

Between Reality and Abstraction

Guiding Principles and developing alternatives for illicit crop producing regions in Peru

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At the International Conference on Alternative Development (ICAD), held 15-16 November 2012 in Lima, the Peruvian Government continued to insist on the relevance of "Alternative Development (AD)," with particular emphasis on the so-called San Martín "miracle" or "model."² The model, started with the support of international cooperation, is proposed by Peru as a paradigm to be followed worldwide by regions and countries that also deal with problems associated with crops grown for illicit purposes.

The goal of the ICAD conference in Lima was to reach a consensus on 'Guiding Principles', based on a draft prepared at the first ICAD meeting in Thailand in November 2011. The principles should facilitate the implementation of effective Alternative Development programs, assessed in two ways: economic development of regions where illicit crops are grown, and the reduction of these crops. The document will be presented for approval at the fifty-sixth session of the U.N. Commission on Narcotic Drugs (CND) to be held in March 2013. It is seen as the culmination of a long process that can be traced back to the debate that began at the UN General Assembly Special Session (UNGASS) on Drugs in 1998.

The supposed world consensus on principles to guide Alternative Development projects appear to be far removed from the reality of the Upper Huallaga Valley, the very zone were Peru's supposedly exem-

CONCLUSIONS & RECOMMENDATIONS

- The Guiding Principles for Alternative Development should break with the applied logic in which forced eradication is the principal objective and development considered a detail.
- Peru is trying to peddle to the world the success of its model to replace coca economy, but this model confirms in the short, medium, and long term the most common failures of "Alternative Development"
- According to the Alternative Development project participants in the Upper Huallaga, national and international agencies only measure "success" by the reduction of coca crops and do not take into account the opinion of residents.
- One of the causes of failed AD projects is the search by states such as Peru for aid dollars or euros at any cost instead of fostering a community-led and state-supported sustainable rural development strategy in coca-growing zones.
- Successive Peruvian governments have wasted opportunities to increase a more positive state presence in coca-growing regions due to the application of forced eradication operations and failure to implement sustainable development projects.
- For Alternative Development projects to work, it remains fundamentally important to understand how illegal activities are embedded in the local context and why they continue to be impenetrable to efforts to combat them.

plary model for Alternative Development is being implemented. This briefing exposes the breach between rhetoric and reality by examining the impact of AD projects in Peru, focussing on its impact on peasant families.

The experience of Upper Huallaga shows, like many other AD projects, severe limitations in these programmes' goals of reducing coca-production and achieving the broader aims of sustainable development. They reach relatively few farmers, with "beneficiaries" accounting for less than one quarter of the farmers in the region. They promote monocrop cultivation in a biological diverse area, resulting in severe environmental impacts. Their success relies on large-scale production for export in an area that is not apt for this kind of farming due to its ecological fragility and soil quality. Finally the programmes are unsustainable over time because they depend on international demand and prices of the products it promotes: cacao, coffee, palm heart, palm oil and sugar cane.

The key question that the international community should ask when the document is discussed during the CND in March 2013 in Vienna is if these Guiding Principles will help break the failed logic applied until now, which has prioritised forced eradication and added development as an after-thought. In addition, given that this is an issue that goes to the heart of rural development, it is essential to identify the stakeholders these projects are geared to and to define if the development model promoted is appropriate to meet the stated goal.

BRIEF HISTORY OF THE ICAD

The International Workshop and Conference on Alternative Development (ICAD) got its start during the 10-year review of the Action Plan from the U.N. General Assembly Special Session (UNGASS) in 1998. In 2009, the high-level segment of the CND

approved the "Political Declaration and Plan of Action on International Cooperation towards an Integrated and Balanced Strategy to Counter the World Drug Problem."

The 2009 Plan of Action represented significant progress, because it promoted Alternative Development within the broader framework of rural development, focusing on poverty alleviation as a guiding principle to deal with illicit crops. It suggested that two indicators: human development and crop reduction be paired to measure the success of Alternative Development efforts.

