



SCHOOL OF
ECONOMICS AND
MANAGEMENT

Master's Programme in Economic Growth, Population and Development

The role of economic actors in the Colombian armed conflict

by

Laura Juanita Serna Velasco

la3344se-s@student.lu.se

This thesis assesses the role of two economic actors in the Colombian armed conflict: a multinational company in the agricultural sector and artisanal and small-scale miners in the extractive sector during one of the worst episodes of violence in the Urabá region of Colombia (1990 – 2003). The document combines an analysis of particular business characteristics and a description of the historical legacies that shaped the economic patterns of the areas where the businesses operated. The findings suggest that the intensification of conflict created new funding opportunities for the armed actors. While the multinational company decided to voluntarily finance paramilitary structures in exchange for protection and security, artisanal and small-scale miners were victims of forced displacement and armed groups took control over the extractive activity. In both cases, the government's failure to meet its control and security obligations allowed armed actors to shape economic and local political institutions in favor of their interests.

EKHS11

Master's Thesis (15 ECTS)

May 2022

Supervisor: Erik Green

Examiner: Andrés Palacio

Word Count: 11,822

Table of Contents

1	Introduction	3
2	Literature Review	5
2.1	Previous Research	5
2.1.1	Civil wars and economic theories.....	5
2.1.2	Theorizing the role of economic actors in armed conflicts	6
2.2	Theoretical Framework.....	7
2.2.1	The size: multinational companies vs artisanal or small-scale businesses.....	7
2.2.2	The sector: agricultural vs extractive sector	8
2.2.3	The business model: large capital inflows vs limited capital accumulation	9
2.2.4	Power relations, motives, and opportunities: great political influence vs no political leverage.....	10
3	Data and Methodology	12
3.1	Data Limitations.....	13
4	The Urabá region: historical background	14
5	Empirical Analysis: the role of economic actors in the Colombian civil war.....	18
5.1	The armed actors and its motivations	18
5.2	The multinational company: Chiquita Brands	20
5.2.1	The size	21
5.2.2	The sector.....	22
5.2.3	The business model.....	24
5.2.4	Power relations and opportunities	26
5.3	Artisanal and small-scale gold miners.....	27
5.3.1	The size	28
5.3.2	The sector.....	30
5.3.3	The business model.....	31
5.3.4	Power relations and opportunities	33
6	Concluding remarks	35

List of figures

Figure 1: Relevant business characteristics of economic actors operating in conflict-prone areas
 (Compiled by the author based on the analysis presented in this section.)..... 11

Figure 2: The Urabá region in Colombia (The Geographic Institute Agustín Codazzi, 2012) 14

Figure 3: Population distribution by socioracial groups in Colombia in 1778 (Delpar, 2002)..... 16

Figure 4: Magazine cover (Centro Nacional de Memoria Histórica, 2018b) 19

Figure 5: Colombian banana exports by company in 1999 (Bonet-Morón, 2002)..... 21

Figure 6: Banana exports from Magdalena and Urabá (1950 – 2000)(Bucheli, 2005) 22

Figure 7: Banana growing region in the Urabá (The Geographic Institute Agustín Codazzi, 2012)
 23

Figure 8: Hectares of banana plantations in the Urabá (Municipal Agricultural Assessments.
 Ministry of Agriculture and Rural Development - Departmental Agriculture Secretariats -
 UMATA. Years 2006 to 2012 MADR - CCI Agreement. For the year 2013 Contract MADR
 – U..... 24

Figure 9: Colombian banana exports (Bucheli, 2005)..... 25

Figure 10: Power relations and opportunities in the Urabá region of Antioquia (Compiled by the
 author based on the analysis presented in this section.) 27

Figure 11: Representation of artisanal gold mining (pre-colonial period vs 2011). To the left
 (Nieto & Falchetti, 1978). To the right (Urán, 2011) 28

Figure 12: Participation of small vs big producers of gold in the market. To the left disaggregated
 data (1981 – 1991). To the right average of the 10-year period (Ortega Acosta, 1992)..... 29

Figure 13: Price per fine ounce of gold (Our World in Data, 2022) and Gold Production in the
 Urabá region (Colombian Mining Information System, 2022) 29

Figure 14: The Urabá region of Chocó ((The Geographic Institute Agustín Codazzi, 2012)..... 30

Figure 15: mechanized mining (left) and artisanal mining (right) are carried out in the same river
 (Sarmiento et al., 2013) 31

Figure 16: Violent events in the Urabá region (The Public National Registry of Victims, 2022).. 32

Figure 17: Violent events in the Urabá region in 1990 (The Public National Registry of Victims,
 2022)..... 32

Figure 18: Forced displacement by regions (1994 – 2005) (Centro Nacional de Memoria
 Histórica, 2015) 33

Figure 19: Average annual real GDP growth rates for Urabá and Colombia by main economic
 activities. On the left (1980 – 1990). On the right (1990 – 2004) (Bonet, 2007)..... 34

Figure 20: Power relations and opportunities in the Urabá region of Chocó (Compiled by the
 author based on the analysis presented in this section.) 34

1 Introduction

Colombia has undergone a five-decade-long armed conflict, the longest-running armed conflict in the Western Hemisphere (Thomson, 2016). This three-sided conflict between the government, the left-wing guerrilla group Revolutionary Armed Forces of Colombia (FARC), and right-wing paramilitary groups (AUC) established by landowners, local elites, private companies, and drug traffickers, has had severe humanitarian consequences, has contributed to enduring political instability and has caused economic disruptions throughout the country (Centro Nacional de Memoria Histórica, 2018a). Although the effects of the war have been felt throughout the entire national territory, some regions have experienced the consequences of war more intensely.

The Urabá region of Colombia experienced one of the worst episodes of violence in its history between 1990 and 2003 (González, 2011). It is estimated that during this period, the dispute over the territorial control of the region between the paramilitary groups and the left-wing guerrilla group (FARC) caused a sharp increase in the number of violent incidents recorded. According to the Public National Registry of Victims (RUV), the communities of the municipalities that constitute the Urabá region were victims of homicides, sexual violence, torture, kidnapping and forced displacement. This wave of violence led to an increase in the efforts of the national government to initiate a negotiation process with the right-wing paramilitary groups involved in the armed conflict and led to the subsequent demobilization of approximately 35.317 combatants (Centro Nacional de Memoria Histórica, 2018b)

The demobilization process carried out between 2002 and 2005 contributed to the de-escalation of the armed conflict in many regions of the country and allowed for the establishment of a transitional justice tribunal. Under this legal framework paramilitary groups exposed the sources of funding that allowed them to deploy operations that resulted in the commission of crimes against the humanity, and enabled them to acquire total control over the local powers for several years (Porch & Rasmussen, 2008). The testimonies of demobilized paramilitary leaders revealed the active and voluntary participation of politicians, members of the Armed Forces, and private economic actors in the financing of armed groups operating in the segment of the Urabá that lies on the boundaries of the department of Antioquia.

In parallel with these events, the economic actors located in the segment of the Urabá that lies on the boundaries of the department of Chocó, faced a completely different situation. In this region, artisanal and small-scale mining, carried out by vulnerable economic actors such as family groups and indigenous and afro-descendant communities, was taken over by guerrilla and paramilitary groups that found in this economic activity an additional funding source (Defensoría del Pueblo, 2010). Contrary to the voluntary participation presented by private economic actors in the Urabá region of Antioquia, the artisanal and small-scale miners of the Urabá region of Chocó were forcibly displaced from their territories, a situation that exposed that economic actors could fuel conflict in completely different ways.

Given this scenario, this document aims to analyze and describe the characteristics that defined the role of two economic actors that fueled armed conflict in the Urabá region of Colombia: a multinational banana producer company and artisanal and small-scale gold miners. To do this, the paper will analyze, through the lens of a theoretical framework based in the research conducted by Slim (2012), specific business characteristics that determine the behavior of economic actors that operate in conflict-prone areas: size of the business, sector of the business, business model and power relations. Considering that the dynamics that define the interaction between economic and armed actors are not only shaped by specific business characteristics, but also by historical legacies, institutional characteristics, and geographic conditions, this paper will also provide a thorough historical background of the events that have shaped the economic patterns of the regions where the economic actors involved in the armed conflict operate.

This paper is organized as follows. The second section begins with a literature review and the theoretical framework. The third section provides the data sources and limitations and the methodology used to conduct the study. The fourth section presents the historical background that shaped the economic patterns of the conflict-prone areas where the businesses operated. The fifth section shows the empirical analysis of the role of the economic actors in the Colombian armed conflict. Finally, the sixth section concludes the paper.

2 Literature Review

2.1 Previous Research

2.1.1 Civil wars and economic theories

Civil wars are internal armed conflicts that take place in sovereign nation-states and can have ideological, ethnic, religious, political, economic and even historical roots (Kalyvas & Kenny, 2010). In the existing literature, the level of importance of each of these factors continues to be highly contested and will vary depending on the context analyzed. Nevertheless, there is a growing body of academic research that stresses the importance of economic factors as a cause (Collier & Hoeffler, 1998, 2004; Duffield, 2000), a sustaining condition (Fearon, 2004; Kalyvas, 2015), and as a magnifier of contemporary warfare of different nature (Collier, 2000).

The increasing relevance of the economic perspective as a key aspect to achieving a more comprehensive understanding of civil wars has led several scholars to develop economic models, empirical methods, and theories of conflict (Hoeffler, 2012). Most of the theoretical models of conflict developed have used the theory of games and formal models of economic behavior to describe and analyze the incentives and the reasoning of individuals that initiate and continue war and conflict. While these models and their implications are qualitatively consistent in the empirical evidence, some of the assumptions of these theories (i.e., armed actors as decision-makers with complete information on the marginal costs and benefits of their actions and well-defined objectives and utility functions that are solely driven by greed) might not be entirely accurate for real decision-making processes of individuals facing conflict situations (Kimbrough, Laughren & Sheremeta, 2020).

Disentangling the complexity of war economics and its consequences requires more than the rational calculations that economic theories of conflict can provide. A theoretical examination based solely on economic grounds would be disregarding fundamental factors, such as historical legacies and socio-political conditions, that could be crucial to better understand the dynamics of long-running civil wars. For this reason and considering the multidimensional nature of the Colombian civil war, this paper will consider historical evidence and political science theories to build a multidisciplinary theoretical framework that will allow us to analyze the role of an important but frequently overlooked aspect of the armed conflict in Colombia: the role of economic actors such as multinational banana producers and artisanal and small mining groups.

2.1.2 Theorizing the role of economic actors in armed conflicts

During the last decades, the involvement and relative influence of economic actors operating in regions experiencing armed conflicts has gained visibility and relevance in academia and the agenda of peace and security policymakers (Sherman & rapporteur, 2001). There are a number of studies that have sought to analyze the role of private companies, ruling elites and entire industries in armed conflicts around the world (i.e., the logging industry in Cambodia and oil industry in Angola, coltan in the Democratic Republic of Congo, diamond-mining industry in Sierra Leone) (Ahmad, 2015; Cuvelier, Raeymaekers & Delen, 2002; Global Witness Organization, 2002, 2002; Le Billon, 2000, 2001, 2006; Renner & Prugh, 2002; Smillie, 2000). Although the empirical results vary according to the context analyzed, most of the findings of the literature point out that economic and political actors can fuel civil armed conflicts in the areas where they operate (Ballentine & Nitzschke, 2004).

The literature that has aimed to unravel the dynamics between economic actors and armed conflicts has conducted an in-depth analysis that considers various aspects, ranging from socio and cultural factors to political and economic aspects (Tripathi, 2010). The vast majority of these studies have focused on the explanation and description of external conditions, such as complex socio-political environments and international prices of commodities, that have enabled businesses and commerce to contribute to shaping violent patterns. However, there is little evidence on how the initial conditions of economic activities and their underlying characteristics can also come to explain the role of economic actors in armed conflicts.

According to Ballentine & Nitzschke (2004), not all economic activities and actors fuel armed conflicts in the same way. Different economic actors and businesses, depending on their characteristics and motivations, may establish different relationships and dynamics with armed actors in a violent conflict. In an attempt to provide an analysis that will contribute to a comprehensive understanding of the role of economic actors in two regions wracked by violence in Colombia (i.e., multinational banana producers in Antioquia and small local artisanal mining groups in Chocó), this paper will use as a grounding base the business characteristics pointed out by Slim (2012) as key aspects that can shape different war and economic dynamics: size of the business, sector of the business, business model and power relations.

Theoretically, the conditions that determine the role of economic actors in an internal armed conflict cannot be framed exclusively within a single discipline. For this reason, this document will elaborate on each of the business characteristics established by Slim (2012) as the basis for the analysis from different perspectives. While the size and the sector of the business and the business model will be factors that will be approached from a purely economic perspective, power relations will be a factor analyzed based on interest group theories of political sciences. Additionally, the paper will present historical evidence that not only will seek to support the theories addressed throughout the paper, but it would also provide a thorough review of Colombia's case.

2.2 Theoretical Framework

Companies or businesses that decide to operate in conflict-affected countries are able to assess the risks that this might entail before setting up operations or committing to investments in the area. Nonetheless, businesses that are already established when violent conflict breaks out in the areas in which they operate face different challenges (Tripathi, 2010). For these businesses the risks and potential profits of continuing to operate in conflict-prone regions depend on a number of variables (Ballentine & Nitzschke, 2004; Bray & Crockett, 2012; Slim, 2012). For the Colombian case there are five factors that were particularly relevant to determine the course of action and the strategic behavior taken by some of the economic actors in the armed conflict: the size (i.e., multinational companies and artisanal and small-scale businesses), the sector (i.e., agricultural, and extractive sector), the business model (i.e., large capital inflows vs limited capital accumulation) and the power relations (i.e., great political influence vs no political leverage)

2.2.1 The size: multinational companies vs artisanal and small-scale businesses

Commonly, the size of a company is determined by the number of active employees that they have, the countries in which they operate and the physical and financial assets that they hold (Tewari et al., 2013). In a setting of peace and social stability these features would define the cost-effectiveness of a business, however, they could also come to guide the course of action of economic actors in a civil war context. While multinational companies are more susceptible to public scrutiny and are confined to maintain operations in facilities that required large initial capital investments, artisanal and small-scale businesses are more likely to go unnoticed by the authorities and can mobilize more easily.

