THE ANDEAN STRATEGY: AMERICA'S DRUG BUST?

BY

Colonel Judith A. Browning
United States Army

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COL JUDITH A. BROWNING, USA

INDIVIDUAL STUDY PROJECT

FROM _ TO _ 1992 APRIL 15

(SEE REVERSE SIDE)
The Andean Strategy was developed and implemented in 1989, as part of the President's National Drug Control Strategy. As the international arm of the President's strategy, the Andean plan was designed to reduce the amounts of illicit drugs entering the United States. It is aimed at supporting the principal cocaine source countries—Colombia, Peru and Bolivia—in their efforts to control and defeat the drug trade. In addition to reducing the cocaine flow into the United States, the key objectives are to strengthen the capability and effectiveness of these countries to disrupt and dismantle the trafficking organizations. This paper intends to assess the effectiveness and viability of the Andean Strategy to achieve its objectives.
USAWC MILITARY STUDIES PROGRAM PAPER

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AN INDIVIDUAL STUDY PROJECT
by
Colonel Judith A. Browning
United States Army

Colonel George H. Allport
Project Advisor

U.S. Army War College
Carlisle Barracks, Pennsylvania 17013

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INTRODUCTION

The demand for drugs in our country is a monumental problem. Americans are considered by most of the world to be the number one users of illicit drugs. As a result, we have become a lucrative target for drug traffickers by those countries dealing in illegal drugs.

Even as recently as five years ago, our foreign counterparts castigated the United States for causing the drug problem because of our insatiable appetite for more and more drugs of all kinds. From heroin, marijuana and cocaine, to legal drugs, such as tranquilizers diverted into the illegal drug trade, to the so-called designer drugs, the United States has always seemed to lead the way in the demand for drugs.

During 1989, an estimated 25 million Americans, about one in ten of our citizens, used some form of illicit drug. The damage to our social fabric is pronounced and the toll in human misery is incalculable. Over 200,000 babies are born each year to mothers who use drugs. Intravenous drug use is now the single largest source of new HIV/AIDS infection and perhaps one half of all AIDS deaths are drug related. Drug related emergency hospital admissions increased 120 percent between 1985 and 1989. In varying degrees, all Americans are paying for the over $150 billion that annually flows to the drug dealers and the additional $60 to $80 billion that are lost through absenteeism, inefficiency, embezzlement, nonproductivity and medical expense. Drug addiction stimulates street crime while the lure of drug dollars fosters the corruption of government officials and criminalization of business and banking establishments. All
economic groups and social classes in the United States are
affected by the drug problem.2

Until recently, little has been accomplished to stem this
threat to our national values, security and survival. In
September 1989, President Bush called drugs "the gravest threat
facing our nation today,"3 and presented the first national
strategy this country has had to deal with the drug crisis. The
President's National Drug Control Strategy is an integrated
program of counternarcotics actions employing a multinational and
multi-agency approach to the reduction of both the supply and the
demand for illegal drugs. As noted in the January 1990 version
of the strategy, the President reiterated the principal national
goal was "to reduce the level of illegal drug use in America."
The intent was to reduce the amounts of illicit drugs entering
the United States.4

The assumption is that severely restricting supply will
lower the demand for drugs by making them more expensive and
harder to get. In support of this assumption, 70 percent of 1990
and 1991 federal anti-drug dollars target supply reduction and
enforcement efforts, while the remainder is invested in demand-
side measures of treatment and prevention.5 Of the supply-side
dollars, a large portion is invested in fighting the drug war at
the source through the implementation of the Andean Strategy.
This paper intends to assess the effectiveness and viability of
this strategy to reduce the cocaine supply to the United States.
THE ANDean STRATEGY

Posing the most serious threat to the U.S., cocaine remains the number one priority for resource allocation, with emphasis on interdicting illicit drug flow from South America and increasing the effectiveness of law enforcement and military activities of source countries.\(^5\) As a major component of the international effort, the Andean Strategy is aimed at supporting the principal cocaine source countries—Colombia, Peru and Bolivia—in their efforts to control and defeat the drug trade.\(^7\) Why the emphasis on the Andean nations? Of the 400 metric tons of cocaine currently entering the United States each year, 66 percent is derived from coca grown in Peru, 35 percent from Bolivia and 5 percent from Colombia. While Colombia grows only a small percentage, 80 percent of the cocaine in the United States is processed in and shipped from Colombia.\(^8\)

The long-term goal of the Andean Strategy is to effect "a major reduction in the supply of cocaine from these countries to the United States" through working "with the host governments to disrupt and destroy the growing, processing and transportation of coca and coca products."\(^9\)

In the short-term, the key objectives of the President's actions in the Andean region are:

(1) "To strengthen the political will and institutional capability of Colombia, Peru and Bolivia" to disrupt and ultimately dismantle the trafficking organizations.

