

## **Towards People-Centred Economic Reintegration? An Analysis of the Economic Reintegration Strategy of Demobilised Combatants in Colombia<sup>4</sup>**

### **ABSTRACT**

This paper investigates the suitability of the economic reintegration strategy for former Colombian combatants, taking into account the challenges facing this population. It argues that the international discourse primarily consists of a market-centred versus a people-centred perspective, each with a distinct approach to economic reintegration. The paper finds that in Colombia there was a lack of inclusion of key stakeholders in the initial design of the process. As a result, the economic reintegration strategy ended up merely accommodating certain neoliberal ideals and thereby leaned towards a market-centred approach. Lately, steps have been taken towards an increasingly people-centred approach. This is currently reflected in improved results of the process, which predict a brighter future for economic reintegration of former combatants in Colombia.

### **KEYWORDS**

Colombia • disarmament, demobilisation and reintegration (DDR) • peacebuilding • neoliberalism • Autodefensas Unidas de Colombia (AUC)

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## **¿Hacia una reintegración económica centrada en las personas? Análisis de la estrategia de reintegración económica de combatientes desmovilizados en Colombia**

### **RESUMEN**

Este artículo examina la idoneidad de la estrategia de reintegración económica de los excombatientes en Colombia, teniendo en cuenta los desafíos que esta población experimenta. Además establece que el discurso internacional se inclina hacia una perspectiva centrada en el mercado, frente a una enfocada en las personas, cada una con su planteamiento respectivo sobre la reintegración económica. El artículo concluye que en Colombia, por una falta inicial de inclusión de actores clave, la estrategia de reintegración económica fue diseñada desde ideales neoliberales, y por eso se enfocó hacia un planteamiento centrado en el mercado. Últimamente, se han tomado pasos hacia un planteamiento cada vez más centrado en las personas, que hoy en día se refleja en mejores resultados del proceso.

### **PALABRAS CLAVE**

Colombia • desarme, desmovilización y reintegración • construcción de paz • neoliberalismo • Autodefensas Unidas de Colombia (AUC)



**Stefan Thorsell** holds a Bachelor's degree in International Relations from Dublin City University and a Master's degree in International Humanitarian Action from University College Dublin through the Network of Humanitarian Action (NOHA) at University College Dublin, Universidad de Deusto and Pontificia Universidad Javeriana. As part of this degree he studied one semester at Universidad de Deusto in Spain and conducted final research for his dissertation at Pontificia Universidad Javeriana in Bogota. In Colombia he also worked as an intern at the Organization of American States Mission to Support the Peace Process in Colombia (MAPP/OAS) and later in a local NGO. He has recently been contracted by the Danish Red Cross, where he will start working as a junior delegate in Islamabad, Pakistan. Email: stef@nthorsell.dk.

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Recibido: 31 de julio de 2012

Modificado: 22 de noviembre de 2012

Aprobado: 1° de febrero de 2013

DOI: <http://dx.doi.org/10.7440/colombiaint77.2013.07>

☛ This article is the product of research conducted for my master's degree dissertation. The author was affiliated to University College Dublin and Pontificia Universidad Javeriana in Bogota at the time. The research was partly funded by the Danish foundation Nordeafonden.

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# Towards People-Centred Economic Reintegration?

## An Analysis of the Economic Reintegration Strategy of Demobilised Combatants in Colombia

Stefan Thorsell<sup>1</sup>

*University College Dublin y Pontificia Universidad Javeriana*

### Introduction

All across Colombia –from the unpaved roads of the rural region of Urabá to the upscale neighbourhoods of northern Bogotá– one topic currently dominates everyday conversation throughout all sectors of society. Colombians of different social, economic and ethnic backgrounds are united in asking one another: “Will it happen this time? Will the government manage to negotiate a lasting peace with the oldest guerrilla movement in Latin America?” These are important questions. But at the same time many Colombians are aware that other equally relevant questions need to be asked: “Has the government learnt from past experiences? Does

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1 The author wishes to thank a number of individuals who have offered inspiration and support throughout the research process. These include, among many others, María Fernández, Luis Miranda, Walt Kilroy, Pedro Valenzuela, Mariana Caramagna and the staff at the Colombian Agency for Reintegration (ACR, the Spanish acronym). Furthermore, the author is grateful for the collaboration with the ACR, the Organization of American States Mission to Support the Peace Process in Colombia (MAPP/OEA, the Spanish acronym) and the International Organization for Migration (IOM).

it now have the capacity to offer thousands of demobilised combatants a realistic path towards social and especially economic reintegration?" These are questions of immense relevance, which this paper intends to answer by analysing, from a structural perspective, the government's economic reintegration strategy of former combatants.

The initial stage of the latest process of disarmament, demobilisation, and reintegration of former combatants (DDR) in Colombia took place from 2003 to 2006 with the collective demobilisations of nearly 32,000 members of paramilitary groups belonging to the United Self-Defence Forces of Colombia (AUC, the Spanish acronym). During the same period and continuing today, a significant number of combatants, mostly from guerrilla groups, have been individually demobilised. In total, close to 55,000 adult combatants have laid down their weapons. Of these, 11 percent are women. Whereas members of the AUC demobilised as a result of peace negotiations, former guerrillas had to desert their units in order to demobilise through the government-run programme. Therefore, the two groups have received different treatment in certain important aspects. Today, however, all active participants in the reintegration process take part of the same programme, which is currently serving more than 34,000 former combatants (ACR 2012). Throughout this paper, it will become evident that former paramilitaries and guerrillas have similar socio-economic backgrounds and face similar challenges in the reintegration process. In light of this, the study presented here does little to distinguish between the two groups.

Initially, the DDR process, as part of former President Álvaro Uribe's Democratic Security and Defence Policy, seemed to be successful. From 2004 onwards, various human rights reports indicated a dramatic decrease in homicides, massacres and other serious crimes in Colombia (CNRR 2011, 32). In recent years, however, it has become increasingly evident that part of the demobilised population has joined a number of new illegal armed groups, which from 2006 to 2012 saw more than 11,500 of their members arrested. Of these, nearly 15 percent were demobilised combatants (MAPP/OEA 2012, 10). In addition to those who have joined such ranks, a perhaps greater part of the demobilised

population has fallen back into common illegal activities not related to the illegal armed groups. All in all, more than 6,500 demobilised combatants have been arrested for criminal behaviour (El Tiempo 2011a). Observers, such as the Organization of American States Mission to Support the Peace Process in Colombia (MAPP/OEA, the Spanish acronym) (2012, 10), have identified a relationship between, on the one hand, the tendency of demobilised combatants to fall into illegality and, on the other, the lack of opportunities for them to generate income.<sup>2</sup> As a result, the International Crisis Group emphasises the need for an improved economic reintegration programme as an important step towards peace in Colombia (ICG 2010, *iii*). International experience shows, however, that this is not easily done, and thus the need for more research on the topic has been recognized (CCDDR 2009, 60-61).

The study presented in this paper investigated the process of designing and later modifying the economic reintegration strategy in Colombia. It asked to what extent the strategy has been adequately adapted to address the major challenges facing both individually and collectively demobilised combatants. The study mainly consisted of a number of semi-structured interviews conducted with various stakeholders, including victims of the conflict and participants in the reintegration programme.<sup>3</sup> Most interviews were conducted in the conflict-ridden rural region of Urabá. The state of the reintegration process there does not necessarily extrapolate to other regions. Nevertheless, it offers an in-depth understanding of how national policies can affect local communities, which is the focus of the discussion in this paper. The findings were triangulated with published and

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2 e.g. Nussio (2009, 217-218; 2011, 142), Villegas de Posada (2009) and Denissen (2010).