The meetings in Thailand and Peru were held as a result of resolutions from the CND presented in 2010 and 2011: 53/6³ and 54/4.⁴ Resolution 53/6, which was adopted in March 2010, called for: "*Follow-up to the promotion of best practices and lessons learned for the sustainability and integrality of Alternative Development programmes and the proposal to organize an international workshop and conference on Alternative Development.*" According to the resolution, there should be an "*international workshop consisting of visits to various Alternative Development sites and discussions on best practices and lessons learned in Alternative Development*", which was held in Thailand in November 2010. As a result of the 2009 Plan of Action, several countries in the Andean region and Southeast Asia began exchanging information on best practices and lessons learned the previous years.

After several postponements attributable to the political situation in both countries, the international workshop and conference, "Drugs, Conflict and Development" was held in the cities of Chiang Rai and Chiang Mai between 6-11 November 2011.⁵ The second segment of the international conference was held 15-16 November 2012 in Lima, Peru.⁶ An important distinction between the first and second meetings was the

participation of civil society representatives and experts in Thailand, and their absence in Peru.

The reference point for preparing the Guiding Principles that will be presented at the fifty-sixth session of the Commission on Narcotic Drugs in 2013 is the report from the International Workshop and Conference held in November 2011 in Thailand.⁷ This report, based on consensus reached in Thailand, was distributed as a formal document in 2012 at the fifty-fifth session of the Commission on Narcotic Drugs.⁸ It reflects many of the lessons learned in more than 40 years of applying the concepts and practices of so-called Alternative Development.

The document underwent a series of changes once it landed in the hands of the Peruvian delegation preparing the road to the ICAD meeting in Lima. Several points included in the Thai version, which were considered improvements on the original document, were eliminated or reformulated. Once they found out about the modifications, the Thai government quickly sent a delegation to Vienna to salvage what they could in the document. It soon became clear that the Peruvian government was preparing an ICAD that would close down debate, with the conference serving only to rubber stamp a weak document while holding up the country as an example of successful Alternative Development for the world.

POLITICAL CONTEXT: THE DEBATES ON DRUG POLICY REFORMS

The VI Summit of the Americas (Cartagena, April 2012) recognised, at the highest government levels, the ineffectiveness of current drug policies. This was reflected in the decision to call on the Organisation of American States (OAS), through the Inter-American Drug Abuse Control Commission (CICAD), to undertake a study that

would also examine the serious limitation in strategies to control supply. It is still unclear how the consultations carried out for the CICAD/OAS will be reflected in the first draft of this study, but there is no denying that the concern expressed by heads of state in different forums and events made no specific reference to the issue of Alternative Development.

On 30-31 August 2012, the OAS held in Washington, D.C. a consultation with experts on one of the five issues that are part of the study. This Meeting on Social Integration and Drugs in Latin America produced a draft document to be used as a consultative tool preparing guidelines for public policies. It includes a chapter on Alternative Development, emphasising, among other things, that: *"It is understood that the first characteristic of a policy focused on Alternative Development needs to include all stakeholders and all contexts so as not to repeat the path taken earlier with repression (that was) centred on substances and not on the processes of production, trafficking and distribution."*⁹ The eventual conclusions of the OAS evaluation will soon be known, when it is published in the first half of 2013.

The international community agreed to hold a new special session on drugs in 2016 that will be similar to the UNGASS held in 1998. There will also be a high-level Ministerial summit in 2014. After the debate in Vienna at the next CND session in March 2013, where the guiding principles are due for approval, governments will have other opportunities to reconsider the challenge of achieving sustainable development in rural zones where crops for illicit use are grown.

MEANWHILE, IN THE ALTO HUALLAGA

Coca cultivation, as well as drug processing and smuggling, have a long history in the Peruvian Upper Huallaga, the region where the supposed miracle of San Martin is situ-

ated. For the illegal drug industry to be able to function, it requires a territory that is not, or at least not effectively, under state control. In Peru, such conditions have existed in the *selva alta* ('high forests').

Coca is mainly cultivated at "margins of the state"¹⁰ in the eastern foothills of the Peruvian Andes. Until the late 1990s, the Upper Huallaga remained the world's largest coca-producing region, a status it only lost to Colombia's coca cultivating regions after the so-called "coca bust", when the prices paid for Peruvian coca leaves dropped severely. However, the drop in prices never resulted in any discontinuation of coca cultivation. When the "war on drugs" in Colombia intensified in 1998, prices for coca began to rise again. As a result of the millions spent in Colombia to fight the cocaine industry; in 2011 Peru came to occupy the position as the world's largest producer of cocaine.

