Agrarian Interests in a Liberalizing Economy:
Colombia’s Law 101 of 1993

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Introduction

Despite democratic trends throughout the region, public policy in Latin America remains an exclusionary process. Armed with neoliberal development strategies, policymakers have restricted the realm of debate to orthodox economic options, thus limiting the input of organized interests in policymaking. Although agriculture remains the backbone of the Colombian economy, its influence in policymaking, on the whole, has declined.

Policymakers have long realized that agricultural sustainability requires state intervention on its behalf, to accommodate both international shifts in supply and demand, as well as the inherent uncertainties in production. In Southern countries, where agriculture is central to economic development, this protective state activity takes on particular importance. In Colombia, recent trade liberalization policies have battered the already vulnerable agricultural sector by removing import restrictions, reducing credit and services available to producers, and forcing them to compete with subsidized products from developed countries (Machado 1991, Naranjo 1992). Consequently, both productivity and employment levels of the sector have plunged, while agricultural imports have risen dramatically (SAC 1993, Cuevas 1994, Salgado 1994).

Neoliberal reforms, in particular, are a "bitter-pill strategy," in which the poorest bear the greatest burdens (Przeworski 1991:189), because they often rely upon state protection. In Colombia, the agricultural sector's ability to avoid hardship lies, to some degree, in its capacity to influence...
The Conservative and Liberal parties are pillars of Colombian political history. Although they generally lack the accustomed roots in linguistic or religious distinctions, their intensity, their exclusivist nature, and their familial and communal roots constituting cross-class ‘vertical’ groupings, clearly mark them as the functional equivalent of subcultures (Dix 1980:304). The parties’ stature did, however, decline during the National Front. By the 1970’s, “they no longer channeled all political expressions between civil society and the state” (Leal 1989:33), and today, have even a lesser role. For further information, see Shugart and Nielson (1994), and Martz (1992).

La Violencia (The Violence) was a protracted civil war of the 1940’s through the 1960’s, largely based upon inherited party loyalties. Estimates of the death toll hover around 200,000. Escalated by the Bogotá assassination of Jorge Elíecer Gaitán (El nueve de abril of 1948), a charismatic populist Liberal, the unrest swept through the capital (the Bogotazo) and quickly consumed the vast countryside.

The works on Colombian violence (from the 19th century to the present) are numerous. In fact, it probably garners more attention from Colombian social scientists than any other topic. Perhaps the best single work is that of Sánchez and Peñaranda (1991), a comprehensive compilation including the finest of the literature.

In the wake of La Violencia, the military dictatorship of General Gustavo Rojas Pinilla formed from 1953 to 1957. Fearful of his populist orientation, business interests pressured elites within both parties to craft an expedient, circumscribed democracy; that of consociational rule through the National Front pact (Hartlyn (continued...))
of the bipartisan coalition (Dix 1980). Under the National Front, cooperation, compromise, and middle-of-the-road policy was encouraged, and technocrats earned a preeminent role (Cepeda and Mitchell 1980). Increasingly technical forms of decision making solidified elitist rule, insulating them from traditional partisan criticism. Technocrats and business happily cohabitated; their influence was not mutually exclusive, but mutually propitious.

The chaotic specter of La Violencia gave the National Front additional legitimacy and leverage over policy, thus perpetuating the lack of government accountability to the public. For example, strong executive privileges allowed the President to enact policy through decree under a "state of siege," thus circumventing legislative and judicial input. The "unquestioned principle" of Colombian presidentialism (Hartlyn 1994:226) invited partial or total state of siege 75 percent of the time between 1958 and 1974 (Mares 1993:462).

The inherent biases of the National Front led to conservative, rather than innovative or redistributive policies which would threaten the temporary unity of the pact. Fearful of immobilism and policy incoherence (Hartlyn 1989:329), the removal of certain issues from partisan debate left business groups as societal intermediaries, thus facilitating a "corporative" style of interest representation public and private spheres. Because of the close, often institutionalized relationship between gremios and the state, policies often reflect the interests of business groups (Juárez 1993).

More recently, private sector groups took advantage of the crisis-ridden Colombian state of the 1980's. Historically weak, the 1980's magnified the state's frailties to the point of "legitimacy crisis" (Leal 1988, 1989). Colombia's major problem was one of social demands exceeding the representational capacities of the state. The central question was how to incorporate newly mobilized forces without provoking elite resistance and breakdown of the system (Bagley 1990). All the while, business interests exploited the fragmented and permeable state through "multiple points of access," thereby pressuring governments to maintain an upper-class, pro-business bias in policymaking (Juárez 1993:73).

