

***Drugs and Democracy in Latin
America:
An Introduction***

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**Debate Material for the First Meeting of the Latin-American
Commission on Drugs and Democracy**

Rio de Janeiro, April 30 2008

Drugs and Democracy in Latin America: An Introduction

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The purpose of this text is to provide elements for the work of the Latin American Commission on *Drugs and Democracy*. The line of thought of its reasoning is given by the very nature of the Commission. Faced with a global issue with multiple inputs and outputs, we are interested in the Latin American angle. We presume a different kind of experience as to the configuration of the problems, and therefore to the possible solutions. We must highlight the characteristics belonging to the region that are less visible in other contexts. There is nothing here, as in any other area, that does not have universal interest; but the differences and emphases are important, because of the values and difficulties they add to the whole. The final reports and recommendations of this Commission will be different, even when complementary, from those that are being produced in other regions. Therefore, some significant points about the Latin American experience in combating illegal drugs are presented here.

The reasoning is organized from three simple observations: in Latin America, during the last decade,

- The problem has grown
- Combat policies have not been effective
- The consequences (of the problem and of the policies) have been disastrous

A Growing Problem²

The problem is everywhere, but the dynamics vary. In Europe and the United States, the strongest periods of increase in consumption occurred between the 60s and the 90s. This was true for marijuana and heroin starting in the 1960s, cocaine in the 1970s and crack in the 1980s, each one at its own pace and with its own course. When the climax was over, then came the reflux and the

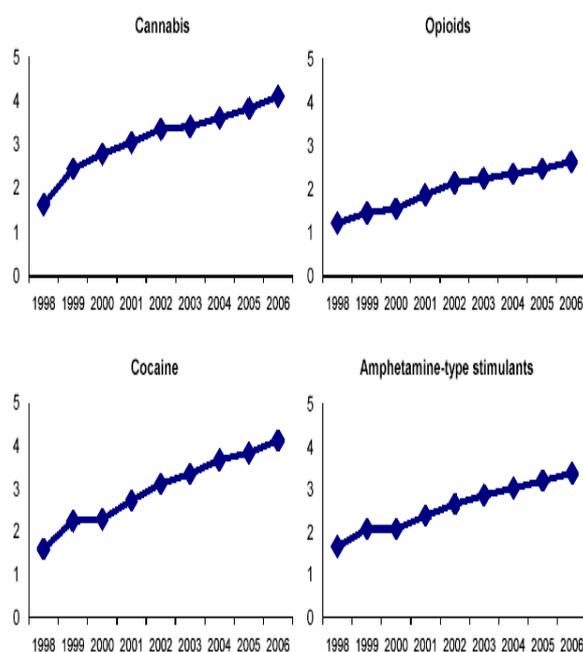
¹ Text written with the support of anthropologist Brígida Renoldi and the critiques of Bernardo Sorj, Ilona Szabo, Miguel Darcy de Oliveira and Pablo Dreyfus.

² The source for Graph 1 about abusive illegal drug use trends in Latin America and the Caribbean is: *United Nations, Economic and Social Council, Commission on Narcotic Drugs, Vienna, 10-14 march 2008.*

formation of a certain ongoing standard of consumption. Leaving aside the ongoing growth of synthetic drugs as well as new trends and fads such as Colombian heroin in the 90s, it is the stability of the major consumer market of the North which is the most impressive and causes problems.

Graph 1

Latin America and the Caribbean: trends in illicit drug abuse, by drug type, 1998-2006



In Latin America, on the contrary, according to the UN Commission on Narcotics in Vienna, 2008, consumption is still in a phase of growth. (see footnote no. 2). We certainly underwent an important transformation during the period. From an exportation region, which we already were, we moved on to consumption. From a passage route, a support for clandestine transit, Brazil evolved to the progressive formation of its own market, the largest in the region, especially for marijuana

and cocaine, with more recent forays into crack and ecstasy.