Surprisingly, in recent years, the department of San Martín, which includes parts of the Upper Huallaga, became the exception in the otherwise largely failing national drug control policy. National newspapers started to document the phenomenon called "the wonder of San Martín", which described the triumphant attempts of successive Peruvian governments to decrease coca cultivation in the mentioned area and the success of its Alternative Development programs. Although, this "wonder" is largely documented by government sources to demonstrate their victory in the "war on drugs", the reality in the Tocache Province, a cocaine enclave located in the south of the department, is different.

The drop in coca cultivated in the area, resulted not from projects of Alternative Development but rather continuous forced eradication efforts. Both Alternative Development projects and civil society remain severely affected by the cocaine industry. At

the same time, the Alternative Development projects add to the already existing corruption among all social actors involved and do not contribute to the decline of the cocaine industry, but only have driven the cocaine industry more underground.

FORCED ERADICATION AND ALTERNATIVE DEVELOPMENT

In May 2005, the state agency CORAH¹¹ entered the Tocache province and began to forcibly eradicate the coca crop. The choice to enter the province did not seem to be simply determined by the level of coca-production. While Upper Huallaga had already suffered several efforts to curtail coca cultivations, other coca producing valleys, such as the Apurímac-Ene River Valley and the Monzón valley, had similar levels of coca cultivations yet had not been subject to eradication. Rather it seems from previous experiences that CORAH knew that any attempt by state forces to enter these other *cocalero* (coca cultivating peasants) valleys would encounter violent resistance from the local population. In Monzón all state presence had been completely driven out. In contrast, Tocache's geographical location on the *Carretera Marginal* (*an important national road*), made it impossible for local drug traffickers and *cocaleros* to control all traffic passing through the district.

Months passed after the forced eradication operation before any projects aimed at alleviating the population's poverty were launched. Agricultural planning experts proposing AD projects only entered the district several months after the first forced eradication operation. When they initially entered the district, they visited the small community of Cedro because their appearance in other communities had met with resistance and even an attempt to eject them. No trouble occurred in Cedro because these peasants never cultivated large

quantities of coca. For years, the local inhabitants had mainly cultivated plantains and cocoa, which they sold for low prices to middlemen in Tocache. As the peasants had never been totally dependent on coca cultivation, and because, by launching the Alternative Development project, they would receive a fixed amount of money monthly, they eagerly cooperated.

The differences between the various local communities were strategically exploited by the agricultural planning experts. In the beginning they only entered those communities, where coca was planted in small quantities, and those communities such as Puerto Rico, that had already asked for Alternative Development prior to the forced eradication. The agricultural planning experts avoided Puerto Pizana, 5 de Diciembre and the Mishollo Valley, where residents were primarily involved in coca cultivation, and which were aligned with the local *cocalero* association. In these communities, forced eradication operations continued without warning, thereby severely curtailing peasants' capacity to replant coca. As a result, after years of forced eradication, the will to participate in Alternative Development projects increased because inhabitants felt that they had no other choice. By October 2007, Tocache's inhabitants enrolled en masse in Alternative Development projects, mainly out of economic despair caused by forced eradication.

The majority of peasants that enrolled were urged to cultivate coffee or cocoa, even though export crops require a vast estate in order to provide peasants a secure income. In the Upper Huallaga Valley, however, coca isn't generally grown on large land estates, but for the most part by small-scale producers on family farms. The majority of agricultural fields range in size from 0.25 to 3 hectares. Only a small group of both recent and earlier migrants, own larger *cocales* (3-7 hectares of land).

Participants in these Alternative Development projects were promised seeds and technical assistance to transition from coca to legal crops as well as a monthly stipend as an incentive. But the largest promoted benefit was a *Program de Titulación de Terrenos Agrícolas* (PTT),¹² which enabled participants to receive official title to their agricultural fields. It can be argued that this dimension of the Alternative Development project was an improvement to previous projects, because it addressed the local land rights of small scale agriculturalists. Nevertheless, many peasants later declared they regretted signing the agreement, because it was tied to the crop substitution program.

