

Evidence Report: Project Maria Caicedo

Development of inclusive
markets to build peace in
Colombia. The case of the
Peasant Reserve Zones of the
Cimitarra River Valley,
Catatumbo and Tulua.

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List of Acronyms

ACVC	Asociación Campesina del Valle del Río Cimitarra (Peasant Association of the Cimitarra River Valley)
ANZORC	Asociación Nacional de Zonas de Reserva Campesina (National Association of Peasant Reserve Zones)
ASCAMCAT	Asociación de Campesinos del Catatumbo (Catatumbo Peasant Association)
ASTRACA	Asociación de Trabajadores del Valle del Cauca (Valle del Cauca Workers Association)
CA	Christian Aid
COCCAM	Coordinadora Nacional de Cultivadores de Coca, Amapola y Marihuana (National Coordinator of Coca, Poppy and Marijuana Growers)
DRP	Diagnóstico Rural Participativo (Participatory Rural Diagnosis)
OCCDI	Observatorio de Cultivadores y Cultivos Declarados Ilícitos (Observatory of Illicit Cultivators and Crops)
PBC	Pasta Base de Coca (Coca Base Paste)
PDET	Planes de Desarrollo con Enfoque Territorial (Development Plans with a Territorial Approach)
PNIS	Programa Nacional Integral de Sustitución de Cultivos Ilícitos (Comprehensive National Program for the Substitution of Illicit Crops)
RRI	Reforma Rural Integral (Comprehensive Rural Reform)
ZRC	Zonas de Reserva Campesina (Peasant Reserve Zones)

Executive summary

The study provides concrete elements that contribute to peace-building in Colombia in the area of coca paste production in the Peasant Reserve Zones (ZRC as its acronym in Spanish) in Colombia by transforming war economies into peace economies from a systemic approach, involving the political and economic systems at the local and national levels. The aim is for the most marginalized actor, in this case the small farmers of the ZRCs, and their social organizations, to acquire "voice" and "power", allowing them to influence the system in an inclusive manner, generating changes for the benefit of all actors and reducing their situation of poverty.

Given that Colombia has been the largest producer of coca leaf for decades and that the international cooperation actors involved in development are reduced to UNODC and USAID, Christian Aid was encouraged to propose alternatives for economic transformation from the influence of public policies on both drugs and agriculture, the strengthening of social and community-based business processes, to the participatory transformation of value chains and market systems.

Two key partners were involved. The National Association of Peasant Reserve Areas (ANZORC as its acronym in Spanish), which brings together all the grassroots organizations in the 62 processes of creation and sustainability in the country and at the same time supports and accompanies them. And the National Coordinator of Coca, Poppy and Marijuana Growers (COCCAM as its in Spanish), which emerged as a platform of peasant organizations, including Anzorc, to seek a comprehensive solution to the problem of illicit crops, seeking peace with social justice and based on the implementation of the Peace Agreement.

It is indisputable that the articulation between the Integral Rural Reform and the National Integral Program of Substitution of Illicit Use Crops is necessary to facilitate the transition of a territory from a war economy to a peace economy. The research warned that economic transformation in a just manner that involves improving the quality of life of peasant communities and building peace requires Colombia to confront and recognize that the proliferation and success of the coca base paste economy is caused by structural problems in the countryside. This has become a vicious circle, as the presence of this economy is in turn a structural cause of poverty and marginalization. This situation is aggravated by the war, the lack of land titles, the lack of installed capacities in civil society, the concentration of power, the lack of political will, and the welfare state, among others.

It was evident that coca base paste production behaves like a market system with its components, consolidated for decades and from which many actors participate and benefit. It has a prevalence factor over legal economies because its illegal status allows it to create its own rules within the context of war, which makes it sustainable in comparison to legal economies.

The coca base paste economy has been appropriated by the peasants as a process of resilience for the whole community involving youth and women, who have found opportunities not found in the legal economies, such as economic autonomy, permanence in the territory and social participation.

As long as the structural causes of poverty and marginalization are not addressed, the illegal and war economies will prevail. Therefore, the potential for scaling up and replicating access to inclusive markets would be low, giving way to a more ambitious commitment to the economic transformation of the ZRCs.

Introduction

Christian Aid developed the Maria Caicedo action-research project between September 2017 and December 2018 in the framework of the implementation of the Peace Agreement signed by the Colombian Government and the former Revolutionary Armed Forces of Colombia - People's Army (FARC-EP) on November 24, 2016, focusing on points 1 and 4, Integral Rural Reform (RRI as its acronym in Spanish) and Solution to the Illicit Drug Problem, respectively.

The programmatic and strategic interest of Christian Aid's Colombia Program is to facilitate the process of transformation of the Peasant Reserve Zones (ZRC) from illegal and/or war economies to peace economies, in solidarity with the people and communities that live there, taking into account the stigmatization, repression and blockades that they have experienced in their own flesh in their struggle to remain in the territory and preserve the peasant economy. The ZRCs represent an important area of the rural sector in Colombia and are characterized by the absence of state institutions, provision of public goods and services, with little land titling, high levels of poverty and continuously affected by the armed conflict and the presence or risk of illegal economies.

Based on the research question - **how can Christian Aid facilitate access to markets in Peasant Reserve Areas affected by the armed conflict and with the presence or risk of illegal economies for peace building in Colombia?** - a background document was created that gathered secondary information on ZRCs, access to markets, and implementation of the Peace Accords. Likewise, the conceptual framework of the research was developed, the market sub-sectors were pre-selected and the areas under study and intervention were located; the context and research sub questions were also posed, which gave the line to carry out this stage of the project.

The ZRC since its creation from the law 160 of 1994¹, are a figure of land management recognized by the peasant communities. In their defence, organizational processes have been generated that have allowed social, productive and political development, acquiring experience and positive results for their communities². This is in contrast to the current national development model that generates highly inequitable results in the economic, political, social and cultural spheres, making it difficult for peasant communities to access markets, develop and build peace in their territories.

The RRI, for its part, proposes a structural change in the rural development model through land titling, the participatory construction of Development Plans with a Territorial Approach (PDET as its acronym in Spanish), and the implementation of National Plans that include infrastructure works, a rural education model, and the promotion of the peasant economy, among other things. Point 4, particularly the Comprehensive National Program for the Substitution of Illicit Crops (PNIS as its acronym in Spanish), articulated with RRI, proposes to involve a new vision that addresses the causes and consequences of the phenomenon of illicit crop production by seeking evidence-based alternatives and participatory

planning and implementation of Comprehensive Substitution and Alternative Development Plans³.

Along with the empowerment of the various processes underway in the ZRCs, Christian Aid believes that the implementation of the RRI and its articulation with the PNIS could facilitate access to inclusive markets and in turn improve the quality of life of these communities.

On the basis of the above, research was undertaken to obtain robust evidence to answer the question of how to improve access to markets for coffee, cocoa and livestock in three of the ZRCs, based on a study of the market systems and value chains in each of these areas, with a focus on how the new political scenario would allow for the implementation of the Peace Accord. This was done with reference to the agricultural sector and drug policies in reference to the production of coca base paste by peasants. With an understanding of the market and the context, it is expected that specific interventions will be made to overcome the obstacles that prevent the market system from functioning to the benefit of marginalized actors and to ensure that the interventions add value to the actions of all actors⁴.

Below: Stakeholder Mapping Workshop. Bogota. February 2018



The following section contains the description of the methodology, specifying when, how and where the information was collected. Followed by the presentation of the research results divided into four sections: 1. Structural causes of poverty and marginalization; 2. Subsequently, a brief discussion is made in response to the research sub-questions and the theory of change resulting from the research presented. Finally, the conclusions.

Methodology

One of Christian Aid's interests was to place the communities of the ZRC and their organizations and social platforms as the protagonists of this study. It was therefore important to use participatory methodologies that allowed for grassroots contribution and understanding, collecting and analysing information together.

During the contextualization stage of the research, from September 2017 to January 2018, a review of secondary sources and approaches to organizations and institutions related to development was carried out, from which concept notes were developed on points 1 and 4 of the peace agreement, ZRC and inclusive markets in relation to their position in the peace agreement. Based on the concept notes, the base document was prepared, in which the context and research sub-questions were formulated, this being the operational and methodological guide for the research. From February to December 2018, the following studies and diagnostics were carried out:

- A mapping of actors in the development sector, both public and private, to capture their contributions in response to the sub-questions and identify which actors could be potential allies of the project and their interests and advantages.
- Three participative rural appraisals in the three selected ZRCs to understand the historical political, social and economic development of the ZRCs.
- A study of three legal sub-sectors of the market at the macro and micro level to understand and identify actors, transactions and problems that prevent them from being inclusive markets.
- A study of the economy of coca base paste production in two ZRCs that allows to uncover the advantages and disadvantages of the system and the actors and rules that govern it.
- Review of secondary sources to answer context sub-questions in concept notes to understand the current political and economic context we face.
- Review and analysis of lessons learned specifically in national policy (particularly on agricultural production and land management), nature and development of the ZRC and pilot projects in the ZRC of Guaviare, Pato-Balsillas and Cabrera.
- Elaboration of a Theory of Change for the development of an integral project.

The methodologies used for data collection were mainly participatory, involving members of social organizations, academia, foundations and communities in the ZRCs.

