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Blow Hard

Evo Morales' Cocaine Problem

Russell Crandall

Not a day over twenty years old, but with a sun-weathered face that suggests twice that age, my bus driver during a recent visit to Bolivia is a former *cocalero* (coca farmer) from the Chapare region of Bolivia. He abandoned his coca-saturated lands a few years ago for the capital city of La Paz to find stable work after the Bolivian government sought to eradicate the only lucrative crop he had ever grown in his short life. While my driver has the facial features of an indigenous Bolivian, his dress is Western, a combination that marks him as one of the millions of Bolivian *cholos*—people of mixed Amerindian and European descent. In our numerous conversations as we traveled from La Paz to Lake Titicaca, he echoed the feelings of his long-excluded compatriots in expressing his support for indigenous President Evo Morales' radical new government, especially its efforts to modify long-standing anti-drug programs.

Even a short visit to La Paz reveals the extent to which the country is experiencing a generally non-violent but still revolutionary transformation. Local media are consumed with President Morales' latest attempts to write a completely new constitution, one that would place the state at the forefront of political, social and economic life, and permanently transfer the reins

of power to the destitute indigenous majority. While few question that Morales has the political power to unleash revolution, it remains to be seen whether he can do so—or wants to do so—without destroying Bolivian democracy, the rule of law and relations with the United States in the process.

Either way, it is clear that no one can stop him from trying. The words and deeds of U.S. ambassadors and policymakers still carry enormous weight in determining the course of events here—just not in the way Washington wants. A case in point is then-U.S. Ambassador Manuel Rocha's summer 2002 declaration that the United States would reconsider its sizeable counternarcotics assistance if Bolivians elected a candidate soft on the drug question. Many took Rocha's remark to be a veiled slap at indigenous coca grower-turned-presidential candidate Evo Morales. While Morales did not win the election that year, Rocha's comments helped propel him to near-victory. Morales was only half-joking when he later quipped that the Ambassador was his “best campaign manager.”

In December 2006, Morales did win the presidency—in an historic landslide after campaigning on a fiercely anti-American and anti-drug-war platform. Since his inauguration, the new President has become one of the most controversial figures in Latin American politics, and one with options few Bolivian leaders have ever possessed. Where once the United States could wield a punitive “stick”—human rights decertification or a withdrawal of development assistance, for example—to encourage La Paz to hew to the U.S.-formulated anti-narcot-

Russell Crandall is associate professor of politics at Davidson College and a fellow at the Center for American Progress in Washington, DC. His forthcoming book is titled *The United States and Latin America after the Cold War* (Cambridge University Press).



Jorge Uzon/Corbis

A child relaxes in the coca market in the Chapare region of Bolivia.

ics agenda, now Washington must be wary of pushing Morales further into the arms of Hugo Chávez and the late to be late Fidel Castro.

During his 2006 campaign, Morales promised that as President he would end the controversial practice of forced coca eradication. Calling his policy “*coca sí, cocaína no*”, Morales contended that there was no reason why Bolivia could not cultivate copious amounts of coca for licit products and still successfully combat narcotics trafficking. As one might expect, skeptical U.S. officials worried that Morales’ new approach would reverse all progress to date at crop eradication. Since Morales took office early in 2006, coca production has indeed ticked up considerably. Efforts to promote legal coca production are but one part of Morales’ attempt to “re-found” the country along “socialist” (read Venezuelan and Cuban) lines.

At almost 14,000 feet above sea level, Lake Titicaca is a spectacularly beautiful setting: a massive body of water straddled by jagged, snow-capped peaks that scratch the heavens. Like all of the *altiplano*, Titicaca is a place where most indigenous Bolivians still live as they did in the 16th century. That is, they live desperate lives reliant upon precarious subsistence agriculture. Even before the Spanish conquest, these peoples were either exploited or

ignored by indigenous central authorities and left to their traditional ways. Over the past half century, Bolivia has experienced one social revolution and at least a few concerted attempts at political and economic reform, but one would never know it from touring the *altiplano*.

What *has* had an impact up here, however, is cocaine. The global demand for the drug sparked a coca boom during the early 1980s, particularly in the scrappy and moist Chapare, a region straddling the area between La Paz and the eastern city of Santa Cruz. Almost overnight, coca came to represent up to 4 percent of Bolivia’s national income. Desperately poor, mostly indigenous Bolivians living in the highlands migrated to the Chapare in order to take part in the “coca gold rush.” An estimated 7 to 13 percent of Bolivia’s workforce became involved in coca cultivation, as annual production soared from 5,000 to about 40,000 hectares per year. As expected, the excess production fed directly into the cocaine industry. My *ex-cocalero* bus driver told me earlier this year in an *altiplano* village near Lake Titicaca, “Back in the 1980s in the Chapare, you would walk into a market and see what you thought were piles of flour. But it was cocaine. It was all perfectly legal. Ah, the good old days.”

