

PRODUCER ASSOCIATIONS,  
THE POLITICAL REGIME,  
AND POLICY PROCESSES IN  
CONTEMPORARY COLOMBIA\*

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Unlike many developing countries, Colombia has managed since 1958 to avoid both military rule and chronic political instability while being governed by a civilian political regime, a consociational regime. The purpose of this article is to help explain the Colombian political regime's relative longevity by focusing on the behavior of producer groups in Colombia and the associations that represent them.<sup>1</sup> The article asks how important the support of these groups has been to the political regime established in 1958. It also seeks to identify the major patterns of interaction between the groups and different governments and to determine what implications these patterns have had for continued regime support. The article will find significant support for the regime by producer groups, support that is linked to considerable, but not unlimited, capacity for influence. Such regime support has been conditional, rather than consolidated, and derives from favorable access to the state, the regime's overall policy orientation, and its ability to maintain order.

The patterns of relations between the producer groups and the regime have been shaped by the particular consociational nature of the regime, whose core aspect—coalition rule—often has resulted in fragmenting power across party factions and augmenting channels of access for producer groups. This trend in turn has reflected and reinforced the tendency for the Colombian state as articulated by this political regime (in apparent contrast to other Latin American cases) to

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have limited autonomy. During this period, however, growth in overall state capacity has occurred as a result of structural pressures from economic growth, the influence of international agencies, and characteristics of particular governments.<sup>2</sup>

The consociational political regime created in 1958 was formed by a civilian coalition spearheaded by the country's two major political parties, the Liberal and Conservative parties. This coalition formed to wrest power from the military government of General Gustavo Rojas Pinilla (1953–57), while attempting to prevent a relapse into the partisan-motivated strife—*la violencia*—that had precipitated the military intervention in 1953.<sup>3</sup> The two parties committed themselves through a series of pacts, which were eventually approved in a national plebiscite, to govern Colombia jointly (and exclusively) as the Frente Nacional. The agreement that finally emerged sharply curtailed the mechanisms of majoritarian representative democracy in the country. It stipulated that from 1958 to 1974, the presidency would alternate between members of the two parties and that executive, legislative, and judicial posts were to be divided equally between the two parties. In addition, most measures would require a two-thirds congressional vote for approval.<sup>4</sup> The consociational nature of the political regime thus established is evident from the unique strength and nature of the two major political parties in Colombia, the characteristics of the agreement negotiated by party leaders forming the Frente Nacional, and the inconceivability of a return to civilian rule in 1958 without these extensive mutual guarantees.<sup>5</sup>

Unlike the Western European and other cases analyzed in the consociational literature, the two parties in Colombia have not divided the country along ethnic, religious, linguistic, or class lines (although religiosity has been a contentious issue between the parties). Increasingly in this century, the central dispute between the parties has centered on control of the state. The state's resources could be used for patronage, and its economic, legal, and coercive powers could benefit the major industrial, commercial, and landowning interests represented in both parties, or on occasion, elements of their mass following.<sup>6</sup> Although a return to civilian rule in 1958 was impossible without extensive interparty guarantees, over time the privileged role established for the two political parties and the consociational mechanisms have come closer to representing elite-maintained devices for assuring both parties a share of power while mitigating potential class or other kinds of conflict, rather than serving as the means of preventing a relapse into the partisan-motivated strife of the 1940s and 1950s.

Business organizations have often emerged in counterreaction to the state, and strong states may spawn strong business organizations,

as occurred in the case of Venezuela and Fedecámaras.<sup>7</sup> In Colombia both the state and the producer associations have been relatively weak; however, it is important to note that popular sector associations (which will not be analyzed in this article) have been even weaker. The state has been incapable of creating loyal popular sector organizations, nor have strong autonomous groups been able to sustain themselves effectively. Some of these groups have succeeded in influencing policy or in attaining limited goals through various means, including political ties to politicians seeking votes or to government bureaucrats, mass occupations, civic and labor strikes, demonstrations, and appeals to the press. But declarations of state of siege and other restrictions imposed on the freedom of popular sector groups, as well as manipulation, harassment, and occasional repression of some organizations, have limited the scope and effectiveness of the actions of popular sector groups, in contrast to producer groups. At the same time, no government has been willing to appear openly beholden to business interests because of the need to retain some degree of popular credibility as well as some autonomy.<sup>8</sup> Consequently, business efforts to influence government policy have sometimes assumed a confrontational style and have been played out in the media, often with the help of opposition politicians. The end results usually have indicated that producer groups can bend the democratic (as well as the nondemocratic) aspects of the political regime to their advantage, if not always to their exact will.