Large multinational companies not only have clear guidelines on management practices that aim to prevent their involvement in conflict and human rights violations when operating in conflict zones, but they are also exposed to greater public scrutiny and stricter laws that might comprise national and international norms (Sherman & rapporteur, 2001; Tripathi, 2010). Even though having greater exposure has not always restricted the embroilment of multinational companies in violent conflicts, it has facilitated, in some cases, the prosecution of company officials and businessmen who deliberately decided to engage in practices linked to human rights abuses (Multinational Enterprises in Situations of Violent Conflict and Widespread Human Rights Abuses, 2002).

Furthermore, multinational companies generally carry out large-scale operations that require significant investments to establish profitable production systems in the countries in which they are based (i.e., processing plants and adapting crops for banana production). Although these investments might generate revenue under ordinary circumstances, it might limit companies' ability to relocate their production, thus exposing them to hostile environments where their options to operate completely out of the context of violent conflict becomes virtually impossible (Multinational Enterprises in Situations of Violent Conflict and Widespread Human Rights Abuses, 2002).

In contrast, small businesses operating at local and craft level in conflict areas usually fall outside the scope of international law and are rarely subject to strict compliance with domestic rules. This fact, together with the little or no relevance of these kind of business and their actions for the public opinion, makes it more likely for these types of businesses to be directly involved in war economies that prompt human rights abuse (Ballentine & Nitzschke, 2004). Additionally, businesses with small-scale operations are not financially trapped by multibillion-dollar investments (Slim, 2012). While this feature allows small businesses to have greater flexibility to mobilize or abandon its operations in conflict zones if necessary, it can also be considered as a financial constraint that limits their capacity to ensure the safety of their operations in a context where security threats posed by armed actors are always present (Slim, 2012).

2.2.2 The sector: agricultural vs extractive sector

The sector of economic activity defines land, labour force, technology and capital investments required for a business to operate. Understanding the characteristics of the sectors in which businesses operate it's also relevant when it comes to analyzing the way in which economic actors can become to be part of armed conflicts. In this particular case, the analysis will be focused on two sectors: the agricultural and the extractive sector. Both of them depend on natural resources as their primary input, are limited by climate and geographic conditions and are labor-intensive sectors. However, despite these similarities, the scale at which these activities are carried out can lead to differences in the intensity of other factors, like technology and land, that can also determine the adaptability of economic activities in conflict-prone areas.

On the one hand, large-scale agricultural production can require more labour than capital input. This is the case of perennial crops that have long maturity periods and don't need to be replanted each year (i.e., berry plants, coffee, and bananas) (International Labour Organization, 1994). In developing countries, the harvesting of these kind of agricultural products is usually based on labor-intensive traditional systems where prevails the use of unskilled labor (Nolte & Ostermeier, 2017). In addition to this, perennial crop plantations require large areas of land and certain agro-climatic conditions to be commercially produced at lower costs (i.e., soil fertility and atmospheric conditions) (Hartemink, 2003). In this way, the mobility of agricultural production is not only limited by the scale of its operations but also by climatological conditions that are only found in certain geographical areas.

On the other hand, large-scale extractive industries can be capital-intensive activities where technological innovations can be determinant for the efficiency of their operations (Peterson, 2001). Nevertheless, when the extraction of metals and minerals it's carried out at a local and craft level, the technology and capital factor lose relevance and labour becomes crucial (Hilson & Maconachie, 2017; Infanger, 2005). In this case, the location of businesses that operate in the extractive sector it's also determined by geographic characteristics in a given area that favor the location of the natural resources and, therefore, determine the extraction points (i.e., heavy metal deposits determined by geological characteristics) (Phillips & Powell, 2009). Unlike large-scale agricultural production, the extraction of metals is not necessarily land-intensive and can be carried out in remote areas by using manual tools (Infanger, 2005; Maus et al., 2020). These characteristics make monitoring by the authorities more difficult and make the small-scale extractive sector more

susceptible to become a link between local war economies and global commodity markets (Ballentine & Nitzschke, 2004).

2.2.3 The business model: large vs limited capital inflows

A business model can be understood as a conceptual structure that explains how a company works and the strategies that it undertakes to profiting from business. Different business model configurations entail different revenue stream and cost structures, key factors to understand the value creation process of companies and their profitability (Zott, Amit & Massa, 2011). Although the financial factor would seem to be useful only in explaining the responses of profit-driven economic actors when confronted to threats that can jeopardize their operation and profits, it could also be relevant to understand attitudes and behaviors of violent actors towards those businesses. In this case, we will analyze how two different business models can interact in an armed conflict: multinational companies with large capital inflows and artisanal and small businesses with local and subsistence operations with limited capital accumulation.

Generally, multinational corporations have extended value chains that support global trade and production and generate large revenues (OECD, 2018). This high profitability makes the opportunity cost of going out of business higher for these types of companies and, in some cases, it can even outweigh the risks and uncertainty that comes with having operations in conflict-prone areas (Dai, Eden & Beamish, 2017). In addition to this, multinational companies with large profits can also be the target of armed groups that seek to finance their operations by using methods of extortion, bribery, and kidnapping (Ballentine & Nitzschke, 2004; Collier, 2003; Infanger, 2005). In this way, the presence of such companies in conflict-prone regions can contribute to sustain and fuel armed conflicts by funding, sometimes by force and sometimes under duress, one of the violent actors involved on it (Sherman & rapporteur, 2001).

At the other end, the dynamics that characterize the business model of artisanal and small businesses differs considerably. Subsistence or small businesses are usually composed by members of the same family that run tiny operations at a local level and do not generate large profits (Schoar, 2010). For these businesses the opportunity cost of ceasing to operate is not as high as that faced by large businesses. However, they can also be victims of extortion, bribery, and kidnapping and are even more likely to experience at firsthand the violent consequences of not cooperating with armed groups (Infanger, 2005; Slim, 2012).

In this way, it is possible to identify that the vulnerability of the economic actors that operate in armed conflict areas, and which is directly related with the profitability of their businesses, can also shape the way armed groups benefit from them. While profitable economic activities can fuel conflict through extortion payments (i.e., multinational corporations), subsistence economic activities are more likely to fall completely under the grip of violent groups and become a major source of funding for civil wars (i.e., artisanal and small businesses) (Infanger, 2005).

2.2.4 Power relations, motives, and opportunities: great political influence vs no political leverage

The interests, motivations, and connections of the owners of businesses operating in areas of internal armed conflicts are relevant factors that can explain the reasoning of economic actors that are deliberately involved in armed conflicts. According to Thomas & Hrebenar (2008), businesses can be considered as interest groups that can be formally organized to protect and lobby for their economic benefits. Nevertheless, the influence that these economic actors can have in the political and social agenda of the countries where they operate is closely linked to the economic power that they wield (McFarland, 2010). In the light of the foregoing, it's possible to classify the economic actors involved in Colombian armed conflict in two: multinational companies as legally established interests' groups with clear economic motivations and political influence and artisanal and small businesses as informal economic actors with little or no political leverage.

At one end of the spectrum, multinational companies are legally established interests' groups with economic motivations (i.e., multinational banana producers) that might choose to support counter-insurgent groups (i.e., paramilitary groups) to reduce the costs inherent in armed conflicts (i.e., terrorist attacks or extortion payments) and protect their financial interests to maximize the group's income (Thomas & Hrebenar, 2008). In this case, if the interests of cohesive business landowning elites are seriously threatened by external factors (i.e., terrorist attacks conducted by insurgent groups), they have the possibility to persuade governments to act on their behalf (Micolta, 2012). In this way, governments and military institutions can contribute to the intensification of the conflict by promoting, enabling, and facilitating the establishment and operation of counter-insurgent groups (i.e., paramilitary groups) (Porch & Rasmussen, 2008).

At the other end of the spectrum, artisanal and small businesses could also be regarded as economically motivated interest groups. Nevertheless, in the case analyzed, the size and the sector of these businesses make of this an actor of an informal and vulnerable nature that doesn't have enough economic power to access an interest group with political influence (Disch et al., 2017). This, together with the notably lack of governmental support and military presence, render these economic actors unable to protect their financial interests from the risks of operating in conflict zones and, moreover, leave them helpless against armed actors that find in this context the perfect opportunity to finance and expand their illegal operations (i.e., paramilitary groups and insurgent groups).

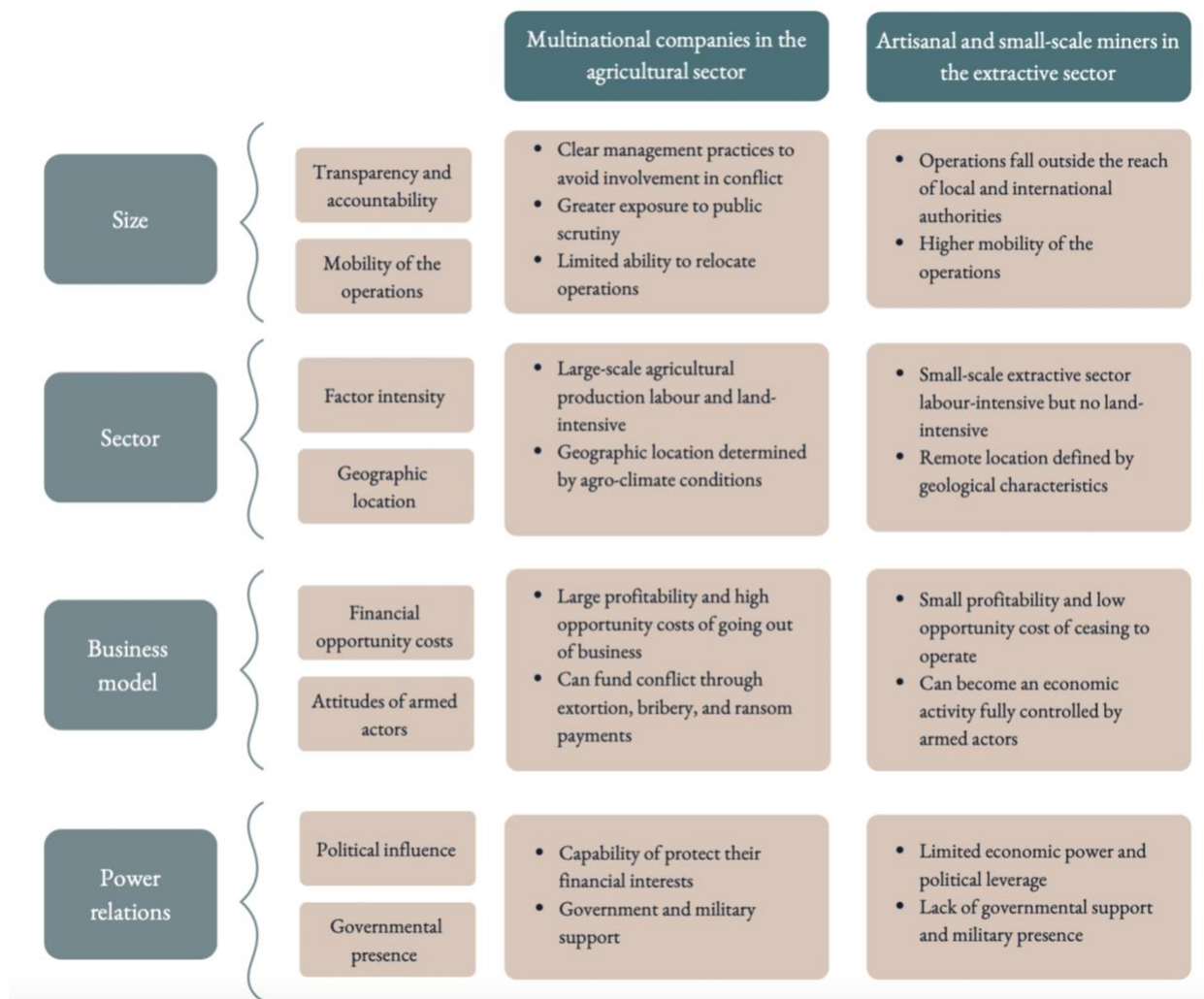


Figure 1: Relevant business characteristics of economic actors operating in conflict-prone areas (Compiled by the author based on the analysis presented in this section.)

3 Data and Methodology

To conduct this analysis, a mixed-method design will be followed. This approach not only will allow us to incorporate into the analysis variables difficult to measure with numbers and figures, but it will also facilitate the analysis of the available data from a multidisciplinary perspective (Creswell, 2002). It is expected that the use of quantitative data and qualitative sources allows to develop a comprehensive analysis of the role of economic actors in the Colombian armed conflict that does not disregard the historical legacies, the economic factors, and the socio-political conditions of this long-running civil war. The description of the data used to develop this paper will be done by section: the historical background and the empirical analysis.

On the one hand, the historical background can be considered a qualitative phase that relies on archival data collected by historians, economic historians, and other social scientists on settlement patterns and population size and spatial distribution. This section covers the colonial period and the beginning of the 20th century and provides a thorough description of the historical events that have shaped the economic patterns of the regions where the economic actors involved in the armed conflict operate.

On the other hand, the data used to carry out the empirical analysis varies for each of the subsections. For the analysis of the role of the multinational company Chiquita Brands the historical database of agricultural production (EVA for its acronym in Spanish), it's used. This dataset consolidated by the Ministry of Agriculture and Rural Development provides quantitative information on the Colombian agricultural industry between 1950 and 2017 and includes data on area cultivated and exports of agricultural products such as bananas. For the analysis of the role of artisanal and small-scale miners in the extractive sector two main sources are used: historical records on the purchase and sale of gold collected by the Central Bank of Colombia (1980 – 1992) and data on gold production and exports available in the Colombian Mining Information System (SIMCO), an official portal created by the Ministry of Mines and Energy (2012 – 2021).

