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A SOCIOECONOMIC EVALUATION OF ALTERNATIVE DEVELOPMENT IN THE TROPICS OF COCHABAMBA, BOLIVIA: FINDINGS, OBSERVATIONS AND POLICY RECOMMENDATIONS

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The coca plant, from which the narcotic cocaine is derived, has been at the core of a destabilizing and often violent national debate in Bolivia for more than two decades. Between July and September 2005, a Columbia University research team conducted an evaluation of the Bolivian government's Alternative Development programs in the Tropics of Cochabamba. The team's findings reveal that Alternative Development, which aims to eliminate coca production, has inadequately planned and developed viable markets for alternative goods, and has been implemented in a divisive manner that has provoked further tensions in this unstable region. This paper provides specific policy recommendations that aim to address deficiencies in the current Alternative Development agenda and offer concrete suggestions for future development programs in the Tropics of Cochabamba.

INTRODUCTION

For decades, the international community, led by the U.S. government, has pursued policies to curtail Bolivia's production of coca, the leaf of which

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is a principal ingredient in the narcotic, cocaine. In cooperation with the government of Bolivia, as part of a larger international fight against narco-trafficking, international policies have sought to eradicate coca production. Now, however, due to the overwhelming victory of Evo Morales in the December 18, 2005 presidential election, the future of coca eradication policies in Bolivia is uncertain. Bolivia's first indigenous president and leader of the party Movement to Socialism (MAS), Morales began his political career in the Tropics of Cochabamba (TC) and is closely associated with anti-neoliberal and pro-coca politics. Though the implications of his victory for eradication policies and associated programs are still unclear, Morales made a campaign promise to further decriminalize coca production and vigorously condemned foreign anti-coca initiatives, further highlighting his rejection of American influence in the region. Morales, to-date, has softened his assailment of the United States and is working with the European Union to conduct a study on global licit-coca demand.

In 1983, the government of Bolivia, under direction of the United States Agency for International Development (USAID), initiated Alternative Development (DA)¹ programs focused on coca eradication in the TC. The DA's goal is to stimulate economic growth in the TC by introducing and supporting income generating activities and the production of alternative crops, ultimately creating a sustainable incentive for farmers to discontinue coca production. The success of these programs has been the subject of much debate. It was therefore the goal of the study to perform an independent, qualitative, and participatory evaluation of DA in the TC in an attempt to increase the success and sustainability of DA. The study identifies several obstacles facing DA, highlights program limitations, and develops specific policy recommendations to enhance the effective impact of DA and to address the needs of the program's intended beneficiaries, the TC population.

This study outlines concrete and practical policy recommendations for all parties associated with DA programs in the TC, which include the U.S. government, the EU, relevant international organizations, and the government of Bolivia. As much of the TC region is characterized by unemployment or underemployment, poor education, poor health care services, small landholding patterns, and low agricultural productivity due to poor top-soil quality, it is vital that the incoming Morales government continue to promote a diversified economy in the TC; coca alone will not bring economic growth and stability to the region.

POLITICAL HISTORY AND ALTERNATIVE DEVELOPMENT

Bolivia's political history is characterized by unrest, instability, and corruption such that the country has had six presidents in the last seven years. Morales, Bolivia's President, maintains close ties with leftist leaders Fidel Castro and Hugo Chavez, emphatically echoing their anti-American sentiments and government-centric economic policies. This is an about face for South America's poorest country, which has seen four of its last five presidencies emphasize free trade, aggressive market reforms, widespread privatization, and strong ties with the U.S. government and marketplace. Morales' political party evolved out of a movement in the TC to defend the right of *campesinos*² to grow coca. The party is vehemently opposed to U.S. intervention, specifically as it pertains to coca eradication.

Morales employed the coca issue to build a strong base of support for his national party among the indigenous communities within and outside the TC. In addition, MAS has politicized the topic of DA among the affiliates of *Sindicalismo*,³ the TC's grass-roots governance structure, furthering antagonistic relations between *Sindicatos*⁴ and the institutions of DA. MAS built their platform around pro-coca and anti-U.S. rhetoric, which facilitated MAS efforts to strengthen *Sindicalismo*'s and its own foothold in the region.

