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Consumption, Hectares, Seizures and a Colombian¹

A look at Plan Colombia

In recent years the political situation in Colombia has significantly improved. As a consequence, I find myself ever more frequently answering the following question: “why did you leave Colombia”? The question surely stems out of genuine curiosity, but few people want a full answer. So I often opt for a simple explanation: “I was looking for better opportunities.” The reality, of course, is much more nuanced.

Colombia has a violent history. It is a country that has seen over 60 years of armed conflict. An economist might wonder “how can such a long-standing dispute be financed?” The answer is simple: drugs. Colombia’s unique combination of fertile land, moderate climate, geographical location, and corrupt government provided the necessary conditions for the drug trade to flourish.

In 1993, at the height of the conflict, Colombia hosted two major insurgent groups, four drug cartels, and numerous corrupt politicians. It was also the year in which Pablo Escobar opted for terrorism in an attempt to persuade politicians and force them to refuse the extradition agreement with the USA. Bombs were going off in the capital city regularly. Kidnappings, arrests, executions, and petty theft were commonplace. On the 2nd of December 1993, Pablo Escobar - the infamous drug king - was killed in a shootout with the police. Everyone was on edge, nobody in the general population could see a path to a better future, and the political situation seemed to be deteriorating at an alarming rate. It was then when the brain drain started. The circumstances seemed hopeless. Common sense dictated that every family with the means should enable their kids to leave the country. I turned twelve that year.

¹ Raw data and code for data visualization can be found at: <https://github.com/JuanPM/Plan-Colombia>

My family made a conscious decision to ingrain in me the desire to leave the country. We measured the utility of everything I did with that goal in mind. The truth is that, despite promises for a better future, nobody believed the government would find a solution. In 1998 Andres Pastrana was elected president of Colombia, and together with the US president Bill Clinton, conceived what would two years later become Plan Colombia.

It was an ambitious two-pronged plan. On the one hand, officials would seek a peace agreement with the insurgents. On the other hand, cash flow to the insurgent would be reduced by stifling the drug trade. The drug-fighting strategy had two main action items: eradicate coca plantations and seize drugs at the Colombian and American borders. I was close to finish high-school, and we had a tough decision to make. Should I stay in Colombia and hope for things to improve? In the end, we decided not to place our faith in the government. Instead, we moved ahead with the plan; I was to leave the country as soon as I finished high-school.

Now, 20 years later, I decided to reexamine our decision. Were we right in assuming that the much celebrated Plan Colombia would not bring the promised results? Was our pessimism justified, or should we have had more faith in the US and Colombian officials? After all, Plan Colombia was scheduled to start in 1999; the same year I graduated from high-school.

To answer this question, I consulted the United Nations Office on Drugs and Crime (UNODC), who has been monitoring the drug trade's extent and evolution since 1994. I began with crops. The data suggests Plan Colombia did have an impact on the scale of coca plantations. Plantations went from their peak of 150,000 hectares to an all-time low of 40,000 hectares, in 1999 and 2012 respectively. Aerial fumigations were the government's tool of choice during that time. However, aerial fumigations also place an enormous burden on the environment, and in 2013 the practice was almost abandoned. As a result, the cultivation of coca leaf increased again. In 2015, only two years after hitting an all-time low, the number of planted hectares more than doubled. The trend continued and more recent data, reported by The Wall Street Journal, indicates that coca crops reached an all-time high of 208,000 hectares in 2018².

The UNODC data also suggests that increased controls at the Colombian border had an almost immediate effect. Between 1999 and 2000 the amount of cocaine seized at the Colombian

² "Coca Cultivation in Colombia Reaches New High" *The Wall Street Journal*, 25 June 2018, <https://www.wsj.com/articles/coca-cultivation-in-colombia-reaches-new-high-1529954782>

border nearly tripled. The trend continued, and for the exception of 2001 and 2014, seizures at the Colombian border hovered around the one million kilogram mark.

Interestingly, the impact on seizures at the American border was not as quick as at the Colombian border. Seizures at the American border did not increase until 2005, at which point they shot up by about 500%. Overall seizures of cocaine (Colombian and American borders combined) in 1999 were approximately 500,000 kilograms per year. Ten years later that amount had increased to over two million kilograms per year.

