AD projects must themselves sometimes create the conditions for participation, or even for basing a project, by developing local organizations. Much of UNODC's experience in working with local organizations comes out of Huallaga, from the time when Shining Path and the drug mafia ruled the valley. The creation of local organizations, some of them viable today, was required in order to establish an AD foothold among an atomized peasantry that had to be self-reliant vis-à-vis a total absence of State and other agencies.

Yet creating new organizations can also be dicey, especially if they come to compete with pre-existing ones. Supported by the government, AD projects began to create producer associations in the Bolivian Chapare in the early 1990s. These soon generated resentment among pre-existing *sindicatos*, which represented coca-growers and had been the sole basis for community in the isolated region since the late 1950s. A decade later, the two organizations were virtually at war, to the detriment of regional tranquility and development. Whether the creation of the associations was a mistake, or whether both organizations should have been involved in AD, are matters of debate.⁴⁸ Today, efforts are afoot to involve the *sindicatos* through a municipal union (*mancomunidad*).

⁴⁶ IICA-GTZ. 1996. p. 13.

⁴⁷ Álvaro Muñoz. 1999. *Proyecto Desarrollo Rural Bota Caucañas: Informe Annual 1998*. German Technical Cooperation (GTZ, GmbH). Enero. Popayán, Colombia. p. 15.

⁴⁸ See Vice-Ministerio de Desarrollo Alternativo/Programa de Naciones Unidas para la Fiscalización Internacional de Drogas (UNODC). 2001. *Proyecto “Articulación del Desarrollo Alternativo con el Sistema Nacional de Planificación.” Informe Final*. James C. Jones y Fernando Oviedo. Agosto. La Paz.

Closely related to the issue of participation is that of gender. For more than a decade, AD practitioners, often women, have emphasized the differing household roles of men and women. Women, they have argued, are more concerned with family health, hygiene, and food security, and women's family survival strategies better endure times of crisis.⁴⁹ Yet many practitioners still fail to grasp the import of this. One report on a cheese-making region of Peru where women make the cheese—an important source of household income—refers to the men as “milk producers” and the women as “housewives.”⁵⁰

The author of a major report on gender in AD notes that gender is a perspective, not a project “component.” And she shows how incorporating the perspective—how understanding sex-based roles—can enable projects better to meet their objectives.⁵¹ One measure of the growing consensus on the importance of gender is that AD projects are increasingly calling for sex-based performance indicators.

A final consideration has to do with equity, but goes beyond the obvious fact that the inclusion of marginal migrant populations itself addresses equity. There are two issues here. First, these populations are rarely homogeneous, even within small geographic areas, where some individuals or groupings are always more marginal than others. As for technologies and alternatives, it is generally recognized that researchers face fewer restrictions—or enjoy more “technological space”—when working with farmers having greater resources—more or better land, more education, more risk tolerance. Under pressure to show results, or itself having few resources, AD must not succumb to working only, or mostly, with the resource-favored.

Second, AD often selects some farmers or communities—those producing illicit crops, or who might—and in so doing implicitly excludes others. In marginal rural environments riddled with inequity, envy, resentment, violence, and mistrust of the State, such exclusivity inevitably breeds even more ill will. The potential for AD-generated division is real, and shows the need for rural and regional development on a grand scale.⁵²

Law and Law Enforcement

A topic still much in debate concerns the relation of AD to national anti-drugs laws and their enforcement. In Colombia, where the planting of coca (but for small amounts allowed native groups for traditional use), marijuana, and opium poppy is a crime and

⁴⁹ IICA-GTZ. 1996. *Informe del Seminario-Taller “Desarrollo Alternativo: Perspectiva de Género y Desafíos Ambientales.”* Pontificia Universidad Católica del Perú y el Proyecto IICA-GTZ, “Orientación de la Investigación Agraria hacia el Desarrollo Alternativo.” 13-16 de agosto. Lima. p. 14.

⁵⁰ GTZ. 1996. Informe Especial: Capacitación. Proyecto “Desarrollo Rural en la Región de Pozuzo.” GTZ-ANDESTUDIO S.A. Enero. Lima.

⁵¹ Eva Dietz. 2000. Gender and Alternative Development. Drugs and Development Program, German Technical Cooperation (GTZ, GmbH). Eschborn: GTZ.

⁵² This need is especially apparent in Colombia. See United Nations International Drug Control Programme. 1998. Report on Mission to Colombia. March 16-21. James C. Jones, Alternative Development Advisor for Latin America. p. 5.

violators can be punished, Law 30 of 1986 provides the comprehensive anti-drugs legislation. In Peru, Decree Law 22095 of 1978 holds that all coca except that grown by farmers registered with a state-controlled purchasing agency is illegal. However, the act of cultivation itself, removed from the penal code in 1991 (Decree 753), is not a crime (except in national parks). In Bolivia, by Law 1008 of 1988, all but coca in traditional growing areas, mostly in the Yungas of La Paz, is illegal.

These laws establish the legal space for AD. Governments have over the past decade been inconsistent in the degree to which they have enforced the laws as regards small farmers—often, as in Peru and Bolivia, to avoid social unrest. Colombia’s Law 30, the legal basis of the current massive aerial spraying of illicit crops, affords the smallest legal space for AD.⁵³ Peru’s Decree 753 specifically designates small farmers as candidates for AD. And Bolivian law also provides for AD in designated “transition zones.”