(2) "To increase the effectiveness of law enforcement and military activities of the three countries against the cocaine trade."
To inflict significant damage to the trafficking organizations which operate within the three countries.10

To meet these objectives, the strategy provides a two-pronged attack against the crime and terror that cocaine trafficking has brought to the three Andean nations. First, it provides the law enforcement and military assistance they need to fight and, where possible, capture the narcoterrorists on their own. That means giving these countries training and equipment to protect those government officials necessary to carry out the plan; radios, binoculars, vehicles and equipment for law enforcement; and military training and technical assistance necessary to provide the security needed for enforcement pressure to be applied in key coca-growing and processing regions. The military services provide mobile training teams (MTTs) to the international counternarcotics effort of the State Department to provide training in individual and small unit tactics, leadership and airmobile and riverine operations. The primary interest is to increase the ability of the forces of Colombia, Peru, and Bolivia to destroy drug processing laboratories, disrupt drug-producing enterprises, and control the land, river and air routes by which the enterprises exfiltrate illegal drugs from the country.11

None of the countries within the Andean region have asked for U.S. troops, and there is no current contemplation of the use of U.S. armed forces personnel in any operational role in these countries. What these countries are asking for and what is being
provided is training for their police and military personnel equipment and operational support. There is no intention to substitute U.S. programs for those which the countries must implement for themselves. U.S. military personnel will not replace or augment military personnel of these countries who engaged in counternarcotics operations.

Second, an unprecedented level of economic assistance is be provided so these countries can fortify their economies and allow farmers to turn from coca to other crops and other legitimate economic activity. However, the economic assistance was not to be initiated until the second year of the strategy was conditioned upon counternarcotics performance and the soundness of the economic policy of each of the three Andean countries. A 1990 report by the Office of National Drug Control Policy provides a much broader context for the U.S. efforts in the region. It places the Andean Strategy as a part of a large effort on the part of the Administration to further the steady trend for Latin American and Caribbean democracy and market-oriented economic reforms. It emphasizes that economic and democratic change are a prerequisite for success in the war on drugs in the Andean region.

The long term success of the counter-narcotics strategy is dependent on strengthening democratic processes and economic growth to complement law enforcement actions. Economic strategies and resources are required to provide the general conditions for a healthy and viable legal economy throughout the region as well as provide viable alternatives for those currently engaged in illicit drug cultivation.
Referred to as Objective IV, the narcotics-related economic assistance is designed "to strengthen the legitimate economies of the Andean nations to enable them to overcome inherently destabilizing effects associated with suppressing cocaine production and exports." It is planned and managed through the Agency for International Development's (AID) Bureau for Latin America and the Caribbean.13

The Andean Strategy commands a projected budget of over $2 billion over a five-year period. The strategy called for $231 million for the three nations in FY 90, an estimated $422 million in FY 91 and $497 million per year for the remaining three years. In the first two years, funding is primarily for military and law enforcement assistance. Economic assistance is seen as a follow on to gaining regional security and stability and will be based on the level of eradication and interdiction effort demonstrated by each country.14

In order to provide some type of accountability for counternarcotics operations in the region, there were several international agreements established. One of these, The Document of Cartagena identifies conditions and criteria for anti-drug operations and assistance within the region. It was signed in February 1990, by the presidents of the United States and the three Andean nations and:

1. links U.S. aid to 'actions against drug-trafficking' and 'sound economic policies' on the part of the Andean countries;
2. binds the United States to a drug strategy that reflects 'understandings regarding economic cooperation, alternative development, encouragement of...
of trade and investment;'and
(3) requires 'that the parties act within the
framework of respect for human rights; they
reaffirm that nothing would do more to undermine
the war on drugs than disregard for human rights.'15

Although the packaging is new, U.S. aid in the form of law
enforcement and economic assistance for this region is not new.
The U.S. has been waging an overseas war against drugs for over a
decade. The primary departure from previous narcotics control
efforts in the region is its incorporation of host country
military forces into the counternarcotics effort, and its
expanded role for U.S. military forces. The law enforcement and
military assistance strategies of the Andean plan simply reflect
a continuation and escalation of U.S. counternarcotics efforts in
the region.