The main partners in this project were the National Association of Peasant Reserve Areas (ANZORC) and the Coordinator of Coca, Poppy and Marijuana Growers (COCCAM). The Observatory of Crops and Growers Declared to be Illicit (OCCDI) also collaborated and provided advice.

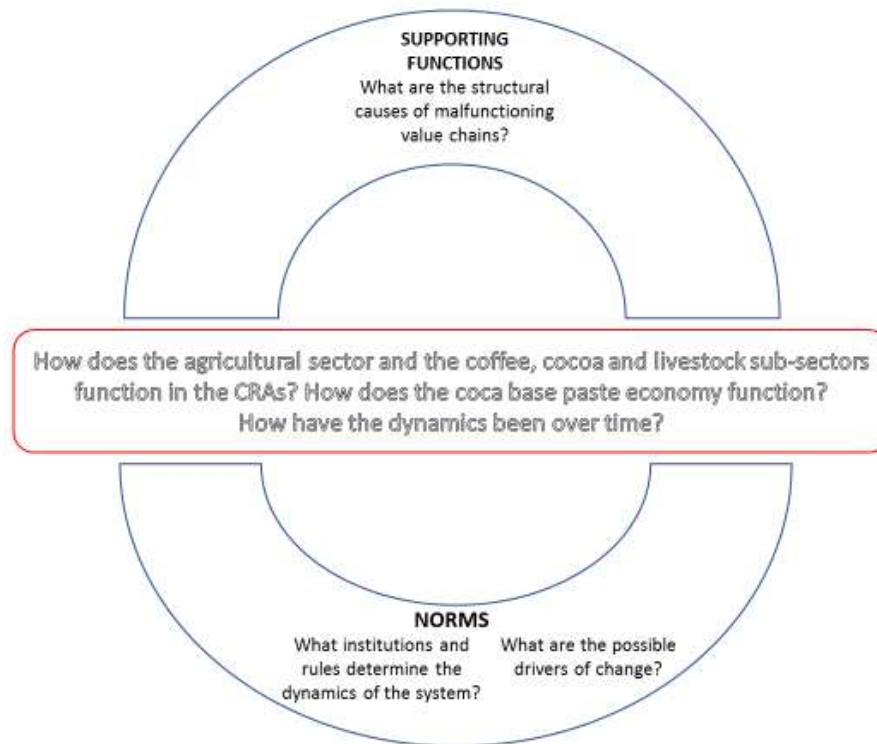
Below: Travel to the municipality of Cantagallo in the ZRC-VRC. San Francisco swamp. June 2018.



The ZRC, the selected legal sub-sectors (**coffee, cocoa, livestock**) and the peasant grassroots organizations present in these areas, with whom we worked in a participatory manner for the development of the research stage, are:

- **Cimitarra River Valley**, located in the departments of Antioquia and Bolivar, with a population of 20,000 families⁵. The study developed in this area was on livestock. As well as the study on the production of coca base paste. Its organization is the Peasant Association of the Cimitarra River Valley (ACVC as its acronym in Spanish).
- **Catatumbo**, located in the department of Norte de Santander, with a population of 110,000 inhabitants⁶. The studies developed in this area were on coffee, cocoa and livestock. As well as the study on the production of coca base paste. Its organization is the Association of Peasants of Catatumbo (ASCAMCAT as its acronym in Spanish). It should be noted that given the security conditions in the area, compared to the other two regions, there were greater obstacles to collecting the information.
- **Tulua**, located in the department of Valle del Cauca, with a population of 5,500 inhabitants⁷. The study developed in this area was on coffee. Its organization is the Valle del Cauca Workers Association (ASTRACAVA as its acronym in Spanish).

Figure 1: Market systems studies. Source: Own preparation based on M4P and Market Research for Value Chain Initiatives, 2019.



*The Markets Work for the Poor Approach (M4P)*⁸ and *Market Research for Value Chain Initiatives*⁹ methodologies were adapted to understand why, what for and how Christian Aid could facilitate access to inclusive markets in the ZRCs. Based on these methodologies, a study of these market systems and value chains was carried out, identifying the actors, system failures and their causes and understanding the viability of possible interventions in each sub-sector. This would make it possible to know the variables that can generate change with a deep and far-reaching impact on the target population.

As shown in Figure 1, market system analysis should include a description not only of the value chain but also of the actors and support functions, which would be the institutions and rules that determine the dynamics of the system. According to the methodologies adopted, the information collected was triangulated by comparing the sources and collection instruments used with the objective of showing how the coffee, cocoa and livestock subsectors function in the ZRCs, and understanding the economics of coca paste production.

Results: there are structural causes of poverty and marginalization that have constituted war economies in the Peasant Reserve Zones

This section describes the structural causes of poverty and marginalisation in the ZRCs at the economic, financial, political and socio-cultural levels analysed from the research. In each of these, different symptoms that prevent the proper functioning of the market system are presented and their evolution over time is analysed. Finally, it is concluded about the meaning of the structural causes as a whole involving the ANZORC.

At the economic level: Extractivism, lack of land titles and assistentialism lead peasant communities to prefer illegal economies because of their advantages in the context of war.

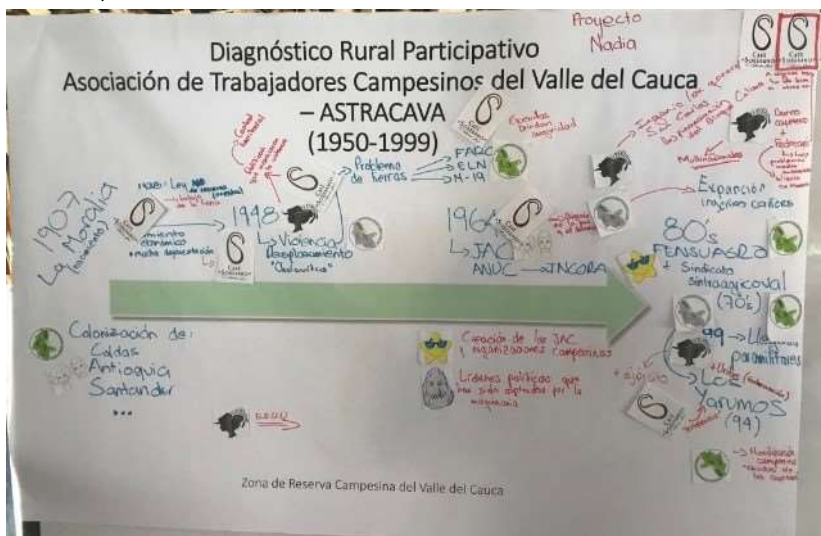
In economic terms in Colombia, an extractive development model persists that is controlled by extractive economic institutions defined as those that *"aim to extract revenue from a subset of society to benefit a different subset"*¹⁰. It is characterized, for example, by the absence of the State in the territories, which results in a lack of public goods and services and, in turn, in high production costs. For example, the visits to the three ZRC noted the poor state of roads, mainly tertiary roads, and the lack of educational and health facilities. In the workshops, the farmers referred not only to the precarious infrastructure for marketing products but also to the high transport costs (for loading and unloading) and the lack of technical assistance (Visits and workshops, 2018). This always left the peasant communities at a disadvantage compared to the large producers and maintained the gap between the countryside and the city.

The model is also characterized by the persistence of land concentration. According to the National Centre of Historical Memory, the *"structural deficiencies of the instruments of land policy [in Colombia] are advantages for the accumulation of land rents, which disproportionately favour the elites of each region, who control the administration, and harm the peasants who occupy new territories with the hope of having the right to property."*¹¹

The members of the peasant associations of the three ZRCs, in the time lines between the 20th century and the present, built in a participatory manner, identified land problems as the fundamental cause of the armed conflict and, although the conflict has been transformed over time, they affirm that until there is sanitation and titling of property, land continues and will continue to be a cause of conflict¹². In addition, a member of the ANZORC board of directors says the following:

"Colombia is a country that in most of its rural territory does not have a cadastre formed, that is why it is so easy to dispossess, to remove. If people do not have titles, less cadastre, less registration. The cadastre has to be related to the registry, which is the one that finally tells you that you are the owner and issues you the certificate. Here that is a mafia, because the registry has been used to legalize what was illegally obtained. In all countries, the cadastre and the registry sometimes work as one entity, it doesn't go one way or the other. Here the registry is a mafia and there is no cadastre formed in most of the rural world or where there is one, the cadastre is not updated." (Interview-ANZORC, 2018)

Below: DRP-ZRC Tulua. ASTRACAVA political-economic timeline. Moralia, Valle del Cauca. September 2018.



The lack of land titling prevents any increase in productivity (particularly in rural areas). This phenomenon facilitates the expansion of the agricultural frontier¹³ and the extraction of natural resources, which ends up being inefficient and harmful to the environment. For example, in Catatumbo, initially inhabited by the Barí indigenous community, in the early 20th century there was an expansion of oil exploitation in the lower Catatumbo region, increasing the displacement of these communities and, as in any extractive economy, deepening inequality in the region¹⁴. In other words, while those who benefit from the extraction of natural resources, the indigenous and peasant communities, not having any property, are forced to move (in addition to violence as a cause of displacement per se). This in turn widens the agricultural frontier, instead of increasing productivity on titled land, and the inequality gaps.