Prior to Spanish colonization, the indigenous populations in the Andean region cultivated coca for medicinal and spiritual purposes (Vice Ministry of Alternative Development 2002, 9). The Yungas of La Paz, northeast of the capital La Paz on the eastern slope of the Andes, was the traditional region for coca cultivation in Bolivia, but this changed following the 1953 agrarian land reform. Post-reform, *campesinos* began to colonize the TC specifically to grow coca. By 1967 coca represented about 25 percent of the TC's agricultural production output (Farthing 2005, 185). After cocaine demand increased in North America and Europe in the late 1970s, the TC experienced a subsequent population boom. The population increased from 27,000 in 1967 to 142,000 in 1983 and by 1985, coca represented 66 percent of the region's agricultural production (Farthing 2005, 185). During the 1985 to 1990 coca-boom, landless *campesinos* earned three to five times more than they had previously and often 20 times more than public employees (De Franco 1992, 386).

Beginning with a commission in 1948 created by the United Nations Economic and Social Council (ECOSOC) to investigate the effects of coca chewing by 1958, this same council implemented policy and sought to reorganize existing multilateral treaties in order to control coca produc-

tion and consumption. By 1990, the United Nations secured international cooperation against the illicit production, supply and demand of narcotic substances. In 1990, Bolivia participated in the worldwide summit against narco-trafficking, at which “guidelines were presented for alternative development in the Andean countries” (Vice-Ministry of Alternative Development 2002, 8). At this time, Bolivia relied heavily on international aid; to maintain these aid levels, the country had to acquiesce to international pressures and comply with policies to combat narco-trafficking. It is within this setting that Bolivia first began to work with the international community, specifically the U.S. government, on DA.

Phase one of DA was initiated in 1975 and focused on the Yungas region. It identified certain alternative crops as substitutes to coca, but was terminated in 1980 due to an unstable political climate in the country. The second phase (1983) of U.S. funded DA programs built on the marketing of licit crops and was followed, in 1988, by the Law of Coca and Controlled Substances Regime (Law 1008) “whose fundamental objective was to displace coca production as raw material for the production of cocaine” (Vice-Ministry of Alternative Development 2002, 16). With eradication as an objective, Law 1008 established a national government presence in the TC. Additionally, the law laid the precedent for financially compensating campesinos who voluntarily subscribed to the eradication program (Farfán 2002, 11) under the Integral Plan for Development and Substitution.

The fourth stage of DA, which initiated a national participatory dialogue to develop a strategy, began in 1997 with the goal of creating sustainable development in the TC. The national dialogue’s recommendations were summed up in the Dignity Plan, which succeeded in eradicating 30,000 hectares of coca crops during 1998-1999. The Dignity Plan allowed for the forced eradication of coca and the establishment of a permanent military presence in the region, which led to increased conflicts between campesinos, local government, and the coca eradicators (Leigue 2005). This phase established the Vice Ministry of Alternative Development to concentrate on DA and coca eradication. The Vice-Ministry of Alternative Development created the Regional Program for Alternative Development (PDAR) in February 1990 to coordinate national and international DA programs in the TC. This included the fiscal management, supervision, and planning of DA projects, the coordination of both annual operating plans and annual municipal budgets, and the collection of statistics on the regional population and DA for the Bolivian government, relevant actors, and the international community (PDAR Workshop 2005).

The Dignity Plan appeared successful and, in 2001, the Bolivian government declared their goal of “zero coca” accomplished. However, the eradication policies in the TC came at a price: today over 25,000 families that survived on coca are either under-employed or producing crops that pay a fraction of what they earned when producing coca; both of these results have been major drivers of instability in the region (Farthing and Kohl 2005, 187). Thus, the perceived success of DA was short-lived and in 2003 the TC’s coca production increased nearly 30 percent and, based on the research team’s investigation, continues to represent a primary source of income for most of the campesinos interviewed.

This study identified several factors that contributed to an increase in, and return to, coca cultivation: (1) USAID’s DA programs did not keep pace with the forced eradications, (2) DA was not able to guarantee access to adequate markets for the alternative products, (3) coca leaf prices rose, and (4) increased mobilization of campesinos occurred under *Sindicalismo*. This last factor led to the signing of the “Act of Understanding” on 3 October 2004 which allowed for each family to legally grow 0.14 hectares of coca (Leigue 2005). This study has also identified various families who claimed they earned more from 0.14 hectares of coca than with 10 or more hectares of alternative crops.