3 Representatives from the following institutions were interviewed: the ACR, the MAPP/OEA, the Accompaniment, Monitoring and Evaluation System (SAME, the Spanish acronym) at the IOM, the National Commission for Reparation and Reconciliation (CNRR, the Spanish acronym), Ventajas Kompetitivas, Iniciativa de Mujeres por la Paz, and Taller de Vida. Throughout the investigative process, the researcher participated in a special collaboration with the ACR while also working as an intern in the Reintegration Unit at the MAPP/OEA.

unpublished research conducted mainly by the Colombian Agency for Reintegration (ACR, the Spanish acronym), the MAPP/OEA, and the International Organization for Migration (IOM).

In order to present the research and analyse the findings, the paper is structured as follows. First, a theoretical framework is established, which is used to examine the contemporary international discourse on economic reintegration. Then, the evolution of the economic reintegration strategy in Colombia is outlined, followed by an analysis of the current state of the process. In light of this, my analysis of the Colombian political context seeks to identify the factors that led to this specific strategy. Finally, the paper proposes a new approach to improve the current process and contribute to the design of a successful future DDR programme for collectively demobilised guerrillas.

## **1. Economic Ideals and DDR**

The existence of a liberal market economy has for many years been perceived as essential to any peacebuilding process (Newman et al. 2009, 3). When conditions are right, a free market creates a strong private sector in which entrepreneurship and foreign direct investment can thrive. This leads to economic growth, macro-economic stability and employment creation (Sachs 1995). In (post-)conflict societies with former combatants and a war-affected population seeking to generate legal incomes, new jobs are highly appreciated. As evident below, proponents of this “neoliberal” perspective therefore tend mainly to encourage solutions geared towards economic reintegration, which do not compromise the rules of the market. This typically includes emphasising micro-entrepreneurship as well as education and training, in order to qualify the demobilised population to work in the private sector (CCDDR 2009, 68-69). It is important to clarify that the peacebuilding process in Colombia has been led by the national government, and therefore differs significantly from the liberal peacebuilding approach promoted by the United Nations. Nevertheless, as discussed below, at least in economic terms the strategy seems to be strongly inspired by this international model.

The advantages of applying the neoliberal economic model to (post-) conflict economies are without a doubt significant. Nevertheless, applying this model can cause a number of negative externalities which also affect economic reintegration processes (Newman et al. 2009, 17). For instance, cuts to public spending lead to fewer services for vulnerable groups, such as former combatants (Hague 2009, 689). More importantly, it is evident that even though the neoliberal economic model in theory leads to job creation, in practice, it often merely creates competitive labour markets with high unemployment rates. In such a system, vulnerable demobilised combatants inevitably end up as losers (Jennings 2009, 487-88). In the end, a reintegration programme based on the neoliberal economic model depends on the private sector's willingness and ability to employ the bulk of the demobilised population. It is, however, evident that hiring former combatants and seeking to turn them into law-abiding workers can be a complex task for employers (Rettberg 2010, 15). Furthermore, private enterprise is often not interested in damaging its image by engaging with former human rights violators (Guáqueta 2006, 278). Consequently, the only remaining option for income generation is entrepreneurship in the informal sector, which can be very unfavourable for poor and unskilled former combatants (Porch and Rasmussen 2008, 531).

Given these negative externalities, many observers today advocate a peacebuilding model with a less rigid economic focus.<sup>4</sup> Such an approach seeks to find a balance between, on the one hand, retaining a healthy economy, and, on the other, offering adequate resources to address socio-economic challenges, such as the economic reintegration of former combatants (Newman et al. 2009, 17-18). Rather simplistically, it can be argued that whereas the main focus of the neoliberal model is the strengthening of the economy, this second approach aims primarily at providing a realistic path towards economic reintegration (Jennings 2007, 214).

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<sup>4</sup> e.g., the authors of the special issue of *International Peacekeeping* (16, no. 5) from 2009, Newman et al. (2009) and Andrieu (2010).

A theoretical framework can then be established consisting of a spectrum with the neoliberal approach largely focused on market solutions at one end. At the other end, an alternative approach is found which allows for significant compromises on the economic ideals. A reintegration programme can be placed somewhere between these two extremes, depending on its design. As a general rule, successful economic reintegration occurs with a healthy middle ground between these two extremes. The research presented in this paper sought to analyse where the latest economic reintegration programme in Colombia can be placed on this spectrum. This was done not only by analysing top-down government policies, but also through a local-level approach in which the results of national policies in the region of Urabá were analysed. Related to this, the next section conducts a categorical analysis of the dominant perspectives and approaches in the contemporary discourse on economic reintegration.

## 2. Perspectives and Approaches

In the contemporary discourse, it is generally agreed that income-generating opportunities for former combatants are essential to the consolidation of peace in a (post-)conflict society.<sup>5</sup> It is also widely recognised that this remains a major challenge in reintegration processes worldwide.<sup>6</sup> When it comes to how to create such opportunities, the literature is diverse and can be mapped onto the previously established theoretical framework. Contributions to the discourse which predominantly advocate market-driven solutions to economic reintegration are here referred to as *market-centred*. One prominent example is the United Nations Integrated DDR Standards (IDDRS) (2006, sec. 4.30.7.2), which recommend overcoming the challenge of unemployment mainly by “...relevant training, identifying employment opportunities

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5 e.g., Ayalew et al. (1999, v), the Cartagena Contribution on DDR (CCDDR) (2009, 60), Nussio (2009, 216) and the United Nations Policy for Post-Conflict Employment Creation, Income Generation and Reintegration (2009, 24).

6 e.g., Guáqueta and Orsini (2007, 5), the CCDDR (2009, 60), and Denissen (2010, 337).



in existing businesses and [...] creating microenterprises.”<sup>7</sup> Also the Stockholm Initiative on DDR (2006, 29) shows a clear reliance on the private sector:

In the absence of strong state and local capacity, the private sector and civil society can provide supporting and sometimes substituting roles, especially in implementation of DDR programming.<sup>8</sup>

Indeed, in the literature exists a consensus that it is important to encourage economic reintegration in the private sector. But unlike in the above reviewed documents, an increasing number of analysts at the same time emphasise the need for parallel non-market-driven solutions.<sup>9</sup> Such contributions are here referred to as *people-centred*.<sup>10</sup> Jennings (2009, 487-488), for instance, explains that during the DDR process in Liberia there was a:

[...] mismatch between training thousands of ex-combatants for employment and the severe shortage of jobs, including in the informal economy. This mismatch was only exacerbated by [...] the dependence on the private sector to provide the bulk of employment and generate growth [...]

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- 7 Among academics, for instance, Ayalew et al. (1999, 6) promote a rather market-centred perspective.
- 8 The SIDDR (2006, 29) also states “...one should not underestimate the necessity of state policies regarding affirmative action for those individuals and groups most marginalised by the conflict.” Therefore, in spite of showing a general reliance on market-driven solutions, the SIDDR seems relatively open towards a more people-centred approach.
- 9 e.g., Cosgrove (2002, 51), Spear (2006, 178), Solà-Martín (2009, 306) and Binford (2010, 532).
- 10 In the IDDRS (2006, sec. 4.30.4.12) a people-centred approach refers to the recognition of different needs “...required by both sexes and those of differing ages and physical ability.” As evident above, this paper gives another meaning to this term.