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1984a).

9 Also see Archer and Chernick (1989). For an analysis of presidentialism since the apertura, see Ahumada (1996). She argues that the implementation of the neoliberal project has been accompanied by a strengthening of the authoritarian tendencies of the state. For an insider’s account of Gaviria’s government, see Vargas (1993). For a discussion of the weakness of Congress vis- à-vis the President, see Cepeda (1996).

10 This Huntingtonian formulation is frequently used to describe the “legitimacy” problems of the Colombian state. For a different interpretation, see Daniel Pécaut’s creative introductory essay (1989).

11 The solution was a radical one. The National Constituent Assembly and the subsequent Constitution of 1991 were, perhaps, the most progressive democratic gestures in Colombian history. Initiated by university students, the Assembly garnered fantastic societal support, which allowed the Supreme Court to overlook its lack of constitutional legitimacy. The Assembly was a forum of widespread participation, composed of ex-guerrillas (M-19), indigenous groups, and evangelicals, as well as the traditional parties. In fact, the M-19 earned the second highest vote total, overcoming a splintered Conservative party (Shugart and Nielson 1994). Also see Fals (1996).
As a reflection of elite and business power, immediately conspicuous is the absence of populism throughout this century, and the failure of groups advocating a populist agenda to win the presidency or important minorities in congress (Urrutia 1991a). Organized labor has been nearly impotent, unable to earn a sympathetic ear from business-government networks in recent decades (Ogliastri and Dávila 1987). The legal left, often overshadowed by guerrilla movements, has failed to forge a significant crusade of its own (Chernick and Jiménez 1993). Furthermore, the only significant vehicle for peasant interests (The National Peasant Association, ANUC) declined in stature by the late 1970's due to state neglect and ideological division within the movement. Even the Catholic church ignored the beacon of liberation theology, choosing instead to ally with and perpetuate "the mentalities and structures which pervade Colombian politics as a whole" (Levine 1985:314). Both church and state emphasize vertical authority relations, which isolates and destroys autonomous grass-roots movements of any form. Colombia's unwillingness to pursue economic populism is partially rooted in its well-established parties, the concentration of power at the local level, and pervasive clientelism. Rather than offer massive distribution through populist macroeconomic policy, the Colombian elite has preferred microeconomic distribution through the budget (Urrutia 1991a).

Macroeconomic stability has been harnessed by policymakers throughout the twentieth century: some of the continuity can be attributed to coffee. Essential to the overall economy, "coffee policy was

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12 For an interesting discussion of “polyvalents,” or leaders who straddle both private and public sectors in intermediate-sized cities throughout the country, see Ogliastri (1995).

13 Colombia has endured the most pervasive and sustained guerrilla insurgency in Latin America. Animated by the formalized exclusion of the National Front, four main groups emerged: the EPL, the ELN, the FARC, and the M-19. The FARC (Revolutionary Armed Forces of Colombia) have been the most prominent; the M-19 (the Movement of April 19), the most acquiescent since the late 1980's. Today, a noticeable national following. The UP (Unión Patriótica), the legal wing of the FARC, has been less successful electorally, and currently, faces near extinction at the hands of anti-leftist (state-sponsored) terrorism.

14 ANUC was formed in 1967, a semiofficial creation of President Carlos Lleras Restrepo (1966-1970). Intent on championing agrarian reform through (pseudo-corporatist) government directives, he promoted several institutions devoted to agricultural concerns, such as ANUC and a bolstered Colombian Agrarian Reform Institute, INCORA (Hirschman 1973). For more on ANUC, see Zamosc (1986), Bagley and Botero (1978), and Rivera (1982).

15 Colombia's fantastic regionalism, in particular, has seriously hampered the state's ability to exercise national authority (Leal 1984, LeGrand 1986), and has stifled the formation of widespread class consciousness. Because popular sectors are divided by geographic impediments, no organized redistributive movement has developed beyond the confines of local struggle (Revéiz and Pérez 1986). For more on regionalism, consult Fals (1996), Silva (1994), Calle and Morales (1994), Hederich, et. al. (1995), and Jiménez and Sideri (1985).