Additionally, there are two sources for data on the armed conflict in Colombia that will be used throughout the paper: The Public National Registry of Victims (RUV) and “Justice and Peace” court trial records. Firstly, the Public National Registry of Victims contains information between 1985 and 2022 of the individuals who were victims of the armed conflict in the country and allows to consult quantitative data at a national, departmental, and municipality level. Secondly, “Justice and Peace” court trial records contain statements and interviews with paramilitary leaders that exposed the dynamics by which armed actors interacted with some private companies.

3.1 Data Limitations

There are two major data constraints faced while conducting the analysis presented in this paper: the lack of historical data for the Colombian case for the period before 1950 and the potential biases that data on the armed conflict may contain. On the one hand, Colombia, unlike major developed countries, did not have an institution responsible for the collection of statistical information at a national level until the early 1950s. The lack of historical data on the country at regional levels hinders the quantitative analysis of historical antecedents that could be affecting current economic outcomes relevant to understanding the role of economic actors in the Colombian armed conflict. To address this issue, the analysis presented complements the quantitative information presented for each of the economic actors with relevant literature that supports the arguments presented in this paper.

On the other hand, the available data might be underestimating the causes and consequences of the armed conflict in Colombia (Kirchhoff & Ibañez, 2001). Two main factors pose a threat to the accurate collection of data on the Colombian conflict. First, it is difficult to collect data that reflects complex social and cultural processes that are relevant to have a complete overview of the armed conflict (Centro Nacional de Memoria Histórica, 2020). Second, the severity of the conflict could lead to inaccurate estimations. In Colombia, the construction of the databases that provide information on the armed conflict is mainly based on reports made by relatives of the victims. Because in many cases the severity of the conflict led to the disappearance or murder of entire families, this may have limited the number of reports made, leading to a possible underestimation of the number of victims. For these reasons, the analysis presented in the following sections will also be based on reports made by the Ombudsman's Office and by the National Center for Historical Memory (Centro Nacional de Memoria Histórica) on qualitative evidence collected from testimonies and declarations of the victims and perpetrators of the armed conflict.

4 The Urabá region: historical background

The Urabá is a geographical region located in the North-Western part of Colombia. With a total area of more than 11,664 square kilometers, this region of the country shares borders with Panamá and it's a natural port to the Pacific and the Atlantic Sea. Although this is a region that do not have a great territorial extension, it has a wide variety of climatic and geological conditions that provide an ideal setting for the development of different productive activities (Corporación para el desarrollo sostenible del Uraba, 2012). In this region the plains and the intramountain valleys crossed by rivers facilitate traditional cattle raising and fishing, the coastal rainforests with fertile soils that surround the Gulf of Urabá are ideal for the agricultural production, and tropical rainforests teeming with natural resources favor the extraction of metals and minerals (Parsons, 1996). This region is not bounded by the political divisions of the country as it extends across three different departments: Antioquia, Chocó, and Córdoba. However, this paper will only focus on the segment of the Urabá that lies on the current boundaries of the department of Antioquia and Chocó (Figure 2).



Figure 2: The Urabá region in Colombia (The Geographic Institute Agustín Codazzi, 2012)

The strategic geographic location and climate features of the Urabá region have shaped population patterns and socio-economic dynamics since the colonial period. The analysis of historical evidence suggests that there were considerable differences in the way in which European colonizers settled in the different regions of Urabá. According to Jaramillo (1964), it is estimated that a population of 100,000 indigenous people could have inhabited the land that nowadays is considered the Antioquia department by the mid-15th century. By the beginning of the 16th century, this highly populated region surrounding the Gulf of Urabá became the first settlement established by Spanish colonizers in Colombian territory. Easily accessible by sea and not far from Cartagena, one of the main maritime ports of the New World, “San Sebastián de Urabá”, today known as “Necoclí” not only provided the ideal conditions to protect and control the colonized areas, but it was also strategically located to trade products coming from inland that were in increasing demand on the European continent (i.e., precious metals and agricultural products) (Parsons, 1996).

In contrast, the Urabá region of Chocó presented a completely different dynamic. With an estimated population of approximately 60,000 for the period prior to the Spanish colonialization, the process of colonialization of the Chocó region was relatively late and disorganized as it was merely motivated by the search and extraction of gold and other precious metals (Sharp, 1976). Several expeditions were organized from 1540 to colonize Chocoan territory. However, the region's natural isolation caused by geographic and topographic conditions, the climatic conditions of the tropical forest particularly harsh for European colonizers, and the resistance posed by some of the indigenous populations to the Spanish conquest hindered the ability to establish stable settlement points capable of systematically organizing the exploitation of the region's gold mines (Ocampo et al., 2017).

Although the attempts to gain certain power and influence over the territory were finally successful in the late 17th century, the lack of presence of the Spanish authorities remained overwhelming in certain regions of the Urabá region of Chocó (Jaramillo, 1964). This, together with the strict commercial policies that since 1550 limited Cartagena as the only official port on the entire Atlantic coast from which products could be shipped to the European continent, triggered the presence of Dutch, French, and English pirates, and buccaneers in the area. While these actors were never able to carry out successfully raids and invasions that aimed at colonizing territories outside the control of the Spanish crown, they did find in this situation an opportunity to profit from smuggling (Ocampo et al., 2017). The constant threat posed by the presence of other colonial powers in the Chocó region between the late 17th century and the early 19th century was well received by some indigenous communities, as they shared a common enemy, and also hindered the efforts made by the Spanish crown to build roads connecting the dense rainforest of Choco with the gulf of Urabá, as this could also facilitate enemy access to areas already under Spanish rule (Parsons, 1996).

European colonialization also had a major impact on the racial composition of the region's population. The analysis of archaeological remains and historical accounts suggest that a population of 3,000,000 indigenous people could have inhabited the land that nowadays is Colombian territory by the mid-15th century (Colmenares, 1973). Even though there are no accurate estimations of the indigenous population at a regional level in the period prior to the Spanish conquest, it is a fact that most of the indigenous communities in the territory experienced population declines during these decades and some others were virtually exterminated after the arrival of the Spanish conquerors to the “New World” (Delpar, 2002). The demographic downfall caused by high mortality rates and decreased fertility among the indigenous population caused a shortage of labour

supply in the gold mines that forced the Spanish Crown to import slave labour from the African continent throughout the 18th century (Bonet, 2007). While Antioquia became a region with a predominantly mixed-race or “mestizo” population by the late 18th century, in the Chocó region African slaves and their descendants gradually replaced indigenous peoples and became the most populous group in the department by the year 1782. At present, these communities are referred to as the afro-descendant population (Figure 3) (Sharp, 1976).

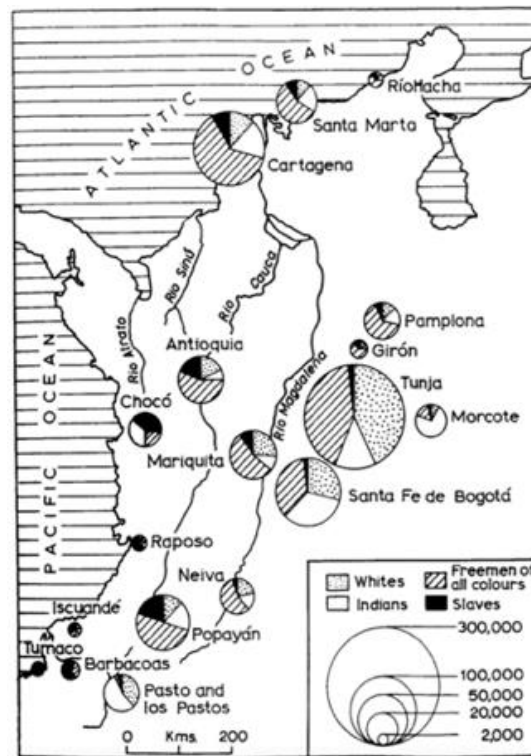


Figure 3: Population distribution by socioracial groups in Colombia in 1778 (Delpar, 2002)

With The Colombian Declaration of Independence from the Spanish empire in 1810, there was an increase in the expectations about the economic potential of the Urabá region. During the decades following the Colombian independence, there was an increase in the efforts to connect the interior of the country with the Atlantic Ocean and the strategic location of the Urabá region of Antioquia provided the ideal features to do so. With the establishment of the first customs post in the Gulf of Urabá in 1831 and the start of several expeditions that aimed at mapping possible routes between the interior of the department of Antioquia with the port on the Atlantic Ocean in 1825, the Urabá region of Antioquia began to have a promising future for the inter-oceanic trade in western Colombia (Pérez-Valbuena, 2007). Although many of these efforts were consolidated until the last decade of the 20th century, such as the opening of the road “vía al mar” connecting Medellín and the Urabá Gulf in 1998, throughout the 19th century the segment of the Urabá that lies on the current boundaries of the department of Antioquia did develop secondary roads, communication systems, and productive industries, such as the textile and coffee industries, that contributed to the economic development of the region (Ocampo et al., 2017; Santos, 1979).

On the other hand, Chocó's prospects varied greatly and were considerably influenced by the socio-economic dynamics established in the colonial period. In the decades following the independence of the country, the Urabá region of Chocó continued to be a mining area with small towns geographically dispersed throughout the territory (Ocampo et al., 2017). The definite abolition of slavery in Colombia in the mid-19th century led to the closure of many of the mines that used slave labour and resulted in a decrease in mining activity. Even though this decline was not significant enough for the mining industry to stop being the main engine of the region's economic activity, it did contribute to the development of other productive activities like commerce, sugar cane processing and growing, and timber extraction (Bonet, 2007).

The diversification of the productive activities carried out in the region and the increasing relevance of the intercontinental trade of raw materials triggered the economic prosperity of the region in the second half of the 19th century. However, in the first decades of the 20th century, the Chocó department started to experience an economic slowdown that put an end to the modest growth patterns that the region had been exhibiting. Whilst this economic downfall is partly influenced by external factors, the economic stagnation of the region has also been attributed to the governmental absence that not only has historically abandoned the communities located in this isolated region of the country but has also facilitated the actions of smugglers and criminals that find in the extractive industries an opportunity to profit (Ballve, 2020; Eaton, 2006; Robledo, 2019).

According to Bonet (2007), the geographic and climatic characteristics of the Urabá region of Chocó hindered the settlement of Spanish colonizers in the area and this, in turn, contributed to the establishment of extractive institutions that largely explain the region's poor subsequent economic performance. Historic events can have long-term consequences if they alter deep determinants of long-term economic growth (Nunn, 2009). Nevertheless, it is important to highlight that assigning sole responsibility for the economic stagnation of the region to colonial legacies might be disregarding the complexity and the effects caused by other historical events like the armed conflict that the country experienced for more than five decades.

5 Empirical Analysis: the role of economic actors in the Colombian civil war

5.1 The armed actors and its motivations

Like conflicts in other Latin American countries, the Colombian civil war has ideological roots that can be traced back to the Cold War (Brands, 2012). The rise of the insurgent group of the Revolutionary Armed Forces of Colombia (FARC) in 1964 was grounded on a Marxist-Leninist discourse that aimed at creating a communist-agrarian state (Ugarriza, 2009). For the first two decades of its existence, this was a rural-based rebel movement that remained active in remote areas with financial backing from local supporters. Nevertheless, since the mid-1980s the insurgent group progressively started to engage in drug traffic activities to improve their war-fighting capabilities (Norman, 2018). The participation of the insurgent group in the illicit cocaine market, initially considered by the group as a manifestation of “savage capitalism”, went against the principles on which the movement was created in the first place (Puentes, 2006). In this way, the ideological commitment of this “grievance-motivated” insurrection started to fade away and develop into a “greed-motivated” criminal organization driven by economic interests (Collier, 2000; Duffield, 2000).

The expansion and intensification of guerrilla operations jeopardized the economic interests of business elites, interfered with strategic corridors for smuggling drugs of trafficking groups and posed a threat to the government’s authority and military power (Centro Nacional de Memoria Histórica, 2018b). In response to this and, in the absence of a government capable of upholding public order, drug traffickers, military forces, local authorities and landowning elites created private armies or right-wing paramilitary groups that were originally established to provide private security and combat insurgence movements (ed. Camacho Guizado, 2009; Centro Nacional de Memoria Histórica, 2018b; Cook, 2011; Koonings & Kruijt, 2004; Norman, 2018; Youngers & Rosin, 2005). Even though these counterinsurgent groups experienced a dramatic expansion in the mid-1980s (Figure 4), particularly in the Middle Magdalena Valley region, it was not until 1997 that several paramilitary groups joined forces to operate jointly as the United Self Defense Forces of Colombia (AUC).

Unlike the FARC guerrilla movement, paramilitary groups emerged from the beginning as rent-seeking organizations that not only were financed by legal and illegal economic actors (i.e., drug traffickers and regional landowners) but were also formally legalized by the government through the decree 356 of 1994 as “groups that provided special services of private security and surveillance services”. Government officials claimed that the decree favored the creation of Rural Community Policing Associations (CONVIVIR) that were intended to fulfil a defensive function and support the military forces in intelligence work to achieve peace and security in the countryside. However, this legal definition was inaccurate and completely detached from reality (Tate, 2001). With the consolidation of the AUC in 1997, paramilitary groups unified their objectives at a national level and became a highly sophisticated offensive army with operations coordinated at a multi-regional level that were also found in other criminal activities, such as kidnapping, extortion, and narcotics production and trafficking, an opportunity to profit from war and violence (Koonings & Kruijt, 2004).