In her criticism of market-centred economic reintegration she recommends the following:

In terms of socioeconomic and governance issues, the discussion needs to move beyond market analyses [...]. Donors should be guided by realities on the ground rather than blind devotion to principle [...] (Jennings 2007, 215-216)

The United Nations Policy for Post-Conflict Employment Creation, Income Generation and Reintegration also seems rather critical towards the market-centred approach. It states that while

[...] the IDDRS represent progress in making DDR programmes more coherent and standardized, programmes are often isolated from the socio-economic context. (UN 2009, 17)<sup>11</sup>

To sum up, a significant part of the international literature acknowledges that in most (post-)conflict contexts, the market alone cannot meet the sudden demand to employ thousands of former combatants.

The governmental and academic debates on the economic reintegration of the demobilised population in Colombia, along the political lines of the previous presidential administration, tend to favour a market-centred approach. For example, the National Reintegration Policy from 2008 establishes in one of its objectives that the process aims to

[...] offer job training to the demobilised population bearing in mind criteria of relevance, quality and opportunity [...] in order] to consolidate a process that responds to the needs of

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11 The Policy recommends non-market-driven solutions in the initial (post-)conflict period (UN 2009, 11). There is however, as in the other high-level documents, an emphasis and belief in the ability of the private sector to absorb the former combatants in the long-term.

the productive sectors and the interests of the population in the process of reintegration, which allows the demobilised combatants to compete in the labour market, and that makes them qualified human talents for the business sector. (CONPES 2008, 48 – translated by the author)<sup>12</sup>

Likewise, the Ideas for Peace Foundation (FIP, the Spanish acronym) –a Colombian think tank funded by private businesses– has investigated the attitude of the entrepreneurial sector towards participants in the reintegration programme. The researchers in one study seem convinced about the nearly exclusive use of market-driven solutions to economic reintegration:

The support of the private sector is essential to involving demobilised combatants in productive activities, whether through direct employment [...] or by helping them establish their own companies [...] (Guáqueta and Orsini 2007, 5)

Along these same lines, the researcher of another FIP study highlights that the Colombian DDR process, given the strength of the private sector, has a significant advantage compared to other cases (Puente et al. 2009, 31). One FIP study recognises, however, the need for local authorities to directly create public and private sector employment for participants in the reintegration programme (Méndez and Rivas 2008b, 16).

A number of analyses by academics, the media, and the government are more sceptical of the market-centred approach.<sup>13</sup> The Colombian Attorney General, for instance, criticised the initial strategy by stating that the public policy, which embraced...

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 12 This perspective also dominates the reintegration programme's internal evaluation from 2008 (Pearl 2008).

13 e.g., Porch and Rasmussen (2008, 531), Quevedo and Pulido (2008), and Denissen (2010, 338).

[...] the concept of business plans, [...] did] not respond to the need of providing the demobilised population access to productive projects. The emphasis on a business-type focus, rather than a focus on rehabilitation and socio-labour restructuring, seems to have been based on an overestimation of the beneficiaries' capacity to fulfil unrealistic conditions. (CNRR 2011, 83 – translated by the author)

Another pointed critique comes from the National Commission for Reparation and Reconciliation (CNRR, the Spanish acronym) (2011, 88 – translated by the author):

In recent years the governmental discourse has arguably changed to set out a proposal now centred in terms only related to education and training, under the assumption that such a concept works for the entire population ... This avoids the urgency of dealing with the demand of ... some minimum conditions of labour favourability determined for the demobilised population [... T]here cannot be high expectations on the possible cooperation of the private sector, which in general has been inconsistent with this proposal.

To sum up, along the lines of the international discourse, some observers of the economic reintegration process in Colombia show confidence in the government strategy, while others have accused it of being too market-centred. By analysing the evolution of the strategy, the next section investigates whether or not this critique is valid.

### **3. The Evolution of the Economic Reintegration Strategy**

The first major Colombian demobilisation process took place in the early 1990s and involved the guerrilla group known as the 19th of April Movement (M-19), among others. The lessons learnt from the economic reintegration programme, which had a significant focus on micro-entrepreneurship, are relevant to this analysis. In the case of the M-19, each

participant received a grant of 1.5 million Colombian Pesos (COP)<sup>14</sup> to start up a business, acquire housing, or enrol in further education. The FIP identifies that a significant amount of participants did not have entrepreneurial skills and abilities. This affected the business option. Partly because of this, more than 80 percent of these projects failed, while the rest survived but with difficulties (Méndez and Rivas 2008a, 11).

In spite of this documented failure, similar components were adopted at the beginning of the current DDR process. For the collectively demobilised combatants –former members of the AUC– a programme was designed to create large-scale rural and urban cooperatives. Each participant could receive a one-time seed capital of COP 2 million<sup>15</sup>, which was to be spent on an assigned project (Quevedo and Pulido 2008). This was an attempt to deal with the sudden demand of thousands of former combatants who needed a focus and to earn an income. A representative from the reintegration programme explains: “These projects were established to meet a need for employment, and not because market opportunities had been identified.”<sup>16</sup> The government designed a total of 157 projects with the potential of involving nearly 6,500 participants. By the end of 2006, however, less than 2,200 demobilised combatants had received the seed capital. They were involved in 27 projects, in which a total of only 45 participants were actively working (Méndez and Rivas 2008a, 16). By that point, it was evident that the entrepreneurial initiative had failed and, consequently, a large number of participants had wasted their seed capital (Quevedo and Pulido 2008).<sup>17</sup> Evaluations found that among other flaws, the projects faced structural limitations and a lack of cooperation from the private sector (CNRR 2011, 81-2). It was also concluded that the participants lacked the technical knowledge, social ability, and entrepreneurial

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14 Today this totals approximately 840 United States Dollars (USD).

15 This is approximately USD 1,120.

16 Official A (Office of Planning, ACR), interview with the author, September 14, 2011. All interviews were conducted in confidentiality, and the names of interviewees have been changed by mutual agreement.

17 This failure apparently influenced the decision of Juan B. Pérez, the programme coordinator, to quit his job in May 2007 (Quevedo and Pulido 2008).

skills essential to run the projects (Méndez and Rivas 2008a, 17-18). Finally, it is worth mentioning that the projects suffered from a lack of participation from local authorities –a factor later discussed in depth (CNRR 2011, 82).

The entrepreneurial component for individually demobilised combatants –mainly former guerrillas– encouraged the creation of smaller and individual projects designed by the participants themselves. A one-time seed capital amounting to up to COP 8 million<sup>18</sup> per participant was to be spent on a business initiative, an agricultural project, housing, or higher education (Méndez and Rivas 2008a, 11). From 2003 to March 2007, this grant was disbursed to nearly 3,400 participants. Roughly half of them spent it on business initiatives, which unfortunately faced challenges similar to those of the large-scale collective projects. Among other factors, it was identified that the participants lacked the technical, social, and entrepreneurial skills needed to run businesses. Consequently, within a short time the vast majority of the projects failed (Méndez and Rivas 2008a, 13).