Subjective notions in the larger society about social justice and the rule of law in general combine with the objective content of the drug laws to condition how those laws and their enforcement are viewed, especially from “below.” This view bears on AD and drug control. As one peasant told the author, “Here in the Chapare, it’s the small farmers who go to jail for growing coca. The traffickers go free.... It seems the Government wants to eliminate small farmers.” This view is common in the Andes, where sedentary peasants and their illicit crops are easy drug-control targets, and where widespread unpunished corruption (including drug trafficking) among elites mingles with a long-simmering peasant resentment to allow scant moral authority to national governments.

There are those who question whether peasants growing illicit crops should be criminalized. A Catholic priest in the Colombian Putumayo complained to the author that the government treated coca cultivation as a crime rather than a social problem. Faced with “criminal” coca growers in Huallaga who sought protection from a growing Shining Path insurgency, the Peruvian government, in the name of national security, removed coca-growing from the penal code in 1991 and issued Decree 753, which recognized coca growers as different socially and economically from drug traffickers. The decree prescribed AD, in “special zones,” as a strategy for addressing their needs.⁵⁴

A GTZ treatise on drugs and development in 2001 also questions the wisdom of treating peasant farmers as criminals:

⁵³ In 1986, when Law 30 was passed, Colombia was quickly transitioning from a country that processed and marketed illegal drugs to the world’s largest coca grower. UNODC (then UNFDAC) initiated AD in Colombia in 1984, but on a small scale in southern Cauca. At the time, the Colombian Government as well as the international community were slow to accept that Colombia was becoming a major illicit-crop producer, so the dominant thrust—then as now—was to eliminate the illicit crops through strict law enforcement. In a word, AD, which some saw—and many continue to see—as “accommodationist,” got off to a slow and late start in Colombia.

⁵⁴ The measure formed part of the Fujimori Doctrine. See United Nations Drug Control Program. 1997. *Report on Thematic Evaluation of Alternative Development in Peru*. James C. Jones and Bernhard Amler. March 7. Vienna. It should also be noted that CORAH (Control y Reducción del Cultivo de Coca en el Alto Huallaga), created with US support in 1983 and operating under Peru’s Ministry of the Interior, had 32 of its workers killed while eradicating coca between 1983 and 1987.

“Where there is deep poverty—violence, flight, migration—and a search for a means to survive, the economic systems are not either integrated or sustainable. Illicit crops in this context are a means to survival of small-farmer families. One has to break these cycles of poverty that destroy human existence, and not class those affected as criminals.”⁵⁵

Two UNODC consultants in 1997 identified policies and legislation recognizing that small farmers are not drug traffickers, and so are valid candidates for AD, as one of six “minimal conditions” for an effective AD program.⁵⁶ And six years later, in the terms of reference for an assessment of AD strategy for Bolivia, USAID writes that “The issue is whether and to what degree coca leaf production, harvest, commerce and exchange (versus processed or semi-processed narcotics) should be criminalized....”⁵⁷

As one might expect, use of the repressive arm of law enforcement is highly controversial. A recent GTZ report cites Colombia, where two wars, one against drugs and another against insurgents, commingle in a seamless fashion:

“Part of Plan Colombia is the massive support of armaments for the military to combat the drug-financed guerrillas, but the Plan for the most part overlooks organized drug trafficking and its financial structures....The Colombian experience shows that military/repressive procedures alone are far from optimal for fighting drugs: they exacerbate social, political and ecological conflicts and drive the population yet further into poverty.”⁵⁸

The use of repression can create a dilemma for “source countries,” as Carlos Gustavo Cano, an authority on AD and today Colombia’s minister of agriculture, explains:

“The narcotics curse clearly represents a national security problem for both North Americans and Colombians. But not in the same way. For the first, the thrust of the solution lies in aerial spraying of the agricultural raw material used to manufacture drugs, whereas for us the challenge is to recover the loyalty of coca-growing and poppy-growing farmers to the State, which, because of its mostly distant and repressive face, has abdicated that loyalty to guerrillas who offer the

⁵⁵ Dietz et al. 2001. p. 58.

⁵⁶ See Amler and Jones 1997. The six conditions include: (1) Policy and legislation recognizing that farmers are not drug traffickers, and so are valid candidates for Alternative Development; (2) disincentives for farmers to live from narcotic crops; (3) economic policies favoring development; (4) policy forbidding forced eradication in areas to receive Alternative Development; (5) security enabling technical personnel to operate; (6) site potential for development. The risk of program failure increases in the measure that any one of these is absent.

⁵⁷ USAID 2003. *Assessment...* p. 5. It is of interest that at the time this document was prepared, Bolivia was experiencing severe domestic unrest, part of which was clearly related to the country’s anti-drugs policies.

⁵⁸ GTZ 2004. pp. 14-15.

peasants the personal and economic protection that they could not get from the State.”⁵⁹

Law enforcement takes the form of both interdiction and crop eradication. Interdiction is sometimes viewed as a complement to decriminalization. In a report in 2004, GTZ and UNODC observe that “Governments should not criminalize small farmers. They should rather strengthen interdiction strategies against processing and trafficking.”⁶⁰ Interdiction and its relation to AD has received considerable attention, though less than eradication. USAID notes that “To sustain a downward pressure on coca leaf production, narcotics production and transit of illegal drugs, it is essential to sustain programs that interdict the illegal product, chemical precursors and laundered profits.”⁶¹ Discussions of interdiction frequently cite a case from Peru. In the words of a GAO report:

“As the UHAD [Upper Huallaga Alternative Development] project was ending in the early 1990s, prospects for the success of alternative development in Peru were considered bleak, despite years of U.S. assistance. Coca cultivation had increased significantly during the 1980s. However, this changed when the Peruvian government committed to a strong counter-narcotics agenda. In particular, the Peruvian Air Force conducted an aggressive interdiction campaign in which it shot down airplanes presumed to be involved in narcotics trafficking. This campaign disrupted the coca market, thereby encouraging coca growers to turn to alternative development programs. *By targeting narcotics traffickers, rather than coca growers, the Peruvian government also limited resentment from farmers over the counternarcotics campaign, according to USAID and Peruvian officials.*”⁶²

Coca prices dropped sharply in Peru’s coca-growing valleys during this period.⁶³ Peru became a “success story” in the war on drugs. As a USAID report observed in 1998,

“The overall strategy will continue to be the successful combination of interdiction and alternative development in priority coca growing areas, which,

⁵⁹ Carlos Gustavo Cano. 2000. “Plan Colombia, Integración Andina y Cultivos Ilícitos.” In *Medio Ambiente, Cultivos Ilícitos y Desarrollo Alternativo*. Taller Medio Ambiente, Cultivos Ilícitos y Desarrollo Alternativo. 21-23 de septiembre. GTZ-Ministerio del Medio Ambiente de Colombia-Embajada Real de los Países Bajos-Diario “El Tiempo.” Paipa, Colombia. p. 67. Author’s translation. See also Carlos Gustavo Cano, 2002. *Reinventando el Desarrollo Alternativo*. Bogotá: Colección Puntos de Vista.

⁶⁰ GTZ and UNODC 2004. p. 27.

⁶¹ USAID 2003. *Assessment...* p. 5.

⁶² GAO 2002. p. 37. Author’s italics. There is a tragic side to this shoot-down policy. In April 2001, a Peruvian fighter jet mistakenly fired upon a missionary airplane, killing a young woman and her seven-month-old daughter.

⁶³ By some accounts, it was not the breaking of the air bridge that led to the farm-gate price drop. Rather, the growing civil conflict in Colombia created ideal conditions for narcotics traffickers to consolidate their operations there. Whatever the cause, which may never be known, coca cultivation rose in Colombia in the same measure that it fell in Peru.

between 1995 and 1997, resulted in a 46,000 hectare decrease in coca under cultivation and a 29 percent decrease in coca leaf production.”⁶⁴

This Peru experience makes a case for interdiction, as opposed to eradication on peasant farms. The price drop was clearly a negative incentive—another of the six “minimal conditions” for successful AD cited above—for small farmers to cultivate illicit coca.⁶⁵

By far the most polemical aspect of law enforcement concerns forced eradication, whether manual or chemical (Colombia is the only Andean country that has allowed the aerial spraying of herbicides). A German agronomist echoed the GTZ point of view in the mid 1990s, a view that has changed little since:

“I know that anti-drugs policy is one of carrots and sticks. GTZ, however, only wants to work with carrots, not with sticks.... I think that German farmers would be upset if persons came from the Arab countries, where alcohol is the Devil, to spray the vineyards along the River Rin or bomb the beer factories of Munich....”⁶⁶

As already noted, the 1998 Action Plan says that in “cases of low-income production structures among peasants, alternative development is more sustainable and socially and economically more appropriate than forced eradication.”⁶⁷ A UNODC mission to Bolivia in 1996, on the eve of a prolonged period of forced eradication, also raised doubts:

“...the mission considers that the policy of completely subordinating development to eradication, although it may yield results in the short term, does not guarantee the consolidation of development in the Chapare, or the sustainability over the medium term of what has been achieved in the way of coca reduction.”⁶⁸

Yet not all donors agree. According to a GAO assessment of AD in 2002,

“USAID’s current alternative development project in Bolivia focuses on the Bolivian government’s forced eradication policies and has had greater success than its predecessors. However, future government policy is uncertain and could pose a threat to the project’s progress.... In 1998 and 1999, the Bolivian government undertook an aggressive coca eradication campaign in the Chapare, which facilitated progress in alternative development.... While achievements in the Chapare under USAID’s current project have been considerable, U.S. and Bolivian officials have expressed concern that progress in alternative development may be threatened if the Bolivian government does not support

⁶⁴ United States Agency for International Development (USAID). 1998. USAID/Peru: R4 Results Review and Resource Request FY 1997-FY 2000. April 14. p. 78.

⁶⁵ But not necessarily to forsake their plantings. We now know that some of the coca then thought permanently abandoned was cultivated minimally as the forest returned, and was later revived when market prices improved.

⁶⁶ Raúl Figueroa Zevallos, Beatriz Fischersworing Hömberg, and Robert Roskamip Ripken. 1994-1996. Publicaciones del Proyecto Café Orgánico. GTZ. Lima. p. 165. Author’s translation.

⁶⁷ Jelsma and Metaal 2004. p. 16.

⁶⁸ Malé 1996. p. 16. Author’s translation.

continued eradication of illicit coca. According to State officials, the Bolivian government's governing coalition is now politically weak, and the future of the government's eradication policy is uncertain...."⁶⁹

Forced eradication, by creating unrest and often violence, can establish conditions that discourage development, including long-term nation-building, which is key to lasting drug and crime control. An independent researcher writes of the Bolivian Chapare:

"This consistent and often remarkably single-minded focus on coca eradication has, for almost twenty years, virtually ignored the negative impacts it has had on local populations and economies. Resistance has grown steadily and the resulting conflict in no small measure has contributed to the fragility of Bolivia's democracy, seen most dramatically in the popular uprisings of January through April 2000, September 2001, February 2002, and the forced resignation of Bolivia's president in October 2003."⁷⁰

A Huallaga peasant woman, now militantly active in protesting anti-drugs policies in Peru, tearfully related to the author the scene of helicopters landing in her community, with wind from the rotors destroying food crops and removing the straw roofs of nearby homes, and soldiers jumping out firing their weapons into the air to intimidate residents while an army of workers descended on the fields to eliminate coca. The event, she said, traumatized one of her young children, who today suffers resulting neuroses.

