

Violence, Drugs, and U.S. Foreign Assistance

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Over the years, scholars have continually debated the effect that foreign assistance has had on recipient countries. This study aims to continue research in that area by exploring the effectiveness of U.S. foreign assistance to Colombia. Specifically, my research is designed to investigate the effect of U.S. foreign assistance in three broad areas of Colombian society: *law enforcement*, *guerrilla violence*, and *drug production*.

Using available data that covers the years 1980-2002, I perform a multivariate time-series analysis to assess the impact of U.S. foreign assistance on six key dependent variables; these variables have been selected to illuminate the three broad areas mentioned above. The dependent variables—and the broader categories with which they are associated—are as follows: first, in order to measure the impact of U.S. foreign assistance on drug related *law enforcement* in Colombia, I analyze a change in the number of drug labs destroyed, the amount of cocaine and base seized (kilos), and the amount of coca sprayed (ha) by aerial fumigation; next, I measure the effect of U.S. foreign assistance on *guerrilla violence* by regressing foreign assistance on the number of persons kidnapped (per thousand inhabitants) and number of homicides (per thousand inhabitants); finally, in order to measure the effect of U.S. foreign assistance on the *overall drug production* in Colombia, I regress the amount of foreign assistance on the total amount of estimated cultivation of coca (ha) in Colombia.

In the areas of law enforcement, guerrilla violence, and drug production, findings in this study indicate there is no positive correlation between the amount of foreign assistance given to Colombia from 1980-2002, and any of the aforementioned dependent variables.

However, results indicate that the Colombian president's party affiliation, Colombia's GDP per capita, and Colombia's 'level of democracy' (as measured by Polity IV scores) may have a noteworthy relationship to the overall effectiveness of Colombia's *law enforcement*. Further, when assessing attempts to curb *guerrilla violence*—in the form of kidnappings and homicides—Colombia's presidential party affiliation and its GDP per capita may also be a determinant of change in violence. Finally, when testing for a change in levels of Colombia's *drug production*, Colombia's level of democracy, its rural population density, and its unemployment rate indicate statistically significant relationships.

Given these findings, my research suggests that past U.S. foreign assistance given to Colombia, has no significant relationship to assisting Colombia in the successful attainment of any of the following goals: increasing law enforcement, decreasing guerrilla violence, or decreasing drug production. Other variables, though, may play a role in the attainment of these goals. As such, the effectiveness of foreign assistance should continue to be carefully analyzed in order to reevaluate its overall objectives and the methods chosen to pursue those objectives—as the United States continues assistance to Colombia. This study suggests that future foreign assistance to Colombia should focus on promoting good policies, strong institutions, and eliminating opportunities for corruption. Furthermore, aid should focus on dual positive effects of improving the lives of the Colombian people and mitigating the impact of the drug trade.

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Introduction

For the past forty years, the inability of the Colombian government to reduce guerrilla violence and to decrease drug trafficking has had a dramatic impact on the country at large. Insurrection, riot, murder, torture, terrorism, and chaos were not just the story of Colombia's past; instead, they continue to be a concern for Colombians today. Overall increases in drug activity and guerrilla violence, as well as a lack of law enforcement and military efforts, have resulted in an ongoing internal conflict. As a result, Colombia is currently the most violent nation in South America and one of the most dangerous places in the world (Sarmiento 1997:1).

Violence is not a new phenomenon to the people of Colombia. Instead, it has been a common theme throughout Colombia's history. Violence reached its peak during the period known as *la violencia*, an era whose effects lasted many years. Guerrilla activity initially emerged during this time—in response to political violence. Guerrillas organized during *la violencia* in order to protect the people; however, this would all change when existing guerrilla groups began to work *with* drug traffickers, providing them with services and protection. The relationship between illegally armed groups and drug traffickers would become increasingly intertwined and made it difficult to assess who was responsible for what. Major consequences of this close relationship became noticeable in the 1980s. By this time, one thing was certain, guerrilla groups no longer existed as a means of protection for the people. Instead, the guerrilla groups were responsible for the disappearance, kidnapping, and murder of many innocent lives. To this day, proceeds from the drug trade have made it feasible for guerrilla groups to operate in all areas of Colombia, terrorizing the entire public, from the rich to the poor.

As guerrilla groups increasingly profited from the illegal drug industry, the Colombian government has continued to struggle to stop them. For example, today, Colombia produces and distributes more heroin than any other country in the Western Hemisphere. In addition, it is the world's leading producer and distributor of cocaine (Rabasa 2001:11). Approximately 90% of the world's cocaine industry originates in, or passes through, Colombia (Veilette 2005:3).

Guerrilla groups and drug traffickers have been especially successful due to the profit made from the drug trade, along with the geological make up of the country. Colombia's volcanic soil and mountainous jungles have provided an ideal environment for the growth and production of drugs. As a result, many areas in Colombia have been difficult for the government to monitor—making it easier for illegal drug activity to persist. Overall, the Colombian military has had very little success combating the war on drugs. As a result, profits from the drug trade have allowed guerrilla groups to become wealthier and more powerful than the Colombian government itself.

After failing at to enact peace treaties with existing guerilla organizations such as the FARC (*Fuerzas Armadas Revolucionarias de Colombia*), the ELN (*Ejército de Liberación Nacional*), and the AUC (*Autodefensas Unidas de Colombia*), Colombian officials have turned to the United States for assistance. In 1999, Colombian President Pastrana drafted a six-year initiative called Plan Colombia, a proposal to help end the country's conflict, eliminate drug trafficking, and promote social and economic development. In support of this plan, the United States agreed to provide \$1.3 billion in economic, military, and narcotics assistance. By doing so, the United States nearly tripled overall assistance being sent to Colombia. In 2002, the Bush administration

continued funding under Plan Colombia in addition to requesting more assistance under The Andean Counter-drug Initiative (ACI). Through the ACI, foreign aid is given to Colombia to eradicate coca and opium crops, interdict narcotics trafficking, protect the country's infrastructure, train Colombia's security forces, support alternative crop development programs, and preserve democracy.

Ever since the 1990s, a significant amount of U.S. foreign aid has been distributed to Colombia in order to assist the Colombian government in reaching specific objectives. However, the effectiveness of foreign assistance has been a topic of continual debate among scholars. For instance, while some experts say that foreign assistance has generally been successful, others claim that foreign assistance does not help alleviate a country's problems at all. Since theory regarding the effectiveness of foreign aid is split, one could ask the question: given that Colombia has received such a large portion of U.S. foreign assistance over the years, exactly how effective has foreign assistance been at successfully influencing the country? Specifically, how has aid affected areas of Colombian society such as its law enforcement, guerrilla violence, and overall drug production?

1. The Effectiveness of Foreign Assistance

The Benefits of Foreign Aid

While it may seem obvious how foreign assistance can benefit a recipient country, in most instances, distributing foreign assistance actually benefits the donor both economically and militarily. From a U.S. (donor) perspective, the economic interest of other countries is important to the well-being of the United States. The U.S. economy depends greatly upon the import of raw materials from other nations, along with the potentially large consumer's market from developing countries (Black 1968:17). Therefore, if developing countries experience economic growth, it is likely to benefit the United States.

Although there is an economic incentive to give foreign aid, perhaps the greatest benefit is seen from a military perspective. The United States can use military aid, training, and equipment to significantly influence a country to comply with its requests. This is called leverage, and was especially evident during the Cold War, when aid was used to help create a much-needed, worldwide defense network against the threat of communism (Sislin 1994:668).

Leverage has also been a successful tool for ending international confrontations, such as the Arab-Israeli war of 1973. In this instance, Nixon promised the Israeli military more assistance after the war, but only if it accepted a cease-fire. However, the U.S. also threatened to take away aid if Israel continued to engage in warfare. Here, the United States was able to use positive and negative sanctions to produce a desired outcome (Sislin 1994:666-668).

In addition to creating leverage, military aid is sometimes used as a symbol of power among wealthy nations. In the article, "Foreign Assistance: Objectives and Consequences," Griffin and Enos find that countries who donate assistance are those countries that have money to spare. Therefore, aid is sometimes donated to yield political support from developing countries; this makes it look as if the donating country has more international support than others (Griffin 1970:316). This seems to be the case with the United States during the Cold War. Assistance was given to developing countries, in order to form more allies than the Soviet Union. There were few real objectives of that assistance other than stopping the spread of communism. How would the United States achieve that? By funding a country's military and giving money to those in power.

Finally, military assistance is sometimes used to promote democratic principles. This is especially true with recent programs such as Bush's *Millennium Challenge Account*. When U.S. foreign aid programs successfully promote democracy abroad, the probability that the United States will go to war with that country is lowered, since democratic nations are significantly less likely to engage in war with other democratic nations (Carothers 1995:2).

Not only does this decrease the chance of war, but giving aid to these countries allows the U.S. military to have an inside look at what is going on in various areas around the world. For example, although the United States takes a financial risk by spending so much money on Plan Colombia, the plan does allow for U.S. involvement in key strategic locations in the Caribbean, South America, and the Eastern Pacific. It enables the United States to be directly involved in maintaining the stability of a country that is the fifth largest trading partner in Latin America for the United States, and the tenth largest

supplier of oil (Marcella 2003:2). It also provides the U.S. military surveillance aircraft support for Pentagon counter-drug operations (Clarke 2000:1). Distributing foreign aid opens the door for the United States to have power in many areas of the world, possibly shaping ideology abroad, and in turn, improving U.S. security at home.

The Potential Benefits of Receiving Foreign Aid

Although the United States benefits from giving aid, ironically, it is debated among scholars how much a recipient country actually benefits from the foreign aid it receives. *Ideally*, the recipient nation benefits not only economically from receiving aid, but militarily as well. In addition, aid can potentially change the living conditions for people across the globe, especially in underdeveloped countries.

From an economic standpoint, in some instances, aid has helped decrease poverty in many areas of the world. According to the United Nations Development Program (UNDP), foreign assistance has been successful in decreasing poverty worldwide. According to them, due to aid, “poverty has been reduced more in the past 50 years than in the past 500” (Thérien 2000:23). In addition to reducing poverty, aid has also increased the quality of life for many people. In some instances, aid has helped to decrease child mortality and the spread of disease. It has also improved access to clean water and has promoted overall health. Foreign aid programs have even been successful in promoting women’s rights and increasing education opportunities for boys and girls worldwide (Thérien 2000:22). Programs have successfully built infrastructure, promoted agriculture and manufacturing, and provided skilled manpower (Cassen 1994:10). Overall, well-designed aid projects can help support public institutions which, in turn,

improve experimentation, learning, and implementation of new service ideas (World Bank 1998:3).

From a military perspective, aid can increase security within various countries by providing a larger military, better training, and excellent military equipment. It also can increase stability within the country through “election monitoring, institution-building, and capacity development” (Thérien 2000:23). By promoting democracy, foreign assistance can have a direct positive influence on the peace and security within a nation.

Aid Effectiveness-Both Sides Presented

Existing literature regarding the actual effect that foreign assistance has on a recipient country in terms of growth, is split, and sometimes referred to as the “micro-macro paradox” (Durberry 1998:1). This paradox alludes to the fact that while foreign aid *projects* have been evaluated as relatively successful in achieving the specific goals they set forth and therefore have had individual effects (e.g. Cassen 1986); studies conducted at the nation-wide level indicate that, foreign assistance has little to no direct relationship with the growth of the recipient country. In other words, while micro-based studies have found that aid is effective, at the macro-level, studies have resulted in more ambiguous results. For example, some scholars have found that as aid increased to developing countries, the country’s growth rate was unaffected or even hindered. Other studies find that foreign assistance is a determinant of growth, under the right recipient environment. This section explores past studies that have tested the relationship between aid and growth in developing countries.

Although aid has the potential to do great things, the degree to which aid directly affects the growth rate of a recipient country is difficult to measure and has been debated

among scholars. In the early 1970s, Griffin and Enos tested the effectiveness of aid by analyzing fifteen African and Asian countries from 1962-1964. Their studies concluded that there was not an association between the amount of foreign aid received and the GNP growth rate (Griffin 1970:317). In addition to African and Asian countries, they also analyze the average growth rate of twelve Latin American countries from 1957-1964. Their analysis concluded that as foreign assistance increased to Latin American countries, the growth rate of the recipient country decreased (Griffin 1970:318).

Overall, Griffin and Enos found that foreign assistance was not associated with the growth rate of the recipient country. In the instance that foreign assistance was correlated with growth, foreign aid had a negative effect on the growth rate. They argue that an overall increase in aid led to lower savings on behalf of the recipient country. In addition they argued that, in some instances, aid also slowed down long-run economic growth by changing methods of investment that did not benefit the recipient country (Griffin 1970:323).

Years later, Peter Boon furthered the study on aid's effectiveness, when he conducted a study in which he looked at aid to 97 countries between 1971 and 1990. Boon's results were similar to those of Griffin and Enos. In his analysis, Boon found that aid did not increase investment nor did it promote growth. According to Boon, not only was aid ineffective in terms of economic growth, but he argued that aid did not reduce poverty or even address basic human needs. In his study, Boon found that foreign aid had an insignificant effect on alleviating poverty, increasing life expectancy, decreasing infant mortality, or improving primary schooling ratios (Boon 1996: 293). One reason for this is because, according to Boon, poverty is not caused by capital shortage, but

instead, caused by political policies that do not consider the poor. The reason that aid is not associated with growth is because aid does not change these policies. In fact, according to Boon, foreign assistance may even harm the recipient country. Boon found that foreign assistance may actually increase inequality by giving assistance that benefits the elite and does not reach the poor (Boon 1996:289-329).

Ian Vasquez also looked at the correlation between aid flows and economic growth. His findings were consistent with those of Griffin and Boon. Vasquez discovered disappointing results in his study of aid that was distributed to 73 countries from 1971 to 1995. He stated:

Neither aid per capita, nor aid as percentage of GDP, was positively correlated with economic growth. (In fact, aid as a percentage of GDP has a slightly negative correlation with economic growth). When broken down by the various aid sources, the lack of any positive correlation with growth holds despite the fact that the various bilateral and multilateral agencies have emphasized different approaches to lending (the World Bank, for example only lends to governments, while the U.S. Agency for International Development can approve credit directly to nongovernmental organizations and other private groups) even though a common principle objective has been the promotion of growth (Vasquez 1998:2).

According to Vasquez, aid does not promote growth because of conflicting goals between the donor and recipient countries. In addition, aid does not go to the people; it goes to the government. As a result, overall consumption may increase, but aid does not increase investment which leads to growth.

Griffin, Boon, and Vasquez all failed to find a positive significant link between aid and growth. Their research was confirmed by a study in 1997 by the Congressional Budget Office, which stated that, "foreign aid, overall, appears to have only a marginal effect on development and may even hinder it" (cited in Vasquez 1998:2). In addition, a study conducted by the World Bank in 1994 showed that the majority of the aid bypasses

the poor (Vasquez 1998:2). According to the World Bank, too many developing countries take on projects, supported by foreign assistance, which are not designed to create growth or have an effect on poverty. Instead, programs mainly benefit the rich (World Bank 1998:2).

In sum, there have been multiple studies that support the notion that foreign assistance is not effective in aiding in a country's growth, and often fails to reach the poor or to improve the overall quality of life in the country receiving the aid. Although studies have been consistent with these findings, other analysis of foreign assistance challenges those views.

One study, conducted by Burnside and Dollar, *does* find that aid is a determinant of growth. Burnside and Dollar looked at 56 developing countries from 1970-1993. They find that the impact of aid on growth is positive in good policy environments. They find, as did Boon, that aid had no systematic impact on economic policies that affect growth. However, where an increase in aid coincided with good policies, aid had a positive relationship with growth (Burnside 2000:32).

Similar to Burnside and Dollar, Durbarry analyzed 68 developing countries from 1970-1993. He also found that foreign aid does have a positive impact on growth, however, as suggested by Burnside and Dollar, the positive impact is conditional on a strong policy environment. According to Durbarry, the economic environment of the country is an important determinant of growth (Durbarry 1998:17). Although Durbarry found a positive correlation between aid and growth, the study also found that very high amounts of aid/GDP ratios are associated with slower growth. In addition, those countries receiving foreign aid that is less than 13 percent of its GDP showed

insignificant growth effects (Durberry 1998:17). Therefore, the amount of foreign assistance/GDP ratio may be associated with how aid impacts the growth rate of the recipient country.

In addition to strong policies, some scholars such as James Gwartney and Robert Lawson have found a strong link, not between foreign aid and economic prosperity, but between economic freedom and economic prosperity. Gwartney and Lawson researched the level of economic freedom in more than 100 countries from 1975 to 1995. They found that economic freedom positively influenced growth, and that achieving high levels of freedom, over time, produced a higher national income level. When growth occurs, Vasquez argues, initial goals to reduce poverty and increase the quality of life are met. Therefore, if aid is not used to promote economic freedom, it reduces the probability that aid will successfully reach its goals (Vasquez 1998:3). Making sure recipient countries have strong policies that promote economic freedom may be an important component of finding a solution to the debate that surrounds the effectiveness of aid.

Although studies at the macro-level have indicated ambiguous results when identifying a relationship between aid and growth, at the micro-level, evaluations of foreign aid programs have found that in most cases, aid is effective. Robert Cassen, looks at the impact of aid from a more general perspective. Instead of testing to see if aid is a determinant of growth, he looks at the impact that foreign aid programs may have on a recipient country. According to Cassen, foreign assistance may have a positive impact on the country as a whole, through aid supported programs that are targeted to benefit the people. If a foreign aid program can successfully meet the needs of the people, then aid has affected the recipient country.

After surveying many foreign aid projects, Cassen notes in his book, *Does Aid Work?*, that the performance of aid varies by country, but *overall*, aid does have a positive effect on the recipient country. According to Cassen, “the great majority of aid succeeds in its developmental objectives” (Cassen 1994:9). He argues that although aid programs are not perfect and do not always reach their goals, aid “serves multiple causes” and one “should not condemn the entire enterprise” (Cassen 1994:2). Cassen’s belief that aid is effective is derived from the past success of countries receiving foreign assistance. For example, The Asian Development Bank evaluated 139 projects in Asia; 97 of 139 projects were completed successfully (Cassen 1994:8).

Cassen finds that aid programs have also been successful at decreasing poverty. Civilians have indirectly benefited from projects directed toward reducing the cost of food in South America, Southeast Asia, and Africa (Cassen 1994:91). Cassen admits that some programs do fail; however, he believes that, overall, aid is effective and should continue to be distributed and analyzed.

According to Durberry, the reason for the macro-micro paradox is unclear. However, each study typically differs in terms of sample size, data quality, and econometric technique and specification. According to Durberry, studies that test the effect of aid on growth, typically do not adequately specify the underlying growth model (Durberry 1998:1). For example, some studies ignore specific aspects of growth theory which involve a more sophisticated empirical analysis. These are common criticisms of aid-growth literature.

Until more studies indicate that aid is a determining factor of growth, one may be inclined to agree with William Easterly who believes that large international aid agencies

actually harm the recipient country. In his article, “The Cartel of Good Intentions,” Easterly criticizes the international aid bureaucracy and claims that it will never work properly. His main concern is that the distribution of aid often puts developing countries in a prototypical “catch-22” situation. According to Easterly, developing countries that receive aid cannot sufficiently express their needs, nor can they afford to turn the aid away. Therefore, Easterly believes the international aid community operates similar to a cartel, for it thrives on customers who have no power to complain or to find alternate solutions. For Easterly, although their intentions may be benevolent, nations involved in the “foreign aid business” allow few alternatives for developing countries and are solely accountable to themselves (Easterly 2002:40-42).

Foreign Aid and Failure to Meet Objectives

Although foreign aid has helped in some circumstances, sometimes, foreign aid fails to meet its objectives. Why is foreign aid successful in some cases, and unsuccessful in others? One reason may be that in many instances, foreign aid attempts to accomplish amazing things in very difficult circumstances. The United States constantly tries to implement foreign aid in countries with poor policies and institutions. This is risky and is likely to fail from the beginning. While the primary reason for distribution of foreign aid is to promote U.S. objectives and foreign policy, the most common reason for failure is the excessive implementation of these policies and the motives behind them. Often times, the interests of the donor prevail over the needs of the recipient (Thérien 2000:31).

Another reason foreign aid programs fail is due to a lack of knowledge about the environment or culture in which the program is going to be implemented. Many of the

programs will never succeed because they are not tailored to the needs of the community. Communication between donor and recipient is crucial when designing a program funded by U.S. foreign aid (Cassen 1994:15). The World Bank agrees, and strongly advises the involvement of local communities in the design and implementation of developing projects to solve this problem (World Bank 1998:3).

Possible Solutions

Although foreign aid has been primarily ineffective with respect to overall growth, new theories exist that may contribute to success in the future. For example, the World Bank has taken steps to reengineer the way assistance is delivered to developing countries, hopefully bringing about long-term change. Its new objectives are more specifically designed to do the following: achieve broad-based economic growth, increase democratic activity, stabilize the world population and protect human health, protect the environment, and provide humanitarian assistance. In order to achieve their goals, overseas operations have become more “team-oriented.” These teams have the power to make decisions and to manage their activities as needed. Teams have also allowed host-country partners to have an active role in creating new strategies and projects (GAO 1997:7). Hopefully, by giving teams the independence to make needed decisions, along with an overall effort to achieve specific goals, USAID programs will achieve success that is directly correlated with overall economic growth.

While it is not exactly clear to what degree foreign aid may influence economic growth, studies provide more concise information when it comes to military assistance. As mentioned earlier, military assistance sometimes creates leverage that is used to manipulate another country. Although leverage is successful in some situations and

unsuccessful in others, studies indicate that there *are* actors that are more likely to produce a desired outcome. According to a study conducted by John Sislin, manipulation is more likely to occur if positive sanctions are used instead of negative sanctions. Similarly, success is more common among civilian regimes than military regimes. His study also concluded that in the past, as the recipient country acquired more American arms, it became more susceptible to U.S. influence (Sislin 1994:680). Although his study gives the data necessary to make a variety of predictions, “it is still not entirely resolved why arms influence, succeed or fail” (Sislin1994:682).

2. A Historical Overview of U.S. Aid Distribution

In order to take a closer look at the effectiveness of foreign assistance in Colombia, in addition to understanding the importance of foreign assistance in current U.S. foreign policy, it is important to examine the most common reasons aid has been distributed in the past, along with the most recent objectives of foreign aid. It is also important to examine when foreign aid has been effective in the past, when it has been ineffective, and why.

Early Aid Distribution-Post WWII and Cold War Objectives

Foreign aid is not a new topic of discussion. The distribution of U.S. foreign aid began following World War II. Back then, it was primarily allocated to help alleviate human suffering, to help rehabilitate and reconstruct damaged infrastructure, and to assist in overall recovery throughout the world. In 1945, under the Bretton Woods agreement, the United States partnered with other countries to establish two multilateral organizations that still exist, the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD, now called the World Bank). The primary responsibility of these organizations is to assist in debt relief and economic development as well as to protect creditors' interests while doing so (Nowels 2004:1).

