Drugs and Conflict
How the mutual impact of illicit drug economies and violent conflict influences sustainable development, peace and stability
The Development-Oriented Drug Control Programme (DDC):

On behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), the GTZ is implementing the supraregional „Development-oriented Drug Control Programme“ (DDC) since October 2003. The DDC works systematically and across regions with the „development-oriented drug control“ approach within German and international development cooperation. Special consideration is given to the drug problem within the context of crisis prevention and conflict transformation, HIV/AIDS prevention, poverty reduction, rural development as well as youth and health promotion. The aim is to find effective solutions through joint efforts and integrated approaches. Internationally, the DDC supports the promotion of the balanced and development-oriented approach of the German Federal Government as well as the integration of its objectives and principles into the strategies of the partner countries. Besides working within the field of drug prevention and drug treatment in Asia and Latin America, the DDC continues to pay special attention to supply reduction and alternative development issues.

About the author:

Cornelius Graubner has studied Political Science in Berlin and St. Petersburg. His main academic interests include peace and conflict research, the political economy of the states in Central Asia and democracy promotion. He has extensive fieldwork experience in Central Asia, the Balkans and the former Soviet Union. Currently he is a PhD student at the Otto-Suhr-Institute of Political Sciences at the Free University of Berlin. His thesis researches the outcomes of Western democratization policies in post-Soviet countries.

Published by:
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH
Dag-Hammarskjöld-Weg 1-5
65760 Eschborn
Internet: http://www.gtz.de

Division:
Health, Education, Social Protection

Development-oriented Drug Control Programme (DDC)
Head of Project: Christoph Berg
T +49 61 96 79-4202
F +49 61 96 79-804202
E christoph.berg@gtz.de
I http://www.gtz.de/drogen

Author: Cornelius Graubner
Collaboration: Natalie Bartelt, Christoph Berg, Dr. Linda Helfrich

Eschborn 2007
Illicit drug economies predominantly emerge in countries and regions of conflicts, political instability and weak governance. The interrelation and the mutual impact of these phenomena have become evident. Drugs and conflict represent a serious obstacle to all development efforts in the affected areas.

The present publication, elaborated by the Development-oriented Drug Control Programme (DDC), deals with the interrelation between illicit drug economies and conflicts. It is a follow-up to the earlier Drugs and Conflict Discussion Paper elaborated by the DDC in 2003, which had been a first initiative to identify links and conceptual interfaces and to open the floor for discussion. Since then and in view of developments in Afghanistan but also in the Andean region, the subject is more topical than ever. The international discussion has deepened and extended significantly within the drugs and development community. The connection of drug problems to governance aspects has become another important matter of debate. Therefore, the present publication takes the recent discourse on conflict and governance related analysis into account and gives first recommendations for international drug control policies as well as international development cooperation.

We would like to thank the author, Cornelius Graubner, who succeeded in shedding light on this complex subject. We also thank Natalie Bartelt, Dunja Brede, Jan Koehler, Arthur Kreuzer, Manuela Leonhardt, Sarah Riese, Linda Helfrich and Christoph Zürcher for their valuable comments and advice on this paper.

Dr. Hedwig Petry
Head of Division
Health, Education and Social Protection

Christoph Berg
Head of Project
Development-oriented Drug Control Programme
Contents

Foreword I

Contents II

Abbreviations III

1. Introduction 1

2. The Illicit Drug Economy 2
   2.1. Coca 2
   2.2. Opium Poppy 3
   2.3. Actors in the IDE 5
   2.4. The Drug Value-added Chain 6

3. Conflict and War 7
   3.1. Old and New Wars 7
   3.2. Conflict at the Community Level 8
   3.3. The Political Economy of Violent Conflict 8

4. Drugs and Conflict 9
   4.1. Conflict and Instability Stimulate the Cultivation of Illicit Drug Crops 9
   4.2. The IDE Funds Ongoing Conflicts 10
   4.3. The IDE “Creates” Failed States at the National and Regional Level 12
   4.4. The IDE Exacerbates the Potential of Existing Conflicts at the Local Level 13
   4.5. The IDE Challenges Traditional Institutions 13
   4.6. Conflict Situations Encourage Illicit Drug Consumption 15

5. International Drug Control Measures as a Response to the Illicit Drug Threat 16
   5.1. The Cocalero Movement and the Plan Dignidad in Bolivia 18
   5.2. Drug Control Strategies in Afghanistan 19
   5.3. Conclusion 22

6. Recommendations for International Drug Control and Development Cooperation 23
   6.1. Recommendations for International Drug Control 23
   6.2. Recommendations for Socio-economic Development Cooperation 24

Bibliography 26
Abbreviations

ASEAN Association of Southeast Asian Nations
AUC United Self-Defence Forces of Colombia
BMZ German Federal Ministry for Economic Cooperation and Development
CSUTCB United Bolivian Union Confederation of Peasant Labourers
DDC Development-oriented drug control
ELN National Liberation Army
EU European Union
FARC Revolutionary Armed Forces of Colombia
GDP Gross domestic product
GTZ Deutsche Gesellschaft für Technische Zusammenarbeit GmbH
HI Hizb-i-Islami
IDE Illicit drug economy
NGO Non-governmental organization
OPE Opium poppy economy
PAL Project for Alternative Livelihoods in Afghanistan (GTZ project)
PBC Pasta básica de cocaína
PBL Pasta básica de cocaína lavada
PTSD Post-Traumatic Stress Disorder
UK United Kingdom
UN United Nations
UNDCP United Nations Drug Control Programme
UNODC United Nations Office on Drugs and Crime
US United States of America
1. Introduction

Drugs and conflict both represent a formidable challenge to socio-economic development, especially for international development cooperation, which aims at ensuring sustainable human and social development. The fact that some of the most dangerous illicit drug crops are primarily cultivated in areas characterized by social turmoil, civil strife, conflicts, instability and violence clearly shows that there is a close nexus between drugs and conflict. However, the problem is more complex than it might appear at first glance, and we need to improve our understanding of exactly how the connection between drugs and conflicts is structured, on what levels it works and what dynamics can be observed.

In recent years German foreign policy has paid increasing attention to conflict, conflict transformation, crisis prevention and peace consolidation. In 2004 the German Foreign Office presented an action plan entitled "Civil Crisis Prevention, Conflict Transformation and Peace Consolidation", which provided a general framework for German foreign policy when dealing with the issue of conflict. One year later, in June 2005 the German Federal Ministry for Economic Cooperation and Development (BMZ) presented a "Comprehensive Concept for Crisis Prevention, Conflict Transformation and Promotion of Peace", which provides a binding framework for the planning, implementation and management of German bilateral development cooperation in conflict and post-conflict areas. These measures call for greater discussion of conflict-related issues, and represent an important step forward, given that the connection between drugs and conflict has hitherto not been a priority of development cooperation. Existing problems clearly show that there is a need to work towards achieving a deeper understanding of this complex area in order to design development cooperation approaches that not only fulfill the requirements of the "do no harm" paradigm, but that actually "do good".

This paper aims to shed some light on the nexus that links drugs and conflict in communities, regions and countries where illicit drugs are cultivated, trafficked and consumed, with the overall aim of advancing debate on this subject within the areas of national socio-economic development as well as German and international development cooperation. It mainly targets practitioners in the field, but also contains a strong theoretical component, as it is necessary to grasp the complex interlinked structures of conflict and the illicit drug economy (IDE).

The main focus of this paper is to provide an analysis of the illicit drugs derived from coca and opium poppy. This decision was made for the following three reasons. First, coca and opium poppy-based drugs are produced predominantly in areas that are marked by underdevelopment – or, especially in Latin America, uneven development – and in absence of the core functions of statehood. This makes the control of these drugs primarily an issue of development and less an issue of fighting crime. Second, coca and opium poppy-based drugs serve as a good example of the connection between high-profit illicit commodities and conflict in general. While of course some of the problems relating to coca and opium poppy, e.g. the problem of cultivation, are very specific to these illicit drugs, many other problems are directly applicable to other commodities. Third, other drug crops such as cannabis and khat were excluded in order to keep this paper down to a readable size. Again, the findings and recommendations of this paper can easily be transferred to these crops as well.

Regarding the structure of the paper, Chapter Two examines the IDE, paying particular attention to the technical considerations of cultivating and processing coca and opium poppy, as well as to the actors involved and the profits to be made in the IDE.

Then, Chapter Three examines the twin issues of conflict and war. Conflict is treated not only as an issue at the national, regional or international level, but also at the community level. Increased attention is paid to the institutional framework in which conflict is contained or exacerbated.

Chapter Four discusses various issues concerning the relationship between drugs and conflict, which are shown to be interdependent. While situations of crisis and violent conflict favour the production, trafficking and consumption of illicit drugs, illicit drug production, trafficking and consumption simultaneously create a favourable framework for violent conflict by undermining the formal and informal institutions that provide peace and stability.

Chapter Five deals with international drug policy in terms of conflict. This chapter shows how policies of interdiction and eradication can have a potentially destabilizing and conflict-enhancing effect.

Finally, Chapter Six concludes by making some recommendations for international drug policy and socio-economic development that are designed to target the connection between drugs and conflict.

---

1The term "do no harm" has been popularized in the world of development by Mary B. Anderson. The essence of the concept is to turn a critical eye on the unintended consequences of development aid in terms of conflict exacerbation, and to change development aid strategies accordingly. See ANDERSON, MARY B. (1999), Do No Harm. How Aid Can Support Peace – or War. Boulder: Lynne Rienner.
2. The Illicit Drug Economy

Very few legal economies can rival the IDE in terms of profitability. Although the exact size of the global drug market is – owing to its highly secretive nature – very difficult to measure, the United Nations Office on Drugs and Crime (UNODC), in its World Drug Report 2005, estimates its value in 2003 at the retail level at US$ 322 billion, at the wholesale level at US$ 94 billion, and at the production level at US$ 13 billion.