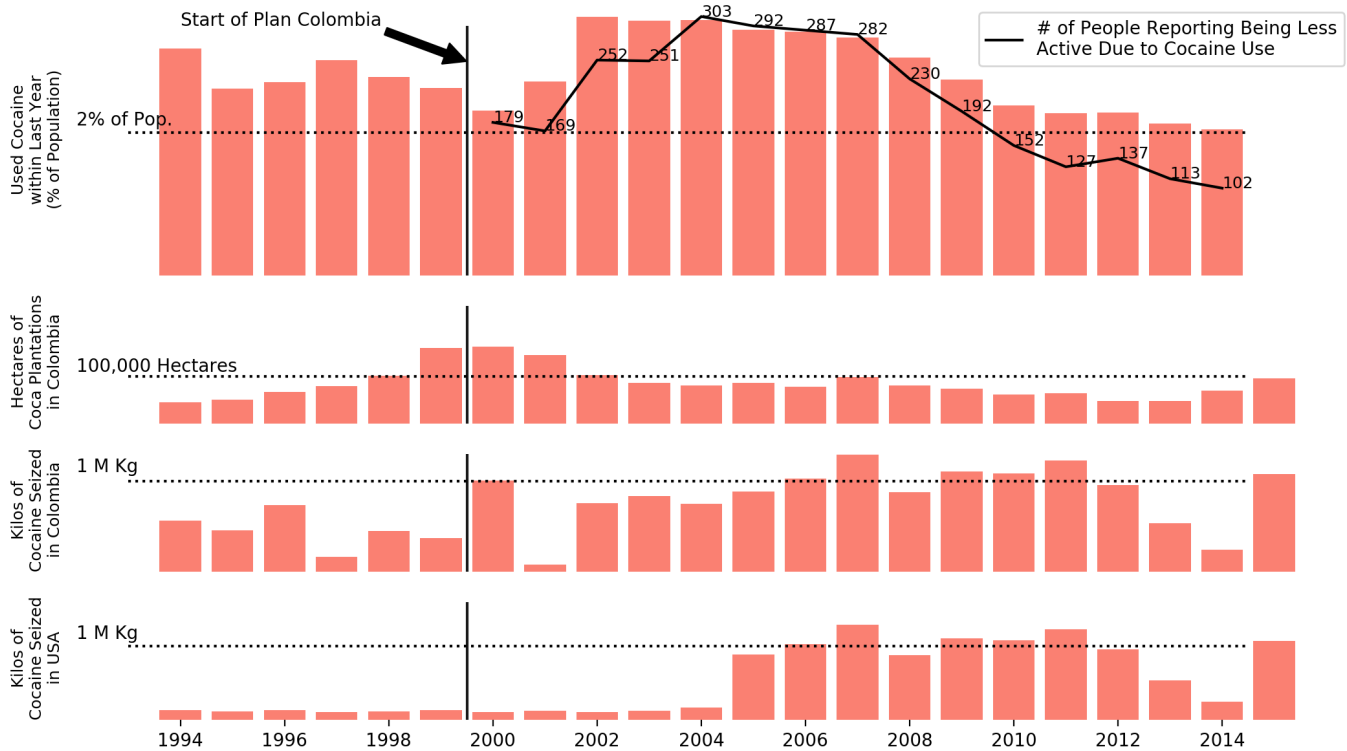
It is clear that Plan Colombia's overarching strategy was to stifle supply. It certainly made a dent, but it was just that. Crops declined, but by 2015 they showed a clear increasing trend. Seizures spiked, but that increase did not impact cocaine consumption in America. On the other hand, strict controls at the border meant traveling became extremely cumbersome for Colombians like myself.

To study the consumption of cocaine in America I used data from the National Household Survey on Drug Abuse (NHSDA). The NHSDA has been tracking the consumption of drugs in the USA since 1971. On any given year approximately 50,000 Americans are interviewed regarding their drug habits. The data shows that about 2 - 2.5% of the American population admits to having used cocaine in the previous year. Interestingly, the percentage of Americans consuming cocaine was not affected by Plan Colombia. A t-test comparison shows there is no statistically significant difference between the levels of self-reported cocaine use before and after Plan Colombia was implemented ($p = 0.88$).

It seems natural to wonder why cocaine consumption was not affected. After all, coca leaf production in Colombia decreased significantly, and seizures at the Colombian and American borders spiked. The answer, it seems, was known from the very beginning.