According to the government agency Acción Social¹⁵¹⁶, the relationship between producer and consumer has changed throughout history. From two to one in the 1960s it went from one to six in 2011, and it is estimated to be one to ten in 2030. This means that the urban population has grown more than the rural population. Therefore, the demand for food and raw materials has increased with respect to supply; agricultural production has faced the increase in the area sown in a disorderly and excessive manner, maintaining

the expansion of the agricultural frontier and not being able to adopt technological advances for the countryside, with the exception of rice and corn in the agro-industry of concentrates¹⁷. This prevents an increase in productivity in the countryside, a factor that in the long term is the determinant of economic growth¹⁸.

"How we see it is: Here is Guaviare, for example, it has a lot of territorial problems, they have to be solved, they have to give guarantees to the peasants, in every sense, access, formalization of property, cadastre, public policies, investment, so that the economy is viable and so, solving the territorial conflicts closes the border because you don't need to leave, there wouldn't be a para [paramilitary] to kick you out or a guerrilla; You don't have to leave, you stay there on your farm producing and besides you already have, with all this, supposedly an assured market or a price of sustenance or state purchase of food, because there, parallel to the reforms, there are sectoral plans that should be implemented, but are not being implemented." (Interview-ANZORC, 2018)

As for foreign trade, dependence on the terms of trade is characteristic of primary goods and these are tending to decline as has been seen in recent years with coffee and cocoa prices, generating instability in terms of prices¹⁹. In the case of primary goods traded in the domestic market, Free Trade Agreements favour the entry of foreign products that end up supplying a large part of domestic demand, generating a loss of competitiveness of national products. That is to say, as the farmers mentioned repeatedly in the different workshops in the three ZRC, **since the opening of the economy in 1992, the commercialization of national primary products has been reduced in comparison to that of foreign products**²⁰.

As another structural cause, **there are policies, programs, strategies and projects of short and medium term that are presented as mitigation measures and that tend to fall erroneously in assistentialism**, defined as a political attitude oriented to solve social problems from the external assistance instead of generating structural solutions²¹. This was observed in the field visits, where despite constant investment in rural development, sustainable processes have not been generated over time and even illegal economies are taken as a survival option for peasant communities²². As mentioned by members of the ANZORC board of directors (CA, Workshop-ANZORC, 2018), the expected impact of the implementation of policies, programs and strategies is not being generated, therefore, the communities are not appropriating the projects because they do not consider them appropriate. Additionally, the lack of previous research to know the generators of change and community participation has not allowed the formulation of viable and concerted proposals.

Below: State of the road to reach the Vereda La Esperanza, municipality of Cantagallo August 2018.



On the part of the community, there is a need to always require international cooperation assistance to generate some development, as was observed in the field visits. On the contrary, as one campesino leader mentioned, the duty is to install the necessary capacities so that development is sustainable over time (CA. Interview, 2018). Understanding capacities as *"the measure of the relationship between the resources [human, financial, political] that an actor has or has access to, and the resources required for the necessary change in behaviour"* to generate sustainable development²³.

"There were resources and a process of installed capacity was taking place, capacities were being installed, because I would say that one of the most important elements of the organizations is true installed capacities, not through training courses, not through workshops, but through practical processes, which are accompanying them, forming them, and people are staying there." (Peasant Leader Interview, 2018)

Finally, as long as the extractive development model **based on the lack of opportunities for the peasant economy persists, illegal economies will always be an option for peasant survival and preferred over legal economies over time**. For example, in the Catatumbo region, at the end of the 1980s, coca leaf began to be planted and soon after that there was a coca bonanza in the region, contrary to the effects mentioned above that brought about the economic opening led by former president César Gaviria in 1992, and as expressed by an ASCAMCAT peasant leader:

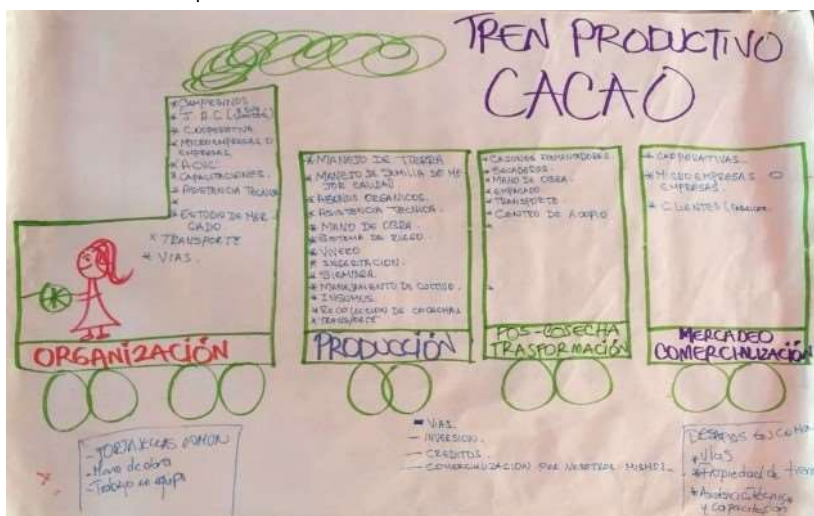
"The crisis in the countryside has worsened since César Gaviria, who became president in the 1990s, opened up the neoliberal economy and this generated all the conditions in the territories to plant coca, and Catatumbo was no exception" (Catatumbo Peasant Leader, 2018)

In addition, according to the Observatory of Crops Declared to be Illicit - OCCDI²⁴, producers interpret that coca gives them a "higher profit margin than other crops," because their own labour is not included in the production costs. When doing their accounts, they subtract what they paid for inputs and hired labour, and in this way, it is assumed that the balance corresponds to their free economic income, where in reality the value of their labour is not included in the costs, as is the case with any type of family farming economic activity. It is important that a detailed financial study of coca paste production (PBC as its acronym in Spanish) be carried out in order to know the profitability of the crop for the farmers.

At the financial level: the lack of ownership, of installed capacities and of political will makes it difficult for the Colombian peasants to access formal financing.

In the workshops of the Participatory Rural Appraisals in the three ZRCs, when investigating the financing they have received, as a first and sometimes the only response, it is found that it is the **multilateral entities** such as the UNDP and **NGOs** such as Christian Aid, which finance projects in the CRZs and their impact is generally considered positive by the peasantry²⁵. On the other hand, the coca base paste economy has allowed informal credit relationships to be strengthened. In most cases, food traders in the peasant communities grant credit, not necessarily in cash, just for having a coca leaf crop because of the confidence in terms of return it generates²⁶.

Below: DRP- Cocoa production train. ZRC-VRC. June 2018.



Regarding the financing of the ZRCs, INCODER and the National University²⁷²⁸ emphasize that, despite the importance of financing their Sustainable Development Plans (PDS as its acronym in Spanish)²⁹, figures such as the Business Development Zones have greater visibility in legislative terms. In addition, these not only have greater regulatory progress in Congress, but also promote projects with high transaction costs, leaving the rural population without greater opportunities to develop a different economic model.

When analysing the budgets of the legally constituted ZRCs, including Catatumbo, and of different state entities such as the Presidency and the National Planning Department, among others, two different logics were found to design such budgets. **On the one hand, there is a market logic based on competitiveness and external markets, adopted in public policies and, on the other hand, "the peasant logic oriented to satisfy their basic needs of self-subsistence and solidarity, whose production is directed to the local or regional internal market."**³⁰

Another important finding was that under the government of Juan Manuel Santos, the ZRCs were not explicitly included in the budgets of almost any department, or any central government entity except INCODER. Regarding the PDS, INCODER concludes that given the way they were formulated at that time, they exceed the financing capacity of both municipalities and departments for the implementation of the PDS³¹.

Below: Homage to the victims of violence in the Nuevo Puerto Ité village, municipality of Remedios. ZRC-VRC. May 2018.



At the political level: the concentration of political power, disarticulation and repressive drug policy are the basis of the development model in Colombia.

It was found that in Colombia there is a high concentration of political power in the same elite that has governed the country for decades. According to the book *Why do countries fail? "extractive political institutions concentrate power in the hands of a small elite and set few limits on the exercise of their power"*³². This leads to individual interests in the high political and economic context, leaving behind marginalized populations and geographies, translating into the absence of the state in the territories, as reiterated in the timelines built with the ACVC, ASTRACAVA and ASCAMCAT³³. This is also reflected in the fact that the associations of the pre-selected sub-sectors, the National Federation of Coffee Growers - Fedecafé, the National Federation of Cocoa Growers - Fedecacao, and the Colombian Federation of Cattle Ranchers - Fedegán) lead the design of public policy in the agricultural sector and promote mainly large producers and not small ones³⁴. It should be noted that *"economic institutions are often structured by this elite to extract resources from the rest of society"*³⁵, thus shaping the model of economic development.

A permanent disarticulation between peasant communities and the State is evident. That is to say, the demands and the perception of what the peasant economy means for these communities and the development they would like to see given their lifestyles is not compatible with the State's vision of the model of the country to be developed. For example, with respect to the issue of the social organization of the territory, INCODER and the National University³⁶ conclude that the peasantry, despite being a clear figure of family, community and solidarity-based economy, which has important cultural traditions, has not been taken into account as a political subject by the State, unlike the black and indigenous communities under Law 70 of 1993. Similarly, they indicate that *"it is urgent to think of inter-ethnic or intercultural regions or territories (...) that is, of all the workers in the countryside and their families or even of the workers who live in the countryside but do not work there"*³⁷.