The value, measured at retail prices, is higher than the GDP of 88% of the countries in the world and equivalent to about three-quarters of Sub-Saharan Africa’s combined GDP. […] Exports of wine (US$ 17.4 billion) and beer (US$ 6.7 billion) are equivalent to just a quarter of the wholesale value of illicit drugs.²

While the UNODC calculation includes opiates, cocaine, cannabis and amphetamine-type stimulants, in this paper we will only focus on the IDE concerning coca and opium poppy. We believe that the general dynamics of the IDE, especially in connection with conflict, can be sufficiently explained by focusing on cocaine and opium poppy, as taking other illicit drugs into account would go beyond the scope of this paper in terms of size.

2.1. Coca

The coca plant is native to the Andean region, where it has been cultivated and consumed for at least the last 5,000 years. The traditional way of consuming coca is either by chewing the coca leaves for hours, sometimes mixing them with a catalyst such as limestone or plant ashes, or using the leaves to make tea. Traditionally, coca is consumed for a variety of reasons: as a stimulant to enhance work performance; for medicinal purposes as it lessens the effects of altitude sickness and stomach problems; and as a good for barter or payment in rural regions. Furthermore, the act of coca chewing is a socially integrative act whereby group identity is built and confirmed³. While these traditional usages of coca are mostly confined to the indigenous population of the Andean countries, the coca plant also has many commercial uses. One example is in the pharmaceutical industry, where it is used as an anaesthetic; another example is the usage of coca leaves in popular soft drinks such as “mate de coca” or Coca-Cola⁴.

The coca plant grows at altitudes between 500 and 2,000 m. About 97% of the world’s coca is produced in the Andean countries. Coca cultivation is organized through smallholder production, based on a mix of subsistence farming and cash-crop production involving the unpaid labour of all family members. The leaves are very labour-intensive to harvest, as they can only be gathered through manual labour. The maximum size of a holding that one family can work is around one hectare.⁵

Cocaine is refined from the coca leaf in a three-step procedure. The first two steps are relatively uncomplicated. First, the coca leaves are processed into coca paste (pasta básica de cocaína = PBC). This process normally takes place near where the coca leaves are harvested. From 100 kg of leaves, about 1 kg of PBC with around 40% cocaine is obtained. In a second step, the PBC is processed into cocaine base (pasta básica de cocaína lavada = PBL). This process is slightly more complicated than the first one and requires a greater degree of organization, because raw materials have to be provided and more skills are required. The small laboratories where this step takes place are located in areas which possess the required infrastructure (water, roads and airstrips), and are found at some distance from the remote growing areas. From 100 kg of PBC, about 41 kg of PBL is obtained. The last step is the refinement of PBL to obtain cocaine hydrochloride. This is a technically complicated process that requires a complex logistical effort. Until the beginning of the 1990s, the last step was mostly carried out in Colombia, but now laboratories, known as “cocaína kitchens”, can also be found in Peru and Bolivia.⁶

Coca and cocaine production increased dramatically between the 1960s and the 1980s, with a massive surge towards the end of the 1980s. The reasons for this trend can be found in the socio-economic changes that took place during this period.

---

⁴The Coca-Cola Company imports eight tons of coca leaves annually from Bolivia and Peru, using coca for flavouring after the alkaloid has been removed. INTERNATIONAL CRISIS GROUP (2005a). Coca, Drugs and Social Protest in Bolivia and Peru. Quito/Brussels: Latin America Report No 12, p. 4.
The crisis of traditional agriculture and the collapse of the mining industry freed up labour resources, creating a large pool of unemployed people looking for alternative sources of income. At the same time, the demand for cocaine increased in industrialized countries. The trafficking of drugs was first organized by Colombian networks that already had experience in smuggling marijuana to the US, out of which the so-called drug cartels evolved, the most notorious of which were from Medellin and Cali. After increased international pressure - including the US “decertification” of the country in 1996 - the major cartels were destroyed in the 1990s. However, while the large cartels are no longer operating, drug production and trafficking in Colombia is now handled by hundreds of low-profile and much harder to identify “baby cartels” and, increasingly, armed formations that are present in all coca cultivation areas.

The situation in Bolivia and Peru is slightly different, as drug production and trafficking were never as sophisticated and well-organized as in Colombia. During the 1980s and 1990s the drug business in these countries was controlled by a few family clans and some officers in the armed forces. Today, cocaine production and trafficking is organized by local and small networks that are mostly based on family ties. However, Bolivian and Peruvian experts warn of the growing influence of larger international drug traffickers on these small family networks, as the fumigation campaign in Colombia has begun to take effect.

The increased influence of internationally organized drug traffickers can be detected in the so-called balloon effect, which describes the phenomenon that whenever eradication campaigns and drug control seem to have an effect in one of the Andean countries, coca production in its neighbours goes up. For such an effect to take place, some sort of Andean coca market would have to exist, in which locally based trafficking networks could not take part.

2.2. Opium Poppy

Opium poppy is among the oldest cultivated plants of the world. Evidence of cultivation dates back to about 8000 BC, while the first records of its use - for pharmaceutical reasons or as a recreational drug - date back to the ancient Sumerians (4000 BC). The plant is originally native to the eastern Mediterranean, but since there are few constraints on the cultivation of the plant in terms of agronomy, poppy can grow in most regions of the world with the exception of the colder northern regions.

The ancient Greeks used opium for medicinal and ritual purposes, while in Rome it was already used as a recreational drug, consumed exclusively by the upper class. In China the opium poppy has been cultivated for medical purposes since at least 1100 AD. However, the beginning of widespread opium use in China is associated with the introduction of tobacco smoking in pipes by the Dutch operating from Java in the 17th century, which resulted in increased opium smoking. Soon afterwards the practice of mixing tobacco with opium spread throughout the region. By the late 18th century the drug was widely used as a recreational drug, while the British East India Company controlled the prime Indian poppy-growing regions and dominated the Asian opium trade. In the 19th century two wars were fought between the Chinese Qing Empire and the British Empire for control over the Asian opium trade.

Heroin was first produced in 1898 by the German pharmaceutical company Bayer, which synthesized it as a new and supposedly non-addictive drug by acetylation of morphine. It was first successfully used as a painkiller (the alkaloid morphine has a painkilling and sedative effect) and as a cough suppressant for tuberculosis patients before its highly addictive and potentially lethal properties were recognized, and the drug was outlawed in the US and Europe.
Opium poppy production is organized in similar fashion to coca production, through smallholder production involving sharecroppers and their family members, who provide unpaid labour. The reason for undertaking opium poppy cultivation is not necessarily the rationale of a profit-maximizing farmer, but rather a livelihood strategy on the part of the rural population. For many, cultivating opium is the only way to provide access to assets such as credit and land. Opium poppy farmers sell the raw opium to traders at farm-gate prices – prices that are frequently very low. The traders then sell the opium either to traffickers, who take it out of the country, or to drug laboratories, where the raw opium is turned into heroin.

Opium is harvested by scoring the skin of the ripening pods, which exude a white, milky latex. This latex is processed and refined in a process called "cooking", which removes impurities such as soil, leaves, twigs, etc. from the raw opium, thus increasing its purity and making suitable for smoking. One kg of raw opium yields around 800 g of "cooked" opium ready for smoking. Turning raw opium into heroin involves a three-step process. First, morphine hydrochloride is extracted from the raw opium. Technically this is not a very complicated process, which requires little more than an empty oil drum, some cooking pots and a few chemicals. Ten kg of raw opium make about one kg of morphine. Since only limited skills are needed to complete. Heroin conversion laboratories are generally located in isolated rural areas because the chemicals involved in the process have a very distinctive odour. In the third and final step, about 7 kg of heroin base can be extracted from 10 kg of morphine. Heroin has a euphoric, analgesic and tranquillizing effect. It is one of the most addictive drugs and is, in case of an overdose, lethal.

In 2004 87% of the global opium poppy cultivation took place in Afghanistan. Other important growing areas were Burma and, to a lesser degree, Laos and Colombia. The opium economy in Afghanistan is not dominated by a single criminal cartel, but has been compared to a 'free market' in a recent World Bank study. With regard to production and trafficking levels, the number of market participants is relatively high, while market entry and exit seem to be easy and at a relatively low cost.

There are two main routes whereby Afghan opium reaches the European market, which is still the most lucrative for heroin. The first is the more traditional "Balkan Route" via Pakistan, Iran, Turkey and then either through Bulgaria, Romania, Hungary and the Czech Republic, or through Albania and the former Yugoslav republics. This route was the dominant one in the 1990s, but has since lost some of its importance to the second route, known as the "Silk Route", which runs from Afghanistan northwards through Central Asia and Russia. While the exact amount of drugs trafficked through either route remains unclear and disputed, UNODC estimates that the Silk Route has around a 30% share of the total opium traffic out of Afghanistan. Trafficking in opium and heroin is not organized by a single, powerful cartel from the production regions to the street-level retailers, but rather small groupings that transport the drug for limited distances in order to sell it to the next group. Opium supply in the US, where demand is much lower than in Europe, is organized either with opium from Colombia, which is shipped to the US through Mexico, Panama or Venezuela, or with opium from Afghanistan and South-East Asia, which is shipped from Pakistan via Nigeria.

---


15It remains disputed whether this country should be called Burma or Myanmar. The name Burma was used up until 1989, after which by the State Peace and Development Council decided that the country should be called Myanmar. Both names have been used by the population for centuries. However, the US and the EU Member States do not use the name Myanmar, whereas the ASEAN states and the UN do not use Burma. In this publication, the country will be called Burma, not for political reasons but for the sake of readability.