In order better to cope with the reintegration process the Presidential High Council for Reintegration was established in September 2006. It was made responsible for the reintegration of both collectively and individually demobilised combatants. By that time it had become evident that the lack of income-generating opportunities was a key challenge of the reintegration process. Consequently, profound changes in strategy were needed, and the appointment of Frank Pearl, a businessman, as High Councillor, gave a strong indication of the direction this new institution was going to take (Quevedo and Pulido 2008).<sup>19</sup> From the very beginning, the High Council sought to replace the short-term reinsertion model with a focus on long-term economic reintegration into the private sector (Méndez and Rivas 2008a, 10-11). In addition to a monthly economic support scheme, a comprehensive “life project” approach was designed, which still characterises the entire reintegration programme today. It consists of components

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<sup>18</sup> This is approximately USD 4,490.

<sup>19</sup> The High Council’s new approach to reintegration was outlined in 2008 in the National Reintegration Policy (CONPES 2008).

such as psychosocial activities, education, and job training developed to match the skills, interests and income-generating opportunities of each participant.<sup>20</sup> One of its objectives is to provide participants with relevant abilities in order to help them become competitive in the labour market or develop into self-sustainable entrepreneurs in the private sector (CNRR 2011, 81). In relation to this, three programme components promoting income generation were launched, “business plans,” “employability,” and “social service” (Méndez and Rivas 2008a, 10).<sup>21</sup> The characteristics of each of these are outlined in the following:

- The business plans component was launched partly to replace the previous entrepreneurial programmes. The High Council emphasised that the seed capital would only be made available to those who presented viable projects based on market needs (Méndez and Rivas 2008a, 15). This component has been in continuous development and has led to initiatives such as the Time Bank, which is an attempt to involve the private sector in consultancy functions (MAPP/OEA 2011, 7). In June 2009, the IOM, in cooperation with the United States Agency for International Development, began to co-finance these business initiatives.<sup>22</sup>
- An employment debate within the government emerged on the possibility of creating specific incentives, such as offering tax exemptions for companies hiring programme participants, or creating laws to simply oblige government contractors to hire them. However, the Uribe administration showed a general resistance to any kind of market distortion. Therefore, the majority of these ideas were immediately discarded (Guáqueta and Orsini 2007, 19).<sup>23</sup> Instead, the High Council

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 20 Official B (Apartadó Service Centre, ACR), interview with the author, November 3, 2011.

21 These programme components already existed to a lesser extent before the establishment of the High Council (Méndez and Rivas 2008a, 10).

22 Official A (SAME, IOM), interview with the author, November 9, 2011.

23 Some smaller initiatives were implemented, however, and led, for instance, to a limited number of jobs in public construction projects (Guáqueta and Orsini 2007, 19-20).

launched the so-called employability component, which focused on offering education and training to help the participants become employable and competitive in the labour market (Méndez and Rivas 2008a, 11). Therefore, resources were for the most part not spent on actually arranging or creating jobs. The employability component has, however, been in constant development and, as discussed below, at some point the government realised that some sort of compromise of its principles was needed.

- Yet another initiative brought forward by the High Council was a social services programme specifically developed for regions with a severe lack of income-generating opportunities (OACP 2010, 5). For a period of six months each, participants were offered a small salary for assisting police or local authorities with public tasks. It was mainly seen as a temporary solution and was consequently given relatively little priority. Nevertheless, by 2010 it had aided more than 7,700 participants (ACR 2010).

To sum up, with the establishment of the High Council, the reintegration process entered a progressive stage in which higher priority was given to economic reintegration.

The strategy has recently undergone further changes as a result of a number of legal reforms adopted by the current government of President Juan Manuel Santos. This includes, among other initiatives, the 2010 Law of Formalisation and Job Creation (Ley 1429), which establishes that businesses will receive tax exemptions when employing individuals from certain vulnerable groups, including participants in the reintegration programme. At the time of writing this paper, data had yet to be published on the impact of this law. Sceptical voices, however, emphasise that this subsidy equals less than 10 percent of the salary of a participant over a maximum three-year period, which “...most likely does not create sufficient incentives for prospective employers.”<sup>24</sup>

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24 Official C (Economic Reintegration Unit, Apartadó Service Centre, ACR), interview with the author, November 5, 2011.



The new legal framework also establishes a significant incentive for the participants to actively seek long-term formal employment themselves. Participants who have been employed for 12 months can apply for a one-time housing grant equivalent to the seed capital (Resolución 163, Art. 21; Decreto 1391, Art. 4). Through different mechanisms, the new regulations thus consolidate a focus, which has been promoted since 2009, on employability rather than on entrepreneurship (MAPP/OEA 2011, 7). The director of the now-defunct High Council, Alejandro Éder, admits:

We understand that not all demobilised combatants have entrepreneurial vocation. Therefore we now allow them to spend... [the grant] on housing or education. (El Tiempo 2011b – translated by the author)

The new legal framework also establishes a number of significant restrictions. Once the seed capital or housing grant has been received, participants are no longer eligible to receive monthly economic support, whether or not their businesses or other initiatives have succeeded (Decreto 1391, Art. 4). This amendment, which affects more than 8,000 demobilised combatants, seems linked to the government's new plan to graduate the participants from the reintegration programme (Resolución 163, Art. 31 and 32). Those who have not received grants are also affected, as many participants' monthly economic support has been severely reduced (Resolución 163, Art. 19).

The social service component has been redesigned under the new framework and is now linked to social reintegration (Resolución 163, Art. 30). Therefore, instead of being a tool for temporary employment in regions with few job opportunities, social service has now become an obligatory non-remunerated component to aid the reconciliation process.<sup>25</sup> Perhaps as a kind of compensation, in 2011 a new initiative was

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25 Official B (Apartadó Service Centre, ACR), interview with the author, November 3, 2011.

introduced involving the National Road Institute. By regulation, if there are vulnerable populations (including participants in the reintegration programme) in a region, contracted road construction companies must employ a minimum of 10 percent of them in their workforce. It is not yet known whether this will be a success.<sup>26</sup> It has, however, great potential to generate employment, given that road construction is an important and dynamic sector throughout Colombia.

The final recent change relevant to this discussion concerns the institutional set-up, which throughout the process has been criticised by institutions such as the FIP and the United Nations Development Programme (Méndez and Rivas 2008b, 7 and 10). The fact that the High Council was an office established directly under the President's Office had perhaps unforeseen negative consequences. The programme was to a certain degree not only geographically centralised, but also centralised within the state structure. When the High Council was created, a number of service centres and mobile units throughout the country were established. This was an attempt to create a programme presence at the local level, where the actual reintegration was to take place. The High Council also began actively to lobby local and regional governments to include the reintegration in their strategic plans.<sup>27</sup> Indeed, these initiatives improved participation. Nevertheless, initially the service centres had great difficulty managing the reintegration under the centralised model (Méndez and Rivas 2008b, 10). Consequently, as explained by a representative of the now-defunct High Council, given the "...deficiencies of the scheme, which had become evident, it seemed that more had to be done."<sup>28</sup> In November 2011, the Santos administration responded by replacing the High Council with the Colombian Agency for Reintegration (ACR, the Spanish acronym).<sup>29</sup> This

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26 Official A (Office of Planning, ACR), interview with the author, September 14, 2011.