The disarticulation is also observed between the different governmental levels, therefore, that there may be a number of policies, but these do not reach the municipality in an efficient way. This is because from the central to the local level an important part of the investment is captured by acts of corruption (such as clientelism and vote buying), as mentioned in two interviews by two peasant leaders:

"With the current institutional framework, that cooperation money, or whatever it is, is going to be used for corruption, influence peddling, and clientelism.

"The mayor, that man does not know what is happening in Briceño, he does not know. We have an office, the office that was set up that I think was one of the worst mistakes that could have been made and that was to have set up inside the mayor's office an office that is called Peace Unit and that there are many things that are happening

there, but that we as a local team do not know about.” (Peasant Leaders, 2018)

Finally, there is a repressive drug policy and under the influence of the United States. In addition to prioritizing aerial spraying actions with glyphosate, the Colombian state has concentrated on the prosecution of small-scale coca leaf producers, generating in turn stigmatization and persecution of peasant communities³⁸ (Workshop with ANZORC, 2018).

Below: DRP-ZRC Catatumbo. ASCAMCAT political-economic timeline. Cúcuta, Norte de Santander. September 2018.



The influence of the United States, as described by the members of the ASCAMCAT³⁹, began to be observed when the Colombian government signed an agreement with the United States government called Plan Colombia, which began its first phase in 2000⁴⁰, shaping drug policy towards the future instead of achieving peace, as was originally its objective. This plan was essentially an anti-narcotics strategy based on the eradication of illicit crops through aerial spraying with glyphosate, which, together with the threats inherent in an armed conflict, generates displacement and the eradication not only of coca crops but also of any other crop, as one peasant from the Cimitarra River Valley points out:

"On many occasions we had to leave all the crops, animals and houses abandoned. Those who left could not return to the fields, they arrived at the region giving lead and everything they found they took with them and what they could not take with them they burned [...] The fumigations were almost daily, damaging not only the coca crops but also the other crops." (DRP- Cimitarra River Valley Community Member, 2018.

At the socio-cultural level: the mentality of a war economy that still persists in the Colombian countryside makes it difficult to access markets and build peace in the territories.

At the socio-cultural level, a **war economy mentality is maintained, characterized by a state of mistrust** not only between the community and the State, but also between the different market actors such as intermediaries, the private sector, the armed forces, among others. The mistrust of the State is generalized in the Colombian countryside, as was reiterated in the workshops in the three ZRCs. In addition to the historical absence of the State, the workshops also identified that the Colombian State has not complied with the different agreements that have been reached, such as those of the *Mesa de Interlocución y Acuerdo* in Catatumbo⁴¹, and *Mesas Comunales por la Vida Digna* in Cimitarra River Valley⁴².

With respect to the other market actors, the perception of the peasantry is generally negative. For example, as mentioned by the peasants of Valle del Cauca, by the 1980s the presence of multinationals was increasingly noticeable and the Coffee Bank and the National Federation of Coffee Growers (Fedecafé) emerged as a private initiative, whose results have been perceived as positive by some and negative by others. According to what has been mentioned, this brought about environmental problems and an increase in the aggregate debt of the coffee growers, which translated into the dispossession of land as a means of payment and the calling of peasant mobilizations with the objective of vindicating their rights in a cohesive manner⁴³.

In addition, it became permanently evident that from the perspective of the peasants the intermediaries are always seen as a prejudice, who constantly in the field visits made comments like the following:

"I am not a "panelero", but according to what I heard from Benedito, the president of the association of "paneleros" and coffees, they sell to the Mayers of Medellín, and that is where the problem lies, because although they have set up some very nice processing plants, the coffee is of standard quality and the Mayers are the intermediaries. How much do the Mayers get? They don't even know, they only know that they get 14-15 million pesos from exports and they distribute everything and are happy. I wasn't going to play that game, because I have a brand of coffee and that's not a sin."
(Peasant Leader Interview, 2018)

On the other hand, **the lack of education and the appropriation of a cocalero culture by the communities has prevented the generation of opportunities for young people** and, on the contrary, there is a low participation of young people in the legal economies and all the incentives to migrate from the countryside to the city as mentioned by the farmers in different workshops. This panorama hinders the transit from the illegal to the legal, as mentioned by a peasant leader in an interview:

"Another difficulty here in Briceño is that since the people got used to living off coca, then they have no vision, they're lazy to work the fields, they're lazy to grow food." (Peasant Leader Interview, April 2018)

The conclusions of the structural causes of marginalization and poverty are:

According to the above, the structural causes describe how a war economy works in the ZRCs. These coincide with the definition constructed in the workshop with the ANZORC in October 2018, which includes:

- State absence in the ZRC
- State structural violence, whether symbolic, political or economic. Seen as:
 - Lack of opportunity
 - Lack of access to land
 - Lack of political will for land democratization
 - Lack of guarantee of rights
- Drug policy based on indiscriminate spraying
- Food insecurity

The studies led to the understanding that **a war economy does not only refer to the presence, access and participation in an illegal economy, but to the set of structural factors and causes of marginalization and poverty in a war context that lead to an illegal or legal economy to succeed based on its own rules**, which prevents the development of legal inclusive markets. In contrast, regions, sectors and subsectors producing primary goods are part of a market system with extractive institutions characterized by the concentration of political power, lack of clarity in property rights and insecurity due to armed conflict.

Below: ZRC-VRC. Municipality of Cantagallo, Bolivar. June 2018.



Results: the existence of resilience processes against war economies in the Peasant Reserve Zones

Despite the above, the communities in the ZRCs visited have generated processes of resilience that have allowed them to survive in a context of war and exclusion. Understanding resilience processes as a community's capacity to adapt to an adverse state⁴⁴, **the resilience processes found in the communities under investigation are: 1. Community processes of territorial management and defence of human rights; and 2. Participation in the coca base paste economy.** It goes without saying that these resilience processes are the possible generators of change and could probably generate greater impact on the target population.

1. Community processes of territorial management and defence of human rights

It was found that within the territories controlled by an armed actor such as the guerrillas, there was an agreement between the armed groups and the community to generate social control in the face of an absent State, translating into norms or laws of obligatory

compliance and becoming (in most cases) figures of protection for the peasantry as pointed out in the different workshops, particularly in the DRP and in the workshops on social control held by COCCAM in August 2018. These processes coincided with the creation of organizational structures under Colombian law such as Community Action Boards⁴⁵, committees and peasant associations that, given their legitimacy as a process from the social base, have been able to **generate territorial governance, permanence in the territory and defence of human rights**; in a similar way for the three ZRCs according to the DRP⁴⁶.

In this context, in the line of time between the XX century and the present, an important landmark is evident: the formation of the ZRC as a figure of territorial ordering sustained in the Law 160 in 1994; which allowed the **political participation** of the peasant communities finding spaces of interlocution. This has translated into greater power and voice for the communities, such as their participation in the Havana negotiations for the Peace Accord, through ACVC, ANZORC and COCCAM, particularly in the RRI and PNIS.⁴⁷

Thanks to the formation of these campesino organizational structures, social cohesion has been developed in the communities, facilitating coordination between actors and, consequently, collective action for the same interest. According to Proinrupaz⁴⁸, the communities visited in both Catatumbo and El Valle del Rio Cimitarra have experienced periods of violence and persecution that have forced them to work as a community, organize and resist in order not to lose heart in the face of difficulties, a lesson they learned in a context of war. Similarly, as the members of the ACVC indicated in the DRP, thanks to community and organizational cohesion, peasant mobilizations such as the one in Catatumbo in 1998 have taken place, resulting in a peasant exodus. This in turn brought about dialogue with the State and the creation of Sustainable Development Plans, including for the first-time Human Rights issues⁴⁹.

It is also observed that, although in general terms the peasants recognize the predominance of a macho culture, **from these processes there has been an empowerment of women. They played an important role in the creation of the peasant associations and participated in the Peace Agreement, and they were the ones who brought the gender issue to the negotiation table in Havana**, according to the timeline built in the three ZRCs⁵⁰.

Although the Peace Agreement is currently a subject of uncertainty, it is the greatest potential generator of change in the Colombian context for the transformation of economies of war into economies of peace. Being the capacities, voice and power that currently have the peasant organizations to adapt to this new context of peace, an advantage that facilitates this transition of economic transformation (CA, ANZORC Workshop, 2018)

Below: Coca cultivation in Colombia. Source Cocom.



2. Participation in the Economy of Coca Base Paste

In the context of war, the economy of coca base paste is a means of life for the peasant communities that has allowed them to subsist and remain in the territory. The analysis of the results of the study of the value chain of coca base paste production (PBC)⁵¹ (Workshop CA, OCCDI), shows that this chain, despite being illegal, behaves like the legal value chains included in the study, showing that PBC production is more successful because it has become an opportunity for accessible income for communities in a context of war as a result of adaptation to this adverse state.

It was shown that the PBC production value chain has service chains that provide it with inputs, labour, food, precursors, among others. The links found were the production of coca leaf, its processing in PBC, transport and sale.

It was found that there are actors along the chain who fulfil specific functions, with the illegal armed groups regulating the market and showing greater power and influence. The armed groups also define prices, establish rules and control compliance.