2.3. Actors in the IDE

The Illicit Drug Economy

Production
- Landowners
- Subsistence Farmers
- Sharecroppers
- Farmers
- Refugees

Consumption
- Drug Users
- Combatants
- Street Children

Trafficking
- Paramilitary
- Guerrillas
- Terrors
- Rebel Groups
- Criminal Groups
- Military and Police
- Street Dealers
- Street Children

- Druglords
- Warlords
- Child Soldiers
2.4. The Drug Value-added Chain

Although the total value of the IDE is huge, the profit each of the participants makes is quite unequal. In general, the individual opium or coca farmer will not get rich by selling coca leaves or raw opium to the next distributor, and nor will the individual smuggler transporting small amounts of drugs across the next border. Rather, the real money is made by a few individuals who control the key segments of the drug trade, and most of the money is made through retail in developed countries. While in 2003 the size of the cocaine market at the production level was only US$ 500 million (0.56% of the total cocaine market), the value at the wholesale level was vastly higher at US$ 18.8 billion (20.94% of the total cocaine market), increasing still further to US$ 70.5 billion (78.51% of the total cocaine market) at the retail level. The corresponding figures for the opium poppy market are US$ 1.2 billion (1.4% of the total opium poppy market) at the production level, US$ 20.6 billion (23.8% of the total market) at the wholesale level, and US$ 64.8 billion (74.8% of the total market) at the retail level.\(^20\)

---

3. Conflict and War

Wars and conflict are interlinked with the IDE at various levels. This statement is of course a commonplace, but it is nevertheless necessary to dig somewhat deeper into the conceptual understanding of wars and conflict in order to discover that it is not war or conflict per se that needs to be analysed in connection with the IDE. Today, the framework for a flourishing IDE is not provided mainly by the "classical war between countries, but rather by security threats that have only in the last few years been recognized by both academics and practitioners, such as the so-called new wars, crumbling state capacities and violent local conflicts on a permanent basis.

3.1. Old and New Wars

Contrary to popular perception, both the number of violent conflicts and the total magnitude of war have both decreased since the end of the Cold War. This positive trend is mostly due to the decline of the "classical" form of war, i.e. between nation states. However, this is not a reason to take an overly optimistic view of the future of war and peace around the world. The focus of both scholarly and public discussion has now shifted to a growing phenomenon, the so-called New Wars – wars that are characterized by sub-state armed groups as actors, driven by greed and marked by a new quality of brutality. More than one-third of the world's countries have been seriously affected by intra-state or sub-state warfare at some time since 1990, and these conflicts have, on average, lasted six times as long as inter-state wars. At the same time, intra-state and sub-state wars have ever-widening systemic effects. Intra-state and sub-state wars are mostly either the cause or the effect of a breakdown of state structures – the so-called failed state. Today it is widely accepted that failed states are not only a problem of local or regional security, but also – in the assessment of Western security experts – constitute a global threat to peace and stability.

In terms of the IDE, it is not the "classical" war that is of concern in most cases, but the effects brought about by these new wars, the failure in of formal statehood and local violent conflicts on a permanent This is because these effects create the framework conditions which the IDE can flourish on the one hand, and limit the possibility of external intervention through interdiction and development cooperation on the other. The efforts of states and organizations involved in development cooperation are seriously hampered if not made impossible in situations of violent conflict and war (either intra-state or inter-state conflict), and the absence of violent conflict is generally recognized as one of the most important preconditions of sustainable development.

---

21 Chojnacki defines war as "an extreme type of military violence between at least two politically organized groups", and distinguishes between four different types of war: inter-state war (between one or more states), extra-state war (between a state and one or more non-state groups outside its territorial boundaries), intra-state war (between a government and one or more non-state parties within the state's boundary) and sub-state war (between non-states or non-recognized quasi-state groups within or across state boundaries). See CHOJNACKI, SVEN (2005), New List of Wars, 1946-2003. Available at http://www.polwiss.fu-berlin.de/frieden/pdf/warlist-1.1-7-2005.pdf.


3.2. Conflict at the Community Level

To most people the word "conflict" has very negative connotations. However, from a sociological point of view, conflict is not a problem per se. On the contrary, conflict – which can very basically be defined as "tensions and incompatibilities between different, mutual independent parties with regard to their respective needs, interests and values"26 – is an integral part of everyday life and facilitates important functions in the development of social groups. It is important to differentiate between "functional" and "dysfunctional" conflict.27 A functional conflict, as opposed to a dysfunctional one, is embedded within the institutions28 of social life and thus processed in a non-violent way. Functional conflict is rather positive: it is an asset that is embedded in every society, ensuring group survival by fuelling innovation and institutional change. Dysfunctional conflict, by contrast, is conflict that has either turned violent or has disrupted social cooperation. It is the latter which poses a threat to the success of development cooperation projects, and is therefore examined in this paper.

3.3. The Political Economy of Violent Conflict

What causes actors to derail social institutions and resort to violence in order to resolve a conflict? While during the Cold War violent conflict was predominantly explained by ideological differences between conflicting groups, subsequent events in former Yugoslavia, the former Soviet Union and the Great Lakes region in Africa have steered the discussion in a direction where the occurrence of violent conflict can be explained by historically rooted ethnical differences. However, neither of these explanations can sufficiently explain the occurrence of violent conflict, as these preconditions – ideological differences, ethnical diversity, a history of inter-ethnic grievances – can be found in many places, but do not in all cases lead to the outbreak of violent conflict. In recent years discussion about the root causes of violent conflict has therefore shifted to seeking an explanation for the occurrence of violent conflict, with the economic rationale of those actors capable of organizing violence coming under particular scrutiny.29

However, in terms of development cooperation and conflict mediation that works with conflicts "on the ground", adopting a monocausal explanation to explain violence does not help understand a given violent conflict situation in its entire complexity. In such a situation there are always different root causes, factors and contingencies that have to be considered in order to explain the occurrence of violent conflict. In terms of the IDE, the economic importance of the drug in question is that of a high-profit primary commodity. The economic approach is of course very important in accounting for violent conflict, but at the same time this explanation only works if other factors are considered as well.

29One of the first contributions to the discussion about economic causes of conflict was that of Jean and Rufin, who considered economic causes but still concluded that political motives were more important. However, their findings are disputed by Collier and Hoeffler's landmark study as well as work by Fearon and Laitin and Elbawadi and Sambanis, who all come to the conclusion of "grievances" explains the occurrence of violent conflict. See JEAN, FRANCOIS and JEAN-CHRISTOPHE RUFIN (eds) (1996), Economies des Guerres Civils. Paris: Hachette; COLLIER, PAUL and ANKE HOEFFLER (2001), Greed and Grievance in Civil War. Washington, D.C.: World Bank; FEARON, JAMES D. and DAVID D. LAITIN (2001). Ethnicity, Insurgency and Civil War. Stanford: Stanford University; ELBAWADI, IBRAHIM and NICOLAS SAMBANIS (2002), How Much War Will We See? Explaining the Prevalence of Civil War. In: Journal of Conflict Resolution, 46 (3), pp. 307-334.
4. Drugs and Conflict

When mapping areas of illicit drug cultivation, it becomes apparent that illicit drug crops are primarily cultivated in areas characterized by violent conflict, weak state control and social turmoil. Money generated from the IDE has been proven to finance non-state (and sometimes also state) armed groups not only in Afghanistan and Colombia, but also in many other places of the world. These facts have been widely discussed and are generally acknowledged; however, less attention has been paid to evidence that places the IDE in a more proactive role of actually causing conflict and instability. Mostly, past analyses did not blame the IDE itself for causing conflict, but rather international strategies against the illicit cultivation of drug crops. While this is certainly true, downplaying the proactive role played by the IDE in causing conflict leads to false assumptions and recommendations that do not fully take into account the real situation on the ground.

In this paper we assert that the linkage between the IDE and conflict is not a one-way arrow of causality, but that the IDE and conflict are linked in an interdependent relationship. Generally speaking, we note that production, trafficking and consumption are indeed favoured by situations of crisis and violent conflict. At the same time, however, the illicit cultivation of drug crops, trafficking and illicit drug consumption create favourable framework conditions for violent conflict by undermining the formal and informal institutions that provide peace and stability. In this chapter we will list the main findings of the current research.

4.1. Conflict and Instability Stimulate the Cultivation of Illicit Drug Crops

The effects of violent conflicts contribute to the cultivation of illicit drug crops. Wars, upheaval and instability destroy perspectives for economic development, devastate fertile farming land, and displace large parts of the population, while men are recruited as combatants. Cultivating drug crops presents a viable alternative – sometimes the only one – for families affected by these circumstances, because drug crops are often the only possible cash crop that can be cultivated by women and children and grow almost everywhere. This argument is well illustrated by the cases of Burma and Afghanistan.

Opium poppy cultivation in Burma has a long tradition that stretches back even before the East Indian Company stimulated large-scale cultivation in the late 18th century. However, formerly the cultivation of opium poppy never had the crucial importance as a survival strategy as it has today. Especially in the highland areas in the north and the east, the cultivation of food crops, primarily rice, is not sufficient to guarantee food security to the rural population. A United Nations Drug Control Programme (UNDCP) study conducted in 2000 found that 96% of all households in the Wa region in the very east of Burma cultivated opium in order to buy rice out of the excess profits, simply because their own rice production was insufficient. The armed conflict, which had basically continued more or less intensively from independence after WW II until the end of the 1990s, effectively hindered the sustainable economic development of the region.

The conflict had two main effects on the rural population. Firstly, large parts of the male peasant population were recruited by the various factions of the warring parties. Secondly, numerous families fled the valleys in which most of the fighting took place to seek shelter in more remote mountain areas. With much of the male population serving as combatants and unable to take part in labour-intensive agricultural processes, and with the fields in the valleys destroyed, affected families had to come up with alternative income opportunities in order to guarantee food security. The agronomic characteristics of opium poppy, which grows even in the most remote mountain environment and does not require planting or harvesting techniques that depend on physical strength, so that families without men can cultivate opium poppy, made cultivation viable. The continuing demand by drug traffickers of mostly Chinese origin then predisposed the cultivation of opium poppy to be the most likely alternative income opportunity for families affected by the war.