PREVIOUS DRUG CONTROL STRATEGIES

From 1979 to 1980, "Operation Green Sea," targeted coca
production in Peru's Upper Huallaga Valley. A lack of sustained
development programs and of a strong system of judicial
prosecution "negated any long-term benefits" from this
operation.16 Next, "Operation Condor," 1985 to 1986, employed
Peruvian military aircraft support to increase the ability of
Peruvian law enforcement agencies to attack processing facilities
and airstrips located in the jungle. Two operations, "Piranha"
and "Chem Con." (Chemical Control) were initiated in the late
1970's and early 1980's, to control the flow of chemicals
necessary for cocaine processing. Chemical tracking strategies
used under "Operation Chem Con" resulted in the seizure of major
laboratories in South America. "Operation Bat" represented the first use of U.S. military support to assist in country drug suppression activities in Latin America or the Caribbean. Implemented in the Bahamas in 1982, this operation utilized U.S. Air Force and Army helicopters in interdiction efforts.\(^7\)

"Operation Blast Furnace," marked a significant shift in the nature and scope of U.S. counternarcotics operations in Latin America. It was the first combined U.S. interagency (Department of Defense (DOD) and the Drug Enforcement Agency (DEA)) and country drug interdiction operation, and the first to use a sizable U.S. military presence. Six U.S. Army Blackhawk helicopters and 160 U.S. support personnel were brought to Bolivia to provide air mobility to the country's anti-narcotics forces. Although some results were produced, the operation has been considered a failure. Narcotraffickers either waited for the U.S. effort to end or moved their operations someplace else. The sizable U.S. military presence drew considerable criticism and controversy throughout the region.\(^8\)

As the immediate predecessor to the Andean Strategy, "Operation Snowcap" significantly expanded U.S. counternarcotics efforts, "incorporating a wide range of federal agencies in a concerted coca suppression campaign reaching across several nations in the region."\(^9\) Launched in April 1987 by DEA, the Department of State's Bureau of International Narcotics Matters (INM), and host nation enforcement agencies, it reflected a first-time attempt to extend counternarcotics operations over a
longer timeframe of two years. "Operation Snowcap" strategy "focuses on the suppression of cocaine supply through destruction of clandestine laboratory facilities, control of precursor and essential chemicals, and interdiction of the drug on land and waterways, in conjunction with eradication and economic development programs. A major thrust of this strategy is to improve the resources and expertise of host government forces...."  

With the development of the National Drug Control Strategy, the efforts of "Operation Snowcap" were incorporated into the broader Andean Strategy. Although they share the same strategic goal, the Andean Strategy represents a significant escalation of U.S. counternarcotics efforts in the Andean region with the budget outlay for 1990, fifteen times greater than DEA's largest expenditure, $7 million in 1988, for "Operation Snowcap."

It is all too apparent that American expenditure of hundreds of millions of dollars over many years has not affected the flow of cocaine to the United States. DEA estimates that cocaine production in South America skyrocketed from approximately 397 tons in 1988 to 990 tons in 1990 with production expected to increase by another 10 percent over 1991. "Coca cultivation is now approaching 200,000 tons of coca leaf a year, enough to satisfy four times the annual estimated U.S. cocaine market." Which means that even if the Andean Strategy attains its goal of cutting the cocaine supply by 50 percent, there will still be enough cocaine produced to twice meet the U.S. demand.
Coca eradication programs in the Andean region have been ineffective in reducing coca cultivation, and interdiction efforts have had little if any effect on the amount of coca or coca products available for processing and export. "In Peru and Bolivia, for example, less than one percent of coca paste and base was seized in 1989." Even more telling is a March 1991, State Department report that acknowledges they "had underestimated the potential dry leaf coca harvest over the last five years by about one-third." The report also forecasts "a large increase in Peru's coca production and noted that even with increased law enforcement efforts in Bolivia, 'trafficking organizations have kept pace by diversifying their marketing of refined cocaine.'" Although there have been periodic successes, they are often short-lived. As a result of the 1989 crackdown in Colombia, there was a 70 percent reduction in cocaine processing and trafficking. However, production quickly recovered "reaching 80 percent of the previous level within six months." The operations against the Medellin cartel did little but improve the profit margin of the Cali cartel.

**STRATEGIC DIFFERENCES.**

Despite the record of supply reduction failures over the last decade or so, the tendency seems to be to escalate our counternarcotics efforts instead of reevaluating or reconsidering the strategy. By interpreting past failure as a consequence of inadequate funding coupled with insufficient local political will and institutional capacity, the Andean Strategy provides
unprecedented levels of aid to Colombia, Bolivia and Peru to escalate enforcement and economic assistance efforts. The belief seems to be that the U.S. can manufacture the institutional capability needed for the Andean governments to carry out U.S. objectives.