Initial allocations of foreign aid went toward war relief (Black 1968:4-5). Developing countries began to desire independence and a new way of living that appeared nearly impossible to attain. Without U.S. intervention, they had two choices as to how they could achieve their goals. They could either turn to the Soviet bloc for help, or turn inwards on their own country, taking the resources they need, while oppressing those under their authority (McClellan 1957:13). In June 1947, the U.S. Secretary of

State, General George C. Marshall, introduced a plan that would distribute U.S. aid to help lessen hunger, poverty, and chaos in European countries. Although initial aid was distributed more for humanitarian reasons, aid shortly became the prominent tool used by the United States to combat the spread of communism (Schraeder 1998:4). Marshall's plan was the perfect way to help contain the Soviet bloc by strengthening U.S. ties with the recipient countries, thus ensuring the protection of U.S. interests during the Cold War (Nowels 2004:1). Overall, the "Marshall Plan" was considered a success because it succeeded in these goals.

Since the Marshall Plan proved to be effective, President Harry Truman announced that foreign aid would continue to play an important role in foreign policy. In his inaugural speech, he made it clear that one of his objectives was to give developing countries the opportunities they need to achieve their "aspirations of a better life" (Black 1968:5). Another objective, called Point Four, was designed to increase the availability of technical support offered to other countries. Truman called Point Four a "bold new program" that would allow different programs to help underdeveloped countries use available resources to increase their standard of living (Black 1968:14). Although programs were specifically designed to help alleviate suffering in underdeveloped countries, aid was being strategically used by the United States to influence international policy and the ideology of people in other countries—specifically regarding communism (Schraeder 1998:3-5).

Although President Truman discussed foreign aid and the importance of aid as a component of foreign policy, it was not until 1961 that the United States would establish an agency, the U.S. Agency for International Development (USAID), charged with

administering foreign aid assistance (Nowels 2005:1). According to the Foreign Assistance Act of 1961, the use of foreign aid was “to promote foreign policy, security, and the general welfare of the United States by assisting people of the world in their efforts toward economic development and internal and external security, and for other purposes” (Black 1968:14). During this time, President Kennedy also established the Peace Corps. He encouraged Americans to donate their time and money to help others around the world who lived in poverty (Nowels 2004:1).

Throughout the 1960s and 1970s foreign aid expanded beyond Western Europe and Japan, and was distributed to U.S. allies in the Middle East, South Asia, and sub-Saharan Africa. (Nowels 2004:2). Although aid expanded globally, it did not take long for this expansion to be criticized. In the 1980s, the romanticized idea of using foreign aid to help the impoverished countries around the world took a turn for the worse. During the Reagan and Bush administrations, aid was “primarily used to promote American investment, market economies and national interests, and again, to protect other countries from communist influence” (Nowels 2004:2). However, by the mid-1980s, the idea of distributing U.S. foreign aid across the world gradually became less and less popular. As the threat of communism began to wane, so did the strategic importance of foreign aid. Furthermore, reports of corruption and misuse of funds in foreign countries were often in the news. This was no surprise to the United States, as it had previously funded many violent, repressive regimes, giving them economic and military assistance in return for their loyalty during the Cold War. The United States overlooked various violations of international law and made many exceptions for “friendly dictators of strategic importance” (Hartmann 2001:9).

Foreign Aid and Recent Worldwide Objectives

The September 11, 2001 terrorist attacks marked a turning point in the allocation of foreign aid. Foreign aid had always been an important function of U.S. foreign policy; however, after the 9/11 terrorist attacks, “U.S. foreign aid (took) on a more strategic sense of importance” (Tarnoff 2004:2). After all, U.S. leaders had to be extremely mindful of whether aid packages might ultimately facilitate the ulterior aims of militant factions, as well as how the strategic distribution of assets might help to *prevent* a future attack. As a result, the primary objective for distributing aid remained national security, but changed from combating communism to combating terrorism (Brainard 2003:149).

For example, in September 2002, President George H.W. Bush recognized global development, along with defense and diplomacy, to be the top concerns related to U.S. national security. This was the first time in history such emphasis was placed on global development, and that emphasis manifested itself in the form of increased foreign aid spending. For instance, Bush promised Afghanistan \$4.5 billion and “announced his intention to request an increase of \$5 billion per year over current foreign assistance levels of \$12.5 billion through the creation of a bilateral development fund called the Millennium Challenge Account (MCA)” (Brainard 2003:149).

The Millennium Challenge Corporation, an independent government agency, allotted new funding to countries with a commitment to “govern justly, invest in people, and encourage economic freedom” (Brainard 2003:149). Its goals also include cutting poverty in half by year 2015, improving maternal and child health, increasing literacy levels, and combating AIDS and other diseases (Nowels 2004:2). The underlying assumption beneath these objectives was that improving the overall quality of life for

citizens in certain parts of the world would ultimately reduce the likelihood of terrorist attacks.

As the threat of terrorism has initiated discussion about foreign aid, the U.S.-Iraq war that began in 2003 has highlighted the issue of foreign aid, forcing it into the conversations of many Americans. Since mid-2003, Iraq has received over \$20 billion for reconstruction activities, and it was the largest aid recipient in FY2004 (Tarnoff 2004:1-3). Furthermore, “reconstruction costs in Iraq now exceed all other U.S. foreign aid spending, and fighting terrorism is now seen as the leading goal of American foreign aid efforts” (Nowels 2004:2). Although disaster relief has also been at the forefront of aid distribution, U.S. assistance in Iraq remains the largest aid initiative since the Marshall Plan in 1947 (Nowels 2004:2).

3. Past Foreign Assistance and Latin America

Aid Distribution, Communism, Drugs, and Terrorism

Similar to the reasons for which U.S. foreign assistance was distributed worldwide, the United States has given past foreign assistance to Latin America in order to prevent Soviet expansion and increase national security. During the Cold War, the United States did whatever was necessary to create allies and influence a country's stance on communism. It was no secret that the United States distributed foreign assistance to many Latin American dictators during the Cold War. However, as the threat of communism subsided, foreign assistance to Latin America switched from combating the spread of communism, to fighting the 'war on drugs.' In the 1980s, it became obvious that countries in Latin America, primarily located in the Andes, were trafficking large amounts of drugs into the United States. As the drug trade became more popular, the United States realized the need to take an anti-drug stance and partner with Latin America in fighting the drug war. As a result, U.S. foreign assistance was distributed to Latin America in order to meet specific anti-drug objectives. Although throughout the 1980s and 1990s, U.S. foreign policy towards Latin America focused on drug eradication and interdiction efforts, the events of September 11, 2001 would affect U.S. foreign policy toward Latin America, the same way that it did the rest of the world—by shifting its focus to combat terrorist activity.

Latin America and Military Assistance

Although many types of foreign assistance have been given to Latin America, the most common type of foreign assistance given to Latin American countries has come in the form of military aid; however, the United States has not always been the primary

source of military aid. Prior to the late-1930s, Latin American countries mainly counted on European countries for aid. For example, Argentina and Bolivia primarily depended on Germany, where Peru and Chile depended on France; Italy also contributed to military efforts in Latin American countries. European assistance not only stressed the traditional security efforts, but also focused attention on improving engineering and management (Baines 1972:471).

It was around the late 1930s when the United States began to get involved in sending assistance to Latin American countries—primarily in the form of military assistance. During this time, the United States sent several military missions to Latin America, thus taking a more active role in establishing military forces in the Western Hemisphere. Shortly thereafter, Latin American countries began to rely heavily on the United States as their primary arms supplier; “by 1945, the United States had acquired a monopoly in military assistance to Latin America” (Baines 1972:471). As mentioned, the distribution of military assistance to Latin American countries was an extremely important tool used by the United States during the Cold War.

Assistance continued to Latin America in 1951, when the U.S. Congress appropriated roughly \$40 million in military assistance to Latin American countries through the Mutual Security Act of 1951. This act insisted that countries receiving military assistance comply with specific terms and conditions established by the United States. In addition, U.S. military advisers were assigned to each participating country to determine specific military requirements. Although large amounts of aid were distributed to Latin American countries, the United States had a direct influence on how the aid was being used (Baines 1972:472).

Until the 1950s, assistance to Latin America was primarily used for hemispheric defense. However, the 1960s marked a turning point in the nature of assistance in Latin America. The Kennedy administration “decided to shift the basis of its military policy in Latin America from hemispheric defense to internal security, from protection of the hemisphere’s coastline and sea lanes, to internal defense of Latin American governments against Castro-communist subversion, terrorism, and guerrilla warfare” (Baines 1972:474). This shift took the focus off external influence, and emphasized promoting internal security. The logic being, that if the internal security of a nation improved, the international threat of that state is likely to decrease.

Although the Kennedy administration switched its focus from defense to internal security, the threat of the spread of communism was not completely out of the picture. Therefore, the United States continued to take precautions. If, for some reason, communism made its way into Latin America, the United States would have continual problems knocking at its door. Ensuring Latin America remained allied to the United States was a very important task, and military aid was used to guarantee an anti-communist stance (Schraeder 1998:5). The United States wanted Latin American countries to be politically, militarily, and economically dependent on the United States. This would allow the United States to have a stronger influence in Latin America (Mower 1979: 146-147). Investing in the strength of Latin American militaries not only helped guarantee an anti-communist stance, but also helped increase security within each country. This was intended to reduce problems at the back door of the United States and to provide a system for U.S. influence.

Although the threat of communism was no longer the primary reason for military aid distribution, U.S. military aid to Latin America increased in the 1980s and 1990s as the drug trade began to surface. Post-Cold War priorities regarding Latin America revolved around international and domestic concerns such as immigration and the drug war. In fact, in his presidential campaign speech, President George H.W. Bush announced that the answer to winning the drug war was simple, "...eradicate narcotics at their source" (Quoted in Crandall 2001:100). Therefore, Latin America continued to receive military assistance in order to fight the war on drugs.

All Countries are not Created Equal

Although total military aid increased to Latin America, distribution has been anything but uniform across recipient countries. This is especially true for countries in the Andean region that received U.S. anti-drug money during the 1980s and 1990s. Countries such as Colombia, Bolivia, Peru, El Salvador and Honduras received almost all of the U.S. military aid, while the remaining 15 countries were left with less than 5% (Fitch 1993: 5).

As Fitch suggests, when considering the fact that only a few countries received the majority of military aid distributed to Latin America, increased aid does not seem as significant. This is because while one can see an *overall* increase of military aid in terms of nominal dollars, subtracting prominent recipients from regional totals (most of which are located in the Andes) demonstrates a decrease in military aid to Latin America in the 1970s, an increase in the 1980s, and a greater increase in the 1990s. Overall, trends of military aid to Latin American countries demonstrate the implementation of specific

programs designed to carry out various objectives and agendas—*but only in specific countries* (Fitch 1993:1-9).

Colombia is one of these *specific countries* that have continued to receive U.S. foreign assistance for anti-drug efforts. In fact, since 1989, Colombia has been the third largest recipient of U.S. military aid in the world (Aviles 2001:39). In order to fully understand how foreign assistance has impacted Colombia, it is beneficial to study Colombia's history. By examining Colombia's past, one can see how Colombia evolved into a weak state, and how its history may affect any recent foreign aid efforts to improve its overall condition.

4. Colombia-Violence, Guerrillas, and Drugs

The Early Days

It may seem surprising that a country with one of South America's oldest and most durable democracies would have so many current social, economic, and political problems. Apart from being the world's largest supplier of cocaine, Colombia is known as one of the most violent places in the world (Brauer 2004:447). In addition to having the highest number of kidnappings in the world, in the last ten years, Colombia's homicide rate has been among the highest in Latin America (Sarmiento 1997:1).

Today, Colombia's violent environment primarily revolves around drug related guerrilla activity; however, this has not always been the case. Colombia's history shows a pattern of violence starting immediately preceding its independence (Hartlyn 1988:21). Initially, guerrilla activity emerged in response to Colombia's political and economic conditions. Guerrillas existed to protect the people, especially the poor. Over time, however, guerrillas became more interested in the thriving drug trade than protecting the people. As a result, they turned inward on the people of Colombia, ironically, attacking those they once protected. As their ties to the drug trade grew, guerrillas increased in number and power, eventually exerting more of an influence than the Colombian government (Ramsey 1973:2). When it comes to discussing past or present violence in Colombia, one thing is certain; over the years, the Colombian people have suffered dire consequences from political upheaval, guerrilla violence, and ongoing drug activity, all of which has resulted in a very weak state.

Although the majority of literature covering the violence in Colombia begins with "La Violencia," violence in Colombia dates back as early as the 1800s. During the

nineteenth century the Colombian population began to identify with either the Conservative party or Liberal party. Party identification became important because once a person identified with one party; it became nearly impossible to switch affiliation (Hartlyn 1988:16). Both parties shared opposite views regarding church-state relations. The Conservative party allied with the Roman Catholic Church. In contrast, the Liberal party wanted to reduce the power of the church because it believed the influence of the church would be detrimental to the intellectual growth of the nation (Ruiz 2001:41).

Table 1 shows the emergence of the Conservative and Liberal political parties.¹ After the post-independence conflicts from 1827-1832, seven major civil confrontations were fought in the second half of the nineteenth century, while several other small-scale conflicts were fought in different regions throughout the country (Hartlyn 1988:21).

Nineteenth-century violence escalated when conflict regarding President Núñez' political and economic reform led to a brief civil war. This civil war was preceded by one of the greatest and bloodiest civil wars in all of Colombian history, known as the War of One Thousand Days (Hartlyn 1988:25). This three year war was among the country's most intense conflicts, and was fought between the Liberal and Conservative parties. John D. Martz explained the political situation during this time:

The state was the prime regulator, coordinator, and pacesetter of the entire national system, the apex of the pyramid from which patronage, wealth, power and programs flow. The form of the government dated back to 1899 and during that time no real system of checks and balances existed. The lack of accountability prompted extremist elements of the Conservative party to exploit the resources of the government for its political benefit and to exclude the Liberal party. Complicating matters further in 1899, were Liberal allegations of tainted elections. Conservative party repression and denial of executive office to others

¹ All tables and figures are located in the Appendices.

at all levels increased, and triggered the 1899 War of One Thousand Days (Ruiz 2001:41).

The Liberal party did its best to assemble together in preparation for war, but it was too unorganized. As a result, it suffered a defeat in *Bucaramanga* on November 1899. Despite the loss, the Liberal party regained what was left, and continued to press on, winning the battle of *Peralonso* the following month. However, their victory did not last long. Five months later, the Liberals found themselves completely outnumbered by the Conservative forces. Out of sheer necessity, they switched their code of combat from one of conventional military tactics to one of guerrilla warfare. Although the Liberals would not gain power, the switch to guerrilla warfare would bring about a new type of fighting that would plague the country for the next 100 years (Ruiz 2001:42).

As a result of the war, approximately 100,000 lives were lost. Although the war had technically ended and the Conservative party had regained power, and violence continued throughout the country. Conflict between the Conservative and Liberal parties remained imminent. In addition, divisions within the governing party often led to partial inter-party alliances designed to either promote or discourage political ideas regarding ideological issues, regional interest, or personal interest. Although moderate Conservative and Liberal politicians tried to cooperate, a solution could not be negotiated. Extremists from both parties would not allow peace, thus finding ways to engender violence for many years after the war (Hartlyn 1988:20).

In 1904, General Rafael Reyes was elected President. Despite his efforts to boost the economy and curb the conflict, most prominent in the countryside, Reyes had little success. The government was failing to increase industrial growth or to implement

strong economic measures; this caused extremists from both parties to become even more agitated. Moreover, the lack of land reform and the absence of adequate working conditions for laborers began to spark protests from city to city. Landowners were being attacked by squatters on a regular basis and workers were beginning to organize in response to harsh labor conditions (Ruiz 2001:43-44).

Gradually, workers began to form unions which later led to strikes and riots. For example, major banana, railroad, and field workers began to strike in 1928, causing problems for businessmen. Due to the constant strikes by union workers, General Cortéz Vargas was ordered to address the issue. In order to end the chaos, Vargas began to imprison hundreds of union workers. When the striking workers reacted violently towards Vargas and his troops, he ordered his men to kill them and everyone who stood by them. This resulted in the deaths of hundreds (Ruiz 2001:44). Due to the political conflict and constant strikes from union workers, violence became evident from the countryside to the cities.

La Violencia

One of the longest armed conflicts and world's most complicated civil wars of its time was known as *la violencia* (Ramsey 1973:1). Some scholars date *la violencia* as far back as 1930 when the Liberal party came to power and began to carry out massacres, assassinations, and riots against the Conservative party. Although violence existed during this time, it only lasted a year and then subsided until 1946, when chaos broke out again-due to the election of Conservative candidate, Mariano Ospina Pérez (Bailey 1967:565). Along with his newly acquired title as president came insurrection, rebellion, and riots. Conservatives saw Pérez' election as an opportunity to enact revenge against

Liberals for the violence bestowed on the former in 1930 (Bailey 1967:565). The Ospina government provoked violence as they set out to obtain control over every governmental position the Liberals had directed during the past 12 years. Throughout Ospina's presidency, his rule became more oppressive against the Liberals. He banned all public meetings and fired all the Liberal governors. He did everything he could to intimidate and harass members of the Liberal party (Ruiz 2001:51).

As violence began to escalate, certain techniques of torture became so commonplace that they were given names. Among these were *picar para tamal*, which consisted of cutting up the body of a living victim into small pieces. Other techniques included inflicting small puncture wounds all over the body, causing the body to bleed to death. Men and women throughout Colombia were crucified, hung, and raped. Luiz López de Mesa, an astute commentator, wrote this, regarding *la violencia*,

...all nations of the Earth have shown cruelty as horrible and destructive as ours...But I find in our ethical situation an element and a refinement of horror unknown in the world, because the cruelty was applied, not to adversaries or possible rivals, but to brothers, equal in situation, or even more humble and innocent (Bailey 1967:563).

Just when Colombians believed things could not get any worse, violence spiked as a major riot broke out in Colombia's capital.

El Bogotazo

In 1948, the assassination of former presidential candidate Jorge Eliécer Gaitán intensified *la violencia*. Gaitán was a man with a proven track record for defending the poor, and was one of Colombia's most important politicians. Gaitán attempted to bring the country together and to give all people equal standing in the eyes of the law. He advocated an eight-hour working day, accident and health insurance, paid holidays and

protection for women and children. Over the years, he gained much popularity as the governor of Bogotá (Ruiz 2001:44-48).

Although Gaitán was liked by many, there were those who despised his views and blamed him for all the violence that was occurring in the countryside. Every day and every night, violence broke out in rural areas of the country as one political party raided the other. As the population suddenly began to grow in the cities, it was obvious to everyone the degree of violence occurring in the countryside. Politicians and other elites heard numerous accounts of the violence but they chose to ignore it. However, this would change on April 9, 1948, when Gaitán was assassinated in Bogotá. This event, known as *El Bogotazo*, was one of the darkest days of Colombian history and recorded as the greatest riot in the Western Hemisphere (Ruiz 2001: 55).

During *El Bogotazo*, the entire city was completely destroyed. Multiple buildings in Bogotá were ruined, including many churches that were set on fire. Fidel Castro witnessed the riot, describing it as a state of indescribable rage with “crazed people running...with an indescribable fear in their eyes” (Cited in Ruiz 2001:56). Due to the chaos, Castro later fled to the Cuban embassy.

Later that night, the rain was heavy, and the fires began to go out. In spite of the rain which was preventing the entire city from burning to the ground, violence spread throughout the country and continued for the next ten years (Ruiz 2001:55-56).

La Violencia Continues

As a result of Ospina’s intimidation tactics and the events that occurred during *El Bogotazo*, no one ran for the Liberal party in the 1950 elections. Therefore, Conservative candidate Loreano Gómez was elected president. Gómez ruled with absolute authority

and ran a very repressive regime. It was because of this that he was given the nickname *El Monstruo*. A former priest named Walter J. Broderick recorded the terror inflicted on Colombia by the newly-elected Gómez administration:

My eyes have seen many sights. I have seen men coming into the cities mutilated, women raped, children flogged and wounded. I saw a man whose tongue had been cut out, and people who were lashed to a tree and made to witness the cruel scene told me that the policemen yelled as they cut out his tongue: *You won't be giving any more cheers for the Liberal party, you bastard!* They cut genitals off other men so they wouldn't procreate any more Liberals...And I know men who were held bound while policemen and conservative civilians took it in turns to rape their wives and daughters. Everything was carried out according to a preconceived plan of extermination. And the victims of these bloodthirsty policemen were poor, humble country people who were members of the Liberal party. Their wives, their old folk and their children were shot in the full light of day (Quoted in Ruiz 2001).

In response to the violence inflicted on them, Liberals began to organize in hopes of defending themselves against the Conservatives. Guerrilla bands were being formed to provide protection and harassed authorities and other Conservatives in power (Bailey 1967:566). During this time, the rise in guerrilla groups reflected the need for protection. However, guerrilla groups would later turn from their responsibilities and pursue other objectives that would have devastating consequences.

In 1953, after stepping aside due to illness, Gómez was replaced by a military coup that hoped to end the country's chaos. General Gustavo Rojas Pinilla, head of the armed forces, came aboard to end the violence. The decision to allow the military to have authority was part of conservative strategy. They wanted to use the military to calm the violence and then to regain power after peace had been restored (Sarmiento 1997:2-3). Pinilla's initial success helped him gain popularity and as a result, the national assembly elected him to a full four-year presidential term in 1954. However, his inability

to end *la violencia* led to a nationwide general strike, and by 1957, Rojas Pinilla was on his way out (Brauer 2004:454).

The National Front

With the help of society, political leadership overthrew Pinilla and sent him into exile. In place of Pinilla, a temporary military junta assumed power. In 1958, an effort was made by both parties to curb the political violence. As a result, the Liberal and Conservative parties agreed to amend the constitution and to alternate the presidency every four years. The two parties shared all bureaucratic and legislative positions until 1974 (Von Der Walde 2001:1). This agreement, known as the National Front, brought an end to the period known as *la violencia*. Although *la violencia* concluded, the overall situation in Colombia remained the same. Upon analyzing this time period, Daniel Pécaut observes:

La Violencia begins with the will to maintain or reestablish the political order, it proceeds with a combination of offensive and defensive strategies, it concludes leaving an apparently unchanged landscape, created for the same social structures, the same partisan allegiances, the same precarious central state...Everything goes on as if nothing had happened...communicating the feeling of a mere interruption of the ordinary course of the oligarchic democracy. Such is the conviction of the socio-economic elite... (Cited in Garcés 2005:5).

La violencia may have technically concluded, but its effects were still fresh in the minds of everyone. Not much had changed. The violence had not ceased and the Colombian government could still not battle opposition.