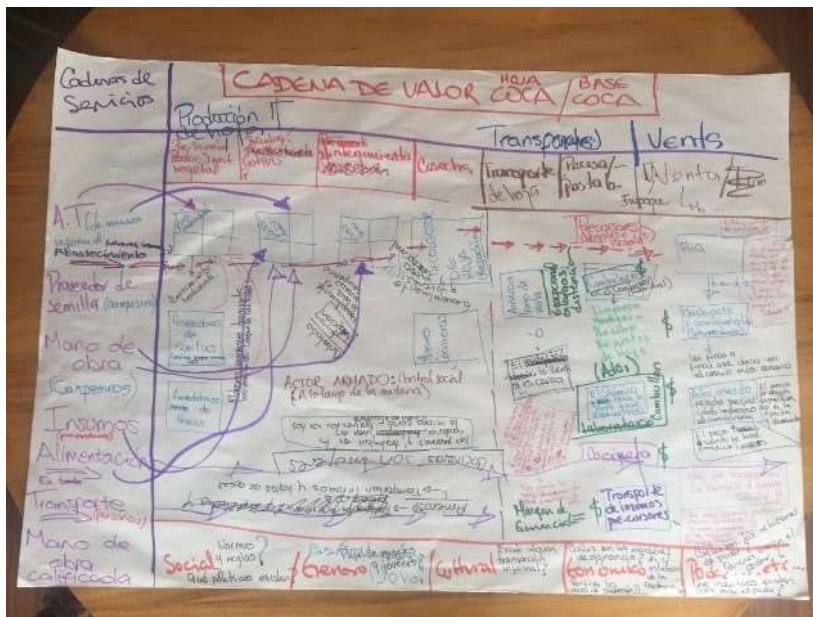
Young people and women have also found a resilient space in the PBC economy. In one of the ZRC, it was found that young people participate in the committee of collectors in charge of regulating the activity of coca leaf collection; and women participate in almost all links of the chain as managers of the accounts of the production of PBC, they are in charge of the purchase and cooking of the food for the workers of the coca fields and of the *cambullones*

(places of basic and cheap construction where PBC is processed) and they manage the coca fields by controlling the volumes of leaf produced.

An important actor is the farmer producing the crop who is in charge of its planting, maintenance, harvest, and in most cases, the processing of the PBC or the acquisition of that service. Finally, there is a person in charge of the processing of the PBC.

The intermediary is involved in the purchase of PBC at the local level and in the quality testing of PBC by measuring the moisture content.

Below: CA and OCCDI workshop. Diagram of the coca value chain analysis.



The study concludes that there are advantages that have allowed the establishment and maintenance of coca paste production in the municipalities of Cantagallo and San Pablo, in the case of the Rio Cimitarra Valley, and in Catatumbo⁵², as mentioned below:

- 1. Creation of the State and regulation by armed groups**, in the absence of the Colombian State, the armed groups have had the rule of law in the territories not only generating social norms, but also regulating the coca paste market;
- 2. Constant cash flow**, as it is a short-cycle crop and has a secure market due to constant demand both in the internal and external markets and has relationships of trust that facilitate credit;
- 3. Easy credit**, only the fact of planting coca generates guarantees to the lender⁵³ who informally grants credit to small producers, either in kind or in cash;
- 4. Ease of collection and transport of coca paste**, it is not perishable and because of its size and weight, even if there are no roads it is easy to transport. The purchase options may be for the buyer to go to the producer's farm or for the producer to go to the nearest town without having to travel long distances;
- 5. Active inclusion of women and young people in the chain**, women have been recognized within the family and

the community because coca facilitates them to obtain income that they invest in the care of their family, and in the community, it has allowed them to lead social processes such as administration as community works. They have also found economic independence, as is the case with young people who participate mainly as coca leaf collectors, seen as an incentive for young people to stay in the territory and develop a coca culture.

The above shows that, despite the adverse context of war and marginalisation, the illegal economy has remained a viable option for the peasants despite the risks they face such as judicial proceedings, stigmatisation, assassinations, displacement, among others.

Results: characterization of the pre-selected value chains in the Peasant Reserve Areas - Coffee and buffalo, peace economies in the areas visited⁵⁴

In this section we can identify the differences that exist between the ZRCs in light of the study of Ecobúfalo in the Cimitarra River Valley, Sovereign Coffee in the Cauca Valley and coffee, cacao and livestock in the Catatumbo. Although the livestock, coffee and cocoa subsectors have all the structural causes of war economies seen in the diagnosis, they have certain differences at the economic, political and social level at the regional level.

Below: La bufalera, Buffalo rearing farm in Puerto Matilde, ZRC-VRC. May 2018.



At the economic level, the role of farmers' associations has been decisive. For example, thanks to the strengthening of ACVC and ASTRACAVA, they have been able to develop Ecobúfalo and Café Soberano as business models. In the case of Ecobúfalo there are 80 associates and in the case of Café Soberano there are approximately 400 associates. Ecobúfalo, on the other hand, was created and worked as a model of **voluntary substitution of crops** for illicit use⁵⁵. At the financial level, in the cases of Ecobúfalo and Café Soberano, the raising of resources from peasant associations by international cooperation is highlighted, although no self-financing initiative was found.

This is different from what can be seen in Catatumbo, taking into account that ASCAMCAT is a younger association, that the situation of the armed conflict in that region is complex with more than 4 armed actors, and the coordination between the different actors in the market has been complex. For example, the presence of several cocoa producing associations and the presence of actors from the sub-sector that have not allied or coordinated effectively to improve the system of this market⁵⁶.

At the political level, the associations are the actors of the market system who retain the most power, and it is an advantage of the coffee sector that Fedecafé historically retains an advantageous and influential position over the policies of the coffee sub-sector.

Fedegán, on the other hand, as mentioned in different workshops, has promoted extensive cattle raising, encouraging latifundia and therefore the extractive model⁵⁷, benefiting medium and large cattle ranchers in terms of policy. Despite the fact that cocoa is the government's preferred crop for substitution, and, in the framework of the Peace Agreement, is the crop of peace, *"this is especially because of the possibility of its establishment in agro-ecological conditions similar to those of coca leaf cultivation"*⁵⁸. Fedecacao is a weak and small guild in relation to the two previous ones, taking into account its number of members and investment funds. Fedecacao does not have much presence at the territorial level and is not recognized by the peasants, as is the case with Fedecafé.

Therefore, it can be observed that Fedecacao is the association with the least political power and impact on the territories.

Finally, it is worth noting that both **the coffee and livestock sectors are more deeply rooted in the targeted ZRCs**. In the different DRP, particularly in the Cimitarra River Valley and the Cauca Valley, in the time lines on productive processes built with the community, it is evident that these sectors are the ones that have survived over time and with which the peasantry feels most identified. Contrary to what happens with cocoa in these areas, whose establishment has been an initiative of the makers of the policy of substitution of crops for illicit use by the government⁵⁹, which by 2018 has invested in planting 79.496 hectares, representing 45 per cent of the area planted with cocoa in Colombia under the Alternative Development Programme, according to data presented by the United Nations Office on Drugs and Crime (UNODC) at the Fifth Seminar on Knowledge and Flavours of Cocoa "Aromas of Peace", held in November 2018 in Bogotá⁶⁰.

Below: Sovereign Coffee in 1lb. presentation Produced by the coffee growers of the ZRC Tuluá. September 2018.



The conclusions of the characterization of the pre-selected value chains are:

In economic terms, in the Cimitarra River Valley and the Valle del Cauca there are stronger organizational processes that have allowed the development of business models such as Ecobúfalo and Café Soberano, as well as their financing. At the political level, although the coffee and livestock sectors have greater political power, it is important to highlight the preference for cocoa cultivation within the framework of the Peace Agreement. Finally, in socio-cultural terms, once again coffee and livestock are the most relevant sectors for the peasant communities in the ZRCs under study.

In this way, and given the structural causes described above, Ecobúfalo would be the best option in terms of local development and as a pilot; although it is not the best option in terms of impact (it would not have a significant impact on the number of beneficiaries), in logical terms it presents the best scenario for change as an example of local development in the adversity of the Colombian conflict between armed actors such as the army, the guerrillas and the paramilitaries. The productive timelines of the talking maps elaborated during the DRP show that this has happened thanks to the cultural rootedness (the livestock sector in general) and, consequently, the collective action that it motivates, under the leadership of the ACVC. Followed by Sovereign Coffee and, as the necessary conditions are generated, cocoa, as pilots under Phase II of the project.

Results: mixed effects of the Peace Agreement on the development of markets and value chains for peace in the Peasant Reserve Areas visited

The Peace Accord generated expectations about the possible creation of an economy of peace, given the end of the armed conflict with Colombia's most important guerrilla group in political and military terms, and the construction of the road to the implementation of the RRI and the PNIS.

Given the above, it was important to define with Anzorc, the concept of peace economy from his perspective and experience. This was constructed in the October 2018 workshop with the Anzorc Political Commission.

For Anzorc, peace economies require the following factors to allow their development and sustainability over time,

- Agreement between the State and the community,
- Comprehensive Rural Reform,
- Voluntary substitution,
- Effective law enforcement,
- Access and ownership of land,
- Access to technical assistance and marketing,
- Recognition of the peasant as a subject of rights,
- Sustainable use of natural resources and conservation of the environment.