U.S. policy encourages each of these countries to expand anti-drug efforts; actively engage its armed forces in narcotics control; and accept U.S. training and logistical support and, at times, even a quasi-operational role for U.S. personnel. In pursuing this policy, the strategists have used the standard "carrots" of economic assistance and special trade benefits, as well as the traditional "sticks" of threatened bilateral and multilateral aid cutbacks and highly public criticism. The issue that strategists failed to recognize is that the U.S. and these three countries have different objectives in their fight against narcotics. The U.S. objective is to curtail the flow of cocaine northward. Colombia's primary objective is not to stem the narcotics trade but to contain the violence that the large-scale drug cartels and guerrilla groups are capable of unleashing against the Colombian government and people. In Peru and Bolivia, the main goal is to keep an already nascent economy from collapsing while trying to find an economically viable alternative to replace coca production.7

The effectiveness of the Andean Strategy is severely constrained by these differences as well as problems in each country's agencies and operations. The U.S. exercises much less
influence and control over each country's institutions and actions than over U.S. operations. The severity of these internal problems raises the question of whether even substantial improvements in U.S. operations can enhance effectiveness in counternarcotics efforts absent dramatic and unlikely changes in the nature and conduct of each country's institutions.

The independent objectives of these nations coupled with the economic, political and social turmoil of the region make it almost imperative that these countries not follow the strategies of the U.S. counternarcotics program. The governments of Peru and Bolivia are primarily concerned with ensuring economic and political stability in their long-impoverished nations. Over the past decade, both Peru and Bolivia have experienced the worst economic crises in their histories. Immediate economic and political interests dictate against a crackdown on coca, both nations' most significant and dependable source of dollars and jobs. The Peruvian coca industry brings in approximately $1 billion annually, or 30 percent of the total value of legal exports, and employs some 15 percent of the national work force. The Bolivian situation is starker. Bolivia's $600 million in annual coca revenues is equivalent to the value of all its other exports combined. The coca industry employs 300,000 Bolivians, or 20 percent of the adult work force. A swift and effective blow to the coca economy would have a devastating economic and political impact. The livelihoods of hundreds of thousands of citizens would be threatened, triggering massive social unrest.
To further complicate the situation in Peru, the Upper Huallaga Valley has become a central battlefield for the Peruvian military and the Sendero Luminoso (Shining Path), Maoist insurgents. The guerrillas have gained a base of peasant support in the valley by serving as a shield against United States-sponsored antidrug operations and by demanding higher coca prices from Colombian traffickers on behalf of small producers. Motivated by rational economic interests, peasant support for the guerrillas has grown in direct proportion to the escalation of the drug control campaign in recent years. Peruvians fear an aggressive narcotics control effort would increase the threat posed by the guerrillas by driving peasants into their ranks.

Military authorities do not enthusiastically support the effort in the valley due to this very fact. As one former military commander acknowledged in 1990, "If we attack drug trafficking, we will convert the local population into our enemy." According to the Peruvian defense minister, General Jorge Torres, military efforts will not directly confront the drug traffickers but fight the subversives, which are the allies of the drug traffickers. Peruvian military forces have reportedly blocked antidrug operations on many occasions. There have been repeated reports of military personnel firing on Peruvian police during counternarcotics operations. This pervasive drug related corruption—including the use of military controlled airfields by drug traffickers—has further undermined
the military's will to support the drug war. According to a 1989 DEA internal review, Peruvian politicians have said that:

Peru can live with the narcotics problem for the next fifty years, but may not survive the next two years if the economic and insurgent problems are not dealt with now....The will to deal with the drug issues, when faced with problems that threaten the immediate survival of the country, remains the most difficult issue.

BOLIVIA

Similarly, in Bolivia, the coca industry is holding up the new, yet, fragile "economic plan" created to recover from the worst economic crisis in its history. The Bolivian economy literally collapsed in the early 1980s. Between 1980 and 1985, the GNP fell 20 percent, per capita consumption declined 30 percent, and unemployment doubled. Legal exports fell 25 percent between 1984 and 1986. Inflation reached 24,000 percent in 1985. However, the biggest shock to the economy occurred in 1985, when the world price for Bolivia's principal legal export, tin, collapsed. This was followed closely by the price collapse of natural gas, another leading Bolivian export, in January 1986.

In an effort to revive the economy and restore relations with the international financial community, then President Victor Paz Estensorro implemented a most severe austerity program. The Bolivian currency was devalued nearly 100 percent, gas prices increased 1,000 percent, government subsidies were eliminated, wages were frozen and bread, electricity, and transit prices were increased. Approximately 45,000 state jobs in mining and public administration were eliminated; factory shutdowns resulting from
liberalized import policies led to an additional 35,000 layoffs.