Although the Liberal and Conservative parties both approved the National Front, neither party wanted to lose power to the other party or to the military. In addition, those Colombians who did not feel represented by the National Front, predominantly the poor, became extremely frustrated with the newly-designed agreement that favored the elite

and reinforced inequality. The combination of governmental repression, a lack of political and electoral democracy, and extreme poverty, led to the formation of a violent guerrilla movement during the 1970s and 1980s. These groups primarily consisted of individuals who thought they could change the economic and social situation with the use of outright violence (Sarmiento 1997:2). Overall, the National Front was not considered successful in ending violence in Colombia; instead, one could say that it provoked even more division within the nation, in turn causing more problems and potential for future violence.

Guerrilla Groups and Drug Activity Popularize

As previously mentioned, guerrilla groups originally emerged in response to the economic and political situation within Colombia. Illegally-armed groups began to appear in areas of the Andes which were geographically difficult for the government to control. In 1966, communist and common liberals came together to formally establish the *Fuerzas Armadas Revolucionarias de Colombia* (FARC). Shortly thereafter, the *Ejército de Liberación Nacional* (ELN) emerged with pro-Castro, Cuban-style ideology (Von Der Walde 2001:2). During this time, several other groups were formed, such as the Popular Liberation Army (EPL), influenced by Maoist philosophy, and the People's United Front, lead by Camilo Torres (Von Der Walde 2001:2).

During the 1970s even more guerrilla groups surfaced. These groups included an urban guerrilla group called the M-19, an indigenous guerrilla group, Quintin Lame, the Worker's Self Defense (ADO), and the Worker's Revolutionary Party (PRT) (Watson 1990:2-3).

The 1970s not only marked a turning point in guerrilla activity, but also in illegal drug activity. In the 1970s, Colombia became known as one of the major producers of cannabis. Production of cannabis would begin to decrease over the years, but would be replaced by other illegal drugs, such as cocaine, opium, and heroin (UNODC 2003:2). As drugs and guerillas increasingly emerged, revolutionary activity was bound to occur. For example, in 1979 the M-19 guerrilla groups seized the embassy of the Dominican Republic in Bogotá and held thirteen ambassadors hostage. Terrorist attacks such as this became commonplace.

In response to the violence, President Belisario Betancur Cuartas initiated a peace process and entered a ceasefire with the guerrillas in 1982. He offered a general amnesty plan for all armed guerrillas that would turn themselves in. Although the peace process brought about some success to end guerrilla activity, by the end of the 1980s, terrorist attacks had escalated. Three presidential candidates had been murdered along with eleven Supreme Court justices. Also, “more than 2,000 militants of one political party, many of whom were former guerrillas, were systematically murdered” (Sarmiento 1997:5). Journalists, judges, ministers, an attorney general, soldiers, policemen, and thousands of citizens perished due to the wave of violence in Colombia. Ironically, despite these violent guerrilla actions, illegal guerrilla groups received support from religious leaders who were fed up with the government’s inability to increase the quality of life for the Colombian people (Sarmiento 1997:3).

Guerilla groups were not the only threat to the Colombian people and the state. In fact, a 1964 civil defense law allowed Colombian defense units to rise up and help the Colombian military battle the guerrillas. These groups, called *paramilitares*, were

composed of private security forces funded by landowners and businessmen. These groups initially sided with the Colombian armed forces and even received financial support for their help. However, soon after they began to organize, the Colombian government ceased to formally work with them and even labeled the groups as “illegally armed forces.” Over time, paramilitary groups came together under an umbrella organization called the *Autodefensas Unidas de Colombia* (AUC). The AUC would later be guilty of carrying out large-scale massacres of defenseless peasants, creating death squads, and becoming highly involved in the drug trade (Rabasa 2001:53-56).

By the mid-1980s, Colombia was completely divided and violence was at an all time high. Murders and *desaparecidos* were the outcome of a lack of security in rural and urban areas. Along with an increase of violence, there was a heightened concern regarding insurgencies that were supported by Cuba. More importantly, drug trafficking had surfaced and was steadily becoming more of a problem. Division among the nation resulted in a weak state and a powerless military (Sarmiento 1997:5).

By the late 1980s and early 1990s peace agreements led some groups such as the EPL, PRT, M-19, and Quintín Lame to lay down their arms and stop the majority of their violence. Although certain guerrilla groups disarmed and reintegrated into society, other groups grew in number. At this point in history, guerrilla groups no longer existed to protect the people from the government, instead, they exploited civilians who owned large amounts of land and kidnapped relatives of wealthy businessmen in return for ransom money. In addition to ransom money, guerrillas began to develop ties to the drug trade and charged narco-traffickers for the protection they provided. As these ties to the drug trade increased, so did the number of guerrilla members and the power they wielded.

Drug money would become an essential part of the livelihood of their organizations and would give them the boost they needed to threaten the entire state (Garcés 2005:8).

Guerrilla Activity in Recent Years

Today, due to their ability to organize and generate finances, three groups still influence the ongoing civil conflict in Colombia. These organizations include *Fuerzas Armadas Revolucionarias de Colombia* (FARC), *Ejército de Liberación Nacional* (ELN), and the *Autodefensas Unidas de Colombia* (AUC). These groups have been responsible for multiple terrorist attacks on innocent civilians, political figures, and even Colombia's infrastructure. They are also responsible for nearly all kidnappings and "desaparecidos" throughout Colombia (Simons 2003:2).

The most influential and powerful guerilla organization is the FARC. The FARC expanded slowly between the mid-1960s and 1980s. In the beginning, the FARC guerillas ambushed military units and raided farms to capture equipment. In 1969, the FARC continued to expand, establishing seven different fronts—that is a geographic jurisdiction that contains specific areas of operation. Each jurisdiction contains "combat, support, and infrastructure elements" (Rabasa 2001:24-26). At the core of the front is the combat unit, consisting of a few hundred people. Besides the combat units, there are logistics commissions, intelligence commissions, public order commissions, and mass work commissions—all staffed by militia members (Rabasa 2001:26).

Over time, fronts continued to evolve throughout the country. The FARC grew from 350 fighters in 1966 to approximately 20,000 in 2000 (Rabasa 2001:26-27). This rapid growth can be attributed to ties with the drug trade. Today, FARC is the most

influential and powerful guerrilla group in Colombia, as they have militia members located throughout the country in every social sector (Rabasa 2001:27).

Another organization that is still a threat to Colombian society is the ELN, formally founded in 1964. The ELN was initially composed of students and graduates of the University of Santander. Their initial operations were small and generally ineffective. This was due to their inability to organize, in addition to a division in ideology. In the late 1960s, the army received enough information regarding ELN members, to capture or kill many of its members, nearly resulting in the organization's downfall. However, in the 1980s the ELN reemerged under the leadership of Manuel Pérez. Its numbers grew from 800 in 1986 to 3,000 in 1996. By 2000, the ELN had an estimated 5,000 members. The ELN, although focused on influencing the Colombian oil industry, often encounters conflict over territory with the FARC and paramilitary organizations—conflict that usually results in violence (Rabasa 2001:30-31).

Finally, the *paramilitaries* or AUC have been a major ingredient in the overall problem of violence in Colombia. In the 1980s, links were established between paramilitary organizations and various crime related activity, including drug-trafficking. Initially, the paramilitaries were not as powerful as the FARC or ELN, due to their inability to effectively organize. However, over time, many paramilitary self-defense groups assembled under one umbrella organization called the AUC (Autodefensas Unidas de Colombia). This gave them more organization and more influence. Strategies of the AUC were very similar to those of the guerrillas. Its main objective was to destroy the existing control of drug-producing areas where guerilla groups were so prevalent. During the late 1990s, it was estimated that the AUC had approximately 8,000 fighters.

Colombia also had many other self-defense groups that were not associated with the AUC, but still threatened the country's stability. Together, they were responsible for many reported executions of guerilla sympathizers and mass killings in villages that allegedly assist guerilla groups (Rabasa 2001:53-56).

Today, there has been significant success in negotiating with the AUC. The AUC has begun a demobilization process and is increasingly laying down arms. Members have stated that with the increase in Colombia's armed forces and military activity, their efforts may no longer be necessary. However, AUC leader Carlos Castano recently claimed that 70% of the AUC's funding comes from the drug trade. Therefore, even as the AUC participates in the demobilization process, its ties to the drug trade have remained unchanged.

There are various ways in which the guerrilla organizations and the paramilitary groups fund their activity. Before the drug trade surfaced, the guerrilla groups made most of their income from kidnappings and "revolutionary taxes." Kidnappings also occur today, and still serve as one of the major sources of revenue for both the FARC and the ELN. In the first half of 2000, for example, 1,559 people were kidnapped, including 126 children. The majority of the victims were cattle ranchers, farmers, and merchants that lived in the countryside. However, kidnappings are also a concern for those that live in cities. This is especially true for business people who are often targeted and fall victim to this profit-motivated crime. Typically, successful businessmen or landowners are most vulnerable because they have exactly what guerillas need—land and money (Rabasa 2001:32-33).

Although kidnappings are predominantly used to generate ransom money, they are also used for propaganda purposes—to intimidate political and civil leaders. Low-level political figures, such as mayors, are especially susceptible to this threat. In fact, there have been some cases in which guerrillas have taken control over local governments and have used local money to fund their own guerrilla operations (Rabasa 2001:32-33).

Currently however, the most efficient way for guerrillas to fund their organizations is through drug-related activity. Drug-traffickers use several different ways and routes to grow, process, and export illegal drugs. They also operate via the internet and cellular phones, using the newest technology available. Traffickers need protection and arms. This is where the link is made between drug trafficking and guerrilla groups. Guerrillas are given large sums of drug money in exchange for protection and other services. For example, the FARC has a precise schedule of fees. In 1999, FARC fees in (U.S. dollars) were as follows: production of basic paste, \$15.70 per kilo; chlorhydrate of cocaine, \$52.60 per kilo; protection of laboratories, \$5,263 each; protection of coca fields, \$52.60 per hectare; protection of poppy fields, \$4,210 per hectare; security of landing strips, \$2,631 each; cocaine shipments, \$10.50 per kilo; river transportation of precursor chemicals, 20% of shipment value; international drug flights, \$5,263 each; and domestic drug flights, \$2,631 each (Rabasa 2001:32-33).

Although the FARC is most predominantly involved with trafficking, the ELN and the AUC have also been linked to drug activity. In March 2000, the Colombian armed forces released numbers that demonstrate drug activity among all groups. Out of 61 total FARC units, 32 were linked to the drug trade; out of 41 total ELN units, 7 were

linked to the drug trade; and out of 19 AUC units, 8 were linked to the drug trade (Rabasa 2001:33). Overall, guerrilla participation with the illegal drug trade has hurt the Colombian people, weakened the state, and has hindered Colombian foreign relations—at times, even with the United States. Due to Colombia’s history of violence and drugs, it has continued to receive foreign assistance in order to assist in the stability of the country.

5. Past Foreign Assistance and Colombia

International Influences

During the 1960s and 1970s, Colombia was one of the major Latin American recipients of international foreign aid from organizations such as USAID, the World Bank, and the Inter-American Development Bank (Cassen 1994:252). International assistance programs designed to improve the social and economic development of Colombia seemed to have a significant impact on the country's employment rate, poverty level, and overall growth. The majority of assistance went to build infrastructure, improve agriculture, and expand educational opportunities. Foreign assistance seemed to improve the standards of living for many poor Colombians. As a result, Colombia was considered a success story and "showcase" for the Alliance for Progress program during its time (Cassen 1994:253).

Just as Colombia was showing great signs of economic improvement, its economy suffered from the economic recession and debt crisis that affected all of Latin America in the early 1980s. Although Colombia's economy suffered because of the recession, compared to other Latin American countries, Colombia was considered economically stable as it averaged annual growth rates around 3.3 percent of the gross domestic product going into the 1990s (Aviles 2001:36).

U.S. Foreign Assistance to Colombia During the 1980s and 1990s

Although Colombia had received economic assistance from organizations such as USAID and the World Bank, beginning with the 1980s, the United States would begin to increase its distribution of military assistance to Colombia as the drug trade became more popular. By the mid 1980s, concerns regarding Colombia's influence on the U.S. drug

problem were at the forefront of the media, and drug abuse was evolving into one of the largest areas of concern for the general public. In fact, a *New York Times* poll published in 1988 reported that 48 percent of the U.S. public thought that the drug war was the most difficult challenge that the United States was facing in post-Cold War policy (Crandall 2001:98).

U.S. President H.W. George Bush recognized the heightening concerns of the public and began to explore the most efficient way to address this ‘drug problem.’ However, in August 1989, Colombia’s Liberal party presidential candidate, Luis Carlos Galán was assassinated. His killing opened the eyes of U.S. government officials to the severity of Colombia’s problems. As a result of his death, the United States sent an additional \$65 million in counter-narcotics assistance to Colombia, almost six times the original amount allotted for 1989 (Crandall 2001:101).

A month later, President Bush announced a \$2.2 billion foreign assistance plan designed to increase eradication and interdiction efforts in the Andes—specifically targeting Colombia. This initiative made the Andes the leading recipient of U.S. military assistance in the Western Hemisphere; however, in 1990 the United States turned its attention from the drug war and focused on the Persian Gulf War. In addition, in 1993 President Clinton reduced anti-narcotics assistance both domestically and internationally. However, his attempt to decrease funding would not last long. In 1994 after mid-term elections, the Republican party took over Congress—thus turning its attention back onto anti-narcotics efforts. Specifically, the United States gradually became obsessed with Colombia’s drug problem due to the newly elected Colombian president, Ernesto Samper (1994-1998). Due to his ties to multiple drug cartels, Samper lost all credibility and

respect from the United States. During his time as president, Samper established one of the most abrasive U.S.-Colombian relationships in U.S.-Latin American history (Crandall 2001:101).

President Pastrana

The election of President Andrés Pastrana in 1998 created an opportunity for productive U.S.-Colombian dialogue to be restored. Pastrana entered office anxious to move forward in the peace process and appeared to be very dedicated to playing the role of peacemaker; he seemed especially eager to enter into peace negotiations with guerrilla groups. For example, in 1997, he offered the FARC a “distension zone” which consisted of 42,000 km² of land. The United States supported Pastrana’s efforts, and initiated further peace discussions between United States officials and FARC officials in Costa Rica. Although Pastrana’s intentions to negotiate with FARC were legitimate, his decision to give them their own territory was a huge mistake. The FARC instantly turned the area into a mini-state and created its own justice system, infrastructure, and school system. In addition, the FARC began training approximately 18,000 guerillas in this area. The FARC was building its own army, and peace negotiations were going nowhere (UNODC 2003:6-7).

Since negotiations remained stagnant, the Pastrana administration decided to take the land back. In February, the armed forces seized land previously given to the FARC, and the guerrillas were forced to flee to rural areas which they had previously lived. Shortly after the FARC’s retrieval from the “distension zone,” an increase of terrorist attacks—such as bombings and assassinations—began to break out not only against the Colombian people, but also against the U.S. citizens living in Colombia. For instance, in

1999, the FARC deliberately murdered three American indigenous-rights activists who lived in Colombia. This ended any additional discussion between the United States and FARC, and gave U.S. officials a first-hand look at what Colombians had endured for decades (Sweig 2002:1).

After struggling to fight the rich, powerful, guerrilla organizations, Pastrana turned to the United States for assistance. As a result, in 2000, the United States would become a major actor, in conjunction with Colombian officials, in the battle to win the “war on drugs” (Sarmiento 1997:6).

Pastrana had about as much success negotiating peace with the FARC as the United States had, and his peace efforts would continue to flounder in the midst of civil turmoil (Ruiz 2001:226). The people, sick and tired of all the bloodshed, flooded the streets of Colombia. On Sunday, October 24, 1999, wearing white shirts with green ribbons, Colombians protested by waving white flags in the air and screaming “No Más” (or “No More”). The people longed for the kidnappings, murders, and massacres to end. The protest aired on every news station in Colombia, as approximately six million people, in seventeen different cities across the nation, took part. Protesters believed that this was the only way they could pressure the government to do something about the violence. As a result, thirteen governmental officials and twelve FARC delegates began reviewing a 12 point negotiation program. The program called for the “disarmament of the guerrillas in return for sweeping reforms to ease poverty, redistribute land to peasants and combat political corruption” (Ruiz 2001:228). The FARC threw in a few stipulations of its own, demanding governmental armed forces be withdrawn from the southern

border of Ecuador all the way north to Bogotá. The government was not about hand over such territory. Therefore, no such concession was made (Ruiz 2001: 227-228).

Although Pastrana seemed devoted the peace, there was little hope that he would reach any type of peace agreement with the FARC. Those assumptions were correct. On November 2, when negotiations were scheduled to resume, FARC representatives failed to even show up. This reflected poorly on Pastrana, because it showed the lack of respect the FARC had for him and his administration. Local polls showed that close to 80 percent of Colombians believed Pastrana was not dealing with the peace negotiations properly. Pastrana felt he had no choice but to turn to foreign troops for help. Many of the top businessmen agreed with Pastrana, and believed this was the only way to stop the guerrillas. Others disagreed and wore shirts that said “No More Gringo Military.” This was a direct commentary on the U.S. military aid already being used by the Colombian government in an attempt to decrease narcotics-trafficking (Ruiz 2001: 228-229).

At this point, the United States had heightened concerns regarding the problems in Colombia. The lack of cooperation from the FARC alarmed the U.S., and caused its officials to consider increasing involvement in Colombia. Secretary of State, Madeleine Albright, for one, explained how the guerrilla groups were funding their operations with drug money, and how this problem was affecting many other nations. She concluded that “Colombia’s people are engaged in a vital test of democracy...they should know that we understand the many dimensions and long-term nature of the problems they face, and that we will do all we can to help them” (Ruiz 2001:228-229). Many agreed with Albright and were concerned that Colombia was losing the battle to the guerrillas. Others saw the need for more assistance to Colombia to fight the drug war. For instance, Indiana

Representative, Dan Burton stated, “This is our war as much as Colombia’s War...The billions we’re talking about for dealing with the drug problem down there is not enough” (Ruiz 2001: 230). Dennis Hastert of Illinois declared, “I think the oldest democracy in the Southern Hemisphere is in great jeopardy...I’m concerned about Colombia because of the implications it has for our kids...the heroin and cocaine that comes into our country” (Ruiz 2001:232).

Although there were many who agreed with these politicians, there were others who believed further involvement in Colombia would be a disaster. One senior official, who once worked in Colombia, and who disagreed with any further U.S. involvement stated that, “It (the situation in Colombia) is going to be a very dangerous mess...and we (the United States) are going to be in the middle of that mess” (Ruiz 2001: 229).

In September 1999, Pastrana made a visit to the United States, on behalf of Colombia, to ask for an increase in aid. He requested \$3.5 billion over a three year period, in the form of military equipment, technical support, and intelligence assistance. Democrats insisted that Pastrana improve the human rights situation in Colombia before receiving more aid from the United States. Pastrana pleaded with the United States to eliminate restraints on aid because of Colombia’s human rights record. He claimed that Colombia’s poor human rights record was due to the impact of the existing guerrilla organizations, which he needed assistance in combating.

Despite strong reservations, Congress began examining a new aid package proposed by Republican Senators Paul Coverdell and Mike DeWine. This package allotted for \$1.5 billion over a three year period, with \$540 million for helicopters and other equipment, \$405 million to enhance drug interdiction, \$120 million to develop

alternative opportunities to grow drug crops in Colombia, Bolivia, and Peru, and \$70 million to strengthen democracy and human rights. Pastrana was pleased with this package, but despite his approval, there was too much debate within the Congress, and the package did not pass (Ruiz 2001:233-234).

Albright called Pastrana soon thereafter to reassure him that the United States had not betrayed him. She guaranteed that President Clinton would ask Congress to increase aid early the next year. Meanwhile, Pastrana's job as president was becoming more difficult. Amnesty International testified that they would oppose any additional military aid to Colombia. The organization saw no improvement in Colombia's horrific human rights record despite the fact that Colombia was already receiving aid from the United States. Susan Lee, Amnesty's researcher on Colombia found shocking evidence of poor human rights records when she visited that country. She observed that "killings have been conducted with chain saws, victims have been dismembered alive...There are reports of paramilitaries playing football with victims' heads" (Ruiz 2001:235).

Not only did it seem that Pastrana was losing international support, but two of his top generals, Fernando Tapias and Jorge Mora, resigned in November. Both men were frustrated with the United States and did not believe Pastrana and Ricardo (Pastrana's right hand man), were being dynamic enough. Tapias and Mora wanted Ricardo out of the picture, but Pastrana could not consent. Pastrana and Ricardo were controlling the peace process and if Ricardo was fired, it would appear that Pastrana was ending the peace process. Luckily, in the end, Pastrana refused to accept Tapias' and Mora's resignation, and talked them into staying on board. In return, Pastrana "abandoned the

language of a peacemaker and adopted a more bellicose tone” to appease them (Ruiz 2001:237).

Plan Colombia

In December 1999, violence in Colombia reached new heights. Year end statistics in 1999 reflected the increase in violence and total chaos. A total of 1,863 Colombians were massacred and approximately 90 percent of all crimes went unpunished. Colombia was in desperate need of help and Pastrana knew it. He began designing a five-year plan, one intended to assist development, rebuild the judiciary, and implement crop substitution and coca eradication. Also, the plan aimed at assisting people who had been displaced from their homes. More specifically, objectives included the following: support for human rights and judicial reform, the expansion of counter-narcotics operations in southern Colombia (in the form of helicopters, humanitarian assistance, and developmental assistance), an increase in alternative economic development for Colombia, Bolivia, and Ecuador, increased interdiction efforts, and assistance for the Colombian police.

Pastrana called this “Plan Colombia,” and once again turned to the United States for assistance. Beyond that, he also looked to Europe and the international community for help. The original five-year plan called for a total contribution of \$7.5 billion, with \$4 billion provided by Colombia, \$1.3 billion provided by the United States, and the rest provided by Europe (Marcella 2003:19).

Plan Colombia was heavily-debated and controversial from the beginning. Congressmen were concerned that the United States was getting in over its head, and many were concerned that the United States could not have a significant impact in

Colombia without getting deeply involved in that country's ongoing civil war. In addition, there were still concerns about Colombia's human rights violations and its ties with illegal armed forces.

Overall, Congress did not feel that Colombia's human rights record should be overlooked (Sweig 2002: 3-9). Those who did not want to support Plan Colombia also saw parallels to the Vietnam War. They believed assistance would provoke more violence and would increase refugee flows. There were even concerns as to techniques related to assisting Colombia in this war on drugs—especially regarding herbicide fumigation. This particular controversy centered on the health of those exposed to the herbicides, as “aerial eradication (had) caused eye, respirator, skin, and digestive ailments” (Morris 2001:1-3).

Colombia's ambassador was one of the major, influential people in the process of lobbying U.S. officials for aid. Luis Alberto Moreno met with hundreds of members of Congress, and he expressed, in detail, the need for assistance and the good intentions of its rulers. Further, as Sweig notes, “Bogotá also brought dozens of U.S. legislators and their staffs to Colombia for carefully packaged tours. Embassy officials worked in the halls of the U.S. executive branch, toured the salons of Washington think tanks, and crisscrossed party lines” (Sweig 2002:1).