27 Official D (Office of Economic Reintegration, ACR), interview with the author, September 14, 2011.

28 Official A (Office of Planning, ACR), interview with the author, September 14, 2011.

29 The Spanish acronym for the former High Council was also ACR.

new agency aims to be more comprehensive at local and regional levels as well as at national level, where it seeks greater involvement of relevant institutions and ministries (Decreto 4138, Art. 5, Para. 6; Art. 8, Para. 10). It is not an office directly under the President's Office, but rather a state institution at the same level as other public entities (Decreto 4138, Art. 1). Nor is it directly responsible for the reintegration. Its mandate seems to be, instead, to manage the process under a more decentralised responsibility structure. It will thus "manage, coordinate, implement and evaluate, [...] together with competent authorities, the processes of reintegration" (Decreto 4138, Considerations –translated by the author–). It is evident that this new institutional structure constitutes a progressive development for the entire reintegration process.

In conclusion, given the major initial challenges facing the economic reintegration, the strategy has undergone a number of significant modifications. The next section of this paper investigates the result of this evolution by assessing the current state of the process.

#### 4. The Current State of the Economic Reintegration

A recent independent evaluation found that nearly three out of four participants in the reintegration programme are generating some kind of income. Of these, nearly 60 percent are employed, while the rest are involved in entrepreneurial activities (DNP 2011).

In relation to the latter group, an internal study conducted by the High Council in 2011 showed that 70 percent of the approximately 4,750 entrepreneurial projects launched with use of seed capital are still in operation.<sup>30</sup> The data does not provide information about the actual earnings of these projects. However, it is evident that each

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30 These projects were established with the use of seed capital from about 8,100 participants (ACR 2011). It must be assumed that this number includes the nearly 2,200 participants who lost this grant in the failed initial collective projects. The rest of the projects must then be individual or small group projects (Ordóñez Maldonado et al. 2011, 68). Between 70 and 75 percent of the projects supported by the IOM are allegedly still in operation (Official A [SAME, IOM], interview with the author, November 9, 2011.).

business generates on average monthly gross sales just above the poverty line for a family of four (ACR 2011).<sup>31</sup> The earnings must be assumed to be lower. This finding is in line with research conducted in the region of Urabá, which concluded that only about half of the projects are viable, and of these, only half are estimated to allow participants to make a decent living.<sup>32</sup>

Apart from the beneficiaries of seed capital, a significant number of participants have developed and run businesses on their own initiative. The independent evaluation earlier mentioned found that in total, more than 31 percent of the participants are involved in entrepreneurial activities. On average these generate earnings just below COP 500,000<sup>33</sup> per month, which is less than the minimum salary legally set by the government (DNP 2011). Businesses that have received support from the reintegration programme generate sales that are fifteen percent higher. In spite of certain inconsistencies, the findings of the two studies indicate a clear pattern. The profits generated by the majority of the businesses are below the legal minimum wage. Until recently, most participants received monthly economic support as well. But, as mentioned in the previous section, recipients of seed capital are no longer eligible for this benefit. It can then be assumed that a large percentage of these micro-entrepreneurs and their families live near, if not below, the poverty line, and are therefore in a rather insecure economic situation (Semana 2011).

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31 In 2011, when the study was conducted, the Colombian minimum wage was COP 535,600 (approximately USD 300) excluding the obligatory transport subsidy. The study from the High Council found that one third of the businesses have monthly sales levels of more than two minimum wages, another third between one and two minimum wages, and the last third less than one minimum wage (ACR 2011). According to the Colombian government, a family of four lives in poverty if their monthly income is below COP 760,000 (approximately USD 430).

32 Only 53 percent of the projects are seen as viable (Official B [Apartadó Service Centre, ACR], interview with the author, November 3, 2011.).

33 This is approximately USD 280.

Case 1: The case of Luisa Fernanda, a single mother of two and a participant in the reintegration programme, is an example of the above analysis. For eight years she has operated a small informal shoe shop on a market in the town of Apartadó, Urabá. Located between countless other small shops seemingly all selling the same kind of sport footwear, the specific market niche for her business is difficult to identify. She has received COP 2 million<sup>34</sup> from the High Council and COP 2.4 million<sup>35</sup> from the IOM. According to her calculations, she generates an average monthly profit of just around COP 300,000.<sup>36</sup> She therefore lives at her mother's house and depends entirely on irregular child support payments from the two different fathers of her children. She seems to have a rather relaxed attitude towards the reintegration programme. During the interview she jokingly asked a representative of the programme for "...more economic support." This was politely turned down. It is evident that the case of Luisa Fernanda is not unique. Indeed, many demobilised women are young single mothers who do not receive much support from the fathers of their children.<sup>37</sup> The representative of the programme admits that despite the intention to implement gender mainstreaming, "...the programme in Urabá still does not offer special support to women."<sup>38</sup> This means that even women with young children and no support from partners have to attend reintegration activities, work, and survive economically on the same terms as their male counterparts. Furthermore, the training, the entrepreneurial projects, and the employability programme mainly focus on traditionally male-dominated sectors.<sup>39</sup> It is evident, however, that at national level, the reintegration programme has a strong focus on gender, which it seeks to expand to rural regions such as Urabá.<sup>40</sup>

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34 This is approximately USD 1,120.

35 This is approximately USD 1,350.

36 This is approximately USD 170.

37 Official A (Taller de Vida), interview with the author, November 13, 2011.

38 Official C (Economic Reintegration Unit, Apartadó Service Centre, ACR), interview with the author, November 5, 2011.

39 Official A (Iniciativas de Mujeres por la Paz), interview with the author, November 4, 2011.

40 Official A (Office of Planning, ACR), interview with the author, September 14, 2011.

The High Council seemed at some point to recognise the limited results of the entrepreneurial component. It admitted that the vast majority of the businesses

[...] generate enough income to cover only minimum living expenses [...] They develop economic activities with low entry barriers, high levels of informality, low productivity and low local or regional impact. (ACR 2011 – translated by the author)

In light of this, the reintegration programme has recently become reluctant to support entrepreneurial initiatives. In 2011, in the region of Urabá, which has 2,100 active participants, only four seed capital applications for business plans were considered.<sup>41</sup> One of these was the Malagón fish-farming project.

Case 2: The Malagón fish-farming project in Chigorodó, Urabá, is a rare example of a promising entrepreneurial project. It was initially launched as a major collective project, which allegedly “never had the potential to generate a decent income to all the associates involved.”<sup>42</sup> Today, Camilo, a seemingly well-reintegrated participant in the programme, manages the project, which employs six other male participants and a remunerated external female assistant. The group consists of both former paramilitaries and guerrillas. Given that all returns have been reinvested in the project, the participants do not yet earn a salary. It is evident, however, that the project has the potential to generate a comfortable income for those involved. It seems that the reintegration programme will soon be funding this project with seed capital in order to make expansion possible. However, under the new legal framework, the participants will lose their monthly economic support when they receive the grant. In order to avoid this, two of the participants have decided to leave

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41 Official C (Economic Reintegration Unit, Apartadó Service Centre, ACR), interview with the author, November 5, 2011.

42 “Juan” (Superban), interview with the author, November 3, 2011.

the project. Camilo thinks that the seed capital is not sufficient to establish a profitable business. Therefore he is also interested in other sources of funding and says that he has almost managed to obtain a grant from the local city council. The project is to a certain degree under risk, given that it is not insured against flooding, fish diseases, etc. Nevertheless, Malagón seems to be a promising business. Not only Camilo, but also most of his colleagues seem rather motivated. On the day of the interview, the author was led from pond to pond while receiving technical explanations on every detail of the production process. Indeed, it was a positive experience to see how these young men, who just a few years earlier had terrorised the same land with guns, now show a strong enthusiasm for settling down and earning a legal income through fish farming.