In Colombia, it is not unusual for the State's first appearance among neglected rural citizens to take the form of armored helicopters and crop dusters. Aerial spraying creates anger and despair, and often drives people into one of the armed groups, or into the growing ranks of the displaced. As a Putumayo peasant leader told the author, "The spraying kills everything. People leave for other parts of the county, or settle on the fringes of local towns. And some go deeper into the forest to plant coca again." A discouraged mayor was blunt: "The State has given us only glyphosate."

In a press interview, Putumayo's current governor strongly criticizes aerial spraying:

"I don't agree with aerial spraying. Putumayo peasants have demonstrated, pulling up with their own hands more than 19,000 hectares of coca, that they're willing to put an end to coca in the department.... [Glyphosate] contaminates the water, damages the land, and upsets the ecological balance of Amazonian ecosystems.... We're demonstrating to the country that we're not drug traffickers or guerrillas or paramilitaries, but rather people willing to work, to stand up for the country. With our bare hands, we're legally growing food and creating work for Putumayo's peasant and indigenous populations."⁷¹

⁶⁹ GAO 2002, pp. 24, 25.

⁷⁰ Farthing 2004, p. 3

⁷¹ Governor Luis Carlos Palacios, as quoted in *El Tiempo*, July 15, 2004, "Gobernador de Putumayo expresó su desacuerdo por la fumigación aérea de cultivos de coca." Author's translation.

For this reason, the GTZ-UNODC report cited earlier questions forced eradication:

“Alternative Development should foster processes to reduce or eliminate illicit cultivation in a concerted, voluntary and sustainable way. Forced eradication should be avoided whenever possible until licit components of livelihood strategies have been sufficiently strengthened.”⁷²

And the 1998 UNGASS Action Plan notes that “in areas where alternative development programmes have not yet created viable alternative income opportunities, the application of forced eradication might endanger the success of alternative development programmes.” Also, another “minimal condition” for successful AD is presence of a policy forbidding forced eradication in areas where AD is underway (see Note 56).

The option of AD with “voluntary” eradication, which governments have frequently allowed peasant farmers, is also controversial since it tends to involve some form of “conditionality,” typically stated in a written agreement with communities or individual farmers. The sequencing of AD and eradication comes into play here—whether eradication should precede AD, should parallel it, or should occur only after sustainable alternatives are generating a viable income. AD experts opine on conditionality in the Feldafing Declaration: “Development should neither be made conditional on a prior elimination of drug crop cultivation nor should a reduction be enforced until licit components of livelihood strategies have been sufficiently strengthened.”⁷³

Two recent reports, one by GTZ, the other by GTZ and UNODC, address this matter:

“AD should be free of deadlines and the precondition of total eradication of drug crops prior to availability of viable alternatives. A more flexible and gradual reduction of drug crop production must be allowed to avoid problems related to economic and social suffering. Many communities have been forced to hasten eradication process without viable alternatives, which have resulted in aggravated poverty and migration. Drug crop reduction must be voluntary and development assistance offered without preconditions on area reductions.”⁷⁴

“Alternative Development should foster processes to reduce or eliminate illicit cultivation in a concerted, voluntary and sustainable way. Forced eradication should be avoided whenever possible until licit components of livelihood strategies have been sufficiently strengthened.”⁷⁵

⁷² GTZ and UNODC 2004. p. 27.

⁷³ GTZ and UNODC 2004. p. 5.

⁷⁴ Jenny Ikelberg 2003. *Drugs and Conflict. Discussion Paper.* Drugs and Development Program, German Technical Cooperation (GTZ, GmbH). Eschborn: GTZ. p. 23.

⁷⁵ GTZ and UNODC 2004. p. 27.

According to Bolivia's comprehensive anti-drugs plan, *Plan Dignidad*, eradication should be gradual:

“Law 1008 also provides that any coca substitution will be planned as gradual, progressive, and simultaneous with the implementation of sustained socioeconomic development plans and programs....These plans must include the search and finding of domestic and international markets for alternative products.”⁷⁶

Yet a GAO review of AD during the *Plan Dignidad* period cites as a “lesson learned”:

“Monitoring compliance with voluntary eradication agreements is necessary: Community self-policing of compliance with eradication agreements in the Chapare region was not effective. In 1999, the Bolivian government determined that 65 percent of the communities participating in the voluntary eradication program had broken their agreements and were disqualified from receiving assistance.”⁷⁷

And a USAID report for the same period notes:

“Many observers of the Bolivian experience believe that net coca reduction did not occur until...alternative development assistance was conditioned upon the abandonment of coca production by potential development beneficiaries. Program assistance should not be provided to individuals or organizations dedicated to the production of coca for cocaine, or the production/trafficking of illegal substances.”⁷⁸

The 2002 GAO report already cited also addresses the issue in Colombia:

“However, State [the US Department of State] said that it believes it is appropriate and constructive for the spraying of illicit coca to be conducted before alternative development programs are initiated in an area. Indeed, it is often a prerequisite to local participation in and community members' support for alternative projects. Alternative development efforts in Putumayo offer an excellent case in point. When Alternative development opportunities were first offered to coca growers in Putumayo last year, there was little interest. The spray planes then arrived and demonstrated to growers that involuntary eradication of their coca crop would occur if they did not agree to eradicate manually. After parts of Putumayo were sprayed in December 2000, farmers began signing such pacts and interest in alternative development blossomed, with 37,000 families ultimately signing on.”⁷⁹

⁷⁶ República de Bolivia 1998. p. 48. Author's translation.