16 Clientelistic relationships have long held sway in Colombia, traditionally revolving around the party system through instrumental and affective ties (Schmidt 1980), but are being replaced by broker clientele networks. This arrangement, according to Archer (1990), explains the continued stability of Colombian politics alongside the widespread and multifacted violence. The erosion of traditional channels has dampened the already meager representational capacities of the parties. For further information on clientelism in Colombia, see Sudarsky (1988) and Leal (1989).
By the 1930's, the National Federation of Coffee Growers (FEDECAFE) had become the spokesperson for 17 large producers and exporters. Historically the strongest agricultural gremio alongside the SAC (the Colombian Agricultural Society), the Federación assumed many legal state functions within the coffee sector (Thorpe 1991). The resulting "backward, forward, and horizontal" linkages, however, made coffee the Colombian surrogate for heavy industry (Bergquist 1986:305-10).

Dependence on coffee forced policymakers to be wise. Fearing disruptive fluctuations, they exercised fiscal restraint and valued incremental reforms rather than radical excursions, as their neighbors were prone to attempt. In 1967, Colombia enacted Decree Law 444, thus moving from its timid import substitution industrialization (ISI), toward a more diversified, non-traditional export promotion. A crawling peg exchange rate, in particular, favored exporters and forecast the beginning of Colombia's swelling outward orientation and liberalized trade and payments regime. Thus, the neoliberal foundations were laid well before the rest of Latin America, only to be culminated in the 1990's.

Continuity, gradualism, and moderation were favored within the primary trade and financial institutions, something of a Colombian eccentricity given regional populist (ISI) trends. Colombian economic expertise often overshadowed "political" factors. That is, presidential candidates have often been technocrats or intellectuals, and are well-versed in economics. Furthermore, an industrialist or technocrat is normally named Minister of Finance and assigned to head the National Planning Department (Urrutia 1991a). The most important economic decisions are made by detached economists rather than election-embedded politicians, reliant upon the support of fickle voters.

Despite its persistent centrality to the Colombian economy, agriculture, as a whole, has declined in status since the 1950's industrialization drive. Peasant farming, in particular, has been disparaged throughout Latin America since World War II, as the agricultural sector was increasingly seen in dualistic terms; traditional or modern. Hence, the latter option was pursued in most countries, taking the form of large-scale, capital-intensive commercial production (de Janvry 1981, Grindle

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18 In 1964, 71.9% of all export earnings came from coffee. By 1991, coffee garnered only 18.5% of export income. The value of nontraditionsals (exports other than coffee, coal, and petroleum) skyrocketed, from $66 million in 1963 to $3,665 million in 1991 (Juárez 1993:82). These products include sugar, bananas, and flowers.

19 However, there has been no strictly perceived tradeoff between agriculture and industry. In fact, for some time, the "export-propelled growth" generated by coffee was to buttress industrialization (Hartlyn 1984b), and commercial agricultural development occasionally surpassed industrial growth (Kalmanovitz 1991). Between 1950 and 1980, there was an "equilibrium" of industrial and coffee interests (López 1994). Today, commercial agriculture is granted lip service, at least, as an important component of development strategies.
Of course, peasant (noncommercial) farming still exists, sometimes with surprising vigor. Family production, in fact, may be the primary cause of Colombian agriculture's dynamism during the 1980's (de Pombo 1992). Technical differences between assorted agricultural activities allow for a variety of production techniques, often favoring those of the small-scale farmer (Reinhardt 1988).

During the 1960's, four socioeconomic structures dominated the Colombian countryside: peasant economy, colonization, traditional latifundios, and agrarian capitalism. The latter took root in the valleys and plains with wage labor, while the poorer households found themselves landless. In precarious circumstances, they often turned to frontier colonization and the farming of other marginal areas, which lacked any basic services (Zamosc 1986, 1989). Between 1954 and 1971, the average small farm declined from 1.8 to 1.3 hectares, and the land bifurcation ratio jumped from 232.9 to 321.6 (Muller et al. 1989). From 1960 to 1989, the percentage of 500+ hectare landholdings increased from 29% to 35.3% (Salgado 1994). Because rural inequality has escalated, largely due to expanding capitalist agriculture, migration is a convenient option for the less fortunate. As a partial consequence, the Colombian urban population surged from 38.7% to 68% between 1951 and 1985 (Urrutia 1991b).