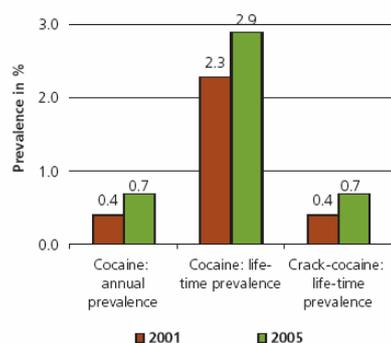
Middle-sized cities entered the circuit, opening a vast scenario for potential expansion. In the *favelas*³ and on the outskirts of the large cities, the youth culture absorbed *smoking* and *sniffing* as elements for leisure time. Marijuana, which around here used to be seen as a "criminal's drug," became commonplace. Cocaine, which had been a sign of distinction at exclusive parties, turns up at the innumerable popular dances that enliven the nights of young people on the weekends. Research in schools show that from Chile, Argentina and Uruguay to Central America and Mexico, adolescents include

³ Favelas are the Brazilian equivalent to shanty-towns, located on Hills (in Portuguese, '*morros*'). In this case, 'smoking' and 'sniffing' relate to the use of Marijuana and Cocaine, respectively

illegal drugs on the list of their first transgressions, along with cigarettes and alcohol.

Graph 2

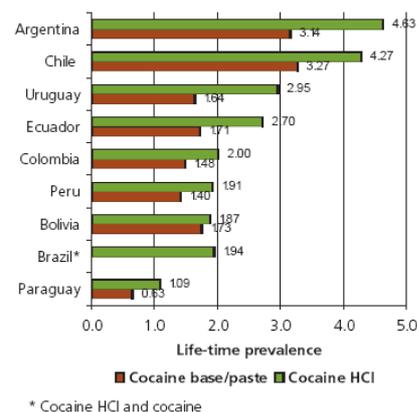
Fig. 62: Brazil: annual prevalence of cocaine use in 2001 and 2005



Source: CEBRID, Il Levantamento Domiciliar sobre o Uso de Drogas Psicotrópicas no Brasil: Estudo Envolvendo as 108 Maiores Cidades do País, 2005, Sao Paulo 2006 and CEBRID, Il Levantamento Domiciliar sobre o Uso de Drogas Psicotrópicas no Brasil: Estudo Envolvendo as 107 Maiores Cidades do País, Sao Paulo 2002.

Graph 3

Fig. 65: Life-time prevalence of cocaine use among high-school students in South America, age 15-16, 2004-2006



Source: UNODC and CICAD (Sistema Subregional de Información e Investigación sobre Drogas en Argentina, Bolivia, Chile, Ecuador, Perú y Uruguay with participation of SEDRONAR, CONACE, CONALTID, CONSEP, DEVIDA and JND), Jóvenes y Drogas en Países Sudamericanos: un Desafío para las Políticas Públicas - Primer Estudio Comparativo sobre Uso de Drogas en Población Escolar Secundaria, 2006.

a/ results sorted by use of cocaine HCl;

Expanding consumption brings with it the spread of distribution and support networks, which approach small spaces and infiltrate micro relations. It seems that, in any corner of the city, at any time, it is possible to get "a little something."

Where only limited use was known, far from the sources of supply as in Argentina, the police began to find clandestine laboratories, signs that the local market had become more complex. The making of cocaine crossed borders, opening processing points in non-producing countries as a strategy to avoid controls. Cheaper and especially harmful sub-products, such as Paco, a residue from processing the freebase to obtain cocaine chloridrate, gained easy access not only to the street clientele, but also to the middle-class sectors. Local logistics developed its muscles and the drug business prospered in the middle of the many branches of illegal activities. Take a simple indicator, such as the

criminal occurrences associated with drugs, and the result will be repetitively the same in every country in the region: growing curves of participation.

Competition for the expanding business produced new and significant actors from one end of Latin America to the other. The Mexican distribution networks grew during the period, jeopardizing their Columbian rivals. They thus attracted greater volumes of drug contraband to the large Anglo-Latin border zone. Furthermore, proximity to consumers from the North stimulated the traditional Mexican production of heroin and marijuana. Therefore, Mexico absorbed the functions of production, transit and exportation on a grand scale. At the other extreme in Brazil, the "Comandos"⁴ financed by the purchase and sale of drugs, dominated the criminal habitats of the major cities, with an outreach comparable only to what was seen happening in Colombia.