In 1998, while USAID scaled up their efforts, the EU began participating in DA in the TC. The EU initiated a seven-year (1998-2005) development plan, PRAEDAC, to support land titling, local governance, natural resource conservation, micro-credit facilities, and tourism (PRAEDAC 2006). However, in December 2005, PRAEDAC concluded their operations, thus removing funding that had been supporting 30 percent of local municipalities’ activities (Lobo 2005). In 1998, USAID strengthened their efforts through CONCADE, a project managed by Development Alternatives, Inc. (DAI), an international development non-governmental organization (NGO). CONCADE was developed to (1) empower DA organizations, (2) promote private sector investment in agribusiness, (3) improve agricultural technology transfer through the creation of a network of technical assistants and training workshops, (4) maintain infrastructure, and (5) develop and maintain export markets. CONCADE heavily promoted hearts of palm, bananas, pineapple, passion fruit, and black pepper as primary alternative crops. It began with a budget of U.S.\$ 110 million and its mandate terminated in August 2005 (PDAR Workshop 2005). With CONCADE’s exit, many *Asociaciones*⁵ and NGO’s offering technical assistance lost their funding base, contributing to a rise in tensions and sentiments of disillusionment among the local population.

In August 2005, USAID launched their newest project, ARCo (Rural Competitive Activities) to run through 2010, with approximately U.S.\$60 million in funding. Managed by Chemonics International, ARCo is a streamlined and focused operational plan to improve on CONCADE's perceived development successes in the TC. According to interviews conducted with ARCo's Regional Director in Cochabamba, it will reach 3,000 micro-, small, and medium enterprises (SME's) in the TC that have been selected as economically viable or near-viable, and will improve their competitiveness and sustainability through training and technical assistance (Antonio 2005).

STUDY METHODOLOGY

In this study, the research team evaluated the local populations' experiences with DA, specifically the recent initiatives by USAID and the EU, and their projects, clients, and officers who were accessible for interviews and observation. The conclusions and recommendations are drawn from individual commentaries and the subjective observations of the interviewees. The researchers sought to improve their findings' validity through the use of random sampling where possible, multiple methods of observation, and semi-structured interviews to avoid bias.

Four principal sources of information were utilized:

1. Individual semi-structured interviews: One-hundred and four subjects, primarily campesinos, were interviewed. The information collected served as a critical source from which conclusions were drawn.
2. Executive interviews: Fifty-nine subjects were interviewed, which included DA actors such as representatives from PDAR, USAID, PRAEDAC, the UN, NGOs, as well as government officials and local professionals. These interviews clarified the organizational structure of the TC and DA, as well as these stakeholders' perceptions, activities, and goals with respect to development in the region.
3. Workshops and meetings: the research team observed eight DA workshops, participatory appraisals, and social and political gatherings to better understand the interactions between organizations and individuals.
4. Institutional data and reports from local government offices, institutions of DA, and other stakeholders in the TC provided background knowledge.

FINDINGS AND OBSERVATIONS

Prior to presenting this study's policy recommendations, it is important to explain the larger social, political, and economic realities within which the region's stakeholders operate. The research team does not assume that theoretical and conceptual frameworks alone will resolve the underlying problems associated with poor socioeconomic development in the TC. However, these frameworks illuminate specific actions that can affect positive change.

Tension between *cocaleros*⁶ and institutions of DA exacerbates the lack of unity endemic to the TC, ultimately adversely affecting the region's development, stability, and prosperity. The research team identified three underlying concepts that contribute to the lingering conflict and dearth of socioeconomic development: distrust, lack of identity/pride and empowerment.

DISTRUST

Bolivians traditionally interpret U.S. policies as politically rather than socially motivated. Historically, the government of Bolivia had to cooperate with U.S. anti-drug policy to ensure their receipt of much needed financial aid following structural adjustment programs (Ledebur 2002). Since its inception, DA has imposed requirements on the campesinos such that aid or technical support for alternative crops was conditioned on the eradication of their coca. Furthermore, DA conditioned technical assistance on campesinos joining Asociaciones, which were established by DA as an alternative to Sindicatos to discourage allegiance to the Sindicatos. This contributed to division and conflict in the TC, which is complicated by the poor implementation of DA programs and MAS's politicization of Sindicalismo. Furthermore, DA's opponents emphasize the policy of forced coca eradication and the strong military presence as an example that DA's current strategy is a political instrument of the U.S. government, rather than a legitimate socioeconomic development program. The United States funds the region's military which has been accused of using excessive force and committing human rights abuses including torture and murder; these abuses only intensify anti-U.S. and anti-DA rhetoric in the region (Faiola 2002).