In 2000, Congress waived Colombia's human rights requirement, and allotted \$1.3 billion towards Plan Colombia, with two-thirds of the money set aside for military purchases (McLean 2002: 133). The United States was adamant about its commitment to counter-narcotics operations, force protection, and eradication of coca fields, lab destruction, and if necessary, humanitarian assistance (Marcella 2003:19-20). In addition

to providing helicopters and other equipment, intelligence and other military assistance, Plan Colombia included training by U.S. special forces (Economist 2003:1). Congress, aware of Colombia's poor human rights record and ties with guerrilla groups, insisted that all Colombians trained by U.S. officials have a clear understanding of the expectations regarding human rights standards. The United States also granted Colombia electronic surveillance equipment, which enabled the latter to keep an eye on the relationship between paramilitaries and the Colombian military (Sweig 2003:1).

Although the United States agreed to partner in Plan Colombia, Pastrana did not receive the international support he wanted. Most Europeans refused to contribute to Plan Colombia, as they were unwilling to ignore the country's terrible human rights record. Beyond that, many in the international community declined the opportunity to take part in Plan Colombia because they perceived the plan's approach as geared more toward improving the military—instead of toward precipitating social reform (Falcoff 2002:2). However, despite the lack of support internationally, Pastrana was pleased. He knew that the support he received from the United States would be a great start towards achieving his objectives (Ruiz 2001: 248).

Although Pastrana was excited about U.S. help, not everyone was thrilled about the aid Colombia was receiving—especially Colombian locals involved in the drug trade. After being informed of Congress' decision to cooperate with Plan Colombia, Sureshot, the leader of FARC, expressed his views on U.S. intervention:

What we have here is hunger, misery and exploitation and that's not going to end with rifles, machine guns or bombs. I think the ones who came up with this [aid] agreement have committed a grave error. The problems here are social order, it's not a problem of weaponry. The FARC disagrees with this aid from the U.S. because assistance should be for social spending and peace, not for increasing the

conflict with the blessing of the few who directly benefit from the war. We can be attacked by the security forces when the President considers it convenient since we are an organization that has taken up arms against the state. But it's wrong that they should do this with the participation of the U.S., under the slanderous pretext that we have links to the drug trade (Ruiz 2001: 248).

It was obvious, Sureshot realized, that the FARC was the number one target of the Colombian military, and now the military had major support from the United States—whose government had evidence of FARC members guarding illegal crops, providing security for drug labs, and engaging in other activity to aid in the drug trade. (According to the DEA, for example, the FARC generated a large financial alliance with the drug trade that generated about \$2 million a day). Although the FARC tried to downplay its illegal activity and to create the illusion that it represented the best interests of poor Colombians, everyone knew better, especially the U.S. government (Ruiz 2001: 248). The demolition of the FARC organization has been, and will continue to be the primary target of the Colombian-U.S. initiative.

The Impact of September 11, 2001

While Plan Colombia was operating in its second year, the international community was sidetracked by the events of September 11, 2001. These events would drastically impact U.S. international policy, and more specifically, would affect U.S. policy toward Colombia. Primarily, after 9/11, the U.S. shifted its priority from counter-narcotics to counterterrorism. However, this did not let guerrilla groups off the hook, because the FARC, the ELN, and the AUC already appeared on the U.S. State Department's list of terrorist organizations. Although none of the groups had all the characteristics of a classical international terrorist organization, and though Colombia

was never formally made part of the global ‘war on terror,’ guerrilla organizations in Colombia were now targeted more than they had ever been (Cope 2002:3).

However, this subtle shift in their U.S. classification (which went from describing them as narcotics groups to terrorist groups) did not stop guerrilla organizations from continuing their horrific crimes. As a result, Pastrana offered one last effort to negotiate peace in Colombia with the FARC. No agreement ensued, and a month later, the FARC conducted approximately 170 armed attacks in a thirty-day span. On February 20, 2002, the FARC hijacked a civilian aircraft and kidnapped one passenger, Senator Jorge Eduardo Gechem Turbay (Marcella 2003:21-22). He was the head of the Senate Commission on Peace, and a member of a large political family.

Subsequently, Pastrana formally declared that he was ending any existing peace talks with the FARC. Days later, former senator Ingrid Betancourt was kidnapped by a FARC column. As of February 2003, the FARC had a total of six government officials in captivity. By this point, the FARC and the ELN were almost completely discredited at home and abroad; assassinations, kidnappings, and attacks against civilian populations had done nothing but turn people against them (Marcella 2003:21-22).

Alvaro Uribe

Although Pastrana stayed committed to the peace process, his efforts failed, leaving the country in a state dominated by guerrillas. In 2002, Alvaro Uribe replaced Pastrana as president and inherited the task of regaining control over Colombia. He entered office determined to defeat guerrillas and paramilitaries, as well as to end narcotics trafficking. However, immediately following his election, the FARC demanded the resignation of all departmental, municipal, and village officials—in the hope of

intimidating and embarrassing the Uribe administration during its early stages. As a result, over 200 mayors resigned after receiving threats from the FARC. In addition, many local governments became even more unstable than before his election.

It seemed as if the stronger Uribe appeared, the harder the FARC attacked, attempting to divide the country with terrorist attacks. For example, in April 2002, the FARC was responsible for kidnapping 12 parliamentarians in the center of Cali. One month later, it slaughtered 119 men, women, and children seeking refuge in a church in Quibdó. Within the first few months of Uribe's presidency, more than 2 million Colombians were internally displaced. However, this would not intimidate President Uribe (UNODC 2003:6).

In May, after its attack on the church in Quibdó, the FARC stated that it would begin negotiations if it were to receive another "distension zone," this one twice the size of the previous one. Uribe responded, saying that negotiations would only proceed if there was an immediate cease fire and all acts of violence against the population were stopped. Consequently, to this day, no negotiations have been successful with the FARC (Veillette 2005:7).

Although the Uribe administration has not had success with the FARC or the ELN, as mentioned earlier, the AUC has begun a demobilization process. President Uribe has been very persistent in carrying out his objectives, despite multiple obstacles. The FARC's efforts to bully Uribe have been unsuccessful, as "he is determined to confront the political and psychological challenge to the Colombian State's ability to govern and control territory" (Cooper 1993:2). Uribe is committed to taking a proactive agenda to restore authority, and therefore, increase stability and security within the

country. He has taken a hard line approach to negotiations. He is only willing to negotiate with guerrilla groups who are willing to disarm and end terrorism. This includes the paramilitary groups with which Pastrana had refused to negotiate. He imposed a one-time 1.2% war tax on wealthy individuals and businesses to generate income for the military (Veillette 2005:6).

Overall, Uribe has taken steps to improve Colombia's armed forces, which have recently defeated guerrillas in a number of confrontations throughout the country, according to the UNODC. By the end of 2003, armed forces were being deployed to areas that had previously been occupied by guerrillas. Although Uribe does not have much to show for his efforts, many believe his hard line approach, in addition to his refusal to be intimidated by guerrilla action, has allowed him to take the necessary steps needed to eventually improve Colombia's overall situation (Veillette 2005:6). The Colombian people seem to agree; public support for Uribe continues to be high, largely because he has promised his own citizens, not to mention government officials in the United States that he will address his nation's problems without giving into guerrilla organizations (Cooper 1993:1-5).

U.S. Foreign Assistance to Colombia Continues?

With Plan Colombia still in effect, U.S. aid continues to assist Colombia in its battle for victory in the 'war on drugs.' President George W. Bush has continued to support Colombia under the Andean Counter-drug Initiative (ACI), and through his endorsement of Plan Colombia (Veillette 2005:2). Beyond that, in 2002, Congress approved the use of U.S. counter narcotic funds for a unified campaign to fight drug-trafficking and organizations such as the FARC (Veillette 2005:2). The primary

objectives of U.S. aid to Colombia include the following: stopping the flow of illegal drugs into the U.S., promotion of peace, and assistance in economic development—perhaps for the underlying purpose of preserving democracy. Colombian objectives are similar, but would emphasize increased security within its borders. Both countries' objectives have evolved over time, shifting from an emphasis on counter-narcotics to one of counter-terrorism. However, this shift has not been very significant, as those involved in the drug trade and those who are listed as terrorists are largely one in the same. As such, from FY 2000 to FY 2005, U.S. funding toward Plan Colombia has not wavered significantly, and has totaled approximately \$4.5 billion. This is noticeably more than in has been in previous years. Furthermore, Colombia has also received military equipment, training, and support for alternative crop development.

The Bush administration, therefore, has continued Plan Colombia—and has even increased aid to Colombia under the Andean Counter-drug Initiative. Given that such a large portion of aid has gone towards accomplishing goals in Colombia, it is important to analyze the overall effect it has had. This may impact future decisions regarding aid to Colombia.

6. Why Study the Effectiveness of Foreign Aid and Why Colombia?

Despite the research that indicates that foreign assistance is not effective, the United States continues to distribute a massive amount of foreign aid to the international community each year. Foreign assistance is an essential part of U.S. foreign policy and continues to play a major role in U.S. foreign relations. Therefore, it is essential that theories regarding the effectiveness of foreign aid continue to be debated and cases continue to be studied and analyzed. Aid organizations need to have a clear understanding about how aid affects people, institutions, agriculture, and the poverty level of a recipient nation. Agencies need to have a better idea of when aid is going to work and why. This will help to eliminate future mistakes and to help increase the efficiency of aid programs—thus helping international communities and also improving U.S. foreign relations.

With Colombia being one of the largest recipients of U.S. foreign aid, Colombia is an excellent country to study. Analyzing the effect that foreign assistance has had in Colombia will help clarify the relationship aid has on growth, conflict, and drug-related objectives. Studying the relationship between aid and growth will offer another analysis for comparison purposes. This may clarify the importance of the geological location as well as sample size, as Colombia is the only country being analyzed.

In addition to aid's relationship to growth, Colombia opens the door to further research on the relationship between aid and conflict. Lessons learned from this will give policy makers more insight as to the most effective way to allocate aid in hostile situations. This may be used to increase national security abroad in countries that are in constant conflict. Studying the effect aid has had on Colombia during conflict, may also

give insight as to if it is even possible for aid to make a difference in such a difficult environment. This may prevent large amounts of money being used in the future for purposes that would never yield desired results.

Studying the effectiveness of aid in Colombia will help aid agencies as well as policy makers know when to expect aid to be effective and when it is most likely to be ineffective.

7. Was Foreign Aid Effective?

As mentioned above, there are many reasons why foreign aid fails when it is distributed to international communities. In addition to the common pitfalls which include: trying to implement foreign aid programs in countries with poor policies and institutions, a lack of knowledge of the culture and the region, and a lack of communication between donor and recipient, past studies indicate other scenarios in which aid is not expected to be effective. Although Colombia has avoided a few of these pitfalls, over the years, it has not been able to escape them all. By understanding which pitfalls Colombia has avoided in addition to examining past studies conducted on aid and growth, one can better predict if aid has been effective in Colombia from 1980-2002.

One pitfall that Colombia may have avoided, has to do with its political policies. In this case, foreign aid may be effective in Colombia, because its policies are democratic in nature. According to Burnside and Dollar, if a country has strong domestic policies, then aid is likely to be effective. Since Colombia's policies are democratic, this can have many positive effects. For example, Colombia is one of Latin America's oldest democracies; as such, there are obvious connections between it and its primary foreign aid donor—the United States. This opens the door for both countries to agree upon similar objectives and a common philosophical language. This has been the case with Plan Colombia. Both countries want to preserve the Colombian democracy, and therefore have a common goal from which to start.

Democratic policies may also give people an overall voice as to how they would like to address specific issues in Colombia. This not only encourages Colombian citizens to find solutions to multiple problems from within, but it gives Colombians an overall

feeling of unity. Optimism may increase due to the fact that Colombians have a say in what goes on within the nation. Therefore, with an increase in foreign assistance, governmental officials will have more means necessary to carry out the demands of the citizens.

Colombia's democratic policies are expected to increase donor-recipient communication, which may increase the likelihood that foreign assistance is effective. However, Colombia is a weak state and therefore, the actual strength of those democratic policies may have been effected by its continual social problems. Burnside and Dollar only observed a positive correlation between aid and developing countries that had *strong* policies. Therefore, although Colombia's policies are democratic, the strength of those policies is yet to be determined.

Another pitfall that Colombia avoids is that its donor does not lack knowledge in terms of Colombia's culture, region, or needs. Over the years the United States has kept very close ties with Colombia. During the 1980s, when a violent guerrilla movement emerged, the United States took an active role in attempting to negotiate peace treaties with the leaders of prominent guerrilla groups in Colombia (Sarmiento 1997:3). This is a good indication that the United States understood the details of Colombia's culture, region, and internal conflict, enough to intervene in cooperation with Colombian officials.

We can see a more recent example of how the United States avoids this pitfall when examining Plan Colombia. Colombian President Pastrana was the author of the original Plan Colombia proposal during the late 1990s, when he turned to the United States for help. Although minor changes may have been made, Colombia benefits by

having its president as the author of the proposed document. This definitely lends cultural awareness and sensitivity to the final draft. Since the United States has had an adequate knowledge of Colombia's culture, region, and needs, this may increase the chance that foreign assistance impacted Colombia in a positive way.

The last difficulty that sometimes leads to the failure of foreign aid is donor-recipient communication. In the case of Colombia, it is difficult to predict how donor-recipient communication will influence the effect of foreign assistance. Overall, U.S.-Colombian relations have been fair. According to Cassen, good communication between the United States and Colombia was one of the major reasons Colombia was considered successful with foreign assistance in the 1970s. However, beginning in the late 1980s, Colombia's poor human rights record became an area of concern among the U.S. Congress (Aviles 2001:40). Although this did not drastically hinder U.S.-Colombian communication, there are four years included in this analysis that U.S.-Colombian communication was devastating.

According to Russell Crandall, Colombian President Samper (1994-1998), "deeply strained" the "bilateral relationship" (Crandall 2001:95). Although President Pastrana was able to restore U.S.-Colombian relations during his presidency, the Samper administration hindered U.S.-Colombian communication. In fact, Crandall claims that U.S.-Colombian relations during the Samper administration was one of the "most abrasive episodes in U.S.-Latin American relations since the end of the Cold War" (Crandall 2001:96).

Since the Samper administration's inability to communicate efficiently with the United States hindered donor-recipient communication for about four years, it is difficult

to predict how poor communication during this time influenced the effectiveness of foreign aid.

Although Colombia avoids a few of these common pitfalls, there are reasons to believe that foreign assistance has had no impact in Colombia. First, Colombia's institutions are incredibly weak. In the article, "Colombia: Failed, Failing, or Just Weak?," Phillip McLean outlines how the emergence of the drug trade began the decline of Colombian institutions. As the drug trade began to surface and gain popularity in the 1980s, corruption began to weaken Colombian institutions. Corruption has been seen in all aspects of Colombian society, from funding presidential elections to influencing local businessmen. It has even been visible in Colombian sports organizations (McLean 2002:127). Since Colombia's institutions are so fragile, and its bureaucracy is so weak, the country may not be able to distribute foreign aid in a productive manner. In addition, if institutions have been corrupted, then money may be wasted on funding a corrupt organization. In sum, foreign assistance to Colombia may be ineffective due to weak institutions that are unable to distribute additional funds effectively. Similarly, foreign assistance may have no impact due to the corruption that existed in Colombian society.

Upon analyzing the results from prior studies that test the relationship between aid and growth, literature suggests various scenarios where foreign assistance may be ineffective. For example, Griffin and Enos found that an increase in aid led to a decrease in the country's savings. This hindered the growth of the recipient country. Therefore, if assistance to Colombia has lowered savings in Colombia, then aid may not be effective. In addition, past studies indicate that aid is most likely to be ineffective if policies are not strong. Although Colombia's policies are democratic in nature, its history of violence

and corruption may have had an impact on how strong the policies are. Colombia is a weak democracy. This may override the fact that its policies are democratic. Therefore, if Colombia's policies, although democratic in nature, are not strong, then aid may have no impact in Colombia.

Along the same lines, Peter Boon found that aid was not effective due to the fact that foreign aid actually increased inequality. According to Boon, foreign aid does not reach the poor, nor does it change policies which tend to favor the elite. Therefore, foreign assistance may have no impact on Colombia if the aid does not reach those that it is intended to help.

Finally, Burnside and Dollar discuss a common reason that foreign assistance is not positively correlated with growth. That is, often times, donors pursue their own interest rather than the interest of the recipient country. If this is the case with foreign assistance to Colombia, aid is most likely to be ineffective.

Due to the fact that existing literature is split on the effectiveness of foreign aid, and due to Colombia's lack of bureaucracy and weak institutions, it is difficult to predict if foreign assistance has had an impact in Colombia. In my analysis, I test this relationship. Even though I do not test the direct relationship between aid and growth, I test the relationship between foreign assistance and variables representing three broad areas that are expected to be *influenced* by foreign aid to Colombia because they are explicit goals of U.S. foreign policy in the region. Those broad areas include: Colombia's law enforcement, guerrilla activity, and overall drug production. Each broad area has been a primary focus of U.S. foreign assistance over the years. Foreign aid programs have been designed in order to increase Colombia's law enforcement, decrease

its guerrilla activity, and curb its overall drug production. Although programs have been designed to address these three social issues, Colombia's institutions are weak which has affected the strength of its policies. Therefore, based on existing literature, I hypothesize that, due to the fact that Colombia is a weak state and its institutions are fragile, foreign assistance given to Colombia has had an insignificant effect on Colombia's law enforcement, drug activity, and overall drug production.

8. Data and Methods

Over the years, U.S. foreign aid has been given to Colombia in order to assist the Colombian government address its social, economic, and political problems. Specifically, foreign aid programs have been designed to increase Colombia's military and law enforcement efforts in order to decrease its drug activity and provide more security for Colombian civilians. In addition, U.S. foreign assistance has provided Colombia with the means necessary to fight guerrilla violence. Therefore, in order to test the effectiveness of U.S. foreign assistance in Colombia, I chose three broad areas that reflect the overall goals of U.S. foreign assistance in Colombia. These include drug-related law enforcement, guerrilla violence, and overall drug production.

Here I discuss the specific measures and data used to test the relationship between foreign aid and these three areas of policy outputs.² As mentioned, this analysis explores the relationship of U.S. foreign aid on three broad areas of Colombia's society. These broad areas include law enforcement, guerrilla violence, and drug production. Within each broad category there are key dependent variables that are analyzed in order to represent the broader category. For example, in order to analyze the effect foreign aid has had on law enforcement, I look at how foreign assistance may influence the number of drug labs destroyed in Colombia, the amount of cocaine and base seized (kilos) in Colombia, and the amount of coca sprayed (ha) in Colombia from 1981-2001.

In order to analyze the effect foreign aid has had on guerrilla violence; I evaluate the effect foreign assistance has had on the number of reported kidnappings (per thousand inhabitants) in Colombia from 1990-2002, in addition to, the number of homicides (per

² Refer to Table 2 in Appendix A for a list of all concepts, variables, and sources included in the analysis.

thousand inhabitants) in Colombia from 1980-2002. Finally, in order to assess the effect of foreign aid in the area of overall drug production, I test to see how foreign aid has affected the amount of estimated cultivation of coca (ha) in Colombia from 1983-2002.

This section will discuss each variable used in detail in order to explain why each concept is significant and how each measure is an appropriate expression of a concept. Then, I begin my analysis by charting each key dependent variable and making comparisons between changes in these variables and the flow of U.S. foreign aid to Colombia from 1980-2002. Finally, I conduct multivariate time-series analysis to explore the relationship that foreign assistance has had on each dependent variable.

Dependent Variables

As previously mentioned, there are three key dependent variables used in my analysis to test the effect that foreign assistance has had on Colombia's law enforcement.³ All three variables were found via the *Policía Nacional de Colombia* website. This is an informational website maintained by the Colombian government itself. Also, data located here, was the one of the only sources available that provided the information needed—especially data measuring kidnappings and homicides. The first key dependent variable used in my analysis to test the effect that foreign aid has had on law enforcement is the *number of drug labs destroyed in Colombia from 1981-2001*. As mentioned earlier, Colombia has been involved in the drug trade since the 1970s. In the 1980s, Colombia's role as the main drug processor set it apart from other countries in the Andean region (UNODC 2003:2). Although Colombia cultivates and processes its own drugs, coca is often times imported to Colombia in order to be processed, and then

³ A list of all dependent variables is located in Table 2 of Appendix A.

exported to the United States and Europe (UNODC 2003:2). By analyzing how many drug labs have been destroyed over time by Colombian police, one can better assess the effect that foreign assistance has had in assisting Colombian law enforcement in the detection and destruction of drug labs. If there is a positive correlation between the amount of foreign aid given to Colombia and the number of drug labs destroyed in Colombia, then one can assume that foreign assistance to Colombia has helped law enforcement fight the war on drugs.

The second variable used to examine the impact that foreign assistance has had on law enforcement is *the amount of cocaine and base seized (kilos) in Colombia from 1981-2001*. Approximately 90 percent of the world's cocaine industry originates in, or passes through, Colombia (Veilette 2005:3). Although a few major drug cartels have been taken down over the years, Colombia still plays a major role in the exporting and trafficking of illegal drugs (UNODC 2003:15). Therefore, testing the relationship between the amount of cocaine and base seized by the Colombian police and the amount of foreign assistance given to Colombia, will clarify the effect that foreign assistance has on the Colombian police's ability to decrease Colombia's drug flow. If there is a positive correlation between the amount of cocaine and base seized and the amount of foreign assistance given to Colombia over time, then one can assume that foreign aid to Colombia has helped assist Colombian police improve interdiction efforts.

The third variable I use to determine the effect that foreign aid has had on Colombia's law enforcement is *the amount of coca sprayed (ha) in Colombia from 1981-2001*. In the 1990s, Colombia became the world's largest grower of the coca leaf (70 percent of the world's harvest). Most of the coca growing in Colombia is located in areas

under the control of guerrilla groups and therefore, very difficult to address. One way in which Colombian officials tried to curb the cultivation was through aerial fumigation. This allowed Colombian law enforcement to spray illegal coca crops from airplanes—thus, discouraging the cultivation of illegal crops. Although today aerial fumigation is highly debated and currently suspended in Colombia, for the past ten years it has been used by Colombian law enforcement as a primary way to deter coca cultivation. In the past few years, the United States has increased support for aerial fumigation by providing aircrafts needed to spray the land (Veilette 2005:14). By testing to see how aerial fumigation has changed over time with respect to the amount of foreign assistance Colombia has received, one can better understand the impact that foreign assistance has had in assisting Colombian law enforcement in meeting its objectives of reducing cultivation of coca. If there is a positive relationship between the amount of coca sprayed and the amount of foreign assistance given to Colombia, one can assume that foreign assistance helped Colombia's law enforcement officials decrease cultivation by spraying more coca crops.