The moving on from exportation or transit to internal consumption is of long duration and has multiple implications. If Europe and the United States are today evolving a theme with their eyes fixed on the rear view mirror, considering the route already taken, our region is still following its own path. Strongly pressured by the decisions still to be made, it experiences a more complex situation. It has established itself as the major worldwide exporter. It has multiplied its transit networks. It has internationalized its inter and intra-regional delivery capacity. It has developed its own market. There is no other region outside Latin America that combines all these aspects of hallucinogenic activity.

Ineffective Combat

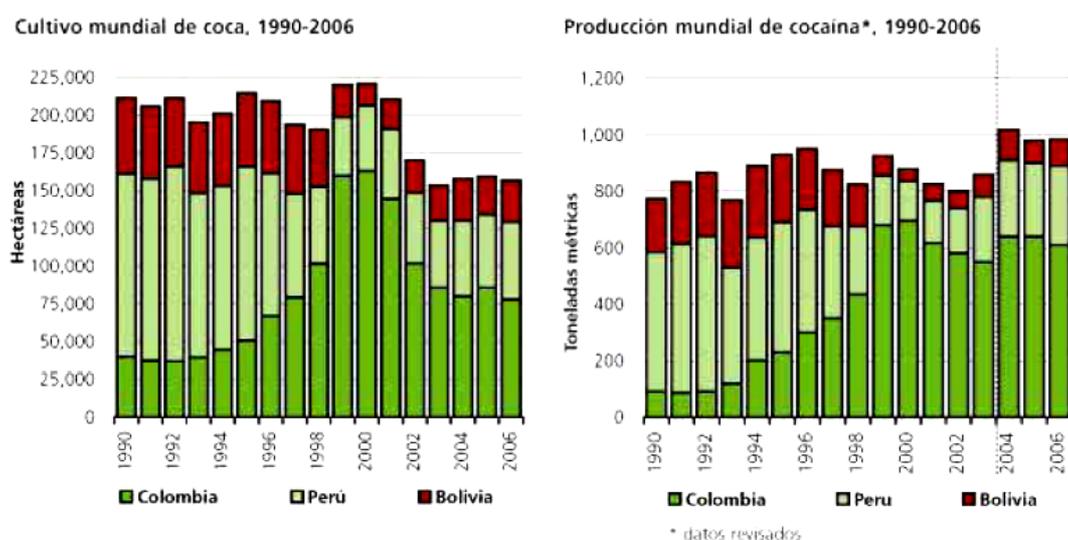
The repressive effort was immense. It gathered intelligence and resources on all levels, international, national and local, and persisted for several decades. The largest amounts, national and international, were applied in Colombia, but in general, the relative cost for governments and societies has been

⁴ In Brazil, 'Comandos' refers to the armed groups that run the illegal drugs market.

extraordinary. Nonetheless, the illegal drug market in Latin America continues on its course unscathed, as a sustainable business.

Repression of cultivation was considered the key to success by the policy formers of the war on drugs during the last decade. It seemed obvious. If the goal was to eradicate planted areas, the plant must be burned at the root. Political will, abundant resources and a good plan should be enough to take care of it. But it happens that the policy of eliminating cultivation did not take into account the socio-cultural depths that surround plantations in the Andean inlands. The theoretic simplicity of the plan succumbed to the complexities of the land. The areas were moved, passing from one sector to another from one country to another in a game of hide-and-seek, which despite its human and environmental impacts, barely affected the final behavior of the market.⁵ The graphs shown below illustrate the extension of cultivated areas and the volume produced over seventeen years in Colombia, Peru and Bolivia. The relative importance of each sub-region or country changes from year to year, reflecting the history of actions and reactions, but the added result reveals the stability of a well-established production.

Graph 4



Source: Informe Mundial sobre Drogas, Naciones Unidas.