These perceptions, founded or unfounded, contribute to an environment of skepticism and distrust that stymie DA's efforts and goals. Successful development programs rely on many inputs, one of which is a trusting and cooperative environment (United Nations Development Programme

1998). The local populations trust the Sindicatos more than DA institutions; in addition, the Sindicatos' propaganda negatively influences how DA is perceived in the region. DA has the resources and knowledge to facilitate regional development, but does not focus on engendering the local population's confidence. The two groups, sindicatos and DA, must work together to promote alternative crops; otherwise, sustainable socioeconomic development in the TC will likely remain elusive. Even if Morales' government expels DA from the region, development efforts will require an atmosphere of trust and mutual respect to be successful.

LACK OF IDENTITY/PRIDE

The inhabitants of the TC are predominantly migrants from the Altiplano, high-altitude valleys, who identify with their place of birth and not the TC. Therefore they have not generated roots and often demonstrate neither a vested interest nor a sense of pride or ownership in the TC. Pride and sense of identity are recognized as a powerful forces in development; as essential as capital, skills and technical innovations (Bandarin 2003). These qualities can lead to many positive changes, including public investments, an increase in tourism and an improved quality of life (Bandarin 2003). Therefore, without pride in a common identity, the divided communities of the TC will not be able to achieve a sense of solidarity with which to build a cooperative approach to sustainable development (Siochrú 2005, 21-22).

LACK OF EMPOWERMENT

In order to overcome the region's distrust and lack of identity and pride, the institutions of DA should concentrate on methods to empower the local population by effectively involving them in the process of developing strategies, policies, and projects of DA. The Sustainable Development Department within the Food and Drug Administration of the United Nations supports this claim: "As an end, participation is a process that empowers people and communities through acquiring skills, knowledge and experience, leading to greater self-reliance and self-management" (Karl 2000).

Historically, DA has viewed development in terms of economic development, rather than social and economic development. DA has not cultivated a sense of ownership, pride, trust, or agency within the population. Sustainable development in the TC will require a holistic socioeconomic approach addressing the needs unique to this region. Providing an alternative source of livelihood is not sufficient to affect development; it

is as important to establish ownership and pride in that livelihood. This ownership can empower the local community to become stakeholders in DA and their future.

Empowerment of the local stakeholders (campesinos, cocaleros, Sindicatos, municipalities, and citizens) can build trust and pride/identity, ultimately creating unity. By involving the stakeholders in the process, DA can harness participation as a tool to create ownership of DA. Empowerment can build transparency, foster trust between the stakeholders and DA, and grant the stakeholder greater agency in local development. (Karl 2000) (Chambers 1994, 1253, 1266).

POLICY RECOMMENDATIONS

The following section contains the research team's specific policy recommendations aimed at the various stakeholders. To achieve a TC economy that does not depend primarily on coca, the research team believes that local municipalities, NGOs, the international community, and the Morales administration should consider seriously these recommendations, irrespective of whether this administration supports or dismantles DA programs.

Firstly, many campesinos interviewed were skeptical of DA because of the lack of access to viable market opportunities for various alternative crops. DA and its extension network of technicians promised consistent demand and prices for these crops, yet the research team learned that many campesinos perceived that DA did not deliver on its promises, which exacerbated the atmosphere of distrust. Of the markets and infrastructure linkages created, the research team observed that members of Asociaciones and more privileged landholders, rather than the poorest individuals, benefited from market opportunities.

DA has, however, been successful with select alternative crops, notably, hearts of palm and pineapple. According to a technician at Bolhispania⁷, while there is sufficient demand in both national and international markets for hearts of palm (Madia, 2005), the TC's production capacity for hearts of palm exceeds the existing processing plants' capacity. Institutions of DA should, therefore, support the further commercialization and production of hearts of palm by increasing the processing capacity of existing facilities and investigating the potential for new facilities. Hearts of palm are suited to the regions' climate and soils and are considered of excellent quality, capable of competing on international markets. Hearts of palm are therefore one of the most promising alternative crops for the region (Vice-Ministry of Alternative Development 2001, 12-14). In addition to

hearts of palm, pineapple has also proven to be a viable alternative crop. With assistance from the UN's International Labor Organization (ILO), the cooperative The Integral Cooperative of Agricultural Producers in the Tropics (CIPAT) identified and gained access to national markets as well as those in Chile and Argentina.