Beginning in the late 1980s, the U.S. government responded to Bolivia’s coca boom by

pressuring successive governments to implement rigorous anti-drug programs. As part of its “supply side” drug war in the Andes, programs like the semi-clandestine Operation Blast Furnace combined alternative-crop development programs, voluntary and forced coca-eradication drives, and the interdiction of processed cocaine. A senior U.S. counternarcotics official in La Paz summed up the logic behind the carrot-and-stick approach: “The whole idea is to get people to switch to, say, hearts of palm. But these crops can never compete with coca because the narcotics will always pay top dollar for it. Folks only switch when there is the threat of losing their entire coca crop.” But while these programs were focusing on the Chapare, the Bolivian government passed Law 1008 in 1988 permitting 12,000 hectares of coca to be grown in another region, the Yungas, for “traditional” use.

In the late 1990s, the Bolivian government agreed to step up its forced eradication initiatives in the Chapare. This “zero coca” strategy cost the Chapare upwards of \$700 million in annual income. Not surprisingly, *cocaleros* in the region did not take “zero coca” lying down. They organized a series of major strikes that often turned violent, killing scores of *cocaleros* and several police officers. After several years of conflict, then-President Carlos Mesa resolved the crisis by informally allowing 3,200 hectares of coca production in the Chapare. Sensing that all available alternatives would be much worse, the U.S. government did not publicly oppose the compromise.

Despite the violence, the zero coca strategy in the Chapare did achieve its objective. By 2002, there was almost no commercial coca production there, leaving only the 12,000 legal hectares in the Yungas and the 3,200 “compromise” hectares in the Chapare. In addition, after more than a decade of arduous effort and hundreds of millions of dollars, alternative-development assistance projects—funded mostly by the U.S. government—began to bear fruit. Chapare’s licit agricultural production rose to roughly \$25 million in 2002, up from nearly zero a few years earlier. More recently, USAID funds have built critical infrastructure and provided technical assistance that have allowed Chapare farmers to tap into the global market. Today, Chapare-grown bananas are available

in Europe. As Ramiro Orias, a noted development expert in La Paz, put it: “It took almost twenty years, but there have been tremendous successes.”

Now, however, we are seeing tremendous setbacks. A wise man once observed that it takes a lot longer to achieve something worthwhile than it does to destroy it, and Evo Morales is showing us how true this is.

During the coca boom, the *cocaleros* created labor “federations” based on the model they had used for generations as miners in the high Andes. Today, five coca federations cover distinct geographic areas within the Chapare, and none other than Evo Morales remains the leader of them all. As one Bolivian analyst characterizes it, “Evo is the maximum authority in the Chapare.”

It is easy to see why: Disaffected coca growers found in Morales, with his anti-U.S. and pro-coca rhetoric, a committed representative of their economic interests. To confirm his allegiance to the Chapare *cocaleros*, Morales made a former Chapare coca leader, Felipe Cáceres, his “drug czar.” Cáceres regularly meets with his American counterparts, both formally in bilateral meetings and informally over a few beers. But no one on the U.S. side trusts the Morales government on the drug issue any more than a farmer trusts a fox to guard the henhouse.

There is good reason for these suspicions. Morales announced soon after taking office that while there would be a limit of one “cato” (one sixth of a hectare) per coca grower, there would be no limit on the number of coca growers in the Chapare. Not surprisingly, the “one cato” policy has encouraged an influx of new *cocaleros* into the region, and coca production has shot up around 10 percent there over the past year.

Morales’ continued leadership of the Chapare coca federation has allowed him to reach peaceful agreements on coca production levels in this region. Yet while he is adored in the Chapare, most *cocaleros* in the Yungas regard him as a frontman for the Chapare growers. Yungas farmers fear that Morales is turning government eradication efforts toward them while allowing farmers in the Chapare to plant coca with abandon. Some suggest that Morales is essentially trying to eliminate the Cha-



pare's main competitor in the coca trade. This is how a mafia boss operates, not the elected president of a democratic country. Unlike the Chapare, the Yungas has received scant alternative development assistance, and farmers fear that increased eradication will leave them broke, reduced to low-class *cocaleros* in their own country.