For it was not long before the problems with the program's export products became clear. For most small-scale peasants, the alternative export products didn't offer any economic viability compared to coca cultivation. In the best circumstances, coca can be harvested six months after planting. Coca offers a secure income, because the crop can be harvested every three months and, most importantly, in the illegal industry the peasants are paid in cash dollars for their production, and usually had a buyer before harvesting. The price paid for coca leaves by the illegal cocaine trade fluctuated between \$38 and \$48 per *arroba*.¹³ One hectare generated between \$ 2,300 and \$ 3,800 worth of coca leaves, minus the labour costs and other expenses. These kinds of earnings are impossible based on cultivation of coffee or cocoa.

Moreover cultivation of coffee and cocoa posed additional difficulties, because most of the agricultural land of the *cocaleros* isn't fit to cultivate these products organically in large enough quantities due to soil exhaustion/low soil productivity. A hectare of coffee that could produce 40 to 50 quintals on suitable land in Tocache only produces 8 to 10 quintals. Also, the first harvest can only be expected after three years' time, due

to the low productivity of the jungle soil. As a result peasants survive by clearing more forest in search of new, more productive land or return to coca cultivation.

The small land plots (*minifundas*)¹⁴ also hindered the peasants' ability to receive a fair price for the legal products. In 2007, several *cocaleros* stated that the agricultural planning experts told them they had to organize a cooperative to sell their cocoa, coffee or palm oil for the highest possible prices. It was also promised that technical assistance would be provided. But there was no effort made to establish a cooperative. By 2010, the first participants in the Alternative Development projects had harvested their legal products, but could only sell their product to the numerous middle men in the town of Tocache or Puerto Pizana. This made them particularly vulnerable to drops in prices. The price of cocoa, because of large-scale overproduction, by 2012 had dropped so severely in the region that the small-scale peasants started to cultivate coca again on a large scale.

Until now Alternative Development projects have mainly been carried out by two agencies, DEVIDA and the local office of the UNODC. In their propaganda for the "miracle of San Martín" they continue to feature hundreds of peasants as participants, yet most of these never received money to cultivate an alternative crop, or bluntly refused to receive money, as will be shown below.

LOCAL ADJUSTMENTS IN ALTERNATIVE DEVELOPMENT PROJECTS

The Alternative Development projects in the Tocache province did go through some modifications, although these were never related to the international debates about sustainable Alternative Development. Instead the only changes were reductions in the benefits promised to peasants when they entered the projects. Initially, partici-

pants were promised seeds or plants to cultivate, a fixed wage to cultivate the legal products and other related benefits, for example the promise of inland roads, which could improve the access to the market, pesticides, equipment etc. But these rarely materialised and never delivered a secure income. As one peasant explained:

"The engineers¹⁵ promised me everything to partake in the project; seedlings, a monthly salary for my work, technical assistance with the cultivation...the whole lot. But finally I started cultivating cocoa myself, without their support. I only received the plastic bags we use to plant the seeds; I had to buy the cocoa seeds myself from one of the middleman in Tocache, and never heard from the engineers again. They didn't care anymore once they had my signature that supposedly implies I was participating in their project."¹⁶

Hence, according to the local peasants, the agricultural planning experts only seemed concerned with the number of participants. Strangely, when participation in the projects increased, these additional promised benefits were severely curtailed. The three-year salary the peasants received for the cultivation of the legal products, which before was paid monthly, now was only handed out as a one-time incentive.

In 2012, the agricultural planning experts finally managed to integrate the Mishollo Valley into their projects, which before was a stronghold of resistance as people continued to cultivate coca. After a meeting between the *cocaleros* and agricultural planning experts, local peasants complained they only received a one-off sum of 400 Nuevo Soles (150 US\$) to participate. This officially integrated them as participants in the projects, but not surprisingly did not motivate them to grow cocoa.