The United States and European Union are the primary sources of demand for cocaine (and thus, illicit coca), therefore the research team recommends that they support the growth of alternative crops by proactively encouraging the demand of alternative crops in their national markets. The United States and European Union could sponsor alternative crop producers (e.g. CIPAT, Bolhispania) to participate in international trade shows. Furthermore, the countries could finance promotional campaigns for TC products in their domestic markets.

The research team also observed that rather than encouraging cooperation between international development organizations and the local population, DA's approach to development in the TC has been divisive. USAID representatives in La Paz acknowledged that their policy of not working with *Sindicatos* was a critical mistake that hindered their success (USAID, 2005). DA intended to draw *campesinos* away from *Sindicalismo's* pro-coca stance but instead marginalized the *Sindicatos* and their members, therefore strengthening the population's allegiance to the *Sindicatos* and fostering a lack of trust in the DA and their *Asociaciones*. As a result, DA has not been successful in achieving their mandate and obtaining support in the region. The research team recommends that DA begin an "open door" policy by working with local municipalities and *Sindicatos* when creating and instituting development projects and alternative crops. The continued marginalization of the long-standing and most trusted organizational structure in the region will only exacerbate the environment of distrust.

When analyzing ARCo specifically, the research team views its strategy as a well developed program that will help small business owners and successful *campesinos* improve their livelihoods. However, ARCo's mandate does not address the broader and much more urgent problem in the TC: widespread distrust and poverty. In fact, ARCo is likely to magnify tensions in the region as it aims to support those who are already succeeding with alternative crops and income generating activities. ARCo does not target the poorest members of the population, those who are most likely to resort to the production of coca. Furthermore, as the *cocaleros* see the relatively wealthier individuals receive additional assistance, it will aggravate the social division between the institutions of DA and *Sindicalismo*,

increasing social tensions in the region and fueling anti-DA rhetoric. The research team witnessed such concerns expressed by technicians in other DA programs.

The research team believes that within the narrow confines of its mandate, ARCo should be successful; however, it does not address the core problems of the region's dearth of socioeconomic development. Thus, in addition to following the recommendations throughout this report, and in order to avoid making the same costly errors of previous DA programs, the research team recommends that ARCo's personnel regularly meet with other institutions of DA, such as the Road Maintenance Association (AMVI), Community, Habitat, Finance (CHF)⁸, Jatun Sach'a⁹, and the PDAR to discuss new experiences, developments, and thoughts on the broader issue of DA. It is important that these meetings are held on the técnico level, in addition to a higher level, as the directors and coordinators in La Paz and Cochabamba are often disconnected from the reality on the ground.

The research team also discovered that many technicians are critical of the PDAR, claiming that it is more concerned with its responsibilities to its superiors in La Paz and Cochabamba, than with its role as coordinator of the institutions of DA and primary generator of information about the TC. The PDAR offers well-organized detailed information via its website, but this is not widely available to individuals in the TC as there were (at the time of the study) only two public internet access points in the TC, both in Villa Tunari. Furthermore, many of the institutions of DA do not have access to the internet in their field offices. In its role as coordinator of the DA programs, the research team also recommends that the PDAR meet regularly with the technicians of all of the institutions of DA to identify the strengths and weaknesses of PDAR operation. The research team believes that the PDAR has great potential in facilitating the work of the individual programs of DA, but until now has fallen short of that potential. The PDAR stands to gain substantially from listening to technicians, who work closely with the campesinos, in determining how PDAR can better stimulate sustainable socioeconomic development in the TC.

Moreover, while DA institutions have begun to highlight the importance of the local populations' participation in the formulation of DA projects, the participation of several principal actors (i.e., campesinos, Sindicalismo, cocaleros, and women) in the TC remains superficial. The research team did identify, however, some DA institutions with relatively well-developed participatory methodologies. These include AMVI, Jatun Sach'a and CHF. AMVI, in particular, involves the local community in the maintenance of their own roads. TC residents interviewed respect this

program for keeping their roads in working order as well as contributing to community ownership, responsibility, and pride. By working at the behest of and with the *Sindicatos* and municipalities, AMVI has systematized participation into their programming. The research team observed an attitude of respect and acceptance among the populations for the work completed by AMVI. For this reason, local populations welcomed AMVI in their communities.

Therefore, institutions of DA should utilize the participatory methodologies of CHE, Jatun Sach'a, and particularly AMVI to create a systematic participatory approach to development. These institutions have created a sense of ownership among the community members by acknowledging the community as the principle actor in accomplishing a project. They also are able to gain the trust of the community by cooperating with the leadership of *Sindicalismo*, which is more relevant than ever under the Morales administration, as Morales is a former *Sindicato* leader and staunch advocate of the *Sindicalismo* system.

