

Dan Rather Reports

Episode Number: 406

Episode Title: Yankee, Go Home!

Description: The new President of Bolivia promotes coca growth and expels US drug agents.

DAN RATHER (ON CAMERA)

GOOD EVENING. TONIGHT WE BEGIN WITH A LOOK AT HOW THE UNITED STATES TRIES TO EXERT ITS POWER AND PRINCIPALS ABROAD. NOT IN THE MIDDLE EAST OR SOUTH ASIA, BUT SOUTH AMERICA. OUR FIRST STORY COMES FROM BOLIVIA - A DESPERATELY POOR COUNTRY THAT'S ALSO ONE OF THE WORLD'S MAJOR COCAINE SUPPLIERS. FOR YEARS U.S. ANTI-DRUG AGENTS HAD FREE RUN OF THE COUNTRY. THEIR TARGET: THE COCA PLANT, THE RAW MATERIAL FOR COCAINE. AND BOLIVIA'S GOVERNMENTS LET THE AMERICAN AGENTS IN AS PART OF A DEAL WHERE WASHINGTON SHOWERED THE COUNTRY WITH FOREIGN AID. THIS COZY RELATIONSHIP WAS SHATTERED WHEN A COCA GROWER, EVO MORALES WAS SWEEPED INTO OFFICE AS BOLIVIA'S PRESIDENT IN 2005. HE STOPPED U.S. LED EFFORTS TO ERADICATE COCA, AND LAST FALL, EXPELLED AMERICAN ANTI-DRUG FORCES AND THE U.S. AMBASSADOR. BUT THAT WAS JUST THE BEGINNING.

DAN RATHER (VOICE OVER)

WE'RE AT THE EDGE OF A THICK RAIN FOREST IN CENTRAL BOLIVIA WITH A SPECIAL ANTI-DRUG FORCE OF THE NATIONAL POLICE. THIS IS A REMOTE WILDERNESS HOURS FROM ANY BIG CITY, AND 4,300 MILES FROM WASHINGTON. BUT FOR YEARS THIS AREA CALLED EL CHAPARE HAS BEEN UNDER THE CLOSE WATCH OF THE U.S. GOVERNMENT. THAT'S BECAUSE WE'RE IN ONE OF THE WORLD'S MAJOR COCAINE PRODUCING REGIONS. HUNDREDS OF MAKESHIFT LABS LIKE THIS ARE SCATTERED BENEATH THE HARDWOOD CANOPY, WHERE LOCALLY GROWN COCA LEAVES ARE PROCESSED INTO THE EXPENSIVE WHITE POWDER FOR EXPORT ABROAD.

BOLIVIAN POLICE OFFICER (TRANSLATED FROM SPANISH)

In our patrol we found a mobile cocaine production laboratory. Note we found ingredients, including crushed coca leaves that is ready to be processed.

RATHER (VOICE OVER)

THE SIZE OF THIS PILE OF PROCESSED COCA SUGGESTS THE LAB HAS BEEN RUNNING UNNOTICED FOR WEEKS. A SMALL ENGINE, POWERED BY DRUMS OF GASOLINE, CHURNED OUT GALLONS OF LIQUID COCAINE. ONCE MADE INTO A POWDER, IT WOULD BE WORTH TENS OF THOUSANDS

OF DOLLARS. BOLIVIA IS THE WORLD'S THIRD LARGEST PRODUCER OF COCAINE, THANKS TO AN ENDLESS SUPPLY OF COCA GROWING IN ITS TWO LUSH VALLEYS. BOLIVIAN INDIANS REVERED COCA AS A SACRED PLANT LONG BEFORE THE U.S. DECLARED ITS WAR ON DRUGS. FOR CENTURIES, THEY CHEWED THE TEALIKE COCA LEAVES TO STAVE OFF HUNGER AND GET A BOOST LIKE A CUP OF COFFEE. BUT THE UNITED STATES SEES DANGER IN THESE COCA FIELDS.