Cocaleros from other communities also complained that once they had participated

in the local meetings organised by DEVIDA,¹⁷ they received a *machete* and after this gift were wrongly inscribed as participants in the programs. Yet they never received any additional support. If support came at all, it was inadequate. One participant said:

"We were supposed to receive technical assistance with the cultivation of cocoa. Once, an engineer came to our community but he only explained that I had to plant the cocoa in large rows, as we have done for years with our coca crop. He didn't even investigate if the soil was adequate or anything... Well, it was proven my field wasn't suitable later, because my cocoa plants produced nothing..."¹⁸

Others, interested in joining the projects, made the trip to the provincial town of Tocache and were rejected by the different local offices that executed the projects. The most commonly heard rejections were that there was no more money to finance the projects, or that the location of their agricultural fields was not appropriate to cultivate coffee or cocoa, or that the project was finished.

In international political and scholarly debate the theme of Alternative Development has shifted from promoting mere crop substitution to a broader framework including issues such as poverty reduction and human development, related to national rural development. Because of these changes, Alternative Development projects are supposed to take into consideration larger development themes like fragile ecosystems, the rule of law, and national development and security. But the Tocache case-study and other examples show that local Alternative Development projects are still to correctly integrate broader development themes.

Officially, other broader development programs exist in the Tocache province. Re-

duction of extreme poverty and hunger are constantly mentioned as goals, yet the focus on export products, such as coffee and cocoa, contradict this. Most peasants in the Upper Huallaga don't own agricultural fields large enough to survive from coffee harvests and the declining price of cocoa provides no security either.

Another broader development theme is the Millennium Development Goal no 7, "ensuring environmental sustainability." According to DEVIDA,¹⁹ 80% of the department has been deforested, due to illegal agricultural activities, illegal small-scale mining activities, and the lack of environmental awareness. Yet DEVIDA's work in this area has been limited to school environmental programs focused on sorting household waste that completely ignores local realities. As one local schoolteacher stated:

"Here, in Puerto Pizana, the youth goes to school three hours a day, which is a lot less when you compare it to Lima or other regions. Some students can't even read or write when they get their diploma because of the lack of time. But then, because of the environmental project, these students had to leave the classroom and seek garbage in the village. But we don't even have a way to process the waste separately..."²⁰

Even those who participated in Alternative Development projects remained sceptical about the project's outcome, which led to deceptive practices. Many participants admitted that they had merely changed the location of their coca fields, relocating them to more remote regions.²¹ Others noted that even the agricultural planning experts avoided using the term "*coca cero*" recognizing this would lower the numbers of participants. The agricultural planning experts appeared to understand and accept that the participating peasants continued to cultivate coca even if this contradicted the agreement peasants had to sign.

THE DIFFICULTIES OF IMPLEMENTING LEGALITY

For many years the Peruvian government measures the success of its Alternative Development projects in broad and wide-ranging terms. The head office of DEVIDA described the results of Alternative Development in the following way:

The cultivation of coca had been reduced from 23,000 hectares in 1996 to 468 hectares in 2011, a reduction of 480%; the reduction of regional poverty from 88% in 2001 to 35% in 2010; the increase of the regional gross agricultural product from 373,847 in 2001 to 671,308 million of *Nuevo Soles* in 2009, an increase of 80%; the increase of cultivation of coffee from 28,844 hectares in 2001 to 67,191 hectares in 2011, an increase of 133%; the increase of cocoa production from 3,184 to 28,934 hectares in 2011.

However, there are numerous doubts about these figures. Generally, the numbers apply to the whole San Martín department, including the northern part where coca was only cultivated during a short period and never in large quantities. Many of the regions with Alternative Development projects were never totally dependent on the illegal cocaine industry in the first place.

Despite these hypothetical accomplishments, in the Tocache province, local interactions between peasants and Alternative Development agricultural planning experts are described mostly in negative terms by local inhabitants and even by the participants in the projects. Complaints about the absence of adequate technical support and lack of financial benefits have exacerbated the anger at where money is actually spent.

Million dollar projects often only exist in name and at national level, while the activities of the employees of the local offices of DEVIDA and the UNODC aren't evaluated

or controlled effectively. One *ex-cocalero* summarized the general negative feelings in the following way:

*"I don't understand the government of the U.S. If I was spending millions on this supposed local development I would surely come and see with my own eyes where the money is going. But, for years, these supposed experts are spending this money on hookers, alcohol and keeping it in their own pockets and nobody controls them."*²²

While this may be an overstatement, this peasant's comment shows the high level of frustration that exists over international cooperation.