The research team stresses that these participatory methodologies are not flawless (i.e., there is limited inclusion of women in the participatory process) and should be improved upon and adapted to the specific circumstances of the particular institution. For example, the team discovered that most adult women in the TC speak Quechua and limited, if any, Spanish, which restricts their ability to interact with the technicians and institutions of DA. The research team also noted that during *Sindicato* meetings and workshops women primarily sit in the back of the room, rarely participating and declining to offer their opinions when specifically questioned. During interviews, women often deferred to their husbands in responding to questions.

The research team attributes the limited inclusion of women to the established cultural roles of men and women, as well as the women's inability to speak proficient Spanish. Therefore, to increase the participation of women in DA programs, the research team recommends that institutions recruit more female technicians and more technicians who speak Quechua. This will require the active recruitment and training of both women and local residents. During the training courses and workshops, women could also be separated from men. In Nepal, for example, the Food and Agricultural Organization (FAO) of the United Nations found that by dividing the community into groups of men and women, women expressed their concerns and opinions more freely (Sontheimer 1998, 15-16). The institutions of DA must not accept social norms and personnel limitations as justifications for not fully including women in the participatory processes of DA.

The research team also contends that the younger generation provides an opportunity for DA to rebuild trust among its intended beneficiaries. The youth have a general pragmatism and openness that allows them to be more accepting of DA (relative to older generations). They have no memory of the initial abuses and the empty promises of the original eradication efforts and DA programs, and are therefore less skeptical. The DA should create educational and social programs to encourage greater youth involvement in municipal policy-making and inter-community dialogue while encouraging continuing education. Farmer training and small business training projects should target the youth because of their openness to new agricultural products, farming techniques and commercial enterprises. It is especially important that DA collaborates fully and openly with *Sindicalismo* when developing and carrying out these efforts. This will help to create community leaders and business owners that identify with the TC, foster a positive image of DA among its intended beneficiaries, and establish a basis of trust between DA and the inhabitants of the TC.

Programs to benefit the youth must also include improving access to and quality of higher education. There are two tertiary centers of education in the TC: the Universidad Mayor de San Simón de Sacta and the Canadian Institute of Agribusiness Technology (TAC). The Universidad Mayor de San Simón de Sacta recently received financial support from the *Cooperación Italia* to improve their infrastructure by installing internet access, wireless networking, on-campus housing, and a host of other amenities. However, these investments depend upon employing more professors and encouraging the matriculation of the youth in the region. The university currently offers degrees in agriculture sciences, and in the future will have programs in nursing, education, tourism, law and entrepreneurship.

TAC focuses on the agricultural sciences but also provides degrees in automotive mechanics, veterinary sciences, administrative tourism, and business administration. However, they are limited by lack of financial capacity to enroll interested students from the region and therefore many of the students come from outside the TC. With assistance of the UN's International Labor Organization, TAC has provided a learning module for educating students about entrepreneurship. Although funding recently expired for this project last year, due to its success and strong demand, TAC is searching for methods of self-financing to implement the learning module into their curriculum.

Financing for the universities, as well as scholarships for the regions' youth, are crucial to the development of a tertiary educational system in the TC and the development of professionals from the region. The

research team recommends that a resource rich university mobilize to support the development of the Universidad Mayor de San Simon de Sacta, thus facilitating an interchange of human and institutional resources to increase the quality and range of professional degrees. The research team recommends that this initiative be based off of the proven success of the Unidad Académica Campesina de Carmen Pampa's (UAC-CP) relationship with the U.S. non-profit, the Carmen Pampa fund, established in 1999 in Minnesota to supplement tuition and provide grants for the university's development (Carmen Pampa Fund 2004). "[UAC-CP] is the only university in the world that has been recognized by the United Nations as a model for how to eradicate poverty" (Carmen Pampa 2004). Additionally, since one-hundred percent of graduates return to their home communities, the university has circumvented the "brain drain" phenomenon by encouraging commitment to students' home villages through curricula specific to their regions' needs (Carmen Pampa 2004). It is highly recommended that their strategies be incorporated into the university systems in the TC.