Figure 4: Magazine cover (Centro Nacional de Memoria Histórica, 2018b)

Cover of one of Colombia's best-known magazines reporting on the rise of the counter-revolution in the Urabá region in 1988. The magazine reads: “A new organized and violent right wing is emerging in the region, determined to sweep away communism at any cost. Who are they and what do they think?” (Centro Nacional de Memoria Histórica, 2018b)

In this way, the escalating violence at the beginning of the 1990s led to an increase in the efforts of the national government to establish a negotiation process with several of the right-wing paramilitary groups involved in the armed conflict. This process led to the demobilization of approximately 35,317 combatants between 2002 and 2005, of which 4,588 paramilitaries applied to the “Justice and Peace” Law 975 of 2005. This legal framework intended to provide a transitional justice scenario that allowed for the investigation, prosecution, and punishment of members of

paramilitary groups responsible for serious crimes and crimes against humanity. In order for persons linked to organized illegal armed groups to be eligible for judicial benefits, they were to establish the truth about the crimes committed and the actors involved in them (Ministerio de Justicia, 2005). While the demobilization of the paramilitary groups did not mean the end of armed conflict in Colombia, it did mark a turning point in which armed actors exposed the active participation of politicians, members of the Armed Forces and private economic actors in the armed conflict (Centro Nacional de Memoria Histórica, 2018b).

5.2 The multinational company: Chiquita Brands

The banana industry in Colombia has historically been controlled by a few multinational companies. The first export-type banana plantations belonging to the "Gros Michael" variety were established in the Magdalena region of Colombia in 1887 by José Manuel González Bermúdez, who was also the first to explore the economic potential of bananas in international markets. The unsuccessful attempt of this Colombian grower to export the product to the United States in 1889, caused by the rotting of banana cargo before reaching the port of destination due to steamship delays, evidenced that the rapid ripening of bananas represented a barrier to entry for small-scale producers who wanted to take part in the commercialization of the agricultural product in international markets. The huge economic losses forced González Bermúdez to sell the banana plantations to the Colombia Land company in 1892, a group that years later sold its approximately 5,000 hectares to the United Fruit Company (Brungardt, 1995).

The United Fruit Company established its operations in the Magdalena region in the year 1899 and it's estimated that by the mid-1920s, the multinational company controlled approximately 404,000 hectares for banana production in Colombia, Honduras, Costa Rica, Cuba, República Dominicana, Guatemala, Panamá y Nicaragua and employed around 67,000 people (Martin, 2018). Unlike the small-scale operation that González Bermúdez attempted to carry out in the late 19th century, the United Fruit Company not only had the financial capacity to assume the risk involved in the intercontinental transport of a perishable product, but it also had the operational capacity to support all the segments of the global banana supply chain, from the acquisition of the raw material to the transportation and distribution of the product to the final consumer (i.e., steamships, refrigerated ships and locomotives)(Wilson, 1947).

The high economic profitability that the banana industry experienced in the first decades of the 20th century (1900 – 1928) caught the attention of other foreign investors. Nevertheless, the overwhelming control that the multinational company had over the entire production process (i.e., irrigation and transport systems), together with the absence of international anti-trust legislation, hindered the entry of other potential competitors into the market (Brungardt, 1995). Although in the following decades the United Fruit Company changed its production system, to one that did not monopolize all stages of the supply chain, and became subject to increasingly stringent antitrust laws, the company's presence in the Urabá region of Antioquia followed a similar pattern to that of the Magdalena region in the turn of the century.

5.2.1 The size

In 1963, the United Fruit Company was established in the Urabá region of Antioquia under the name “Frutera de Sevilla”. The system under which the company was established in the region consisted of providing credit, technical assistance, and fertilizers to growers that were responsible to create and maintain the plantations. Once the banana plantations were in place, an agreement that established the exclusive sale of the agricultural product to the multinational company was signed between the two parties (Bucheli, 2005). While this system limited in some way the power that the multinational had over the initial stages of banana production (Herrera & Romero, 1979), the exclusive purchase contract gave the multinational company a monopoly on the purchase of the fruit in the region (Comisión Intereclesial de Justicia y Paz, 2016).

This dynamic, together with the increase in the productivity levels that brought the introduction of the “candevish valery” variety to the region, led to the United Fruit Company the world’s second-largest banana producer by the late 1980s (Brown, 2013). During this period, the multinational company, which would later rename itself Chiquita Brands International, resumed the process of purchasing land for banana production and also increased its efforts to strengthen its commercial operations in the region. In this way, by the late 1990s, when the armed conflict escalated in the Antioquia region of the Urabá, Chiquita Brands had not only created the Colombian Association of Fruit Exporters (BANADEX), but it had also established an alliance with Banacol, a transnational company which later would become a subsidiary of the multinational (Comisión Intereclesial de Justicia y Paz, 2016).

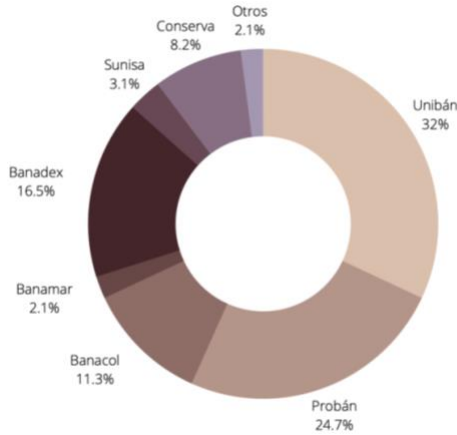


Figure 5: Colombian banana exports by company in 1999 (Bonet-Morón, 2002)

In the early 2000s, one of the most violent periods of the civil war, the participation of national and international producers increased in the Colombian banana industry. However, the control that the multinational Chiquita Brands and its subsidiaries still had over the market was undeniable. With an approximate share of 26%, Banadex and Banacol were together the second largest exporters of bananas in the country by 1999 (Figure 5). Despite being surpassed in exports by the nationally owned Unibán, the multinational, through its subsidiaries, was still the most important foreign-owned company in the region (Bonet-Morón, 2002). In this way, when the paramilitary

demobilization became official in 2003 and the and the self-defense groups' financing strategies came to light, the renowned multinational Chiquita Brands was exposed as one of the main companies that deliberately financed the paramilitary groups operating in the Urabá region of Antioquia (National Security Archive, 2007)

The high visibility of the company at the time when the paramilitary leaders' declaration became known made the multinational company more susceptible to public scrutiny (Comisión Intereclesial de Justicia y Paz, 2016). Although the company claimed that the financial links were established exclusively with CONVIVIR, an association that was legalized by the government in 1994 as a figure of “private security”, the seriousness of the allegations and the company’s clear military ties led Chiquita Brands to close its operations in the country in the year 2004 (Centro Nacional de Memoria Histórica, 2018b)

5.2.2 The sector

Unlike the Magdalena banana region, the Urabá banana region was only established with the arrival of the United Fruit Company in the year 1963. There were two main factors that led the multinational company to relocate its operations to the Urabá region of Antioquia: the strategic geographical location and the favorable agroclimatic conditions of the area. On the one hand, located only 8 degrees north of the Equator, this banana-growing region was outside the hurricane belt that severely affected other crops in Central America during the 1950s. On the other hand, the region also presented ideal agro-climatic conditions, such as constant rainfall and fertile soils, which not only made it unnecessary to invest in irrigation systems but were also free of the phytosanitary problems caused by the fungus *Fusarium oxysporum*, a serious disease also known as “Panamá disease” that completely destroyed the roots of banana plantations and affected considerably the banana-growing region of Magdalena (Parsons, 1996).

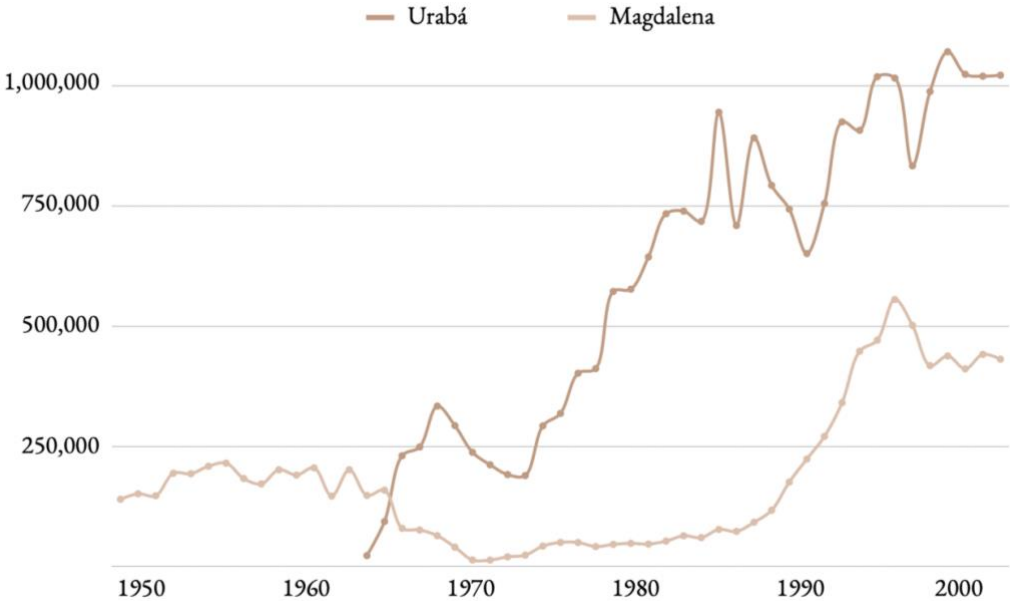


Figure 6: Banana exports from Magdalena and Urabá (1950 – 2000)(Bucheli, 2005)

It is against this backdrop that the development process in the banana-growing area of Urabá began. The region went from exporting approximately 23,234 tons of bananas in 1964, which represented approximately 13.5% of total national exports, to exporting nearly 1,019,024 tons by 1993, which by then represented just over 90% of total banana exports (Figure 6). At the same time, the banana industry began to lose strength in the Magdalena region as it went from exporting approximately 148,337 tons of bananas in 1964, which represented approximately 86.5% of total national exports, to exporting nearly 471,078 tons by 1993, which by then represented just over 9% of total banana exports (Bonet-Morón, 2002). In this way, the rapid growth in the volume of exports led to the Urabá region of Antioquia becoming the leader of the Colombian banana industry after only two years of operations in the region, a title that remains valid to this day.



Figure 7: Banana growing region in the Urabá (The Geographic Institute Agustín Codazzi, 2012)

In Colombia, banana cultivation for export is a land-intensive agricultural activity. It is estimated that between 1990 and 2003, a period in which violence caused by the armed conflict worsened, approximately 68% of the total area dedicated to the production of export bananas in the country was located in the banana-growing area of the Urabá region of Antioquia that comprises the municipalities of Apartadó, Carepa, Chigorodó, and Turbo (Figure 7). Although it's not possible to argue that there is a causal relationship between the armed conflict and the increase in the number of hectares under cultivation in this banana-growing area, there is a clear correlation between the number of hectares used for banana production and the intensification of the conflict that could be associated to the paramilitary presence that protected the interests of the banana industry in the area during this period.

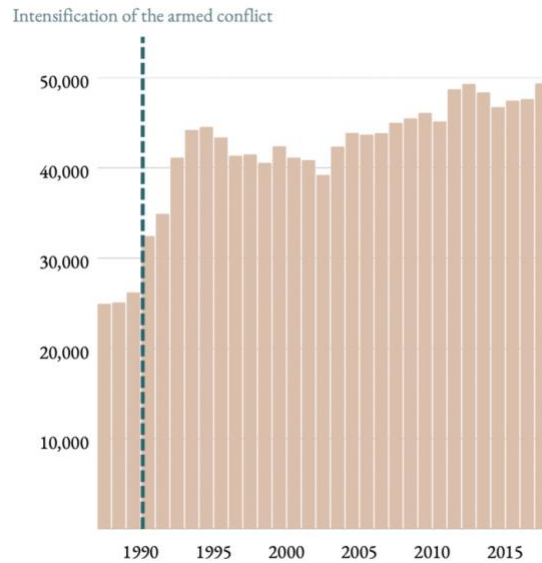


Figure 8: Hectares of banana plantations in the Urabá (Municipal Agricultural Assessments. Ministry of Agriculture and Rural Development - Departmental Agriculture Secretariats - UMATA. Years 2006 to 2012 MADR - CCI Agreement. For the year 2013 Contract MADR – U

The banana production system in Colombia it's a labor-intensive activity that generates approximately 0.8 direct and 2.8 indirect jobs per hectare planted and has historically been characterized by strong trade union movements such as Sintrainagro (Fondo para el Financiamiento del Sector Agropecuario, 2018). Even though this national agro-industrial workers' union allowed workers in the banana sector to have access to wages and legal benefits that workers in other agricultural industries generally do not have access to, it also represented real increases in the company's operating costs (González, 2011). There is no evidence to argue that attacks against trade union leaders in the banana industry were among the agreements made between the paramilitary structures and the multinational company. However, the expansion of paramilitary groups into the banana-growing region of Urabá did lead to an increase in the assassinations of union and community leaders, that in spite of not being directly related to the left-wing guerrilla group (FARC), became one of the main targets of the right-wing paramilitary groups (García, 1997; González, 2011).

5.2.3 The business model

Since the United Fruit Company established its operations in the Urabá region of Antioquia in 1963, the volume of Colombian banana exports grew exponentially and the country's participation in the world market increased. By the end of the 1990s, the volume of exports dropped slightly due to the regulations imposed by the European Economic Community in 1993 which established a new banana market regulation regime that sought to reconcile the different regulations existing among member countries (Bonet-Morón, 2002). In spite of these global economic uncertainties, Banadex was the most profitable producing operation of the multinational Chiquita Brands in Colombia with an estimate of 50 million dollars in profits produced between 2001 and 2004 (National Security Archive, 2007).