In the following pages, the major producer associations will be described and their crucial contributory role in creating the consociational alternative to Rojas in the late 1950s will be analyzed. It will be shown that the associations subsequently provided crucial independent support to the regime in moments of crisis, thus contributing to its relative longevity.<sup>9</sup> A number of case studies will be explored in the third section to demonstrate that producer groups generally have succeeded within the context of this regime in influencing the state in ways favorable to their interests.<sup>10</sup> A concluding section will review the major elements of the pattern of relations between the state and producer groups and will reflect on their relationship to consociational rule and their importance for continued regime viability.

#### PRODUCER ASSOCIATIONS AND THE CREATION OF THE FRENTE NACIONAL

Most producer associations in Colombia have been formed since the 1940s, with only the agricultural, coffee, and banking associations having been founded earlier (see table 1). No single peak or umbrella association has represented the private sector as a whole in Colombia. The closest approximation is the Asociación Nacional de Industriales

TABLE 1 Principal Producer Associations in Colombia

<i>Interest Group</i>	<i>Sector</i>	<i>Year Founded</i>
Sociedad de Agricultores de Colombia (SAC)	Agriculture	1871
Asociación Bancaria de Colombia (ASOBANCARIA)	Banking	1936
Federación Nacional de Cafeteros de Colombia (FEDERACAFE)	Coffee	1927
Asociación Nacional de Industriales (ANDI)	Industry ("modern sector")	1944
Federación Nacional de Comerciantes (FENALCO)	Commerce	1945
Cámara Colombiana de la Construcción (CAMACOL)	Construction	1957
Confederación Colombiana de Cámaras de Comercio (CONFECAMARAS)	Chambers of Commerce	1969
Asociación Nacional de Instituciones Financieras (ANIF)	Banking and Finance	1974
Unión de Aseguradores Colombianos (FASECOLDA)	Insurance	1976

Source: Cámara de Comercio de Bogotá, *Guía de organismos económicos colombianos y sus siglas*, 3rd ed. (Bogotá: 1978).

(ANDI), which includes not only all major industrial firms but also important firms in agro-industry, finance, insurance, and commercial distribution.<sup>11</sup>

The financial sector in Colombia, represented primarily by the Asociación Bancaria de Colombia (ASOBANCARIA) and the Unión de Aseguradores Colombianos (FASECOLDA), has been the fastest growing sector in the country since the early 1970s. In recent years, major financial conglomerates have consolidated themselves as significant (although usually "invisible") sources of influence.<sup>12</sup> In 1974, due to personality and policy clashes, a major financial conglomerate (the Banco de Colombia and associated firms) and other companies left ASOBANCARIA to form their own association, known as the Asociación Nacional de Instituciones Financieras (ANIF). In the agricultural sector, the Sociedad de Agricultores de Colombia (SAC) and the Federación Colombiana de Ganaderos (FEDEGAN) have served as convenient

mouthpieces for large landowner and livestock interests, but the two associations have been financially weak and technically deficient, with little or no professional staff.<sup>13</sup> In contrast, the powerful Federación Nacional de Cafeteros de Colombia (FEDERACAFE), and even associations for specific crops, such as the Asociación de Cultivadores de Caña de Azúcar (ASOCAÑA) for sugar, have been extremely well organized and professional. With economic growth, the importance of a broad array of new interest associations (see Appendix A) and of a wide variety of state agencies, institutes, and companies has increased.<sup>14</sup>

The major business associations at first greeted General Rojas's coup in 1953 with strong approval. But Rojas eventually lost the support of major economic interests because of his statist and populist policies, even as economic transformations during his period in office strengthened business organization and coherence. Coffee growers and merchants were unhappy with new government taxes on coffee exports; industrialists protested the imposition of a new tax on dividends; and some industrialists and merchants were displeased with the government's move toward import liberalization, which brought in goods competitive with their own. Yet between 1953 and 1955, the country experienced the most dramatic increase in production and industrial employment in its history, developments that strengthened organizations such as ANDI. At the same time, this growth created an industrial core that was more vulnerable to the foreign exchange scarcities of 1956 and 1957 and therefore more likely to oppose populist policies perceived as inimical to continued external credit and foreign investment.<sup>15</sup>

Thus as economic difficulties mounted, complaints about populism, statism, economic mismanagement, and corruption became wedded to concerns about press censorship, arbitrary rule, and fears of renewed violence reconstituting itself into radical guerrilla warfare, degenerating into banditry, or assuming other characteristics. These concerns forged a powerful coalition of forces opposed to Rojas's apparent desire for *continuismo*.<sup>16</sup> By 1956 the major associations such as ANDI, the Federación Nacional de Comerciantes (FENALCO), and ASOBANCARIA were cooperating extensively with the political parties in seeking to overthrow Rojas. The organizations felt constrained by tax increases, growing military expenditures, and inflation in the context of fiscal deficits, but they were most immediately concerned about serious foreign exchange shortages that threatened industrial production and commercial sales. Leading Antioquian businessmen publically supported the bipartisan movement opposing Rojas. At the urging of party leaders, a lockout and a civic strike were planned. In early May 1957, following massive student demonstrations, businessmen led a nationwide civic strike that helped precipitate Rojas's fall on 10 May, paving

the way for the return to civilian rule. During the period of the interim military junta (1957–58), merchants and industrialists accepted the government's stabilization plan and devaluations, even though their immediate prospects were hurt, because they believed that external credit and foreign investment were essential to the country's economic health.<sup>17</sup>