While the Unidad Académica Campesina de Carmen Pampa has been successful in preventing the out-migration of trained professionals, there are other policy programs that can also encourage retention of university graduates. External financing can support incentives and scholarship programs that require trained professionals to work in under-served communities such as the TC. It is recommended that a study be conducted to identify what incentives would most encourage trained individuals to live and work in the TC. Furthermore, incentive payments can also be based on performance with correspondingly higher payments for those working in the most rural and marginalized regions (Physicians for Human Rights 2004, 8, 39, 76).

In addition, because nearly all professionals working in the TC are not from the region, the youth lack role models with whom they can identify. For example, the majority of teachers interviewed by the research team did not originate from the TC and maintained their primary residence outside of the region. The Bolivian government requires new teachers to spend a minimum of three years at a school in an impoverished rural region, such as the TC, before working in the highly demanded urban areas. Although this policy provides the region with qualified teachers, it results in teachers who do not identify with the region and are anxious to return to their families in the urban areas. Teachers do not develop a bond or a vested interest in the community or the region as a whole and students do not benefit from teachers with similar backgrounds to their own. Similarly, doctors and nurses are generally not from the region, hav-

ing limited experience with typical TC illnesses and little attachment to the communities they serve. On numerous occasions, the research team listened as the interviewees expressed that the quality of service provided by their local healthcare facility is ineffective. Although fiscal constraints can be attributed to some deficiencies in the healthcare system, the health care staff itself was often criticized for providing poor service or being inaccessible, for example by leaving their post for their homes in Cochabamba and Santa Cruz for up to a month at a time.

The research team argues that this shortage in role models results in a lack of incentives for youth to seek further education or technical skills and that the Universidad Mayor de San Simón de Sacta can fulfill a crucial role in the TC by training competent teachers, doctors, and nurses, with roots in the TC. The team also recommends that *Sindicalismo* and the institutions of DA play a more active role in promoting and emphasizing the importance of hiring professionals from the region. The research team's view is that professionals, including teachers, doctors, nurses and technicians native to the region not only have a more profound knowledge of the region, but also serve as role models with whom the youth can more easily identify.

As the face of DA, technicians also have a tremendous amount of influence on the local population's opinion of, and attitude towards, DA. In the interviews conducted, campesinos often voiced their dissatisfaction with DA's technicians, complaining about their unreliability, inconsistency, and lack of knowledge about alternative crops. Much of the distrust that the campesinos have of DA is perpetuated, if not created, by the unsatisfactory performance of many of the technicians. It is recommended that the institutions of DA conduct performance evaluations of the technicians through random site visits and increased communication with local populations. Additionally, DA should attempt to contract technicians who are permanent inhabitants of the TC. This will not only ensure that technicians are knowledgeable in the region, but also prove important to building trust between the campesinos and DA.

Lastly, Morales and his MAS party, in light of their presidential victory, are critical actors in the success or failure of sustainable alternative and socioeconomic development in the region. Traditionally, MAS has politicized the topic of DA among the affiliates of *Sindicalismo*. The high degree of skepticism among many campesinos of DA and alternative crops is perpetuated by the political discourse of MAS. A number of producers of alternative crops were highly critical of the MAS leadership, particularly Morales, and viewed their methods as unproductive and unrepresentative

of the region as a whole. MAS continues to use *Sindicalismo* as a tool to obligate and threaten affiliates to subscribe to its political ideology. On a number of occasions, the research team encountered individuals who claimed to have paid fines for not participating in politically motivated demonstrations or were harassed into active participation. However during interviews with MAS leadership they denied these allegations (Coca, 2005; Romero, 2005). Therefore, it is recommended that MAS address the coercive and obligatory tactics used by its party leaders in order to secure support for their politics in a democratically and un-coercive manner. It is clear to the research team that the very oppression MAS adamantly condemned from the former government is, on some level, a tool in its own political activism.

Since campaigning for the presidency, Morales has repeatedly promised to decriminalize the growth of coca and has raised the hopes of many *co-caleros* that this alone would indefinitely improve their livelihoods. However, allowing the TC's economy to be wholly dependent on the volatile and unproven demand for licit and illicit (intentional or not) coca is risky. No region in Bolivia, let alone the TC, can afford to have an undiversified monoculture economy, susceptible to potential shifts in consumer preferences. The team recommends that Morales utilize his presidency, international notoriety, and relationships with other political leaders to actively promote all the crops (i.e., hearts of palm and pineapple) in the TC, not merely coca. While Morales has pledged to develop a legal market for coca, he has also promised to crack down on drug trafficking (St John 2006, 1). It is crucial, therefore, that he actively support the production of alternative crops. As much of Bolivia's civil unrest emerged from the TC, it is in the interest of President Evo Morales to seek a diversified and stable economy in the region, not only for its sustainable development, but also for Bolivia's political stability.

