

Working Paper Series

ISSN 1753 - 5816

Please cite this paper as:

Fine, Ben and Juan Pablo Durán Ortiz (2016), "Social Capital: From the Gringo's Tale to the Colombian Reality", SOAS Department of Economics Working Paper Series, No. 195, The School of Oriental and African Studies.

No. 195

Social Capital: From the Gringo's Tale to the Colombian Reality

by

Ben Fine and Juan Pablo Durán
Ortiz

May 2016

Department of Economics
School of Oriental and African Studies
London
WC1H 0XG
Phone: + 44 (0)20 7898 4730
Fax: 020 7898 4759

E-mail: economics@soas.ac.uk
<http://www.soas.ac.uk/economics/>

The **SOAS Department of Economics Working Paper Series** is published electronically by The School of Oriental and African Studies-University of London.

©Copyright is held by the author or authors of each working paper. SOAS DoEc Working Papers cannot be republished, reprinted or reproduced in any format without the permission of the paper's author or authors.

This and other papers can be downloaded without charge from:

SOAS Department of Economics Working Paper Series at
<http://www.soas.ac.uk/economics/research/workingpapers/>

Research Papers in Economics (RePEc) electronic library at
<http://econpapers.repec.org/paper/>

Design and layout: O.G. Dávila

Social Capital: From the Gringo's Tale to the Colombian Reality

Ben Fine and Juan Pablo Durán Ortiz *

Abstract

The current idea of “social capital” as driver of development and social change is not so much an illusion as a delusion. A justification for this emerges once power, class, conflict and context are explicitly brought to bear upon the social capital paradigm. This paper studies social capital in Colombia beginning with its initial definition proposed by Pierre Bourdieu in the early 1980s, with emphasis upon a contextualised reproduction and exercise of elite power. In this light, the real as opposed to the delusionary social capital can explain a great deal of the social and economic evolution of the country. For Colombia has been captured by the “social capital” of national elites, drug dealers and multinational firms, ably abetted by the US government. It has launched a campaign of systematic violence against its citizenry under the paper-thin ideology of development and the war against drugs and terrorism in order to accrue profits from evictions and land expropriation.

Keywords: development, evictions, land expropriation, social capital, war against drugs and terrorism

JEL classification: O54

* School of Oriental and African Studies, London. Email: bf@soas.ac.uk; and Advisor on Colombia at MIT Displacement Research and Action Network, Email: jpduran@mit.edu

Introduction

Although Colombia is well-known for its drug dealing and violence, substantial hopes (and funding) have been placed upon new models of development in which corresponding forms of social organisation and economic activity can lead to more positive outcomes.¹

Unsurprisingly, social capital has been seen as a major lever through which such a transformation can be brought about. The thrust of this article is that such prospects are not so much an illusion as a delusion. We begin by locating the social capital paradigm in its application to Latin America where it has prospered only by remaining blind to economic and social realities or by undermining itself once allowing for those realities. This is followed by an account of how “social capital” in Colombia has been irreducibly attached to the exercise of power in promoting a particular model of development that has positively drawn upon violence, land dispossession, drug dealing and drug dealers, and the economic interests of existing and emerging elites. The concluding remarks highlight the extent to which the mythologies of social capital perpetrate an intellectual violence that mirror images that to be found, literally, on the ground.

From Social Capital to ...

The social capital paradigm continues to burn bright even though it was abandoned in the early 2000s by the World Bank just as precipitously as it had been so extraordinary adopted and promulgated in the mid-1990s.² Visit the World Bank website for social capital (as was done

¹ International aid has involved various forms of “social capital” for Colombia in the form of associations and cooperatives across a wide variety of economic sectors, from financial cooperatives focused on microcredit driven by the Alliance for Progress under John F. Kennedy’s administration to cooperatives of rural peasants through the Plan Colombia under Clinton’s Presidency. This aid has been a strategic part of the US military doctrine of Low Intensity Conflict (LIC).

² For an account from World Bank social capitalists that the notion was dropped because it had served its purpose of civilising economists to the social, see Bebbington (2004) and Bebbington et al (2004 and 2006). For critique, not least that World Bank economists appropriated the social whilst leaving their economics barbaric, see Fine (2008, 2010a and 2011), and Fine (1999 and 2001) for an earlier critical review of social capital in general and its role in a neo-liberal post Washington Consensus in particular.

in mid-2013),³ and we find claimed that, “A vibrant community of practice addresses social capital. The **Social Capital Thematic Group (TG)** brings together roughly 250 World Bank professionals from various sectors, networks and families interested in how to apply social capital to World Bank operations.” Further:

Within the Social Development Department (SDV), the CDD and Social Capital Team coordinates efforts to apply the idea of social capital to operations. The Team combines operational and research experience on Community Driven Development and Social Capital.

Yet even casual inspection of the website reveals a signal lack of activity. Both the Local Level Institutions and the Social Capital Initiative Working Paper Series do not extend beyond 2001. The Social Capital Document Library and Papers in Progress are simply not available. Both Website Citations and the Discussion Forum Archive do not extend beyond 2000. The last two news items, “Nepal and the World Bank: Four Decades of Development Partnerships” and “Housing Finance Needs to Reach South Asia’s Poor”, are somewhat more recent at February 2nd, 2011, and December 1st, 2010, respectively, but do not, however, on casual inspection seem to make any reference to social capital at all.⁴ And, last but by no means least, we are offered four experiences from the field, country studies with dates given in parenthesis; Albania (2005), Philippines (2003), Thailand (1998) and Sierra Leone (2005).

³ See

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTTSOCIALCAPITAL/0,,menuPK:401021~pagePK:149018~piPK:149093~theSitePK:401015,00.html>

⁴ This is commonplace in the use of social capital in light of its status as a buzzword and fuzzword, Fine (2010b).

In short, making allowance for lags to allow for “closure”, social capital has been dead at the World Bank for a decade or more. In Latin America, the influence of the World Bank’s abrupt departure from the social capital scene was dutifully followed although it was initially left high and dry with the post-apocalyptic publication of the results of CEPAL/ECLAC’s (2004) main social capital initiative, following on from a major conference a few years earlier, featuring Francis Fukuyama (2004) and all.⁵ Significantly, the Part of the book on gender includes two contributions, neither of which, strikingly and possibly pointedly, mentions social capital at all, *Montaño* (2004) and *Garcia* (2004). Another paper, *Dirven* (2004), covers social capital and rural development, with proposals for action across a number of different levels – building social capital; generational transfers; trade associations; vertical organisation; and production clusters. But, with thirty or so subheadings, the contribution fails to mention trade unions and at most offers a passing reference to the role of the central state, admittedly standard fare for the social capital literature as well as its blindnesses for the “social capital” of the rich, powerful and better organised. Subsequently, there have been effectively only two references on the CEPAL/ECLAC website for social capital since the publication of its book.

But its effects still live on, not least in Latin America. Consider, for example, the ambition of the following conference announcement, itself a symbol of the concept’s gargantuan appetite:⁶

The Inter-American Conference on Social Security (CISS) and the Universidad Iberoamericana (Ibero) jointly organizing the conference "Empirical analysis of

⁵ With a video message of support from former US President Carter, <http://www.cepal.org/prensa/noticias/comunicados/3/7903/mcpherson.htm>.

⁶ <http://www.socialcapitalgateway.org/it/content/call/empirical-analysis-social-capital-and-development-latin-america> Note the socialcapitalgateway offers an outstanding coverage of social capital, not least indicating its ambitions.

Social Capital and Development in Latin America". The Conference will take place in Mexico City on May 17, 2013. Its aim is to present and socialise empirical research on social capital and its relationship to social development in Latin America using different surveys available in the region that address social capital dimensions. Particular emphasis will be on documents related to Latin America and the Caribbean.

It is expected that articles registered for the conference will present evidence of research on topics that relates social capital with social development. Some of them are listed here.

Social Capital and:

1. Social security mechanisms.
2. Reduction of crime and/or violence.
3. Social fabric.
4. Quality in education.
5. Employment.
6. Mechanisms for allocating public resources
7. Poverty reduction
8. Inequalities (income, gender, ethnicity, region, etc.)
9. Social cohesion.
10. Food resources supplies.

11. Wellbeing.
12. Health.
13. NGOs.
14. Social mobility.
15. Financial inclusion.
16. Political participation
17. Measurement issues
18. Other Related Topic

There are interesting origins for this putative scope for the application of social capital. When the World Bank initially and strategically engaged with social capital, whilst prompted by its non-economists to do so, the process was very rapidly tied to mainstream neoliberal economists at Michigan State University, with a contract being issued to compile a bibliography for the concept.⁷ Thus, as confessed in the CEPAL/ECLAC volume, Figueras (2004, p. 230):⁸

⁷ Is it (social capital) coincidence that the author of the infamous Berg Report, that ushered the Washington Consensus into Africa, also derived from MSU? Note that social capital has now given way to “nudge”, see latest World Development Report for 2015, for which similar sorts of connections prevail, not least across Blair and Cameron advisors, and DfID and other funding. See Fine et al (2015) for a critique.

⁸ Referencing Feldman and Assaf (1999). Note this invention, especially in the World Bank literature review, despite the absences of social capital in past literature, had already been observed by Fine (2001), and see debate between Farr (2004 and 2007) and Fine (2007) more generally for the concept’s historical (re)invention.

A study of major efforts made to generate basic bibliographies on social capital reveals a predominance of works that never actually used the concept, many of them prior to the current boom in the term.

In other words, social capital was being invented. This is so much so that one of its leading proponents from MSU, and co-organiser of the CEPAL conference, ended up with a stunningly vacuous definition of social capital:⁹

Social capital is a person or group's sympathy or sense of obligation for another person or group. The objects of sympathetic feelings have social capital. Those holding sympathetic feelings for others provide social capital. Because social capital providers internalise the consequences of their choices, they trade with each other on different terms and at different levels that would occur in arm's length transactions, all other things equal. But changes in the terms and level of trade alter the distribution of income. Therefore, changes in the distribution of social capital alter the distribution of income.

We know of no other approach that places so much weight upon "sympathy" in explaining economic outcomes. Given that, over the period of neoliberalism, the share of the top 1% of earners in the USA has gone from well under 10% to well over 20%, we must imagine that the country has become bereft of sympathy although the rise of (the "social capital" of) finance might have something more to do with this outcome! Meanwhile, MSU has plundered its sympathetic capture of social capital through its Latin American Centre, providing essay topics and study programmes in the region for its students on the topic of social capital.¹⁰

⁹ The abstract for a seminar but see Robison et al (2011) for example.

¹⁰ <http://latinamerica.isp.msu.edu/CLACS%20Strategic%20plan%20final.pdf>

Nonetheless, social capital has always had a momentum of its own, not entirely under the spell of the World Bank and CEPAL/ECLAC. Given the space vacated by the latter, there has been more opportunity for more radical as well as idiosyncratic contributions to emerge, with some impetus provided by the specificities of the continent and the assessment of the impact of large aid programmes that had been more or less loosely attached to social capital. Thus, Wood et al (2007) finds that conversion from Catholicism to Pentecostal Protestantism will reduce infant mortality by 10%.¹¹ Otherwise, much of the idiosyncratic literature, none the worse for being so, both accepts and undermines its own use of social capital by emphasising how it is irreducibly contextual and situated. The one exception is in the use of social capital as representing greater or lower levels of trust, specifically in the context-less context of behavioural experiments in which Latin American citizens are judged against counterparts from other countries for their degree of altruism, as revealed in the laboratory of behavioural economics.

Yet the main thrust for social capital across the developing world has been for poverty alleviation and growth, but each geographical region has tended to attract its own speciality, entrepreneurship for Africa for example, in which the continent's poor performance was explained by World Bank economists by absence of social capital.¹² For Latin America, though, the particular angles for exploitation of social capital have been gender, violence and indigenous people (if also migration, especially international). The result has been an equally more than usual acknowledgement of negative social capital with a critical recognition, in addition, that the indigenous are seen both as a major obstacle to modernisation through anachronistic culture and isolation, and yet as a potential source of cooperation to promote

¹¹ Recall that Coleman's (1988) founding (rational choice) study of social capital was based on the finding that those attached to (Catholic) schooling achieved better educational outcomes, a conclusion that overlooked the different resources involved, correction for which eliminated the result. See Fine (2001 and 2010a) for a critique of Coleman's contribution to social capital.

¹² See Collier and Gunning (1999) and Fine (2011) for a critique.

private entrepreneurship, Andolina et al (2009).¹³ Violence is perceived as a close associate of gender oppression and of the negative social capital underpinning the drug economy.¹⁴

Consequently, unusually heavy resources have been dedicated to promoting alternative forms of social capital to underpin shifts in economic activity.