The support of producer groups for the creation of the Frente Nacional is evident from other actions. As party divisions threatened to postpone the vote on the plebiscite establishing the Frente Nacional, major commercial and industrial firms placed large advertisements in the newspapers urging support for the plebiscite. Subsequently, when party divisions over presidential candidates again threatened to wreck the Frente Nacional accord, Antioquian businessmen were at the forefront of the movement to convince the leading Liberal who shaped the accord, Alberto Lleras Camargo, to accept the nomination.<sup>18</sup> In sum, there is no question as to the private sector's strong commitment to the establishment of the Frente Nacional regime agreed upon by the Liberal and Conservative parties. Evidently, memories of the country's most recent experience of military government, the only one in this century, have been overwhelmingly negative among the private sector. These memories have served, with diminishing intensity through time and contingent upon overall regime performance, to hold back support for another military intervention.

#### REGIME SUPPORT IN MOMENTS OF CRISIS

Initial support by producer groups for a particular political regime often diminishes as policy differences, economic difficulties, social mobilization, changes in government leadership, or other questions of government effectiveness arise.<sup>19</sup> In Colombia business associations often have experienced intense policy disagreements with various governments since 1958. In moments of actual or perceived crisis, however, business associations characteristically have set these differences aside in order to provide support for the political regime. Three examples illustrate this process: during the 1965 general socioeconomic crisis, when military intervention appeared to be a serious possibility; following the tense 1970 elections, in which Rojas's electoral showing was stronger than expected; and as a result of a threatened general strike in 1981 by some of the leading labor confederations.

In early 1965, serious problems with the balance of payments, high inflation, declines in real wages, an upsurge in student protest, kidnappings, and guerrilla activities, as well as threats of a national labor strike and a military coup all loomed over the government of President Guillermo León Valencia (1962–66). In the face of a declining

economic situation, labor protest over the deteriorating situation intensified. What brought matters to a crisis was the government's decision to proceed with imposing a new sales tax on 1 January 1965. The country's two major labor confederations at the time, the Unión de Trabajadores de Colombia (UTC) and the Confederación de Trabajadores de Colombia (CTC), called a general strike for 25 January. During this same period, the controversial Minister of War, General Alberto Ruíz Novoa (who had earlier emphasized the importance of civic-military efforts to improve rural living standards as part of the antiguerrilla struggle), widened his criticisms of the Valencia presidency, and rumors of an impending coup increased.<sup>20</sup>

The country's major producer associations were instrumental in resolving this crisis. Several days before the date fixed for the general strike, a number of them formed the Comité de Mediación Nacional to serve as intermediaries between the government and the workers. The bitterly factionalized political parties had lost influence within the confederations, and they were relying on the associations to find a way out of the impasse or were passively watching events, having accepted the inevitability of a coup. Under an ANDI initiative, the Comité Privado de Cooperación was formed of representatives from FENALCO, ANDI, ASOBANCARIA, SAC, and the Asociación Colombiana Popular de Industriales (ACOPI, the association of small industrialists), and it met with the Unión de Trabajadores de Colombia and the Confederación de Trabajadores de Colombia.<sup>21</sup> Four days before the specified strike date, the CTC withdrew from participation in the strike, claiming the government had satisfied its major complaints. Then, only hours before the strike was to begin, the UTC also refrained as the government succumbed to many of its demands. A Gran Comisión was formed by members of the major factions of the two political parties, the producer associations, the unions, and government officials to consider a variety of economic, labor, and administrative reforms. A few days later, the president ousted Minister of War Ruíz Novoa, and rumors of a coup subsided.<sup>22</sup>

Subsequently, the 1970 election loomed as a major, although somewhat unexpected, challenge. Perceived high rates of electoral abstention, which had partially robbed President Valencia's government of legitimacy, also affected the presidency of Carlos Lleras Restrepo (1966–70). More disturbing for the leaders of the Frente Nacional, however, was the growing electoral strength of former General Rojas's Alianza Nacional Popular (ANAPO), a heterogeneous coalition that employed strong populist and nationalist rhetoric. In 1970, based on the terms of the agreement of the Frente Nacional, only Conservatives could run for the presidency. The Conservative party was badly split among three candidates: Misael Pastrana, who had served as President