⁷⁷ GAO 2002. p. 6.

⁷⁸ USAID 2003. *Assessment...* p. 5.

⁷⁹ GAO 2002. pp. 44-45.

Coordination between entities charged with forced eradication and those charged with implementing AD, sometimes in areas where communities have entered into voluntary eradication agreements, has often been poor. As the same 2002 GAO report notes regarding Bolivia's vigorous forced eradication campaign:

“More recently, the rapid pace of the Bolivian government's eradication campaign has created gaps between eradication and alternative development assistance that can leave peasant farmers without livelihoods. The Bolivian plan has been to remove itself from the coca-cocaine business by 2002. According to a U.S. embassy official in Bolivia, the schedule for the eradication process was compressed because the current government wanted to complete the effort before the 2002 presidential election. As a result, coordination between eradication and alternative development became very difficult.”⁸⁰

The same report also cites serious coordination problems in Peru, where it identifies as a “lesson learned”:

“Poor coordination between U.S.-supported eradication efforts and USAID's Upper Huallaga Area Development Project led farmers to seek terrorists' ‘protection.’⁸¹ In 2000, poor coordination between eradication and USAID's Alternative Development Project provoked farmers to resent the project, which they associated with eradication. In 2000, USAID designed a ‘safety net’ assistance program and began closely coordinating with U.S. embassy staff to ensure that emergency food and other assistance would be provided to growers whose crops are eradicated.”⁸²

Probably the most serious lack of coordination has occurred in Colombia. Again, the same report notes:

“The Colombian government's ability to effectively coordinate eradication and alternative development activities remains uncertain. Careful coordination of these efforts was critical to their effectiveness in Bolivia and Peru. In December and February 2000, while conducting aerial eradication operations, the Colombian National Police accidentally sprayed approximately 600 to 700 hectares of an area where communities were negotiating pacts for participation in alternative development. Also, PNDA [PLANTE] officials told us that eradication authorities had sprayed most of the Bolivar department, even though PNDA had targeted some communities in the department for participation in the alternative development program. This will likely complicate PNDA's relations with farmers in that region.”⁸³

⁸⁰ GAO 2002. p. 27.

⁸¹ Here, what the US sees as a problem of “poor coordination,” the Peruvian government at the time saw as one of national security. As already noted, Peru responded by decriminalizing coca-growing by small farmers.

⁸² GAO 2002. p. 6.

⁸³ GAO 2002. pp. 13-14.

A recent independent report on aerial spraying in Colombia address coordination and AD over the period 2000-2002:

“The development programs only offered economic alternatives to a fraction of the farmers affected by the fumigation program....The implementation of alternative development programs was also frustrated when crops, pasture and livestock purchased with development funds were damaged and destroyed by herbicide from the fumigation program, as detailed earlier. Communities also reported that aerial herbicide spraying had damaged or destroyed pastures where cattle purchased with aid money were to graze.... [I]t is abundantly clear that fumigation far outpaced alternative development programs for small-scale farmers, and that many of these farmers, who would have likely chosen to eradicate with development aid, were not offered this choice. Partly as a result of this imbalance between fumigation and alternative development programs, as well as the continuing violence, farmers and their families left Putumayo by the thousands. According to a Colombian government survey, an estimated 50,000 people, roughly 15% of the population, left Putumayo in 2002.”⁸⁴

A final thought: If AD rests on the premise that “Social and economic development is the best guarantee for the permanent elimination of illicit crops...,” does eradication-driven AD undermine development and sow the seeds of failure, and thus violate the premise?⁸⁵

Conflict Resolution

The role for AD in conflict resolution is a matter of recent debate. At least one report seems to question whether it has a role at all:

“A 2002 GOB [Government of Bolivia] analysis discarded the efficacy of addressing violence in the Chapare with the standard array of conflict resolution mechanisms. The analysis indicates instead that better law enforcement will be required to address conflicts more associated with organized international crime and incipient drug-financed terrorism than with social, economic or political-induced conflicts related to beliefs, resource flows, enduring poverty or property rights.”⁸⁶

Conflict resolution is perhaps the least studied of the thematic areas addressed here, and information about it the least ordered.⁸⁷ This is ironic given the zones where AD operates. Not only is conflict deriving from social decomposition endemic to

⁸⁴ Betsy Marsh. *Going to Extremes: The U.S.-Funded Aerial Eradication Program in Colombia*. Latin America Working Group Education Fund. March. Washington, D.C. p. 25.

⁸⁵ El Centro de Información y Educación para la Prevención del Abuso de Drogas (CEDRO). 2004. *Desarrollo Alternativo*. <http://www.cedro.org.pe/desarrollo.htm>

⁸⁶ USAID 2003. *Assessment...* p. 4.