With the commitment of Estenssoro's successor, Jaime Paz Zamora, progress has been made to bring the economy around. In 1990, inflation decreased to 18 percent, the lowest rate in the region. A modest annual growth of 2.5 percent in the gross domestic product has been maintained. Between 1987 and 1990, Bolivia's foreign debt was reduced by 12 percent by negotiating buybacks with international lending institutions and partial write-offs with major creditor countries. Although exports have risen, Bolivia still uses almost 25 percent of its total export earnings to service its debt.

While significant improvements have been made through legitimate efforts, what is not read in the small print is that much of this "economic success" is dependent on the coca economy. The $600 million generated every year from coca sales has been especially critical for the economic stabilization program. Paz Estensorro instituted numerous measures that served to facilitate the absorption of coca-dollars into the financial system, such as loosening the disclosure requirements of the Central Bank and granting a tax amnesty to repatriated capital. Official investigation into the origins of any of the wealth existing in Bolivia was prohibited by law. These measures boosted Bolivia's foreign exchange reserves, which in turn helped stabilize the currency and stop hyperinflation.12

The coca economy also helped soften the impact of the crisis by providing a critical cushion for many of those left unemployed.
as a result of the government's austerity program. Laid-off miners turned to the coca industry for work. The coca industry now employs about 20 percent of the Bolivian workforce. Although the austerity program has successfully curbed inflation and stabilized the currency, the economy remains extremely fragile and heavily dependent on the coca trade. Bolivia's President, Paz Zamora, has warned that leaving Bolivia's 300,000 coca growers without work would be the equivalent of laying off 50 million people in the U.S. A full assault on coca cultivation would spark rioting, protests, and violent confrontations with thousands of well-organized coca growers. Given the important role of the coca economy as a major source of employment and foreign exchange, a swift and effective blow to the coca trade would be highly destabilizing.3

Bolivian support for anti-narcotics efforts will only remain high if such efforts do not weaken the Bolivian economy. Thus, the U.S. cannot hope to secure full Bolivian cooperation until viable economic alternatives are developed. Without genuine cooperation and support from the Bolivian government, the U.S. cannot implement a successful anti-narcotics campaign.

On the other side of the coin, Bolivia cannot effectively transition to legal crop alternatives without economic assistance from the U.S. What the U.S. has done through implementation of the Andean Strategy is tie that economic assistance to acceptance of American aid and training for the Bolivian military. However, with the Bolivian military's
notorious history of coups, corruption and even direct involvement in cocaine trafficking, the U.S. has in effect made it more difficult for the Bolivians to genuinely support the drug war.

The U.S. strategy to now engage Bolivian military forces has brought considerable protest from the Bolivian government since narcotraffickers and the military are related both historically and ideologically:

The military regimes of the 1970s provided state bank loans that supported the development of the cocaine industry; money borrowed ostensibly to finance cotton farming and other agricultural ventures in the Santa Cruz department apparently was diverted to building laboratories and other elements of a cocaine infrastructure. Narco-trafficking provided financial backing for (General) Garcia Meza's coup in June 1980, and there was a virtual symbiosis between drug trafficking and the state under Meza's regime.14

During this time, Bolivia was considered "the cocaine superstate" where the cocaine traffickers and the state apparatus became almost indistinguishable from one another. Garcia Meza's Interior Minister was paid $50 million to stop a government operation that was interrupting the supply of coca leaves to Santa Cruz department. Cocaine traffickers financed and manned right-wing paramilitary squads that were dedicated to repression and terrorism in the service of the state. Even after democracy was restored in 1982, the cocaine industry continued to wield considerable influence. In 1983, cocaine traffickers offered to give the Bolivian government $2 billion to help pay off Bolivia's foreign debt. At the end of 1985, traffickers helped President
Paz Estenssoro pay a traditional end-of-the-year bonus to government employees.  

Although the Bolivian military has remained relatively quiet about drugs in recent years, it still recruits mainly from the campesino population and is thought by both U.S. and Bolivian authorities to be a strong foe of coca eradication. There are still fresh memories of what used to be and fear that a dictatorship might return to Bolivia, especially if exceptionally harsh measures are taken against the cocaine trade. It was only after considerable resistance that the Bolivian government agreed to the new strategy which tied economic aid to the use of the Bolivian military in the drug war.

COLOMBIA

While Bolivia and Peru are trying to shore-up their economies, Colombia is fighting to restore order by taming narcoterrorism, not narcotics trafficking. The violence has been compounded by the battle with leftist guerrilla groups, and by the proliferation over the past decade of drug-financed paramilitary organizations linked to elements in the military.

