Latin America

The turmoil down south
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Poverty, economic stagnation and an ill-conceived drug war are undermining democracy in the Andes

FOR the past two years, Americans have had many reasons to focus their minds farther afield. Yet just for a moment, they should take a quick glance at their own hemisphere. After five years of little or no economic growth in many countries, and with 43% of its population in poverty, Latin America is seething with frustration. Many of its democracies, some barely a generation old, are facing unprecedented tests. Some are rising to the challenge. But others, especially in the Andes, risk becoming unstable or failed states, in thrall to an ugly anti-American authoritarian populism. This is bad news for Latin Americans, but also for the United States—not least because one of the main causes of the trouble is Washington's ill-conceived war on illegal drugs.

Last month, Gonzalo ("Goni") Sánchez de Lozada of Bolivia, a liberal friend of the United States, became the fourth duly elected Latin American president to be toppled by street protests in as many years. He had made mistakes. The biggest was to use the army against the protests, at a cost of 80 dead. That robbed him of legitimacy. But his opponents, led by Evo Morales, the truculent leader of a far-left party and of Bolivia's coca farmers (whose crop is the raw material for cocaine), seem bent on making the country ungovernable. Bolivia's best hope of being less poor lies with a foreign-backed scheme to export natural gas. Mr Morales and others have halted this, by playing on poverty and whipping up the xenophobia in the ancestral memory of an Indian majority who gained little from the Potosí silver mine of Spanish colonial times.

Last weekend in Colombia voters delivered a huge rebuff to President Álvaro Uribe, the United States's closest ally in Latin America. A referendum on fiscal and political reform failed, leaving a question mark over Colombia's public debt and its crackdown on drug-financed guerrillas and rightist vigilantes. The voters went on to elect a left-winger as mayor of Bogotá, the capital (see article). Colombia may now join much of the rest of South America in moving left.

There are problems, too, in the other Andean countries. In Peru and Ecuador, weak presidents are struggling against popular hostility and vested interests to push through mild reforms. In Venezuela, Hugo Chávez, a cunning populist, is using oil money to bribe the army and his clients among the urban poor, to try to see off a recall referendum.

In other parts of Latin America, matters are less gloomy. Mexico's Vicente Fox has disappointed, but may finally manage to persuade an opposition-run Congress to back modest reforms. Brazil's left-wing president, Luiz Inácio Lula da Silva, has made a good start: he has stuck with responsible macroeconomics, and been willing to correct initial fumbles in social policy. Argentina is recovering vigorously from its 2001 collapse, albeit by not paying its debts.
Even so, across Latin America, the public mood is one of frustration at the failure of democracy to deliver more tangible social and economic progress, or the rule of law rather than of often venal politicians. So says the latest Latinobarómetro poll, whose main findings we publish this week (see article).

There are some grounds for hope. Next year, the region's GDP may grow by 4%, the fastest rate since 1997. Democracy may be far from consolidated, but at least in most places it is surviving. In a region of searing inequalities, the swing to the left, after a decade or more of centre-right dominance, represents a healthy alternation in power—provided, as in Brazil but not Bolivia, that the left is democratic and is attempting to reform capitalism, rather than throttle it, as Mr Chávez is doing.

Behind the turmoil in the Andes lies a struggle to create mass democracies, in which Indians and the poor have equal rights and political leadership is no longer a monopoly of the elite. It is a chaotic process, but a necessary one. Thus, Colombia's election sends a powerful message in a country in which the left long saw democratic change as impossible and violence as the only route to power.

More Lulas, fewer Chávezes

Yet there are risks in all this. Put bluntly, Latin America needs more Lulas and fewer Chávezes or Morales. That is where the United States could help. First, it is in its interests and those of Brazil to ensure that rows about trade do not sour their wider friendship. Second, the biggest service the United States could do is to recognise the folly of its drug war.

This has seen the United States pour billions of tax dollars into a futile assault on the law of supply and demand. As long as it is demanded, the prohibition of cocaine serves merely to make its production hugely lucrative, not to halt it. In Latin America the drug trade allows gangsters to amass economic, political and military power, eroding the rule of law, promoting corruption and violence from Jamaica to Rio de Janeiro, and gratuitously prolonging Colombia's deadly conflicts.

Building democracy in the Andes would anyway be hard, thanks to poverty, ethnic cleavages and difficult geography. Illegal drugs and the war against them add a needless extra handicap, and help to poison politics. Mr Morales, for example, is very much an American creation. He owes his rise to the American campaign to wipe out coca in Bolivia in the late 1990s, just as the legal economy went into recession. American officials held up Bolivia as a successful case of “alternative development”. But legal crops provided jobs for only around one in five of those who worked in coca. When last year Goni begged Washington for more anti-drug aid, he was rebuffed. In Colombia, Mr Uribe is waging a massive campaign to wipe out coca. This is storing up discontent—and will merely shift coca to Peru and Bolivia.

The Economist has long argued for an end to the hypocrisy of prohibition. Drugs should be seen as a problem of health, education and personal responsibility, not law enforcement, let alone foreign policy. In January, George Bush will go to Mexico to meet 33 other heads of government from the Americas. This get-together lacks a serious agenda (trade, at Brazil's insistence, will be discussed elsewhere). So here is a suggestion: make calling off the drug war, for good, the first item. Or risk the Andes falling into worse turmoil.