⁵ On the evolution of a war policy against drugs in Latin America, see Pablo Dreyfus, 2002, *Border Spillover: Drug trafficking and national security in South America*, Doctorate Thesis, Université de Genève.

The collision between law enforcement and criminal agents is spectacular. It earns daily headlines on the local level and its international repercussions are not rare. It mixes with political events and those of daily life. It occupies people's attention. It results in risky search and seizure operations. Indeed, nearly half of all drugs seized in criminal situations on the planet are the fruit of repressive incursions in Latin America (51% in 2005, with 379,215kg recorded, according to the *United Nations World Drug Report 2007*). However, placed in a time series, the measurement of the amounts seized seesaws within a more or less constant range, with leeway on the supplier side of the market. Through multiple compensations, the radical risks of the operations are dissolved in the added result. It is like this in wholesale as well as retail. "Blasting" a "smoke hole,"⁶ as they say in Rio de Janeiro, is quickly compensated by the activity of another "hole." With life at risk in the repression of retail sales, the police in Rio describe this activity as "drying ice" - an exercise in futility.

The margin between the cost of raw materials and the retail price of the product is so wide that losses made along the way can be regularly absorbed. At the production end of the drug business, which is done in rural enclaves far from the major centers, under the direct influence of criminal forces, rural workers are constrained to charge repressed prices. They have no freedom or means to participate fully in the market game. Their game is affected by other injunctions. Sometimes it even follows the pace of a guerrilla war, with successive occupations and de-occupations in response to occurrences external to the productive work and to property rights.

At the other end of the illicit drug activities, the retail sales, exactly the opposite happens. Prohibition raises the value of the product as a hard-to-access commodity that carries the factors of its rarity in its price. Illegal drugs are expensive. They hurt their customers' pockets. Informality in sales, in micro-negotiations with a strong personal component, make up a peculiar and super-earning market that quickly adjusts to the uncertainties of repression. The vertical table of cocaine prices, presented by Peter Reuter in his text for this

⁶ An Expression used by Rio de Janeiro's Police that refers to the neutralization of a drug hub.

Commission, shows an increase of 500 times between the initial price of production in the Latin interior and the retail price on North American city streets. Allow me to reproduce it here:

Table 1

Product	Market Level	Price Charged per kg.
Coca Leaf	Plantation/Colombia	\$300
Coca Base	Plantation/Colombia	\$900
Cocaine hydrochloride	Exportation/Colombia	\$1,500
Cocaine hydrochloride	Importation/ U.S.A.	\$15,000
Cocaine (67% pure)	Wholesale / U.S.A.	\$40,000
Cocaine (67% pure)	Retail / U.S.A.	\$150,000

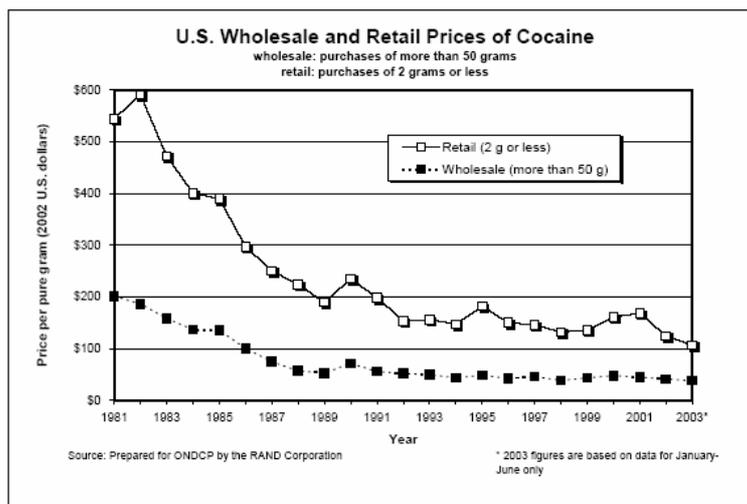
In summary, it does not seem preposterous to affirm that, through unseen paths, prohibition itself has offered the preconditions for the high profit margins in the illegal drug business, thus favoring its maintenance.