I use two key dependent variables to assess the impact foreign assistance has had on guerrilla violence. The first is a change in the *number of reported kidnappings (per thousand inhabitants) in Colombia from 1990-2002*. This data can be obtained from the *Policía Nacional de Colombia* website.⁴ Kidnappings are a common occurrence in Colombia. In fact, Colombia has the highest number of kidnappings in the world (UNODC 2003:28). Those who have a substantial amount of land, money, or power,

⁴ Data on reported kidnappings was obtained by the *Policía Nacional*, a government run program to enhance protection throughout Colombia.

along with their family members, are common targets for kidnappers. The reason kidnappings are so prevalent in Colombia's society is because of the large guerilla organizations (Rabasa 2001:45). Ransom money collected from kidnappings is a primary source of income for guerrilla groups (UNODC 2003:28). Therefore, in order to understand the impact that foreign assistance has had on guerrilla violence, I test the impact that foreign assistance has on the number of reported kidnappings in Colombia from 1990-2002. If there is a statistically significant relationship between the amount of foreign assistance in Colombia, and the number of reported kidnappings, one can better understand the impact that foreign assistance has on Colombia's ability to provide protection for the average civilian. Specifically, if there is a relationship in the expected direction, then the amount of foreign assistance given to Colombia should increase protection throughout Colombia—therefore, decreasing the number of reported kidnappings. In sum, decreases in the number of kidnappings reported indicate a decline of overall guerrilla violence in Colombia, making kidnapping an appropriate mean of operationalizing the concept of guerrilla activity.

Although the number of kidnappings are a good indication of the level of guerilla violence in Colombia, one should keep in mind that, often times, kidnappings are not reported out of fear of what could happen if the incident is reported to Colombian police (UNODC 2003:28). Such under-reporting may serve to weaken the accuracy of the data. Although it seems to be a reasonable assumption that under-reporting would represent a fairly consistent proportion of total kidnapping in the country. Therefore, analyzing the level of kidnappings may not be appropriate, but since the emphasis here is on changes in kidnappings over time, under-reporting should not seriously undermine the validity of the

analysis. A potentially more serious problem with the data is that the kidnapping statistics are only available for the twelve-year period of 1990-2002. This small number of cases will make it difficult to find any significant effects of aid on this dependent variable.

In addition to kidnappings, another variable that is an appropriate indication of the amount of guerrilla violence in Colombia is a change in *the number of homicides (per thousand inhabitants) from 1980-2002*. This data can also be obtained from the *Policía Nacional de Colombia* website.⁵ Over the years, guerillas have been responsible for the death of many innocent lives. In the past, guerrillas and paramilitaries have even been responsible for wiping out entire villages in the rural areas of Colombia. In addition to various massacres carried out by illegally armed groups, guerrillas have murdered many other Colombian civilians, especially those involved in the government (UNODC 2003:25).

According to the UNODC, there is a direct relationship between drug-trafficking and homicides. During the early 1990s, when drug-trafficking was at its peak, Colombia's homicide rate also peaked, and when major drug cartels were dismantled, there was a drop in the homicide rate (UNODC 2003:26). Therefore, I evaluate the change in Colombia's homicide rate, and compare it to the amount of U.S. foreign assistance given to Colombia from 1980-2002. If Colombia's homicide rate increases or decreases due to the amount of foreign assistance given to Colombia, one can assess the effect that foreign assistance has had on guerrilla violence. If the number of homicides

⁵ The Policía Nacional is likely to have the most accurate data on the number of annual homicides in Colombia.

decreases with aid, then one can assume that foreign assistance had a direct effect on guerrilla violence in Colombia, as well as possibly has had an indirect influence on the drug trade.

Finally, in order to evaluate the effect that foreign assistance has had on the Colombian drug trade specifically, I choose a key dependent variable, *the estimated cultivation of coca from 1983-2002*, to reflect the change in overall drug production in Colombia. This data can be obtained from the International Narcotics Strategy Report to Congress.⁶ When determining the effect that foreign assistance has had on Colombia's overall drug trade, it is important to evaluate the estimated cultivation of illegal drugs in Colombia. According to Phillip McLean, Colombia's weak institutions are a direct result of corruption caused by illegal drug activity (McLean 2002:123). Drug production has had severe consequences in all areas of Colombian society. Despite many eradication efforts, there has been a steady increase in the amount of coca cultivation in Colombia. In order to monitor cultivation more closely; in 1999, the United Nations Office on Drugs and Crime funded the "Illicit Crops Monitoring Project-SIMCI." This introduced technology, such as satellite imagery and aerial photographs, in order to locate and quantify the amount of coca cultivation in Colombia (UNODC 2003:4).

Since Colombia is the world's number one coca leaf grower in the world, I chart the estimated cultivation of coca over time, compare it to the amount of foreign assistance given to Colombia, and then determine the relationship between coca cultivation and foreign aid through a multivariate regression analysis. If there is a

⁶ In order to obtain the amount of estimated cultivation of coca in Colombia prior to 1997, it is necessary to review the reports to Congress under the "archives" section.

statistically significant negative relationship between the amount of estimated cultivation and foreign aid, then one can assume that foreign assistance has had an effect on the amount of coca cultivation in Colombia—thus curbing Colombia’s overall drug production.

Independent Variables

Since the purpose of this study is to test for the effectiveness of U.S. foreign assistance, I divide U.S. foreign assistance into three key independent variables to better assess the impact of each type of aid; these include *economic loans and grants*, *military loans and grants*, and *total loans and grants*, which is the sum of the economic and military loans and grants.⁷ Each of the three key independent variables are used to measure the amount of foreign assistance given to Colombia from 1980-2002, and can be obtained from the U.S. Overseas Loans and Grants, also known as the USAID Greenbook. In each Greenbook, foreign assistance is reported by the recipient country annually, and then organized by the United State Agency for International Development (USAID). Unfortunately, data regarding the amount of U.S. foreign assistance distributed throughout the world is very complicated and poorly organized. There are multiple aid organizations that distribute assistance, and often times, organizations exclude some aid sources from their data compilations. Although the USAID Greenbooks do not include every aid organization or every program funded by U.S. foreign aid, the Greenbook is, overall, an adequate measure of how much foreign assistance was distributed to a specific country over time. Additionally, comparing Greenbook data to other data sources suggests that these data track consistently over time

⁷ A list of all independent variables is located in Table 2 of Appendix A.

with those figures provided by other sources. Therefore, for the purpose of this study, I use data collected from the USAID Greenbook to reflect the general trend in foreign assistance given to Colombia from 1980-2002.

According to the USAID Greenbook, a loan is any transfer of funds in which the recipient acquires a legal debt, and repayment is required over time. A grant is any cash transfer for which the recipient incurs no legal debt. In this study, I include both loans and grants to evaluate the *overall* assistance (total, economic, and military assistance) given to Colombia.

Total economic assistance is broken down into four funding categories. These categories include aid distributed by USAID and its Predecessor, by the Department of Agriculture, by the Department of State, and by other economic assistance programs. The first category of USAID funds includes all assistance that accounts for funding under USAID programs. Assistance distributed under the Department of Agriculture typically consists of food aid programs funded by the Department of Agriculture. Aid programs listed under the Department of State include those programs specifically designed for narcotics control and current Andean counter drug initiatives, along with other programs that support increasing democracy abroad. Finally, the category titled, Other Economic Assistance, includes any other active economic loan or grant reported annually. This includes programs such as the Peace Corps, along with contributions from multilateral organizations that are targeted at economic development (USAID).

In the USAID Greenbook, total military assistance includes loans or grants with a non-economic-development purpose. Military assistance includes programs such as International Military Education & Training (IMET), Peace Keeping Operations (PKO),

and Foreign Military Funds (FMF). Finally, total loans and grants include the total amount of economic loans and grants and military loans and grants combined. In addition, total loans and grants also include non-concessional support that consists of export-import bank loans and other non-concessional U.S. Loans including those distributed by the Overseas Private Investment Corporation (OPIC). Generally speaking, this data includes any direct loan or loan guarantee reported by Colombia for any specific year.⁸

When analyzing data results regarding economic and military data, one should approach results with caution. A significant amount of foreign aid was given to Colombia in the form of “narcotics aid,” specifically designed to reduce narco-trafficking and other drug activity. In reality, this money was split between economic assistance programs and military assistance programs, with the majority of the money going toward military programs. USAID, however, groups the entire narcotics fund into the category of economic assistance. Therefore, the amount of total military assistance to Colombia is actually higher than what is presented in this data analysis, and the economic aid is accordingly reduced.^{9,10} Of course, this discrepancy is consistent throughout all data years, and the total loans and grants figure does not suffer from this shortcoming.

⁸ USAID also indicates Loan Programs that have become inactive. However, this data is not available prior to FY 2003.

⁹ Clarification regarding what programs the USAID Greenbooks include and exclude was obtained via personal communication with Adam Isacson, an employee for The Center for International Policy’s.

¹⁰ Prior to FY 2003, data in the USAID Greenbooks do not include assistance to some economic or military programs. The Greenbook does not include economic and social assistance programs such as the Counter Terror Fellowship Program (2000-2003), Center for Hemispheric Defense Studies which began in 1997, Section 1004, Section 1033 (data not available prior to 1997), Discretionary Funds (popular in the late 1990s), Small Arms and Light Weapons Program, Excess Defense Articles, and Emergency Drawdowns. The majority of the data lacking in the Greenbook is related to military assistance. Therefore, when interpreting data it is important to keep in mind that total economic assistance includes the entire narcotics fund. Also, many military assistance programs (most from the Department of Defense), are not included in

Other Independent Variables

In addition to the key independent variables discussed above, throughout my analysis I account for several other factors that might influence the policy objectives being examined here as dependent variables. When testing the effect that foreign assistance has in the broad area of drug-related law enforcement activity, I first control for the Colombia's level of democracy by using data from 1980-2002, obtained from the Polity IV. Colombia's polity score measures its level of institutionalized democracy. This data was taken from Polity IV which subtracts the state's autocracy score from its democracy score to produce an eleven-point indicator of structural democracy—a score of 10 being the most democratic. Here, democracy is partially determined by the ability of citizens to express effective views about existing policies and leaders. Additionally, the level of constraints placed on the executive in power is taken into consideration, with a greater level indicative of higher levels of democracy. Autocracy represents a lack of political freedoms that may restrict or suppress competitive political participation. An eleven point autocracy scale is constructed additively according to five areas: Competitiveness of Executive Recruitment, Openness of Executive Recruitment, Constraints on Chief Executive, Regulation of Participation, and Competitiveness of Participation. The total autocracy number is then subtracted by the number reflecting institutionalized democracy (Polity IV).

Second, I control for the economic state of Colombia by including its GDP per capita. This data came from the *World Development Indicators 2004*. Colombia's GDP

the data. Although I include the analysis of each type of data, one could probably draw more accurate results by assessing how *total loans and grants* affected the dependent variable.

per capita is an acceptable way to measure the size and condition of its economy. This is important because as Colombia's economy is stimulated, more money can be spent on law enforcement objectives. Furthermore, a poor economy reduces the amount of available money, therefore decreasing the average income. Therefore, Colombia's economic environment may directly increase or decrease the available funds needed to carry out law enforcement objectives. As suggested by existing literature, controlling for a country's economic environment is essential to gaining an accurate measure of the impact of aid (Durberry 2000:4). If Colombia's economy is stimulated, then the government may have the means necessary to increase law enforcement across the country.

Finally, I control for Colombia's presidential party affiliation by using a dummy variable to control for Colombia's conservative Presidents. In this study, President Uribe, an independent, is coded the same as a president affiliated with the Liberal party, due to the fact that his origins were in the Liberal party. Also, my objective is to test conservative versus non-conservative presidents.¹¹ When controlling for Colombia's presidential party, one could expect, that if Colombia's president belongs to the Conservative party, then drug-related law enforcement activity may increase due to general accepted policies of the Conservative party. In addition, I also use a trend variable to address the natural trending in the dependent variables and address the issue of autocorrelation.

Those variables that affect law enforcement similarly affect the dependent variables that measure guerrilla violence, with an additional variable that measures

¹¹ Treating President Uribe uniquely does not change the findings.

Colombia's unemployment rate from the International Labor Office (ILO). In this case, the level of democracy, measured using the Polity score, is important because if Colombia becomes more democratic, guerrilla groups may be more likely to have a say in overall policies, and therefore, are less likely to engage in violence. For example, in the past, guerrilla leaders have created their own parties and won local elections; this may decrease the overall level of violence carried out by guerrillas for political purposes (Von der Walde 2001:2). Therefore, as Colombia's level of democracy increases, guerrilla violence that is motivated by political reasons is expected to decrease—as the guerrillas participate in democratic elections.

Colombia's GDP per capita may also influence guerrilla violence. If Colombia's economy is improving, guerrillas may find it more difficult to recruit soldiers. On the contrary, if Colombia's GDP per capita is low, then the average citizen may do whatever is necessary to provide for himself and his family, even if it means joining illegally armed groups. Also, if Colombia's economy is not stable, then the average citizen may be driven to violence, even apart from guerrilla violence. Finally, a poor economy may increase guerrilla violence by creating more of a need to obtain money from kidnapping. In sum, if Colombia's GDP per capita is low, then there are reasons to believe that guerrilla violence will increase out of the necessity to provide and survive (suggested in Durberry 1998).

Along the same lines, when measuring Colombia's GDP per capita, I control for Colombia's unemployment rate from 1980-2002. A change in Colombia's unemployment rate may increase guerrilla violence, in the sense that those who are unemployed may go to extreme measures to do what is necessary to survive. An increase

in unemployment may drive the average citizen to begin working with drug traffickers and guerrilla groups. This may increase the number of people working in the drug trade, which previously mentioned, has a direct relationship with violence (UNODC 2003:25).

Similar to that of law enforcement, controlling for Colombia's conservative presidential affiliation may indicate a decrease in the amount of guerrilla violence. As previously mentioned, conservatives are more likely to increase law enforcement and military activity, thus affecting overall violence in Colombia (suggested in Crandall 2001).

Finally, when assessing Colombia's overall drug production, I test to see a change in the estimated cultivation of coca in Colombia. When analyzing a change in the *estimated cultivation of coca*, I include these control variables: Colombia's polity score, GDP per capita, unemployment rate, Conservative presidential party affiliation, and Colombia's rural population density obtained from the World Bank.

In this case, Colombia's level of democracy may have influenced the amount of estimated cultivation by creating new and innovative ways to address the issue. For example, if Colombia became more democratic, and the average farmer was able to affectively communicate his needs to the Colombian government, then it is possible that farmers would have been more likely to work with the government in addressing the issue of illegal cultivation. The Colombian government has continually developed alternative agricultural programs for farmers, in order to give farmers the resources necessary to avoid illicit cultivation. Therefore, one can assume that the more democratic the country became the less estimated cultivation of coca occurred.

Colombia's GDP per capita is also an important control variable because a change in the country's GDP per capita may reflect the available resources needed to spend on alternative development programs for farmers. Therefore, one can assume that, if Colombia's economy was stimulated, then the government would have had more resources available to farmers. If farmers received what they needed from the government, instead of drug traffickers, then they may have been more likely to grow legitimate crops. Therefore, if there was an overall increase in Colombia's GDP per capita, then it is possible that the estimated cultivation may have decreased (Burnside 2000:32).

An increase in Colombia's unemployment rate may have also impacted the country's estimated cultivation of coca. As previously mentioned, an increase in unemployment may turn people to violence and crime. Similarly, an increase in unemployment may have reduced confidence in Colombia's government to provide for the people. Therefore, farmers and civilians that were dependent on legitimate crops may have turned to where the money is in order to survive and provide for themselves and their families. With an increase in unemployment, one could expect that the amount of estimated cultivation of coca would have increased in Colombia (suggested in Durbarry 1998:1).

In addition to Colombia's polity score, GDP per capita, and its unemployment rate, Colombia's presidential party affiliation, may have had an impact on the amount of estimated cultivation in Colombia. One again, if Colombia's president is conservative, one could expect tighter military and police activity. Therefore, if Colombia's president belonged to the conservative party, the amount of estimated cultivation in Colombia may

have decreased as the conservative policies may have increased law enforcement activity (suggested in Hartlyn 1998)..

Finally, Colombia's rural population density provides a reflection on the amount of land that may be available for the cultivation of *any* plant, including the coca plant. Therefore, a change in Colombia's rural population density may result in a change of overall coca cultivation. If Colombia's rural population density increase, then it is likely that available land for growing coca would have decreased, resulting in an overall decrease of estimated cultivation of coca. Collectively, then, these reasons indicate why I have chosen to focus on analyzing the data outlined herein (Arce forthcoming:18).

To analyze these data, two approaches will be used. First, a visual examination of the charts that plot the dependent variables over time will be conducted, comparing the observed trends to those that exist in the charts of aid over time. If trends in the dependent variables are similar to those for aid, it suggests that aid and the dependent variables are correlated.

Second, a more sophisticated examination of these data will involve the use of multiple time-series analysis using ordinary least squares regression. This statistical technique makes it possible to estimate the size and nature of the statistical relationship between a dependent and independent variable. Additionally, this technique makes it possible to control for other variables that may influence changes in the dependent variables.

One difficulty in performing time-series analysis with ordinary least squares regression is the presence of autocorrelation. This is defined as, "correlation between members of observations ordered in time [as in time-series data]" (Gujarati 1999:378).

The problem that autocorrelation poses for estimating a model using ordinary least squares regression is that it results in tests of statistical significance for the regression coefficients that are biased. Without taking this problem into consideration I could make decisions about the statistical significance of the regression coefficients that are not correct. The Durbin-Watson statistic is used to determine if autocorrelation is a problem for each model. In most cases, the Durbin-Watson statistic indicated that autocorrelation was present in the models. When this is the case, a trend variable is included that begins at 0 for the first year and increases by 1 for each following year. The coefficients for the other variables are then interpreted as the influence of the independent variable on the dependent variable, holding year constant.

9. Bivariate Analysis

In order to better understand how each key dependent variable has changed over time, I have graphed the available data for each dependent variable. Also, I have graphed the total amount of loans and grants distributed to Colombia from 1980-2002. After graphing each key dependent variable, I discuss how the dependent variable has changed over time and compare it to the change in total loans and grants distributed to Colombia. This will help illustrate the direction of the dependent variable over time, compared to the total foreign assistance given to Colombia.¹² By evaluating data represented in each graph, one may be able to identify a relationship between a key dependent variable and the amount of foreign assistance given to Colombia.

Figure 1 presents the total amount of U.S. loans and grants given to Colombia from 1980-2002 in Constant \$U.S. In 1980, Colombia received \$46.8 million. U.S. foreign aid to Colombia remained relatively constant for approximately ten years. However, in 1990, total loans and grants to Colombia increased in order to assist the nation in fighting the war on drugs. In 1990, Colombia received \$123.3 million in U.S. foreign assistance, a slight increase compared to prior years. This is most likely due to President H.W. Bush's \$2.2 billion increase in aid to the Andean region. However, over the next five years, foreign assistance began to decrease. This is most likely due to the election of President Clinton and his decision to decrease anti-narcotics funding. In 1995, foreign assistance began to gradually increase as the Republican party took over the U.S. Congress and allotted funds once again in support of fighting the drug war. Finally, in 2000, U.S. foreign assistance reached its peak at \$1,231.1 million. This

¹² Refer to Appendix B for each figure discussed in this section.

reflects the implementation of Plan Colombia. Although aid to Colombia spiked in 2000, assistance was not sustained at this level. Even so, for the next two years total foreign assistance would remain higher than any other year prior to 2000. In 2002, Colombia's assistance fell to \$550.7 million, which was approximately half of what it was in 2000. In sum, total foreign assistance to Colombia remained relatively constant until the 1990s when aid slightly increased. Following a minimal decrease, aid began to increase again, after 1995. Aid drastically increased in 2000, and then dropped in 2001. Although aid was not sustained after 2000, foreign assistance was relatively higher compared to its previous years.

Figures 2 and 3 present the trends in the variables used to represent law enforcement activity in Colombia. Specifically, Figure 2 plots the total number of drug labs destroyed from 1981-2001, in addition to, the cumulative amount of loans and grants given to Colombia from 1980-2002. In 1981, 31 drug labs were destroyed by the Colombian armed forces. For subsequent years, the number of labs destroyed gradually increased until 1987, when it reached its peak at 1,359 labs destroyed. This is consistent with fact that during the 1980s, drug activity was beginning to surface in Colombia. One would expect that if overall drug activity increased during the 1980s, then so would the number of drug lab used in order to process illegal drugs. Therefore, if more drugs labs were being established in order to process more drugs, then it is likely that law enforcement detected and destroyed more labs, as the overall number of labs increased.

During the late 1980s and early 1990s, the number of labs consistently decreased until 1996 when the number of labs destroyed reached 885. For the next three years, there was a gradual decrease in labs destroyed. However, in 1999 and 2000, the number

of labs destroyed began to increase again. Since the number of labs destroyed reached its peak in 1987, when foreign assistance to Colombia was relatively low, and then peaked again in 1996, this graph does not seem to indicate that past foreign assistance has helped to improve law enforcement with regard to the number of drug labs destroyed. Also, since there is no gradual trend in the number of labs destroyed, it is difficult to know if the increase after year 2000 is due to the increase of aid in Colombia or not. Although there seems to be no relationship between the number of drug labs destroyed, and the amount of foreign assistance given to Colombia, we will be able to assess the relationship in more detail, after analyzing the multivariate analysis.

Figure 3 plots two key dependent variables that represent law enforcement activity in Colombia. First, Figure 3 shows the amount of cocaine and base seized (kilos) from Colombian law enforcement from 1981-2001. In 1981, the amount of cocaine and base seized amounted to about 359 kilos. For the next four years, there was an increase in the amount of cocaine and base seized until 1985, when it began to decrease. The amount of cocaine and base seized, spiked in 1991 when Colombian officers seized approximately 81,000 kilos of cocaine and base. Although the amount of cocaine and base seized spiked again in 1994, an overall decrease in cocaine and base seized occurred for the next eight years.

After graphing the available data for the amount of cocaine and base seized (kilos), and then comparing it with the total amount of foreign assistance given to Colombia, one may observe a slight relationship between the amount of cocaine and base seized, and the total amount of foreign assistance given to Colombia. For example, the total amount of cocaine and base seized in Colombia, spiked in 1991, approximately one

year after President H.W. Bush initiated his \$2.2 billion Andean Initiative (Crandall 2001:101).

Although the amount of cocaine and base seized reached its peak in 1991, from that point forward the overall amount of cocaine and base seized began to decrease, even as the total amount of foreign assistance increased. Therefore, after comparing the amount of cocaine and base seized to the total amount of foreign assistance to Colombia over time, one may predict that the two variables might have a very slight relationship; however, it is not likely that the relationship is significant. Again, more specific conclusions can be determined after examining the results of the multivariate analysis.