CONCLUSION

DA has made measurable progress since its inception over two decades ago. For example, a paved highway connects Santa Cruz and Cochabamba, primary schools and health clinics are more prevalent, and some *campesinos* have begun to see returns to their investments in alternative crops. However, the vast majority of people in the TC are skeptical of DA, the Bolivian government, foreign institutions, and above all the U.S. government. Many TC inhabitants remain entrenched in extreme poverty and consider coca to be their only means of survival. Although some inhabitants voiced skepticism, the vast majority confides in *Sindicalismo* and perceives it as

the only institution in the TC that protects their interests. Even skeptics of *Sindicalismo* would support their *Sindicato* before supporting a DA sponsored program or organization. This tacit support presents the great hurdle that DA has, thus far, failed to overcome.

DA and the Morales administration must begin to work toward building trust among the people they hope to help. By applying strategies that are developed through genuinely participatory methods, empowering the comparatively more open-minded youth, improving education opportunities, hiring regionally-based and knowledgeable technicians, committing to the development of a diverse TC economy and cooperating with *Sindicalismo* in designing and implementing development efforts, DA and the government of Bolivia can build a foundation of trust, pride, identity, and ultimately unity. Only then can the region see socioeconomic development that is sustainable. Even if Morales dissolves the DA programs, it will remain indispensable that these recommendations be taken into account by the Bolivian government to ensure sustainable socioeconomic development in the region. A complete dependence on coca will not ensure the future development of the region and alternative crops should be enthusiastically pursued.

NOTES

- ¹ *Desarrollo Alternativo* in Spanish and pronounced as DA in Latin America in both English and Spanish.
- ² Commonly translated as “peasants,” a *campesino* in the case of Bolivia is more generally used to describe people of indigenous ethnicity (often Quechua, Aymara, or Guarani) who live in rural areas and who may or may not own the land they work.
- ³ *Sindicalismo* is a complex democratic political system in the TC comprised of a three-tier hierarchy of social entities beginning at the base with the *Sindicatos*, then moving up to the *Centrales*, and then finally to the *Federaciones*. A *Sindicato* is essentially a community, town or city, whereas a *Central* is a grouping of geographically clustered *Sindicatos*, and the *Federación*, of which there are six in the TC, are geographical groupings of *Centrales*. Every landowner and their family in the TC are obligated to be a member of a *Sindicato*, though non-landowners often subscribe to *Sindicalismo* as well. Each *Sindicato*, *Central*, *Federación*, and their individual affiliates are thus part of the larger social and political system known as *Sindicalismo*. MAS was born from this system and maintains a tremendous amount of influence on *Sindicalismo*, though theoretically, and sometimes practically, they are not exactly the same entity. Leaders of each individual *Sindicato*, *Central*, and *Federación* are democratically elected annually or bi-annually.

- ⁴ The basic democratic block upon which the system of *Sindicalismo* is built; see above note for further clarification.
- ⁵ These organizational structures, also known as *Asociaciones de productores*, were devised to provide technical support to producers of the five main alternative crops (banana, passion fruit, hearts-of-palm, pineapple, and black pepper). They were created as alternative and mutually exclusive organizations to *Sindicalismo*. By 2004 USAID Bolivia had created 413 *Asociaciones*.
- ⁶ As campesinos that grow coca for profit, *cocaleros*, led by Evo Morales, have been at the core of most civil demonstrations, roadblocks, and protests in the TC over the last decade.
- ⁷ Bolhispania is one of four hearts of palm processing plants in the TC that buys primarily from the *Asociaciones*; campesinos who were not members of an *Asociación* could not consistently sell to Bolhispania.
- ⁸ Funded by USAID, CHF does not enter into a community without first getting permission from the elected leadership of the *Centrales* and/or *Federaciones*. Once permission is granted, the *técnico* charged with the project usually spends the night in the community, thereby building trust and a rapport with its members: the intended beneficiaries.
- ⁹ Jatun Sach'a is funded by USAID, however the institution is administered by the UN. According to a Regional Coordinator for Jatun Sach'a, this detail provides them with much more flexibility; he believes their relative success would not be possible under the conditionalities imposed by USAID-administered programs. Their approach on the ground level is similar to that of CHF (see above note).

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