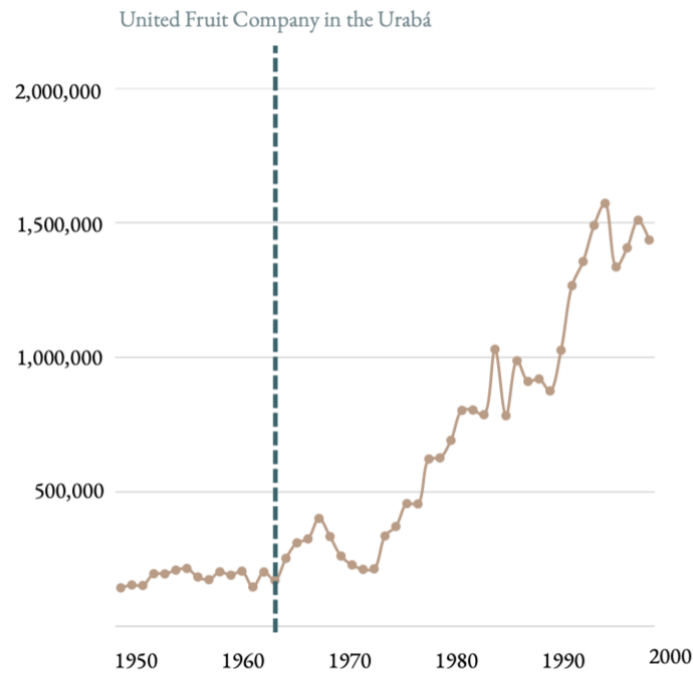


Figure 9: Colombian banana exports (Bucheli, 2005)

The high profits of the multinational company not only increased the opportunity cost of going out of business in this conflict-prone area, but it also contributed to defining the dynamics under which this economic actor would interact with the paramilitary structures during the years in which both actors would operate in the Urabá region of Antioquia. According to the declarations of the paramilitary leader in charge of the self-defense groups' financing strategy in Urabá presented in the “Justice and Peace” court, between 1997 and 2004 several meetings were held between banana businessmen and commanders of the paramilitary blocs. In these meetings, the multinational company agreed to pay the paramilitary groups for the protection of the banana plantations three cents of dollar per box of bananas exported, a figure that represented an income for the paramilitary group of approximately \$1.7 million dollars during the 7-year period (National Security Archive, 2007).

The paramilitary leader's statements not only revealed the mechanisms under which economic and armed actors interacted economically in the midst of the civil war, but it also evidenced that the way in which armed groups financed themselves from the economic actors operating in conflict-prone areas also depended on their business model. While stockbreeders in the Córdoba region of the Urabá contributed to the financing of the group with a fixed fee per hectare used, the banana multinational's contributions varied depending on the price at which bananas were traded on the international market, a strategy that ensured that paramilitary groups could make the most of the economic prosperity that Colombia's banana industry was experiencing at the time. In this way, the presence of Chiquita Brands in the Urabá region of Antioquia contributed to fuel conflict not only through voluntary contributions that sponsored up to 60% of the paramilitaries' total budget, but also by allowing them the use the company's physical assets to carry out arms trafficking operations used in massacres that were later declared crimes against humanity (Comisión Intereclesial de Justicia y Paz, 2016; National Security Archive, 2007).

5.2.4 Power relations and opportunities

When United Fruits Company operated in the Magdalena region at the beginning of the 20th century, it had control over all stages of the banana commodity chain in Colombia: input acquisition, transportation, distribution, marketing, and consumption. The multinational company had always avoided direct contact with workers by using subcontractors to handle contracting and dismissals. However, in 1928 the situation changed when workers went on strike to demand the compliance of the United Fruit Company with the existing labour legislation (Brungardt, 1995). When the company refused to negotiate fearful of conciliation that could ruin them, tensions heightened, and the company requested government support to control the protests. Heeding the call of the United Fruits Company, which by then had total control over the country's banana industry and exports, the national government sent the Colombian Army against the protesters, which resulted in the massacre of approximately 80 workers who were later labelled by the multinational and the government as communist with subversive tendencies (Brungardt, 1995; Posada-Carbo, 1998).

In order to prevent labour movements and social upheavals from happening again, the United Fruit Company opted to change its operating system in the Urabá region. The multinational went from being a production company to only controlling the commercialization and distribution of the agricultural product. To implement the new system, the multinational in cooperation with the government provided credit, technical assistance and other inputs to growers who wanted to set up banana plantations in large areas of land under the condition that the product would be for exclusive sale to the United Fruit Company (Herrera & Romero, 1979). While the adoption of this system did result in the company losing control over a significant part of the production process, it also triggered the construction of an agrarian elite that was closely linked to Chiquita Brands and had political power in the Urabá region of Antioquia (Brown, 2013).

With the intensification of guerrilla operations, there was an increase in the number of extortions, kidnappings, assassinations, and attacks against banana plantations in the Urabá region and their workers (Comisión Nacional de Reparación y Reconciliación, 2013). Against this background, and in the presence of state institutions unable to consolidate their control in the territory, the multinational company voluntarily decided to seek security from the paramilitary groups in spite of the ethical consequences that this entailed. The financial support that the paramilitary structure received from economic actors in the Urabá region of Antioquia allowed this armed group to progressively increase its power and operational capacity to such an extent that it began to function as a government-like authority with the capacity to affect electoral outcomes by employing armed clientelism in some of the areas in which they operated (Ch et al., 2018; Daly, 2021). In this way, using the threat of violence paramilitary forces promoted the election of political candidates who, once in power, facilitated the illegal operations carried out by this armed group (Centro Nacional de Memoria Histórica, 2018b; Daly, 2021).

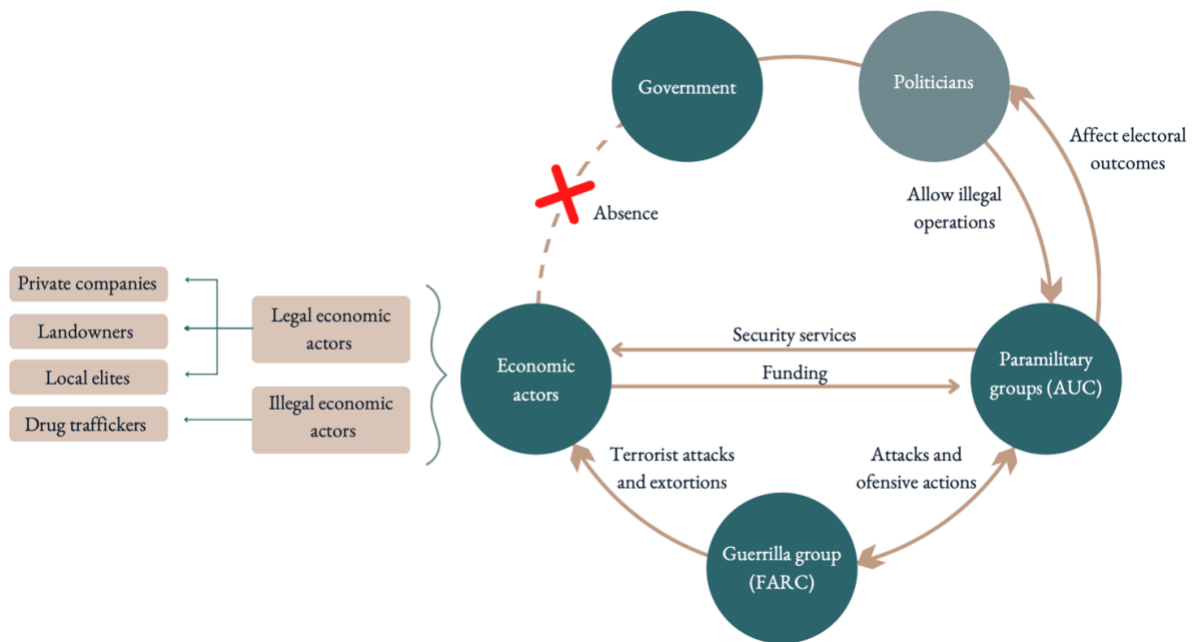


Figure 10: Power relations and opportunities in the Urabá region of Antioquia (Compiled by the author based on the analysis presented in this section.)

5.3 Artisanal and small-scale gold miners

Artisanal and small-scale mining has its roots in traditional indigenous practices that predate the Spanish conquest. During the pre-colonial period the indigenous communities located in what today it's considered the Urabá region of Chocó, such as the Embera Dobida, Chamí, Katío, Wounnan, Zenu and Tule, extracted gold in rivers and streams using handmade tools to create figures with decorative, religious, and ceremonial purposes (Figure 11). However, with the arrival of the Spanish colonizers to the region in the late 17th century, other extraction systems began to take place (Nieto & Falchetti, 1978). According to Poveda (2002), in the colonial period, Colombia produced and shipped 3 to 4 metric tons of gold per year to Spain under the *mita* system. This forced mining labor system used indigenous, mestizo and slave labour and was characterized by the use of iron tools and black gunpowder to extract gold. The wars of independence that took place between 1810 and 1820 forced the closure of many minor mines which were subsequently taken by foreign investors who introduced capital and technology to the region's mining industry (Poveda, 2002).

By the beginning of the 20th century two foreign companies, established the first large-scale mining operations in the Urabá region of Chocó (OECD, 2017; Sarmiento et al., 2013). Although the establishment of these industrial operations contributed to Colombia's position as the world-leading gold producer by 1910, it is estimated that at that time, mining production was mainly carried out on small-scale operations outside governmental control (Instituto de Estudios Colombianos, 1987). Over the course of the 20th century and the first decades of the 21st century, there were several efforts made by the national government to consolidate gold mining as a regulated activity with the potential to promote the economic development of the Urabá region of

Chocó. Nevertheless, to this date, gold mining in Colombia continues to be a predominantly illegal productive activity controlled by armed actors (Betancur-Corredor et al., 2018).



Figure 11: Representation of artisanal gold mining (pre-colonial period vs 2011). To the left (Nieto & Falchetti, 1978). To the right (Urán, 2011)

5.3.1 The size

It is estimated that by the end of the 1970s the gold extraction was mainly carried out by large foreign-owned companies including the US Granger Mining Company and the British Anglo Colombia Gold Development. While the presence of these multinational companies during the first decades of the 20th century contributed to the development and strengthening of the mining industry of the country, these companies began to lose their share in the Colombian mining market as the 1980s progressed (Rettberg & Ortiz-Riomalo, 2016). It is estimated that the percentage of the total gold extracted by small and medium-sized producers in the country went from 86.2% in 1980 to approximately 91.4% in 1990 (Figure 12) (Ortega Acosta, 1992). Furthermore, during this period the region also experienced an increase in the volume of gold produced as it went from 35,091 troy ounces in 1980 to 99,417 troy ounces in 1990, which meant an average annual growth of 10.4%, higher than the growth of the national gold production of 6.1% (Bonet, 2007).

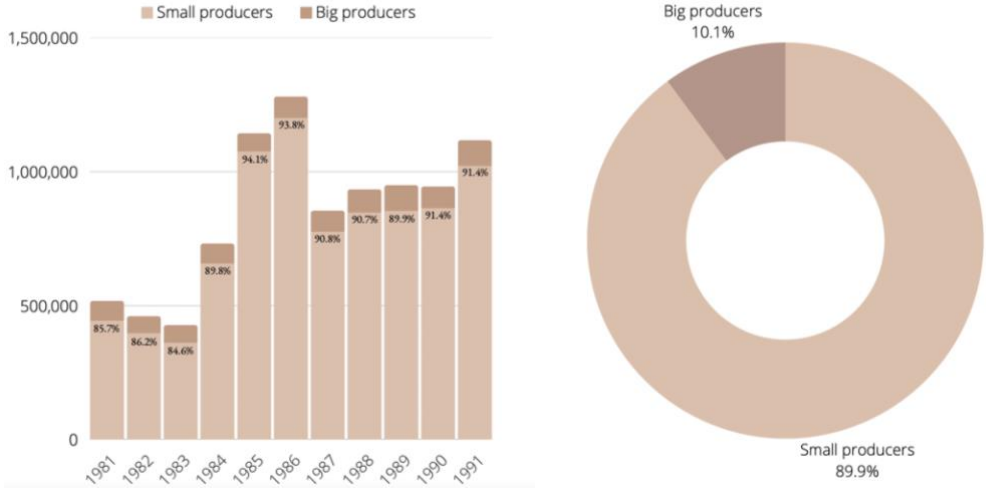


Figure 12: Participation of small vs big producers of gold in the market. To the left disaggregated data (1981 – 1991). To the right average of the 10-year period (Ortega Acosta, 1992)

The unprecedented escalation of violence that the Urabá region of Chocó experienced since the early 1990s hindered the collection of official data on the private actors involved in mining production in the country at a regional level, however, it is estimated that during this period small and medium-sized enterprises continued to predominate in the region until the early 2000s (Ministerio de Minas y Energía, 2007). In this way, gold mining operations carried out at a local and craft level were beyond the reach of the authorities not only because of the informal nature of the activity, but also because they were located in highly violent areas that were completely under the control of illegal armed groups that, due to the state weakness and incapacity, came to fulfil the functions of governmental authority (Porch & Rasmussen, 2008)

The increase in the commodity prices triggered the efforts of Colombian authorities to prompt the large-scale mining in the gold-producing area in the Urabá region of Chocó. It is against this backdrop that the “Mining Legalization Program”, aimed at fostering private investments in mining projects, was established by the Colombian government in the year 2001 (Agencia Nacional de Minería, n.d). This institutional framework was associated with an increase in the gold mining titles requested and granted by the Colombian government between 2003 and 2010. Nevertheless, it failed to establish a comprehensive normative that included the role of indigenous and afro-descendant communities that carry out artisanal and small-scale mining (Rettberg & Ortiz-Riomalo, 2016). The severe underrepresentation of these vulnerable communities has not only continued to perpetuate the violation of the rights that these communities have over the ancestral lands they occupy but has also limited the process of formalization of these economic actors in the country's mining industry (Jonkman, 2019)