AFTER ALL, AMERICA CONSUMES MORE COCAINE THAN ANY OTHER COUNTRY, AND HAS SPENT TENS OF MILLIONS OF DOLLARS ON ITS WAR ON DRUGS HERE. FOR YEARS, OFFICIALS FROM THE U.S. DRUG ENFORCEMENT ADMINISTRATION, OR D.E.A., HAVE PROVIDED INTELLIGENCE, EQUIPMENT AND TRAINING TO THESE BOLIVIAN POLICE - CRUCIAL HELP THAT LED AUTHORITIES TO FIND AND TORCH THOUSANDS COCA FIELDS AND LABS LIKE THIS EACH YEAR. NOW ALL THAT HAS CHANGED.

BOLIVIAN PRESIDENT EVO MORALES (TRANSLATED FROM SPANISH)

We have woken up to defend our land. We have woken up to defend our natural resources. We have woken up to defend our coca leaves. We are moving forward. We are here today to say together that in Bolivia and in Latin America we will free ourselves forever.

RATHER (VOICE OVER)

EVO MORALES WAS A LEADER AND ORGANIZER OF COCA GROWERS AND NOW PRESIDENT OF BOLIVIA. HE WAS ELECTED IN 2006 AND PROMPTLY HALTED COCA ERADICATION. LATE LAST YEAR, HE EXPELLED D.E.A. AGENTS. MORALES, BOLIVIA'S FIRST INDIAN PRESIDENT, HAS PROMOTED THE COCA PLANT AS AN INTEGRAL PART OF HIS COUNTRY'S ETHNIC AND ECONOMIC IDENTITY AND HE MADE IT CLEAR ON DAY ONE OF HIS PRESIDENCY THAT HE WOULD DO SO IN OPEN DEFIANCE OF THE UNITED STATES.

KATHRYN LEDEBUR, DIRECTOR, ANDEAN INFORMATION NETWORK

The Morales government has worked hard to distinguish between the coca leaf which is a legal, traditional crop. And to distinguish that from cocaine and the illegal narcotic which is something that takes a great deal of processing.

RATHER (VOICE OVER)

AMERICAN EX-PATRIOT KATHRYN LEDEBUR IS DIRECTOR OF THE ANDEAN INFORMATION NETWORK, A RESEARCH GROUP THAT STUDIES THE IMPACT OF AMERICAN ANTI-DRUG EFFORTS IN BOLIVIA. SHE SAYS THAT WHILE MORALES MAY BE A THORN IN THE SIDE OF THE UNITED STATES, IT'S THE AMERICAN GOVERNMENT THAT ACTUALLY HELPED PUT HIM ON THE WORLD STAGE.

LEDEBUR

A lot of his rise to prominence is based on systematically trying to resist U.S. forced eradication efforts, U.S. pressure, U.S. violations of national sovereignty. That is something that's felt by all Bolivians. This is not something that's specifically affected the coca growers, although it affected them most acutely.

RATHER (VOICE OVER)

MORALES HAS ADOPTED A POLICY THAT HE CALLS COCA YES, COCAINE NO. AND THERE IS NO BETTER PLACE TO SEE THE NEW COCA-FRIENDLY LANDSCAPE THAN THIS ANTI-COCAINE CHECKPOINT. NOT TOO LONG AGO, POLICE WOULD BE SEARCHING THESE VEHICLES FOR COCA LEAVES, IN ADDITION TO COCAINE, AND THE CHEMICALS USED TO PROCESS IT. BUT NOW, JUST 50 YARDS AWAY FROM A CHECKPOINT THAT U.S. TAXPAYERS HELPED TO BUILD, A SURPRISING BUSINESS APPROVED BY THE BOLIVIAN GOVERNMENT - THIS VENDOR IS SELLING COCA LEAVES TO TRUCKERS PASSING THROUGH.

LEDEBUR

The coca leaf is such an integral part of life in Bolivia that it's not considered at all a contradiction to have it on sale right here where the drug police are working. In fact the drug police often chew it themselves to get them stamina and truck drivers and bus drivers on long trips chew coca because like coffee it's a stimulant that keeps them awake for the long ride.