Through the RRI and its articulation with the PNIS, we seek to change the development model by including a differential and participatory approach, forming the pillars that would facilitate the development of inclusive markets and the transformation from a war economy to a peace economy. To this end, local economic models must be involved, oriented towards understanding the dynamics of market systems and their value chains in a systemic way, involving communities as the main actor, giving them a voice and power to facilitate their exit from poverty.

Since the signing of the Peace Agreement in 2016, trust has been affected during the implementation phase of the agreement through two mechanisms: impatience of both former FARC guerrilla fighters and the general population, and a bad reputation of the state in the Colombian rural sector. In the first case, as observed during the field visits, enthusiasm for structural change in the rural development model generated expectations of short-term results, without taking into account that the transformation of a society that has lived in war for more than 50 years implies progressive changes that can take decades to produce tangible results. Added to this is the slow pace of implementation of the Peace Agreement and the election of Ivan Duque as president, who is on the right of the political spectrum in the country, from which they have been against the Havana Agreement.

There are also geopolitical pressures, mainly from the United States, to continue with a drug policy focused on decreasing the area under coca cultivation through forced eradication and glyphosate spraying. This deepens the bad reputation of the State in the fulfilment of the agreements with the peasant communities, taking into account that historically the agreements have remained on paper, maintaining models of subsistence in the Colombian countryside in a context of war⁶¹.

The implementation of the RRI and the PNIS so far makes clear the implementation route and the instruments to achieve it, but even in practice we have not seen coordinated actions by government entities at the national, regional and local levels, according to the opinions given in the different workshops held.

However, the research reveals that through the implementation of the RRI, market access would be viable for the Colombian countryside insofar as it seeks to guarantee access to and use of land, the development and implementation of Development Plans with a Territorial Focus (PDET) and National Plans, mainly. Involving voluntary substitution programs effectively articulated with the RRI in an organized manner; for example, the development of routes for transporting products that guarantee the reduction of costs and therefore do not affect the profitability of the product to the producer, and that these productive activities are developed from a systemic approach that allows the transformation of value chains and market systems, the active participation of communities and other actors, the empowerment of marginalized actors and the awareness of other actors about the impact of this process on poverty. And finally, as fundamental figures of social order, the CRZs are of vital importance to guarantee the permanence of peasants in their territory through the articulation of their Sustainable Development Plans (PDS) with the different instruments of the RRI and the PNIS, as well as with the policy instruments of the Colombian government such as the Municipal Development Plans and the National Development Plan.

The implementation of the PDET, as a fundamental instrument of the RRI, makes evident the lack of coordination between different levels of government and the lack of political will, mainly in relation to the land issue that has historically generated greater resistance among the country's political elite that is now in power, generating uncertainty about how resources will be allocated and the participatory role of communities in the transformation process.

The PNIS, for its part, in addition to the lack of coordination evident in the delay of the agreed incentives, the implementation of the immediate attention plan and even more delicate its gearing with the PDET, faces a possible setback of what was its essence, going from voluntary substitution to forced substitution, with a high probability of resuming the use of aerial spraying with glyphosate. As a consequence, from the peasants' voices and based on studies carried out by other researchers, glyphosate spraying becomes a threat that drastically influences the moment of decision making by the peasants against the planting and/or production of legal permanent crops such as coffee or cocoa (crops that begin to be harvested after 3 and 4 years of planting, respectively)⁶².

Additionally, although in absolute terms the Peace Agreement has meant a reduction in deaths due to the armed conflict, in the

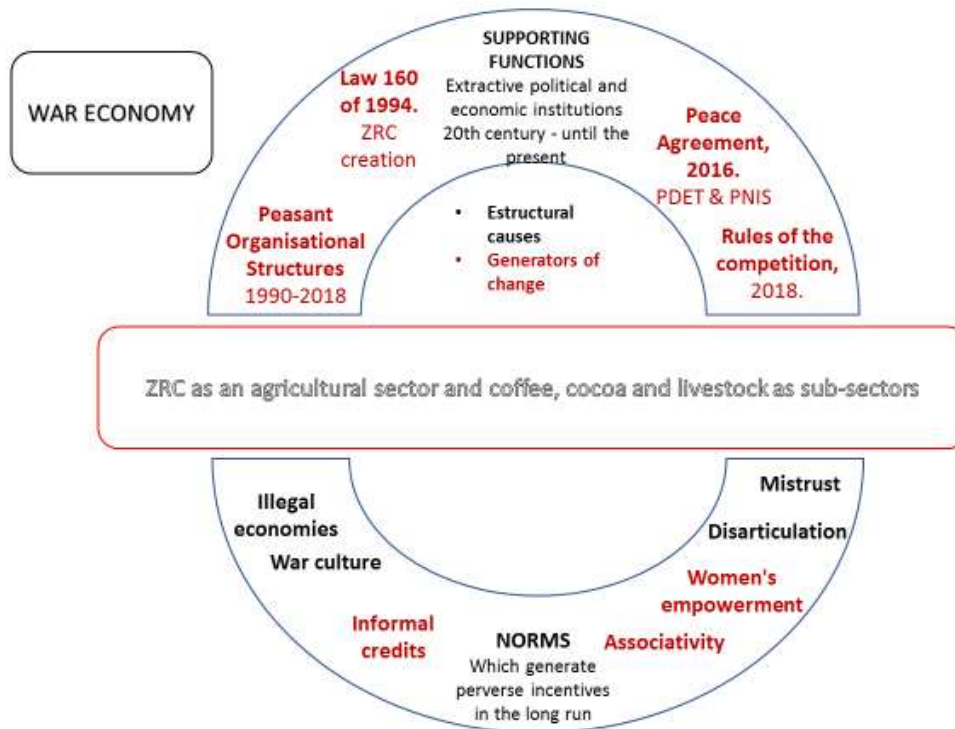
territories human rights violations have increased through threats and murders of social leaders working for the defence of the RRI and the PNIS. Furthermore, in terms of the conflict, it cannot be forgotten that the FARC-EP was not the only actor involved since the insurgency, but also other illegal groups that are now re-establishing themselves in the territories to continue competing for control, such as groups at the service of drug trafficking, other guerrillas and paramilitaries, according to Anzorc spokespersons.

This was evidenced in the workshops held, where not only were opinions expressed that were still afraid of continuing to be victims, but also in situations such as that of Catatumbo, which given the security conditions has only been possible to enter the field once. In this area, unlike the Cimitarra River Valley and the Cauca Valley, the conflict continues to be experienced not as a threat but as an armed confrontation between the National Liberation Army (ELN) and the People's Liberation Army (EPL), as guerrilla groups, paramilitary groups and the national army⁶³.

In spite of the evident adversities, it must be taken into account that, although the current government represents a conservative majority, the victory of Iván Duque did not occur with a wide electoral margin, giving signs of a change in the citizens' preferences, demanding more progressive policies and the defence of the Peace Agreement. That population is now represented by the parties that make up the opposition and, thanks to the creation of the Statute of the Opposition in the Peace Agreement, there are now clear spaces for dialogue to generate influence in the defence of what was agreed and the transformation of Colombian society.

To this end, it is necessary to articulate and coordinate the initiatives of all the organizations that are committed to change at the national and international level and that in one way or another can contribute to the RRI and the PNIS, as evidenced by the stakeholder mapping conducted with both public and private sector entities in early 2018.

Figure 2: Mapping of market systems. Source: Own elaboration, 2019.



Discussion: from access to inclusive markets to the economic transformation of the Peasant Reserve Zones

In the results section, we have described the structural causes that maintain a war economy (see Figure 2), for example, the lack of land titles. Likewise, we have observed that despite the cases of resilience on the part of the communities (associativity and economy of coca base paste) and the institutional and political opportunities provided by the Peace Accord, the context of a war economy remains, for example, the persistence of glyphosate spraying that hinders the development of long cycle or permanent legal crops such as coffee and cocoa.

Given this situation, we will now analyse what implications and suggestions this study has based on the research questions:

What are the value chains with the greatest potential for political, economic and social escalation and replication for communities affected or at risk of being affected by illegal economies in the ZRCs, and how could Christian Aid influence their improvement?

Based on the diagnosis of the ZRCs and the current context at the national level, it is concluded that the scaling-up and replication potentials of the pre-selected value chains are still unclear. **The reason is that the structural causes of poverty and**

marginalisation remain in place, maintaining a war economy in which the potential for scaling up and replication in terms of the market would not have a significant and far-reaching impact on the population of the ZRCs.

In the social and political sphere of the ZRCs, on the contrary, greater potential for escalation and replication is found than would allow for the economic transformation from a war economy to a peace economy beyond access to inclusive markets. The Community Action Boards, committees and peasant associations have allowed social cohesion and permanence in the territory by these peasant communities, have also led to greater political participation, the possibility of a bottom-up development model and the creation of business models at the local level.

In other words, the ZRCs have generated profound and more far-reaching changes through social and political events than in terms of a transformation from war economies to peace economies. At the economic level, although productive initiatives exist at the local level, as long as a war economy exists in terms of the country's political economy, efforts to improve value chains will not be scalable or replicable, given the short-term effects will be counterbalanced by the long-term effects of the structural causes of poverty and marginalization.

What processes of resilience in the selected value chains have potential for scaling up and replication for income generation and improved quality of life in the post-conflict phase of communities affected or at risk of being affected by illegal economies?