⁸⁷ For a recent discussion of the topic, see Ikelberg 2003.

communities with illicit crops, but overt violent conflict deriving from the drug trade and criminality, or from insurgent movements, is not uncommon. And conflict and violence, as just noted, can also result from the enforcement of drug laws. Effective household and community participation, themselves key to instituting sustainable alternatives, often require prior restoration of the social fabric in order to reduce internal conflict and allow minimal consensus. Helping households and communities cope with the causes and consequences of conflict, and creating a strong civil society, are thus inherent to the work of AD. In a word, the ability not only to function in conflictive zones, but to address issues that are cause and consequence of conflict is vital to AD's success.

Whatever AD's role in conflict resolution, it is clear that the location-specific nature of conflict requires AD to adjust its initiatives accordingly. And this complicates the formulation of any but the most trivial prescriptive guidelines. UNODC, probably more than other donors, has worked with AD in conflictive zones. This overview has made reference to its work in Peru's violent Huallaga Valley during the 1980s and early 1990s. The results of those labors, albeit still on a small scale, can be seen today in Central Huallaga, where the cultivation and processing of African oil palm has proved to be a viable alternative and seems likely to spread to other areas of the large valley.

Working in conflictive zones is risky and the environment complex, even treacherous. UNODC's project activity in Huallaga during the violent years faced numerous hazards, with violence sometimes directed at technical field staff. Whereas farmers in Huallaga had initially allied with Shining Path for protection, as already noted, those in Apurímac (where UNODC did not enter until 1995) allied with drug traffickers to buy arms to fight Shining Path.⁸⁸ As one Apurímac peasant leader said years later,

“Coca production played an important role, because here, where war against Shining Path raged, there were no merchants. Nonetheless, coca provided family income and thanks to it we could buy arms and munitions for our peasant militias (*ronderos*).”⁸⁹

There is today a resurgence of coca in Apurímac (Apurímac and the Monzón area of Huallaga account for about 85 percent of Peru's illicit coca), where farmers have once again allied with drug traffickers. AD personnel there today work in the face of this alliance, and the ever-present potential for violence.

Perhaps the best example of efforts to use AD in conflict resolution occurred in Colombia between 1998 and 2002, when the Colombian government linked AD to its historic peace negotiations with the Revolutionary Armed Forces of Colombia, or FARC. This linkage, under its original logic, obliged the government to provide AD in rebel-held zones in exchange for rebel help in reducing illicit crops. Until the peace process dissolved and

⁸⁸ See United Nations International Drug Control Programme. 1998. Report on Mission to Apurímac, Peru. January 13-17. James C. Jones, Alternative Development Advisor for Latin America. pp. 4-6.

⁸⁹ Carlos Francisco Barrantes. Quoted in GTZ 2000. p. 120. Author's translation.

the country collapsed into all-out war, UNODC's AD personnel, with FARC approval, operated in rebel-held parts of Putumayo, Caquetá, and Meta.⁹⁰

A Positive Outcome?—Analysis and Reflections

What we Know: Incomes and Markets

AD practitioners have long known that growers of illicit crops face an incomes bottleneck. As one Peruvian peasant leader told the author,

“Sure, Alternative Development's social infrastructure projects—health clinics, schools, sports fields—provide benefits... But you can't eat these, there's no economic support. So people are leaving, abandoning the schools and going deeper into the forest to plant coca...”

Poor roads, lack of credit, the absence of agro-industry, and a host of other factors all bear on the incomes issue. But growers throughout the region overwhelmingly rank one factor above all others: *the lack of viable, stable markets for alternatives*. As one peasant leader told the author,

“Those of us who defend our coca... have grown it for 3,000 years. It's never harmed us, nobody gets hooked on drugs. We totally reject drug trafficking. But drug trafficking exists because of the demand for drugs. We agree to help fight drug trafficking, but help us to find markets for alternative products.”

With all their pitfalls, illicit crops respond, if imperfectly, to this need for markets. From the impoverished peasant's point of view, the illicit crop *is* the alternative.

Impacts and Successes

Numerous reports on AD projects and programs, sometimes purporting to evaluate them, enumerate achievements. By one account, 1,800 km of roads and more than 100 bridges were built in the Bolivian Chapare between 1983 and 2003. And 500 km of electric lines were strung, benefiting more than 50 agro-industries, 60 hotels, and 15,000 families in urban and peri-urban areas. Also built were 30 rural schools, two regional hospitals, 11 health centers, 67 potable water systems, and five sewerage systems. And alternative crops—banana, pineapple, palm cabbage, passion fruit, pepper, citrus, pasture and forage grass, and food-security crops—cultivated rose from 40,000 ha in 1986 to 127,000 ha in

⁹⁰ As UNODC advisor, the author participated in this effort. At the time, FARC proposed their own AD project (see <http://six.swix.ch/farcep/Documentos/sustitucion.html> for their written proposal), in Cartagena del Chairá, Caquetá, but the government and the international community, including UNODC, refused to support it.

2002.⁹¹ USAID-funded construction in five coca-growing areas of Peru over the period 1995-2003 includes 1,585 km of roads (built or improved), five bridges, 82 classrooms, 49 potable water systems, and 25 health centers.⁹² USAID reports that its AD investments in Peru over the period 1995-2001 yielded 32,000 ha of alternative crops.⁹³ Less-tangible achievements include the strengthening of producer associations in the three countries, an activity that UNODC in particular has emphasized.

All of this represents a kind of impact, and examples of onetime growers of illicit crops switching to licit activities as a result of AD exist in all three countries. In some cases, the switch seems permanent, and in others it has been for a decent interval of time. Yet, one often-asked question lingers and continues to haunt: Has AD been successful?