One unavoidable theme across the literature is how the impact of social capital is heavily conditioned by presence or not of other factors (and to the credit of much the Latin American literature, the pervasive presence of neoliberalism is seen as a major conditioning factor).

Thus, for Anderson (2010), the different experiences of democracy in Nicaragua and Argentina can only be explained by social capital if this is seen in conjunction with the addition of differences in institutional and political “capital” between the two countries. This is just another way of saying that, for social capital, context matters, as emphasised by Bossert (1998) in a study of decentralised health provision in Colombia, concluding so weakly that it leaves social capital with little if any purchase at all (especially if the negative effects of social capital were also acknowledged!), p. 1517:

The social capital approach suggests that some characteristics of the local community may facilitate the capacity of local governments to perform better and to achieve objectives such as those of health reform. It is a relatively conservative vision, however, that does not have clear policy implications.

It is, in addition, a moot point whether contextualising social capital has the contradictory effect of undermining it. For, how can a universal category, such as social capital, retain that property if both its definition and its impact depend upon specific conditions. In other words,

¹³ Was it always thus, not least because the analytical structure for the positive effects of social capital is identical to that for the negative effects of corruption and rent seeking. You pay your money, and you make your choice, generally according to your preference towards the market if within limits as the social capital paradigm tends to prefer civil society over the state.

¹⁴ See Moser (2009) for example.

social capital in one context, walking a dog in a park in a developed country and gaining acquaintances, has little or no commonality with drug cartels in any other part of the world.

Yet, they are both putatively social capital of a common genus.¹⁵

One general, if not universal, characteristic of the social capital literature, that has enabled this fudge, is the general marginalisation of its perverse, dark or negative side, an unavoidable of social capital (not least in the organisation of power and oppression). This is not just, as usually accepted when acknowledged, that social capital can do bad things. But it is also the exclusion of those traditional variables of social science attached to class, power and conflict as well as their organisational forms, ranging from trade unions through corporations to the state itself. It is also to allow for context to be incorporated in at most the shallowest of ways; as it were, social capital can help with this problem in this context as long as no attention is devoted to remedying that context.

Such tensions are revealed, for example, by Mahar's (2010) study of social capital in Oaxaca, for which thriving social activity was present in the 1980s when no one talked of social capital whilst collectively struggling for amenities and jobs. Subsequently, social capital declined as these were provided but in a context of, "self-employment for little economic gain, no health care, no security, and little real citizenship or entitlement", p. 54. The leitmotif here is the rise of neoliberalism, the unavoidable general context of any serious study of social capital.

¹⁵ It is unfortunate that Portes (2010, p. 47) should conclude, whilst observing reality is complex, riddled with contradictions, subject to good and bad social capital, and not necessarily positive sum, that:

Economic sociology has in social capital one of its most valuable explanatory tools ...As a midrange ideal type, social capital is not only operationalizable but also transportable, rendering service as an explanatory tool in a number of different settings and for a wide variety of phenomena.

Thus, in an outstanding article on squatter settlements in Lima, Brodrecht (2012) offers a compelling account of how neoliberal policies have not only denied inhabitants access to both individual and social resources, ranging from education to housing, but this in turn has deprived them of the capacity to form and utilise “social capital” to press for alternatives, let alone engendering competitive individualism in pursuit of whatever resources are available. Surely, though, this is indicative, not of the need to build “social capital” but to address the structural problems of systemic deprivation. Indeed, this has been recognised by Richards (2000, p. 198), not least in how social capital can crowd out alternatives, for, “While some actors in civil society, such as soup kitchens and service-oriented NGOs have become more active, other actors, such as labour movements, are marginalised”. Consequently, p. 199:

Since the poor are often excluded or marginalised as a result of policies in Latin America today, their access to effective social capital is likely to be restricted ... Current policies also result in exclusion, perhaps precluding the development of the common identity necessary for social movements to be effective. In a sense, then, focusing on civil society and social capital alone may represent an implicit threat to social rights.

As Ramírez (2009, p. 184) puts it after reviewing a \$400 million dollar fund to displace coca cultivation, with 141 projects and presence of three NGOs:

Power relations, property rights, and inequality regarding access to resources by these local enterprise associations are washed out of the concept of social capital, as is the importance of political movements, parties and labour unions as interlocutors with the state or any development agency.

She continues to question whether:

If social capital exists, can it be developed and promoted? Or is this process of promoting social capital disguising or disregarding, intentionally or otherwise, structural issues of inequality as well as local associations and institutions that are working together to resolve structural problems in the region.

And, more cynically, concludes, p. 185:

After four years of alternative development projects and NGO activity in the region, *campesinos* have catalogued the language, skills, and methods of NGOs and seek to use a similar language to assert their capacity to engage in alternative development without NGO guidance, [so that] ... subjects of neoliberalism find in it a number of resources and tools ... Can this be considered an example of productive social capital?

There is a sense, then, in which in a Latin American context, social capital has for some and in certain respects turned full circle. The initial promotion of social capital derived in the early 1980s from the radical sociology of Pierre Bourdieu, with emphasis upon a contextualised reproduction and exercise of elite power. The World Bank's affair with the concept seduced and continues to seduce the concept's adherents that are blind to the systemic forces of oppression, disadvantage and power, with benign disregard of its dark side in general and violence in particular. As observed, it is to the credit of much of the Latin American literature, and its close empirical scholarship, that it sees through such obfuscating smokescreens to the social conditioning of social capital and what social conditions it can realistically and significantly expect to affect.

It is a moot point, however, given its universalising tendencies, whether a return to Bourdieu's notion of social capital is sufficient to allow for its application in a way that is sufficiently contextually sensitive, Fine (2010a). For, in what follows, we demonstrate that far from social capital being appropriately tempered by factoring in the presence of power and violence, it is

the latter that have been fundamental to the very nature of “social capital” in the Colombian context. We offer an account of how violence has been organised in Colombia, in conjunction with both civil society (social capital) and the state, to forge both a model and a mythology of development whilst waging a phony war on drugs and drug dealers who have been incorporated into, and/or deployed by, elites in their genuine wars to dispossess rural citizens.

... To the Political Economy of Violence

There have been three structural peaks of violence and human rights violations in Colombian history: the violence (1946 - 1965), the war against Pablo Escobar (1982–1993), and the narco-paramilitary violence (1991-2008). The last and most violent peak was due to a thoughtful strategy of deepening the neoliberal Development Model in Colombia.

This was possible thanks to momentary agreements and teamwork between the ruling coalition and drug dealers. The two main drug cartels of Colombia, Medellin Cartel and Cali Cartel, were restructured after the killing of Pablo Escobar and the incarceration of the Orejuela brothers. Former members of drug cartels, such as Carlos Castaño Gil and “Don Berna”, founded a national narco-paramilitary project working as a team with members of the US Government, national economic elites, and the state, in order to grab land, expand business, and consolidate the strongest neoliberal development model in South America.

The social capital of warfare

For almost twenty years Colombia experienced the expansion of narco-paramilitary armies grouped inside a single structure. They are called narco-paramilitary because they were irregular armies that “aimed to protect and expand the status quo” (as the military did), and because they were fuelled by various sources of funding, including drug-trafficking. Empirical evidence shows that the expansion of the narco-paramilitary army between 1993 and 2002 would not have been possible without three forces: (1) the military aid and doctrine

propagated by the USA; (2) the strategic and monetary assistance from national economic elites; and (3) the legal, military and political support of the state.

In the beginning, these three forces and drug dealers created military groups in rural areas named Self-Defence armies. The national project, otherwise named the United Self-Defence Armies of Colombia (AUC), grouped together all former Self-Defence armies. The foundation and conglomeration of these armies are a key feature of the military doctrine of “Low Intensity Conflict” (LIC) promulgated by the US government since Reagan’s administration. According to Klare and Kornbluh (1988), LIC implies the combination of two very different tools: one widely formal and legal such as military aid and diplomacy; and the other widely informal and illegal such as paramilitary forces which are also known as *proinsurgency operations*:

The “LIC pie”, as Pentagon insiders call it, is largely divided between counterinsurgency and proinsurgency operations ... in other words, LIC doctrine is meant to be applied in countries such as El Salvador, Nicaragua, the Philippines, Angola, Cambodia, and Afghanistan, where the United States is either trying to bolster a client government against a revolutionary upheaval or fostering a counterrevolutionary/insurgency against an unfriendly Third World regime (p. 19).

Both Colombian and international literatures assert that US military aid fostered narco-paramilitary expansion from the 1990s onwards regardless of whether corresponding armies were legal or not. Dube and Naidu (2014) measured the effects of US military aid and concluded that it undermined formal institutions and strengthened armed non-state actors (p. 2):

US military assistance leads to a differential increase in attacks by paramilitaries, but has no effect on guerrilla attacks. Aid also results in more paramilitary (but not guerrilla) homicides during election years, particularly in politically competitive

municipalities. The findings suggest that foreign military assistance may strengthen armed non-state actors, undermining domestic political institutions

All heads of AUC projects have accepted that drug-trafficking was a fundamental source of funding. However, they were also funded by multinational corporations, local landowners, and national economic elites. The first “legal” monetary assistance in this respect mainly originated from big companies of the Antioquia state. A parking lot was raided in Medellin in 1998 as part of a judicial investigation carried out by the Attorney General’s Office. The financial and logistical centre of the AUC had operated from this parking lot since 1994. The judicial process was stopped due to administrative and safety issues. However, a report made by an anonymous group of academic researchers of the *Instituto Popular de Capacitación (IPC)* in 2010 found systemic support for narco-paramilitaries from a wide variety of enterprises, many of them reputable banks and manufacturing, retail and public companies (Durán, 2015: 114):¹⁶

There was a chain of cheque endorsements that ended in a group of 30 bank accounts in different cities of Colombia where the people who handled AUC finances in these zones lived. A sample of two months in 1998 found 7,359 cheques with a combined value of \$6.9 million dollars¹⁷ ... This means that narco-paramilitaries received around \$41.4 million dollars annually just from legal companies, without adding incomes from illegal activities and support from entrepreneurs in the rural areas.

¹⁶ Among these companies, there are listed *Antioqueña de Curtidos S.A.*, *Casa de Cambio Intercambio S.A.*, *Coltejer*, *Comfenalco*, *Conavi*, *Concasa*, *Empresas Varias de Medellin*, *Granahorrar*, *Gran Cadena de Almacenes Colombiana S.A. (Cadenalco)*, *Industrias Cadi*, *Industrias Kioto Ltda*, *Leonisa S.A.*, *Miro Seguridad Ltda*, *Servicentro Esso Las Vegas*, *Surtipollos y Cia S.A.*, and *Transportes Botero Soto*.

¹⁷ This is the result of dividing COL\$ 9,276,000,000 by the exchange rate COL\$/\$ in March of 1998, 1,343.85.

Landowners and multinational corporations also assisted narco-paramilitary expansion inside each region. For instance, the first narco-paramilitary unit of the AUC was the *Bloque Bananero*. In the judicial process for Justice and Peace, its head mentioned a list of more than 100 ranchers, 364 banana entrepreneurs, and 194 banana firms that funded narco-paramilitaries armies in the Urabá region.¹⁸ According to IPC (2010), this paramilitary head also negotiated with the US banana company, Chiquita Brands International Inc., contributing three cents for every banana box exported between 1997 and 2002.

However, the most important assistance from legal “institutions” was mainly strategic, and came from national economic elites and the state. In an autobiography entitled “My Confession”, the first head of narco-paramilitary armies, Carlos Castaño Gil, documented various meetings with “high class” persons from 1987 with the purpose of “guiding” the counter-insurgency war (Aranguren, 2001: 89). This group of prominent businessmen was dubbed “the Group of Six” (p. 89):

After that, the Group of Six showed up. I am not a bandit thanks to those men ... The Group of Six can be found in a large period of the national history as men at the highest levels of Colombian Society. The cream of society!¹⁹

The state also played a major role in the consolidation of warfare as a tool for “Development” in Colombia. The National Government authorised the creation of “Associations for Communitarian Surveillance – CONVIVIR” in September 1994, based on article 42 of the Law 356 of 1994. These “associations” became both a warfare instrument and a tool for the consolidation of the narco-paramilitary project. In an interview in 2015, former President of Colombia, Ernesto Samper Pizano (1994–1998) stated:

¹⁸ This judicial file was dated as March 21, 2012, by the Attorney General’s Office, to the Deputy Prosecutor Number 25.

¹⁹ Original quotes in Spanish. Translated by the authors.