There is another indicator that reinforces the opinion about the ineffectiveness of the policies in effect. In spite of the investments made, time employed, progressive qualification of security agents and accumulated experience, the prices of illegal drugs have declined at the retail point. In Europe, during the period from 2001 to 2006, a reduction of 19% was noticed in the price of cannabis resin, from 12% in marijuana, 22% in cocaine, 45% in brown heroin, 20% in amphetamines and 47% in ecstasy.⁷ The declining price trend is also observed in the USA, as indicated in the graph below, during the twenty-three years between 1981 and 2003. From the way it looks, the extraordinary profit margins have stimulated the supply to beyond the actual demand, generating a consistent trend of decline in prices. Furthermore, according to scholars like John Walsh, while the price of cocaine decreases, its degree of purity, that is, it's "quality," tends to increase.⁸ A similar phenomenon occurs with heroin, while methamphetamines are produced with more potency.

⁷ Data from November 23, 2006. *Observatorio Europeo de las Drogas y las Toxicomanías (UEDT), Annual Report 2006 about the problems of drug dependency in Europe.* <http://ar2006.emcdda.europa.eu/download/MainOverviews2006Final.pdf>

⁸ John Walsh, "Connecting the dots. ONDCPs (reluctant) and cocaine price and purity," WOLA, 2007.

Graph 5



The war on drugs policy was ineffective not only in its economic impact, but also in the unfolding of the "war," strictly speaking. Its plan was to eliminate the adversaries, through prison or death, but on the contrary, it caused a transformation in their methods of being and acting. The monopolies (mafias, cartels) transmuted into networks. The major organizations were segmented. The big bosses were subdivided into intermediary criminal leaderships. The pressure of the "war" precipitated, in truth, a trend observed in other areas of illegal activity, which are fragmented and communicate through multiple connections. The centralized method of organizing crime gave place to plural forms of association, dividing responsibilities, specializing functions, alternating routes and procedures. Segmentation multiplies the occasions for dispute and violence; but on the other hand, it promotes a certain selection and broadens the fronts of activity, which in turn potentializes gains and reduces the impact of sudden losses resulting from police action. In a certain way, strange as it may seem, the war on drugs has caused (or accelerated) changes in crime morphology that could promote its effectiveness.

Consequences

The individual harm is known - abusive use, dependency, financial difficulties, disintegration of the person, fragility of families. These are incommensurable evils, about which little was done in Latin America in the past

decade. A lot was invested in the attempt to control supply and very little in prevention, reduction of harm and treatment.⁹

I would further say: the association of drugs with violence has had such repercussions in Latin America that it has nearly annulled the individual dimensions of the problem in the collective conscience. It is hard to talk about drugs without referring to social violence; and when we remember it, we enter into a sphere of thought that leads us to forget about people... Various opinion campaigns, thought up by professional publicity agencies, approach the personal theme in the name of a collective drama. There is no wrong in this, necessarily, but it is important to recognize that focus on the individual is lost. In other words, the super-exhibition of images of drugs in crime has weakened our capacity to speak to people who are interested positively in these same drugs. It is hard to deal with this with any effectiveness in the school or family environment, in the church, the media and even in hospitals. The initial stigma, which frightens everyone, upsets communication even between parents and children. To reverse this picture would demand an enormous effort in communication and policies.

On the other hand, indeed consequences of a collective character are extraordinary in Latin America. I won't spend much time on them, since they are alive and well in everyone's consciousness. I will limit myself to a brief enumeration of the points that deserve more thorough treatment:

- The development of parallel powers in the untenable areas of the National State. Groups financed by drugs impose their dominion with weapons in areas such as the poor neighborhoods of major cities, the distant countryside, border regions, forests, Amazon rivers and channels and small cities along the major highways where legal and illegal goods of the national economy circulate, the extensive coastlines. In every case the democratic

⁹ In the report *Latin America Drugs II: Improving policy and reducing harm*, 2008, Crisis Group Latin America Report N26, evaluates the problem of traffic and production of drugs for Latin American countries. All references concerning drugs as a health problem, whether in treatment or prevention, show that it is not yet an aspect that has received much attention or major investments.

state, still under construction on the continent, is put to a hard test from these zones that have little institutional influence. Areas under parallel dominion form islands of tyranny, sending out messages where force is the norm, pure and simple. This is why we say "Drugs and Democracy," because the ongoing presence of parallel powers demoralizes democratic culture.