Malagón is one of the only projects in Urabá with real potential. It will, however, never employ more than seven participants in the reintegration programme. Another project often emphasised is Superban, perhaps the only early collective project which remains in business.<sup>43</sup>

Case 3: The Urabá region has a major banana industry. One community-run company, Asobanana, receives, distributes and sells low quality bananas which cannot be sold internationally. At the end of 2005, 149 participants in the reintegration programme received seed capital to establish a company to supervise the management of this excess produce. It was given the catchy name Superban. In his impressive office, the manager proudly explains that today Superban has a total of 78 employees. Except for three, all are demobilised combatants. The lowest monthly salary is COP 800,000<sup>44</sup> including health insurance. Superban pays for a weekly day of leave to allow their employees to attend reintegration activities. It has a housing project and it supports imprisoned demobilised combatants. Unfortunately, Superban de-

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43 The Monomacho farming project in Urabá, which in 2008 began with 146 participants, now only employs 20 and faces significant organisational problems (Official A [Ventajas Competitivas], interview with the author, November 3, 2011).

44 This is approximately USD 450.

pends entirely on the ongoing goodwill of Asobanana. In 2011 the contract between the two companies significantly decreased in value. According to the manager, this has caused “great insecurity amongst the employees.”<sup>45</sup> It is evident that Superban does not exist merely because of its competitiveness. Nevertheless, in spite of not being a purely market-driven initiative, it is a valid example of how the entrepreneurial strategy can work in practice with the support of the private sector.

It is possible to conclude that in spite of receiving great attention, the entrepreneurial components of the reintegration programme have largely not delivered the expected outcomes. With the exception of a few cases, e.g., Superban, it can be assumed that many beneficiaries live in poverty and severe income insecurity. What remains to be investigated is whether the recent change in strategy towards prioritising the employability component has succeeded in leading more participants towards economic independence.

The latest figures show that from 2007 to 2012, just under 3,200 participants directly benefitted from the employability initiative (ACR 2012). From 2007 to 2010, nearly 1,900 participants were offered jobs directly arranged by the High Council. However, it is evident that many of these jobs paid less than the legal minimum wage (Ordóñez Maldonado et al. 2011, 89). The reintegration programme, through the life project model and the intensive lobbying of the private sector, also supports participants on the path towards self-generated employment.<sup>46</sup> All in all, an alleged 42 percent of the participants are employed, and of these nearly 8,500 have jobs in the formal sector (ACR 2012; DNP 2011). Of the total number of employed participants, just over half earn less than the minimum wage. Eighteen percent earn less than COP 200,000<sup>47</sup> per month. It is then evident that the majority of the employed participants do not earn a decent salary. It must be assumed that they face difficulties providing economic security for themselves and their families.

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45 “Juan” (Superban), interview with the author, November 3, 2011.

46 e.g., more than 23,000 participants have participated in the Time Bank initiative, which not only encourages entrepreneurship, but also promotes employability (ACR 2012).

47 This is approximately USD 110.



Case 4: Orlando is 30 years old and is married with a young daughter. He is an example of a participant who obtained a relatively well-paid formal job. He demobilised five years ago and managed, nearly two years ago, through a friend, to get a permanent full-time job at an established business in the town of Turbo, Urabá. There he earned a monthly wage of approximately COP 700,000<sup>48</sup> including complimentary health insurance. Apart from having provided some relevant training, the reintegration programme was not involved in finding him this job. On the day of the interview he explained that the employer was not aware of his past. If this became known, Orlando feared that he would lose his job. In spite of this, he proudly showed the author a photo from his mobile phone of him posing in an army green uniform with a Kalashnikov assault rifle in his hands. He stated that he was generally satisfied with his job, but wished that he could earn enough money to be able to live alone with his wife and daughter. At that moment they lived with his mother-in-law. Orlando was therefore in the process of applying for the COP 2 million<sup>49</sup> housing grant offered by the reintegration programme under the new legislation. Several months after the interview, the author received a phone call from Orlando. In a melancholic tone he said without further explanation that he had been fired from his job. He finished the conversation by stating that this situation made him think “about his time in the armed group.”<sup>50</sup> I do not know whether today he has found another job, or how he manages to provide for his family.

It is possible to conclude that the economic reintegration strategy for a relatively small part of the demobilised population seems to have worked well. For many, however, it has not managed to lead to decent and stable incomes. Indeed, the majority have found some kind of income-generating activity. But their actual earnings are typically very low and

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 48 This is approximately USD 390.

49 This is approximately USD 1,120.

50 “Orlando”(participant in the reintegration programme), interview with author, September 10, 2012.

do not allow them to cover their living costs and the basic needs of their dependants. What remains to be investigated are the factors behind the choice of this strategy, which has not been adequately adapted to the major challenges facing the demobilised population. The next section thus provides a contextual analysis that leads to an understanding of the political choices affecting the economic reintegration process.

## 5. Uribe's Project

The greater political context is of key importance in understanding the nature of the economic reintegration strategy, which, as analysed above, so far has had only limited results. Álvaro Uribe, the President of Colombia from 2002 to 2010, was controversial, but also generally popular due to the relatively impressive outcome of his Democratic Security and Defence Policy.<sup>51</sup> The generous peace negotiations with the AUC, however, met resistance from the opposition and large parts of civil society. The negotiations can then be seen as a product of the Uribe administration and not of the Colombian state as a whole.<sup>52</sup> Consequently, the DDR process was initially designed and institutionalised directly under the presidential office without much assessment and inclusion of other relevant stakeholders (Valencia Agudelo 2007, 162). In its early days, the process excluded important segments of society, such as the private sector and local and regional governments, which are the main engines of employment creation.<sup>53</sup> This was unfortunate since, as recognised by representatives of the reintegration programme, "reintegration takes place at the local level."<sup>54</sup> The process also

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51 One factor behind the controversy was the soft approach taken towards the AUC and the lack of transitional justice (Porch and Rasmussen 2008, 521).

52 Traditionally there have been peace commissioners in each region of the country. The negotiation with the AUC was, however, conducted from a centralised office in Bogota by only one High Commissioner for Peace (Valencia Agudelo 2007, 162).

53 There are exceptions, e.g., the local authorities in Medellín, Antioquia, have since the beginning of the process been highly involved with the Peace and Reconciliation Programme (Palou and Llorente 2009).

54 Official A and Official D (Office of Planning - Office of Economic Reintegration, ACR), interviews with the author, September 14, 2011.

excluded community organisations, victims' groups and other key stakeholders from civil society.<sup>55</sup> The strategy was therefore initially designed by a centralised group of policymakers, who may or may not have been fully in touch with realities on the ground (Valencia Agudelo 2007, 162). Consequently, the economic reintegration strategy became a one-size-fits-all model upholding the theoretical and ideological convictions of the Uribe administration. The policymakers were well aware of the failure of the productive projects during the demobilisation process of the 1990s. In spite of this they embraced this entrepreneurial concept, as it conveniently fit the neoliberal economic model.<sup>56</sup>

The establishment of the High Council in 2006 led to a greater focus on economic reintegration. But once again, most of the new initiatives were purely market-driven. Little by little, this rigid approach began to relax, which allowed for a more people-centred focus to emerge. The establishment of the High Council also meant greater involvement of relevant stakeholders. Nevertheless, given said stakeholders' lack of a sense of ownership over the process, they had little interest in taking responsibility. In many regions, local authorities continued to represent the opposition, which remained sceptical of the entire DDR process. In light of this, the only option for the High Council was to seek to qualify the participants for the labour market and thereby encourage them, without much support from other stakeholders, to find employment. For many, this proved to be a tough challenge, which is reflected in the so far limited results of the process.