RATHER (VOICE OVER)

AND AS YOU CAN SEE IN THIS WAREHOUSE, THERE'S ENOUGH COCA LEAVES FOR A LOT OF TRUCKERS. RIMER AGREDA, A MAYOR IN THE THIS COCA GROWING REGION WANTED TO SHOW THAT IT'S NO MORE HARMFUL THAN ANY OTHER CROP.

MAYOR RIMER AGREDA (TRANSLATED FROM SPANISH)

We heard that in the U.S. they say that by simply having touched this coca leaf that we will get high. Definitely not. You can see that we can chew this and practically nothing happens. But this isn't what they say outside of Bolivia, especially not the U.S.

RATHER (VOICE OVER)

THIS SHOWS THE EXTENT OF THE PROBLEM FOR THE UNITED STATES. HERE WORKERS FROM A COCA GROWING COLLECTIVE ARE FILLING BAG AFTER BAG OF THE LEAVES TO BE SOLD AT A NEARBY MARKET. THE UNITED STATES SPENT MILLIONS HERE TRYING TO CONVINCING FARMERS TO GROW OTHER CROPS, LIKE PINEAPPLES. BUT BOLIVIANS WANT THEIR COCA. AGREDA TOLD US THIS U.S. FUNDED PINEAPPLE PACKING PLANT COST \$250,000, BUT NEVER HAD A CHANCE OF COMPETING WITH THE COCA FARMS.

AGREDA (TRANSLATED FROM SPANISH)

It's been more than eight years since they packed one box, one pineapple to export.

RATHER (VOICE OVER)

THAT'S BECAUSE UNLIKE PINEAPPLES, COCA IS EASY TO GROW AND ONE HUNDRED POUNDS OF LEAVES WILL SELL FOR ROUGHLY \$250, ABOUT TWICE WHAT THE AVERAGE BOLIVIAN FACTORY WORKER WILL EARN IN A MONTH. PRESIDENT MORALES HAS MADE IT A PRIORITY TO DEVELOP A LEGITIMATE COCA INDUSTRY, PRODUCING EVERYTHING FROM COCA-BASED TEA TO TOOTHPASTE. HE SAYS HIS GOVERNMENT CLOSELY MONITORS THE LINE OF PRODUCTION TO MAKE SURE NO COCA LEAVES GO TO DRUG TRAFFICKERS. THE U.S., HOWEVER, SEES NO ROOM FOR LEGAL COCA GROWTH. AND THIS FUNDAMENTAL CONFLICT IS AT THE HEART OF ESCALATING U.S. TENSIONS WITH MORALES.

AT 14-THOUSAND FEET ABOVE SEA LEVEL, THIS PLATEAU IS ONE OF THE BEST VIEWS OF BOLIVIA'S CAPITAL, LA PAZ. IT'S ALSO A GOOD PLACE TO VISUALIZE AMERICA'S GREATEST CHALLENGE IN LATIN AMERICA: HOW TO BALANCE U.S. INTERESTS WITH ENOUGH LOCAL GOOD WILL TO PREVENT RESENTMENT FROM BOILING OVER AGAIN. TWO BOLIVIAN PRESIDENTS HAVE BEEN FORCED FROM OFFICE IN RECENT YEARS, AFTER THOUSANDS OF PROTESTORS LED BY A COCA FARMER NAMED EVO MORALES, ACCUSED THEM OF BEING PUPPETS OF THE WHITE HOUSE IN PART BECAUSE THEY SUPPORTED U.S. LED COCA ERADICATION EFFORTS.

MORALES SAYS HE WON'T FORGET THE COCA GROWERS WHO HELPED SWEEP HIM INTO OFFICE. BUT HE SAYS HE WILL NOT ALLOW THEM TO TAKE PART IN ANY ILLICIT DRUG TRADE.

FORMER ASSISTANT SECRETARY OF STATE THOMAS PICKERING

It's important to-- judge not just what he's saying, but what he does.