Gremios: the Economic Interest Groups in Colombia

For decades, economic interests in Colombia have sought to influence governments through gremios, or producer associations. Gremios are a crucial means of interest representation, and they fulfill important public functions; they conduct research, advise governments, and play a strong participatory role in public policy. They have multiple channels to policymaking circles and enjoy a wide variety of formal and informal influences, such as prestige in the media and privileged access to key decision makers (Hartlyn 1985, Sánchez and Rothlisberger 1989, Sáenz 1992). State control of gremios, through licensing, subsidies, leadership selection, and regulation of internal policy, is marginal (Bailey 1977). Bejarano (1986) has emphasized the capacity of agricultural gremios to sway public policy; historically, their most pressing needs were addressed by policymakers, and the largest producers maintained a collusive arrangement with the state. Prominent historical junctures, such as landowner and cattle rancher resistance to agrarian reforms of the 1960's, were marked by persuasive gremio activity (Hartlyn 1985).

In fact, gremios are "the only real means of [economic interest] representation" in Colombia. This, however, should not imply that gremios exhaustively represent all producers;

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22 Interview with Eduardo Lora, Director of Fedesarrollo, June 1994, Bogotá. In fact, gremios may be
rather, they are the most practical vehicles because of their elite-skewed character, which better resonates with policymakers. Because gremios represent only a portion of their respective sectors, they, like interest groups everywhere, inflate their supposed constituency and scope of authority to further legitimize themselves in policymaking.

No single gremio, however, views itself as the emissary of the entire private sector. In a forum of gremio representatives held at the University of los Andes in 1989, leaders were unanimous in the belief that they represented their respective sectors, and only those sectors. They claimed that their influence in governmental decisions was only felt in “very specific projects,” closely related to the sector they represented (Vásquez 1989:23). However, they also acknowledged the fact that important gremios, such as the SAC (the Colombian Agricultural Society), were leaders of public opinion, and occasionally have influence over issues of import to the economy as a whole. Furthermore, they expressed the desire for more cooperation among gremios, and the need to unify their positions for the long term well-being of the economy (Vásquez 1989). Although doubts were expressed at the time, such a wish did come to fruition in July of 1991, in the form of the consejo gremial nacional, an alliance of high profile gremios, intent on consolidating the international vision of the private sector.

Yet, Cepeda (1994), following Urrutia (1983), refers to gremios as “paper tigers,” incapable of effectively lobbying policymakers to pass legislation on their behalf. During the apertura, in particular, Cepeda claims that gremios were marginalized, shut out of the policymaking process. Although the oldest gremio in the country, the SAC, remains one of the most important, agricultural interests were disregarded by the government. According to Urrutia, the SAC has never had “important economic resources” and has failed to form lasting contacts with regional agricultural groups (p.34). Despite the numerous advantages the SAC enjoys in public policy forums, it has traditionally failed to exploit them fully, and hence, its influence is “limited” (p.45).

Since the apertura, the SAC has recognized the changing nature of gremio-government relations, and has put forth guidelines of action. Rather than espouse confrontational stances before

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the only viable means of citizen involvement in Colombia, suggesting that direct citizen participation is irrelevant, to the extent that it does exist. For an analysis of the recent dilemmas of citizen participation, see Gutiérrez (1996). On radical peasant participation since the apertura, see Perea (1996).

23 Unlike Venezuela’s FEDECAMARAS (see Salgado 1987 and Becker 1991), Colombia has no umbrella organization representing private economic interests. The recently-formed consejo gremial nacional is the closest equivalent.


25 Although some of Urrutia’s (1983) assertions have been challenged by other scholars and the nature of gremio activity has changed since its publication, his book remains the single most thorough work on Colombian interest groups. Colombian agricultural gremios have not received a great deal of attention from academics. The few writings which do exist are often by the leaders of the gremios themselves, and rarely by outside observers. For scholarly studies, see Bejarano (1985), Bagley (1979), Martínez (1994), and Cepeda (1994:131-35).
government initiatives, they have publicly supported more cooperation between government and the private sector ("concertación"). This implies a bilateral relationship of "mutual respect," in which gremios recognize the government’s desire to open the economy, but also request that the government take seriously the private sector’s informational resources (SAC 1994:5-6). According to many in the private sector and the government alike, gremios are the best source of intelligence about their respective sectors, and should be an important supplement to the government’s very limited information. Jaramillo (1994:163-64) suggests that agricultural gremios, in the face of internationalization, should drop the political strategies of old and embrace more technical participation in decision making. Rather than act defensively, the sector as a whole should find common strategies, such as the financing of technological improvements, better commercialization, and a unified macroeconomic vision. Individual agricultural gremios (members of the SAC) have joined the chorus.