- Criminalization of political conflicts. The memory of the cold war is still with us and it also was affected by the drug business. Association with the narco-traffic of the guerrillas and the militia gave them more steam, making them financially sustainable. A new and very serious approach took place among the political, legal and criminal opposition. This is more evident in Colombia, but is manifested in various contexts, although in smaller doses. It is a new phenomenon, post-cold war, whose negative effects, in part because of the feeling of impotence in how to confront them, leads us to avoid facing them head-on.
- Corruption of public life. They say that crime reinforces the law, just as the exception confirms the rule, but the constant turnover of irregular money is different. It creates a constant temptation, does damage to the norm and to legality. The first affected are the police, the ones who respond through the daily interface of the power of the law with the crime that moves money. There are studies that suggest a participation of corrupt police officers, including in the spreading of consumption – paid off in grass or powder, police officers stimulate local sales. The courts, the penitentiary system, the parliaments and city halls affected are constant targets of the same corrupting effect, which grows in the hierarchies of powers in proportion to the scope of the business.
- Alienation of youth, especially poor youth. The major consuming public is young, as everywhere else, and generational tension is also common. It's a part of contemporary society. It so happens, though, that a large part of Latin American adolescents live in a situation of high social risk. Nearly a third of young people between ages 15 and 24 leave the schools before completing

primary school.¹⁰ With no qualifications, they face growing difficulties entering the job market. Born and raised in the city, they are acquainted with modern shrewdness and don't adjust to extremes of inequality. They form the context of a "counter culture" of a radicalism very different from the one that mobilized the middle classes in the 1960s. Now as then, drugs circulate as signs of the rupture, only now, instead of "peace and love" they lead to circuits of violence. The war on drugs provokes a conflict with significant numbers of our young people, who respond in kind. The urban violence that torments us is, in good measure, a tributary of this axis of contradictions.

- Relocation of country people and the stigma of traditional cultures. We have more than two million internal relocated people and thousands of refugees from the combat against drugs in Colombia - a drama experienced by rural people, who are the captives of third parties' problems. Still more serious for its scale, profundity, identity implications and potential political consequences, is the stigma placed on the cultivation of coca, original planting of the aboriginal Andean cultures. It's a fundamental question for Bolivia and Peru, with direct implications for the region. Positioned as an adversary of a global opposition, the coca leaf has become the major symbol of a drama that threatens to break the bonds of reason.

Final Words¹¹

The drug epidemic, still in the expansion phase in Latin America, reflects on the institutional fragilities of the region. It threatens public security and democracy.

¹⁰ See Fernandes, Rubem César and Dreyfus, Pablo: 2007, *Armed Urban Violence in Latin America - The Other Conflict*, São Paulo, Democratic Platform. See the text at: <http://www.plataformademocratica.org/plataforma/PublicacoesProjetos.aspx?IdRegistro=16&Url=Projetos.aspx?IdRegistro=9>.

¹¹ The text dealt with "Latin America" in generic terms, which could even include the "Caribbean." However the profound diversity that characterized the region is known. Geography and history configure multiple peoples, cultures and contexts, with their impasses and opportunities. Another presentation should take up the theme again, exploring precisely this intra-regional diversity as to the challenges and responses in progress.

The policy of the war on drugs was incapable of reverting this process. On the contrary, in an unexpected dynamic of negative actions and reactions, it became itself a source of insecurities as to the future of the regions.

The complexity of the topic is manifested in violence, which dominates the imagination and inhibits rational action. We have created a taboo, a creator of evil deeds. We must approach it, break the negative enchantment, ask simple questions and open up a good debate.