RATHER (VOICE OVER)

FORMER ASSISTANT SECRETARY OF STATE THOMAS PICKERING WAS ONE OF AMERICA'S HIGHEST RANKING DIPLOMATS DURING THE CLINTON ADMINISTRATION. HE PLAYED A MAJOR ROLE IN SETTING POLICY ON THE U.S WAR ON DRUGS, BUT SAYS NOW THAT AMERICA'S FOCUS ON ERADICATION HAS FAILED.

PICKERING

Unfortunately, we have seen a highly flexible, highly agile opponent. So that when we sprayed large fields, it was inevitable that they moved deeper into the jungle, into smaller patches, often hidden by at least partially the jungle canopy.

RATHER (VOICE OVER)

PICKERING WROTE A REPORT, RELEASED BY THE BROOKINGS INSTITUTION LAST FALL, THAT SAID STEADILY DROPPING COCAINE PRICES IN THE U.S. MEANT IMPORTS OF COCAINE WERE AS HIGH AS EVER. BUT WASHINGTON IS STILL TRYING TO FIND WAYS TO PRESSURE BOLIVIA INTO REDUCING COCA GROWTH. PRESIDENT BUSH IN OCTOBER PUT BOLIVIA ON A BLACKLIST AND SUSPENDED A TRADE DEAL.

PRESIDENT BUSH, AT BILL SIGNING

The Andean Trade Preference Act allows us to suspend trade preferences with countries that do not live up to their promises. And unfortunately, Bolivia has failed to cooperate with the United States on important efforts to fight drug trafficking.

RATHER (VOICE OVER)

BUT PLAYING TOUGH DIDN'T SLOW COCAINE PRODUCTION. AND WITHOUT THE TRADE DEAL, HUNDREDS OF FACTORY WORKERS IN BOLIVIA WILL BE OUT OF JOBS.

RATHER

Fairly recently, the United States put-- Bolivia on this list of countries not cooperating with the war on drugs. And in hoping to punish or make it pay a price with President Morales in Bolivia-- ending trade benefits. Is this an effective approach?

PICKERING

Bolivia has what we would call quaint ideas about coca production and consumption. Some of them have to do with their own culture and their own society and that's probably their business. But others have now begun to impinge on others, including our economy as they becoming an increasingly larger exporter. And if the government aids and abets this, which has been contrary to Bolivian policy in the past, then I think we have to recognize it.

RATHER

I recently interviewed President Morales.

PICKERING

Yeah.

RATHER

And among the things that he seemed to want to get across saying, "Listen, because I'm pro-coca doesn't mean I'm not anti-cocaine." And this is not a direct quote, "But I'm strongly anticocaine". Are we to believe that? What are we to make of that?

PICKERING

I don't know, I think that we ought to go back and say, "If that's what you really mean, Mr. President, we would like to watch the situation in - in Bolivia and have it become clear to us that you're not, in a sense, aiding and abetting both the production of—of

cocaine and its export to the United States and, indeed, elsewhere, to our friends around the world."

RATHER (VOICE OVER)

BUT BOLIVIA EXPERT KATHRYN LEDEBUR DOUBTS MORALES WOULD FEEL THE NEED TO JUSTIFY HIMSELF TO WASHINGTON THESE DAYS.

LEDEBUR

With the Morales vision of coca, yes, cocaine, no, certainly in the upper echelons of Washington there's not acceptance for this policy. But the influence of the U.S. in Bolivia which used to be able to dictate policy and especially drug policy, has diminished a great deal. And there are other governments that are willing to help Bolivia and fund Bolivia: Venezuela, other European governments.

RATHER (VOICE OVER)

THAT'S RIGHT, VENEZUELA. PRESIDENT HUGO CHAVEZ HAS PROMISED TO BUY LEGAL COCA-BASED PRODUCTS PRODUCED IN BOLIVIA – AND UNDERWRITE THE GROWTH OF ABOUT 4,000 TONS OF BOLIVIAN COCA LEAVES. AND CHAVEZ IS JUST ONE OF A GROWING LIST OF LEADERS HOSTILE TO THE U.S. THAT ARE HELPING MORALES BYPASS WASHINGTON.