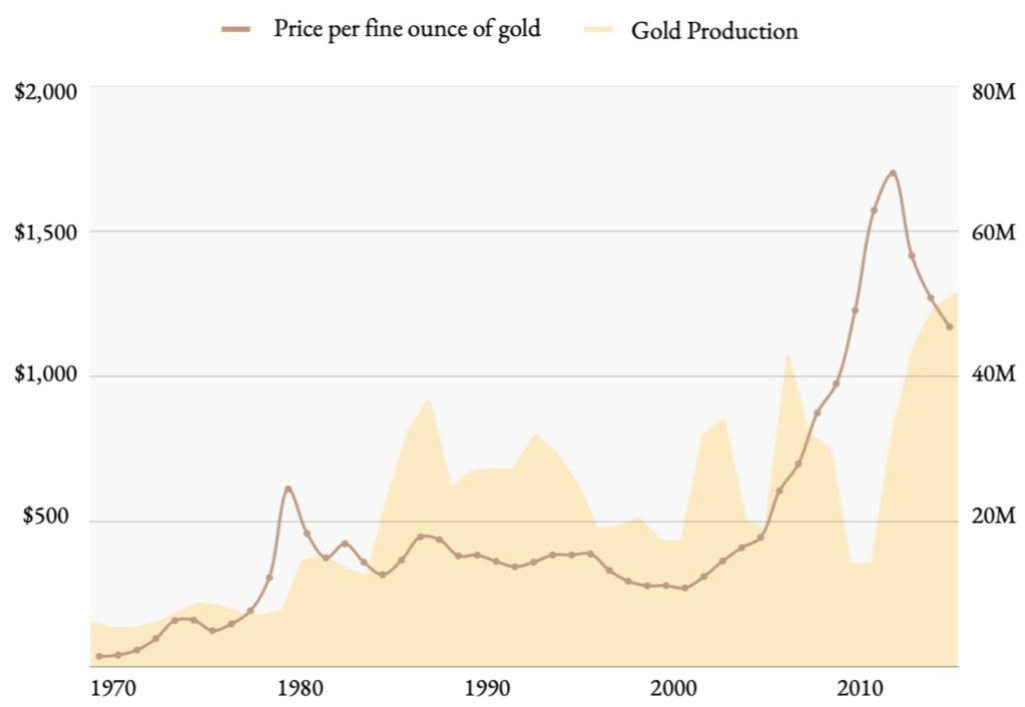


Figure 13: Price per fine ounce of gold (Our World in Data, 2022) and Gold Production in the Urabá region (Colombian Mining Information System, 2022)

5.3.2 The sector

The Urabá región of Chocó comprises the municipalities of Riosucio, Carmen del Darién, Acandí, and Unguía. This region is covered by a dense tropical rainforest that is part of “the Chocó Biogeographical Region”, a natural ecosystem that presents the highest biodiversity concentration per area in the world due to a combination of ecological, climatic, and geological conditions (World Rainforest Movement, 2001). Although these factors have made this an area of unparalleled natural wealth, they have also conditioned the connection of the territory with the rest of the country. To date, only one of the municipalities in the region is easily accessible by land (i.e., Riosucio through a road that connects with the neighboring department of Antioquia) and the other three are only accessible by sea from the Urabá región of Antioquia (Figure 14).

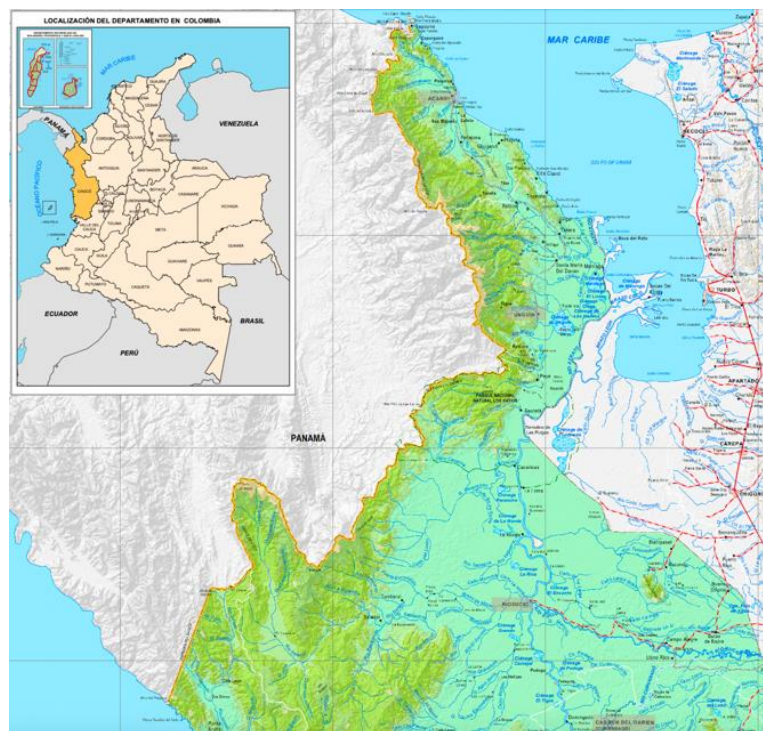


Figure 14: The Urabá region of Chocó ((The Geographic Institute Agustín Codazzi, 2012)

In Colombia there is a wide variety of mechanisms under which gold extraction can be carried out, however, in this case, the document will only focus on the *barequeo* technique an artisanal and small-scale mining practice developed by indigenous and afro-descendant communities that have its roots on manual labour conducted in the pre-colonial period (Weitzner, 2012). This low-tech mining practice it's a cultural practice transmitted from generation to generation that usually involves men and women of all ages and consists of separating gold from soil or gravel by washing it in a pan with water (Sarmiento et al., 2013) (Figure 11). The *barequeo* technique does not employ toxic chemicals and in spite of being carried out with hand tools on the riverbeds and along the shores of rivers, it can be easily replaced by more technical extraction mechanisms that generate higher productivity (Figure 15) (Defensoría del Pueblo, 2010)



Figure 15: mechanized mining (left) and artisanal mining (right) are carried out in the same river (Sarmiento et al., 2013)

5.3.3 The business model

In Colombia, a large percentage of the mining activity is mostly conducted outside the legal framework. According to the Ministry of Mines and Energy (2012), by the year 2010, 87% of the country's gold mining operations were carried out in unlicensed mines, a figure that rises to approximately 99.2% for the Urabá region of the Chocó. While this information does not reflect the situation of the mining industry during the period of intensification of the armed conflict (1997 – 2005), it does evidence that the mining activity in the region it's characterized by high levels of informality. When the mineral extraction does not comply with the requirements and standards established by the law not only is there an increase in the environmental risks that the extractive activity can generate, but there is also a loss of the economic potential that the productive activity can generate (Hilson, 2003)

Artisanal and small-scale mining practices in the Urabá region of the Chocó are usually carried out by family groups, and indigenous and afro-descendant communities that find in this extractive activity a source of subsistence and income (Betancur-Corredor et al., 2018). Subsistence miners also known as *barequeros* extract the gold from the riverbends located in the midst of mountainous and densely forested landscapes to large urban centers (i.e., Quibdó and Istmina). There, they sell the mineral to private individuals who, in turn, trade the product with small, national and international traders, cooperatives and refiners (Tubb, 2015). It is hard to have an accurate estimation of the revenue generated by artisanal and small-scale mining practices because of the informal nature of the activity. Nevertheless, it is estimated that this is a rather unprofitable activity that does not generate much profit due to the low volumes of gold extracted (Pacchioni, Moreno & Asmat, 2014).

The low profitability of the artisanal and small-scale mining not only decreased the financial opportunity cost of abandoning this economic activity if needed, but it also made family groups, indigenous and afro-descendant communities, who carried out Artisanal and small-scale mining practices, more vulnerable to the safety threats posed by armed actors (Sarmiento et al., 2013). When the paramilitary groups and the left-wing guerrilla group (FARC) started to dispute over the

territorial control of the Urabá region of the Chocó, there was a dramatic increase in the violence that caused the forced displacement of millions between 1997 and 2002 (Figure 16 and 17) (Centro Nacional de Memoria Histórica, 2015; Ibáñez Londoño & Moya, 2007).

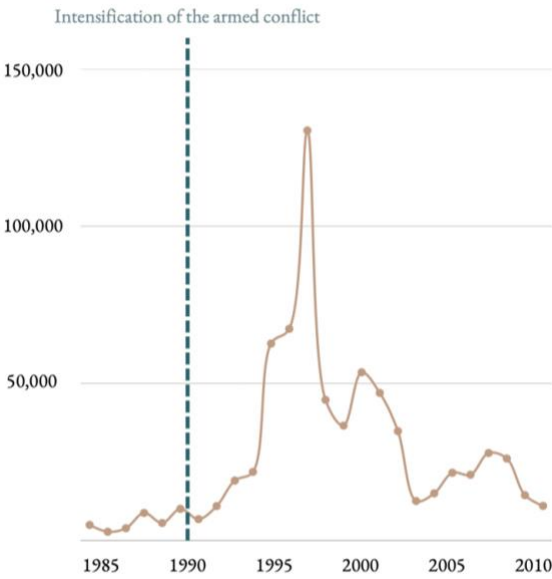


Figure 16: Violent events in the Urabá region (The Public National Registry of Victims, 2022)

In this way, armed groups, both guerrilla and paramilitary groups, took control over many of the mining sites abandoned by displaced people and turned this activity into another funding source that it's easy to trade in the legal markets, due to the high informality of the entire sector, and goes unnoticed more easily than other forms of financing used by armed actors (i.e., drug trafficking) (Centro Nacional de Memoria Histórica, 2018b; Comisión Nacional de Reparación y Reconciliación, 2013; Defensoría del Pueblo, 2010; González, 2011; Norman, 2018; Rettberg & Ortiz-Riomalo, 2016)

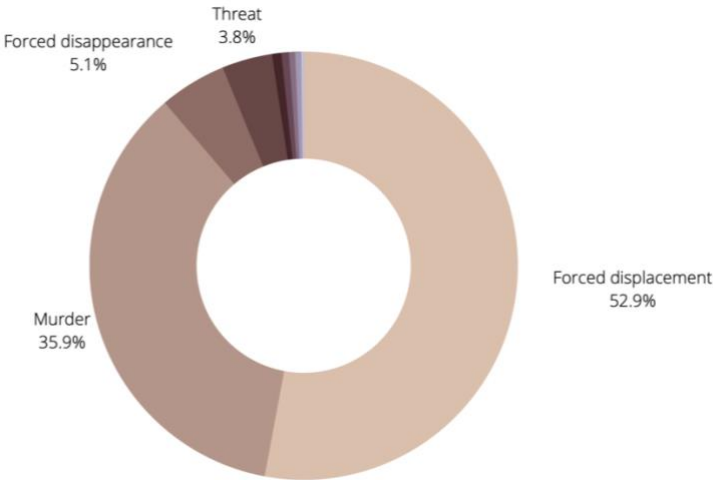


Figure 17: Violent events in the Urabá region in 1997 (The Public National Registry of Victims, 2022)

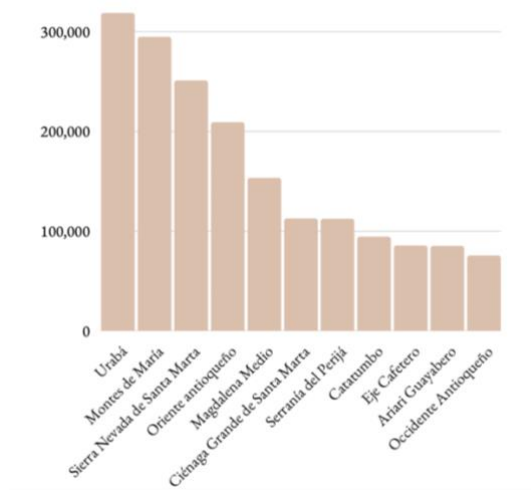


Figure 18: Forced displacement by regions (1994 – 2005) (Centro Nacional de Memoria Histórica, 2015)

5.3.4 Power relations and opportunities

The economic performance of the Urabá region of the Chocó has always been closely linked to the gold mining industry. By the end of the 1980s and the beginning of the 1990s, there was an increase in the participation of the mining industry in the country's economic activity (Figure 19). While the increase at a national level was driven by the dynamism of oil and coal exports, in the Urabá region of the Chocó it was due to the gold mining activity. It is estimated that gold production in the region went from 35,091 troy ounces in 1980 to 99,417 troy ounces in 1990, which meant an average annual growth of 10.4%, higher than the growth of national gold production of 6.1% (Bonet, 2007).

When the armed conflict began to intensify in the early and mid-1990s, the gold production in the Urabá region of the Chocó decreased dramatically as it went from approximately 100,000 troy ounces in 1992 to nearly 10,000 troy ounces in 1997. This collapse came with a considerable reduction in the mining industry's share of the region's economy, going from 12,9% in 1990 to 4,7% in 2004 (Figure 19). In this way, by the early 2000s the gold industry of the Urabá region of the Chocó represented only 7% of the Colombian mining industry and this, in turn, represented only 0.6% of the Colombian GDP (Bonet, 2007).