Carlos Lleras's Minister of Government; Evaristo Sourdís, a traditional politician with a regional base on the Atlantic Coast, extensive links to landowning interests, and strong support from many Conservative party activists; and Belisario Betancur, from Antioquia. The Liberals endorsed Pastrana as the official candidate of the Frente Nacional, although neither Betancur nor Sourdís withdrew from the race. ANAPO was particularly well organized in 1970, and because of the structure of the Frente Nacional, Rojas benefitted from his ambiguous position as populist opposition figure as well as candidate within the Conservative party.<sup>23</sup>

Opinions on presidential candidates also divided the producer associations, in contrast to earlier periods. In 1966, for example, ANDI had endorsed Carlos Lleras for the presidency. But in 1970, although ANDI was unequivocal in opposing Rojas, the organization was too divided regionally to endorse publicly any of the other candidates. The president of ANDI personally supported Betancur rather than the official candidate of the Frente Nacional. Agricultural associations on the Atlantic Coast were active in Sourdís's campaign.<sup>24</sup> Pastrana's electoral victory over Rojas in April was so narrow and was achieved under such peculiar circumstances that many suspected that fraud had kept the victory from Rojas. President Lleras declared a national state of siege two days after the elections.<sup>25</sup> In the tense weeks following the elections, ANDI and the other associations pledged Lleras their full support. Subsequently, when Pastrana was inaugurated in August, ANDI purposely muted its criticisms for several months, doing all it could to bolster the position of the weak president.<sup>26</sup>

In the late 1970s and early 1980s, the political regime in power continued to be challenged by protests from organized labor. From the second half of the Frente Nacional until the present, an unmistakable trend has emerged in which the leadership in labor organization and militancy has passed to the more radical unions. Real wages declined in 1973 and stayed at low levels until 1978. National strike activity reached new peaks in 1975 and 1977.<sup>27</sup> Most significantly, during the presidency of Alfonso López Michelsen (1974–78), the traditional labor confederations took the unprecedented step of joining with the communist Confederación Sindical de Trabajadores de Colombia (CSTC), the Christian socialist Confederación General de Trabajadores (CGT), and the independent unions to carry out a general strike (the *paro cívico nacional*) in September 1977. This general strike paralyzed the country's major cities and led to dozens of casualties in confrontations between military police and demonstrators.<sup>28</sup>

Beginning in 1979, the country's economic growth rate declined dramatically, unemployment grew, and increases in real wages slowed during the subsequent government of Julio César Turbay Ayala (1978–



82). As a result, the CSTC and the CTC threatened to call for a new general strike in October 1981 unless the government responded positively to their demands. The country's economic straits, fears of renewed or intensified guerrilla activities against the state, and memories of the bloody confrontations of 1977 all made the government especially anxious to avoid the potential strike.<sup>29</sup>

At the same time, Turbay had been refusing to meet with representatives of the country's major producer associations since February 1981, when they had formed a loose coalition, the Frente Gremial, for the purpose of pressuring the government to change certain aspects of its economic policy. Industrialists had been particularly unhappy with government policy since the López presidency had begun to emphasize import liberalization and reduced protectionism for industry. Turbay's government additionally focused on physical infrastructure and tightly controlled the money supply, which led to high interest rates. These policies further dissatisfied various elements of the business sector as the country's economic growth rates slowed considerably and industry eventually slid into its worst recession since World War II. President Turbay was powerful enough to refuse to meet formally with the Frente Gremial; but when he sought to have the heads of several of the producer associations removed, their boards of directors refused to comply.<sup>30</sup> Furthermore, as will be discussed, Turbay continued to maintain relations with elements of the private sector on a firm-by-firm basis.

The call for a new general strike broke the government-business deadlock. The government and the private sector perceived a mutual interest in preventing such a strike. The president and the heads of the producer associations met both separately and jointly with labor leaders to seek means of preventing the strike. As in 1965, an agreement to create a tripartite forum with several study subcommissions was reached, and the CTC opted not to participate in the general strike. Although the CSTC and several independent federations proceeded with the strike, it was not nearly as successful as the joint action four years earlier.<sup>31</sup>

In these three cases, producer associations provided the specific governments with which they had policy differences, and thus the political regime, with key independent political support despite policy differences. Why have the associations supported the political regime in spite of these policy differences with various governments? One major explanation is that the associations perceive that they have no guarantee that any other likely political regime would provide greater policy access or general support for their interests than the current one. To develop this argument requires an examination of policy processes in contemporary Colombia.