Had the Uribe administration conducted an appropriate assessment and sought to include the private sector, local authorities, communities, and other relevant stakeholders in the initial process of designing the strategy, this could have led to a greater sense of ownership and responsibility. This would have allowed for a number of bottom-up, people-centred approaches from the very beginning, approaches specifically designed for employment

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55 "Juan" (Superban), interview with the author, November 3, 2011.

56 In support of this theory, the FIP highlights the problem of designing projects in Bogota without taking the local contexts in which the projects were to be launched into account (Méndez and Rivas 2008a, 17-18).

creation in each local context. Had this been done, it is likely that the results of the economic reintegration would have been different. This conclusion is recognised both by representatives of the ACR, and other stakeholders interviewed for this study.<sup>57</sup> Consequently, the ACR insistently seeks to encourage the involvement of the private sector, local governments, and other stakeholders.<sup>58</sup> It is, however, unlikely that this mainly voluntary approach is enough to guarantee sufficient participation.

The Santos administration seems to have other priorities, which makes the full implementation of the lessons learnt difficult. Rather than seeking to prioritise genuine economic reintegration, it seems that the government's new legal framework is shifting its focus from the demobilised population towards the victims of the conflict. This is likely related to the previous government's alleged neglect of the latter group. Indeed, the Uribe administration spent considerable resources on the reintegration process, while being proportionately less generous with initiatives supporting the millions of victims. Consequently, many had the view that "while the state supported the former combatants, it forgot the victims of the conflict."<sup>59</sup> As a result, the entire demobilisation process to a certain degree lacked legitimacy. At the end of Uribe's term, certain changes were therefore inevitable. In light of this, recent changes, such as severe cutbacks in the economic support scheme, are understandable. This, however, does not change the fact that a large amount of participants have still not been offered a genuine opportunity to reintegrate economically. Therefore, this tougher approach is perhaps not entirely fair. It is evident that participants, whose seed capital was wasted in unviable projects, are today left with the

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57 Official A (CNRR), interview with the author, October 1, 2011. Official C (Economic Reintegration Unit, Apartadó Service Centre, ACR), interview with the author, November 5, 2011. Official A (Iniciativas de Mujeres por la Paz), interview with the author, November 4, 2011. "Juan" (Superban), interview with the author, November 3, 2011.

58 Official A (Office of Planning, ACR), interview with the author, September 14, 2011.

59 Official A (Iniciativas de Mujeres por la Paz), interview with the author, November 4, 2011.

feeling that the government has neglected them and has broken its promises. Without the monthly economic support or any legal income, these participants are at high risk of succumbing to illegality.<sup>60</sup>

To sum up, it is evident that the initial stage of the reintegration process suffered as a result of the Uribe administration's failure to engage important stakeholders and to create social consensus. Participants have to a certain degree been punished for these initial flaws. Therefore, the final section of this paper discusses what the Santos administration could do to further encourage economic reintegration by making the programme increasingly people-centred.

## 6. Towards People-Centred Economic Reintegration?

Before embarking on the final discussion of this paper, it is important to reach a genuine understanding of what it means to be a former combatant in Colombia today. For this, a framework presented by Body (2005, 4) is useful. It takes two sets of factors into consideration: *i*) the life skills, education and entrepreneurial abilities of the former combatants, and *ii*) the state of the economy in terms of demand for labour and business opportunities.<sup>61</sup> Today, it is widely accepted that DDR must be designed with these factors in mind in order for economic reintegration to be realistic and achievable.<sup>62</sup>

In relation to the characteristics of the demobilised population in Colombia, it is evident that whether they are former guerrillas or paramilitaries, the majority have had a similar upbringing. They come from economically marginalised rural or urban areas, where they have lived in relative poverty all their lives. Given that nearly half of this population were minors when they were first recruited, the vast majority have low levels of education and have never known any other way to generate

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60 Official C (Economic Reintegration Unit, Apartadó Service Centre, ACR), interview with the author, November 5, 2011.

61 Life skills consist of: "...non-violent ways of resolving conflict, civilian social behaviour, and career planning..." (IDDRS 2006, sec. 4.30.9.2.4).

62 e.g., the FIP applies this framework in its analysis of the economic reintegration process in Colombia (Méndez and Rivas 2008a, 8).

income than through the barrel of a gun (el Tiempo 2011b). In the illegal armed groups, these young soldiers were often severely abused and forced to commit grave human rights violations. Many therefore suffer from post-traumatic stress disorder and other psychological conditions (Denissen 2010, 338).<sup>63</sup> As mentioned previously, many female combatants are young single mothers who do not receive any support from the fathers of their children.<sup>64</sup> Consequently, when demobilising, the majority of the combatants suffer from a lack of basic life skills and are considered extremely vulnerable (Nussio 2011, 137). The government's National Reintegration Policy recognises this by stating:

The vast majority of the demobilised combatants are in a psychosocial state [...] that limits their ability for social interaction. In other words, they are not prepared to live within an environment of social rules in coordination with a legal framework. (CONPES 2008, 20 – translated by the author)

When it comes to the economic context, an initial assessment is also of key importance. The Colombian government estimates rather conservatively that the informal sector employs just above half of the workforce (DANE 2012). For those working in this sector, no basic labour rights exist. Many do not have permanent positions, may only be working part-time, and do not earn a decent living (Fandl 2008, 164). This makes Gómez Meneses (2007, 89) pessimistically conclude that because of a deficient labour market, economic reintegration in Colombia cannot succeed. It is evident that even in regions with strong economic activity and relatively good employment opportunities, participants face severe challenges as a result of stigmatisation by the private sector (Puente et al. 2009). Indeed, a large part of this sector seems afraid of damaging

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<sup>63</sup> A significant part of this population might also suffer from physical disabilities as a consequence of their involvement in the armed conflict (CCDDR 2009, 52).

<sup>64</sup> Official A (Taller de Vida), interview with the author, November 13, 2011.

its image, and is therefore not interested in hiring former combatants (Guáqueta 2006, 298; Guáqueta and Orsini 2007, 6). Another contextual factor essential to take into account is the ongoing armed conflict. According to the Attorney General, nearly 2,500 demobilised combatants have been assassinated since the beginning of the process (El Tiempo 2011a). As evident from this high fatality rate, former combatants assume an immense security risk by demobilising. This factor makes the job seeking process even more complex.

This analysis leads to an understanding of the complexities of the economic reintegration process. The Santos administration has shown willingness to compromise on the initial market-centred approach. However, given the characteristics of the demobilised population and the context in which they find themselves, it is evident that more radical changes are needed. The remaining part of this section discusses how the process could be reformed through a new more people-centred approach.