As evidenced, the selected value chains are themselves processes of ZRC resilience. Therefore, in addition to finding potential for scaling up and replication in social and political events for economic transformation, which are also part of the resilience processes of the ZRCs, it is concluded that the selected value chains represent a breakthrough in local economic development and are a potential source of learning and installed capacities.

During the development of the project's Theory of Change, we found that the potential for scaling up and replication of ZRCs for the transformation from war economies to peace economies should be measured through a participatory learning system that includes the most important and strategic stakeholders, which not only measures or verifies the possibility of access to inclusive markets for farmers and their organizations, but also measures the effects of change on structural problems and how they influence the established sub-impacts: (1) political will for the implementation of the peace agreements; (2) permanence in the territory and living conditions and form of life; and (3) demonstrating a viable economic model.

Consequently, Christian Aid proposes the implementation of a Participatory Tracking and Monitoring System based on this theory of change in the second phase of the project during the implementation of the pilots, in order to evaluate the following hypothesis; as market systems and value chains are transformed at the local level respecting the sustainable use of natural resources, the organizational and political structures of the Colombian peasantry are strengthened, there is a change in the awareness of

Colombian society, and the stigmatization of the coca growing peasant is diminished, facilitate the access and control over the land by the peasant, increase the political participation of the peasant and his security in the territory to exercise it easily and calmly, finally and most importantly, decrease the production of the illicit product, which in this case is coca base paste. This system would generate evidence that supports an economic development model for the transformation of war economies into peace economies with a systemic approach and potential for scaling up and replication, realizing the possibilities of change in relation to the structural causes of poverty and marginalization and finally finding the magic formula that will facilitate the economic transformation from war to peace.

What financing scheme can be created for the Inclusive Markets project in Colombia that benefits communities affected or at risk of being affected by illegal economies in the ZRCs in the post-conflict phase?

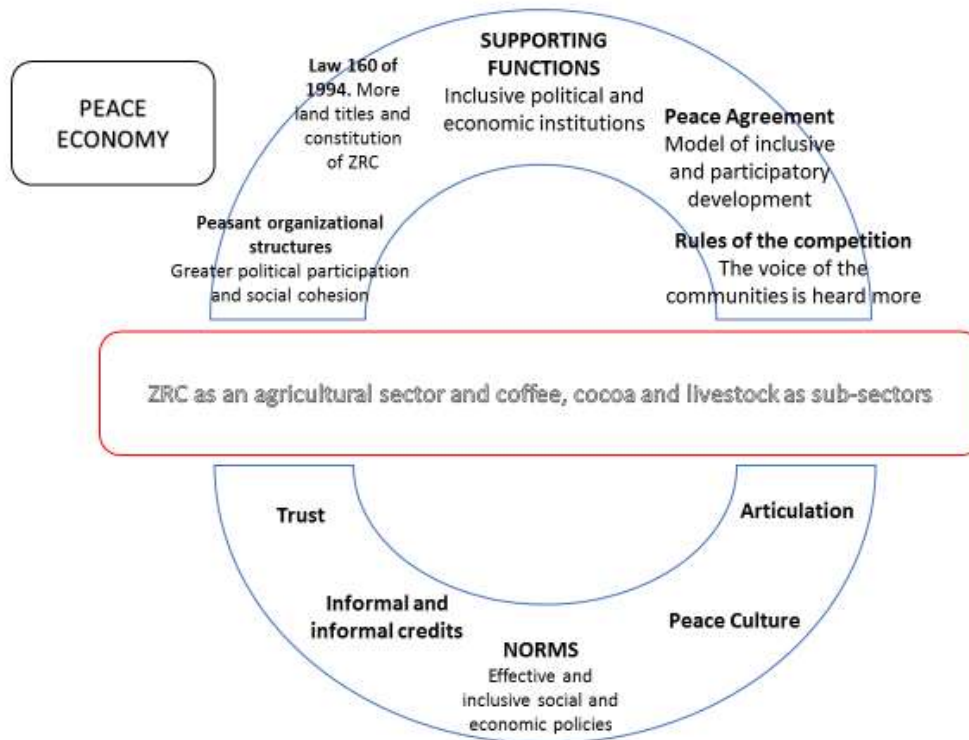
In terms of inclusive markets, as shown above, the raising of resources by peasant associations and international cooperation are the financing schemes currently available to peasant communities. Other financing options such as bank credits are not easily accessible as mentioned above because of the lack of sanitation and land titles for peasants, mainly.

CA proposes to facilitate access to its own and self-managed financial systems, to banks, international cooperation, the private sector, among others, through the creation and coordination of a platform or table of strategic actors that, among other purposes, will generate financing options and strategies for the Maria Caicedo Integral Project for the transformation of the Peasant Reserve Zones from war economies to peace economies. It goes without saying that the national government has made various social investments in these ZRCs under study through social organizations other than ACVC, ASTRACAVA or ASCAMCAT.

María Caicedo Integral Project: theory of change

At the end of the first phase of the action-research project "Development of inclusive markets to build peace in Colombia - Maria Caicedo Project", and based on the results presented throughout this report, it is essential to continue it in a second phase, whose name is "Transformation of Peasant Reserve Zones from War Economies to Peace Economies - Maria Caicedo **Integral** Project", for the implementation of the theory of change and its pilot projects, which not only aims to facilitate access to inclusive markets in the CRZ, but also adopts a theory of change whose impact is economic transformation (see Figure 3).

Figure 3: Economic transformation. Source: Prepared by the authors, 2019.



To understand the proposal of the Integral Project Maria Caicedo we rely on Acemoglu & Robinson⁶⁴ establishing that economic transformation consists of a process where institutions and social norms are inclusive, through the distribution of political power, the centralization of public policy and land titling. Based on this, we can affirm that, for a transformation of the ZRCs from war economies to peace economies, it is necessary, on the one hand, to strengthen social and political organizations and structures, the application and functioning of laws, norms and policy tools, mainly Law 160 of 1994 and the Peace Agreement, to have institutions with political and inclusive will and strong opposition. On the other hand, that civil and peasant society have a voice and power, that there is a context of trust in both directions, viable alternatives for financing, awareness for a culture of peace and articulation and coherence among all actors, among others.

As means for change, Christian Aid, in its role as facilitator, will develop four components in the Maria Caicedo Integral Project, although they do not intend to change the reality of the country, if they seek to take advantage of the possible generators of change and at the local level record the dynamics over time. The components are: (1) Participatory Market System Development (PMSD); (2) Organizational Strengthening; (3) Strengthening of Public Policy Advocacy and (4) Participatory Monitoring and Evaluation System.

From this, it is hoped that the prerequisites for change will be in place, and if they are met, the conditions for economic transformation will be generated; that is, opportunities that will

positively influence the structural or developmental causes for the peasant communities to achieve a peace economy. These are:

1. Effective and inclusive laws.
2. Security
3. Governance
4. Access and control over land
5. Access to viable markets in legal sectors
6. Decrease in production of the illegal product
7. Sustainable use of natural resources
8. Civil society and organizations strengthened
9. Awareness of society

Conclusions

In this study we have asked how Christian Aid can facilitate access to markets in ZRC affected by the armed conflict and with the presence or risk of illegal economies for peace building in Colombia?

By understanding the structural causes of poverty in Colombia and the marginalization in the ZRCs in the current context, we conclude that for peacebuilding in Colombia Christian Aid can contribute to facilitate the transformation from war economies to peace economies through the development and implementation of the theory of change of the Maria Caicedo Integral Project, and, mainly, the generation of learning through a Participatory Monitoring and Evaluation System.

It is concluded that a war economy does not necessarily refer to an illegal economy but can also refer to an economy that involves the structural causes of poverty and marginalization, in addition to war. In the case of Colombia, the war economy is configured when the absence of the State in rural territories; the symbolic, political or economic violence of the State in terms of economic opportunities and food security, access to land, political will and human rights; a drug policy based on the reduction of the area planted with coca by indiscriminate means such as forced eradication and using punitive norms not agreed upon with the affected community; the geographical isolation of the communities and in terms of participation and power, health and education; and; when there are armed actors in a context of war. This situation provides an optimal breeding ground for the development of illegal economies such as coca, without leaving any viable alternatives in sight that would allow for the flow of money in a legal manner and in a context of peace.

As an important decision-making factor at the peasant level, forced eradication, whether by glyphosate spraying or manually by third parties, becomes a threat that drastically influences the moment of decision making by peasants against the planting and/or production of legal permanent crops such as coffee or cocoa.

Below: ZRC Catatumbo. Municipality of San Calixto, North of Santander. August 2018.



As for the sectors and subsectors producing primary goods, it can be deduced that they are part of a market system with extractive institutions characterized by the concentration of political power, lack of clarity in property rights and insecurity due to the armed conflict.

No viable initiative was found in terms of impact. Even though the Ecobúfalo Campesino initiative would be the best option in terms of local development for the pilot, it is not the best option in terms of impact or finance since it has 80 associates who benefit from this activity and, in logical terms, it presents the best scenario for change as an example of local development, which we believe has come about thanks to the cultural roots represented by the livestock sector and the collective action motivated under the leadership of the ACVC. The second option in terms of viability is Café Soberano and, as long as the necessary conditions are generated, cocoa as a pilot in the framework of the María Caicedo Integral Project.