POLICY PROCESSES

The current political regime has provided considerable channels of access and influence for the producer associations and the interests they represent. The leaders of the producer associations belong to the two parties that have formed coalition governments since 1958. Generally, the boards of directors of the major producer associations have been carefully designed for both regional and partisan balance.<sup>32</sup> Key cabinet officials have been recruited from the ranks of leading congressmen, from high positions in major firms, and sometimes directly from producer associations. Only recently have a few ministers or managers of state enterprises been promoted from within the state apparatus.<sup>33</sup> Opinion on policy issues in general or within associations has almost never polarized along party lines because factions within each party usually have been arrayed on both sides of most issues. This factionalization has meant that weaker presidents, who must respond to the different factions within each party, have fragmented state power, thus facilitating penetration of the state by divergent interests. Stronger presidents, on the other hand, have been able to form bipartisan cabinets with individuals who shared their general policy vision. Although the presidency is constitutionally a powerful office, whether its incumbents have actually shaped policies or served principally as "chief clerk" has been a function of their political support, orientation, and capabilities. Some presidential periods have been characterized by increased state autonomy and briefer moments of considerable autonomy.

Associations have interacted with and influenced the government in a variety of ways, some formalized and semi-institutionalized, and considerable variation has existed across sectors. The increasing complexity of the economy has generated more specific interests, which have collided over particular issues. As a result, policy has often been pushed and pulled in different, sometimes contradictory directions in response to these narrow interests.<sup>34</sup> The more formalized relationships appear to have favored the particular producer group as much as, if not more than, the state, generally reflecting the existence of a powerful, well-organized producer association.

One of the most formalized relationships is that between the state and FEDERACAFE, the coffee federation, which is responsible for the country's major export crop. The federation is difficult to characterize. Although legally a private organization, it has carried out many public functions.<sup>35</sup> The federation has been responsible for overseeing coffee purchasing and export since the 1930s. In 1940 the Fondo Nacional de Café was created by means of a tax on coffee exports, and the federation was charged with its administration. Since that time, the coffee fund has expanded its interests into the areas of finance, insur-

ance, construction, shipping, and other kinds of agriculture as it continues to receive income from a variety of coffee taxes, coffee exports, and sales of coffee for domestic consumption.<sup>36</sup> The federation has represented Colombia in international negotiations among producing and consuming countries, and it maintains tight control on information about the country's most significant export.

The coffee federation's ambiguous "public-private" status is reflected in the makeup of its board of directors. Since 1958 private directors have constituted a majority of the board. Furthermore, whereas government directors have changed with nearly each cabinet crisis, the private members have maintained an impressive continuity.<sup>37</sup> Few of the controversies between the government and the federation become public, and the federation rarely comments publicly on issues of general economic policy or on political issues and candidates. All major elements of coffee policy—domestic price support, marketing strategies, taxes, credits to coffee growers, and similar issues—have been determined either within the federation or within the executive branch by organizations in which the manager of the coffee federation is represented. Congress has played no significant role whatsoever, an arrangement that has insulated effectively this vital economic function from partisan and clientelist pressures and simultaneously afforded the coffee sector an unparalleled institutionalized voice within the state.

Other associations also have achieved representation on boards of government agencies and institutes that provide them with some possibility of policy control. In other cases, however, agencies and institutes have operated with considerable autonomy from both the central government and producer groups.<sup>38</sup> ANDI, for example, has been represented on more than a dozen government committees and boards of decentralized agencies at the national level, as well as on many more lower-level committees and industrial committees. Yet poor information, delays in setting up meetings, and other factors often have limited considerably the effectiveness of these boards.<sup>39</sup> Some governments also have attempted formal consultations with specific subsectors of the economy as a form of indicative planning, to establish production and investment levels in return for price, tax, or tariff concessions. These efforts have met with mixed success, either because the government decided that it could not abide by its promises on price levels (as in the case of price levels on items of popular consumption) or because associations could not compel their member firms to abide by elements of the agreements.<sup>40</sup>

The pattern of limited state autonomy has been a complex and evolving one, and business has not been all-powerful. On important policy issues, the state usually has set the agenda, and the president and occasionally his ministers have had enough room to introduce

policy initiatives. The associations nonetheless have been successful in blocking the implementation, if not always the formulation, of policies that they find objectionable. Their multiple channels of access have been employed to thwart reform and to limit state capacity, as well as to obtain valuable state assistance. When the associations have pursued their goals, they have been able to utilize the democratic elements of the political regime to their advantage.

*Thwarted Reformism, State Capacity, and State Assistance*

The cases of thwarted reform illustrate the existence of state autonomy, but also its limits. These cases also show how the interests of producer associations generally have been served over the long term, despite the fact that the political regime at times has promoted policies apparently inimical to the core interests of producer groups. Thus on some issues, such as agrarian reform or tax reform, an initial reformist thrust was met with counterreform only eventually. In these two examples, the affected associations' initial ability to react was limited by temporary increases in state autonomy: the government in power when the measures were enacted began with high levels of legitimacy, the policy changes had been discussed extensively in policy-making circles, and the changes also enjoyed considerable international support.