CONVIVIR had a valid principle: that helpless citizens could have communication systems and small weapons in order to organise their own defence always in coordination with state armed forces. The problem was that in the period of President Uribe, when he was Governor, he used *CONVIVIR* as warfare instrument. Therefore *CONVIVIR* ended in paramilitary groups, groups with a punitive role that never was expected of them.²⁰

Indeed, the Government of Antioquia helped to create armed *CONVIVIR* in several states. Just in one of the states of the Urabá region 18 *CONVIVIR* were created between September 1995 and October 1996 (Durán, 2015: 81). *CONVIVIR* were used as a tool of warfare, going far beyond casually organised groups deploying small weapons:

It was found in the consulting committee of the Superintendence that between January and December of 1996 this entity approved *CONVIVIR* to buy 422 submachine guns, 373 pistols 9 mm, 217 shotguns, 17 Mini Uzi machine guns, 70 rifles, 109 pistols, and 41 restricted weapons, which can range from Galil rifles to machine guns M-60, rocket launchers, grenades, rockets and mortars (*CINEP*, 2007: 2)

According to the dossiers of the General Attorney's Office, the security cooperatives *CONVIVIR* were a determining factor in the narco-paramilitary expansion, especially in the states of Meta, Casanare, Boyacá, Antioquia, Vichada, and Córdoba. The last narco-paramilitary head, Salvatore Mancuso, described in court how:

Narco-paramilitary expansion wouldn't have been possible without the assistance of the state ... Castaño brothers [who were the top heads of narco-paramilitaries] decided to

²⁰ The original interview was made in Spanish by one of the researchers of this paper. Translation made by the authors.

take care of the illegal part, while Mancuso founded legal cooperatives (Valencia, 2007:15).²¹

Dossiers of the Attorney General's Office have allowed certain features to be established regarding the paramilitary expansion. Generally, narco-paramilitary incursions in new territories were:

1. Carefully planned from narco-paramilitary headquarters. They organized their military incursions with information regarding geopolitics, strategic "development" projects, and intelligence about important persons who lived in the regions.
2. Accompanied by acts of extreme terror and violence, including torture, dismemberment, sexual violence, and other human rights violations with the complicity of state armed forces.
3. Made up of joint armed forces from several territories that travelled through long detours in order to meet the territorial objective without being bothered by any state official en route.

By 1995 paramilitary armies had control over all the Urabá region in the three states of Chocó, Córdoba, and Antioquia. They also expanded to the centre of the country towards the state of Cundinamarca.

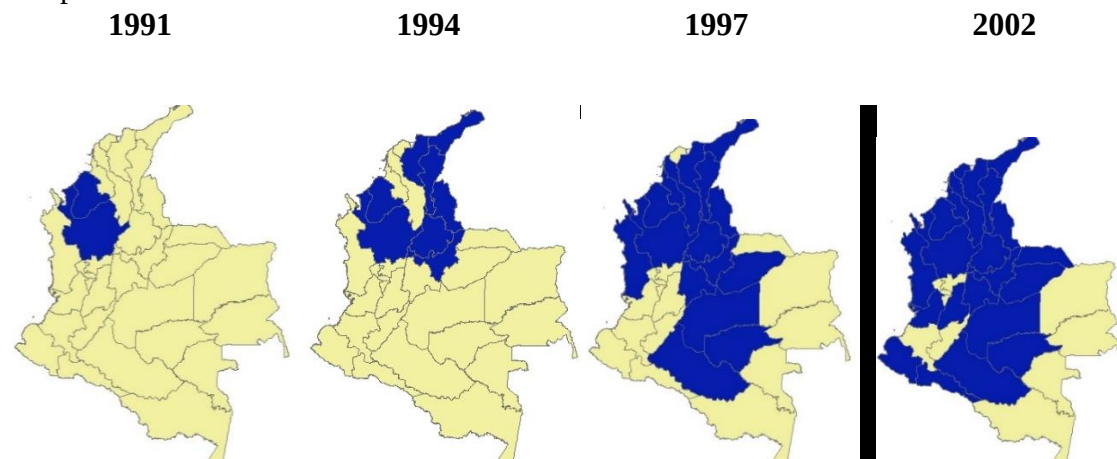
The second great expansion was made in 1997 to the south of the country in the states of Bolívar, Caquetá, Casanare, Guaviare, Meta, and Sucre. In 1998 the narco-paramilitary consolidated its presence in the South where there was a historical presence of guerrillas' armies in Putumayo and Tolima. This second expansion also conforms to another strategic reorganisation. The First National Conference of leaders and commanders of Self-Defence

²¹ The Castaño brothers were the founders of the narco-paramilitary armies; Mancuso became in short time one of the most important heads of this group, and took the mandate after the Castaño brothers were killed.

Armies was called on April 18, 1997. At it, the Castaño brothers, who were commanders of the Self-Defence Armies of Córdoba and Urabá (ACCU), led a proposal to join forces with other narco-paramilitary groups in order to fund the AUC as a national project. (AUC, 1997)

Finally, in 2001, such armies arrived in Arauca (to the east) and Atlántico (to the west). See Graph 1.

Graph 1 **NARCO-PARAMILITARY PRESENCE IN COLOMBIA BY STATES**



Source: Authors based on the files of the Judicial Process for Justice and Peace of the Attorney General's Office

By 2000, the UN had characterised the assistance of the state in creating, developing and strengthened narco-paramilitary armies as an instrument of warfare all over the country:

There are various paramilitary groups, organised under an umbrella group known as *Autodefensas Unidas de Colombia (AUC)*. Paramilitary activity has grown significantly in recent years. Though no longer enjoying legal authority, as was the case from 1968 to 1989, paramilitary structures effectively were institutionalised during the previous administration through the existence of 'special private security and vigilance services' (previously known as *Convivir*) legally authorised to carry arms and perform functions of public order similar to those of the armed forces and police. These armed groups

often have operated without effective control or adequate supervision on the part of authorities and, as OHCHR reports, their activities are difficult to distinguish from those of the militaries as ‘in many cases there are areas in which they coincide, converge or supplement or replace each other’. (Economic and Social Council of the UN, 2000: 6)

Violence and monopolisation of natural resources

Expansion of narco-paramilitary mainly accounts for the explosion of several types of violence and human rights violations. This is true both temporally and geographically within Colombia (See Graph 2). Exponential growth of “victims of the conflict” corresponds exactly with the golden years of paramilitary expansion. “Victims of the conflict” had an annual growth of 99.8% between 1993 and 2002, more than three times the annual growth of the “victims of the war on drugs” between 1985 and 1992. Moreover, the level of human rights violations in the same regions remained high in the process of consolidation between 2002 and 2010. The numbers dropped dramatically only after the extradition of paramilitary heads to the USA in 2008 (See Graph 3).

Graph 2 **PARAMILITARY PRESENCE AND HUMAN RIGHTS VIOLATIONS BY TYPE AND STATE: 1994, 1997 AND 2002**

**PARAMILITARY
PRESENCE**

1994:



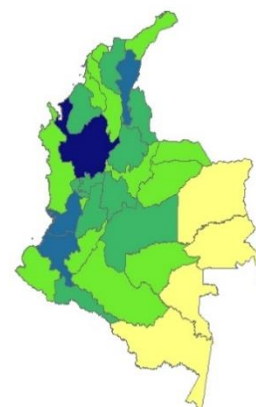
**DISPLACED
PERSONS**



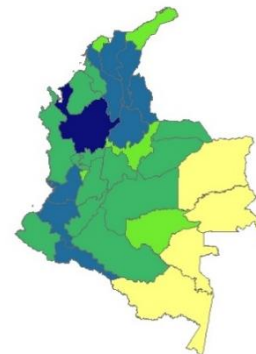
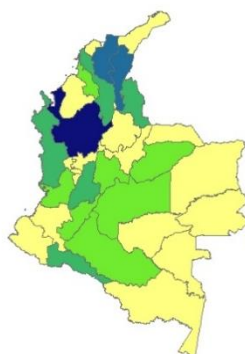
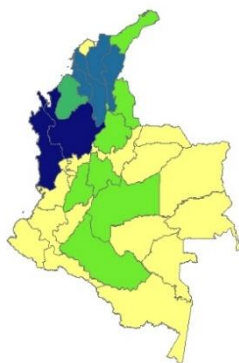
TORTURES



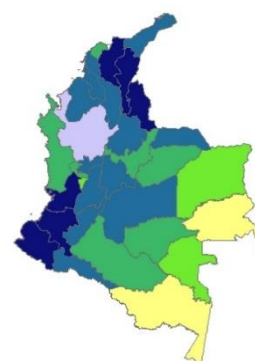
MURDERS



1997:



2002

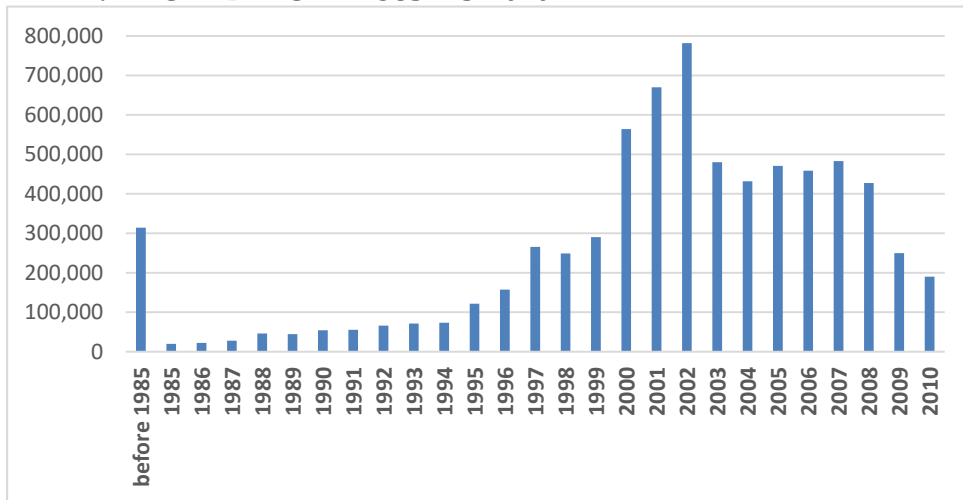


RANGES:

	With Paramilitary Presence		0 - 1,006		0 - 2		0 - 21
			1,006 - 2,817		2 - 8		21 - 420
			2,817 - 5,545		8 - 21		420 - 1,105
	Without Paramilitary Presence		5,545 - 13,576		21 - 45		1,105 - 2,593
			13,576 - 82,070		45 - 71		2,593 - 15,931
			> 82,070		> 71		> 15,931

Source: Authors based on data from the files of the Judicial Process for Justice and Peace of the Attorney General's Office for the Paramilitary expansion, and Data from the National Registry of Victims for Human Rights Violations.

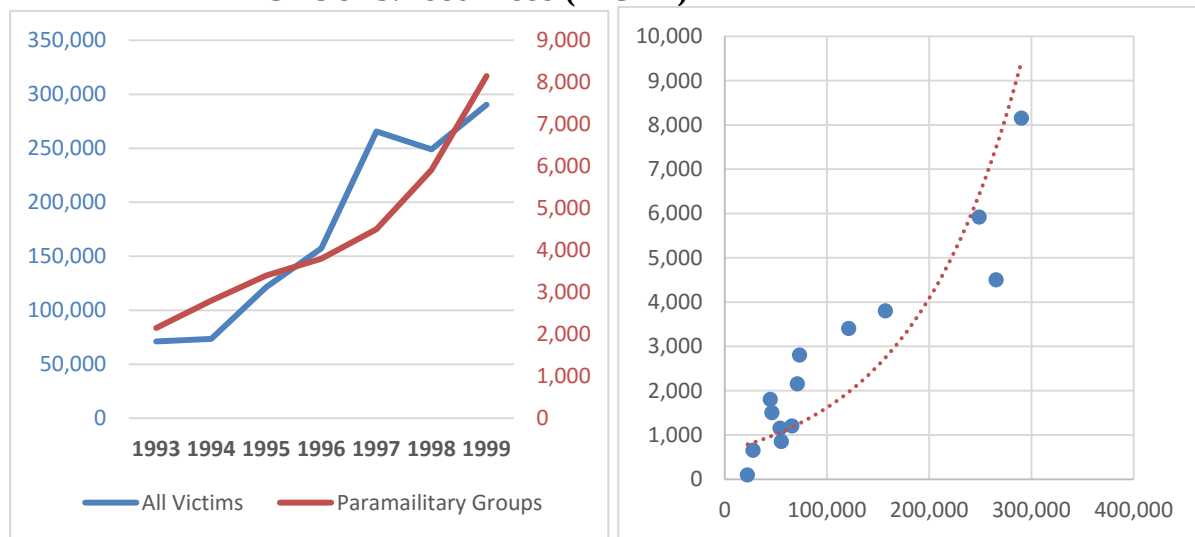
Graph 3 VICTIMS OF THE “CONFLICT” IN ALL THE TYPES OF CRIMES BY YEAR: FROM BEFORE 1985 TO 2010



Source: Authors based on National Registry of Victims, June 2015.