Nancy Reagan - then first lady - is widely credited with being the mastermind behind the war on drugs. However, there is evidence to suggest that Plan Colombia might not have been what she had envisioned when she addressed the United Nations on the 25th of October 1988: "If we cannot stem the American demand for drugs, then there will be little hope of preventing foreign drug producers from fulfilling that demand. We will not get anywhere if we place a heavier burden of action on foreign governments than on America's own mayors, judges and legislators. You see, the cocaine cartel does not begin in Medellín, Colombia. It begins in the

Effects of Plan Colombia on Cocaine Crops, Seizures and Use



Consumption, plantation, and seizures data

streets of New York, Miami, Los Angeles and every American city where crack is bought and sold.”³

Nancy Reagan was right, and the data backs her up. Plan Colombia was a gargantuan attempt at solving the problem by stifling supply. However, cocaine consumption in America was not affected by Plan Colombia precisely because demand drives the drug trade. If Colombia supplies fewer drugs cartels in other countries will fill the remaining market gap. That is, after all, a fundamental part of how our market-based economy works.

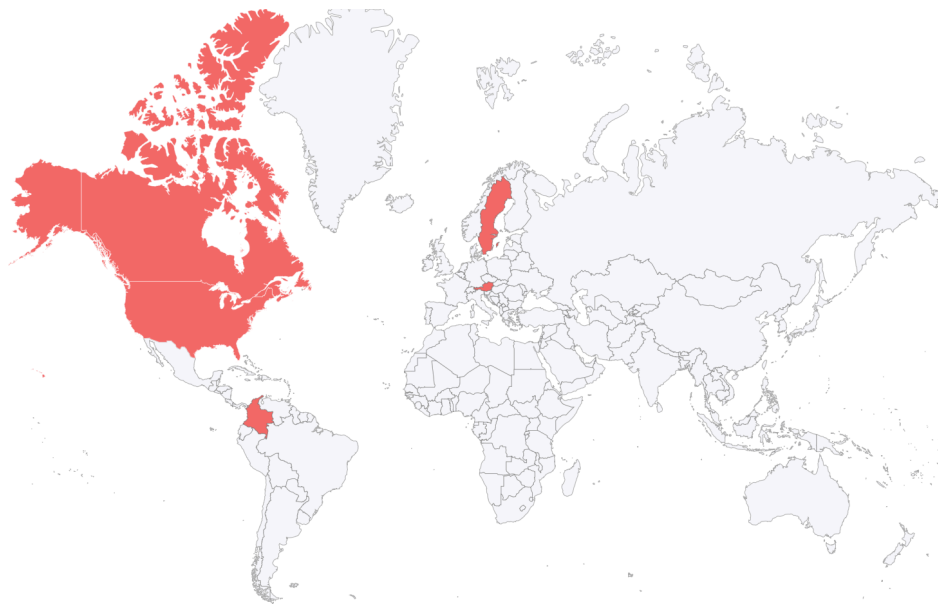
Today the politicians who championed Plan Colombia point at the country’s recent improvements as proof of the plan’s effectiveness. As it turns out, history is seldom kind enough to provide us with clearcut answers. It is true that the political situation in Colombia has

³ “The Failed War on Drugs” *The New York Times* 31 Dec. 2017, <https://www.nytimes.com/2017/12/31/opinion/failed-war-on-drugs.html>

improved, and the new generation of Colombians will most likely be less inclined to leave the country. However, our lack of confidence in the Plan Colombia was justified. History has shown that, similar to the prohibition era in the USA, the attempts to curb the consumption of drugs in developed countries by stifling supply have failed miserably. It was impossible for us in 1999 to foresee the improvements that would take place as a result of future government efforts.

Unfortunately, Plan Colombia's peace process was also a failure. After almost three years of debacles and a frustrating lack of progress, the government of Andres Pastrana decided to end the peace talks and remilitarize the amnesty zone previously granted to the insurgents.

Internationally, the stage is now set for alternative ways of dealing with drug-related violence and drug addiction. There are some signs that world leaders are starting to understand the problem and gather the political courage to push for change. Countries like Portugal and Canada are beginning to implement radical decriminalization and prevention campaigns that have started to show positive results.



Countries where I have lived since leaving Colombia

As for me, I find comfort in knowing that all of my and my family's efforts were not in vain. I will continue to seize opportunities when they arise and enjoy the benefits that all those efforts have granted me. After all, had it not been for the misguided decisions of overly-conservative politicians, I might not be where I am today.