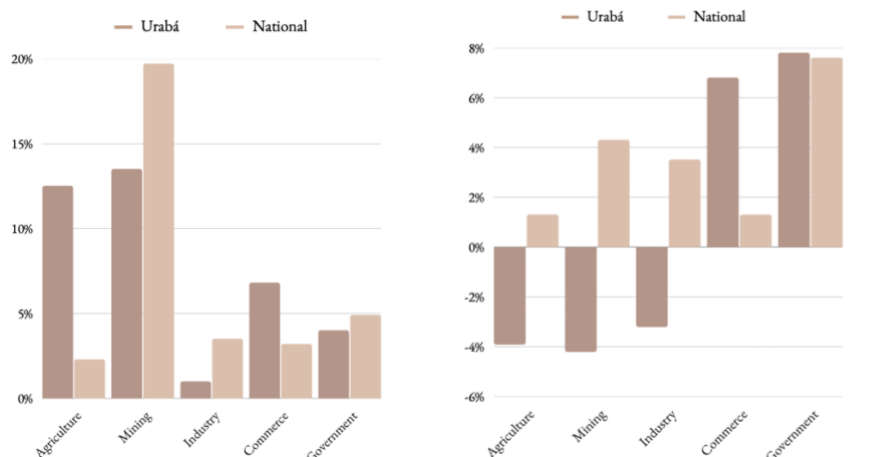


Figure 19: Average annual real GDP growth rates for Urabá and Colombia by main economic activities. On the left (1980 – 1990). On the right (1990 – 2004) (Bonet, 2007)

According to these figures by the end of the 1990s, when the paramilitary groups and the left-wing guerrilla group (FARC) started the dispute over the territorial control of the region, the mining sector had limited participation in the region’s economy. At this point, it’s important to consider that mining operations carried out at a craft and a local level are not represented by official data. While this might be underestimating the economic relevance of artisanal and small-scale mining in the Urabá region of the Chocó, it is a fact that this is a low-profit subsistence activity that it’s conducted by vulnerable economic actors, such as indigenous and afro-descendant communities, that have been historically underrepresented and excluded from the Colombia legislation (Jonkman, 2019). In view of the foregoing, it’s possible to establish that the dynamics between the economic actors and the armed actors in the Urabá region of the Chocó region were characterized by the governmental absence and the lack of political and economic interest in the area. Although these factors facilitated armed actors to take full control over the productive activity, they also limited the effects of conflict on democratic processes and prevented the interaction of politicians and armed actors.

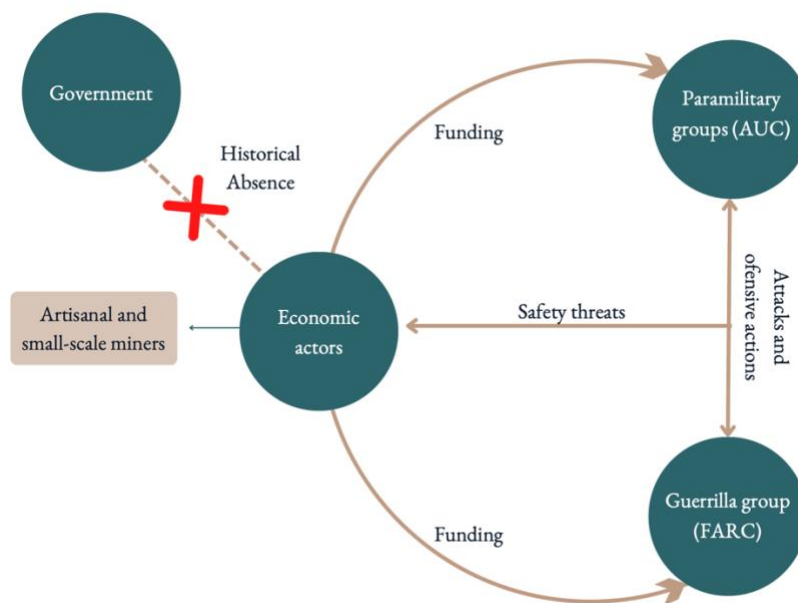


Figure 20: Power relations and opportunities in the Urabá region of Chocó (Compiled by the author based on the analysis presented in this section.)

6 Concluding remarks

This document evaluated the role of two economic actors in the Colombian civil war: multinational banana producers in Antioquia and artisanal and small mining groups in Chocó. By combining an assessment of particular business characteristics and the description of the historical legacies that shaped the economic patterns of the conflict-prone areas where the businesses operated, this document provided a comprehensive understanding of the micro-dynamics by which economic actors fueled the conflict. The analysis conducted in this document revealed that with the intensification of the conflict, armed actors, both guerrilla and paramilitary groups, found new funding opportunities in the economic actors operating in the areas where they were present.

On the one hand, the multinational company Chiquita Brands which produced bananas for export was strategically located in the Urabá region of Antioquia, the only land exit to the Caribbean Sea of one of the most prosperous departments in the country. When the intensification of guerrilla operations began to jeopardize the economic interests of the multinational company, it decided to voluntarily finance paramilitary structures in exchange for protection and security. The increase in the power acquired by the paramilitary structures enabled them to function as a government-like authority with influence over electoral outcomes. This fact, was exploited by regional politicians who, having been elected thanks to the armed clientelism exercised by the paramilitary groups, facilitated the illegal operations carried out by the armed actor.

On the other hand, artisanal and small-scale miners that extracted gold to trade it for subsistence purposes were located in a scattered manner across the dense tropical rainforest of the Urabá region of Chocó, an historically excluded area of the country that, to this day, has limited access by land and it's characterized by its poor economic performance. The increase in violence, caused by the dispute between guerrilla and paramilitary groups over the territorial control of the region, resulted in the massive displacement of family groups, indigenous and afro-descendant communities that carried out the low-tech extractive activity of ancestral roots. This situation allowed armed groups, both guerrilla and paramilitary groups, to take control over many of the mining sites abandoned. This appropriation of the productive activity allowed the illegal groups to acquire an additional funding source that was easily overlooked by the authorities.

The government's failure to meet its control and security obligations with the economic actors established in the Urabá region of Colombia was overwhelming in both cases and allowed armed actors to shape economic and local political institutions in favor of their own interests. It is expected that unravelling the dynamics between economic and armed actors and providing a better understanding of their motivations to interact contributes to identifying the root factors that have triggered the persistence of the Colombian conflict over time. In the current Colombian context, a peace agreement was reached between the government and the remaining armed actor in the field (FARC). Nevertheless, hostilities and violence against vulnerable communities continue to occur throughout the country. In this way, it is expected that disentangling and exposing the historical roots and the economic motivations of violent acts provides the tools to take effective measures

for the construction of sustainable peace processes that are not only capable of guaranteeing the security of the population, but also of unleashing the economic potential of historically excluded regions.

References

- Ahmad, A. (2015). The Security Bazaar: Business Interests and Islamist Power in Civil War Somalia, *International Security*, vol. 39, no. 3, pp.89–117.
- Ballentine, K. & Nitzschke, H. (2004). Business and Armed Conflict: An Assessment of Issues and Options, *Die Friedens-Warte*, vol. 79, no. 1/2, pp.35–56.
- Ballve, T. (2020). *The Frontier Effect: State Formation and Violence in Colombia*, Ithaca, New York: Cornell University Press.
- Betancur-Corredor, B., Loaiza-Usuga, J. C., Denich, M. & Borgemeister, C. (2018). Gold Mining as a Potential Driver of Development in Colombia: Challenges and Opportunities, *Journal of Cleaner Production*, vol. 199, pp.538–553.
- Bonet, J. (2007). ¿Por qué es pobre el Chocó?, *Documentos de trabajo sobre economía regional*, vol. 90, p.68.
- Bonet-Morón, J. A. (2002). Las Exportaciones Colombianas de Banano, 1950-2000, in *Chapters*, [e-book] Banco de la Republica de Colombia, pp.72–101, Available Online: <https://ideas.repec.org/h/bdr/bdrcap/2002-12-72-101.html> [Accessed 28 March 2022].
- Brands, H. (2012). *Latin America's Cold War*, Harvard University Press.
- Bray, J. & Crockett, A. (2012). Responsible Risk-Taking in Conflict-Affected Countries: The Need for Due Diligence and the Importance of Collective Approaches, *International Review of the Red Cross*, vol. 94, no. 887, pp.1069–1087.
- Brown, S. (2013). One Hundred Years of Labor Control: Violence, Militancy, and the Fairtrade Banana Commodity Chain in Colombia., *Environment & Planning A*, vol. 45, no. 11, pp.2572–2591.
- Brungardt, M. P. (1995). La United Fruit Company en Colombia, 5, *Innovar*, no. 5, pp.107–118.
- Bucheli, M. (2005). *Bananas and Business: The United Fruit Company in Colombia, 1899-2000*, NYU Press.
- Camacho Guizado, Á. (ed.). (2009). *A la sombra de la guerra: ilegalidad y nuevos órdenes regionales en Colombia*, 1. ed., Bogotá: Universidad de Los Andes.
- Centro Nacional de Memoria Histórica. (2015). *Una nación desplazada: Informe nacional del desplazamiento forzado en Colombia*, Bogotá, Colombia: CNMH - UARIV.
- Centro Nacional de Memoria Histórica. (2018a). *Regiones y Conflicto Armado. Balance de La Contribución Del CNMH al Esclarecimiento Histórico*, [e-book] Bogotá, Colombia: CNMH, Available Online: <http://www.centrodehistoriahistorica.gov.co/micrositios/balances-jep/descargas/balance-regiones.pdf>.
- Centro Nacional de Memoria Histórica. (2018b). *Paramilitarismo. Balance de la contribución del CNMH al esclarecimiento histórico*, [e-book] Bogotá, Colombia: CNMH, Available Online: <https://centrodehistoriahistorica.gov.co/paramilitarismo-balance-de-la-contribucion-del-cnmh-al-esclarecimiento-historico/>.

- Centro Nacional de Memoria Histórica. (2020). Así se construyó la base de datos más importante sobre el conflicto, *Centro Nacional de Memoria Histórica*, Available Online: <https://centrodememoriahistorica.gov.co/asi-se-construyo-la-base-de-datos-mas-importante-sobre-el-conflicto/> [Accessed 26 May 2022].
- Ch, R., Shapiro, J., Steele, A. & Vargas, J. F. (2018). Endogenous Taxation in Ongoing Internal Conflict: The Case of Colombia, *American Political Science Review*, vol. 112, no. 4, pp.996–1015.
- Collier, P. (2000). Doing Well out of War, *World Bank*.
- Collier, P. (2003). The Market for Civil War, *Foreign Policy*, no. 136, pp.38–45.
- Collier, P. & Hoeffler, A. (1998). On Economic Causes of Civil War, *Oxford Economic Papers*, vol. 50, no. 4, pp.563–573.
- Collier, P. & Hoeffler, A. (2004). Greed and Grievance in Civil War, *Oxford Economic Papers*, vol. 56, no. 4, pp.563–595.
- Comisión Intereclesial de Justicia y Paz. (2016). Empresas bananeras: Vulneración de derechos humanos y narcotráfico en el Bajo Atrato, Bogota, p.54, Available Online: <https://verdadabierta.com/wp-content/uploads/2018/02/Informe-Empresas-bananeras-vulneración-de-derechos-humanos.pdf>.
- Comisión Nacional de Reparación y Reconciliación. (2013). ¡Basta ya! Colombia, memorias de guerra y dignidad: informe general, 2nd edn, Bogotá, Colombia: CNMH.
- Cook, T. R. (2011). The Financial Arm of The FARC: A Threat Finance Perspective, *Journal of Strategic Security*, vol. 4, no. 1, pp.19–36.
- Corporación para el desarrollo sostenible del Uraba. (2012). Plan de gestión ambiental regional, Apartadó, Colombia: Corporación para el desarrollo sostenible del Uraba, p.295, Available Online: <http://corpouraba.gov.co/sites/default/files/R-PG-01PGARAPROBADO.pdf>.
- Creswell, J. W. (2002). Research Design: Qualitative, Quantitative, and Mixed Methods Approaches, Vols 1-2, [e-book] SAGE Publications, Inc, Available Online: <https://1lib.sk/book/923268/4ba063> [Accessed 25 May 2022].
- Cuvelier, J., Raeymaekers, T. & Delen, B. (2002). Supporting the War Economy in the DRC: European Companies and the Coltan Trade, Available Online: <https://ipisresearch.be/nl/publication/supporting-the-war-economy-in-the-drc-european-companies-and-the-coltan-trade/> [Accessed 12 April 2022].
- Dai, L., Eden, L. & Beamish, P. W. (2017). Caught in the Crossfire: Dimensions of Vulnerability and Foreign Multinationals' Exit from War-Afflicted Countries, *Strategic Management Journal*, vol. 38, no. 7, pp.1478–1498.
- Daly, S. Z. (2021). How Do Violent Politicians Govern? The Case of Paramilitary-Tied Mayors in Colombia, *British Journal of Political Science*, pp.1–24.
- Defensoría del Pueblo. (2010). La minería de hecho en Colombia, Bogota: Defensoría del Pueblo, Available Online: https://repositorio.defensoria.gov.co/bitstream/handle/20.500.13061/313/La_mineria_de_hecho_en_colombia.pdf?sequence=1&isAllowed=y.

- Delpar, H. (2002). Colombia: Fragmented Land, Divided Society. By Frank Safford and Marco Palacios. New York: Oxford University Press, 2002. Pp. Xi, 404. Bibliography. Maps. Tables. Index. \$24.95 Paper., *The Americas*, vol. 58, no. 4, pp.652–653.
- Disch, L., Ouziel, P., Lawson, N. & Tormey, S. (2017). The End of Representative Politics?, *European Political Science*, vol. 16, no. 3, pp.440–455.
- Duffield, M. (2000). Greed & Grievance: Economic Agendas in Civil Wars, edited by M. R. Berdal, D. Malone, & International Peace Academy, Boulder, Colo: Lynne Rienner Publishers.
- Eaton, K. (2006). The Downside of Decentralization: Armed Clientelism in Colombia, *Security Studies*, vol. 15, no. 4, pp.533–562.
- Fearon, J. D. (2004). Why Do Some Civil Wars Last so Much Longer than Others?, *Journal of Peace Research*, vol. 41, no. 3, pp.275–301.
- Fondo para el Financiamiento del Sector Agropecuario. (2018). Ficha de inteligencia banano tipo exportación, Bogotá, Colombia: Fondo para el Financiamiento del Sector Agropecuario, p.14.
- García, C. (1997). Urabá: políticas de paz y dinámicas de guerra, *Estudios Políticos*, vol. 10, p.12.
- Global Witness Organization. (2002). The Logs of War: The Timber Trade and Armed Conflict, Oslo: Fafo Institute for Applied Social Science.
- González, F. (2011). Geografías de la guerra, el poder y la resistencia: Oriente y Urabá antioqueños, 1990-2008, edited by C. I. García & C. I. Aramburo, Bogotá, D.C. : Medellín, Colombia: Cinep-Odecofi ; Instituto de Estudios Regionales, Universidad de Antioquia.
- Hartemink, A. E. (2003). Soil Fertility Decline in the Tropics: With Case Studies on Plantations, Wallingford, Oxon, UK ; Cambridge, MA, USA: CABI Pub.
- Herrera, R. & Romero, R. (1979). La zona bananera del Magdalena: historia y léxico, Bogota: Imprenta Patriótica del Instituto Caro y Cuervo.
- Hilson, G. M. (2003). The Socio-Economic Impacts of Artisanal and Small-Scale Mining in Developing Countries, Taylor & Francis.
- Hilson, G. & Maconachie, R. (2017). Formalising Artisanal and Small-Scale Mining: Insights, Contestations and Clarifications, *Area*, vol. 49, no. 4, pp.443–451.
- Hoeffler, A. (2012). On the Causes of Civil War, *The Oxford Handbook of the Economics of Peace and Conflict*, Available Online: <https://www.oxfordhandbooks.com/view/10.1093/oxfordhb/9780195392777.001.0001/oxfordhb-9780195392777-e-9> [Accessed 9 April 2022].
- Ibáñez Londoño, A. M. & Moya, A. (2007). La población desplazada en Colombia: examen de las condiciones socio económicas y análisis de las políticas actuales, Bogotá, Colombia: Departamento Nacional de Planeación, Banco Interamericano de Desarrollo, Banco Mundial, UNDP, CEPAL, CAF.
- Infanger, C. (2005). Natural Resources and Violent Conflict: Options and Actions, *American Journal of Agricultural Economics*, vol. 87, no. 3, pp.806–808.