In Afghanistan, opium poppy cultivation had been widespread for hundreds of years for medicinal, social and recreational purposes. However, the war that followed the Soviet invasion in the late 1970s gave the cultivation of illicit drug crops an entirely new importance. In the mid-1980s cultivating opium poppy served as a means of generating funds to finance opposition against the Communist government and the Soviet Union, and to secure survival for peasant families. Before the Soviet invasion, Afghanistan had not only been self-sufficient in food production, but agricultural products actually accounted for about 30% of exports, earning the country some US$ 100 million annually. The war following the invasion, in which Soviet forces deliberately mined farmlands and pastures, bombed irrigation channels and destroyed livestock and infrastructure to defeat the Mujaheddin opposition, and the years of civil war after the Soviet withdrawal from Afghanistan, led cereal per capita production to fall by almost 45% from 1978 to 2000.

Again, opium poppy provided income necessary for the survival of peasant families, especially after state subsidies for wheat were removed with the collapse of the Najibullah government in 1992. Another important factor was that with the end of the bloc-to-bloc confrontation, funds provided to both warring factions by the Soviet Union and the US ceased to flow, and local commanders had to look for alternative sources of funding. These commanders had vested interests in the continuation of their struggle, and imposed tax obligations on the population in their respective area that could be fulfilled only by either supplying young males to the fighting force, engaging in smuggling or cultivating opium poppy.

### 4.2. The IDE Funds Ongoing Conflicts

The causes and triggers of armed conflict are not static, but develop as the conflict lasts. An armed conflict whose outbreak can be explained by ideological differences or ethnic grievances changes with the duration of the conflict: causes and triggers of the conflict are reshaped by the massive disruptions caused by the complex political emergency – the armed conflict – itself. A very likely outcome is a so-called market of violence. To put it in a nutshell, after a while the “reason” for ongoing conflict is very probably no longer the original one: the conflict is very likely perpetuated by the economic interests of actors who organize the violence in connection with the self-retaining mechanisms of an established market of violence. The entrepreneurs of violence depend on the continuation of hostilities for their own economic survival. Recent conflict research studies have established that the existence of easy-to-export legal or illicit primary commodity goods or, more precisely, the opportunity of profit that such commodities offer, can work towards the exacerbation and the prolongation of ongoing conflicts by providing the funds necessary for entrepreneurs of violence to continue fighting. Illicit drugs fill the role of such a commodity perfectly, as both coca and opium can easily be cultivated, stored, trafficked and are in continuous demand. Last but not least, they have a high profit margin. The IDE has acted as a source for funding combatant groups and insurgents in numerous conflicts, the most prominent being the ongoing civil war in Colombia and the conflict in Afghanistan.

In Colombia several insurgent groups are actively struggling against each other and/or the state, although only two of them are heavily involved in the IDE. The oldest one is the Revolutionary Armed Forces of Colombia (FARC), which traces its origins back to the civil war between liberals and conservatives from 1948 to 1954, when the Communist Party used the general breakdown of the state system due to the war to organize and arm small groups of peasants. The FARC was officially formed in 1964. The major political motivation of this organization was – and officially still is – to protect the interests of sharecroppers and small-scale landowners against large-scale landowners and the capitalist system.

A major other group heavily involved in the IDE, the United Self-Defense Forces of

---

40 Governments around the world regularly level the standard accusation that insurgent groups are funded by the IDE. Groups accused include, among others, the Islamic Movement of Uzbekistan (IMU), the Kosovo Liberation Army (KLA), Abu Sayaf and the Liberation Tigers of Tamil Eelam (LTTE). While in most cases these accusations seem probable, it is often very hard or even impossible either to confirm or deny these accusations. They are thus to be treated with caution, as these accusations may very well be propaganda intended to ensure that the accusing govern occupies the moral high ground.
41 The third significant group, the leftist National Liberation Army (ELN), funds its activities less from the IDE, and more from “classical” sources such as extortion, kidnappings, etc. See Labrousse, Alain (1999), Kolumbien und Peru: politische Gewalt und Kriminalität, in: Jean and Rufin (eds) (1999), Ökonomie der Bürgerkriege. Hamburg: Hamburger Edition, pp. 316–319.
42 Ibid.
Colombia (AUC), was formed as an umbrella organization for various local and regional paramilitary groups in 1997. Its predecessor organizations were the private armies of landowners and drug barons formed in the early 1980’s in order to protect large landowners from extortion and kidnapping by the FARC and another leftist insurgent group, the National Liberation Army (ELN). However, the AUC officially claims to be defending the state against communism and social disintegration.

Both the FARC and the AUC finance their struggle by essentially adopting the same strategies: funds are generated through the IDE or from ransom payments, extortion and the export of primary commodities such as gold and timber.

The involvement of both the FARC and the AUC in the IDE is rather well-documented. Various FARC factions charge taxes on each kilogram of coca paste or coca base produced on their respective territories. It also charges taxes for landing strips used by traffickers and producers to bring the necessary chemicals and base products in and to fly cocaine out. Apart from taxation, however, for a long time the FARC did not seem to be directly involved in coca cultivation, drug production and drug trafficking. However, it has recently apparently become more directly involved in the IDE. On the other hand, the direct involvement of the AUC in coca cultivation, drug production and drug trafficking – evolving directly from the activities of drug baron’s armies – is much more apparent in areas under its control. Officially, however, some AUC leaders still insist that any involvement in the IDE is unsanctioned behaviour by rogue commanders who will be reprimanded.

While it is unclear how much the armed struggle actually costs the two organizations, some analysts have estimated the cost of maintaining one armed fighter at US$ 3 per day. This estimate would put the cost of maintaining a force the size of the FARC at about US$ 20 million per year, and a force the size of the AUC at about US$ 9 million per year. The actual income of both organizations is of course hard to estimate accurately. In 1992 the income of the FARC was predicted, based on information given by renegades and seized computer disks, at around US$ 140 million a year, about half of it coming from the IDE. Current conservative estimates put the income of both the FARC and the AUC from the IDE alone at about US$ 100 million per year. These estimates certainly weaken the argument given by the organizations themselves that their struggle is for purely political ends, as they make economic rationale the most likely explanation for the continuing armed conflict in Colombia. Nevertheless, the organizations still have conflicting political ideas which they repeatedly stress.

The situation in Afghanistan is somewhat similar concerning how armed conflict is partially funded. After the victory of the US-led coalition forces over the Taliban in late 2001, Hamid Karzai was elected president in 2004, and legislative elections took place in 2005. However, Afghanistan today is still far from a stable country, as the developments of the latter half of 2006 prove. In fact, although considerable progress has been made with the national integration process, the central government is still weak and heavily reliant on the doubtful loyalty of various regional commanders. On top of that, insurgent groups have been increasingly active in recent months.

Revenues from the IDE had been used to fund some of the participating groups from the mid-1980s onwards, even before US and Soviet funds ceased to flow to the respective conflicting parties after the Soviet withdrawal from Afghanistan and the end of the bloc-to-bloc confrontation in the early 1990s. The primary beneficiary of the cultivation of opium poppy and the trafficking of raw opium at that time was the Sunni Hizb-i Islami (HI) group under Gulbuddin Hekmatyar. The major boom in opium poppy cultivation in Afghanistan came at the beginning of the 1990s. There were several reasons for this trend. At the regional level, the erosion of central authority and the beginning of the civil war in neighbouring Tajikistan opened up a major new export route for raw opium. At the national level, the complete collapse of state authority after the fall of the Najibullah regime brought about, among other things, a complete halt to state subsidies for wheat, which forced peasants to seek alternative income opportunities. And at the community level, the years of internal conflict aggravated economic and environmental pressures to grow opium poppy. The cultivation of opium poppy became an important strategy for mitigating the impact of the conflict on communities. For the warring factions, declining levels of external patronage forced...
them to develop their own means to ensure economic sustainability. Basically, all the groups involved in the Afghan civil war after the withdrawal of Soviet troops became involved in the IDE in one way or the other.

In the post-Taliban environment, the opium and smuggling economies have the effect of providing warlords with greater autonomy. Taxes levied on opium by local authorities or warlords have helped to strengthen the power of the regions over the centre.

The victory of the US-led coalition forces has profoundly changed the security environment in Afghanistan. However, the IDE still plays an important role in funding the insurgency against the central government. Goodhand concludes that: In terms of the groups profiting from the IDE, various Western officials have repeatedly linked the terrorist organization Al-Qaeda to the IDE. However, evidence for this accusation remains rather sketchy. The 9-11 Commission, for example, found little evidence to confirm the involvement of Al-Qaeda in the drug trade. Groups known to be involved in the IDE in Afghanistan are – as before – Hekmatyar’s HI and the Taliban. HI commanders involved in trafficking have reportedly led attacks on Coalition forces, which in turn have raided some of HI’s heroin labs. The Taliban are accused by both the Afghan government and the UN of receiving support from drug barons and of earning money from drug trafficking itself. Both the Taliban and the HI are suspected of encouraging poppy cultivation in areas under their control to tax profits and further weaken central state authority.

4.3. The IDE “Creates” Failed States at the National and Regional Level

Within the international system, failed states constitute a structural problem, because states have a double role within that system: the entire international system is based on the concept of the sovereign state, which controls and regulates the population on its territory. Today it is widely accepted that failed states are not only a problem for local or regional security but, in the assessment of Western security policy experts, also constitute a global threat to peace and stability.

Funds generated from the IDE can be used to undermine state capacities and create fragile states. The process of weakening the state works on different levels: drug money weakens formal institutions either by undermining them through corruption or partly capturing them by actors involved in the IDE. A large drug economy sidelines and threatens legal economic activity through the structural and social consequences it brings about. Since the illicit economy is not taxed through the official system, revenues from taxes levied on the legal economy will logically decrease. The state can become de-legitimized in the eyes of the population if it adopts a repressive approach via law enforcement agencies and the military designed to target drug farmers, and/or there is a perceived connection between the IDE and the state. State legitimacy is further undermined by the existence of parallel governance structures, or a “shadow state”, which undermines and ultimately prevents the establishment of a formal state monopoly of violence. Legitimacy is the cheapest means of social control, so in turn maintaining order and control on its territory will become increasingly costly – and ultimately too expensive – for state actors. Corruption, a lack of tax-generated funds from the legal economy and a loss of legitimacy are serious governance problems that erode state capacities. Here, the processes come back in a full circle: fragile states and failing state capacities resulting from governance problems create favourable framework conditions for illicit drug cultivation on a large-scale.
scale. These processes can be observed in regions and states in which large-scale cultivation and trafficking of illicit drugs take place.