Gremios bear some resemblance to Political Action Committees (PAC’s) in the United States, in terms of the upper-class bias of business interests and their disproportionate influence over policy (Hall and Wayman 1990). As far as agricultural interest groups, the SAC most resembles The American Farm Bureau Federation (AFBF), in terms of its size, wealthy membership, and influence over policy. Like the AFBF (but less so), its policy concerns sometimes go beyond the strictly agricultural, to include matters of macroeconomic policy and security issues (rural violence). It also counts some non-farmers as members, as does the AFBF. Despite its wide-ranging membership, there is little indication of internal division within the SAC.

Despite the SAC’s similarities to some U.S. interest groups, one major difference is its degree of contact with the legislature. While U.S. interest groups devote nearly all of their lobbying attention to the legislature, Colombian interest groups, at least those of the greatest stature, concentrate on the Ministries and the presidential economic team. Because the Congress has traditionally been ineffectual in fashioning public policy, there has been little incentive for the interest groups to form and maintain contacts with legislators. Instead, they have relied on the rotation of

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26 For a discussion of agricultural interest groups in the U.S., see Wilson (1981), Hansen (1991), and Browne (1988). For a treatment of Argentina’s SRA, a group similar to the SAC, see Manzetti (1992).

27 Both the SAC and U.S. agricultural interest groups, however, lack the politically “neutral,” technocratic expertise of their European counterparts (Wilson, 1981). Although all are generally protectionist, the Europeans are better equipped to sell their message to a sophisticated economic decision-making team.

28 Lobbying contacts, in particular, seem to be the most persuasive tool of interest groups with economic concerns in the U.S. (Wright 1990). Furthermore, policymakers may favor business over labor for structural reasons, such as the need to maintain economic prosperity, irrespective of the resources available to interest groups (Ambrosius and Welch 1988, Lindblom 1977).

29 This points out the disjuncture between interest group literature in the U.S. and Latin America. The U.S. literature often stresses the electoral uncertainty of legislators and the need to respond to their “constituency,” interest groups included. Colombian legislators however, facing different electoral (and non-electoral) pressures, have less incentive to take into account the appeals of, or information provided by, interest groups. (continued...)
important figures in government and the maintenance of personal allegiances. This highlights the gremios’ basic weakness: with no legislative clout, their most viable alternatives are deals with top policymakers, who face a restricted agenda of options and cannot easily fight on behalf of particular interests. Hence, it is essential that economic interests have allies in key Ministerial positions, particularly within the presidential economic team.

**Economic Apertura: A New Style of Policymaking**

Despite Colombia’s history of “conversations among gentlemen” (Wilde 1982), the country’s neoliberal trajectory since 1990 has disrupted the intimate relationship between private economic interests and the state. Like restructuring experiments elsewhere in Latin America, the mechanisms of interest representation have become unsettled. Presidents and their technocratic advisors, following orthodox blueprints propagated by IFIs, are increasingly insulated from domestic political pressures (Juárez 1993, Centeno 1993). Colombia’s César Gaviria (1990-1994) relied heavily on his team of technocrats, inculcated in orthodox economic theory and trained in foreign universities.

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Consequently, interest groups have less clout than their U.S. counterparts. Colombian politicians are not as concerned with their constituents’ desires as are politicians in the U.S.

Kline (1974) found that economic groups are “moderately active” in Congress and visit members of the Conservative and Liberal parties equally. Although strong economic groups would normally be expected to lobby the Conservative party more, according to Kline, the patronial, cooptational logic of Colombian politics prevents such ideological preferences from affecting lobbying contacts. Although legislative contact is meager for gremios in general, Kalmanovitz (1989) argues that landowners are over-represented in Congress and clientelistic practices are particularly important.

30 Other characterizations include: "ad hoc or spontaneous corporatism" (Kalmanovitz 1985), "elitist pluralism" (Bailey 1977), "inclusionary authoritarian[ism]" (Bagley 1984), “exclusionary democracy” (Pécaut 1989), or a "consociational" arrangement (Hartlyn 1988).