The answer is elusive and brings up several issues, among them measurement. How to measure the progress of an orphan child has long bedeviled donors and practitioners. Indicators purporting to measure “development,” like those above, typically take the form of volumes and values of product sold (or exported), kilometers of road improved or electric lines strung, numbers of potable water or sanitation systems built, numbers of organizations strengthened, and so on. But these measures fall short, as a 2004 GAO report on US non-military assistance to Colombia notes:

“To assess its progress, USAID uses four measures: the number of hectares of illicit crops eradicated, the number of hectares of licit crops cultivated, the number of families benefited, and the number of small infrastructure projects established.... Based on these four measures, the alternative development program has started to produce results. *However, USAID officials acknowledge that these indicators do not measure the agency’s progress in reaching its primary objective of promoting economic and social alternatives to illicit crop production.*”⁹⁴

Measures serve two purposes: to monitor project and program progress, thus enabling timely course corrections, and to evaluate investments. A major weakness of AD is that its measures tend not to focus on the peasant household in a way to assess changes in its quality of life, either objectively or subjectively (baselines rarely exist), or to understand how it takes decisions. As experts at Feldafing observed, “[I]t is also advisable to monitor impacts on livelihood strategies, emphasizing changes at the household level...”⁹⁵ Monitoring impacts on the household provides “local” understanding at its most

⁹¹ República de Bolivia. 2003. pp. 10-12.

⁹² Comisión Nacional para el Desarrollo y Vida sin Drogas (DEVIDA). 2004. *Lucha contra las Drogas: Resultados durante 2003*. Febrero. p. 22.

⁹³ USAID/Peru. 2003. *Alternative Development Strategy (2003-2007)*. Draft. July 1. The report also cites a US investment of “\$166 million in development projects targeted to major coca-producing areas of Peru” over the same period. p. 2.

⁹⁴ United States General Accounting Office (GAO). 2004. *Drug Control: U.S. Nonmilitary Assistance to Colombia is Beginning to Show Intended Results, but Programs are not Readily Sustainable*. Report to the Honorable Charles E. Grassley, Chairman, Caucus on International Narcotics Control, U.S. Senate. July. Washington, D.C. pp. 12-13. Author’s italics.

⁹⁵ GTZ 2004. pp. 8-9.

fundamental level, and this understanding is key to achieving sustainable development.⁹⁶ Monitoring at the household level reveals what works, what does not, and why.

Monitoring and evaluation must include the subjective dimension. Some AD projects do seek to monitor, on individual farms, cropping and labor patterns as well as revenues and expenditures. Yet they ignore the subjective factor, or household members' perception regarding project-related quality-of-life changes. Perception *is* reality, and "objective" indicators deemed positive by an outsider may not be so seen by households. A failure to capture the subjective dimension is another weakness of AD projects.

It is somewhat ironic that entities exist in Bolivia, Peru, and Colombia that monitor and measure illicit-crop reductions in the context of community and household eradication agreements, yet no such entities exist to monitor changes related to household livelihood. This points again to the bias of AD as drug-control, with a primary focus on the illicit crop, rather than as development, with primary focus on poverty reduction.⁹⁷

Again, has AD been successful? One can approach the question from yet another angle. A numerical look at AD in the Bolivian Chapare, long the country's primary zone for illicit coca, is enlightening. There, government and donors have invested substantially in AD since the late 1970s. And there, it can be argued, AD has been more active, and for a longer time, than elsewhere in the Andes. And the Chapare, unlike coca-growing areas in either Peru or Colombia, which are dispersed over vast and remote tropical areas, is a confined and accessible region where development and drug-control activity is more easily monitored.

According to one report on AD in the Chapare,

“...as recently as November 2001, Bolivian government officials conceded the inadequacies of alternative development and claimed that 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.”⁹⁸

A UNODC project-evaluation report in 2001 says:

“Neither can one forget that Alternative Development, according to government estimates, has provided assistance at some time to between 18,000 and 20,000

⁹⁶ USAID's AD projects in Huallaga are now beginning to focus on household decision-making and on communities. This is a tilt toward "development." How the tilt will affect project monitoring and project-related decision-making, which remain within a larger defining context of drug control, remains to be seen.

⁹⁷ Dirección Nacional de Reconversión Agrícola (DIRECO) performs this monitoring function in Bolivia and Cuerpo de Apoyo al Desarrollo Alternativo (CADA) performs it in Peru. UNODC performs the function in Colombia in the context of the Familias Guardabosques program, the Uribe Government's flagship AD effort. This program, which involves cash payments to farmers to eradicate coca and not fell trees, is arguably not "development." Indeed, its name—Forest-Protecting Families—suggests the emphasis.

⁹⁸ Kathryn Ledebur. 2002. *Coca and Conflict in the Chapare*. Drug War Monitor. Washington Office on Latin America. July. Washington, D.C. p. 5.

families in the Cochabamba Tropics. Nobody knows the actual percentage of families who have received no assistance, but the figure is significant.”⁹⁹

USAID, long the largest AD donor in the Chapare, reports in a mid-2003 strategy assessment that

“A recently completed (June 2002) socio-economic mapping exercise in the Chapare revealed that there are potentially 53,300 family alternative development clients rather than 35,000. Of these, 45,300 are farm families, whereas CONCADE’s [Counter-Narcotics Consolidation of Alternative Development Efforts] four-year program was designed to reach only 3,000 new families per year.”¹⁰⁰

A government technical person who has worked in the Chapare for many years recently told the author that AD had attended to between 15,000 and 20,000 families, meaning that 30,000 had received no assistance. And a Chapare mayor told him that maybe 20 percent of peasant farmers had received some sort of AD assistance at some time, but that only half of those had been able to use it.