The most dramatic direct challenge to the Colombian government came with the drug-financed assassination of presidential candidate, Luis Carlos Galan, in August 1989. President Barco Vargas reacted with a major offensive against the Medellin drug cartel, the traffickers considered to be responsible for the murder. The cartel responded by declaring a "total war" against the state, killing hundreds of police
officers, dozens of journalists and judges, and two other presidential candidates. More than 200 bombs were exploded in Bogota alone.

On taking office in 1990, President Cesar Gaviria Trujillo reversed Barco's hard-line strategy and embarked on a diplomatic path to end the violence. Gaviria's controversial strategy of wooing Medellin leaders, including Pablo Escobar, into custody—lighter sentences, no extradition on charges filed in the U.S. or other countries, and luxurious "prison" accommodations—has pleased most Colombians.

With narcoterrorism down, the country is eager to focus on other pressing problems: rising unemployment, the decades-old conflict with the remaining insurgency groups, and the struggle to deepen the political opening begun by constitutional reform. The goal of this reform movement is to incorporate diverse and opposing forces into the political process to produce a more participatory and pluralist democracy. The real challenge will be in the implementation and enforcement of its reform.

Given this challenge, the drug war has understandably ceased to be a top concern in Colombia. Meanwhile, the country's vast cocaine industry is thriving. Cocaine shipments range between 500 and 700 tons annually—more than enough to both saturate the U.S. market and satisfy Europe's growing appetite for the drug. Other traffickers have quickly divided up the market snare lost by the Medellin group, with the largest gains going to the Cali cartel, which was left virtually untouched by the governments
crackdown. The less violent, more businesslike Cali cartel avoids directly challenging the state through terrorism. In no mood for another exhausting drug war, the Gaviria government has shown little interest in confronting it or any other major trafficking organizations.

Despite the change in Colombian philosophy, the United States has pushed forward with a militarized plan for a drug war in Colombia. Designed in September 1989 in the midst of the bloody battle with the Medellin cartel, the U.S. strategy consisted of large doses of military aid, training and equipment. That year, Colombia became the largest recipient of U.S. military assistance in Latin America. By late 1991, 116 U.S. military personnel were reportedly in Colombia.

While the military has shown little interest in drug control, it has been fully committed to the 30-year war with Colombia's guerrilla insurgents. In late 1990, the military began its largest counterinsurgency offensive in decades. In turn, this action sparked a major guerrilla counteroffensive. U.S. aid intended for the drug war has apparently been far more useful in the war against the guerrillas. High-ranking Colombian military officials told U.S. congressional investigators in the spring of 1990 that $38.5 million of $40.2 million in "counternarcotics" military aid was to be used for a major counterinsurgency campaign in a region not known for drug trafficking.31
EFFECTIVENESS OF THE STRATEGY

As is the case in Peru and Bolivia, the U.S. drug strategy is doing more to aggravate the internal problems of Colombia than it is assisting them to fight the drug war. By pressing with the militarized plan for the drug war, the U.S. is expanding the autonomy of all three countries' armed forces and, thus, contributing to potential destabilization.

Additionally, there is no sign that the flow of cocaine has decreased. It has so saturated the U.S. market that it is pushing on to new European markets. From these developments, the Andean Strategy has been less than successful. However, its true effectiveness should be considered in light of the goals that were set forth to be achieved.

There were three key short-term objectives of the Andean Strategy. For the first, "To strengthen the political will and institutional capability of Colombia, Peru and Bolivia." There is no genuine commitment to be seen. The governments of Peru and Bolivia are primarily concerned with ensuring economic and political stability in which the coca industry plays a very decisive role. Based on the annual coca revenue and numbers employed by the coca industry, the disruption and dismantlement of the trafficking organizations would trigger massive social unrest and topple both governments. Now that narcoterrorism conducted by the Medellin drug cartel has been eliminated, the Colombian government shows little commitment to continue to fight other trafficking organizations that have not used violence to
threaten the government. The Colombian priority is to focus on constitutional reform and fighting guerrilla insurgents who continue to inflict enormous damage on vital oil pipeline and other economic targets.

There is no evidence to show that political will has been strengthened by tying economic aid to the use of Andean military forces in fighting the drug war. Colombia and Peru have clearly stated that the mission of their military forces is counterinsurgency. Their lip service to and acceptance of the militarized plan has openly been to ensure receipt of economic aid. In Colombia, aggressive pursuit of trafficking organizations is not a priority. In Bolivia, the government is adamantly opposed to involving the military due to its notorious corrupt and drug related history. They may even pull their military out of the drug fight completely regardless of consequences.