At the same time, it is not only anti-state and illegal actors who invest in the IDE and profit from its taxation, cultivation, trafficking and sale. In some states, located mainly in Central Asia along the trafficking routes out of Afghanistan, it seems as if state actors have established themselves in the shadow of the official state in control of drug trafficking operations. In these countries, the state enhances its raw power – not its legitimacy or its long-term functionality in terms of rule of law – by tapping into the resources that the IDE can generate, functioning like a particularly capable criminal organization. The profits that the IDE can generate makes bad governance and foul statehood permanent conditions in states where democratic institutions and practices are not effectively institutionalized.

Corruption is a major problem in all illicit drug production regions and in most of the countries along the main trafficking routes. In Afghanistan, some ministers in the central government have proven strong links to the opium poppy economy (OPE). In Kyrgyzstan, which is a major relay point for raw opium and heroin flowing out of Afghanistan through the Silk Route, some of the main actors of the so-called revolution in March 2005, and who have since taken up positions in the government and the parliament, are strongly suspected to be in control of drug traffic in their respective regions. Another good example is that of Albania, another important trafficking country for Afghan heroin to Western Europe, where drug traffickers, or criminals involved in smuggling in general, managed to capture parts of the government between the end of the 1990s and the beginning of the new century.

In Colombia, the IDE has had been one of the factors that has affected the countries economy in various ways. On one hand, drug money stabilized the Colombian economy during the 1980s, at a time when other South American states were suffering serious economic problems. Return flows of drug money are estimated to have accounted for about 3% of Colombian GDP between 1982 and 1998. On the other hand, these funds distorted legal economic activity and generated “Dutch Disease” effects in coca-growing regions and in the cities where the main traffickers were based. Among other assets, about 4.4 million hectares of land were purchased by persons suspected to be involved in the drug economy. Another effect of the IDE in Colombia was the stagnation of the GDP growth rate, which declined from an average 5% between 1960 and 1980 to an average 3% between 1980 and 2000. This has been attributed to an implosion in productivity, which in turn is a result of rising crime rates due to increased drug trafficking. In Afghanistan, drug money accounts for much real-estate speculation, which is behind the booming construction sector and the rise in business activity. Drug money also keeps the economy and the new currency, the Afghani, stable by providing funds for foreign exchange. This gives the illegal economy a considerable comparative advantage, and makes it much harder to foster a sustainable legal economy.

55 Some of the suspected criminals who were a driving force behind the March events did not survive very long to enjoy the fruits of their labour. Bayaman Erkinbaev, one of the major suspects allegedly in control of drug trafficking through the southern city of Osh, an important actor during the revolution and a deputy in the Kyrgyz parliament, was publicly assassinated in Bishkek in the fall of 2005.
58 The term “Dutch Disease” was coined to describe the effects that the discovery of North Sea gas had on the Dutch economy. The characteristics of Dutch Disease are the deindustrialization of a nation’s economy that occurs when the discovery of a country’s main export commodities causes a surge in imports, increases wages and decreases exports.
60 CÁRDENAS, MAURICIO (2005), Economic Growth in Colombia: A Reversal of “Fortune”? Harvard University: Center for International Development.
4.4. The IDE Exacerbates the Potential of Existing Conflicts at the Local Level

The effects of the IDE in terms of conflict at the community level are not very well-researched, with the only available study specifically on this matter one commissioned by the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) Project for Alternative Livelihoods in Afghanistan (PAL). The study shows that while the IDE cannot be identified as a major factor in creating conflict escalation, existing conflicts at the community level are affected by the resources that illicit drug cultivation generates.

The GTZ PAL study shows that cultivating drug crops increases the value of scarce goods such as irrigated land, which exacerbates existing conflicts over water and land. Conflicts over these resources show an especially high propensity for violent conflict resolution. In Afghanistan, conflict resolution at the community level is often potentially violent, in the absence of generally accepted formal institutions capable of processing conflicts in a non-violent way (i.e. rule of law), coupled with a generally high level of socially accepted violence within rural society, based on past cultural and historic experience. The most promising means of conflict resolution in the area researched are either buying weapons or buying patronage. Due to the funds it provides, actors who take part in the IDE are more likely to be financially able to buy either weapons or patronage and thus to possess the necessary resources to resolve conflicts in their favour. The problem with this approach to conflict resolution is that conflict is not properly processed, but rather power-locked. As soon as the power relations change, power-locked conflict are prone to break out anew as the party unsatisfied with the status quo sees a new opportunity for changing an unsatisfactory solution. Turning hot conflicts into power-locked conflicts does not resolve existing conflicts in a sustainable way, but instead ensures a high degree of social conflict, which in the Afghan context will very probably be violent and long-lasting.

Unfortunately, there is currently no research available on the effects of the IDE on conflict at the community level in other major drug-cultivating parts of the world. Research on this topic should be conducted in illicit drug-cultivating regions in Colombia, Bolivia, Peru and Burma as soon as possible in order to advance our understanding of the impact of the IDE on conflict resolution at the community level.

4.5. The IDE Challenges Traditional Institutions

Illicit drugs are primarily cultivated in areas that are marked by the absence of central state control. Still, people in these regions do not live lives completely free of any kind of regulation. Instead, in most of these areas their lives are regulated by a dense web of traditional, non-formal institutions, which have in many cases proven to be more resilient than formal state institutions. It is these informal institutions that guarantee societal stability and provide alternative forms of governance in areas marked by the absence of a state.

Again, there is a lack of research on the impact of the IDE on informal institutions in areas where illicit drug plants are cultivated.

Jonathan Goodhand has researched the effects of the IDE in north-eastern Afghanistan during the Taliban years. One of his conclusions is that funds generated by the IDE undermine informal institutions that formerly guaranteed societal stability. In the area researched by Goodhand, traditional leadership is exercised by groups of village elders, who are responsible for a number of tasks, such as collecting taxes, organizing recruitment for the local militias, resolving disputes and organizing collective action, e.g. for construction or maintenance work. However, participation in the more lucrative parts of the OPE, such as the opium trade, is mainly exercised by young men due to the higher risks involved. This has profoundly changed the way that wealth is distributed. As Goodhand notes:

"The opium economy has created new tensions within the village in terms of how wealth is produced and distributed. It has created a "new rich" of young men involved in the opium trade and the commanders who tax and control it."

The availability of money in the hands of groups that formerly only had restricted access to resources undermines the traditional balance of groups within a society. Money and thus the ability to change decisions in their favour makes traditional informal institutions increasingly irrelevant (in this example, the rule of the elders), and challenges the way that the society deals with tension and conflict. Ultimately, a situation where a state is not at hand to act as a mitigating actor will lead to disorder and conflict. Again, more resources to research the impact of the IDE in illicit drug-cultivating regions should be made available so that these connections can be better understood and targeted.

---

63A0
64GOODHAND (2000).
65ibid., p. 95.
4.6. Conflict Situations Encourage Illicit Drug Consumption

War-related traumatic events, such as the loss of friends or family members, being a witness to war crimes or losing one’s home have caused serious psychic injuries among large parts of the population in war-stricken countries and regions. Opportunities for treatment are typically lacking in these countries and regions. Facilities dealing with Post-Traumatic Stress Disorder (PTSD) patients remain very rare, for example, and PTSD patients are often unable to cope with traumatic experiences themselves. Research in post-conflict regions has established that drug addiction levels tend to remain extremely high five years after the conflict has ended.66 There are two main groups of substance abusers typically found in post-conflict areas: first, individuals who are not able to cope with the traumatic experiences they have endured, and who start substance abuse as self-medication; and second, mainly young male ex-combatants who find life after demobilization dull and without perspectives, and who therefore start taking drugs with a high-risk mode of consumption (e.g. intravenously). Internally displaced persons, refugees, ex-combatants, women and youth in conflict and post-conflict situations are especially prone to consuming illicit drugs compared to individuals in a stable society.

A further problem is that combatants, especially child soldiers, are sometimes encouraged to use drugs to enhance their endurance and willingness to participate in combat and/or to commit atrocities. Drug users may be forced to finance their drug addiction by taking part in criminal and often violent activities.

5. International Drug Control Measures as a Response to the Illicit Drug Threat

The international response to the threat posed by the production and consumption of illicit drugs is legally based on three UN conventions. The earliest effort to ban illicit drugs under the auspices of the UN is the Single Convention on Narcotic Drugs dating from 1961, which was amended in 1972 by the Protocol Amending the Single Convention on Narcotic Drugs. The Convention and the Amendment Protocol regulate the control of cultivation, production, export, import, possession and consumption of more than 100 plant-based substances. The main focus was on derivates of opium poppy, coca leaf and cannabis. The growing availability of synthetic drugs at the beginning of the 1970s and changing consumer habits led to the 1971 Convention on Psychotropic Substances, which regulates the control of more than 100 synthetic drugs, such as amphetamines, ecstasy, valium and LSD. Finally, the 1988 Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances introduced wide-ranging provisions against drug trafficking. It explicitly includes measures to contain money laundering, the trading of precursors needed to produce drugs, and established provisions for international cooperation in terms of prosecution.