31 IFIs have had a less dramatic role in Colombia than elsewhere in Latin America. Although the IMF and World Bank have exerted more influence than the negligible ECLA, the power of those institutions has been “far from overwhelming” (Salgado 1991). Because free-market technocrats are an indigenous tradition, the external leverage necessary for austerity and structural adjustment has been less pronounced than in other countries. According to the Minister of Finance at the time, there was no external imposition during the intellectual formation of the apertura and, in fact, the opening occurred in spite of the World Bank (italics mine) (Cepeda 1994: 147-64). Colombia has, on occasion, snubbed the excessive demands of the International Monetary Fund (IMF), preferring a more moderate, sovereign economic direction (Londoño and Perry 1985).

32 Rudolf Hommes, Minister of Finance in the Gaviria regime, was a particularly strong figure, and militant apertura advocate. The Minister of Foreign Trade, Juan Manuel Santos, was also a central player in policymaking, particularly during the G-3 and Andean Pact negotiations. Armando Montenegro, head of the National Planning Department, was known as a stubborn defender of the neoliberal program. José Antonio Ocampo, Gaviria’s third Minister of Agriculture, finally engendered the Ministry with the prestige and influence it lacked under the previous leadership. Collectively, they were an integral coterie of apertura supporters, often (continued...)
Technocratic legitimacy is based on the appeal to "apolitical," scientific knowledge, and participation in decision making is limited to those fluent in these expert languages. Hence, technocrats are able to dominate institutions, particularly those in the most important economic policy areas (Centeno 1993). In Colombia, liberalization initiatives originated in the Ministry of Finance and the National Planning Department, although economists from all corners recognized the need to pursue apertura, or economic opening, by the late 1980's (Urrutia 1994). Having established consensus, the question was not whether to reform, but rather when to reform and how quickly.

Explaining Latin America's enthusiasm for structural adjustment often relies on the dire position in which most countries found themselves, emerging from the "lost decade" of the 1980's. However, Colombia faced no such impetus, having evaded the most deleterious effects of the debt crisis. On the other hand, it did suffer from drug-related terrorism, was wracked by guerrilla insurgency and apprehensive negotiations, and was busy organizing the National Constituent Assembly, entrusted to write the first constitution since 1886. Hence, the potential opposition to neoliberal reforms (such as agriculture, labor, and some business sectors) had its attention diverted to other issues. Gaviria, in fact, used the constitutional reform as a distractive maneuver to deepen the liberalization process.

The process was further enhanced by electoral reforms accompanying the new constitution. Although legislators are rarely involved in drafting Colombian economic policy, they are capable of impeding its consummation (Cepeda 1996, Archer and Chernick 1989). Shugart and Nielson (1994) argue, that by reducing legislators' reliance on the distribution of particularistic patronage to their narrow regional constituencies, the electoral changes quelled their potential resistance to economic reforms. The new legislative structure supposedly encourages its inhabitants to accept the new divisions of a shrinking pie.

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in disagreement, but ultimately fused by their loyalty to Gaviria. See Urrutia (1994: 304) and Cepeda (1994).

33 Fedesarrollo is the most reputable economic think tank in Colombia, and one of the best in Latin America. Its personnel frequently assume government positions and are often involved in public decisions. For an assessment of its importance in policy making, see Gómez (1995). For a series of interviews with 14 important Colombian economists, many with ties to Fedesarrollo, see Giraldo (1993).

34 As Gourevitch (1986) argues, "the moments of greatest freedom are crisis points." It is during periods of economic stability in which policy choices are most constrained, less likely to deviate from the status quo.

35 The reasons for Colombia's relative "prosperity" during the debt crisis are numerous, but one factor is more shadowy than others: narcotraffic. Although reasonable estimates of its financial impact are confounded by the obscurity of the business, most speculation lies between $2 and $5 billion per year. If anything, these figures underestimate the profits being harvested, suggesting that drug capitalists have more capacity to invest than the entire legal private sector in Colombia (Thoumi 1992). Most often, these investments have gravitated toward banking, real estate, industry, and communications. In the rural sector, drug money financed land acquisitions in the middle Magdalena Valley, the eastern plains, and parts of Antioquia and Córdoba, often to the benefit of the cattle and dairy industries, bananas, and palm oil production.