The Frente Nacional began with a certain commitment to social reform and to agrarian reform in particular. Some party leaders were convinced that the continued social unrest, especially in rural areas, had to be countered by distributionist measures. The first Frente Nacional president, Alberto Lleras (1958–62), was elected by an overwhelming margin and enjoyed considerable personal prestige due to his role in creating the Frente Nacional. He vigorously pushed the idea of agrarian reform, although the chief force behind the measures in congress was another prominent Liberal politician, Carlos Lleras. Furthermore, the United States, through its Alliance for Progress, promised financial support for the reform effort, and industrial and commercial groups generally accepted the need for reform. But despite the political credibility and skill of the reformers and the promise of international resources, passage of agrarian reform legislation was not achieved until 1961. Resistance within both parties and the steadfast opposition of both landowners (SAC) and cattle ranchers (FEDEGAN) was eventually offset by compromise language in the final legislation. But the agricultural associations continued to express their opposition to the reform directly during the implementation phase through their representatives on the government board established to carry out the law, the Instituto Colombiano de la Reforma Agraria (INCORA).

More than another decade was required to generate new legislation that would effectively prevent expropriation. Yet weak and uninterested governments, such as that of Valencia, were not committed to the law's implementation. Additionally, numerous legal and illegal means were available to landowners to block expropriation of their land, even though the reform measures helped induce dramatic increases in the commercialization of agriculture in Colombia.<sup>41</sup> Carlos Lleras tried to accelerate the reform program during his presidency (1966–70) by pushing through additional legislation and creating a peasant organization, the *Asociación Nacional de Usuarios Campesinos* (ANUC), to serve in part as a pressure group for agrarian reform. But even Carlos Lleras provided additional credit facilities and export incentives to commercial agriculture.<sup>42</sup>

Peasant land invasions increased in 1970 and 1971, many of which were organized by a radicalized ANUC. This trend, plus the election of Conservative President Misael Pastrana (1970–74), who might be more sympathetic to commercial and large landowning interests, caused the agricultural interest groups to pressure the congress for significant changes in agrarian legislation. Although crucial negotiations were conducted in Chicoral, Tolima, between government officials and leading congressmen without the participation of interest group leaders, the situation did not necessarily indicate a lack of influence. To the contrary, landed interests have been strongly represented in the Colombian congress. Numerous congressmen have had extensive ties with agricultural and livestock associations, and landed interests have more readily employed congressmen to apply political pressure on the executive branch than have other producer groups.<sup>43</sup> The *Acuerdo de Chicoral* between government officials and congressmen, which finally resulted in new legislation in 1973, contained major concessions by the government to landowning groups. Indeed, the new legislation was drafted in a manner that for all practical purposes made it impossible to expropriate any land without the landowner's consent.<sup>44</sup>

The progressive changes in taxation laws between 1974 and 1979 constitute another case of thwarted reformism. President Alfonso López was elected in 1974 by an overwhelming margin in the first competitive interparty election since 1946. He possessed a comfortable majority in congress, a reputation as one of the party's key intellectuals, and an understanding of the party's machine politics. Thus López may have entered office with even higher degrees of autonomy and freedom to act than did Alberto Lleras in 1958, when the *Frente Nacional* began. As was true in the case of agrarian reform, major tax-reform measures had been discussed for some time, following analysis of Colombia's chronic insufficiency of government revenues and general tax structure

by several national and international financial specialists. Similar also was the existence of international support for the Colombian government to proceed with the reform.

The tax reform of 1974 was enacted by executive sanction, making use for the first time of the executive power to declare a "state of national economic and social emergency."<sup>45</sup> A major increase in state resources was to come from a sales tax, but the most progressive innovations were the imposition of a capital gains tax and of a presumptive income tax on all sectors of the economy. The subsequent outcry made it apparent that the producer associations had had no input or access in the drafting of the reform, although some informal consultations were held and a few changes were incorporated while the state of emergency was still in effect.<sup>46</sup> Mounting protest over technical issues was accompanied by bitter political attacks on the López government. The latter were caused in part by unexpectedly high inflation in a context of expected prosperity due to high world prices for coffee and the booming drug trade (marijuana and cocaine). These developments led López to propose certain changes in tax legislation through the congress in 1975. Although he supported these changes largely as an effort to minimize the potential counterreform, the end result was that the producer associations gained a more prominent role.