The second line plotted in Figure 3 is the amount of coca sprayed (ha) in Colombia by aerial fumigation from 1981-2001. Aerial fumigation is a relatively new way to deter farmers from growing illegal crops. Therefore, there was no coca sprayed from 1981-1984. However, in 1985, 1,334 ha of coca were sprayed by the Colombian military. The amount of coca sprayed remained low until the mid-1990s when aerial fumigation began to rapidly increase. In 1995, about 25,000 ha of coca were sprayed. Two years later, approximately 41,000 ha of coca were sprayed. One year later, in 1998, aerial fumigation increased to about 66,083 ha of coca sprayed. Finally, in 2001, the amount of coca sprayed reached its peak at 94,153 ha of coca sprayed. In sum, beginning in the mid-1990s, the amount of coca sprayed by Colombian law enforcement increased over time, and reached its peak in 2001.

After graphing the amount of coca sprayed (ha), and comparing it with the total amount of foreign assistance to Colombia, one can see an obvious parallel relationship between the two variables. For example, the amount of coca sprayed began to steadily

increase beginning in 1994. One year later, the amount of foreign assistance to Colombia began to incline. Similarly, the amount of coca sprayed reached its peak in 2001—one year after Plan Colombia was initiated. Therefore, both variables that measure the amount of coca sprayed and total loans and grants show an overall steady increase that began in the mid-1990s and peaked in 2001. In sum, both data indicate similar trends and therefore may possibly be correlated. However, one will be able to clarify the exact relationship after regressing the amount of coca sprayed on the total loans and grants to Colombia.

Figures 4 and 5 present the variables used to represent guerrilla violence in Colombia. Specifically, Figure 4 plots the total number of kidnappings (per thousand inhabitants) reported in Colombia from 1990-2002. In 1990, about 1,000 kidnappings were reported in Colombia. The following year, reported kidnappings increased by about a thousand. For the next four years, kidnappings remained relatively lower, but after 1995, kidnappings began to gradually increase—most likely due to the increase in guerrilla violence and drug activity. Reported kidnappings peaked in 1999 with 3,706. The following years show a constant decrease in reported kidnappings. However, although the number of kidnappings (per thousand in inhabitants) gradually decreases, kidnappings remained relatively high until 2002. It appears that the total amount of reported kidnappings (per thousand inhabitants) gradually increases over time.

After graphing the number of reported kidnappings and comparing the available data to the total loans and grants given to Colombia from 1980-2002, one can see that both kidnappings (per thousand in habitants) and total loans and grants gradually increased during the late 1990s and peaked around year 2000. Also, both decreased after

2001, but remained higher, compared to earlier years. This data indicates that a relationship between the amount of kidnappings and the amount of foreign assistance may have a slight relationship in the opposite, expected, direction. If this is the case, then other variables such as Colombia's GDP per capita or its unemployment rate may be other potential factors that influence the number of reported kidnappings.

Figure 5 plots the number of homicides (per thousand inhabitants) that occurred in Colombia from 1981-2002. In 1981, about 10,000 people were murdered. Over the next ten years, Colombia's homicide rate gradually increased and peaked in 1991 with approximately 28,000 homicides. This is most likely due to the violent guerrilla movement that occurred during the 1980s and 1990s. After Colombia's homicide rate peaked in 1991, there was a constant decrease until 2002—however even then, the homicide rate was relatively higher than previous years.

Although the data does not illustrate a direct relationship between the number of homicides in Colombia from 1981-2002 and the total loans and grants given to Colombia from 1980-2002, it is difficult to assess any relationship between the two variables. Colombia's homicide rate reached its peak in 1991, approximately the same time that aid slightly increased to Colombia. However, as foreign assistance remained relatively consistent from 1990 to 1997, the homicide rate began to decrease following 1991. When aid began to increase again after 1997, the country's homicide rate began to steadily increase as well. Therefore, based on both graphs, it is difficult to determine if there is any relationship between Colombia's homicide rate and the amount of foreign assistance given to Colombia.

Figure 6 presents the trend in the variable used to represent the overall drug production in Colombia. Specifically, Figure 6 plots the amount of estimated cultivation of coca (ha) in Colombia from 1983-2002. In 1983, about 11,000 ha of coca were cultivated in Colombia. From that point forward, the amount of coca cultivated gradually increased over time. In the 1980s, coca cultivation reached a high of about 43,000 ha of coca. This would seem like a small number by 2002, when estimated cultivation reached its peak at 267,145 ha.

Overall, beginning in 1983, the amount of estimated cultivation of coca in Colombia steadily increased over time until it reaches its peak in 2002. This is similar to the trend illustrated in the total amount of foreign assistance given to Colombia from 1980-2002. Based on the comparison between the estimated cultivation of coca over time, and the total amount of loans and grants given to Colombia over time, a parallel trend can be observed. Both data represent a small quantity in the early 1980s, and then gradually increase over time until the late 1990s. Therefore, based on the comparison of raw data, there appears to be a relationship between the amount of estimated cultivation of coca and the amount of foreign assistance given to Colombia. However, this relationship negative, opposite the expected direction.

In sum, a visual comparison that presents the trends in the variables used to represent law enforcement activity in Colombia, indicate only a partial support for the hypothesis that the amount of foreign assistance is related to law enforcement activity in Colombia. It appears that the amount of coca sprayed increased over time with aid, exhibiting a very similar trend. Therefore, foreign assistance may have influenced the amount of law enforcement activity, but only with respect to aerial fumigation. There is

no evidence of a bivariate correlation with the other dependent variables measuring law enforcement.

Similarly, a visual comparison that presents the trends in the variables used to represent guerrilla violence in Colombia, indicate that foreign assistance has no significant relationship to the amount of guerrilla violence in Colombia. Although the number of reported kidnappings increased over time, as did aid, this data is inconsistent with the expected direction. Therefore, one can assume that other factors may influence the increase of reported kidnappings, apart from foreign assistance. Based on the visual comparison of Colombia's homicide rate and the amount of foreign assistance, data was inconclusive. There was no indication that foreign assistance influenced Colombia's homicide rate.

Finally, the figures indicate that overall drug production in Colombia manifests a similar trend to that of foreign assistance. Both variables, estimated cultivation in Colombia and total loans and grants given to Colombia indicate an overall increase over time. Both data began with a small amount and increase annually until the total amount of foreign aid peaked in 2000. Therefore, similar trends in the data suggest that there may be a relationship between the amount of estimated cultivation in Colombia and the amount of foreign assistance given to Colombia. Although the plotted data shows similar trends, the data suggest a relationship that is opposite of the expected direction. Therefore, one could assume that other factors may be directly related to the overall estimated cultivation of coca.

Although plotting the key dependent variables and comparing them with the total loans and grants given to Colombia may suggest some relationships between key

variables, there are limitations for testing the hypothesis in this manner. It is a suggestive interpretation of the overall trends in the dependent variable compared to the independent variable. However, no statistical estimate of the relationship of foreign aid and the dependent variable can be made. Other factors that may influence the relationship between foreign aid and the dependent variable were not taken into consideration when interpreting the comparison of data. A better approach to test the hypothesis that overcomes these limitations is the use of a multivariate time-series analysis using ordinary least squares regression.

10. Multivariate Analysis

Analysis of Law Enforcement

A more sophisticated way to test the relationship between foreign assistance and the variables that represent law enforcement, guerrilla violence, and drug production, is to conduct a multivariate time-series analysis using ordinary least squares. In this section, I regress each type of foreign assistance (total, economic, and military) on each key dependent variable.¹³ To test the relationship between aid and law enforcement, I regress all types of aid on the number of drug labs destroyed, the amount of cocaine and base seized (kilos), and the amount of coca sprayed (ha) from 1981-2001.

The multivariate regression analysis that examines the relationship between the number of drug labs destroyed and foreign assistance is presented in Table 3.¹⁴ One would expect that if foreign assistance programs are accomplishing its goals, then the number of drug labs destroyed in Colombia would increase with aid. However, Models 1, 2, and 3 do not indicate a causal relationship between the number of drug labs destroyed and the amount of foreign assistance (total, economic, or military) distributed to Colombia.

One objective of aid programs has been to increase law enforcement in order to decrease drug activity. Therefore, foreign assistance programs are specifically designed to increase law enforcement personnel, which would allow police to check areas previously unmonitored. This is important in the actual detection of drug labs. In addition to an increase in law enforcement personnel, foreign assistance programs have

¹³ Refer to Table 2 in Appendix A for a description of each variable.

¹⁴ Table 3 is located in Appendix A.

aimed to increase training in the area of military intelligence—specifically as it relates to combating drug activity. This may also be useful when attempting to detect newly-established drug laboratories. Therefore, since the data show no correlation between the amount of foreign assistance given to Colombia and the number of drug labs destroyed, foreign aid does not seem to have an effect on law enforcement in this area.

One possible reason that aid shows no correlation may be explained by the corruption of law enforcement officials. According to the UNODC, in 2002, a corruption scandal surfaced that reflected irregularities in how anti-narcotic aid was being used. This specific scandal involved Anti-Narcotics police using foreign assistance in order to cover the cost of unauthorized trips. In spite of anti-corruption policies, corruption still seems to be weakening havoc on Colombia's institutions. If corruption has influenced law enforcement in this way, additional aid would not effectively assist the overall goals of increasing law enforcement activity. Therefore, it is not surprising that aid shows no relationship with the number of drug labs destroyed (UNODC 2003:27).

One variable that is statistically significant across all three models is the dummy variable measuring Colombia's conservative presidents. The data indicates that if Colombia's president belongs to the Conservative party, then the number of drug labs destroyed is expected to decrease by approximately 400 labs. Across all three models, the data are statistically significant at the 90% confidence level (or alpha of .10). These findings are consistent with what is generally expected from the Conservative party. Conservative policies are usually more likely to increase military and law enforcement efforts. Therefore, it is not surprising to find a relationship between a president's party affiliation and the number of drug labs destroyed. In this table there are no other

variables that are statistically significant with the number of drug labs destroyed in Colombia.

Across all three models in Table 3, the R-Squared values are very low and none of the F values are statistically significant. This indicates that the models neither fit the data well, nor are they statistically strong. However, in each model, the Durbin-Watson statistic is close to 2, indicating no appreciable autocorrelation.¹⁵ In sum, Table 3 indicates that foreign assistance is not correlated with the number of drug labs destroyed. However, the president's party affiliation does seem to impact law enforcement in this area. Overall, these findings are consistent with the hypothesis, that U.S. foreign assistance to Colombia will not improve the effectiveness of law enforcement activity.

The multivariate regression analysis that examines the relationship between the amount of cocaine and base seized and U.S. foreign assistance is presented in Table 4.¹⁶ Assuming that foreign assistance programs are increasing interdiction efforts, one would expect to see an increase in the amount of drugs seized by police as aid increases. Specific programs have been designed in order to increase law enforcement and target narco-trafficking. The United States has funded programs such as the Air Bridge Denial program and the Special Reconnaissance and Assault Unit of the Colombian Navy, in order to increase both aerial and maritime interdiction.

However, after running the regression analysis, the data indicate that there is no significant relationship between the amount of foreign assistance (of any type) given to

¹⁵ The Durbin-Watson statistic indicated that autocorrelation was present in some models. When this is the case, a trend variable is included that begins at 0 for the first year and increases by 1 for each following year. The coefficients for the other variables are then interpreted as the influence of the independent variable on the dependent variable, holding year constant.

¹⁶ Table 4 is located in Appendix A.

Colombia and the amount of cocaine and base seized. Again, one reason for this may be corruption within Colombia's law enforcement institutions. One of the most important institutions that are responsible for drug control in Colombia is the Anti-Narcotics Police. As previously determined, corruption has been a concern for officials within this specific institution. In addition, corruption within Colombia's law enforcement has been addressed by the U.S. Congress almost annually, prior to 1998. Over the years, some Colombian law enforcement officials have seemingly worked with those involved in the drug trade. In fact, in 1998, Colombian security forces fired about 90 officers that were believed to be corrupt (Crandall 2001:105). Assuming that corruption has weakened law enforcement efforts, one would not expect additional assistance to improve overall law enforcement interdiction efforts.

This is consistent with what was hypothesized. If Colombia's institutions are weak and lack the capacity to use funds appropriately, this would undermine the effectiveness of law enforcement efforts such as cocaine seized, even with an increase in aid. Therefore, foreign assistance would show no correlation with the amount of cocaine and base seized by Colombian police.

In all three models, GDP per capita, which is used to control for the overall state of the Colombian economy, is statistically significant. This indicates that as Colombia's economy was stimulated, the amount of cocaine and base seized also increased. In fact, for every one dollar increase in GDP per capita, we can expect the amount of cocaine and base seized to increase by about 55 kilos. To use more realistic numbers, with every \$1,000 increase in GDP per capita, one would expect the amount of cocaine and base seized to increase by 55,000 kilos. This is statistically significant at the 95% confidence

level (or alpha .05). These findings are not surprising. In fact, if the economy is stimulated, then more overall resources may be available for interdiction operations. Also, if the economy is doing well, people may be less likely to work with drug traffickers. An overall stimulation of the economy will help Colombians feel optimistic about the government's role in fighting the drug war. Aside from the GDP per capita, no other independent variable was statistically significant.

Across all three models, the R-squared value is around .7 which indicates that the model describes about 70% of the variation in the amount of cocaine and base seized annually. In all three models, the F value is significant, indicating that all three models provide a statistically significant explanation of the dependent variable. Finally, all of the models have a Durbin-Watson statistic very close to 2, indicating little to no autocorrelation. In sum, the data testing the relationship between the amount of foreign aid and the amount of cocaine and base seized are not statistically significant—indicating no causal relationship in either direction. In addition, Colombia's GDP per capita indicates that as Colombia's economy is stimulated, the amount of cocaine and base seized is also expected to increase.

Finally, the multivariate regression analysis that examines the relationship between the amount of coca sprayed (ha) and foreign assistance is presented in Table 5.¹⁷ Due to the controversial nature of aerial fumigation and its recent implementation and then more recent suspension, when regressing the amount of coca sprayed on the amount of foreign assistance, it is difficult to determine how foreign aid really affects the amount of coca sprayed. Aerial fumigation is relatively new and very controversial. However,

¹⁷ Table 5 is located in Appendix A.

the United States has always supported aerial fumigation efforts—including providing aircrafts necessary to carry them out. Although the United States has supported aerial fumigation, many environmentalists and Colombian citizens have spoken out about the effects it has had on legitimate crops. In addition, Colombian citizens have expressed concerns about the chemicals sprayed, and how they may affect the health of those it comes in contact with. Due to the controversy surrounding the subject of aerial fumigation, in addition to existing literature that indicates aid is not effective, it is not surprising that the data in Table 5 show no statistically significant relationship between the amount of foreign assistance (of any type) and the amount of coca sprayed.

However, polity score, used to measure the level of democracy in Colombia, is statistically significant across all three models at the 95% confidence level (or alpha of .05). This indicates that as Colombia became more democratic, the amount of coca sprayed decreased. Specifically, were Colombia to increase its level of democracy by one point on the eleven-point scale to 8, from its current 7, we would expect a decrease of the amount of coca sprayed by about 11,000 ha. Again, this may reflect the heightened popular concern about aerial fumigation and the chemicals used in order to kill the crops. Not only are people concerned about the chemicals being used with regard to their health, but local farmers and governmental officials who support alternative crop development programs argue that the actual drift of the chemicals kill crops grown by nearby landowners. Other concerns regarding aerial fumigation include the danger of flying the planes necessary to carry out the fumigation process. There have been several instances where planes were shot down by guerrillas and the pilots aboard were either executed or kidnapped. Therefore, if more policies are shaped by the views of the people, one could

expect the amount of coca sprayed in Colombia to decrease as these concerns are addressed.

In addition to polity score, Model 3 indicates that presidential affiliation is correlated with the amount of coca sprayed. Specifically, if Colombia's president belongs to the Conservative party, then the amount of coca sprayed is expected to increase by about 12,000 ha of land. This is consistent with the fact that in 2000, foreign assistance drastically increased, in part, to carry out aerial fumigation objectives. During this time, President Pastrana (conservative) was president. In contrast, if a president is elected that is not affiliated with the Conservative party, one could expect the overall amount of coca sprayed to decrease. This is currently the case with President Uribe, as he has suspended aerial fumigation in areas of Colombia, specifically along its border with Ecuador (UPI 2002:1). Findings may largely reflect accepted and expected policies by the Conservative party regarding law enforcement strategies.

In all three models, the R-squared values are high, approximately 80%, and all three F values are statistically significant at the 99% confidence level (or alpha of .01). This indicates that the each model is strong and fits the data well. In addition, the Durbin-Watson statistic is approximately 1.6 which indicates that the effects of autocorrelation cannot be determined, but are likely to be limited. In sum, there is no relationship between the amount of foreign assistance and the amount out of coca sprayed (ha) by Colombian officials. However, as Colombia becomes more democratic, one can expect a decrease in the amount of coca sprayed. On the contrary, if Colombia's president is conservative, one can expect aerial fumigation to increase. Overall, the data

show no relationship between aid and eradication efforts carried out by Colombian law enforcement.

Analysis of Guerrilla Violence

To test the relationship between foreign assistance and the level of guerrilla activity, I regress all types of aid on the number of reported kidnappings (per thousand in habitants) and the number of homicides (per thousand inhabitants). The multivariate regression analysis that examined the relationship between foreign assistance and persons kidnapped is presented in Table 6.¹⁸ Assuming that assistance to Colombia has successfully provided more security for its people, one would expect the number of kidnappings to decrease as aid increased. However, all three models indicate that there is no statistically significant relationship between the amount of foreign assistance (of any type) and the overall number of people kidnapped. In fact, there is no significant indication that Colombia's level of democracy, GDP per capita, unemployment rate, or president's party affiliation (conservative) influences the number of kidnappings (per thousand inhabitants) either.

These findings lend support to theories presented by Peter Boon who argued that foreign aid does not reach those that it is intended to help. Ideally, foreign assistance would help decrease poverty which would allow civilians to have the means necessary to protect themselves against guerrilla activity. According to the World Bank, over one half of the population in Colombia lives in poverty (UNODC 2003:9). Due to the extreme poverty in Colombia, the average civilian is at an extreme disadvantage when trying to protect themselves against the wealthy guerrillas. If Boon is correct, and overall foreign

¹⁸ Table 6 is located in Appendix A.

assistance to Colombia is not reaching those that need it most, then it is not surprising to find no relationship between the amount of foreign aid and the number of kidnappings in Colombia. Also, Boon argues that foreign aid actually increases inequality which is likely to increase violence. According to the UNODC, “inequality is at the root of Colombia’s 40 year civil war” (UNODC 2003:9). Therefore, if Boon is correct, and foreign aid is increasing inequality within Colombia, violence is expected to increase with aid. In this case, the data are consistent with my hypothesis. However, one should approach these findings with caution. The data that indicate the number of kidnappings reported over a long period of time is not available. The data that are available is often flawed because all kidnappings are not reported to authorities for fear of reprisals (UNODC 2003:28). Therefore, due to the lack of data available for kidnappings and the ambiguity that involves the actual reporting of kidnappings, this study may not reveal the actual relationship between the amount of foreign assistance and the level of guerrilla violence with respect to kidnappings.

In all three models, the R-squared value is around .9 which indicates that the model describes approximately 90% of the variation in the amount of coca sprayed in Colombia annually. In addition, all models are statistically significant at the 99% confidence level (or alpha .01). In all three cases, the data indicate that the effects of autocorrelation cannot be determined with a Durbin-Watson statistic around 2.4. In sum, foreign assistance (of any type), in addition to, all other control variables, show no relationship with the number of kidnappings in Colombia. Therefore, foreign assistance does not seem to have influenced overall guerilla activity in Colombia with respect to the number of kidnappings (per thousand inhabitants).

The multivariate regression analysis that examines the relationship between the amount of U.S. foreign aid and Colombia's homicide rate is presented in Table 7.¹⁹ If foreign assistance is effective, then as aid to Colombia increases, the effects of guerrilla violence should decrease. Specifically, one would assume that as aid increased, the homicide rate would decrease. However, the data indicate that there is no significant relationship between the amount of aid given to Colombia (of any type) and change in Colombia's homicide rate. This may be consistent with earlier discussions regarding how aid is often not distributed to those in need (Boon 1996:292). If aid does not serve to alleviate inequalities in a society, then it is unlikely to decrease the violence, which is often rooted these inequalities (UNODC 2003:9). This failure to address underlying causes of manifest problems may thereby render aid ineffective in this context and yield a null result in the statistical analysis.²⁰

Another alternative explanation could be the presence of corruption within Colombia's law enforcement. If law enforcement officials are involved in the drug trade, then one would expect to see no connection between homicides rates and aid money given to corrupt agencies. Giving additional aid to combat guerrilla activity is counter-productive if the money is going to a corrupt institution that is responsible curbing guerrilla violence.

Across all three models, GDP per capita was statistically significant at the 95% confidence level (or alpha .05). These data indicated that as Colombia's GDP per capita increased, Colombia's homicide rate decreased. With every \$1,000 increase in

¹⁹ Table 7 is located in Appendix A.

²⁰ The dependent variable discussed here is the change in Colombia's homicide rate, not its homicide rate.

Colombia's GDP per capita, the homicide rate decreased by about .03 per one thousand people. In 1986, Colombia's homicide rate was significantly higher than usual, at .08. If, for example, the GDP per capita had increased in 1998 by \$1,000, the homicide rate could have decreased by .03, which indicates a substantively significant decrease in homicides by nearly half the total in that year. These findings are as expected. I have hypothesized that as Colombia's economy improves, more money is available for the government to increase security throughout Colombia and to battle drug trafficking that is correlated to homicides.

In addition to GDP per capita, data in Models 1 and 2 for total aid and economic aid respectively indicated that as Colombia's president is conservative, the homicide rate is also expected to decrease. Specifically, when the president of Colombia was conservative, the homicide rate decreased by about .04. This is most likely due to an emphasis within the Conservative party on law enforcement.

However, in all three models the R-squared value is very low and none of the F values are statistically significant. This indicates that all three models are very weak. In addition, the Durbin-Watson statistic across all models is in the area of indeterminacy with a value of about 1.5. In sum, there is no relationship between foreign assistance and a change in the number of homicides (per thousand inhabitants) in Colombia. However, as expected, as Colombia's economy is stimulated, Colombia's homicide rate decreased. Also, in two of the models, the Colombian president's party affiliation had a statistically significant effect of reducing then number of homicides.

Analysis of Drug Production

To test the relationship between U.S. foreign aid and Colombia's overall drug production, I regress all categories of aid on the amount of estimated cultivation of coca (ha) in Colombia from 1983-2002. The multivariate regression analysis that examines the relationship between the amount of estimated cultivation of coca (ha) and the amount of foreign assistance is presented in Table 8.²¹ If foreign aid projects are successful at curbing overall drug production in Colombia, as foreign assistance increased to Colombia, the amount of estimated cultivation of coca should decrease. However, data in each model show that there is no significant relationship between the amount of foreign aid (of any type) and the amount of estimated cultivation of coca (ha) in Colombia.