Thus, the rise in the number of victims has been tightly related with the rise of narco-paramilitaries armies. According to the Minister of Defence (quoted by the Observatory of Human Rights of the Vice-Presidency of the Republic, 2000:2), in 1986 there were 93 narco-paramilitaries groups in Colombia. By 1990 these groups had grown to 1,150. Between 1993 and 1999 paramilitary groups continued growing from 2,150 to 8,150. This expansion of paramilitary groups is closely correlated with the expansion in the number of victims, of more than 94% between 1986 and 1999. (See Graph 4).

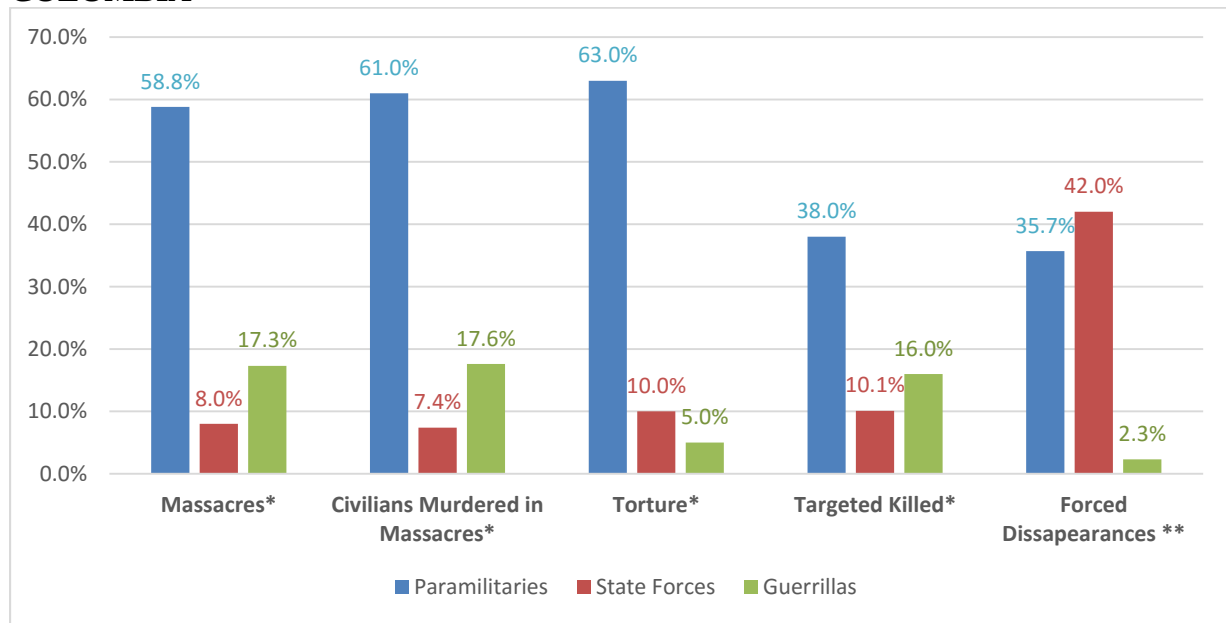
Graph 4 NUMBER OF NARCO-PARAMILITARY GROUPS AND NUMBER OF VICTIMS BETWEEN: 1993 - 1999 (LEFT), SCATTER RELATIONSHIP BETWEEN VICTIMS AND PARAMILITARY GROUPS: 1986 - 1999 (RIGHT)



Source: Authors based on the Observatory of Human Rights of the Vice-Presidency of the Republic (2010) for the data about number of narco-paramilitary groups. Data about number of victims are from the National Registry of Victims (2015).

National Government and mainstream media have argued that violence against civilians has been perpetrated mainly by guerrillas. However, according to the Group for Historical Memory, all kinds of human rights violations have been mainly perpetrated by narco-paramilitaries, except in 'Forced Disappearances' where the main perpetrator was the state's armed forces (See Graph 5).

Graph 5 **VICTIMS BY TYPE OF VIOLENCE AND BY PERPETRATOR IN COLOMBIA**



*Data between 1980 and 2012

** Data between 1997 and 2013

Source: Group for Historical Memory (GMH)

Despite narratives fostered by the mainstream media regarding the counterinsurgency attributes of narco-paramilitary actions, guerrillas were rarely targeted by paramilitaries.

Rather, victims were mainly civilians, rural farmers who were living in areas for “further development”, which means their land for prospective economic projects. Indeed, the Group for Historic Memory (2012) has counted around 220,000 persons who were killed in armed actions in Colombia between 1958 and 2002, with more than 81% of them being civilians.

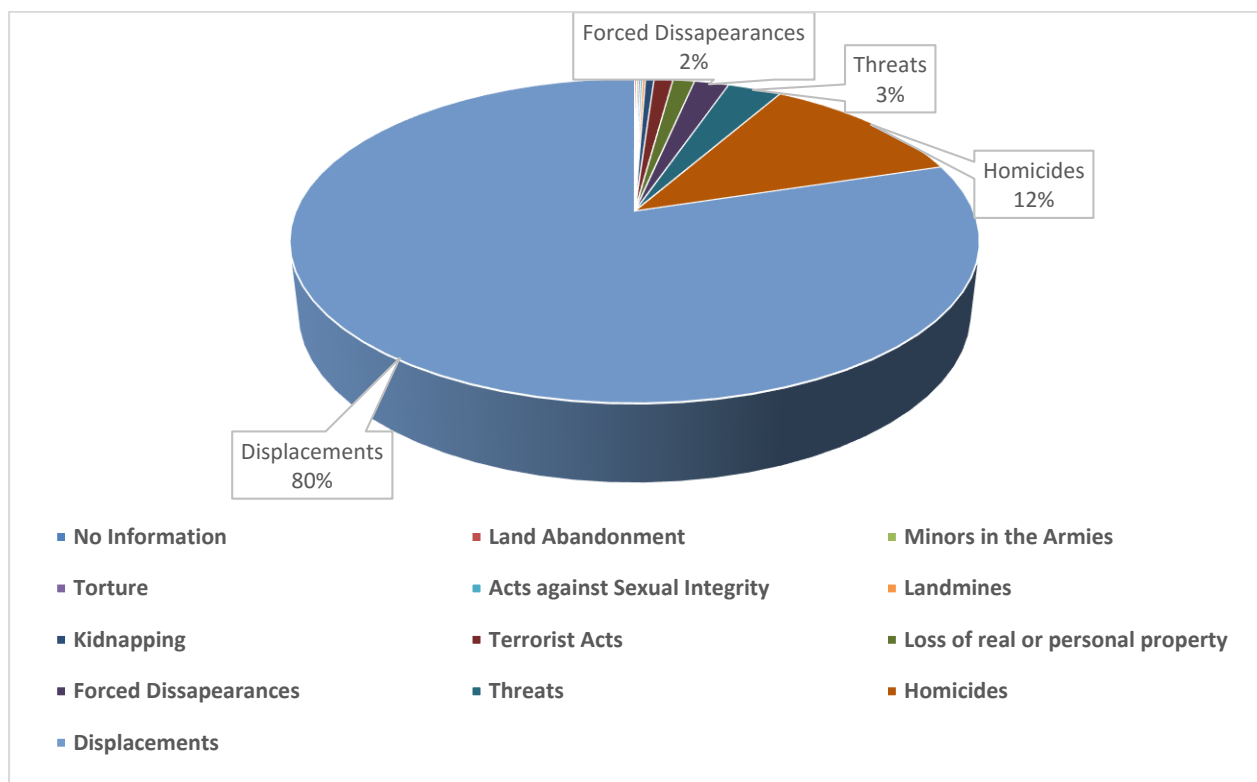
This is 4.41 civilians killed for every member of the armies in the conflict.

Perpetration of human rights violations committed against civilians was neither random nor accidental. Instead, it followed a logic according to strategic goals in each region, and its “geopolitical” situation. According to the Dossiers of the Attorney General’s Office, in almost all cases, narco-paramilitary armies not only had intelligence regarding social and political leaders, but also they had geopolitical, strategic and economic information . This information

was gathered thanks to the assistance of illegal forces (such as former paramilitaries), and legal bodies such as governments, military, and intelligence agencies. State assistance went far beyond military support.

This explains why the type, number, and incidence of human rights violations varied widely across Colombia. However, as one of the main strategic objectives was the appropriation of land and natural resources, such violations were instrumental in fostering large numbers of forced displacements. According to the Unit of Victims, these accounted for 79.8% of all the acts committed in the “conflict” up to June of 2015 (6.8 million of acts of displacement out of 8.6 million) (See Graph 6); and 86% of all acts in the period of study between 1990 and 2010.

Graph 6 ACTS AGAINST CIVILIANS BY TYPE OF CRIME: FROM BEFORE 1985 TO 2015



Source: Authors based on National Registry of Victims, June 2015

Once paramilitaries had proven their territorial control over any institutional authority (or relying on the assistance of such authority), and had demonstrated their capacity to infringe extreme violence against civilians, it became easier to foster massive displacements and to monopolise the seizure of land without necessarily recourse to further acts of violence. For instance, it became common among researchers and public officials to hear that paramilitaries threatened their victims in forcing them to sell their land at a very cheap prices with the common refrain: “if you don’t sell the land today, I will buy it from your widow tomorrow” (*El Espectador*, 2010).

This explains why massive forced displacements generally came after other human rights violations were committed. This also explains why displacements were not necessarily accompanied by other types of human rights violations at the same time.

Economic interests underpinning human rights violations were also highlighted by the UN:

Economic interest underlying the violence and conflict also are factors inducing displacement. As part of a process of so-called “counter-agrarian reform” (which at the time of the Representative’s first mission in 1994 had resulted in an estimated 3 per cent of the landowners controlling more than 70 percent of the arable land in the country), displacement is often a tool for acquiring land for the benefit of large landowners, narco-traffickers, as well as private enterprises planning large-scale projects for the exploitation of Natural resources ... OHCHR reports having received testimony from a number of small and medium-scale farmers who have been robbed of their land by paramilitaries in the service of drug traffickers or local landowners, or who have had to sell their land cheaply before leaving the region under death threats (Economic and Social Council of the United Nations, 2000: 7)

The same Report underlines both the focus on poor peasants as the main victims and displacements and land grabbing as the main goal:

Displacement in Colombia is not merely incidental to the armed conflict but is also a deliberate strategy of war. Indeed rarely is there direct confrontation among armed groups (that is, the paramilitaries, guerrilla groups, and the armed forces/police). Rather, these armed groups attempt to settle their scores by attacking civilians suspected of being associated with the “other” side, and they do so with such severity as to leave those whose physical security is threatened with no choice but to flee. (Economic and Social Council of the United Nations, 2000: 2)

As a result, and despite the official narrative as an “exemplary democracy”, Colombia has three times more disappeared persons than the three military dictatorships of South America combined: Argentina, Brazil, and Chile (López, 2010:78). The largest number of human rights violations is through forced displaced persons. According to the internal displacement monitoring centre (IDMC, 2014), Colombia is the country with the second most numbers of displaced persons in the world after Syria (with at least 6.5 million displaced persons), followed by the Democratic Republic of Congo (with 2.96 million of internally displaced persons).

The label of “conflict and violence” as the main driver of displacement is problematic. In Colombia it has been closely attached to legal and illegal economic projects. Violence and human rights violation have also been the mode of a specific development model that fosters internal displacement as a tool for relocating land and natural resources into the hands of drug dealers, retired army officers, multinational corporations and big business. In short, violence in Colombia is used as an instrument of neoliberal “Development”.

The consolidation of a successful neoliberal Development Model from 2002

At the end of the 1980s, the ruling coalition in Colombia was threatened by guerrillas and drug dealers. On the one hand, the guerrillas' strategy from the early eighties implied targeting landowners, and members of the state and national economic elites, in order to extort sufficient funding to grow militarily. On the other hand, a section of the drug dealers, known as "the extraditable persons", were similarly kidnapping high class people in order to access funding and to negotiate a peace agreement with the state (Durán, 2015: 66-73).