Moreover, it has proved very difficult to transform an underlying culture where the decade-long domination of an illegal industry led to an acceptance of illegal activities and established a social structure where everyone was direct or indirect economically dependent on an illegal activity. In these communities, people understand illegality in very different ways, depending on socially constructed identities, context, location, and personal experience. In societies that have been dependent for decades on an illegal industry, viable legal economic possibilities are almost non-existent.

In the town of Tocache, peasants who wanted to establish a legal cooperative are dependent on one public notary, who asked substantial amounts for his services. An office of the SUNARP²³ is established in the town but official papers have to be sent to a larger office in Juanjui; the transport costs are paid by the applicants. An office of SUNAT,²⁴ where legal enterprises and cooperations have to be registered to pay taxes isn't even present in Tocache. Applicants have to travel to Tarapoto, the nearest office, to be registered. These problems explain why local inhabitants are often unable to register a legal cooperative or enterprise.

As a result, once Alternative Development projects failed in their promise to provide a secure livelihood, local inhabitants have sought other viable economic opportunities, often illegal activities, including the production of cocaine, illegal timber extraction and illegal mining activities.

Even the emphasis on export products in Alternative Development projects had a perverse local result. It turned out that those earning their income as drug traffickers started to invest in the large-scale cultivation of legal products, without the support of DEVIDA or the UNODC. However, their main interest wasn't to gain a legal income, but rather to use the legal plantations as a perfect hiding place for the continuation of their illegal activities. The plantations were used to hide maceration pits, used to make coca paste or coca base, from the drug police, who sporadically entered the region in search of cocaine production sites.

ALTERNATIVE DEVELOPMENT: A SUCCESS IN TOCACHE?

If we look at the implementation of these Alternative Development projects in Tocache, it becomes clear that the technical failure is only part of the story. The fact is that millions of dollars per year are spent on projects that don't bring sustainable development to the region. Many considered the promise of sustainable regional economic recovery to be the biggest fraud of all.

As a result the province is threatened by the recent increase of the illegal cocaine industry into remote areas of the jungle because of the drop in prices of legal export products, mostly cocoa.

Nevertheless, Alternative Development strategies might have worked better in the region if state-led projects had been directed at combating underdevelopment while fomenting state presence in the re-

gion. There is no doubt that a successful and lasting drug policy would also have to include negotiations with the population or with the *cocalero* associations, and this in turn would have required resisting international pressure for a war on drugs.

For Alternative Development projects to work, it remains important to understand how illegal activities are embedded in the local economy and society and why they remain impervious to the efforts to combat them on the part of the national government. Even though the majority of ordinary citizens in the region were involved in illegal activities, they represented a group that probably could have been persuaded to actively participate in a genuine development process. By continuing to implement forced eradication operations, and by failing to launch sustainable development projects, successive Peruvian governments lost opportunities to foster a more positive state presence in the *cocalero* regions.

What is often forgotten is that cocaine-producing enclaves, like the Tocache province, reflect deeper social inequalities and failures of democratic governance at "margins of the state". In those regions where a cocaine economy thrives, transition to inclusive development is made more complex, as the cocaine industry can be used to blur popular mobilizations, and can negatively influence citizens' ability to make claims upon the state.

Villagers' opinions can often afford insight into the ineffectiveness of the Alternative Development projects. But instead of taking into account villagers' viewpoints, national and international drug control agencies and the Peruvian government instead point to the decline of coca cultivations as a measure of the "success" of their efforts. In the meantime, the problem of a large sector of the nation's economy continuing to be dependent on the illegal trade in cocaine

festers within Peruvian society, like some persistent disease that defies all attempts at treatment.

THE FAILURES OF ALTERNATIVE DEVELOPMENT IN THE CASE OF PERU

While this “model” that Peru is trying to peddle the world has contributed somewhat to reducing poverty, eradicating some coca crops, strengthening a few municipalities and farmers’ associations, and improving the sale of some products, it also confirms in the short-, medium- and long term the most common failures of “Alternative Development.” Following is a list of some of the principal failures or “symptoms” of Alternative Development.