IN A SHOW OF SOLIDARITY FOR MORALES' SOCIALIST MOVEMENT, CUBA'S CASTRO BROTHERS HAVE SENT BOLIVIA HUNDREDS OF VOLUNTEER DOCTORS. IRAN'S PRESIDENT AHMADINEJAD PUBLICLY APPLAUDED MORALES FOR STANDING UP TO THE U.S. AND HE PLEDGED \$1 BILLION IN INVESTMENTS. AND RUSSIA HAS MADE IT'S MOST SIGNIFICANT RETURN TO THE HEMISPHERE SINCE THE COLD WAR, OFFERING TO HELP TRAIN BOLIVIA'S ANTI-DRUG POLICE AND REPLACE AGING HELICOPTERS. PRESIDENT MORALES CAME TO NEW YORK IN NOVEMBER 2008 TO ADDRESS THE UNITED NATIONS.

MORALES (TRANSLATED FROM SPANISH)

I am not defending cocaine, nor am I going to defend cocaine. We will not transform coca to cocaine. But yes, consuming coca is part of the indigenous Andean culture. And I am very sorry that international anti-drug agencies refuse to recognize that.

RATHER (VOICE OVER)

I HAD A CHANCE TO SPEAK WITH PRESIDENT MORALES WHEN HE WAS IN NEW YORK. HE HAD JUST EXPELLED THE D.E.A. FROM BOLIVIA, KNOWING HIS ANTI-AMERICAN ALLIES WOULD SUPPORT HIM.

RATHER

There is this conception that Fidel Castro, Hugo Chavez and yourself are one in the same in terms of their – of your desires. Is that true?

MORALES (TRANSLATED FROM SPANISH)

To say that we are the same, well, we are not the same. But we've bet on the same idea for improving humanity and we are working together.

RATHER

What is the situation with Iran? There are these reports that you are getting help from Iran. Where do you stand with Iran? They are now getting involved in Bolivia.

MORALES (TRANSLATED FROM SPANISH)

We are starting to have diplomatic relations. We are going to have diplomatic relations, but we are also going to have business relations. I received a visit from the president of Iran and he received me in Iran. For now, many of the conversations are about investments, related to the oil sector.

RATHER

There are credible reports that Russia is increasing its contacts, its influence with your government. Is that true? What is the situation with the Russians?

MORALES (TRANSLATED FROM SPANISH)

I think we had lost diplomatic relations between Bolivia and Russia. Now we want to accelerate them to complement the two countries.

RATHER (VOICE OVER)

RUSSIAN PRESIDENT DMITRI MEDVEDEV'S OUTREACH TO BOLIVIA IS IN FACT PART OF A LARGER RUSSIAN PUSH INTO LATIN AMERICA. LATE LAST YEAR, MOSCOW SAILED THESE WARSHIPS TO VENEZUELA AND CUBA. SOME SAW THIS AS A TIT FOR TAT SHOW OF DEFIANCE TO THE U.S. - PAYBACK FOR LAST SUMMER, THAT'S WHEN AMERICAN WARSHIPS DELIVERED HUMANITARIAN AID TO THE COUNTRY OF GEORGIA, AFTER ITS HIGH PROFILE WAR RUSSIA. AT THAT TIME, RUSSIA MADE IT CLEAR IT WAS UNHAPPY HAVING THE U.S. IN ITS BACKYARD. AS FOR MORALES, HE SAID HE WOULD WELCOME FOREIGN AID FROM ANY COUNTRY WILLING TO HELP, AS LONG AS IT DOESN'T EXPECT TOO MUCH IN RETURN. FOR TOO LONG, HE SAYS, THE U.S. USED ITS DONATIONS AS A LICENSE TO TREAT BOLIVIA LIKE A COLONIAL TERRITORY.

RATHER

Mr. President, clearly relations have been deteriorating between the United States and Bolivia. Why?