The economic assistance to develop alternative crops and incomes has been ineffective. Despite the risks, the profits to be gained from the coca industry have remained higher than alternative economic pursuits. The peasants show little will to seek alternatives since coca brings many times the price of competing crops: coca is easy to grow and harvest; and they do not have to worry about getting the crop to market because the traffickers come to them. AID officials acknowledge, "No single crop can approach the returns from coca production at current prices.... Efforts to provide alternative crops and incomes
cannot succeed unless there is sustained and effective enforcement and interdiction."

Enforcement and interdiction are only as good as the law enforcement and military institutions that carry them out. This leads to the second short-term objective of the strategy: "To increase the effectiveness of law enforcement and military activities of the three countries against the cocaine trade." The equipment and training provided may have increased the capability of the police and military to conduct the drug war but their effectiveness is another issue.

Not uncommon among Latin American security forces are interagency conflicts. Military and police vie for resources, prestige and power. After a Bolivian Air Force plane landed in Paraguay carrying 16 kilos of cocaine, it was reported that $14 million was given to the Bolivian armed forces as "hush money" to silence griping about the police's larger counternarcotics budget.

To exacerbate this situation, the contradictory roles of the police and military often put them at odds in fighting the drug war. In Peru, the military has responsibility for combatting the Sendero Luminoso while the police conduct counternarcotics operations independently or with DEA assistance. The military wants to drive a wedge between the insurgents and the coca-growing peasants but not alienate the growers. They realize that every grower is a potential insurgent. Therefore, they have allowed them to grow coca unimpeded. Because the police seek to
disrupt both the growing and trafficking, there have been incidents where the military has interfered in police operations. Military effectiveness is further hampered by a reluctance to attack the livelihood of their own families since most of them came from the Upper Huallaga Valley.

The other factor undermining law enforcement and military effectiveness as well as national commitment is drug-related corruption. There are reports of traffickers paying the military to allow them to take-off from public airstrips, traffickers tipped-off before a major drug operation, pay-offs accepted to allow captured traffickers to escape, or just pay-offs made to have someone look the other way. The motivation is not complicated as illustrated in this conversation between a U.S. border patrol agent and a Peruvian official at a checkpoint in Peru:

A colonel from Lima said, I have the opportunity while I'm here to make $70,000 by looking the other way at certain times. You have a family, they are protected in the United States, you have a proper pension plan. My family is not protected and I don't have the proper pension plan and I will never have the opportunity to make $70,000 as long as I live. I am going to make it.

The situation in Peru and Colombia show the incongruity of the objective to increase the effectiveness of the police and the military to fight against the cocaine trade. In both countries, the military's primary mission is counterinsurgency, not drugs. The Colombian armed forces receive the largest share of U.S. counternarcotics aid to that country. Although Congress approved the money provided it was used to fight the drug war, reports
indicate that so far it has been used mostly for counterinsurgency operations. In Peru, the military has displayed little interest in fighting the drug war but will gladly pay it lip service to gain U.S. aid. With no insurgency to speak of, Bolivia is a different situation. They do not want their military involved in the drug war because of it's notorious history of corruption and cocaine connections. They remember when the "cocaine colonels" took power in a 1980 coup and fear that U.S. military aid will fatten and corrupt the military to attempt another dictatorship. The militarized plan was only accepted in order for them to receive the help they really needed: economic assistance.

The third short-term objective, "To inflict significant damage to the trafficking organizations which operate within the three countries," has only achieved partial success in one country. The Colombian government's crackdown on the Medellin cartel was significant but only proved to improve the profit margin of the Cali cartel. With the end of narcoterrorism, Colombian priorities are elsewhere. The government shows little commitment to attacking other trafficking organizations which have not violently threatened the government or its people.

There is no evidence to indicate that any damage has been done to the trafficking hierarchy in either Peru or Bolivia. Since the economic and political stability of both countries is strategically linked to the coca industry, there has been little genuine interest in dealing a swift and effective blow to the
coca trade. Until economic alternatives are sufficiently
developed and implemented, this attitude will not change.

With over two years into the effort, there is no indication
that any progress is being made towards attaining the strategy's
long-term goal to effect "a major reduction in the supply of
cocaine from these countries to the United States." The flow of
cocaine has so saturated the U.S. market that it is now pushing
on to new European markets. A dip in the price of a kilo of
cocaine from between $18,000 and $27,000 in late 1990 to the
current price of between $14,000 and $22,000 would seem to
support this increase and continued availability.\(^{15}\)

CONCLUSIONS

The U.S. drug war in the Andean region cannot be won without
the will and ability of the Andean governments, militaries,
police, and peasant coca producers. Years and years of U.S.
attempts have failed to create them.