By 1992, a section of the drug dealers named *PEPES* (persecuted by Pablo Escobar), a special military unit known as the search block, and US military and Special Forces joined forces to kill extraditable persons and their head, Pablo Escobar Gaviria. This was the first time that joint work between drug dealers and members of the legal forces from Colombia and the USA became publicly visible. The research journalist Mark Bowden described in 2001 how:

I came across the DEA's cable traffic back and forth from Bogotá to Washington which documents the knowledge of DEA agents that *LOS PEPES* were intimately involve with the [state military force] The Search Block. Ambassador Busby himself wrote a cable to Washington where he details the fact that their own intelligence showed that there was a connection between *LOS PEPES* and the Search Block. In fact, the ambassador Busby have gone to president Gaviria to complain about this and to demand that these connections ceased and desisted ... officially the United States was not involved in the efforts of *LOS PEPES*, but if you look at what they were doing in Colombia at the time, it was clear that they were working hand in hand with *LOS PEPES* whether they were intending it or not.

Carlos Castaño Gil, who was the head of *PEPES* and former Pablo Escobar associate, also commented in the same documentary:

There was a strategy, wide, perfect, outlined by the United States, by these agencies, in which each one did what each one had to do.

By 1995, the mainstream media had sold the narrative of the triumph of the state over drug cartels, rendering themselves invisible to critical public opinion by pinpointing guerrillas as Colombia's main problem. The narrative began to be spread of narco-paramilitaries as counterinsurgent armies founded by legal landowners in defence of themselves and the country itself against the communist peril.

Between 1991 and 2002, narco-paramilitaries and their *AUC* national project had spread from two to 22 of the 32 states of Colombia. In 2002, the same person, Álvaro Uribe, that had pushed *CONVIVIR* forward as a warfare tool for paramilitaries when he was Governor of Antioquia between 1995 and 1997 became President of Colombia between 2002 and 2010 with the assistance of the ruling coalition and the mainstream media.

The consolidation of this process between 2002 and 2010 included spreading violence over the country to monopolise land and natural resources, and strengthening the narco-state without historical precedent in working for the ruling coalition, not least in bolstering investment and economic growth in those sectors that drew on extension of land use.

The process of consolidation of drug cartels into paramilitary armies and its damage in terms of violence and deinstitutionalisation have been observed by former politicians and former drug dealers on several occasions. For instance, former Colombian President Andres Pastrana (1998-2002) stated in 2013:

If we had done a deep investigation regarding Medellin cartel, Cali cartel, and all the other cartels, today we wouldn't have the Medellin cartel in its mutation to paramilitary armies, which may be what is doing the most harm today to the Colombian people (Pastrana, 2013. In Documentary: Pablo Escobar's times).

In the same direction, a former member of the Medellin drug cartel, aka “Popeye”, stated in the same documentary:

When Pablo Escobar died everyone was happy and everyone was saying that violence and drug-trafficking was over. Rather, that was the point when it really began.

‘Paramilitaries’ have never existed. They are only drug-trafficking groups with a flag and a hymn. They took over Colombia and brought coca plantations to Colombia because we didn’t have coca plantations in Colombia... Colombia became producer of coca paste under paramilitaries. (Velásquez, 2013. In Documentary: Pablo Escobar times)

With the expansion of narco-paramilitaries and their AUC national project, drug dealers began to gain unprecedentedly powerful positions within the narco-state. One of the expressions of the growing insertion of drug dealers into the state has been the assistance for elected politicians. According to López, et al (2010: 31), by 1994, the judicial process which investigated links between politicians and the Cali drug cartel, showed that Congressmen found guilty accounted for 900,000 votes, and illicit money was a “determinant” in the election of the President. For the elections of 2002 and 2006, the judicial process “Justice and Peace” showed that voting fostered by narco-paramilitaries had grown to more than two million votes, and 80% of the Congressmen so elected were part of the president’s coalition (See Graph 7).

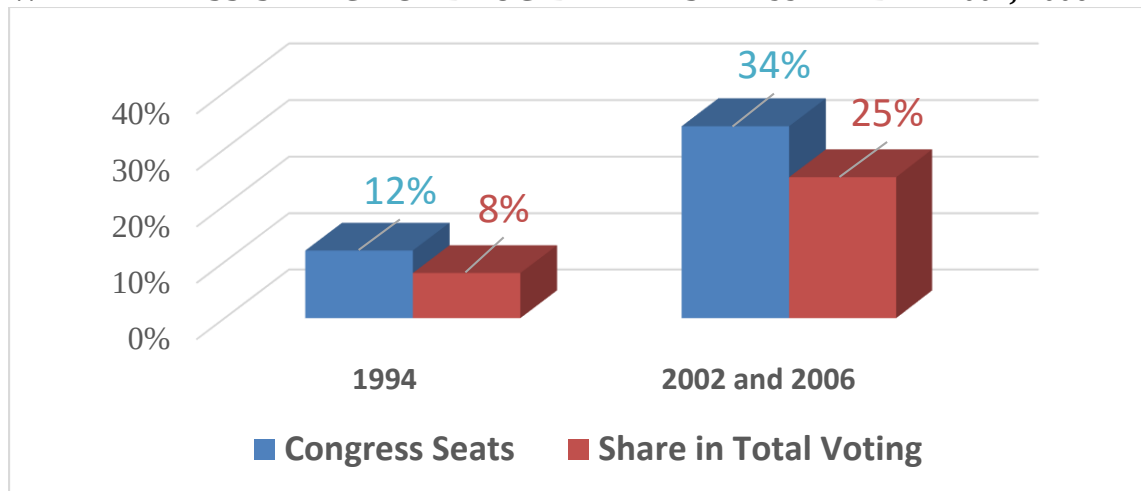
Indeed, narco-paramilitary head, Salvatore Mancuso, stated after the elections for President and Congress in 2002:

We “recommended” candidates to the people ... according to the data we have, we can state that the goal of having 35% of the Congressmen among our friends has been largely achieved. This constitutes a milestone in AUC history ... This support exceeds

our most optimistic projections. (Mancuso, 2002; quoted by López and Sevillano, 2007:

1)

Graph 7 COMPARISON BETWEEN THE VOTING FOR CONGRESSMEN ELECTED WITH THE ASSISTANCE OF DRUG-DEALERS IN 1994 AND IN 2002, 2006



Source: Authors based on López (2010)

Three years later, paramilitary head Carlos Castaño Gil confirmed:

I think we can say that we have more than 35% among our friends in Congress. We will improve this next elections. (Castaño, 2005; quoted by López and Sevillano, 2007: 2).

According to López et al (2010: 29), by April of 2010, the Attorney General's Office of Colombia was reported to be prosecuting 400 elected politicians because of their connections to narco-paramilitaries; 102 were members of Congress. It was also prosecuting 109 public officials, 324 members of the National Army, and 5,766 citizens involved in criminal activities with narco-paramilitaries.

Heads of narco-paramilitaries armies used signed agreements in order to avoid the so-called principal-agent problem. These signed agreements have been disclosed by paramilitaries in judicial processes. Some of the most famous agreements are: the "Ralito Agreement", signed in the State of Cordoba for Congress elections of 2002; the agreements of "Chivolo and Pivijai", signed in the State of Magdalena; the agreement for an "Urabá great and united"

signed in the State of Antioquia; and many others signed in States such as Casanare, Caldas, and Risaralda, (López, 2010, and Valencia, 2012)

In research regarding “the scandal of parapolitics”, López concluded:

The evidence found in judicial processes goes far beyond the most reckless hypotheses about the magnitude and implications of linkages between politicians, public officials, and criminal organisations, about the joint and deliberate actions that were deployed in order to meet economic and political goals, and about its effects on the political and institutional transformation in some states of the country. (López, et al 2010: 31)

Accordingly, criminals co-governed with the ruling coalition between 2002 and 2010 in both the National Congress and the Presidency of Colombia. Congressmen worked as a team for the economic and political interests of paramilitaries and business elites. These interests were largely represented and supported by the National Government throughout this period. As Paredes et al (2003) and Borrero et al (2004) have found, these interests involved rural land expropriation, economic policies to enhance certain economic sectors, privatisation of state enterprises, enhancing money laundering, regressive tax reforms, restraining of labour and social rights, and deepening of the health and pension private model.

For instance, “the prescription to acquisition” was used in order to legalise acquisition of denuded lands. According to the Civil Code, a person can acquire a vacant land after a certain time, once complying with other legal requirements. Given the great amount of land left vacant due to threats from narco-paramilitaries armies, the prescription to acquisition became a way to acquire these lands legally. Law 791 of 2002 reduced the time necessary before appropriation to five years for land and three years for movable property. As seen before, the largest share of displacements was made during the 1990s, ably abetted by a law for usurping these possessions (Peña, Parada and Zuleta, 2012: 137)

Even when a large share of Congressmen was prosecuted for their links with narco-paramilitaries, the National Government tried to bind them institutionally to the wide range of national reforms that suited the interests of national and international economic elites. In 2006, the former President of Colombia publicly stated:

I'll ask all Congressmen who have supported us: before going to in jail, go and vote for the transferences reform, the capitalisation of the state oil company, and the tax reform.

The ruse that I cannot ask for their vote because it is immoral, so the opposition defeat us to not approving this legislative agenda ... No way! We are warriors! (Uribe, 2006)

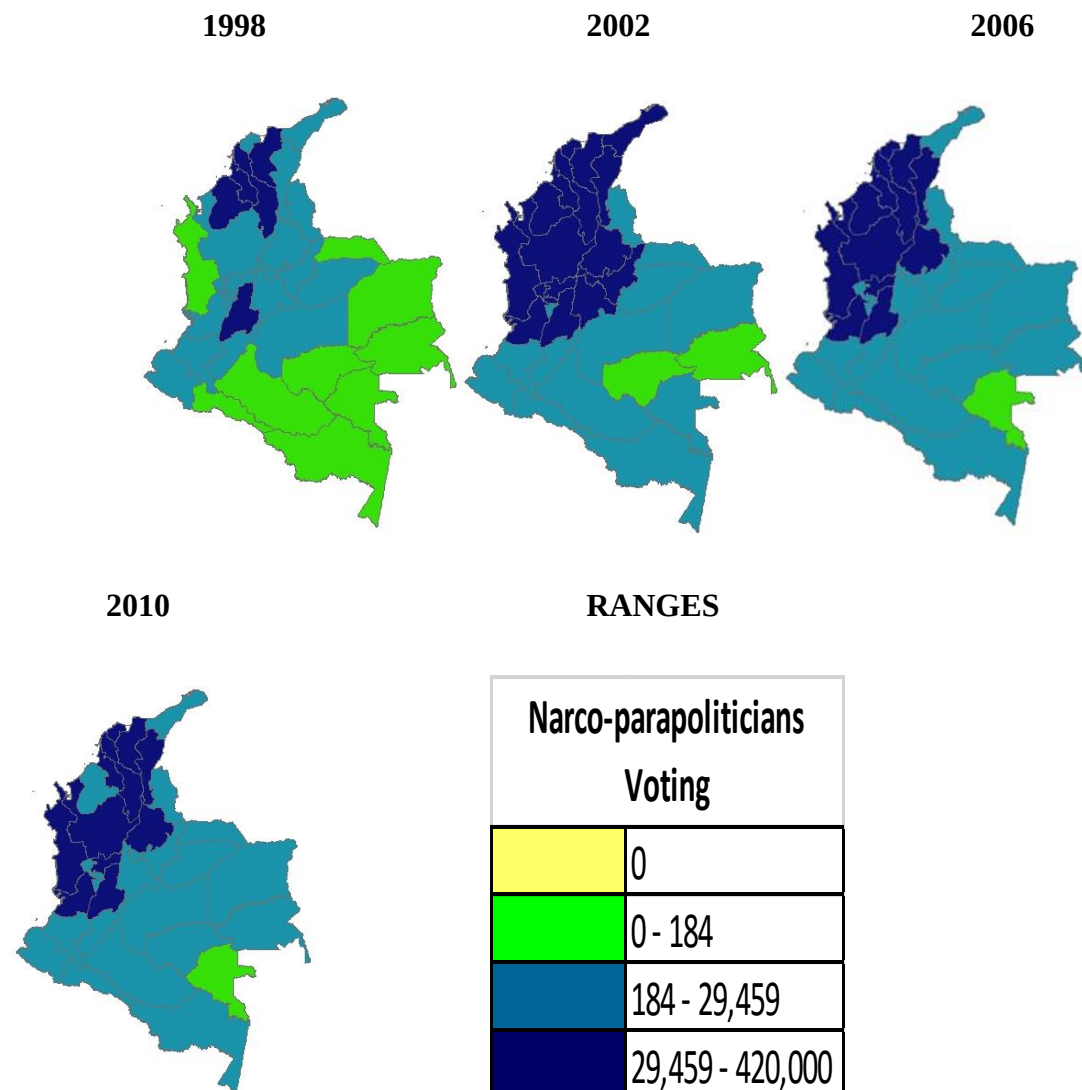
Judicial processes have demonstrated the teamwork involved between the Presidency and narco-paramilitaries between 2002 and 2010. These processes included more than twenty high level governmental officials prosecuted for their relationships with drug-dealers, illegal armies, or both (*La Silla Vacía*, 2010), the use of governmental agencies directly to commit crimes against humanity (*El Espectador*, 2009 and *El Nuevo Herald*, 2010) and to export illegal drugs (García, 2009), and meetings between high level members of the National Government and narco-paramilitaries to wiretap members of the Supreme Court (*La Silla Vacía*, 2012). These criminal actions have been fully known to the US Government without any consequences in light of its strong relationship with the former Colombian President during the Bush and Obama administrations. Rather, the US Government has continuously supported the former Colombian President in his active political role to the present time (*Colombia Reports*, 2015). Disclosed emails of the former US Secretary of State, Hillary Clinton, have shown the characteristic USA double standards in its foreign policy:

On June 3, 2010, Clinton's Chief of Staff, Cheryl Mills, forwarded her an email from the former US ambassador William Brownfield. In this email Brownfield suggests that Hillary Clinton should remind President Uribe the necessity for an independent investigation into some key issues such as the extrajudicial executions committed by

members of the Colombian Army on peasants, the corruption of the National Security Agency (DAS), and the scandal of parapolitics that included allies, governmental officials, and a relative of President Uribe ...” (Coronell, 2015: 1)

Narco-paramilitary influence on voting grew steadily in the stage of narco-paramilitary expansion until 2002. In the stage of consolidation of the Development Model (2002–2010), this feature persisted despite the demobilisation of *AUC* between 2005 and 2008, and the fall in human rights violations from 2002. This phenomenon is known as “persuasion power”. After demonstrating their territorial control and their capacity for harming the population in the stage of narco-paramilitary expansion, *AUC* continued to gain votes. (See Graph 8 and Graph 9). Persuasion power beyond 2008, when completely demobilised, is explained by the so called “criminal gangs” that substituted for the *AUC*. Heads of the criminal gangs belonged to the same *AUC* structures as before, working for big businesses and landowners in the regions, although they were not coordinated through national command.

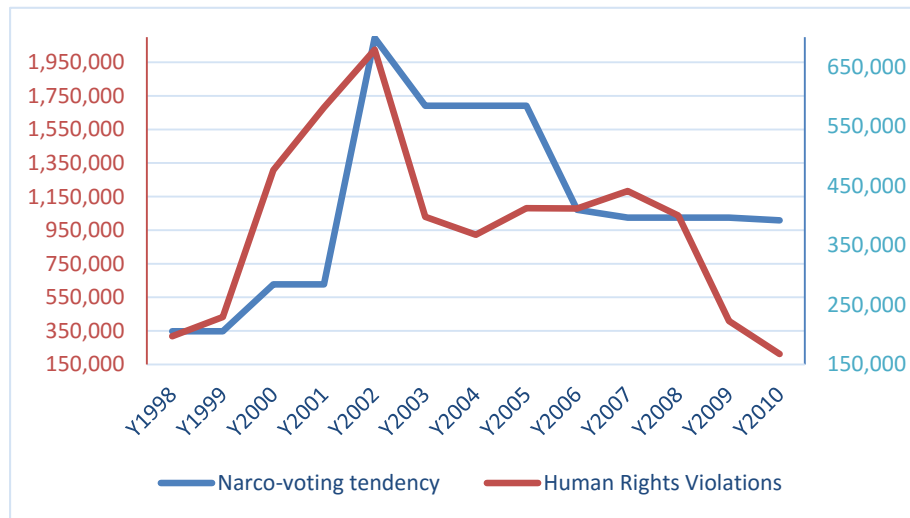
Graph 8 NARCO-PARAMILITARY VOTING BETWEEN 1998 AND 20010 IN COLOMBIA*



Source: Authors based on Judicial Processes and the National Registry of the Civil State.

* Narco-paramilitary votes were calculated following these steps. First, Congressmen, Mayors, and Governors who have been already found guilty for their linkages with paramilitaries were identified according to the files of Judicial Process for Justice and Peace. Second, number of votes by city and state of each of these politicians were counted according to the National Registry for the Civil State in Colombia.

Graph 9 NARCO-VOTING (RIGHT), AND HUMAN RIGHTS VIOLATIONS (LEFT) IN COLOMBIA: 1998 – 2010



Source: Authors based on National Registry of National State and National Unit of Victims

Exponential growth of displacements and monopolisation of land between 1993 and 2002, the tendency of human rights violations over the whole period of study, and the persistence of persuasion power in the stage of consolidation of the development model between 2002 and 2010, explain both the changes in landed property and the growth in certain economic sectors. According to Ibáñez and Muñoz (2011), around 3.6 million farmers were displaced by illegal armed groups between 2000 and 2010 in order to profit from natural resources, to appropriate land, and to secure roads for drug-trafficking. More than 78% of displaced persons were the consequence of economic activities between 2000 and 2010. In an interview in 2015 Ibáñez stated:

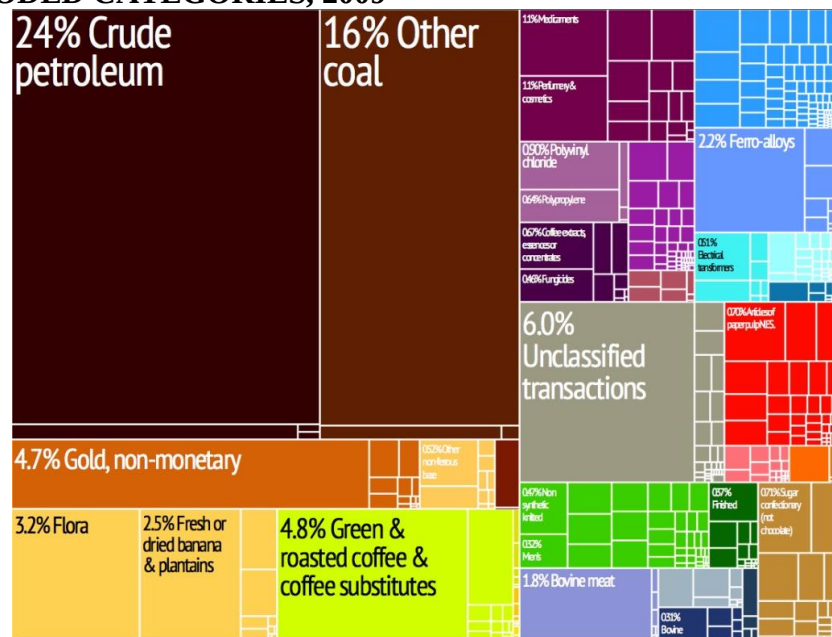
What we found was that land inequality was already high in 2000. What happened was that it got worse between 2000 and 2010 (Ibañez, 2015, quoted by Durán, 2015: 103)

Indeed, authors estimate that inequality on landed property grew between 2000 and 2010. In 2000, 13.6% of the richest people owned 75.7% of the land. By 2010, it had risen to 77.6%. Isolated regions projected for natural resource exploitation were more concentrated, supporting remarks made by former Colombian President Ernesto Samper in an interview:

There was an agrarian counter-reform in the last 20 years in Colombia. In just ten years 7 million of hectares were monopolised by paramilitaries, big landowners, and ranchers. This equals 2.5 times what we had gain in the agrarian reform over the former 50 years. It was an agrarian counter-reform that totally changed power structures inside Colombia. So, there it is a fair clear alliance of interests: Favours specific armed groups to protect economic interests (Samper, 2015; quoted by Durán, 2015: 103)

These specific economic interests are transparent in sectors such as banana, palm oil, and energy and mining. Together these sectors accounted for around 70% of total exports in 2009 (See Graph 10). These sectors are difficult to develop for three main reasons: (1) extensive amounts of lands are needed to accrue economies of scale, (2) great amounts of initial investment are needed with more than a decade before returns begin, and (3) high levels of public intervention are important to ensure legal certainty and public support for long-term plans. All these problems were overcome thanks to corresponding support from the National Government, laws and regulations proposed in the National Congress that provided differential treatment for potential investors, aggressive funding plans developed by the Minister of Agriculture in joint work with the financial sector, the availability of extensive lands at low prices given the described counter-agrarian reform with the assistance of narco-paramilitaries and, finally, the willingness to invest by wealthy entrepreneurs and drug dealers.

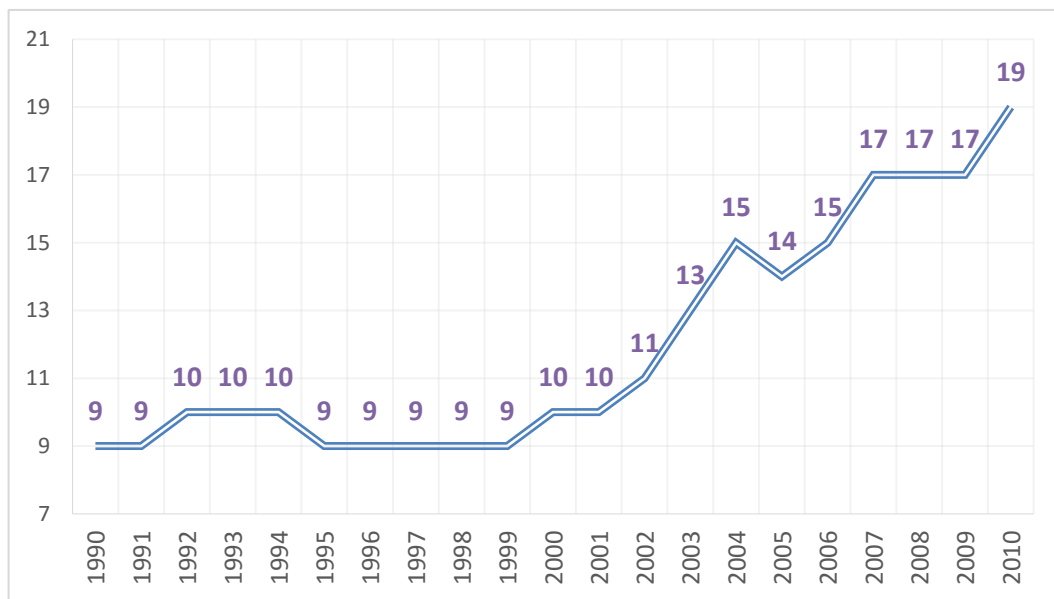
Graph 10 **GRAPHICAL DEPICTION OF COLOMBIA'S PRODUCT EXPORTS IN 28 COLOUR-CODED CATEGORIES, 2009**



Source: MIT/Harvard Atlas for Economic Complexity. (Hausmann and Hidalgo et al, 2009)

Banana exports mainly derive from the Urabá region where the AUC project was founded before spreading all over the country. The number of states producing palm oil and hectares sown began to grow exponentially in the stage of consolidation from 2002. In 1990, palm oil was sown in only nine states. The number was steady until 2002. By 2010, the number had almost doubled to nineteen. (See Graph 11). Land used for palm oil tripled from 1990 to 2010, and from 89,671 to 284,582 hectares.

Graph 11 **NUMBER OF STATES WITH PALM OIL IN COLOMBIA: 1990 – 2010**

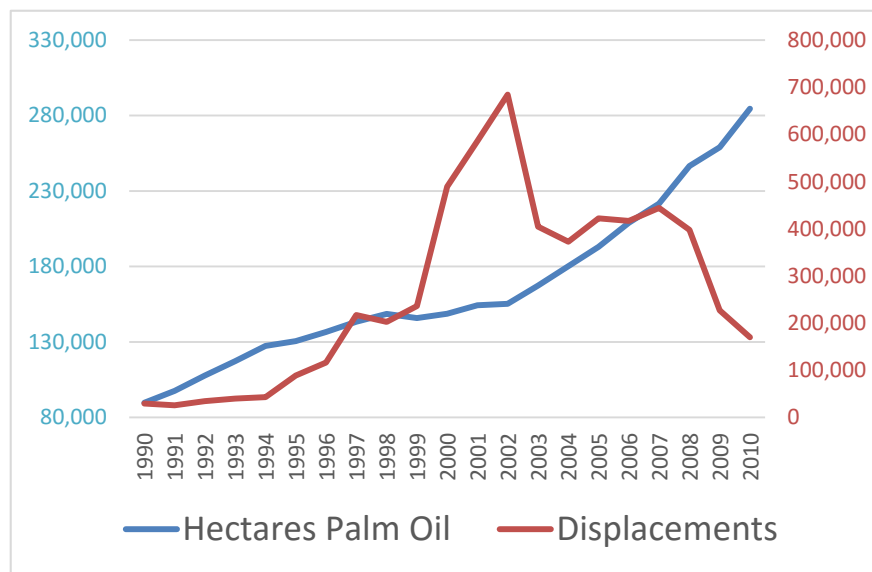


Source: Minister of Agriculture. (AGRONET)

Expansion of hectares sown on palm oil followed the same tendency of displacements during the narco-paramilitary expansion (1993–2002). However, hectares of palm oil continued to grow exponentially in the stage of consolidation between 2002 and 2010, just after the peak of displacements, land grabbing, and the consolidation of the narco-state which corresponds to the peak of persuasion power. See Graph 12.