More information is needed about the value chains at the local level to be transformed with an inclusive approach. Therefore, in the second phase of the project, the business model of Ecobúfalo Campesino, which has proven to be sustainable in a context of war for 18 years, will be evaluated and thus, monitor behavioural changes in the peasant's way of life that prove the progress towards a viable, replicable and scalable economic model.

Below: ZRC Tulua. Cultivation of corn as a way of life. Municipality of Moralia, Valle del Cauca. September 2018.



The investigation did not show any conclusive results that would indicate the viability of the pre-selected sub-sectors. However, it does reveal that the peasants have different ways of life through which they obtain their livelihoods based on the peasant and family economy, which is characterized by its diversity and uses. Likewise, the ZRCs have their PDS as the road map to follow for the development of the ZRCs from the peasant approach and thinking including economic activities which can be evaluated and intervened for their transformation in a participatory way with a market system approach. This leads us to propose that the pilot projects of the Integral María Caicedo Project involve the development of inclusive markets for the promotion of peasant lifestyles and economies within the ZRCs and their PDSs, in such a way as to foster peasant vocation and ancestral knowledge, and to develop the countryside from a peasant's perspective.

Below: DRP-ZRC VRC Rice production train. Vereda San Lorenzo, municipality of Cantagallo. June 2018.



It is important to generate learning and to have enough information to scale up and replicate an economic model. This conclusively leads us to evidence the need for a robust monitoring and evaluation system in terms of participation and feedback based on the theory of change of the María Caicedo Integrated Project, in which the changes given are reported according to the interventions and influences achieved by the project to reduce the volume of the illicit product. This leads to the creation of conditions for the peasant communities to remain in the territory and make the land productive in a sustainable manner in terms of the peasant's way of life and the protection of the environment.

For the successful development of the María Caicedo Integral Project, it is necessary to generate a platform of strategic actors, both at the national and local level, making effective the participatory character of the project and promoting the coordination of the different initiatives that can be framed and are in line with the Theory of Change of the integral project in order to be able to map and follow up on the interventions of allies to inform the theory of change, give reports on the progress of the project, have political and institutional backing, and facilitate the search for resources to finance the project.

Finally, the importance of doing this type of research for the formulation of development alternatives is highlighted. This research has facilitated the understanding of the Colombian rural problem from a systemic approach that is fed from different inputs where there is an action-reaction relationship. Therefore, aspects that depend on actors that are outside the territory such as institutions or policy makers, have an influence that affects these territories negatively or positively. This leads to the conclusion that the economic transformation of rural peasant territories depends on political, cultural, social, organizational and economic changes, both at national and local levels within the system.

End notes

- 1 The idea of the CRZs was born from the need of the peasantry to promote initiatives that would solve the problems associated with marginal colonization. During the second half of the 1980s, the peasantry struggled through protests against the colonization of land by businessmen and demanding initiatives to stop the production of coca crops. In 1993, the Ministries of Agriculture and the Environment introduced a bill on the National System of Agrarian Reform and Rural Development for the creation of the ZRCs "to regulate and order the allocation of vacant land and avoid the concentration of property, to promote small peasant property and create conditions for the development and consolidation of the peasant economy of the colonists" (Gaceta del Congreso, 1994), proposing the ZRCs as areas for the stabilization of the agrarian frontier and the strengthening of peasant economies; this bill was finally converted into Law 160 of 1994. (Sánchez, n.d., p. 4) Chapter XIII of the Law was regulated in October 1996, through Decree 1777 (Christian Aid (2017). Base document)
- 2 Christian Aid (2017). Base document.
- 3 Ibidem
- 4 Ibidem
- 5 Rural Press Agency. 2012. The Peasant Reserve Zone of Cimitarra River Valley. [https://prensarural.org/spip/spip.php?article 9693]. Accessed March 13, 2019
- 6 Rural Press Agency. 2016. The Peasant Reserve Zone of Catatumbo. [https://prensarural.org/spip/spip.php?article 18687]. Accessed March 13, 2019.
- 7 Open Truth. 2015. Will there be Peasant Reserve Zones in Valle and Cauca? [https://verdadabierta.com/habra-zonas-de-reserva-campesina-en-valle-y-cauca/]. Accessed March 13, 2019.
- 8 Swiss Agency for Development and Cooperation, 2015. The operational guide for the making markets work for the poor (M4P) approach. Second edition
- 9 Miehlbradt & Jones, 2007. Market Research for Value Chain Initiatives. MEDA
- 10 Acemoglu, D., & Robinson, J. (2012). Why do nations fail? New York: Crown Publishers. Pp. 56
- 11 CNMH. (2018). Lands. Balance of the CNMH's contribution to the historical clarification. Bogotá. Pp. 26
- 12 CA. (2018). Evidence Report - Participatory Rural Appraisals. Bogotá.
- 13 The agricultural frontier in Colombia is defined as: "the limit of the rural soil that separates the areas where agricultural activities are allowed, from the protected areas, those of special ecological importance, and the other areas where agricultural activities are excluded by mandate of the law or regulation" (MADR-UPRA, 2018, pp. 27)
- 14 End note 12
- 15 Acción Social. (2011). Farmers, land and rural development. Reflections from the experience of the Third Peace Laboratory. Bogotá.
- 16 In the evaluation of the Third Peace Laboratory promoted by the European Union as part of the "national and territorial initiatives for territorial management processes of an economic, environmental, cultural and ethnic nature, which seek to lay the foundations for adequate planning, integration and development, taking into account territorial particularities" (Social Action, 2011, p. 9).
- 17 CA. (2018). Evidence-Lessons Learned Report. Bogotá.
- 18 Aghion, P., & Howitt, P. (2009). The economics of growth. Cambridge: The MIT Press.
- 19 Proinrupaz (I). (2018). Coffee study. Bogotá. Proinrupaz (II). (2018). Study of cocoa. Bogotá.
- 20 End note 12
- 21 Available at: https://www.larepublica.net/noticia/empoderamiento_vs_asistencialismo
- 22 End note 12
- 23 Lomax, J., & Shah, R. (2018). Unpacking incentives and capacities: factors affecting actor behaviour change. Durham: Springfield Centre. Pp. 4
- 24 OCCDI. (2018). Study of Coca Base Paste production. Bogotá.
- 25 End note 12
- 26 End note 12 y 24
- 27 INCODER and UN. (2013). Peasant territories. The experience of the Zones.
- 28 Colombian Institute for Rural Development (INCODER) - liquidated in 2016 and transformed into the National Land Agency (ANT) and the Rural Development Agency - and National University of Colombia (UN).
- 29 "The Sustainable Development Plans are the basis for the environmental, social, productive and territorial projection of each ZRC." (CLACSO, 2013,))
- 30 INCODER and UN. (2013). Peasant territories. The experience of the Zones. Pp. 132
- 31 End note 27
- 32 Acemoglu, D., & Robinson, J. (2012). Why do nations fail? New York: Crown Publishers. Pp. 59
- 33 End note 12
- 34 Proinrupaz (I). (2018). Coffee study. Bogotá. Proinrupaz (II). (2018). Study of cocoa. Bogotá. Proinrupaz (III). (2018). Livestock study. Bogotá.
- 35 End note 32
- 36 End note 27
- 37 INCODER and UN. (2013). Peasant territories. The experience of the Zones. Pp. 111
- 38 End note 12
- 39 End note 12
- 40 Available at: <https://www.dnp.gov.co/Paginas/Plan-Colombia-DNP-15-a%C3%B1os.aspx>
- 41 Available at: <https://prensarural.org/spip/spip.php?article 22648>
- 42 En note 12 y available at: <https://www.prensarural.org/spip/spip.php?article6495>
- 43 End note 12
- 44 Available at: <https://dle.rae.es/?id=WA5onlw>
- 45 The communal action in Colombia - was institutionalized, not created -, through the law 19 of 1958. In other words, by 2008 of the 21st century, 50 years of community work through the community action boards, identified as a basic social organization, were completed. Article 23 of Law 19 establishes that the Government will promote, through the systems it deems most advisable and in agreement with the departmental and municipal authorities, the cooperation of the residents of each municipality in building roads, bridges and neighbourhood roads, housing, improving schools, and administering water, among other voluntary tasks in infrastructure works and service provision. (<http://viva.org.co/cajavirtual/svc0168/articulo0006.pdf>)
- 46 End note 12
- 47 End note 12
- 48 End note 34
- 49 End note 12
- 50 End note 12
- 51 End note 24
- 52 End note 24
- 53 Usually local merchants, mainly of food.
- 54 End note 34
- 55 Proinrupaz (III). (2018). Study of livestock. Bogotá.
- 56 Proinrupaz (II). (2018). Study of cocoa. Bogotá.
- 57 End note 12
- 58 Proinrupaz (II). (2018). Study of cocoa. Bogotá. Pp. 28
- 59 End note 12
- 60 Available at: <http://www.fedecacao.com.co/portal/index.php/es/fondo-nacional-del-cacao-5/memorias-v-seminario-internacional>
- 61 End note 12
- 62 This relationship can be seen through the different studies carried out and, academically, in different scientific articles such as the doctoral thesis of Marcela Ibáñez - "Social Dilemmas: the role of incentives, norms and institutions.
- 63 End note 12
- 64 End note 32