As with agrarian reform, the passage of reform measures did not guarantee their implementation. Although the tax reform was initially successful in augmenting state revenues, escalating rates of evasion soon became a serious problem. This difficulty caused the government to recognize that changes in the legislation were necessary, which opened the door to more substantial revisions. Thus the continued evasion led to legislative retrenchment on key aspects of the original 1974 reform, first in 1977 legislation sponsored by a new Minister of Finance, and even more substantially in 1979, by which time a new president had been inaugurated. Turbay was a weak president who had eked out a narrow electoral victory in 1978 and who was more concerned with machine politics than with economic or technical issues. During his campaign, Turbay had promised the livestock interests that he would lighten their tax burden, and his government duly proposed new legislation after coming to office in 1978. Other associations also took advantage of this new opportunity to change tax measures through congress. Indeed, an initial version of the 1979 tax law that passed in the senate (although not in the house) was actually prepared in ANDI's Bogotá office.<sup>47</sup>

The final bill that became law in 1979 was less extreme due to the personal intervention of former President López. But the two major progressive elements of the 1974 tax reform were seriously emasculated nonetheless. The presumptive income tax was saddled with limitations

that reduced, if not eliminated, the tax burden on the livestock sector, and the capital gains tax on the sale of stock was virtually eliminated.<sup>48</sup> When the impact of these modifications was combined with continued evasion, the growth rate of income tax revenues once again fell significantly below the inflation rate. Thus the attempt to impose important changes in the Colombian tax system that would increase its progressivity and establish a firm fiscal base for the government was defeated in five years.<sup>49</sup>

Other case studies suggest that producer associations have opposed government intervention and combatted what they view as inordinate growth in the public sector with relative success. It has been demonstrated that opposition to General Rojas was based in part on his statist policies. ANDI initially had supported the agrarian reform. By the early 1970s, however, the association opposed it primarily out of fear that the reform would disrupt production and that state intervention in the rural sector might spill over into industry. In another instance, ANDI cooperated with organized labor to defeat an attempt by President Carlos Lleras to create a centrally organized national savings fund with monies collected by the public and private sectors for workers' pension funds. Opposition to this move derived mainly from fear of the government's possessing such a potent financial arm, as well as of possible government inefficiency and mismanagement. A central part of ANDI's opposition to the Andean Pact's Decision 24 regulating foreign investment was a clause granting the state first option in the purchase of foreign companies.<sup>50</sup>

This article has argued that overall, the Colombian state is relatively fragmented and penetrable by private interests. Yet it would appear that even relatively weak presidents have considerable ability to ignore the producer associations and the interests they represent, as Turbay did with the Frente Gremial. But further exploration of this particular case would suggest otherwise. Even while the Frente Gremial could not enter through the front door, the cotton and textile sectors, important regional economic interests in crisis due in part to international economic conditions, continued to confer quietly with the government through the back door. Indeed, President Turbay met personally with the heads of the major textile firms in July 1981, in the midst of his conflict with the associations. Subsequently, in conversations with appropriate government officials, measures of support and relief (primarily credit and refinancing) were negotiated for these firms.<sup>51</sup>

Shortly after conferring with the textile firms, President Turbay met with representatives of the cotton sector. This sector had been in serious trouble since 1977 and 1978, when numerous growers as well as the associations providing them with credit suffered tremendous losses. These associations were saddled with even higher debts because

some growers minimized their losses by receiving credits from one association and then ginning their cotton with another.<sup>52</sup> Under López, the government had partially refinanced the huge debts incurred by the growers, but the government was legally and politically unable to control the proliferation of cotton organizations.<sup>53</sup> Although the cotton sector had been initially organized into a single federation, diverging economic interests combined with regional and personality conflicts to generate numerous new organizations.

When the Turbay government resisted granting further concessions, cotton growers mobilized congressmen from the affected regions. They held a special forum in congress and created a special *Comité de Rehabilitación Económica y Social del Cesar* (Cesar was one of the most affected departments on the coast), with former President López as its titular head.<sup>54</sup> After major cotton growers and regional politicians met several times with President Turbay, further governmental aid was promised. The specific measures required extensive negotiations between the interest associations and the relevant governmental agencies, as well as within the government, between the Ministry of Agriculture and other government agencies. Thus cotton growers received substantial aid, but the final measures that resulted were decided upon within the state and were not entirely satisfactory to the associations.<sup>55</sup>

### *Patterns of Influence and Linkage*

The cases of agrarian reform and tax reform both point to the continued strength of agricultural interests in congress. They also underscore the fact that although in moments of high autonomy, particular governments may act against the will of the agricultural interests, in the long term, these interests manage to prevail in important respects. The cases of the tax reform and the national savings fund suggest that at times the state cannot even formulate or implement measures opposed by political coalitions of various groups. To formulate policy successfully under such adverse conditions requires a high degree of legitimacy of the government currently in power. Not all Colombian governments have possessed such legitimacy at their outset. Weak presidents (such as Guillermo León Valencia and Julio César Turbay) have lacked both the ideological or programmatic vision and the ability to generate political support needed to institute vigorous reform. Cabinet officers and other key government officials in weak administrations apparently were more closely linked to their own particular political groups or specific interests and freer to impose their ideological view. Similarly, weak governments afforded more possible channels of access through which private sector representatives could gain support for their point of view than in the administrations of stronger presidents.<sup>56</sup>



Overall, both the state and the producer associations have reflected elements of weakness. The state has only a limited capacity to shape or limit the number of associations. The major associations lack either the member representativity to press demands or the ability to compel member firms to reach or to fulfill agreements with governments. Yet as the case studies above suggest, relative to other groups in society, producer associations have far more capacity to influence decisions facilitated by their greater access to arenas of state power.<sup>57</sup> Informal contacts and direct access to key decision makers are often crucial in determining the outcome of policy decisions or in obtaining an administrative ruling or exception favorable to a particular firm or subsector. This generalization holds notwithstanding the increased number of institutional forums in which government officials and representatives of producer associations are interacting.