The underlying problem supporting this failure is the fact
that the Andean governments are still struggling with the
immediate problems of economic and political instability. In
Peru and Bolivia, the main goal is to keep an already nascent
economy from collapsing while trying to find an economically
viable alternative to replace coca production. A swift and
effective blow to the coca economy would have a devastating
economic and political impact. No longer threatened by
narcoterrorism, Colombia's primary objective is to contain the
violence and disruption caused by the remaining insurgency groups
and continue the struggle for constitutional reform. These independent objectives coupled with the economic, political and social turmoil of the region make it almost imperative that these countries not follow the strategies of the U.S. antidrug program.

Despite these differences, the U.S. strategy continues to presume that greater aid, training and equipment can create both the political will and strength to confront the entrenched power of the cocaine business. "The logic of escalation in the drug war is in fact strikingly similar to the arguments advanced when U.S. counterinsurgency strategies, undercut by ineffective and uncommitted governments and security forces, were failing in Vietnam: 'We've just begun to fight.' 'We're turning the corner.'" Even the measures of success used in assessing progress in the drug war are as misleading as "body counts" were in measuring U.S. success in the Vietnam war. "There is a tendency to emphasize the number of crops eradicated and not the amount of new coca planted; the number of labs destroyed and not the number rebuilt or the total processing capacity; the number of seizures and not the totals being shipped; the number of arrests and not the continued effectiveness of the trafficking networks." Further escalation of the drug war under the Andean Strategy could be counterproductive to counternarcotics efforts. There may be considerable concern that military trainers operating in the Andean region may be exposed to increased security threats and could be embroiled in current operations. On the one hand,
U.S. policy makers may not be prepared to accept the consequences of U.S. trainers dying in a narco-guerrilla war or may find it difficult to explain how the U.S. was drawn into a protracted counterinsurgency conflict with little benefit to counternarcotics. On the other hand, the infraction could be seen by Latin American leaders to undermine regional sovereignty and weaken, rather than strengthen, the government's antidrug program. The implications for U.S. interests and reputation are significant.

A continued drug policy under the Andean Strategy will do little to solve the drug problems at home. "There is no Andean supply-reduction strategy that can significantly lower the demand for drugs at home. The supply-reduction policy defies both the logic of the market and the rational interests of local governments and populations. To continue to frame the central issue as how to reduce the foreign supply at the source is to mistake the means for the end and to virtually guarantee continued failure. In other words, the drug problem should be largely in the domain of domestic policy, not foreign policy." [4]

As long as there is a demand for cocaine, there will be individuals, organizations or countries ready to supply that demand. If there is no demand, there will be no need for a supply.

RECOMMENDATIONS

The Andean supply-reduction strategy should be abandoned for a domestic policy of treatment, education, and urban development.
The demand side is a long-term project with no easy solutions, especially since drug use in the U.S. is directly connected to much deeper structural problems such as urban poverty, a poor educational system and limited employment opportunities.

A domestic shift would also help counter the widespread perception by Latin Americans that the U.S. is far more willing to criticize foreigners than to tackle the drug problem within its own borders. For example, much more can be done to curb the export of U.S. input chemicals to Latin American cocaine laboratories. Similarly, greater efforts can be made to crack down on drug money laundering by major U.S. financial institutions. Current regulations continue to allow drug money to flow all too easily in and out of banks and countries.

Additionally, current foreign policies should be examined to ensure they support the interest of the U.S. and the region. When developing policies, the U.S. must be sensitive to the region's overwhelming need for major debt relief. Policies should address a long-term strategy for economic development as an alternative to the coca and cocaine economy, development of strong democratic and civilian governments, and encouragement of trade and investment.

Remedies to the U.S. drug problem will require a national commitment to a variety of major socioeconomic and educational reforms. Yet little progress can be made while the U.S. continues with its shortsighted supply-reduction Andean Strategy.
ENDNOTES


10. Ibid., 10-11.


15. Ibid., 16.


17. Ibid., 13.

19. (U.S. Congress, House 1990, 13)

20. Ibid., 14.

21. Ibid.

22. Andreas, 108.

23. (U.S. Congress, House 1990, 18)


25. Ibid., 111.

26. Ibid., 109.


30. Ibid.

31. Andreas, "Dead-End Drugs," 114.

32. (U.S. Congress, House 1990, 67-71)


35. Ibid., 128-9.

36. Ibid., 220-1.

37. Andreas and Sharpe, 79.

38. (U.S. Congress, House 1990, 10)

39. Andreas et al., 121.

40. (U.S. Congress, House 1990, 11)

42. Andreas et al., 115-6.
43. Ibid., 117.
44. (U.S. Congress, House 1990, 11)
46. Andreas et al., 107.
47. Ibid., 112.
48. Ibid., 127.
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