Several of the participants and experts interviewed for this research suggest that it would be relatively uncomplicated to impose a small quota on local and regional governments that they must meet by employing participants in public tasks, or to impose such quotas on more government contractors and public companies. Enthusiastically, the manager of Superban calls this quota concept “a great proposal.”<sup>65</sup> According to him, if the Uribe administration had done this from the beginning of the process, the new illegal armed groups would not even exist today. When asked about the stigma such a model could cause, he highlights that this challenge should not be addressed by hiding, but by stepping forward and openly seeking reconciliation. He explains that this is what they have done at Superban, and while it was not easy, it is the only feasible way forward.<sup>66</sup> Likewise, Orlando, who on the day of his interview was formally employed, recommended that the ACR offer “decent employment to the

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<sup>65</sup> “Juan” (Superban), interview with the author, November 3, 2011.

<sup>66</sup> “Juan” (Superban), interview with the author, November 3, 2011.

participants.”<sup>67</sup> He stated that he would feel better if the High Council had arranged his job, given that then he would not fear being fired if his manager or colleagues found out that he was a participant in the reintegration programme. His conclusion did not leave any doubt: “It is better if the employer knows and accepts that their employees are demobilised combatants.”<sup>68</sup> In support of this, it is evident that in Urabá participants have often managed to get jobs in the banana sector, but when employers find out about their past, they tend to fire them.<sup>69</sup>

Indeed, it is the opinion of nearly all stakeholders interviewed for this research that the Santos administration ought to further distance itself from the neoliberal principles inherited from the previous government in order to create direct employment for former combatants. Representatives from the ACR and the IOM argue, however, that simply arranging jobs is not a durable solution. They make the following three arguments: *i*) It is best for the participants to generate their own jobs in order to avoid the problem of stigmatisation, *ii*) the former combatants do not have the required profiles for the jobs that the ACR is able to arrange, and *iii*) it would not be fair to other vulnerable populations to offer demobilised combatants decently paid jobs.<sup>70</sup> According to the representatives of the ACR, another important factor is the logic of motivation. Indeed, one reason behind the failure of the initial collective productive projects was the lack of motivation of the associates.<sup>71</sup> Therefore, through economic and moral incentives, the ACR today seeks

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67 “Orlando” (participant in the reintegration programme), interview with author, November 4, 2011.

68 “Orlando” (participant in the reintegration programme), interview with author, November 4, 2011.

69 Official B (Apartadó Service Centre, ACR), interview with the author, November 3, 2011.

70 Official A (Office of Planning, ACR), interview with the author, September 14, 2011. Official C (Economic Reintegration Unit, Apartadó Service Centre, ACR), interview with the author, November 5, 2011. Official A (SAME, IOM), interview with the author, November 9, 2011.

71 Official A (Office of Planning, ACR), interview with the author, September 14, 2011.



to encourage the private sector to employ participants, while at the same time to “develop competencies amongst the demobilised combatants” so that they can be integrated into the labour market either through employment or entrepreneurship.<sup>72</sup> The representatives of the ACR conclude: “As self-sufficient productive citizens, the participants will be motivated to stay out of the illegal economy.”<sup>73</sup>

The ACR has a strong and to some extent valid argument. It seems to be testing whether in fact, in a country like Colombia that has a strong private sector, it is possible to overcome structural obstacles and run a people-centred economic reintegration programme by making principal use of market-driven solutions. It is indeed evident that this strategy is succeeding for at least part of the demobilised population. Nevertheless, this paper has shown that it is difficult within a short time frame to transform former combatants into skilled workers who are able to get jobs as normal citizens in a highly competitive labour market. Therefore, this analysis concludes that supplementing the current strategy with more initiatives which will motivate the participants to make an effort in jobs created specifically for them is an ideal option at this point. I offer the Colombian government four recommendations to achieve these goals. These recommendations can be applied to the current process, as well as to a future reintegration programme designed for collectively demobilised guerrillas:

1. More participants should, with direct support from the ACR, be able to access formal employment. Imposing more quotas on contractors and public companies would immediately create a significant amount of highly needed jobs.
2. Stronger efforts are needed in delegating responsibility to local and regional authorities. Financial support from the national government may motivate these authorities to become involved.

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72 Official A (Office of Planning, ACR), interview with the author, July 29, 2011.

73 Official A (Office of Planning, ACR), interview with the author, July 29, 2011.

3. In relation to the monthly economic support scheme, each individual case should be reviewed. Important factors that should be taken into consideration include *i)* number of dependants, *ii)* if seed capital was spent on an unviable project, and *iii)* the prospect of finding legal employment in the specific local context.
4. It is of key importance that the government and donors direct sufficient funds towards the entire process in order to allow the ACR to fully implement the lessons learnt. The life project model has great potential, as it offers a comprehensive solution to each participant. But, for it to genuinely work, each component of the reintegration programme must be well financed and wisely managed.

There is no reason to believe that the direct costs of the programme would increase significantly following the implementation of these recommendations. Referring to the monthly economic support, the manager of Superban insightfully noted: “It is better to give money for work rather than for nothing.”<sup>74</sup> Even if direct costs increase, the greater social cost will be lowered significantly as a result of better economic reintegration. It is important to emphasise that implementing the recommendations must not become a trade-off in which resources are taken away from the victims’ reparation and land restitution process. On the contrary, Jennings’ (2008, 339-340) model of “delinking” the economic reintegration from the DDR process by promoting employment programmes for all conflict-affected groups could be adopted. This would also serve the greater reconciliation process. In fact, the ACR is already promoting such initiatives on small scale, e.g., the Monomacho farming project in Urabá for victims and former combatants.<sup>75</sup>

In comparison with other (post-)conflict societies, DDR in Colombia has the advantage of a growing economy, a strong private sector and

74 “Juan” (Superban), interview with the author, November 3, 2011.

75 Official A (Ventajas Competitivas), interview with the author, November 3, 2011. See footnote 42.

a functional political establishment (Puente et al. 2009, 31). The government has created an image of itself as an international vanguard of DDR programming. It must now fulfil this image and show its true capacity by creating a realistic path towards economic self-sufficiency for current and future participants in its reintegration programme.

## Conclusions

The economic reintegration strategy in Colombia was initially designed with a neoliberal ideal in mind, one which did not correspond with the realities on the ground. There was a focus on entrepreneurship, which in spite of several attempts to make it work for a substantial segment of the demobilised population, did not offer a decent income and economic security. Also, the initial focus on making participants employable without creating special entries in the labour market proved to be very difficult. Lately, a number of initiatives have been geared towards directly arranging employment. This has, however, been combined with a significantly tougher approach towards participants in terms of cuts to economic support. This paper concludes that further changes are needed –especially expanding direct employment creation. The previous government had the opportunity to implement lessons learnt from the experience of the reintegration process in the 1990s. Today, the Santos administration has this chance again. Very soon, policymakers may find themselves in the process of developing a new reintegration strategy for thousands of collectively demobilised guerrillas. In this case, it is imperative that the successes and failures of the current process are taken into account. They will find that their predecessors were naively blinded by the neoliberal sentiment of the time –a fact that had fatal consequences for thousands of former combatants. The theoretical justification for the liberal peacebuilding model is strong. It must, however, be adapted to the realities on the ground, and, when it comes to economic reintegration, it must take into account *i)* the characteristics of the participants and *ii)* the general context. This is possible only through a people-centred approach that offers a realistic path towards economic reintegration.

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