Mining is similar. According to Rudas (2011), between 1990 and 2002, the National Government issued mining titles on 1.05 million hectares, an average of 323,072 hectares for each presidential period. Then, in the next two presidential periods (2002–2010) the government issued mining titles on 7.4 million hectares, an average of 3.7 million of hectares in each presidential period (an increase of more than eleven times).

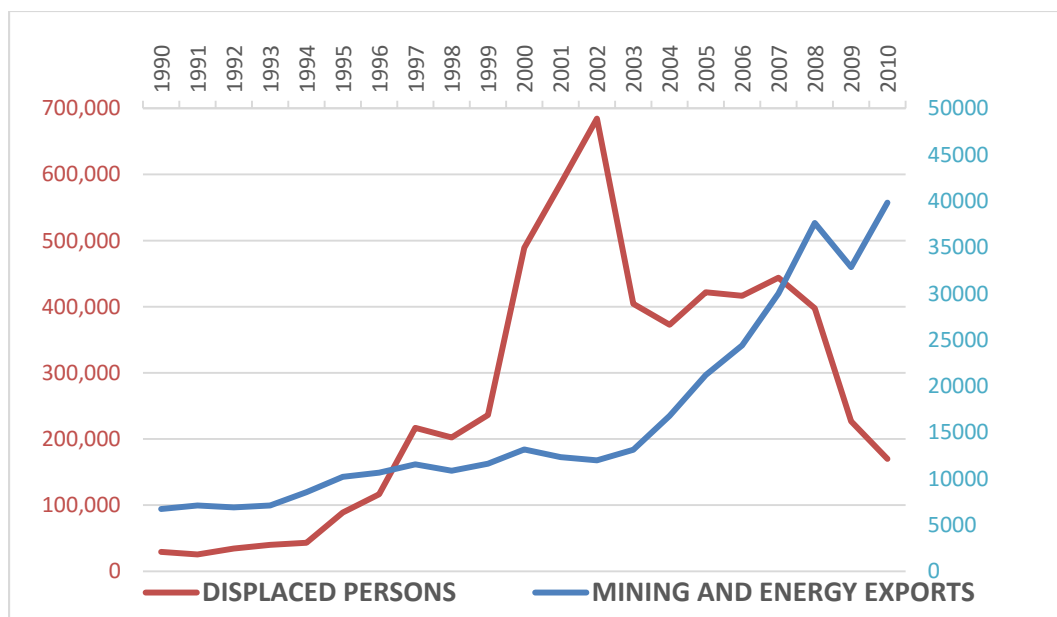
Graph 12 RELATIONSHIP BETWEEN HECTARES SOWN OF PALM OIL* AND INTERNALLY DISPLACED PERSONS IN COLOMBIA: 1990 - 2010



Source: Minister of Agriculture (AGRONET)* and National Unit of Victims

Accordingly, mining and energy exports began to grow exponentially in the stage of consolidation, just after narco-paramilitaries armies reached their peak of territorial control and displacements in 2002 (See Graph 13).

Graph 13 RELATIONSHIP BETWEEN MINING AND ENERGY EXPORTS (IN TONS) AND INTERNALLY DISPLACED PERSONS IN COLOMBIA: 1990 - 2010



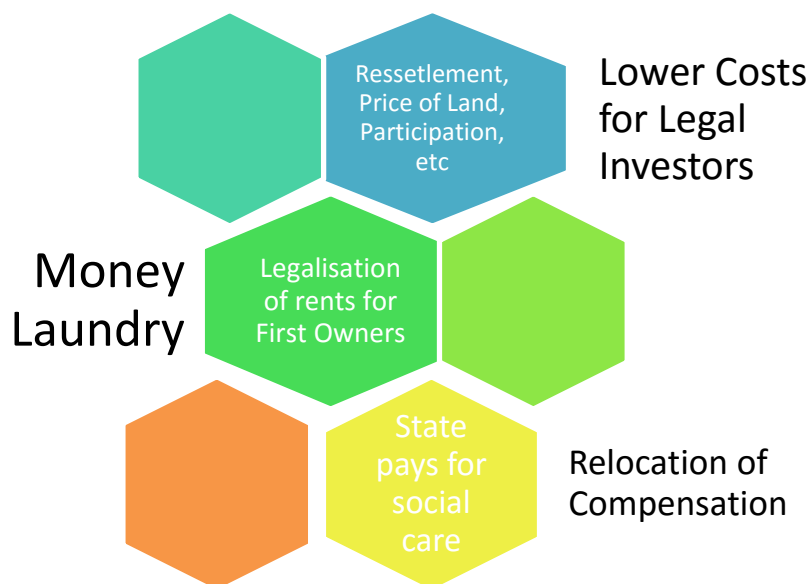
Source: Authors based on UPM (2011: 23) and NRV (2015).

Durán (2015) applied three statistical tools to test the spatial and temporal relationship between human rights violations and the growth of palm oil and mining. He concludes that:

[As in the case of Palm Oil], human right violations acted as a magnet of mining growth, therefore, Human Rights violations were instrumental for “Development” from the mainstream economics viewpoint. (Durán, 2015: 128).

Moreover, human rights violations allow a spiral of growth and economic “development” that would have been impossible otherwise. The author found specific sources of added economic value created by human rights violations. These are: (1) falling production costs, (2) money laundering, and (3) relocation compensation. (Graph 14).

Graph 14 **SOURCES OF ADDED ECONOMIC VALUE CREATED BY HUMAN RIGHTS VIOLATIONS**



Source: Authors

Falling production costs are due to lowering of land prices, time for initial investment and execution of the economic project, and “exogenous” risks due to labour unions. Money

laundering also creates economic value in land selling, land purchasing, and fictitious exports. Finally, relocation compensation also creates economic value in the money to be made out of dams, roads, and other infrastructure projects. (Durán 2015: 104-110)

The optimization of the economic value given human rights violations has followed a method of two operational steps: (1) paramilitaries made evictions, and (2) property of the monopolised land is passed to legal firms, real or fictitious, in order to perform real or fictitious economic activities. This method allows formal firms to avoid paying any compensation under the legal excuse of the existence of an “armed conflict”. Therefore, displaced persons have no rights to compensation by those companies that use the land for economic purposes.

Displaced persons become “displaced from the violence” and find themselves in public programmes funded by the state under special regulations. These are laid down by the Constitutional Court, especially in rulings T-327 and T-025 of 2004. This means that all processes and compensation costs are funded by the state. This also means that all the rights deriving from International Law are legally overlooked by the state through appealing to the excuse of the “armed conflict”.

Conclusions

There is an occasional inclination in the social capital literature to accept that it can have a dark, negative or perverse side, with organised crime and drugs a favoured example. Such observations tend to be readily set aside and a focus placed upon the positive potential of social capital, if leaving behind an increasingly distant acknowledgement that social capital can be used for bad as well as for good. Such a dichotomy can, however, be perceived to go to the heart of the conceptual inadequacies of social capital as a universalising concept with (unavoidable) deficits (its implicit perception of other “capital” as non-social) as well as

contingent ones (how it has evolved away, for example, from Bourdieu to World Bank conceptualisations). For, once power, class, conflict and context are explicitly brought to bear upon the social capital paradigm, it becomes immediate that social capital is always good and bad at one and the same time, reflecting oppression as well as cooperation, support or resistance to the social order.

In this light, our case study of Colombia cannot be legitimately accepted as such and simply pigeonholed as an extreme example of bad social capital. Rather, the oldest democracy in Latin America has been captured by national elites, drug dealers and multinational firms, ably abetted by the US government, and has launched a campaign of systematic violence against its citizenry under the paper-thin ideology of development and the war against drugs and terrorism. Accordingly, social capital is riddled through with determinants it does not care to, and cannot, recognise. That this is so obvious to those who care to see in case of Colombia renders it no less the case where social capital more surreptitiously seeks to promote more favourable outcomes within unexamined, and so analytically uncontested, structures of power, control and oppression.

Despite the mainstream definition of social capital shaped by the World Bank, a comprehensive approach in studying social capital within a country has to account for the relationship between the social structures (including class, the state and its coalitions) and the results in terms of capital (including its distribution and accumulation over time). This approach has been applied in this paper as a standpoint of what could be defined as “real social capital”.

References

Anderson, L. (2010) Social Capital in Developing Democracies: Nicaragua and Argentina Compared, Cambridge: Cambridge University Press.

- Andolina, R., N. Laurie and S. Radcliffe (2009) [Indigenous Development in the Andes: Culture, Power, and Transnationalism](#), Durham: Duke University Press.
- Aranguren, (2001). Mi confesión: Carlos Castaño revela sus secretos. (My confession: Carlos Castaño reveals his secrets). Ed La Oveja Negra. 268 pages
- AUC (1997). Constitution of the United Self-defense Armies of Colombia. April 18 of 1997). In: <https://www.verdadabierta.com/documentos/victimarios/bloques/673-constitucion-de-las-autodefensas-unidas-de-colombia>. Last Seen 23 of July 2015
- Bayliss, K., B. Fine and E. Van Waeyenberge (eds) (2011) [The Political Economy of Development: The World Bank, Neoliberalism and Development Research](#), London: Pluto.
- Bebbington, A. (2004) “Social Capital and Development Studies 1: Critique, Debate, Progress?”, [Progress in Development Studies](#), vol 4, no 4, pp. 343-49.
- Bebbington, A., S. Guggenheim, E. Olson and M. Woolcock (2004) “Grounding Discourse in Practice: Exploring Social Capital Debates at the World Bank”, [Journal of Development Studies](#), vol 40, no 5, pp. 33-64.
- Bebbington, A., Woolcock, M., Guggenheim, S., and E. Olson (eds) (2006) [The Search for Empowerment: Social Capital as Idea and Practice at the World Bank](#), Bloomfield: Kumarian Press.
- Borrero et al (2004). Reección: El embrujo continúa. (Reelection: The spell goes on). Plataforma Colombiana de Derechos Humanos, Democracia y desarrollo. Bogotá D.C. Septiembre de 2004. 306 pages
- Bossert T. (1998) “Analyzing the Decentralization of Health Systems in Developing Countries: Decision Space, Innovation and Performance”, [Social Science and Medicine](#), vol 47, no 10, pp. 1513-527.
- Bowden (2001). The true Story of Killing Pablo. Mark Bowden. In: <https://www.youtube.com/watch?v=p3sGD5PFRmI>. Last Seen July 30 of 2015.
- Brodrecht, A. (2012) “Poverty’s Numbing Effect on Collective Action: A Case Study of Squatter Settlers in Lima, Peru”, [Globalizations](#), vol 9, no 6, pp. 851-67.
- CEPAL/ECLAC (2004) “Social Capital and Poverty Reduction in Latin America and the Caribbean: Towards a New Paradigm”, Santiago: United Nations Economic Commission for Latin America and the Caribbean.