One of the primary objectives of U.S. aid to Colombia, over the years, has been to decrease the cultivation of coca. Not only have aid programs supported aerial fumigation to discourage the growth of coca crops, but the Colombian government has also increased efforts in order to persuade farmers to give up growing illicit crops, by providing them with whatever they need to successfully cultivate alternative agricultural produce. This includes money, machines, and even farm animals (Veilette 2005:5). Although many of these sorts of programs have been supported by U.S. assistance, the data suggest that aid has also been ineffective in this area.

The two major programs designed to address coca cultivation include aerial fumigation and alternative development programs. Both are designed to reduce coca cultivation, however, both approaches have their limitations. First, apart from the controversy surrounding aerial fumigation, this approach to influencing estimated

²¹ Table 8 is located in Appendix A.

cultivation does not eliminate the actual coca crop—instead, it just frustrates its growth. According to Cassen, one reason that foreign aid programs often fail, is due to poor design. Although the United States has supported aerial fumigation, one could argue that aerial fumigation programs fall into the pitfall just mentioned. Aerial fumigation is expensive, dangerous, and overall ineffective at addressing the overall cultivation of coca. In addition, most coca growing areas are under control of the country's guerilla groups. Therefore, alternative crop development programs are only likely to affect a small number of farmers. Also, alternative development programs are voluntary. Therefore, even if landowners are open to receiving help from the government, they may be fearful that getting help from the government would put them at more of a risk, since farmers are often targeted by guerrilla groups. According to the UNODC (2003), the goal behind many homicides is to eliminate those who are collaborating with opposing factions. This creates fear, terror, and displacement. If farmers voluntarily work with alternative development programs, they may be putting themselves at more of a risk, than if they worked with the guerrillas.

Although foreign assistance was not statistically significant in this analysis, three variables are significant across all three models. First, the polity score, used to measure the level of democracy in Colombia, is statistically significant across all three models at the 95% confidence level (or alpha of .05). These data indicate that as Colombia became more democratic, the amount of estimated coca cultivation decreased by approximately 8,000 ha of land for each one-point increase on the 11-point democracy scale.²² These findings are consistent with what was expected. As Colombia becomes more democratic,

²² The range for Colombia on the Polity Score from 1980-2002 is a low of 7 and a high of 9.

people may be more likely to work with the government toward the common goal of decreasing cultivation. Democratic policies allow the people to have a say in solutions to the problem. This may be particularly effective when trying to establish alternative development programs that are geared to meet the needs of farmers, including heightened security. If civilians can express their needs to the government, and the government has the means available to meet their needs, then alternative development programs may be more likely to succeed—possibly decreasing cultivation.

In addition to Colombia's level of democracy, the amount of estimated cultivation is also expected to decrease as Colombia's rural population density increases. Specifically, for every additional percent increase in rural population density, the amount of estimated cultivation should decrease by about 2,000 ha of land. As the rural population becomes more concentrated, the amount of actual land available to be cultivated may actually be decreasing, which provides less space for coca cultivation specifically. So, as rural population density increases, the overall cultivation of coca declines.

Finally, unemployment has a statistically significant positive relationship with coca cultivation across all three models at the 99% confidence level (or alpha of .01). This finding suggests that with every additional percent increase in Colombia's unemployment rate, the estimated cultivation of coca is expected to increase by about 22,000 ha of land. This is true across all three models. This is also consistent with what I hypothesized above. As unemployment increases, people may go to extreme measures to do what is necessary to provide for their families and for themselves, making them more likely to get involved with drug activity. These data indicate that if programs are

successful in providing jobs for those who are unemployed, the estimated cultivation of coca will decrease; therefore, suggesting that aid, which successfully targets economic problems such as unemployment, is likely to have the positive effect of reducing coca production.

Across all three models, the R-squared value is high and all three F values are statistically significant at the 99% confidence level (or alpha .01), indicating that the model fits the data well. Although, it is likely that much of this model fit can be attributed to the large and statically significant trend variable included in the model to account for over-time trends in the dependent variable. On the other hand, all three Durbin-Watson statistics are around 1.6, thus, the effects of autocorrelation cannot be determined, which should cause some caution when interpreting the results.

In sum, as expected, foreign assistance has shown no relationship with the estimated cultivation of coca (ha) in Colombia. This is likely attributed to the fact that both of the programs designed to target cultivation are poorly designed and are not expected to produce a desired outcome. However, the data indicate that as Colombia became more democratic, estimated cultivation decreased. Also, an increase in Colombia's rural population density is expected to decrease cultivation, as available land decreases. Finally, as expected, Colombia's unemployment rate has a positive relationship with estimated cultivation; as Colombia's unemployment rate increased, the amount of estimated cultivation increased.

In conclusion, after testing the relationship between U.S. foreign assistance and the broader areas of Colombian society that that have been primary targets for U.S. assistance over the years (Colombia's law enforcement activity, guerrilla violence, and

overall drug production), I find the following. First, when testing the relationship between foreign aid and those dependent variables that measure the level of Colombia's law enforcement, the analysis suggests that there is no relationship between foreign assistance and the number of drug labs destroyed, the amount of cocaine and base seized (kilos), and the amount of coca sprayed (ha). Further, only in some cases do the variables that control for Colombia's presidential party affiliation, its GDP per capita, and its polity score, have an influence on law enforcement activity. Each of these three variables have notable effects on only one of the three measures of drug-related law enforcement activity.

After testing the relationship between U.S. foreign assistance and those variables used to assess Colombia's guerrilla violence, the analysis indicates that there is no causal relationship between U.S. foreign assistance and the number of kidnappings (per thousand in habitants) or the number of homicides (per thousand inhabitants). However, both GDP per capita and presidential party affiliation have a statistical relationship with Colombia's homicide rate. As Colombia's GDP per capita increased, and its president belongs to the Conservative party, the number of homicides decreased. These findings are consistent with the expectations that more prosperity will decrease crime, and the conservative presidents are more focused on and successful at reducing crime.

Finally, after testing the relationship between U.S. foreign assistance and Colombia's drug production, the data indicate that there is no causal relationship between the amount of aid and estimated coca cultivation. Although foreign aid is not statistically significant, improving Colombian democracy and increasing rural population density, both reduce the amount of estimated coca cultivation. However, an increase in

Colombia's unemployment rate is expected to increase the estimated cultivation of coca (ha). Throughout all six tables, foreign assistance showed no relationship to the variables that represented the broader areas of Colombia's society.

Conclusion

No country has suffered the negative consequences of violence, guerrilla activity, and drug-related activity more than Colombia. Even a brief analysis of Colombia's history reveals a recurring pattern of internal conflict. Initially, such conflict resulted from political violence between the Conservative and Liberal parties. In response to the political violence, multiple guerrilla groups emerged throughout the countryside. Although guerrillas originally organized to provide protection, they would soon discover lucrative opportunities in the drug trade, and subsequently, terrorize the people whose interests they once guarded.

As the relationship between guerrillas and drug traffickers became more intertwined, profits attained by the drug trade allowed groups such as the FARC, ELN and AUC to become very wealthy and powerful—therefore having more of an influence than the Colombian government. By the early 1980s, Colombia was weak, divided, and dominated by guerrillas and drug traffickers.

With the end of the Cold War, the United States was able to turn its attention from preventing communist influences around the world, to addressing the consequences of the drug trade. By the late 1980s and early 1990s, U.S. foreign assistance was being distributed in order to decrease the cultivation of drugs and to increase interdiction efforts—especially in Colombia.

In 1999, Colombian President Andrés Pastrana was elected into office. Eager to improve Colombia's situation, Pastrana worked to restore U.S.-Colombian relations. By 2000, the United States responded to his earlier request for assistance and allotted \$3.1 billion in foreign assistance to Colombia under "Plan Colombia." The purpose of this

initiative was to help stimulate Colombia's economy, to assist Colombia in its armed conflict, and most importantly, to offer aid for anti-narcotic efforts (in terms of preventing cultivation and reducing the distribution of drugs).

Although the United States has given billions of dollars in foreign assistance in order to support the Colombian government in fighting guerrilla activity and curbing the drug trade, the actual impact of foreign assistance in Colombia is undetermined. Scholars continue to debate the actual effectiveness of foreign aid in achieving these and other similar macroeconomic and political goals. Studies that survey the impact of foreign aid *programs* in developing countries have found that, overall, aid can have a positive effect on the country. For example, some foreign aid programs have been successful at decreasing the price of food in poor countries. This has had a positive impact on those countries because it has allowed more people to afford to buy food. However, when the direct effect of foreign assistance on the growth of a developing country is tested empirically, scholars have found more ambiguous results. For example, scholars such as Griffin and Enos (1970) and Peter Boon (1996), found that aid is not a determinant for growth. On the other hand, scholars such as Burnside and Dollar (2000), found that aid does impact growth, but only when the policies of the recipient country are strong. Durberry (1998) also found a positive relationship between foreign aid and growth. This continual debate regarding the effectiveness of foreign assistance on developing countries is often called the "micro-macro paradox." On a micro-level of studying the impact of specific foreign assistance programs, aid seems to have a positive effect through the successful completion of these specific programs. However, studies that examine the impact of aid on more macro-level outcomes, such as growth, are divided over the

effectiveness of aid. It is clear from all of these studies that aid is only effective under a very controlled set of circumstances.

In order to address this paradox, I tested the effectiveness of U.S. foreign assistance on three broad areas of Colombian society which have been the target of U.S. foreign aid objectives overtime. These broad areas include Colombia's drug-related law enforcement activity, guerrilla violence, and overall drug production. Specifically, in order to analyze the impact of foreign assistance on Colombia's law enforcement activity, I tested the relationship between U.S. foreign aid and the number of drug labs destroyed, the amount of cocaine and base seized (kilos), and the amount of coca sprayed in Colombia from 1981-2001. To examine the influence of foreign assistance on guerrilla violence, I tested the relationship between U.S. foreign assistance and the number of reported kidnappings from 1990-2002 and the number of homicides from 1980-2002. Finally, in order to test the impact of foreign assistance on overall drug production in Colombia, I tested the relationship between U.S. foreign assistance and the estimated cultivation of coca from 1983-2002.

Using available data that generally cover the years 1980-2002, I explore this relationship in two ways. First, I examine the bivariate relationship between each dependent variable and the total amount of U.S. assistance to Colombia by examining their movement over time in graphs. By design, of course, these results were inconclusive and limited, but they did suggest the lack of a connection between aid and the policy goals it sought to achieve in Colombia. However, this finding was then confirmed by the multivariate time-series analysis of each dependent variable. In this analysis, I tested the relationship of U.S. foreign assistance (total, economic, and

military) on all six dependent variables, while controlling for other factors. The results of this analysis indicate that there is no significant connection between the amount of foreign assistance given to Colombia and any of the policy goals examined. These findings are most consistent with research conducted by Peter Boon whose theories suggest that aid does not reach those in need. Findings in this analysis support that theory and imply that, due to corruption and weak institutions, U.S. foreign assistance is not reaching those it is intended to help.

Although foreign aid did not have a statistically significant relationship with any of the policy goals, other independent variables that were controlled for throughout the analysis were statistically significant. For example, when analyzing Colombia's drug-related law enforcement activity, data indicates that Colombia's presidential party affiliation is statistically significant. Ironically, if Colombia's president was conservative, the number of drug labs destroyed decreased, but the amount of coca sprayed increased. This suggests that with respect to drug-related law enforcement efforts, a Conservative president may approach combating drug activity by increasing efforts to deter the actual cultivation of coca, instead of interdiction efforts. Colombia's presidential party affiliation was not only statistically significant when analyzing drug-related law enforcement, but it was also statically significant with respect to Colombia's guerrilla activity—as it relates to Colombia's homicide rate. Data indicates that if Colombia's president belongs to the Conservative party, then Colombia's homicide rate will decrease. Therefore, it seems as if policies that are generally accepted by the Conservative party stress the importance of illicit drug cultivation and heightened protection for its citizens.

In addition to presidential party affiliation, results indicated that Colombia's economic situation would impact all three policy objectives. Specifically, as Colombia's economy was stimulated, interdiction efforts increased. This is expected, because as Colombia's economy flourishes, the government will have more means necessary to combat the drug trade—thus increasing interdiction efforts. Also, when examining guerrilla activity, Colombia's economic situation influenced its homicide rate. As Colombia's economy was stimulated, the number of homicides decreased. This indicates that in addition to having the means necessary to increase security throughout the country, a good economic environment may deter civilians from getting involved in the drug trade. Finally, along the same lines, when examining Colombia's overall drug production, the effect of Colombia's unemployment rate was statistically significant. As Colombia's unemployment rate increased, the estimated cultivation of coca also increased—indicating that Colombia's economic environment is a significant determinant of reaching all three policy goals.

Finally, Colombia's level of democracy was statistically significant when exploring Colombia's drug-related law enforcement efforts and its overall drug production. Specifically, as Colombia became more democratic, the amount of coca spraying decreased as did the amount of estimated cultivation. This is not surprising since aerial fumigation is such a controversial subject. Many farmers and civilians have expressed their concerns about how it affects their crops and health. One can conclude that as Colombia becomes more democratic, the Colombian people will have more input as to how Colombia's drug problem should be addressed. This may encourage

Colombian civilians to assist the government in finding a solution to its drug predicament.

Overall, the results support the argument that aid has not been effective in Colombia. Given the macro-level focus of this analysis on broad outcomes rather than on very specific program success, these findings should not be surprising. Most other similar studies have failed to find a connection between aid and macro-level indicators. The only exceptions (Burnside and Dollar 2000; Durberry 1998) are studies that found a macro-level impact for aid only when the recipient country had the capacity for positive policy implementation. Given the weakness of Colombian government institutions (Griffin and Enos 1970) as well as other problems that undermine policy effectiveness, it makes sense that U.S. aid to Colombia has thus far been largely unsuccessful in achieving the wide-ranging policy outcomes it seeks. According to Griffin and Enos (1970), foreign aid is likely to fail when there are poor policies and institutions in place. Although Colombia's policies may be strong, its institutions are weak and therefore may hinder foreign assistance from being distributed effectively.

Furthermore, corruption has existed at all levels of Colombia's society. In fact, instances have surfaced where Colombian police have used U.S. narcotics foreign aid to pay for unauthorized trips. Also in the past, officials throughout the Colombian government (usually law enforcement) have been suspected of worked with drug traffickers. Therefore, if foreign assistance is going to improve those areas of Colombian society that are corrupt, aid is most likely going to be ineffective and possibly counterproductive.

Additionally, although the United States and Colombia have remained on close terms throughout the years, there have been times where U.S.-Colombian relations were detrimental to the effect of aid in Colombia. In fact, Crandall (2001) discusses how the United States became so obsessed with taking down President Samper, it actually hindered the United States from meeting policy goals.

Finally, as Boon (1996) suggests, foreign assistance may not be effective because it does not go to those it is intended to help. Boon argues that often times, foreign assistance does not reach the poor. It is not effective because it does not change the policies that favor the elite. Therefore, when foreign assistance is distributed, it stays within the government and never reaches civil society. If foreign assistance given to Colombia is not reaching those that it is intended to help, then it is no surprise that it has been ineffective. For example, if foreign assistance does not reach those farmers who volunteer to work with alternative crop development programs, then farmers may have no choice but to work with drug traffickers to get what is necessary to survive. From a more general perspective, if foreign assistance is given in order to improve law enforcement in Colombia, but the aid does not go towards improving both the capacity and the honesty of Colombia's police and military, it may hinder the ability of law enforcement to increase security from border to border.

After a brief overview of Colombia's history, one can see how Colombia may need assistance in addressing its social, economic, and political problems. However, assistance alone is not enough. In the case of Colombia, we have seen that aid alone has limited capacities. In order to increase the likelihood that foreign assistance may be effective, aid funds should be focused on promoting good policies and strong institutions

and eliminating opportunities for corruption. Furthermore, aid should focus on dual positive effects of improving the lives of the Colombian people and mitigating the impact of the drug trade.

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Appendices

Appendix A

Table 1. Emergence and Consolidation of the Traditional Political Parties through Civil Wars (1827-1910)			
Years	President or ruler	Opponents	Nature/Outcome
1827-1832	Francisco de Paula Santander	Santanderistas and Bolvianos	Major conflict: break up of Gran Colombia.
1839-1842	General Pedro Alcántara Herrán	Ministeriales/ Uncoordinated regional movements	Civil War: “War of the Supremes.” Defeat of pro-federalist regional movements, continued rule by conservative forces.
1851	José Hilario López	Liberals /Conservatives (Slaveowners)	Civil War: Conservatives were defeated.
1854	General José Maria Obando(1853-54) General José Maria Melo (1854)	Draconiano Liberals/ Gólgota Liberals (pro-federalism, free trade, and anti-army)	Civil War: Sparked by Coup d’état led by General José Maria Melo and supported by Draconiano Liberals and artisans. Liberals crushed. Significant defeat for military.
1861-1863	Tomás C. de Mosquera	Radical Liberals and Draconiano Liberals/ Conservatives	Civil War: Defeat of Conservatives who had been in control of government. Church property nationalized, enactment of other anti-Church reforms and federalist Constitution.
1876-1877	Aquileo Parra	Radical Liberals/ Rafael Núñez, Conservatives, and army leaders.	Civil War after election. Conservatives hoped to take advantage of Liberal division, instead lead to temporary Liberal unification and Conservative defeat.
1884-1885	Rafael Núñez	“Unión Nacional”/ Radical Liberals	Liberal division and economic crisis placed country near civil war in 1884.
1885	Rafael Núñez and La Regeneración	National Party/ Radical Liberals	Civil War: Núñez joined by Conservatives, defeats Radical Liberals. Leads to increased centralization and closer Church-state relations.
1892-1895	Rafael Núñez and Miguel Antonio Caro	National Conservative/ Revolutionary Liberals	Civil War in 1895. Brief and regionally concentrated. Rev. Liberals, unsupported by other Liberals, led to temporary Conservative unification and Liberal defeat.
1899-1902	José M. Marroquin	Historic and Nationalist Conservatives/ Civilista Rev. Liberals	Civil War: “War of One Thousand Days.” Both sides divided, 100,000 casualties, economic collapse, and no Conservatives gain control.

Source: Hartlyn 1988:21

Table 2. Key Concepts and Variables

Concept	Key Dependent Variables	Source
Law Enforcement	Number of Drug Labs Destroyed in Colombia, 1981-2001.	Policía Nacional de Colombia
Law Enforcement	Amount of Cocaine and Base Seized (kilos) in Colombia, 1981-2001.	Policía Nacional de Colombia
Law Enforcement	Amount of Coca Crop Sprayed (ha) in Colombia, 1981-2001.	Policía Nacional de Colombia
Guerrilla Violence	Number of Reported Kidnappings (per thousand inhabitants) in Colombia, 1990-2002.	Policía Nacional de Colombia
Guerrilla Violence	Number of Homicides (per thousand in habitants) in Colombia, 1980-2002.	Policía Nacional de Colombia
Overall Drug Production	Amount of Estimated Cultivation of Coca (ha) in Colombia, 1983-2002).	International Narcotics Strategy Report
Concept	Key Independent Variables	Source
Total Foreign Assistance	Total Loans and Grants to Colombia, 1980-2002.	USAID Greenbook
Economic Foreign Assistance	Economic Loans and Grants to Colombia, 1980-2002.	USAID Greenbook
Military Foreign Assistance	Military Loans and Grants to Colombia, 1980-2002.	USAID Greenbook
Concept	Key Control Variables	Source
Level of Democracy	Colombia's Polity Score, 1980-2002.	Polity IV
Colombia's Average Income	Colombia's GDP per Capita, 1980-2002.	World Development Indicators 2004
President's Party Affiliation	Dummy Variable for Colombia's Conservative Presidents.	CIA Factbook: Colombia
Level of Unemployment	Colombia's Unemployment Rate, 1980-2002.	International Labor Office
Land Availability for Coca Cultivation	Colombia's Rural Population Density, 1980-2002.	World Development Indicators 2004

Table 3. The Effect of U.S. Aid on the Number of Drug Labs Destroyed in Colombia, 1981-2001

Variable	1. Total Loans and Grants	2. Economic Loans and Grants	3. Military Loans and Grants
Total Loans and Grants	-.328 (.387)	-	-
Economic Loans and Grants	-	-.262 (.387)	-
Military Loans and Grants	-	-	-3.161 (2.710)
Polity Score	-71.952 (123.696)	-77.322 (124.783)	-29.275 (128.390)
GDP per Capita	-.744 (.513)	-.722 (.525)	-.398 (.480)
Trend	148.510 (101.941)	142.372 (104.167)	81.194 (90.580)
Conservative President	-413.323* (207.048)	-418.729* (208.550)	-383.497* (205.498)
Constant	3131.533* (1686.152)	3121.931* (1729.803)	1906.946 (1742.739)
Durbin-Watson	1.910	1.862	1.915
N	21	21	21
R ²	.252	.240	.282
F	1.012	.945	1.176
<p>Note: Estimated Using OLS Regression, SPSS 14. Numbers in parenthesis represent standard error. * significant at 90%, ** significant at 95%, ***significant at 99%</p>			

Table 4. The Effect of U.S. Aid on the Amount of Cocaine and Base Seized (kilos) in Colombia, 1981-2001			
Variable	1.Total Loans and Grants	2. Economic Loans and Grants	3. Military Loans and Grants
Total Loans and Grants	13.214 (17.016)	-	-
Economic Loans and Grants	-	10.084 (17.025)	-
Military Loans and Grants	-	-	151.787 (117.732)
Polity Score	9027.481 (5456.003)	9245.933 (5490.649)	6928.423 (5578.582)
GDP per Capita	56.189** (22.560)	55.019** (23.099)	40.927* (20.862)
Trend	-7942.780 (4486.536)	-7631.695 (4583.520)	-5028.914 (3935.721)
Conservative President	4557.249 (9112.371)	4784.143 (9176.526)	3045.226 (8928.957)
Constant	-222528.0 (74209.137)	-221449.5** (76114.189)	-166746.3 (75722.598)
Durbin-Watson	2.021	1.997	2.302
N	21	21	21
R ²	.712	.708	.731
F	7.428***	7.260***	8.136***
Note: Estimated Using OLS Regression, SPSS 14. Numbers in parenthesis represent standard error. * significant at 90%, ** significant at 95%, ***significant at 99%			

Table 5. The Effect of U.S. Aid on the Amount of Coca Sprayed (ha) in Colombia, 1981-2001

Variable	1. Total Loans and Grants	2. Economic Loans and Grants	3. Military Loans and Grants
Total Loans and Grants	-13.066 (12.942)	-	-
Economic Loans and Grants	-	-10.548 (12.990)	-
Military Loans and Grants	-	-	-120.333 (90.432)
Polity Score	-11406.616** (4149.490)	-11620.195** (4189.284)	-9793.684** (4285.023)
GDP per Capita	-23.815 (17.158)	-23.003 (17.624)	-10.305 (16.025)
Trend	7594.016** (3412.175)	7363.777* (3497.158)	4957.791 (3023.107)
Conservative President	1207.108 (6930.292)	10993.676 (7001.554)	12323.881* (6858.514)
Constant	135103.38** (56438.766)	134877.15 (58073.998)	87789.662 (58164.074)
Durbin-Watson	1.694	1.698	1.607
N	21	21	21
R ²	.885	.883	.890
F	23.132***	22.545***	24.358***

Note: Estimated Using OLS Regression, SPSS 14. Numbers in parenthesis represent standard error.