36 Discussion with Fernando Cepeda Ulloa, longtime academic, diplomat, and former Minister of Government, June 1994, Bogotá.
In theory (and theory only), neoliberal technocracy excludes all "special interests" from economic decision making (Centeno 1993, Malloy 1989). In the Colombian example, I suggest that neoliberal policymaking is selectively exclusionary: within the circumscribed atmosphere, some actors have privileged access to the state. Policymakers perceive that these groups' interests fit into neoliberal macroeconomic schemes, and are a potential base of political support.37

For policymakers to earn support, their policies must be sold to a broad range, or at least, an influential core, of economic interests. In Colombia, exporters had become the most influential pressure group by the late 1980's, and their affinity for trade liberalization coincided with that of Gaviria's economic team (Urrutia 1994). They shared not only material interests, but also the language and ideas of apertura. In other words, knowing the discourse of international trade made exporters more able to play the policymaking game. Exporting gremios are better equipped to handle independent research, have more resources at their disposal, and thus, have the knowledge and information required for entry into policymaking circles. Personal and informal ties also empower certain lobby cohorts and networks. Consequently, friendships, common educational histories, party affiliation, social background, and regional identification may benefit exporters in policymaking.

The SAC had been supportive of the apertura since the late 1980's, partially because exporters were a powerful voice within the organization. At the same time, the SAC was aware that the apertura would go ahead, with or without their support, and they were forced to adapt. Hence, at the outset, they voiced their interests in a sometimes conciliatory tone, mostly preoccupied with reducing the most nefarious effects of the apertura. When their scaled-back demands were still not addressed, their criticisms became more forceful and urgent: they had little to lose by offending the government, and much to gain. By 1993, the adverse conditions in the agricultural sector were clear to everyone, including Gaviria. Consequently, when Congress took an interest in major agrarian legislation, the President supported the measures, not only because it was politically wise, but because the legislation was crafted in conformity with the demands of economic liberalization.38

**The Agrarian Law (Law 101 of 1993)**

The Agrarian Law formally develops Articles 64-66 of the 1991 Constitution, which intend to protect agricultural activities and improve the income and quality of life of rural producers. The Agrarian Law is the centerpiece of agrarian legislation since the apertura. Although other problems persist, such as rural violence and land inequality, the Agrarian Law marked, and still marks, the most visible attempt of the government and gremios to address the problems accompanying the liberalization. It is, in essence, a means of preparing rural producers for the demands of internationalization, and to encourage rural competitiveness. Its most important elements include; improved commercialization through a renewed role for IDEMA (the Institute of Agricultural

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37 The recent literature on social coalitions in neoliberal policymaking is vast. For a comparative treatment of Andean countries, see Conaghan and Malloy 1994.

38 Bagley argues that the agrarian legislation of the 1960's and 1970's “sprung from a presidential conviction that some form of state action was necessary to stimulate economic growth and preserve legitimacy and stability.” It had the further effect of “regaining the confidence and political support of the major agricultural sector interest groups” (1979:420).

Its impetus lay in the frustration of agricultural producers, particularly Fenalce, the gremio which represents cereals. Having been exceptionally hard hit by the apertura, they used their high profile case to motivate the SAC to mount a nationwide campaign to collect signatures of those in favor of reform. One million were collected, and ceremoniously delivered to the Congress. The legislation originated and quickly passed in the Senate. In the House, however, the process was more complicated.⁴⁰ Wary of the speed at which the legislation was being crafted, the Ministry of Agriculture worked with representatives to shape a bill more likely to be accepted by President Gaviria, while guaranteeing that many of the SAC’s concerns were addressed.⁴¹ In its original formulation, the bill exhibited an anti-government slant, and was preoccupied with short-term remedies (Jaramillo 1994:147). Due to the influence of the Ministry, the final bill contained far more provisions than it would have otherwise. Ultimately, it was signed into law on December 23, 1993.