Morales' policy innovations have left international observers—particularly those in Washington—wondering where Bolivia's excess Chapare coca crop is going. UN and U.S. officials agree that the 12,000-hectare allowance designated for licit production already covers more than enough area to satisfy total domestic demand for cultural use. If one takes a conservative estimate of Bolivia's current coca production (26,000 hectares) and subtracts a generous number for domestic legal demand (10,000 hectares), that still leaves 16,000 hectares worth of coca production "unaccounted for."

Morales contends that the solution to unaccounted for excess coca is not to limit cultivation, but rather to expand the range of licit uses. The Bolivian government's term for this is *industrialización*. Morales has already floated ideas about coca being used for toothpaste, hem-

orrhoid cream, flour and even wine. In a slightly bizarre twist of regional geopolitical intrigue, Venezuelan President Hugo Chávez has funded two coca "refineries" in Bolivia, but so far no products have emerged. The Morales Administration has also raised the possibility of sending 500,000 tons of coca leaf to China for medicinal uses.

Most experts remain dubious about the prospects for *industrialización*. As one U.S. official succinctly put it, "Coca

flour costs three times as much as normal flour and it tastes like shit." Similarly, a Bolivian academic wondered, "Why can't Evo understand that people like to drink wine made from grapes, not coca?" Furthermore, many observers are convinced that, even if it were practical, developing new licit coca markets in the region would do little to reduce the amount of the crop supplied to cocaine producers.

Industrialización is complicated by the fact that coca is a banned substance under UN treaty, making it illegal for signatory countries to import coca products. Morales has attempted to get coca removed from the UN list, but only Venezuela supports him. The Bolivian government could get around this ban by taking the alkaline out of the coca (as the Coca-Cola company does with some Bolivia-grown coca), but so far La Paz has shown little interest in this coca-lite option.

Bringing Back the Stick

While the U.S. Embassy in La Paz has been eager to demonstrate patience toward Morales' evolving coca policies, some U.S. officials in Washington and several members

of Congress see a Bolivian “narco-democracy” looming. The State Department’s Western Hemisphere Bureau won a fierce bureaucratic fight in fall 2006 to keep Bolivia off the “uncooperative” list in the drug war, a ruling that could have resulted in the cessation of nearly all U.S. economic assistance—and the forfeit of the leverage that goes with it.

This intensifying debate in Washington over Bolivia reflects the seismic shift that U.S.-Bolivian relations have undergone in the past year or so, to which the U.S. government is still trying to formulate a coherent response. Those who have urged decertification contend that Washington shouldn’t “reward bad behavior.” Morales’ routine denunciations of “American imperialism” certainly haven’t helped those U.S. officials who advocate patience and engagement with the Bolivian government. Still other critics have urged the Bush Administration simply to ignore Morales, since very little Bolivian cocaine reaches the United States. (Most of it now ends up in Brazil, Argentina and Europe, a development that has made these governments increasingly concerned about where Morales is headed.)

Despite these acerbic disagreements, almost all U.S. officials privately acknowledge that U.S. leverage in Bolivia is sharply diminished at a time when Morales is clearly trying to detach Bolivia from its historical Washington orbit. Unlike years past, when threats to cut off development assistance instantly resulted in compliance, Bolivia’s leadership now has Venezuela, Cuba and perhaps even China as alternative aid markets. As one American diplomat asked, “What’s to prevent Evo

from saying, ‘Forget it. Take your toys and go home?’”

Still, Morales does not enjoy as much room for maneuver as do Chávez and Castro. For one thing, Morales has encountered opposition in the Bolivian constituent assembly against his efforts to rewrite the constitution and force a presidential election in 2008, three years before the next vote is slated to take place. Moreover, in contrast to Venezuela with its enormous oil revenues, and Cuba with its forty-year history of isolation from the United States, Bolivia is still heavily dependent on U.S. assistance and investment. If Morales pushes too hard on the drug issue, he may lose the economic opportunities the United States has helped create for Bolivia. These include the more than 40,000 jobs sustained by the Andean Trade Preferences Act and similar trade agreements, as well as debt forgiveness under the World Bank and International Monetary Fund. Chávez claims that he is ready and willing to step in if the gringos pack up and leave, but it remains to be seen whether he can really fill the gaps.

Morales’ hope may be sincere that Bolivia will be able to grow as much coca as possible and that all excess production will be seamlessly “industrialized” for sale in foreign markets. Bolivian police, still trained via U.S.-funded programs and by U.S. personnel, would then interdict any residual cocaine. Yet given the realities of an apparently insatiable international demand for cocaine and discouraging prospects for legal coca products, one has to wonder whether Morales’ policy of *coca sí, cocaína no* will inevitably become *coca sí, cocaína sí*. One also has to wonder whether he doesn’t already know this. 🌐