- CINEP, (2007). “Las Convivir: la legalización del paramilitarismo”. Centro de Investigación y Educación Popular –Cinep. In:
<http://www.nocheyniebla.org/files/u1/casotipo/deuda/html/pdf/deuda13.pdf> Citando Página 2. Citando en la Revista Alternativa N° 8, Marzo 15 – Abril 15 de 1997, Página 12.
- Coleman, J. (1988) “Social Capital in the Creation of Human Capital”, American Journal of Sociology vol 94, Supplement, S95-S120, reproduced in Swedberg (ed) (1996).
- Collier, P. and J. Gunning (1999) “Explaining African Economic Performance”, Journal of Economic Literature, vol 37, no 1, pp. 64-111.
- Colombia Reports (2015). Clinton and US envoy to Colombia peace talks urge Uribe to end resistance. In: <http://colombiareports.com/clinton-and-us-envoy-to-colombia-peace-talks-urge-uribe-to-end-resistance/>. August 10, 2015. Last Seen: September 12, 2015.
- Cornwall, A. and D. Eade (eds) (2010) Deconstructing Development Discourse: Buzzwords and Fuzzwords, Oxfam and Rugby: Practical Action Publishing.
- Coronell, (2015). El e-mail de Hillary. (*Hillary's email*). In:
<http://www.semana.com/opinion/articulo/daniel-coronell-el-e-mail-de-hillary/441230-3>. 5 of September, 2015. Last Seen: 12 of September, 2015.
- Dirven, M. (2004) “Between the Ideal and the Real: Social Capital and Agricultural Development, Some Notes for Reflection”, in CEPAL/ECLAC (2004).
- Dube and Naidu, (2014). Bases, Bullets and Ballots: The effect of US Military aid on political conflict in Colombia. National Bureau of Economic Research. Working Paper 20213. Cambridge, MA.
- Durán, (2015). Political Economy, Public Policy, Power Structures, and Human Rights Violations: The case of Internally Displaced Persons in Colombia between 1993 and 2010. *Submitted to the Department of Urban Studies and Planning in partial fulfilment of the requirements for the degree of Master of Science at the Massachusetts Institute of Technology*. September 2015.
- Economic and Social Council of the United Nations (2000). Commission on Human Rights. Specific Groups and individuals: Mass exoduses and displaced persons. Report of the Representative of the Secretary General on Internally displaced persons submitted in accordance with Commission resolution 1999/47.

- El Espectador*, (2010). El primer capítulo de la ‘paraeconomía’. (The first chapter of paraeconomics). In: <http://www.elespectador.com/opinion/editorial/el-primer-capitulo-de-paraeconomia-articulo-204504>. May 22, 2010. Last Seen: July 31, 2015.
- El Espectador*, (2009). Hallan fosa común con 2,000 cuerpos en La Macarena. (A mass grave with 2,000 bodies is found in “La Maracrena”). In: <http://www.elespectador.com/noticias/judicial/articulo176848-hallan-fosa-comun-2000-cuerpos-macarena>. December 11 of 2009. Last Seen: 12 of September, 2015.
- El Nuevo Herald*, (2010). Hallan fosa común con cerca de 2,000 cadáveres en el oriente de Colombia. (A mass grave with nearly 2,000 bodies is found in the West of Colombia). In: <http://www.elnuevoherald.com/noticias/mundo/america-latina/colombia-es/article2002617.html>. January 29 of 2010. Last Seen: 12 of September, 2015.
- Farr, J. (2004) “Social Capital: A Conceptual History”, *Political Theory*, vol 32, no 1, pp. 6-33.
- Farr, J. (2007) “In Search of Social Capital”, *Political Theory*, vol 35, no 1, pp. 54-61.
- Feldman, T. and S. Assaf (1999) “Social Capital: Conceptual Frameworks and Empirical Evidence: An Annotated Bibliography”, The World Bank Social Development Family Environmentally and Socially Sustainable Development Network, Social Capital Initiative Working Paper, no 5, <http://siteresources.worldbank.org/INTSOCIALCAPITAL/Resources/Social-Capital-Initiative-Working-Paper-Series/SCI-WPS-05.pdf>
- Figueras, J. (2004) “Social Capital, Grassroots Organizations and the State: Reclaiming the Missing Links of Sociability”, in CEPAL/ECLAC (2004).
- Fine, B. (1999) “The Developmental State is Dead - Long Live Social Capital?”, *Development and Change*, vol 30, no 1, pp. 1-19.
- Fine, B. (2001) *Social Capital versus Social Theory: Political Economy and Social Science at the Turn of the Millennium*, London: Routledge.
- Fine, B. (2007) “Eleven Hypotheses on the Conceptual History of Social Capital”, *Political Theory*, vol 35, no 1, pp. 47-53.
- Fine, B. (2008) “Social Capital in Wonderland: The World Bank behind the Looking Glass”, *Progress in Development Studies*, 8(3): 261-69.
- Fine, B. (2010a) *Theories of Social Capital: Researchers Behaving Badly*, London: Pluto Press.

- Fine, B. (2010b) “Social Capital”, in Cornwall and Eade (eds) (2010), reproduced from [Development in Practice](#), vol 17, no 4 & 5, 2007, pp 566-74.
- Fine, B. (2011) “Social Capital and Health”, in Bayliss et al (2011).
- Fine, B., D. Johnston, A. Santos and E. Van Waeyenberge (2015) “Nudging or Fudging: The World Development Report 2015”, mimeo.
- Fukuyama, F. (2004) “Social Capital and Development: The Coming Agenda”, in CEPAL/ECLAC (2004).
- García, (2009). Entrevista al Exdirector de informática del DAS Rafael García. (Interview with former Director of Informatics in DAS, Rafael García). In: <https://www.youtube.com/watch?v=-7h6WRjtH0M&index=6&list=PLDF57555A19E757E1> Video seven from seven. September 7 of 2009. Last Seen: November 29 of 2014.
- Garcia, S. (2004) “Gender and Anti-Poverty Programmes in Mexico: Recognition of Social Capital? ”, in CEPAL/ECLAC (2004).
- Group of Historic Memory, (2012). (Centre for Historic Memory). Justice and Peace. Land and territories in the versions of Paramilitaries. National commission for reparation. Colombia. 2012. 236 pages.
- Hausmann and Hidalgo, et al (2009). Electronic Complexity Observatory, MIT Media Lab and the Center for International Development. In: https://en.wikipedia.org/wiki/Colombia#/media/File:Tree_map_export_2009_Colombia.jpg. Last Seen: July 28 of 2015.
- Hutchins, F. and P. Wilson (eds) (2009) [Editing Eden: A Reconsideration of Identity, Politics, and Place in Amazonia](#), Lincoln: University of Nebraska Press.
- Ibañez and Muñoz (2011). La persistencia de la concentración de la tierra en Colombia: ¿Qué pasó entre 2000 y 2010? (*Persistence in land concentration in Colombia: What does happend betwwen 2000 and 2010?*). In: Notas de Política No 9. School of Government, University of Andes. CEDE. August 2011. 4p.
- IDMC (2014). Global Overview 2015: People internally displaced by conflict and violence. Norwegian Refugee Council. Internal Displacement monitoring center. In: <http://www.internal-displacement.org/assets/library/Media/201505-Global-Overview-2015/20150506-global-overview-2015-en.pdf>. Last Seen July 25 of 2015. 99 pages.

- IPC (2010). Memoria de la Impunidad en Antioquia: Lo que la Justicia no quiso ver frente al Paramilitarismo. (Impunity memory in Antioquia: What justice didn't want to see regarding paramilitaries). Equipo Interdisciplinario *ad hoc* sobre impunidad y memoria. Instituto Popular de Capacitación (IPC), y Corporación Jurídica Libertad. Colombia. 2010. 276 pages. A digital copy can be found in: <http://www.ipc.org.co/portal/images/stories/pdfs/Memoria%20de%20la%20impunidad%20en%20Antioquia.pdf>
- Klare and Kornbluh (1988). Low Intensity Warfare: counterinsurgency, proinsurgency, and antiterrorism in the eighties. Ed Klare and Kornbluh. Pantheon Books. New York, NY 10022. 250 pages.
- La Silla Vacía (2012). Lo que ratifican las declaraciones de Don Berna. (What is ratified in the declarations of aka "Don Berna"). In: <http://lasillavacia.com/historia/lo-que-ratifican-las-declaraciones-de-don-berna-31001>. January 30 of 2012. Last Seen: 12 of September, 2015.
- La Silla Vacía (2010). Top de funcionarios investigados en el Gobierno Uribe. (Top governmental officials legally prosecuted in Uribe's government). In: <http://lasillavacia.com/historia/16508>. July 8 of 2010. Last Seen: November 29 of 2010.
- López, et al (2010). *Y refundaron la patria... De cómo mafiosos y políticos reconfiguraron el Estado colombiano*. Bogota: Random House Mondadori 2010, 524 p.
- López and Sevillano (2007). *Balance Político de la Parapolítica*. (Political Balance Sheet of Parapolitics). Corporación Nuevo Arcoiris. In: <http://www.cronicon.net/paginas/juicioauribe/img/Balance%20de%20la%20Parapol%EDtica.pdf>. 27 pgs.
- Mahar, C. (2010) [Reinventing Practice in a Disenchanted World : Bourdieu and Urban Poverty in Oaxaca, Mexico](#), Austin: University of Texas Press.
- Montaño, S. (2004) "Policies for the Empowerment of Women as a Battle against Poverty", in CEPAL/ECLAC (2004).
- Moser, C. (2009) *Ordinary Families: Extraordinary Lives: Assets and Poverty Reduction in Guayaquil, 1978-2004*, Washington DC: Brookings Press.
- Observatory of Human Rights. Vice-presidency of the Republic of Colombia (2010). *Panorama de los Grupos de Autodefensa*. (Paramilitary Groups Panorama). In:

<http://historico.derechoshumanos.gov.co/Observatorio/Publicaciones/Documents/2010/Temas/autoespa/index.htm>. Last Seen: June 26 of 2015. 22 pages.

Paredes et al (2003). *El embrujo autoritario: Primer año de gobierno de Alvaro Uribe Vélez*. (The authoritarian spell: First year of Alvaro Uribe's Government). Plataforma Colombiana de Derechos Humanos, Democracia y desarrollo. Bogotá D.C. Septiembre de 2003. 176 pages.

Pastrana (2013). In: (Documentary: Pablo Escobar's times). *Documental: Los tiempos de Pablo Escobar*. In: <http://www.noticiascaracol.com/nacion/los-tiempos-de-pablo-escobar-primera-parte>. 29 of September 2013. Last Seen July 29 of 2015.

Peña, Parada, and Zuleta, (2013). *La regulación Agraria en Colombia o el eterno deja vú hacia la concentración y el despojo: Un análisis de las normas jurídicas colombianas sobre el agro (1990-2010)*. *Revista Estudios Socio-Jurídicos* No 16. 123-166.

Portes, A. (2010) [Economic Sociology: A Systematic Inquiry](#), Princeton: Princeton University Press.

Ramírez, M. (2009) "Alternative Development in Putumayo, Colombia: Bringing back the state through the Creation of Community and 'Productive Social Capital'?", in Hutchins and Wilson (ed) (2009).

Richards, P. (2000) "Reviving Social Rights in Latin America: The Potential Role of International Human Rights Documents", *Citizenship Studies*, vol 4, no 2, pp. 189-206.

Robison, L., M. Siles and S. Jin (2011) "[Social Capital and the Distribution of Household Income in the United States: 1980, 1990, and 2000](#)", *Journal of Socio-Economics*, vol 40, no 5, pp. 538-47.

Rudas (2011). *Regulación Minera y regulación ambiental*. (Mining and environmental regulation). In: <http://www.slideshare.net/TatianaMaldonado/guillermo-rudas-foro-de-reclame>. Last Seen: July 28 of 2015.

Samper (2015). Interview with the former President of Colombia and current Secretary General of UNASUR, Ernesto Samper Pizano. May 7, 2015.

Stokes Doug (2003). Why the end of the cold war doesn't matter: the US war on terror in Colombia. In: *Review of International Studies* (2003), 29, 569-585. Swedberg, R. (ed) (1996) *Economic Sociology*, Cheltenham: Edward Elgar.

Uribe (2006). Former President Uribe to Para-politicians: In:

<https://www.youtube.com/watch?v=MkY5b9ZYPIU>. Translated by the authors. Last Seen: October 13, 2015.

Valencia (2012). *El de Chivolo no fue el único pacto entre las AUC y los Políticos*. Corporación Nuevo Arcoiris. In: <http://www.arcoiris.com.co/2012/05/el-de-chivolo-no-fue-el-unico-pacto-entre-las-auc-y-los-politicos/>. Last Seen July 17 of 2015.

Valencia, et al (2007). In: Parapolítica. La Ruta de expansión paramilitar y los acuerdos políticos. (Parapolitics: The route of paramilitary expansión and political agreements). Edited by Mauricio Romero. Corporación Nuevo Arcoiris. 396 pages.

Velásquez (2013). In: (Documentary: Pablo Escobar's times). Documental: Los tiempos de Pablo Escobar. In: <http://www.noticiascaracol.com/nacion/los-tiempos-de-pablo-escobar-primera-parte>. 29 of September 2013. Last Seen July 29 of 2015.

Wilson, P. (2009) "Indigenous Leadership and the Shifting Politics of Development in Ecuador's Amazon", in Hutchins and Wilson (eds) (2009).

Wood, C., P. Williams and K. Chijiwa (2007) "Protestantism and Child Mortality in Northeast Brazil, 2000", *Journal for the Scientific Study of Religion*, vol 46, no 3, pp. 405-16.