The SAC is a “gremio cúpula,” which aims to represent agricultural concerns, as a whole, before the government. However, as in any large organization, multiple, competing interests occasionally threaten to jeopardize such unity. In the case of the Agrarian Law, precisely the opposite can be affirmed. According to a variety of sources, the “crisis” confronted by the entire agricultural sector united disparate agricultural interests, not traditionally in agreement with each other. For example, the SAC formed an alliance with ANUC (the National Peasant Association) not only in the Agrarian Law, but also in the more politically adventurous Agrarian Reform of 1994 (Law 160 of 1994).⁴² This alliance is surprising, given the long-standing antagonisms between ANUC and the SAC.⁴³

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³⁹ Additional elements include: the provision of public funds (fondos parafiscales) for gremios; the creation of agricultural insurance; and improved sanitation (to promote exports).

⁴⁰ In the Senate, it took the form of Proyecto de Ley Nos. 280 and 287 of 1993, ultimately proposed to the 5th Commission by José Raimundo Sojo Zambrano. In the House, it was known as Proyecto de Ley No.334 of 1993, introduced to the 5th Commission by Germán Huertas Cambariza.

⁴¹ Interview with Santiago Perry, former Vice-Minister of Agriculture, Bogotá, December 1996.

⁴² The most important element of the Agrarian Reform is land reform. Politically costly and normally opposed by the elites, land reform has never taken root in Colombia. In fact, the SAC was one of the major players preventing land reform in the 1960’s. The most recent land reform is encountering resistance in the Eastern plains, where cattle-raising is an important activity, and large landowners have considerable power. FEDEGAN, the gremio which represents cattle growers, is one of the most important actors within the SAC. Although the new law is ambitious, the degree to which it will be implemented is questionable. Given Colombia’s historical unwillingness to pursue meaningful land reform, there is little reason to suspect that the most recent effort will be much different from past (failed) efforts.

⁴³ The reason for such a division is clear. ANUC represents the Colombian peasantry, while the SAC has traditionally acted in favor of large-scale, commercial producers. Since the radicalization of ANUC during
The gremios representing more commercially-oriented agroindustrial interests were also unified in their support of the SAC in its bid to promote legislation on behalf of agriculture in general, and the Agrarian Law in particular. Gremios from these subsectors, by and large, relegated responsibility to the SAC in representing their interests before Congress and the Ministry of Agriculture. Rather than pursue their own particular projects, they believed it was more effective to make their concerns known to the SAC, and allow the SAC to make decisions in favor of the sector as a whole.\textsuperscript{44} Commercial agricultural interests have normally been competitive in Colombia, fighting over patronage provided by legislators. However, with the massive problems brought on by the apertura, and perhaps a reduced amount of spoils available, the rivaling interests unified.

Despite the SAC’s frequent public criticism of the apertura, newspaper editorials which sided with them, and widespread sympathy amongst the population, almost no legislation addressed rural issues until José Antonio Ocampo’s tenure in the Ministry of Agriculture. Ocampo (current Minister of Finance), was a key figure in the sector’s reinvigoration. Most gremio representatives, including the most critical, counted him as an ally of the rural sector.\textsuperscript{45} Previous Ministers received no such accolades: in fact, most were scoured as puppets of the inner core of Gaviria’s economic team. A self-pronounced “neosocial” economist, Ocampo’s tenure was regarded as one of the most successful of any Minister outside of the core positions since the apertura. Unlike the Ministry of Finance, Foreign Trade, and the National Planning Agency, the Ministry of Agriculture is rarely a technical appointment, but rather a political position assigned in order to balance the cabinet based on regional and party loyalties. Ocampo, however, had academic credentials similar to those in the key economic positions, and hence enjoyed a degree of prestige and legitimacy previous Ministers did not. Furthermore, his reluctance to fully embrace the neoliberal package won him many friends within the agricultural sector. It was this balancing act which enabled the Ministry to coordinate the demands of the SAC and the government’s commitment to economic liberalization.

\textsuperscript{43}(...continued)
the 1970's, the SAC has been wary of peasant movements. However, since the apertura, their discourse has become increasingly similar: both claim to be victimized by the internationalization of the economy, and they have found common ground in the defense of agricultural interests as a whole. Although they maintain differences, there is a newfound element of respect in their dialogues. Interview with Rito Gómez, president of ANUC, Bogota, November 1996.

\textsuperscript{44} Interviews with leaders of three different agricultural gremios, September and October 1996, Bogotá.

\textsuperscript{45} The Vice-Minister of the time, Santiago Perry, is also known as a longtime champion of rural causes. By all accounts, Perry and Ocampo shared a similar vision and worked closely together during their 18 months in the Ministry.
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