- Instituto de Estudios Colombianos. (1987). *El Oro en Colombia*, Bogota: Banco de la República.
- International Labour Organization. (1994). *Recent Developments in the Plantations Sector*, International Labour Organization.
- Jaramillo, J. (1964). La población indígena de Colombia en el momento de la conquista y sus transformaciones posteriores, *Universidad Nacional de Colombia, Facultad de Filosofía y Letras, Sección de Historia de Colombia y de América*, p.55.
- Jonkman, J. (2019). A Different Kind of Formal: Bottom-up State-Making in Small-Scale Gold Mining Regions in Chocó, Colombia, *The Extractive Industries and Society*, vol. 6, no. 4, pp.1184–1194.
- Kalyvas, S. N. (2015). How Civil Wars Help Explain Organized Crime—and How They Do Not, *Journal of Conflict Resolution*, vol. 59, no. 8, pp.1517–1540.
- Kalyvas, S. N. & Kenny, P. D. (2010). Civil Wars, in *Oxford Research Encyclopedia of International Studies*, [e-book] Oxford University Press, Available Online: <http://internationalstudies.oxfordre.com/view/10.1093/acrefore/9780190846626.001.001/acrefore-9780190846626-e-3> [Accessed 8 April 2022].
- Kimbrough, E. O., Laughren, K. & Sheremeta, R. (2020). War and Conflict in Economics: Theories, Applications, and Recent Trends, *Journal of Economic Behavior & Organization*, vol. 178, pp.998–1013.
- Kirchhoff, S. & Ibañez, A. M. (2001). Displacement Due to Violence in Colombia: Determinants and Consequences at the Household Level, *Zentrum für Entwicklungsforschung Center for Development Research*, p.55.
- Koonings, K. & Kruijt, D. (2004). *Armed Actors: Organized Violence and State Failure in Latin America*, Zed Books.
- Le Billon, P. (2000). The Political Ecology of Transition in Cambodia 1989–1999: War, Peace and Forest Exploitation, *Development and Change*, vol. 31, no. 4, pp.785–805.
- Le Billon, P. (2001). Angola's Political Economy of War: The Role of Oil and Diamonds, 1975-2000, *African Affairs*, vol. 100, no. 398, pp.55–80.
- Le Billon, P. (2006). Securing Transparency: Armed Conflicts and the Management of Natural Resource Revenues, *International Journal*, vol. 62, no. 1, pp.93–107.
- Martin, J. W. (2018). *Banana Cowboys: The United Fruit Company and the Culture of Corporate Colonialism*, University of New Mexico Press.
- Maus, V., Giljum, S., Gutschlhofer, J., da Silva, D. M., Probst, M., Gass, S. L. B., Luckeneder, S., Lieber, M. & McCallum, I. (2020). A Global-Scale Data Set of Mining Areas, *Scientific Data*, vol. 7, no. 1, p.289.
- McFarland, A. (2010). Interest Group Theory, *The Oxford Handbook of American Political Parties and Interest Groups*, Available Online: <https://www.oxfordhandbooks.com/view/10.1093/oxfordhb/9780199542628.001.0001/oxfordhb-9780199542628-e-3> [Accessed 13 April 2022].
- Ministerio de Justicia. (2005). Ley de Justicia y Paz: respuestas a sus preguntas [Institutional], *Ministerio de Justicia de Colombia*, Available Online: <https://www.minjusticia.gov.co/programas-co/justicia-transicional/Paginas/Ley-de-Justicia-y-Paz.aspx>.

- Ministerio de Minas y Energía. (2007). Plan nacional de desarrollo minero (2007 - 2010), p.68.
- Multinational Enterprises in Situations of Violent Conflict and Widespread Human Rights Abuses. (2002). OECD Working Papers on International Investment, 2002/01, Vol. 2002/01, Available Online: <https://doi.org/10.1787/410036718701> [Accessed 20 April 2022].
- National Security Archive. (2007). United States of America vs. Chiquita Brands International, Available Online: <https://nsarchive.gwu.edu/document/22814-factual-proffer-re-united-states-america-v> [Accessed 27 May 2022].
- Nieto, C. P. de & Falchetti, A. M. (1978). La orfebrería prehispánica de Colombia, 3, *Boletín Museo del Oro*, no. 3, pp.1–53.
- Nolte, K. & Ostermeier, M. (2017). Labour Market Effects of Large-Scale Agricultural Investment: Conceptual Considerations and Estimated Employment Effects, *World Development*, vol. 98, pp.430–446.
- Norman, S. V. (2018). *Narcotization as Security Dilemma: The FARC and Drug Trade in Colombia*, *Studies in Conflict & Terrorism*, vol. 41, no. 8, pp.638–659.
- Nunn, N. (2009). The Importance of History for Economic Development, *Annual Review of Economics*, vol. 1, no. 1, pp.65–92.
- Ocampo, J. A., Jaramillo, J., Colmenares, G., Tovar, H., Melo Gonzáles, J. O., Bejarano Ávila, J. A., Avella Gómez, M., Errázuriz Cox, M., Romero Baquero, C. A. & Bernal, J. (2017). Historia económica de Colombia, [e-book] Fondo de Cultura Económica, Available Online: <http://libroselectronicos.cervantes.es/?id=00031171> [Accessed 28 March 2022].
- OECD. (2017). Debita Diligencia En La Cadena de Suministros de Oro Colombiana: El Sector Aurífero En Chocó, Available Online: <https://www.responsiblemines.org/wp-content/uploads/2019/11/Cartilla-Aplicación-de-la-Gu%C3%ADa-de-la-Debita-Diligencia-de-la-OCDE-para-empresas-comercializadoras-de-minerales-en-Colombia.pdf>.
- OECD. (2018). Multinational Enterprises and Global Value Chains: The OECD Analytical AMNE Database, OECD Trade Policy Papers, 211, Vol. 211, Available Online: https://www.oecd-ilibrary.org/trade/multinational-enterprises-and-global-value-chains-the-oecd-analytical-amne-database_d9de288d-en [Accessed 2 May 2022].
- Ortega Acosta, F. J. (1992). La minería del oro y su mercado: evolución reciente y perspectivas, 772, *Revista del Banco de la República*, vol. 65, no. 772, p.III–XVI.
- Pacchioni, E. A. G., Moreno, A. S. & Asmat, R. (2014). Minería informal aurífera en Colombia, p.89.
- Parsons, J. J. (1996). Urabá, salida de Antioquia al mar: geografía e historia de su colonización, 2nd edn, Bogotá: Banco de la República : Ancora Editores.
- Pérez-Valbuena, G. J. (2007). El Caribe antioqueño : entre los retos de la geografía y el espíritu paisa, Bogotá, Colombia: Banco de la República, Available Online: https://repositorio.banrep.gov.co/bitstream/handle/20.500.12134/3004/dtser_88.pdf [Accessed 12 May 2022].
- Peterson, D. J. (2001). New Forces at Work in Mining: Industry Views of Critical Technologies, Rand Corporation.

- Phillips, G. N. & Powell, R. (2009). Formation of Gold Deposits: Review and Evaluation of the Continuum Model, p.21.
- Porch, D. & Rasmussen, M. J. (2008). Demobilization of Paramilitaries in Colombia: Transformation or Transition?, *Studies in Conflict & Terrorism*, vol. 31, no. 6, pp.520–540.
- Posada-Carbo, E. (1998). Fiction as History: The Bananeras and Gabriel Garcia Marquez's One Hundred Years of Solitude, *Journal of Latin American Studies*, vol. 30, no. 2, pp.395–414.
- Poveda, G. (2002). La minería colonial y republicana, *Credencial Historia No.151*, [e-journal], Available Online: <https://www.banrepcultural.org/biblioteca-virtual/credencial-historia/numero-151/la-mineria-colonial-y-republicana> [Accessed 23 May 2022].
- Puentes, Á. M. (2006). El Opio de Los Taliban y La Coca de Las Farc: Transformaciones de La Relacion Entre Actores Armados y Narcotrafico En Afganistan y Colombia, Bogotá.
- Renner, M. & Prugh, T. (2002). The Anatomy of Resource Wars, Washington, DC: Worldwatch Institute.
- Rettberg, A. & Ortiz-Riomalo, J. F. (2016). Golden Opportunity, or a New Twist on the Resource–Conflict Relationship: Links Between the Drug Trade and Illegal Gold Mining in Colombia, *World Development*, vol. 84, pp.82–96.
- Robledo, J. (2019). ¿A dónde se fue la fortuna? Historia económica y social del Chocó, Colombia, Banco de la República de Colombia, Available Online: https://repositorio.banrep.gov.co/bitstream/handle/20.500.12134/9753/CHE_52.pdf [Accessed 16 May 2022].
- Santos, A. C. (1979). Antioquia y su desarrollo económico, *Boletín Cultural Y Bibliográfico*, vol. 16, no. 4, p.8.
- Sarmiento, M., Giraldo, B., Ayala, H., Uran, A., Soto, A. & Martinez, L. (2013). Small-Scale Gold Mining in the Amazon: The Cases of Bolivia, Brazil, Colombia, Peru, and Suriname, edited by L. Cremers, J. Kolen, & M. de Theije, Amsterdam, The Netherlands: Centre for Latin American Studies and Documentation.
- Schoar, A. (2010). The Divide between Subsistence and Transformational Entrepreneurship, *Innovation Policy and the Economy*, vol. 10, pp.57–81.
- Sharp, W. F. (1976). The Profitability of Slavery in the Colombian Chocó, 1610 - 1810, *University of Oklahoma Press*.
- Sherman, J. & rapporteur. (2001). Private Sector Actors in Zones of Conflict: Research Challenges and Policy Responses, *International Peace Institute*, Available Online: <https://www.ipinst.org/2001/09/private-sector-actors-in-zones-of-conflict-research-challenges-and-policy-responses> [Accessed 11 April 2022].
- Slim, H. (2012). Business Actors in Armed Conflict: Towards a New Humanitarian Agenda, *International Review of the Red Cross*, vol. 94, no. 887, pp.903–918.
- Smillie, I. (2000). Getting to the Heart of the Matter: Sierra Leone, Diamonds, And Human Security, *Social Justice*, vol. 27, no. 4 (82), pp.24–31.

- Tate, W. (2001). Paramilitaries in Colombia, *The Brown Journal of WorldAffairs*, vol. 8, no. 1, p.15.
- Tewari, P. S., Skilling, D., Kumar, P. & Wu, Z. (2013). Competitive Small and Medium Enterprises A Diagnostic to Help Design Smart SME Policy, p.35.
- The Geographic Institute Agustín Codazzi. (2012). Map of Colombia.
- Thomas, C. S. & Hrebenar, R. J. (2008). Understanding Interest Groups, Lobbying and Lobbyists in Developing Democracies, *Journal of Public Affairs*, vol. 8, no. 1–2, pp.1–14.
- Tripathi, S. (2010). Business in Armed Conflict Zones: How to Avoid Complicity and Comply with International Standards, Available Online: <https://www.business-humanrights.org/en/latest-news/business-in-armed-conflict-zones-how-to-avoid-complicity-and-comply-with-international-standards/> [Accessed 13 April 2022].
- Tubb, D. (2015). Muddy Decisions: Gold in the Chocó, Colombia, *The Extractive Industries and Society*, vol. 2, no. 4, pp.722–733.
- Ugarriza, J. E. (2009). Ideologies and Conflict in the Post-Cold War, *International Journal of Conflict Management*, vol. 20, no. 1, pp.82–104.
- Urán, A. (2011). La legalización de la minería a pequeña escala en Colombia The legalization of small scale mining in Colombia, p.29.
- Weitzner, V. (2012). Holding Extractive Companies to Account in Colombia: An Evaluation of CSR Instruments through the Lens of Indigenous and Afro-Descendent Rights, The North-South Institute, p.167, Available Online: <http://www.nsi-ins.ca/wp-content/uploads/2012/11/2012-Holding-extractive-companies-to-account-in-Colombia-english.pdf>.
- Wilson, C. M. (1947). *Empire in Green and Gold: The Story of the American Banana Trade*, H. Holt.
- Youngers, C. & Rosin, E. (2005). *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, Lynne Rienner Publishers.
- Zott, C., Amit, R. & Massa, L. (2011). The Business Model: Recent Developments and Future Research, *Journal of Management*, vol. 37, no. 4, pp.1019–1042.