We also offer some suggestions to address the issue in an effective way:

- *Public ‘worksism,’* which uses cement, sand and steel bars to build and inaugurate health centres, schools, water and sewage systems, sporting arenas, municipality buildings, bridges, storage units, roads and highways. They all come with plaques and symbols of government agencies and cooperation sources, but are not maintained;
- *Mono-productionism,* which promotes anywhere from one to five “star” crops for export that will substitute coca. These include cacao, coffee, peach palm, oil palm and sugarcane for ethanol in the case of San Martín. Given the volumes required by globalised supply chains, the resulting extensive and intensive cultivation of these crops has a negative impact on the fragile Andean-Amazonian ecology;
- *‘Plantism,’* the installation of processing plants, which end up as white elephants, to supposedly solve the low prices for exports by “adding value.” The plants generally do not work due to a lack of management experience;

- ‘*Demandism,*’ which is characterised by extending a hand to international cooperation without the state making a commitment, because of the assumption that the “blame for drug trafficking” is found abroad and they should pay for it; the search for dollars or euros at any cost undermines a strategic state-led sustainable rural development policy.

If development interventions in the coca-growing zones are to be sustainable and have an impact, it is first necessary to understand the socio-economic, technical-productive, political-institutional and cultural reality, as well as the assumed presence of natural resources, in each zone where this phenomenon exists and the zones where migrants originate (highlands and coast). To make sure that the beneficiaries are the owners of the projects, it is necessary to implement participatory processes for ecological-economic zoning (EEZ)²⁵ and territorial ordering (TO) at the basin level in each of the affected zones and the surrounding areas.

It is also necessary to support and foster the close participation and commitment of local and regional governments, businesses with social and environmental responsibility, and organised civil society in the zones – indigenous peoples, colonizers, and forest dwellers. It also requires clear identification of the economic potential of agrosilvopastoral, fishing, forest management and integral tourism (ecological, adventure, experiential, gastronomic) activities that can be ecologically-environmentally sustainable over time.

Another essential element is linking projects and programmes to regional, national and international policies that favour the development of sustainable businesses free of hidden subsidies, absurd tax breaks or complicity with regional mafias. Measures essential to rural development must be

fostered, including supervised loans, land titling (individual and/or communal), stable markets, accurate and timely information, training/education provided by schools and on-going technical assistance.

Public works – roads, bridges, canals, storage units, energy, telecommunications, schools, hospitals, recreational centres, etc. – are necessary and indispensable, but only when they form part of a concerted program for territorial development. A fundamental rule is that all policies, actions or strategies be designed from below and within, and not from outside and above, as has been the case until now. It is important that the reduction of coca crops and associated illicit activities, such as trafficking in chemicals, illegal logging, bio-piracy, contraband, slavery, asset laundering, over fishing, etc., be a result and not a pre-condition of policies and plans.

Finally, biodiversity – including coca, its beneficial derivatives and products from management forests – needs to be geared toward the production of “tradable goods” in local, regional, national and international markets; in this order and not the other way around as has been the case until now.

NOTES

1. Mirella van Dun is a Dutch anthropologist, author of the book, *Cocaleros, Violence, Drugs and Social Mobilization in the Post conflict Upper Huallaga Valley*, Peru, 2009, and a series of articles on the issue. Hugo Cabieses Cubas is a Peruvian economist, coordinator of the Sustainable Development, Climate Change and Indigenous Rights Area of the Research Centre on Drugs and Human Rights (CIDDH). He is a former deputy minister of Strategic Development and Natural Resources at the Ministry of Environment, MINAM.

2. See: *The ‘miracle of San Martín’ and symptoms of ‘Alternative Development’ in Peru*, TNI Drug Policy Briefing Nr. 34, December 2010
<http://undrugcontrol.info/images/stories/documents/brief34.pdf>

3. See Resolution 53/6 adopted at the Fifty-third period of the UN’s CND in Vienna in March 2010: Follow-up to the promotion of best practices and lessons learned for the sustainability and integrality of Alternative Development programs and the proposal to organize an international workshop and conference on Alternative Development:

http://www.unodc.org/documents/commissions/CN_D-Res-2000-until-present/CND53_6e.pdf

4. Resolution 54/4: Follow-up on the proposal to organize an international workshop and conference on Alternative Development, adopted at the fifty-fourth session of the CND held in Vienna in March 2011:
http://www.unodc.org/documents/commissions/CN_D-Res2011to2019/CND54_4e1.pdf.