However one interprets these figures, they strongly suggest that about one-third of the farmers in the region have received some sort of AD assistance at some time. Alas, this does not mean that one-third of them enjoy a sustainable income from the assistance. Poverty levels in the Chapare run high, and those in migrant zones of origin run higher. The 2001 Census reports a population of 178,769 for the Cochabamba Tropics (i.e., the Chapare).¹⁰¹ Of those, about 85% live below the poverty line, and 30 percent in extreme poverty.¹⁰²

According to statistics from the Bolivian government, about \$480 million has been invested in AD in Bolivia over the period 1983-2003, within the framework of “shared responsibility.” International donors have funded \$380 million (79 percent) of this.¹⁰³

⁹⁹ UNODC 2001. Author’s translation.

¹⁰⁰ USAID 2003. *Assessment...* p. 2.

¹⁰¹ Bolivia’s Vice Ministry of Alternative Development reports a population of 170,000, or 45,000 families, for the Cochabamba Tropics.

¹⁰² Figures in Peru are comparable. In the seven departments that include Peru’s major coca-producing areas (Ayacucho, Cusco, Huanuco, Junin, Pasco, San Martin, Ucayali), “nearly 70 % of the population... is poor and 42 % is extremely poor” (see USAID 2003. *Annual Report...* p. 5). Over the period 1995-2001, USAID invested \$166 million in development projects in major coca-producing areas of Peru.

¹⁰³ República de Bolivia. Viceministerio de Desarrollo Alternativo. 2003. *Plan Nacional de Desarrollo Alternativo 2003-2008*. November. P. 10. These figures include investments in both the Chapare and the Yungas of La Paz, and also those in “expulsion zones”—the *altiplano* areas of Potosí, Oruro, and La Paz, and the high valleys of Cochabamba and Sucre. (GTZ funds rural development in some of these zones today, though not in the name of AD.) But the fraction of investment in both Yungas and the expulsion zones is small in comparison to investments in the Chapare. Of the international-donor amount, the country breakdown by percentage is as follows: the US (56.0%), UNODC (24.1%), Germany (11.3%), EU (5.9%), OAS (1.3%), Spain (1.0%), France (.16%), IDB (.05%).

Although precise figures are not available for Peru or Colombia, it is safe to assume that AD investment in Bolivia, relative to both land area with illicit crops and number of producers, is considerably higher than in either of those countries. Also, unlike those countries, Bolivia to date has been free of insurgent movements. A July 2004 GAO report on US assistance to Colombia squares well with these reflections from Bolivia:

“Alternative development projects often benefit only a few people or families; have difficulty marketing products; and, without additional sources of funding, likely cannot be sustained.... Individual alternative development projects may employ only a small number of people for a short period of time or benefit a relatively small number of families. Without broader participation and financial support, such projects may not be sustainable if U.S. support is reduced.... [T]he government of Colombia does not have the capacity to sustain alternative development projects, provide the level of assistance needed for vulnerable groups, or implement democracy and judicial reform. Colombia’s financial resources are limited and its economy is weak, and thus it will need U.S. assistance for the foreseeable future. In 2000 and 2001, USAID determined that an alternative development program for the estimated 136,600 families involved in illicit drugs could cost up to \$4 billion....”¹⁰⁴

Seen in this light, the “reach” of AD in the Andean region, and the magnitude of the challenge there, clarify in a sobering way. Maybe it is the sense of these reflections—of what remains to be done and the magnitude of its challenge—, tempered by a strongly felt sense of what *could* be done, that prompted AD experts at Feldafing to incorporate the following statement in their Declaration:

“Convinced that Alternative Development can make a major contribution to generally acknowledged development objectives such as poverty reduction or conflict prevention/resolution, and taking particularly into account that target groups often belong to the weaker parts of society such as ethnic minorities, people living in remote areas, small farmers and other underprivileged groups, we call on agencies of development cooperation to place Alternative Development high on their agenda.”¹⁰⁵

The discussion and analysis presented here suggest that more than a mere “scaling up” of AD in its current form will be necessary if it is to play the part asked of it by many in the world community. Structural and policy changes in the way AD is envisioned and implemented by donors and recipients will be required. This overview hints at some of those changes. Yet those changes alone, while increasing AD’s potential, will not ensure its full potential. Required also will be major structural and policy changes in Andean societies with illicit crops. The words of a 1993 OTA report still invite reflection:

“The U.S. and Andean Governments have differed with respect to the correct ratio of ‘sticks’ (repression of drug production and trafficking) to ‘carrots’ (economic

¹⁰⁴ GAO 2004. Pp. 10, 12-13, 27.

¹⁰⁵ GTZ and UNODC 2004. p. 5.

support and development assistance). Drug policymakers across the board have thus far been unable to fashion a realistic, consensus-based, multilateral, long-term approach to address demand and supply sides of the drug equation effectively. Although difficult, no other approach is likely to offer anything but temporary and partial victories on specific battle fronts in an overall failing effort. Profound changes are probably needed in the economic and social structure and public policy of the United States and Latin America, yet these changes are unlikely to be achieved quickly and cheaply, and certainly not by law enforcement and military tactics alone.”¹⁰⁶

¹⁰⁶ OTA 1993. p. 73.