Although these UN conventions demonstrate that the importance of adequately responding to the drug threat has been widely acknowledged within the international community, the international response in the past has been hampered by a lack of coordination among agencies and the countries involved, as well as the ineffectiveness of the prevailing strategies. In terms of money spent so far, the focus of international counter-drug strategies has been on eradication campaigns and interdiction efforts\(^67\), often implemented in a quasi-military fashion. The rationale of this approach has been to cut the supply of illicit drugs from the source countries in order to increase the price of illicit drugs on Western streets to a point where drug consumers simply can no longer afford to buy drugs. However, taking the street retail prices of illicit drugs as an indicator, one must come to the conclusion that international eradication and interdiction efforts have largely failed, as prices have either remained stable or have even fallen.\(^68\)

Explanations for the failure of eradication and interdiction campaigns differ. Some experts argue that a militaristic approach to solving a social problem cannot work per se, while other experts insist that part of the reason for the failure is that these approaches have not been implemented sufficiently for fear of the consequences that such a forceful modus operandi – assassination of judges in charge of prosecuting drug barons, terrorist attacks, etc. – might provoke.

In addition to the failure to substantially reduce the availability of drugs on western streets, international supply reduction strategies in the realms of eradication and interdiction have sparked conflicts and led to violence in a number of cases. In this paper two selected cases will be discussed as an example of how international supply reduction strategies, in conjunction with other, context-specific causes and triggers, have brought about violent conflict: the Cocalero movement in Bolivia, and drug-control strategies in Afghanistan.

\(^67\)For example, only US$ 639 of the US$ 3.3 billion allocated for counter-drug policy in Colombia by the US in the period 2000-2004 was assigned to economic development, governance and social support. The rest of the money was allocated for training and equipping Colombian counter-drug units of the police and the military. See INTERNATIONAL CRISIS GROUP (2005b), p. 24.

\(^68\)In the 2006 US budget for counter-drug policy in Bolivia and Peru, the share of funds allocated to alternative development and institution building was cut by 10% and 20%, respectively. See INTERNATIONAL CRISIS GROUP (2005a), p. 17.

Where drug supply reduction strategies have been successful, e.g. in Thailand, this has not been accomplished by any international coordinated strategy. Rather, it has been a success of a national drug strategy that introduced the state back into areas where illicit crop cultivation took place. In Thailand the success in supply reduction has been largely attributed to increased investment in local infrastructure and increased police pressure, which made the cultivation of legal crops economically feasible, as well as a successful democratic process and the increased provision of material and non-material common goods that allowed formerly sidelined parts of the population to be integrated into the economy. See KORFF, RUDIGER and RUTH SHARIFA DJEDJE (2005), Teilerafolg in Thailand: in: Entwicklung und Zusammenarbeit, 46 (7), pp. 294–295. However, it should also be noted that the Thai approach has brought about severe violations of the rule of law, and has accordingly been widely criticized by human rights organizations.
Bolivia Coca Cultivation by region, 2002 - 2005
5.1. The Cocalero Movement and the Plan Dignidad in Bolivia

The case of the Cocalero movement in Bolivia is ideally suited for discussion when seeking to establish the links between drug-control efforts and violent conflict. In Bolivia, due to the absence of guerrilla groups or paramilitary formations operating independently of the IDE, it is easy to observe the direct causalities between drug-control programmes and the occurrence of violent conflict.

The term “Cocalero” basically designates farmers who cultivate coca bushes. The Cocalero movement is rooted within the rural peasant unions organized in the United Bolivian Union Confederation of Peasant Labourers (Confederación Sindical Única de Trabajadores Campesinos de Bolivia, CSUTCB), which traditionally receives considerable support from large parts of the rural population. Some key demands of the Cocalero movement are the international recognition of traditional coca leaf consumption; the distinction between coca and cocaine, coca growers and drug traffickers, and coca consumers and drug addicts; as well as an independent study to establish the traditional demand for coca leaves. Since the late 1990s, the Cocalero movement has gained increasing political weight in Bolivia through the Movimiento al Socialismo Party of Evo Morales, a former peasant union activist and strong supporter of the Cocalero movement, who was elected president with support not only from the rural population, but also from parts of the lower middle class; workers and some urban intellectuals.

The foundations for Bolivia’s anti-drug policies were laid by the 1988 passage of Law 1008 at the behest of the US. This law did away with the previous policy of legalizing coca cultivation while regulating its sale, and imposed harsh provisions that outlawed coca cultivation in most parts of the country. In 1997 the administration of president Hugo Banzer introduced the Plan Dignidad, designed to reduce coca cultivation to zero within five years from 1998 onwards. The plan was based on four pillars, namely alternative development, prevention and rehabilitation, eradication and interdiction. A key part of the plan was the deployment of army units with enhanced authority plus paramilitary groups under the command of military officers to coca-growing areas directly to carry out forced eradication. The US provided the funding, training and much of the coordination of the troops. Compensation for farmers was reduced and finally done away with completely by the Bolivian government. The focus of this strategy was on eradication and interdiction, and less on alternative development measures. Even alternative development projects that were implemented were often unable to deliver the expected success in offering alternative sources of income to peasants for a variety of reasons.

The initial success of the implementation of the plan surprised critics and supporters alike, and by 2000 coca fields had almost completely been eradicated in the Chapare region. However, deprived of their main source of income and struggling to make ends meet, coca growers swiftly began to fight back against the eradication campaigns. Roadblocks and Cocalero protest marches became almost an everyday phenomenon in the Chapare region, with violence erupting on numerous occasions on eradication sites, at roadblocks and on protest marches. Between 1997 and August 2003 the total number of Cocalero fatalities amounted to 33, while 27 police officers and soldiers were killed. A further 567 Cocaleros and some 135 police and members of the military were injured in the same period. 2000 proved to be a watershed in the drug eradication policy, and since then coca cultivation has increased once more from 14,600 hectares to 27,700 hectares in 2004. The widespread violence that accompanied the eradication campaigns forced the Bolivian government into establishing a dialogue with the Cocaleros that resulted in numerous agreements between the two sides. However, pressure from the US government remained strong on the Bolivian government to continue the eradication campaigns and not to give in to pressure from coca growers.

---

57 Growing coca is legally allowed only up to 12,000 hectares in the Yungas region and some parts of the Chapare region. Any production above this level is officially termed “in excess” and thus illegal. However, several problems are attached to this approach. First, the area in which coca cultivation for traditional consumption has never been precisely demarcated. Furthermore, no-one exactly knows the demand for coca for purposes of traditional consumption. The Cocalero movement assesses the 12,000 hectares on which coca cultivation is considered legal as being too small to satisfy traditional demand.
60 Among the alternative crops and income opportunities proposed to peasants were palm hearts, coffee in the Yungas and a dairy plant in the Chapare. However, it turned out that market prices for palm hearts never reached levels where it would actually have been feasible to cultivate them, due to price-dumping by other provider states in 2000; the coffee seeds delivered to stimulate cultivation in the Yungas were contaminated; and the quantity of milk produced in the Chapare was insufficient to run a dairy plant. See TRANSNATIONAL INSTITUTE (2004), pp. 9–11.
5.2. Drug Control Strategies in Afghanistan

Afghanistan has been a major producer of opium ever since ideologically motivated funding from the US and the Soviet Union ceased to flow in significant amounts after the end of the Cold War. Cultivation of opium poppy was stimulated by both opportunity and necessity. Throughout the 1990s the OPE filled the financial gap for the warring parties in Afghanistan during the civil war, enabling them to continue to equip themselves. At the same time, the conditions created by years of war forced many farmers to rely on opium poppy cultivation. Major areas of opium poppy production during that time were the southern and eastern regions of Helmand, Gandahar, Nimroz, Farah, Uruzgan and Nangahar, which were controlled by the Taliban from 1994 onwards, and the northern province of Badakhshan, where the rival Northern Alliance had its stronghold. In the period 2000-2001, however, the Taliban reversed its policy and declared poppy cultivation illegal, embarking on an eradication campaign that was to be the most thorough in history. In areas controlled by the Taliban, opium poppy production practically ceased to exist.

With the defeat of the Taliban at the hands of a US-led coalition, opium poppy cultivation rose sharply once more. Drug control in Afghanistan now became primarily an international issue. However, curbing the OPE was not high on the priority list of the allies to start with, as they were more concerned with Key military objectives such as defeating remnants of the Taliban forces and embarking on search-and-destroy missions against Al-Qaeda leaders, which in many cases required tactical alliances with warlords who were heavily involved in the OPE. The UK was designated as lead nation in the fight against drug production, and as an initial strategy set up a programme of buying up opium from farmers, hoping to drain supply this way. Unsurprisingly, this strategy proved counterproductive, because it stimulated opium farmers to cultivate even more opium in order to satisfy the demand of both the British and the usual buyers. The next attempt was to persuade regional governors to destroy opium fields in their regions. However, as many of the commanders were themselves involved in the OPE, they often destroyed fields controlled by their rivals rather than their own. The 2003-2004 growing season saw a dramatic increase in opium poppy cultivation of almost 60%, rising from 80,000 hectares to 131,000 hectares. This dramatic increase, as well as the consensus that funds generated from the OPE were fuelling violent opposition to the central Afghan state, led to a new, more forceful approach in drug supply reduction strategies. In February 2005 the Afghan government, backed by the US and the other coalition nations, presented the Counter Narcotics Implementation Plan 2005, which proposes a non-violent and non-aerial eradication strategy based on institution building, an information campaign, alternative livelihoods, interdiction and law enforcement, eradication, demand reduction and treatment and finally regional cooperation. The implementation of this plan was designed to be carried out by authorities and powerbrokers at the provincial and district levels.

The overall policy has been largely counterproductive, as Kathryn Ledebur points out:

U.S. counterdrug policy in Bolivia is destabilizing the country’s fragile democracy and empowering the very forces that Washington is seeking to combat. [...] Continued U.S. pressure on [Bolivian] President Sánchez de Lozada, in spite of widespread social upheaval, impeded his efforts to reach negotiated solutions with the coca growers. As a result, coca producers and other groups, increasingly frustrated with attempts to change policy through the existing party system, relied on direct protests as a way of articulating their interests.