* significant at 90%, ** significant at 95%, ***significant at 99%

Table 6. The Effect of U.S. Aid on the Number of Kidnappings (per thousand inhabitants) in Colombia, 1990-2002			
Variable	1. Total Loans and Grants	2. Economic Loans and Grants	3. Military Loans and Grants
Total Loans and Grants	2.02E-005 (.000)	-	-
Economic Loans and Grants	-	1.86E-005 (.000)	-
Military Loans and Grants	-	-	5.06E-005 (.000)
Polity Score	-.001 (.004)	-.002 (.004)	-.001 (.006)
GDP per Capita	-3.28E-005 (.000)	-.002 (.004)	-5.62E-005 (.000)
Unemployment Rate	.001 (.003)	.001 (.003)	-.002 (.004)
Trend	.006 (.005)	.006 (.005)	.011* (.005)
Conservative President	.010 (.007)	.010 (.008)	.008 (.009)
Constant	.148 (.103)	.168 (.102)	.205 (.156)
Durbin-Watson	2.504	2.424	2.385
N	13	13	13
R ²	.927	.923	.884
F	12.753***	11.970***	7.630**
Note: Estimated Using OLS Regression, SPSS 14. Numbers in parenthesis represent standard error. * significant at 90%, ** significant at 95%, ***significant at 99%			

Table 7. The Effect of U.S. Aid on the Change in the Number of Homicides (per thousand inhabitants) in Colombia, 1980-2002			
Variable	1. Total Loans and Grants	2. Economic Loans and Grants	3. Military Loans and Grants
Total Loans and Grants	7.06E-005 (.000)	-	-
Economic Loans and Grants	-	6.42E-005 (000)	-
Military Loans and Grants	-	-	.000 (.000)
Polity Score	.001 (.017)	.002 (.017)	-.003 (.019)
GDP per Capita	-3.20E-005** (.000)	-3.07E-005** (.000)	-2.98E-005** (.000)
Unemployment Rate	.010 (.008)	.010 (.008)	.014 (.008)
Conservative President	-.042** (.023)	-.041* (.023)	-.003 (.024)
Constant	.143 (.161)	131 (.162)	.159 (.179)
Durbin-Watson	1.693	1.650	1.553
N	22	22	22
R ²	.375	.362	.304
F	1.924	1.815	1.399
Note: Estimated Using OLS Regression, SPSS 14. Numbers in parenthesis represent standard error. * significant at 90%, ** significant at 95%, ***significant at 99%			

Table 8. The Effect of U.S. Foreign Aid on the Estimated Cultivation of Coca (ha) in Colombia, 1983-2002

Variable	1. Total Loans and Grants	2. Economic Loans and Grants	3. Military Loans and Grants
Total Loans and Grants	-5.151 (10.409)	-	-
Economic Loans and Grants	-	-5.025 (10.432)	-
Military Loans and Grants	-	-	-5.166 (63.174)
Polity Score	-8357.887** (3109.823)	-8438.830** (3130.981)	-8142.451** (3303.588)
GDP per Capita	-29.501 (17.603)	-29.601 (17.714)	-26.822 (17.140)
Rural Population Density	-2126.585** (973.237)	-2129.394* (980.687)	-1920.551* (900.973)
Unemployment Rate	22376.039*** (2596.509)	22376.713*** (2606.251)	22717.103*** (2534.166)
Trend	13795.489*** (3535.540)	13804.290*** (3568.742)	12921.122*** (3149.314)
Conservative President	4595.254 (4455.275)	4560.592 (4452.346)	4419.429 (4494.885)
Constant	149071.86** (52279.339)	150040.59** (53580.570)	135877.23** (49487.683)
Durbin-Watson	1.622	1.648	1.584
N	20	20	20
R ²	.995	.995	.995
F	319.460***	319.122***	313.212***
<p>Note: Estimated Using OLS Regression, SPSS 14. Numbers in parenthesis represent standard error. * significant at 90%, ** significant at 95%, ***significant at 99%</p>			

Appendix B

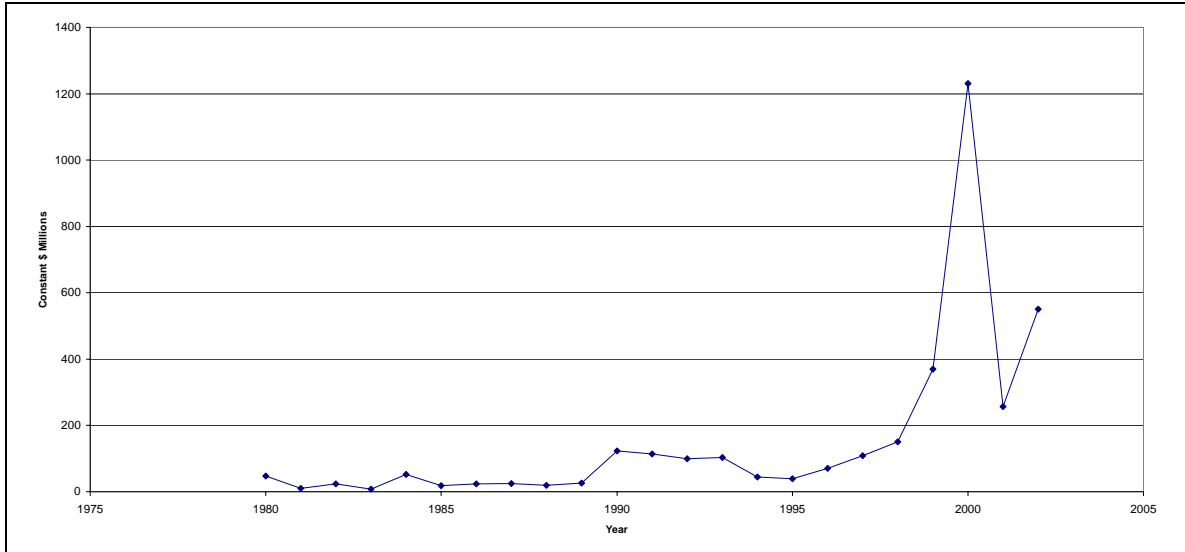


Figure 1. Total U.S. Loans and Grants to Colombia, 1980-2002
Source: U.S. Overseas Loans and Grants 2006

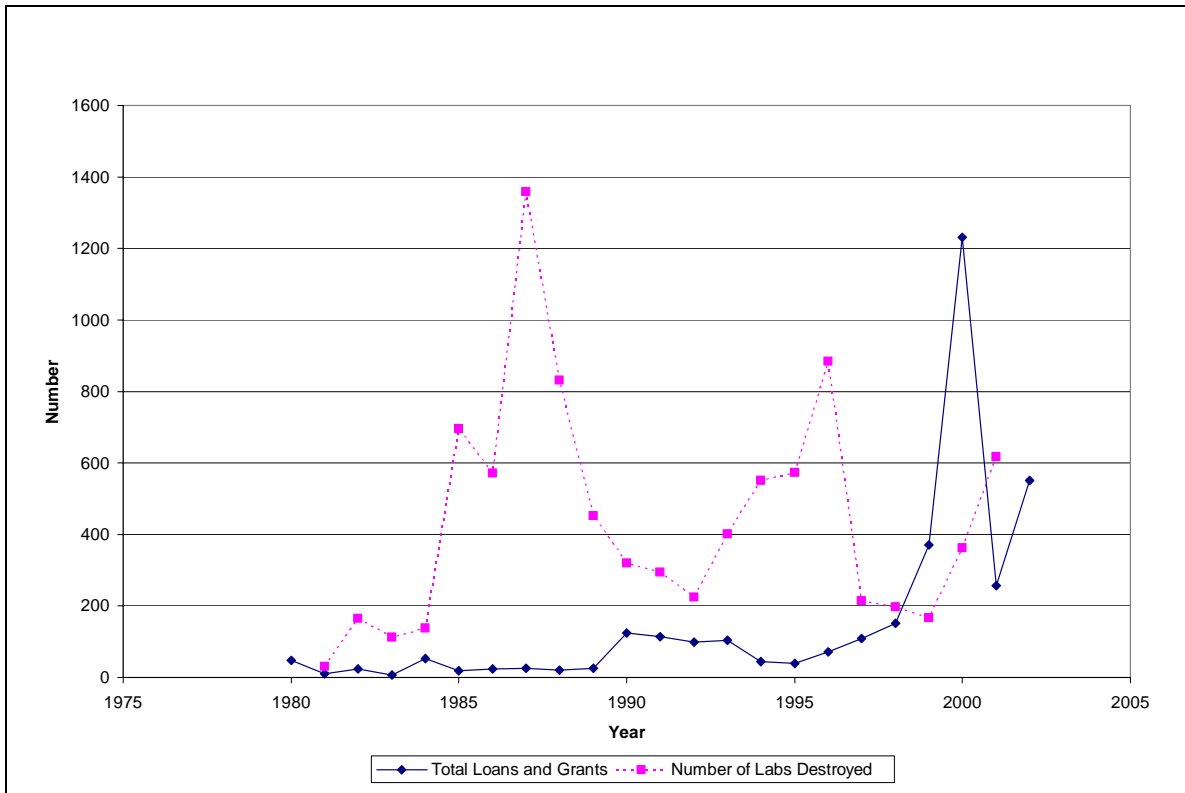


Figure 2. Number of Drug Labs Destroyed in Colombia, 1981-2001
 Source: Policía Nacional de Colombia 2006; U.S. Overseas Loans and Grants 2006

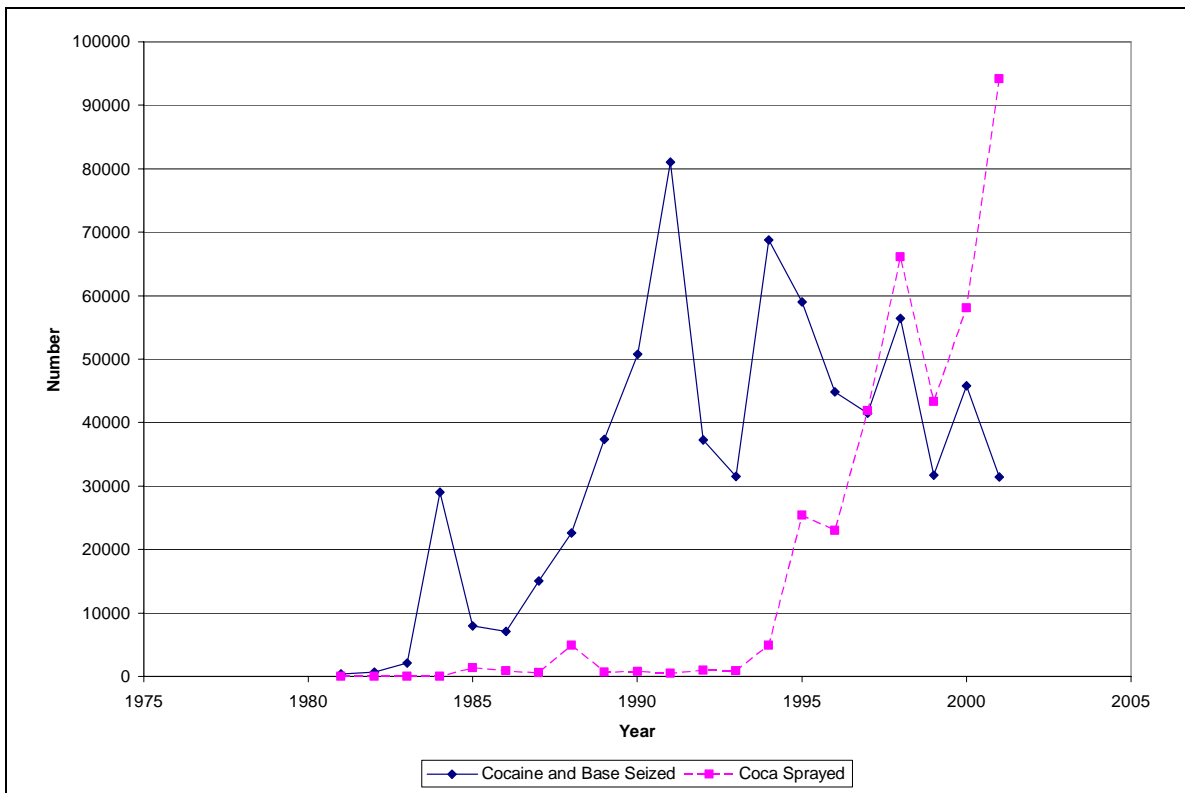


Figure 3. Amount of Cocaine and Base Seized (kilos) and Coca Sprayed (ha) in Colombia, 1981-2001

Source: Policía Nacional de Colombia 2006

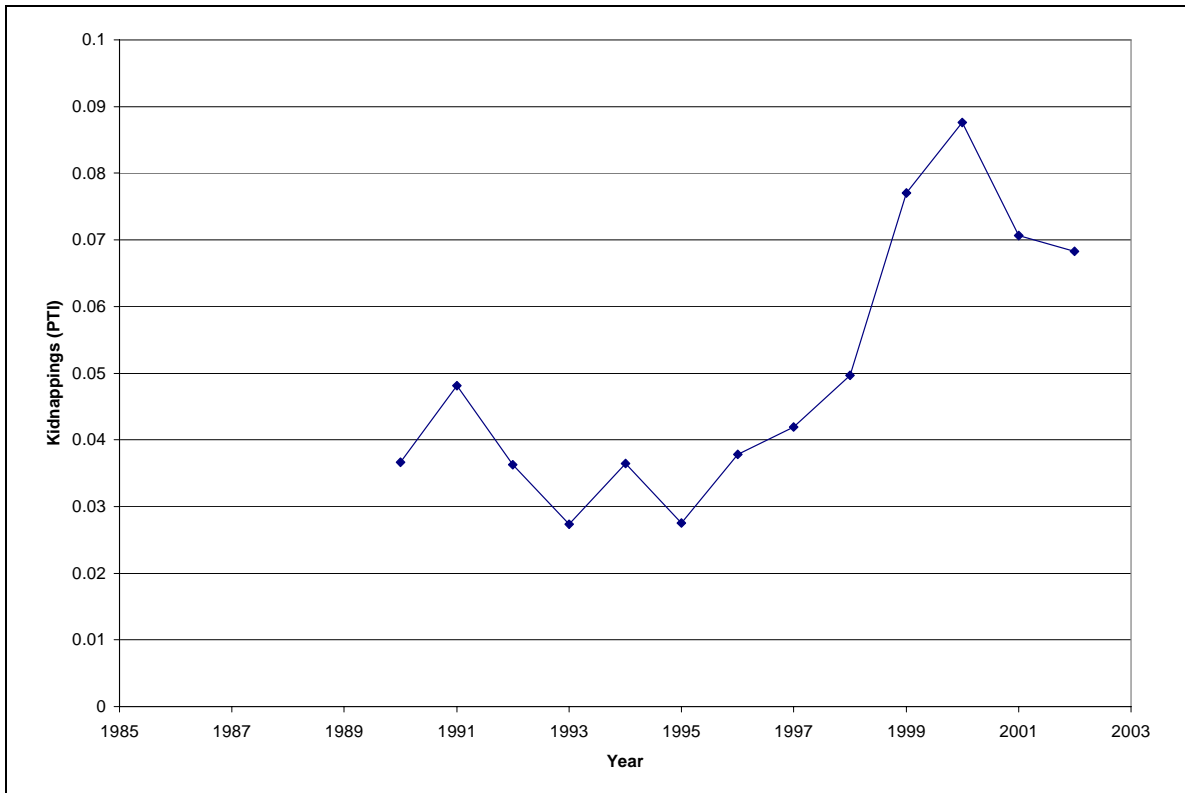


Figure 4. Number of Kidnappings (per thousand inhabitants) in Colombia, 1990-2002

Source: Policía Nacional de Colombia 2006

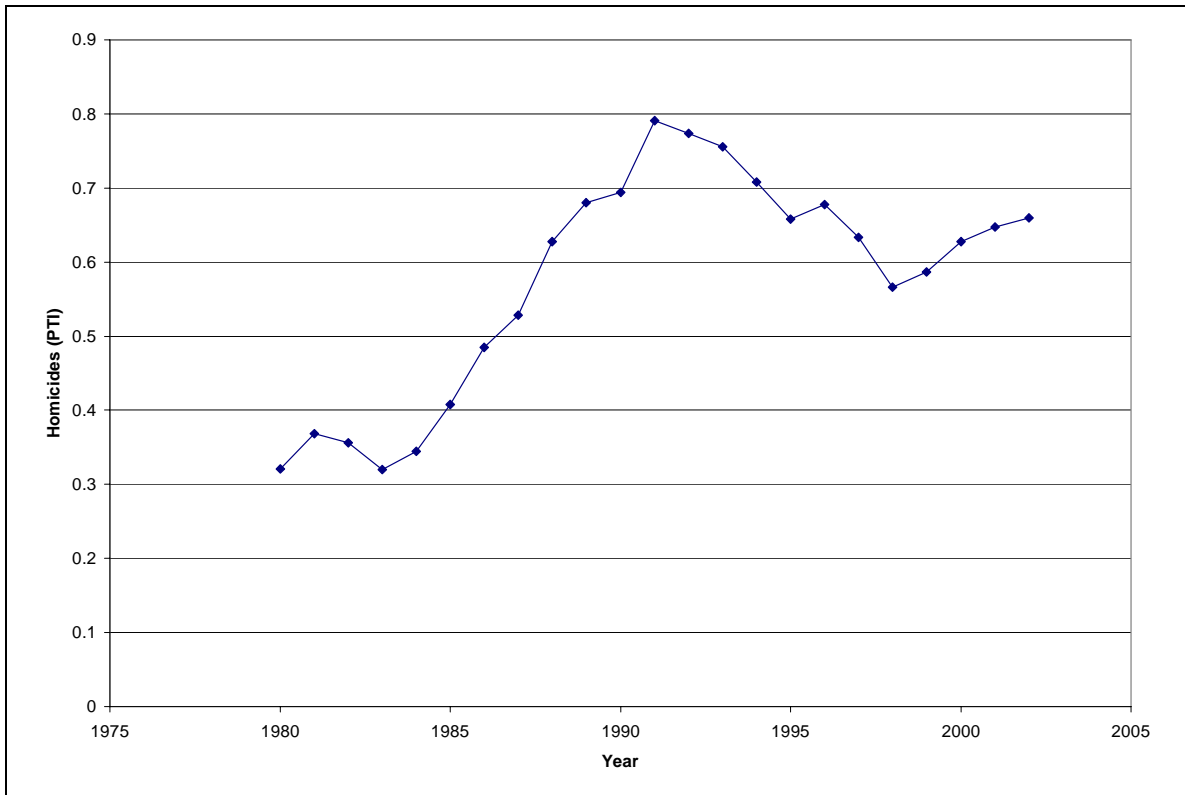


Figure 5. Number of Homicides (per thousand inhabitants) in Colombia, 1980-2002
 Source: Policía Nacional de Colombia 2006

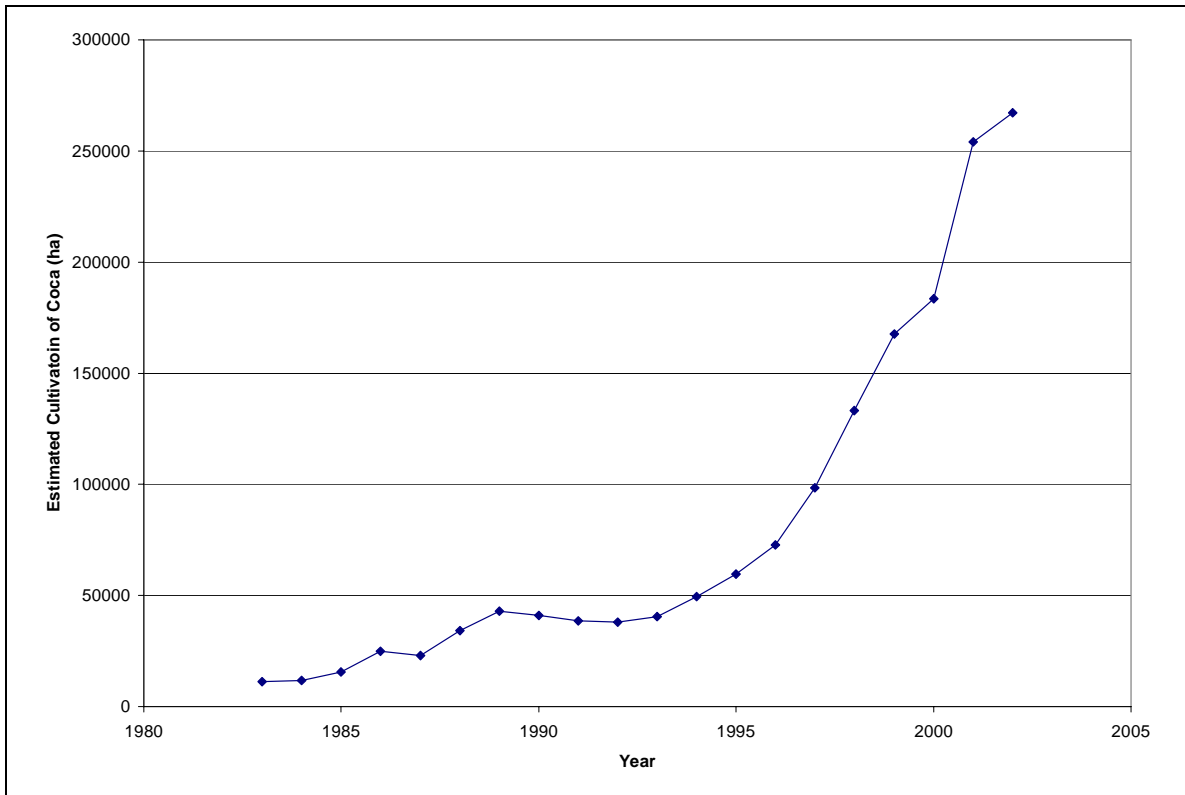


Figure 6. Estimated Cultivation of Coca (ha) in Colombia, 1983-2002
Source: International Narcotics Strategy Report 2006

Vita

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