President George W. Bush is presiding over the ruin of US foreign policy. A world united against the war in Iraq is only the start, since US diplomatic failure and neglect extend to virtually every area of foreign policy.

Another stunning example lies in the Andes, where the US administration has proved to be incapable of even the simplest responses to a profound crisis engulfing the region. Venezuela's chaos continues, while Colombia's violence deepens. Most recently, the US has looked on as Bolivia, a close ally and a desperately poor, and until recently stable, Andean nation, teeters on the brink of collapse. This is in large measure because of US policies but the administration has not shown the slightest recognition of the incipient disaster it is helping to create.

In recent years, Bolivia made a fateful, perhaps fatal, mistake in implementing a US demand to eradicate coca leaf, which was processed and sold in the US as cocaine by Colombian traffickers. Bolivia complied by reducing coca cultivation other than for traditional uses from more than 33,000 hectares in 1997 to below 8,000 hectares in 2001, according to the United Nations. For about 50,000 peasant farmers and their 200,000 dependants, growing this indigenous crop was simply a means of subsistence in the midst of crushing poverty, not an act of geopolitics.

Of course the Bolivian government wanted to get the country out of the narcotics business, just as much as the US wanted Bolivia out, but the Bolivians also understood that eradication without economic alternatives would mean destitution and social upheaval.

Yet such is the blundering power of the US that it pressed Bolivia to do its bidding without providing for any realistic alternatives. Tiny programmes of substitute crops that the US authorities on the ground knew to be wholly inadequate were cynically implemented. Real economic alternatives, especially urban employment in export-oriented sectors, are a much tougher proposition, given that Bolivia is a mountainous and landlocked country 12,000 feet above sea level. Without big investment in transport, communications and plant, only a few products such as coca leaf can bear the transport costs entailed by this rugged geography.

The political fallout was only too easy to foresee. The peasant coca growers mobilised and nearly secured victory for Evo Morales, their leader, in last summer's elections. The US ambassador in La Paz was especially reckless, intervening in the campaign with a warning to the Bolivians not to vote for Mr Morales, which led to a dramatic surge in his popularity. His party won a fifth of congressional seats and influence over the other parties. US diplomacy did about as well in the Bolivian election as it did more recently in rallying global public opinion on Iraq.

Gonzalo Sanchez de Losada narrowly edged out Mr Morales, returning to the presidency with a fragile multi-party coalition government and facing powerful opposition. As a business leader, senator and then economy minister, Mr Sanchez de Losada was the strategist behind the consolidation of Bolivian democracy in 1985 and the end of its 25,000 per cent hyperinflation. As president from 1993 to 1997 he oversaw further democratic and market-based economic reforms.
Yet this time round he inherited an explosive situation, with the whole Andean region in deep crisis, domestic politics fraught domestic political situation and a shambolic economy. He immediately appealed for $150m (£96m) (140m) in US emergency aid, when several times more than that would easily have been justified. But the US refused was deaf him even to this small sum and simply sent him to the International Monetary Fund for lectures on the marvels of austerity.

Events have moved swiftly since then. In January, Mr Morales helped to orchestrate disturbances by the coca growers, peasants. In February, as the US looked on, the increasingly desperate government followed through on IMF demands to raise taxes, which precipitated an uprising that has nearly destroyed the government. The police went on strike, leading to an explosion of looting, rioting and pitched battles between the army, police and armed protesters. Unknown assailants tried to assassinate the president. The economy has sunk further towards collapse. Mr Sanchez de Losada urgently renewed his call for help, this time for only $50m. The US has responded with a derisory $10m, in effect inviting the opposition to finish off the job of bringing down the government.

The evidence is clear: the White House and State Department are now so completely disorganised and preoccupied that they are unable to process even the most basic foreign policy measures needed to help stabilise an allied country threatened with collapse as a result of a US-inspired drug eradication effort. The message of US policy failure will not be lost on countries all over the world caught up in drug trafficking including Afghanistan, where opium production and exports are soaring to record levels. Meanwhile, the Latin America section of the State Department is obsessed solely with making anti-Castro propaganda in order to win votes for Mr Bush among anti-Castro Cubans in the 2004 election.

The world keeps searching for deeper meanings in current US foreign policy, without realising that US foreign policymaking has collapsed, under the weight of extremism, cynicism, ignorance and the obsession over Iraq. Not only Bolivia but also much of the rest of the world is in peril as a result.