76LEDEBUR (2005), p. 177.
77Opium poppy cultivation fell from 82,171 hectares in 2000 to 7,606 hectares in 2001. The reasons why the Taliban decided to embark on a strategy of outlawing a major source of income remain unclear. Some commentators have argued that religious hardliners within the Taliban had finally succeeded in pushing forward their interpretation that cultivating opium was in contradiction to Islamic law. Other commentators propose a more rational explanation: due to excess production, opium prices had fallen dramatically, and the ban was intended to restore market price. At the same time, enough raw opium was in storage to guarantee continued supply. A side-effect was that the Taliban could pose as a legitimate government ready to fulfil its international obligations. See FELBAB-BROWN, VANDA (2005), Afghanistan: When Counternarcotics Undermines Counterterrorism. In: Washington Quarterly, 28 (4), p. 56; and TRANSNATIONAL INSTITUTE (2001), Merging Wars. Afghanistan, Drugs and Terrorism. In: Drugs and Conflict Debate Papers No 3, p. 17.
78This issue was also tackled by the new government under Hamid Karzai after it came into office in early 2002. However, as the influence of the Karzai government does not spread very far beyond Kabul, governmental programmes have necessarily been of limited impact.
79For some high-profile cases, see RUBIN (2004), pp. 10-11.
Opium poppy cultivation in Afghanistan, 2005 (at district level)
In March 2005, the plan produced its first success, as opium poppy cultivation in the traditional opium poppy-cultivating districts in the regions of Nangahar and Laghman almost came to a complete halt.\(^{81}\) Some cultivation did continue, but only in very remote areas near the Pakistani border, beyond government control. While this development was hailed as a major success, some experts have noted that the success in reducing opium poppy cultivation will necessarily be short-lived. As David Mansfield notes,

\[\text{\textit{(\ldots) local powerbrokers have made promises of significant development assistance in order to ensure compliance\textit{ of the farmers with the opium poppy cultivation ban issued by the government}. It (the study) suggests that there is a real danger that expectations regarding development assistance that can be delivered and the impact it will have on lives and livelihoods are unrealistically high. It raises concerns that driven by the loss of income and increasing levels of accumulating debts there is a strong potential for a resurgence in cultivation in the province (\ldots)\] \(^{82}\)

The impact of successful opium poppy cultivation reduction has also been documented. Families faced with the destruction of their opium poppy fields have adopted several coping strategies.\(^{83}\) The first and most obvious one has been to cut expenditure. Investments necessary to continue cultivation of land with legal crops have been delayed. Another strategy has been the selling of assets in the possession of farmers in order to settle debts. These include raw opium they might still have had in stock, equipment such as tractors or other machinery, land\(^{84}\) and sometimes even daughters. A further strategy has been on-farm diversification of the crops cultivated, but this is only viable for farmers who own enough land to do so. One last coping strategy is migration, either temporarily or permanently.

Sharecroppers who had been employed on opium poppy fields, as well as farmers who have lost their land and their assets and who cannot migrate for a variety of reasons, are basically unemployed.\(^{85}\) Disillusioned groups of young, unemployed males form an easy-to-recruit reservoir for private violent entrepreneurs who wish to instigate social disorder and violent excesses for their own ends.\(^{86}\) The loss of legitimacy of the international community and the central Afghan state as a result of embarking on an approach that puts local strongmen in charge of implementing the ban is another serious consequence of the ban:

\[\text{In the Eastern Provinces, regional strongmen and their enforcement structures did prove that they are able to \textit{switch off} cultivation, even when this means depriving a large number of households of their livelihoods. (\ldots) The moral problem of relying on \textit{gunmen to catch gunmen} aside, there are some very practical risks involved in the central state and its Coalition allies relying on the rule of arbitrary power and impunity to secure counter-terrorist and counter-narcotics goals in the Eastern Provinces. (\ldots) this policy will further lose the hearts of ordinary people and will further convince them that neither the central state nor its Western backers are actually interested in the rule of law.\] \(^{87}\)

Proponents of the eradication strategy often point to the necessity of adopting an aggressive approach towards the OPE because of the lack of time, and because of the connection between the OPE and the violent entrepreneurs and terrorists who profit from it. Indeed, Western governments frequently assert that the OPE is directly funding Al-Qaida activities and the aspirations to power of certain warlords. However, the problem seems to be that counter-drug and counter-terrorism operations interfere with one another in Afghanistan. As Vanda Velbab-Brown notes,

\[\text{\textit{(\ldots) counternarcotics efforts frequently complicate counter-terrorism and counterinsurgency objectives and can also undermine democratization in fragile situation. Counternarcotics measures frequently threaten the security environment by undermining efforts at political stabilization and democratic consolidation without addressing the underlying economic causes. They compromise intelligence gathering, alienate rural populations, and allows renegade elites to successfully agitate the central government.}}\] \(^{88}\)

\(^{81}\) The cultivation of opium poppy in Nangahar in 2005 was 96% lower than in 2004. Ibid., p. 3.
\(^{82}\) MANSFIELD (2005), p. 2.
\(^{83}\) For coping strategies, see ibid. and TRANSNATIONAL INSTITUTE (2005), Downward Spiral. Banning Opium in Afghanistan and Burma. In: Drugs and Conflict Debate Papers No 12, p. 5.
\(^{84}\) The selling of land is especially problematic in Afghanistan for two reasons: it is considered to be shameful, and it consolidates existing wealth structures. The group of people most affected by the ban comprises poor farmers and sharecroppers, whereas richer landowners may be able to cope better with the ban in financial terms and could thus be in a position to buy land from poorer farmers, thereby consolidating their position of relative wealth within local society.
\(^{85}\) Visitors to the Nangahar region have observed large numbers of young, unemployed men lingering around marketplaces in the region (cited by David Mansfield at the study day on "Drug Production and State Stability", organised by CEERI in Paris on 5 October 2005).
\(^{86}\) In this light it comes as no surprise that riots erupted after allegations of sacrilege regarding the Koran in the US prison in Guantanamo, which were especially severe in Nangahar province.
\(^{87}\) KOEHLER (2005), p. 65.
\(^{88}\) FELBAB-BROWN (2005), p. 56.
5.3. Conclusion

Supply reduction strategies such as eradication and interdiction spark conflicts and contribute to the outbreak of violence. Illicit drug farmers and/or traffickers may clash with law enforcement officers when eradication and interdiction plans are put into action. Sharecroppers and farm workers who have become unemployed as a result of the destruction of illicit drug fields represent an easy-to-recruit target group for social disorder and violent excess. Furthermore, a repressive state policy against drug farmers seriously damages the legitimacy of the central government. As legitimacy is one of the crucial core functions of statehood, embarking on an eradication campaign without securing sustainable alternative income opportunities for farmers affected is therefore bound to weaken the state. In addition, if development cooperation is in the eyes of the population linked to a repressive policy directed towards drug farmers, damage will be done to the credibility of development cooperation in general and will jeopardize its work in other areas.
6. Recommendations for International Drug Control and Development Cooperation

As mentioned in Chapter Five, international drug control strategies have in the past been lacking both in terms of coordination and effectiveness. In addition, in some cases these strategies have even helped erode state and societal stability and have led to violent conflict. This is hardly surprising, since anti-drug policies are classically formulated based on simplistic assumptions about the causality of drug demand and supply. As Francisco Thoumi notes:

Anti-drug policies have been formulated following a pattern frequently found in common anti-crime policies. [...] Because crime causality is unclear, confusing and difficult to establish, policy-makers frequently opt to take measures that in their eyes and that of social organizations and groups contribute to protect society from criminals. In other words, protecting or to be seen as protecting law-abiding citizens take precedence over understanding causality. This creates a bias in favour of repressive policies which has been the case when dealing with mind-altering drugs.

However, the failure of Western nations to meet their drug control goals seriously damages the credibility and legitimacy of the actors involved in these strategies.

It is questionable if it is wise to measure the success of international drug control policy by the availability of illicit coca and opium-based drugs on Western markets, as the US does, for three main reasons. First, this ignores the conditions under which opium and coca are cultivated. Second, it ignores growing addiction rates in the countries through which these illicit drugs are trafficked. And third, it is unrealistic to expect that decreasing availability of opium and coca-based drugs will solve the drug problem in Western societies. Even if access to heroin and cocaine were reduced, people leaning towards drug abuse would probably simply turn to another substance that is more easily available.

In this paper we have sought to generate a more thorough understanding of the nexus between the IDE and conflict. At this point we propose to draw a few recommendations from our analysis. Generally speaking, offering recommendations that aim exactly – and only – at the connection between drugs and conflict neither seems reasonable nor practical, since the nexus is clear in theory, but elusive in practice. However, battling the connection between drugs and conflict basically means controlling drugs. The recommendations put forward here take this into account. They are ventured with the aim of improving the general debate, while knowing full well that the policies suggested will not solve the “drug problem” immediately; however, they will hopefully help to generate a process of institutional and cultural change that may bring about long-term success.

6. Recommendations for International Drug Control

1. Create framework conditions under which the IDE cannot flourish.

In production countries, international drug control policy should focus on creating framework conditions under which the cultivation of opium poppy or coca is not necessary in order to survive. As we have seen in previous chapters, cultivating opium poppy and coca for the production of hard drugs is not a traditional way of life or a profit-maximizing strategy, but rather a high-risk survival strategy in societies where access to certain resources can only be achieved through cultivating drug crops. In both trafficking and production countries, the absence of core functions of statehood facilitates drug crop cultivation and drug trafficking. Rising drug addiction rates can often be contributed to situations in which societies have experienced or are experiencing social unrest, violent conflict and war. Rather than focusing primarily on eradication and interdiction, and thus battling only the symptoms of the drug problem, it is the framework conditions that facilitate drug crop cultivation, drug trafficking and substance abuse which should be addressed by international drug control policy. The aim for actors involved here is not only to “do no harm”, but actually to “do good” and thus to work towards achieving sustainable livelihoods and stable political conditions – in other words, to work towards establishing state structures in which the core functions of statehood are provided and in which the IDE cannot flourish.
2. Increase cooperation between affected states and the donors involved.