5. Web page of the Thailand conference:
<http://icad2011-2012.org/>

6. Web page of the Peru conference:
<http://www.icadperu2012.com/>

7. See the report on the International Workshop and Conference on Alternative Development (ICAD), available at: http://icad2011-2012.org/wp-content/uploads/ICAD_2012_Report_and_Input_for_International_Guiding_Principles.pdf

8. See: Implementation of the Political Declaration and Plan of Action on International Cooperation towards an Integrated and Balanced Strategy to Counter the World Drug Problem: Supply reduction and related measures International Workshop and Conference on Alternative Development in Chiang Rai and Chiang Mai, Thailand, Nov. 6-11, 2011. See:
http://www.unodc.org/documents/commissions/CN_D-session55/ECN72012_CRP3_eV1251320.pdf.

9. Integración Social y Drogas en América Latina: Documento de consulta para el desarrollo de una guía políticas públicas (only in Spanish), OAS/CICAD, 2012, Washington.

10. It is important to understand that Peru’s marginalized areas are not defined in terms of a power vacuum or merely by geography; instead, they are defined in terms their relationship with the state. As a result, there exist different boundaries between the state and the country’s peripheries (Das and Poole 2004: 4). The notion of “margins of the state” entails both the level of state penetration of a nation’s peripheral regions; the spaces, forms and practices through which the state is experienced by the region’s population; and the way people see themselves in relation to the state (Asad 2004: 279).

11. Control y Reducción del Cultivo de la Coca en el Alto Huallaga: Special Project for the Control and Eradication of Coca in the Upper Huallaga. Agency in charge of the eradication of the coca fields within Law 22095.

12. Program for the ownership of agricultural fields.

13. One hectare of coca plants can render between 60 and 80 arrobas (60 arrobas equal 720 kilos and 80 arrobas equals 960 kilos).

14. *Minifundas*: small plots of land.
15. All employees of the local DEVIDA office or the office of the UNODCP in Tocache were generally called engineers by the local inhabitants.
16. Conversation with peasant, Puerto Pizana, 16 June, 2011.
17. DEVIDA: *Comisión Nacional para el Desarrollo y Vida sin Drogas*: National Commission for Development and Drug-Free Living; the Peruvian state institute in charge of the war on drugs.
18. Interview with participant in the project of DEVIDA, Porvenir de Mishollo, May 23, 2012.
19. See *San Martín: región de vida. Guía metodológica de educación ambiental*. DEVIDA, 2008.
20. Conversation with local schoolteacher, Puerto Pizana, April 18, 2012.
21. For example, some *cocaleros* migrated to Caballococha located in the Loreto department, near the Colombian border, where they started to cultivate coca for the illegal market, while others moved their coca fields to remote virgin jungle parts in the Mariscal Cáceres province to continue coca cultivation for the illegal market.
22. Interview with coffee farmer, June 6, 2012.
23. *Superintendente Nacional de los Registros Públicos*; Public registries.
24. *Superintendencia Nacional de Aduanas y de Administración Tributaria*.
25. This refers to a process that identified the best alternatives for the sustainable use of a territory and is the technical foundation for territorial ordering and use of resources.

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Transnational Institute

Since 1996, the TNI Drugs & Democracy programme has been analysing the trends in the illegal drugs market and in drug policies globally. The programme has gained a reputation worldwide as one of the leading international drug policy research institutes and as a serious critical watchdog of UN drug control institutions, in particular the United Nations Commission on Narcotic Drugs (CND), UN Office on Drugs and Crime (UNODC) and the International Narcotics Control Board (INCB).

TNI promotes evidence-based policies guided by the principles of harm reduction, human rights for users and producers, as well as the cultural and traditional uses of substances. The project seeks the reform of the current out-dated UN conventions on drugs, which were inconsistent from the start and have been surpassed by new scientific insights and new pragmatic policies that have proven to be successful.

For the past decade, the programme has maintained its main focus on developments in drug policy and its implication for countries in the South. The strategic objective is to contribute to a more integrated and coherent policy where illicit drugs are regarded as a cross-cutting issue within the broader development goals of poverty reduction, public health promotion, human rights protection, peace building and good governance.



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