MORALES (TRANSLATED FROM SPANISH)

Through a series of ambassadors, the U.S. has constantly meddled in Bolivia's political matters and conspired against our government. The ambassadors have accused the social movements of being terrorists and called (coca growing) union leaders drug traffickers. This comes from the U.S. embassy.

RATHER (VOICE OVER)

OFFICIALS FROM THE U.S. EMBASSY IN BOLIVIA DECLINED OUR REQUESTS FOR AN INTERVIEW, AS DID THE STATE DEPARTMENT. AMERICAN DIPLOMATS HAVE LARGELY REMAINED SILENT ON BOLIVIA SINCE MORALES EXPELLED THE D.E.A. AGENTS, AND FOLLOWED UP LAST FALL BY KICKING OUT THE U-S AMBASSADOR.

MORALES (TRANSLATED FROM SPANISH)

I know that the American people and the people in the US want to distribute aid to many countries in the world. But at this moment, this aid is going to a conspiracy against my government.

RATHER

What proof do you have of the conspiracy Mr. President?

MORALES

The funds from USAID are going to support nonprofits and foundations run by ex ministers who support free trade. But the only thing these groups are doing is plan how to bring down the Indian, Evo Morales.

RATHER (VOICE OVER)

SOME SAY MORALES IS SIMPLY FOLLOWING THE POPULIST SCRIPT OF HIS SOCIALIST MENTOR HUGO CHAVEZ: WHEN THINGS GET BAD AT HOME, BUILD UP THE UNITED STATES AS A LOOMING ENEMY. AND USE THE THREAT AS AN EXCUSE TO CONSOLIDATE POWER. VOTERS EARLY THIS YEAR APPROVED A NEW CONSTITUTION THAT WILL ALLOW MORALES TO SEEK A SECOND TERM IN OFFICE. CHAVEZ HAS MADE IT A LOT EASIER FOR MORALES TO STAND UP TO THE UNITED STATES. HE'S GIVING THE U.S. A RUN FOR ITS MONEY BY NEARLY MATCHING THE \$100 MILLION IN AMERICAN AID DELIVERED IN 2007, FUNDING NEW HOSPITALS, OIL PROJECTS AND MICROLOAN ENTERPRISES.

VENEZUELAN OIL MONEY WILL PAY FOR DOZENS OF NEW AFFORDABLE HOMES BEING BUILT IN THIS AYAMARA INDIAN COMMUNITY OUTSIDE LA PAZ. HUNDREDS TURNED OUT FOR THIS GROUNDBREAKING CEREMONY. CHAVEZ'S GOAL IS CLEAR: BY BOLSTERING MORALES' POPULARITY, HE HOPES TO KEEP A FRIEND IN OFFICE WHO'S SYMPATHETIC TO HIS ANTI-AMERICAN SOCIALIST MOVEMENT. MORALES HAS BECOME A POWERFUL ALLY TO THE VENEZUELAN PRESIDENT. DESPITE BOLIVIA'S SMALL SIZE AND ECONOMY, THE COUNTRY'S FIRST INDIAN PRESIDENT HAS RISEN TO BECOME A HERO TO MANY ACROSS THE CONTINENT. THEY SEE HIM AS A FEARLESS ADVOCATE OF THE VOICELESS POOR. WHEN MORALES SPEAKS, THE WORLD LISTENS. SO IT'S INTERESTING TO NOTE THAT THE BOLIVIAN PRESIDENT SAYS HE ADMIRES AND IDENTIFIES WITH PRESIDENT BARACK OBAMA. AND HE SAYS HE IS CONFIDENT U.S./BOLIVIAN RELATIONS WILL IMPROVE NOW THAT OBAMA HAS TAKEN OFFICE.

MORALES (TRANSLATED FROM SPANISH)

Well you can see the change already. An Indian who is president of Bolivia and a black person who is president of the U.S. You've never seen that in the history of Bolivia or the history of the U.S The most vilified people in the world now, we can be Presidents. My greatest hope, not only towards the U.S. but with all the countries of the world is to have good relations and to be able to compliment each other to do a good job.