The creation of stable and sustainable framework conditions requires the international community to adopt an integrated approach which involves all relevant actors, including affected countries and their governments, international and multilateral organizations, development cooperation organizations, donor agencies, non-governmental organizations (NGOs) and sub-national and community-level actors. Combating illicit drug cultivation, trafficking and drug abuse is not just a matter for national police or military forces, but also for international development cooperation by states, international NGOs and local NGOs. Cooperation and coordination in terms of strategies, programmes and funding should be increased among nations and the donors involved.

3. Increase cooperation between the security and development sectors.

Targeting the IDE calls for a multidimensional approach and more cooperation between actors from the security sector and from the development sector. Development-oriented drug control (DDC) can offer important value-added functions which could benefit drug control strategies; however, at the same time DDC has to be strongly embedded into a security sector environment based on rule of law. Interdiction measures, measures against money laundering and the prosecution of actors profiting from the IDE should be increased and implemented in a thorough fashion.

4. Integrate DDC as the major focus of international drug control policy.

DDC takes into account the complex nature of illicit drugs in developing countries and aims to reduce the problems arising from both production and consumption, as well as to promote the sustainable development of individuals and communities. It offers a multisectoral and balanced approach based on two main strategies: alternative livelihoods, and drug demand reduction. Due to the scale, nature and magnitude of the drug problem, a multisectoral, coherent, more strategic and well-coordinated approach to drug control is needed. Single projects can hardly address complex drug-related problems, and similarly cannot really be expected to succeed significantly without addressing and improving the political and economic framework conditions. Mainstreaming DDC as a cross-cutting issue into international development cooperation offers a viable strategy for achieving broader development goals. Through the mainstreaming process, drug control could be embedded into development policies and activities, thus maximizing both the development and the counter-narcotics impacts.

6.2. Recommendations for Socio-economic Development Cooperation

Most countries in which illicit drug crops are cultivated are ones in which international development cooperation actively supports the goal of creating sustainable development. Since the state in these countries does not have sufficient resources – in terms of funds, knowledge and structures – at its disposal to tackle the IDE effectively on its own, the main part of this task has to be assumed by development cooperation actors, working in close consultation with state actors to ensure national ownership of the measures.

Specific recommendations for development cooperation at the national level are as follows:

5. Promote good governance.

Promoting good governance at all levels of society is a key factor in securing state stability, which in turn reduces the risk of armed conflict and thus benefits the state’s citizens. Stable and legitimate statehood is an important factor in efforts to curb illicit drug production. Key good governance strategies at the national level that are designed to combat the IDE include promoting law and justice, and fighting corruption and the decentralization of the administration. A functioning legal system is a precondition for targeting the criminal networks that keep the IDE running. As long as lawlessness persists, insecurity leaves farmers no choice but to stay in the drug economy, as there are no mechanisms available to change the relationship of dependency that exists within the IDE. Legal security and the rule of law are furthermore vital preconditions for building up legal livelihoods and the legal economy in general, while effective border control systems are necessary to contain drug trafficking. Fighting corruption is also essential, as the IDE cannot successfully be curbed as long as state officials have a vested interest in seeing the IDE flourish. The decentralization of state structures and decision-making serves several purposes that are relevant in relation to the issue of drugs and conflict: highly centralized and/or autocratic states usually fail to respond adequately – if at all – to specific local settings and problems. In addition, centralized state structures often do not correspond to local and/or traditional ways of self-organization. Both situations lead to a loss of state legitimacy, which in turn is a favourable condition for illicit economies to flourish. In weak states where the term “centralized” essentially means that the state is largely confined to the capital and elsewhere is merely present, decentralization – if it works at all – may serve as a means of extending state presence as such. The absence of the state, in turn, increases the risk of violent conflict and provides favourable framework conditions for the IDE.
6. Strengthen and reform the security sector.
State security actors, such as the police, border guards, the military, the parliament and other actors need to be legitimized and controlled in order to provide security as a public good that all parts of the population can take for granted. As drug production and drug trafficking are frequently controlled by heavily armed criminal groups, the security forces have to be sufficiently trained to meet this threat within the rule of law. The state must be able to enforce its law effectively across its territory through its own security forces. At the same time, security forces must be trained not to criminalize drug farmers and drug addicts, but rather to acknowledge the fact that they are the primary victims of the IDE, and should be treated accordingly. At the regional and community level, development cooperation should:

7. Fund more research on the relationship between drugs and conflict at the community level.
This relationship is definitely under-researched. Without a sound understanding of the connections, it is impossible to design development projects that not only fulfill the requirements of the "do no harm" paradigm, but also actually "do good". Further research would additionally work towards building awareness among the actors involved in development cooperation, and could lead to a more sustainable approach in tackling drug control measures. So far research exclusively on this matter has only been conducted in Afghanistan under the auspices of the GTZ Project for Alternative Livelihoods in Eastern Afghanistan. Research at the community level should be commissioned in every major drug-producing country, especially in Myanmar, Bolivia, Peru and Colombia.

8. Enhance the analytical instruments and implementation guides of development cooperation.
Based on the findings of the research, criteria have to be introduced regarding the analytical instruments at the disposal of development cooperation in order to identify and work with local power relations and local conflict-processing mechanisms. At the same time, approaches that strengthen the local traditional fabric and capacities of non-violent conflict-processing mechanisms should be integrated into the work of development agencies on the ground.


Alternative livelihoods aims at reducing the cultivation of illicit drug crops by improving the creation of alternative on-farm, off-farm and non-farm opportunities. Important ingredients in this strategy include the development of social infrastructure, social services and markets. The successful implementation of alternative livelihood projects would break the cycle that effectively traps families involved in illicit crop cultivation.

10. A focus on good governance.
Good governance implies effective political institutions, the responsible use of political power, and the sustainable management of public resources by state authorities. At the community level, good governance strategies that work towards fighting corruption, strengthening the civil society, enhancing local self-government and promoting democracy are of special importance. All of these are necessary to foster state legitimacy, to encourage the set-up of institutions for non-violent conflict processing, and to transfer power from the hands of those involved in the IDE to the state and the local community itself.

Drug demand reduction has traditionally been rather neglected by development cooperation. The need for a more consistent implementation policy has been illustrated by the dramatic increase in drug consumption in developing countries. The successful implementation of drug demand reduction projects in conflict and post-conflict areas could contribute to resolving addiction problems that fan social instability.
Bibliography


BLATTER, ULRIKE (2002), Sucht in Ex-Jugoslawien. In: Fachstelle für grenzübergreifenden Zusammenarbeit für die Bereiche Sucht- und Drogenhilfe, Prävention und Politik. BINAD Info, 2002 (23)


CÁRDENAS, MAURICIO (2005), Economic Growth in Colombia: A Reversal of ‘Fortune’?. Harvard University: Center for International Development


ELBAWADI, IBRAHIM and NICOLAS SAMBANIS (2002), How Much War Will We See? Explaining the Prevalence of Civil War. In: Journal of Conflict Resolution, 46 (3)


ELWERT, GEORG (2003), Intervention in Markets of Violence. In: Jan Koehler and Christoph Zuercher (eds), Potentials of (Dis)Order: Explaining Violence in the Caucasus and in the Former Yugoslavia. Manchester: Manchester University Press


GOODHAND, JONATHAN (2000), From Holy War to Opium War? A Case Study of the Opium Economy in North-eastern Afghanistan. In: Disasters, 24 (2)

GOODHAND, JONATHAN (2005), Frontiers and Wars: The Opium Economy in Afghanistan. In: Journal of Agrarian Change, 5 (2)
GTZ (2003), Drugs and Conflict: Discussion Paper by the Development-oriented Drug Control Programme, Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), Eschborn: GTZ


INTERNATIONAL CRISIS GROUP (2005a), Coca, Drugs and Social Protest in Bolivia and Peru. Quito/Brussels: Latin America Report No 12

INTERNATIONAL CRISIS GROUP (2005b), War and Drugs in Colombia. Bogotá/Brussels: Latin America Report No 11


KORFF, RÜDIGER and RUTH SHARIFA DJEDJE (2005), Teilerfolg in Thailand. In: Entwicklung und Zusammenarbeit, 46 (7)


LUHMANN, NIKLAS (1969), Legitimation durch Verfahren. Frankfurt/Main: stw

MADI, MARAL (2004), Drug Trade in Kyrgyzstan: Structure, Implications and Countermeasures. In: Central Asian Survey, 23 (3-4)


NORTH, DOUGLAS (1993), Institutions and Credible Commitment. In: Journal of Institutional and Theoretical Economics, 140 (1)

REBASA, ANGEL and PETER CHALK (2001), Colombian Labyrinth: The Synergy of Drugs and Insurgency and Its Implications for Regional Stability. Santa Monica: Rand Corporation


SCHNECKENER, ULRICH (2004), States at Risk. Fragile Staaten als Sicherheits- und Entwicklungsproblem. Berlin: Stiftung Wissenschaft und Politik


TRANSNATIONAL INSTITUTE (2001), Merging Wars. Afghanistan, Drugs and Terrorism. In: Drugs and Conflict Debate Papers No 3

TRANSNATIONAL INSTITUTE (2004), Coca or Death? Cocalero Movements in Peru and Bolivia. In: Drugs and Conflict Debate Papers No 10

TRANSNATIONAL INSTITUTE (2005), Downward Spiral. Banning Opium in Afghanistan and Burma. In: Drugs and Conflict Debate Papers No 12

TROESTER, MICHAEL (2004), Ökonomisierung von Konflikten? Der Drogenanbau in der „Wa Special Region 2“ in Myanmar/Burma und seine Bedeutung für das Konfliktgeschehen. Berlin: Final thesis at the Otto-Suhr-Institut for Political Sciences at the Free University