When these means are not successful, producer groups are also well situated to utilize the democratic aspects of the regime—such as the press, the congress, or the courts—to their advantage. State capacity to implement measures has been weakened by criticisms and attacks from producer groups that were publicized by the press. Although the parties and the congress have been partially marginalized from many important decisions, congress occasionally has been influenced by producer groups to overturn or modify executive policies or decrees. Both the legislative and judicial branches have served as checks on executive authority, often to the advantage of the associations.<sup>58</sup>

## CONCLUSION

Consociationalism—coalition rule and extensive mutual guarantees—resolved the source of conflict between the two traditional parties in Colombia and permitted them to create an effective alternative to Rojas's rule in 1958. But aspects of the consociational agreement initially weakened the political parties and marginalized congress from many key decisions as factionalism increased and immobilism led to the granting of power to the executive branch. Structural pressures from the economy, the influence of international agencies, and the drive to satisfy minimum levels of efficiency together led to increases in state capacity in terms of planning, regulating, and investing. The relative size and importance of the state in the Colombian economy appears to have leveled off at an intermediate point, when compared with its continental neighbors. But its autonomous capacity to act has been restrained not only by partisan and bureaucratic politics but also by pressure from producer groups, although in a complex manner. At the same time, the determined action of producer groups at certain mo-

ments and the web of interactions between the associations and different governments has probably served as a more important source of support for the Colombian political regime than in other Latin American countries.

The interactions between the regime and producer associations reflect the consociational nature of Colombian politics. The bipartisan agreement has facilitated penetration and access by organized interests in society. Yet throughout periods of greater or lesser autonomy in different administrations, most governments have sought simultaneously to preserve the appearance of distance for reasons of legitimacy and to permit some access for popular sector groups, albeit more limited and often mediated through clientelistic ties. At the same time, although producer associations may be strong relative to popular sector groups, they often are not powerful representatives of their own sectors. As a result of these various factors, established patterns of policy processes have not emerged, although certain forms of interaction have evolved. These forms include constant informal contacts through personal ties, semi-institutionalized and ad hoc forums, summit negotiations with top political leaders, pressure through the media, and the parceling out of certain functions to private groups.

With the exception of the relation between the state and the coffee sector, governments and occasionally business groups have resisted moves toward more formalized, corporatist relations because of organizational weakness and fears of loss of autonomy or legitimacy. At times governments have emitted decrees or regulations affecting business interests without prior consultation. As a result, producer associations often have been highly critical of particular governments and have allied with each other to battle the size, financial power, knowledge base, perceived inefficiencies, or economic orientations of the state. Yet even as continued economic diversification and complexity, as well as the proliferation of producer groups representing new interests, have multiplied complaints about government action, they have also made joint action on all but the most general issues very difficult. The result has been a pattern of resistance by firms at the implementation stage, often coupled with efforts by business associations to force changes by attacking the government in the media, by gaining access subsequently to relevant executive agencies, or by seeking help in congress. Overall, the relative openness of the regime—its democratic structure of elections, division of power, freedom of the press—generally has favored producer groups over popular sector groups, even as its form has provided a limited legitimacy for the regime throughout all social groups.

Nonetheless, support for the political regime by producer groups based upon the regime's overall policy orientation and having favorable access to the state remains conditional, rather than consolidated. Will-

ingness to work with the regime, rather than abandon it when threatened by guerrilla groups or by mobilization from populist or labor groups, has also been based upon the associations' appraisal of the current regime's ability to maintain order vis-à-vis the uncertainties surrounding a possible new regime's orientation. From the perspective of producer groups, a military or a military-civilian regime in power would imply many unknowns. Although such a regime could be expected to be extremely conservative politically and ruthlessly anticommunist, it would be more difficult to foresee whether its economic orientation would lean toward liberal orthodoxy or toward more statist and nationalist policies. In either case, at least some producer associations and groups would be unhappy, and there would be fewer guarantees of access to policy-making circles because the state's autonomy probably would increase.

The patterns of interactions between the political regime and producer associations in Colombia reflect the consociational nature of the regime and reinforce the limited autonomy of the state in the context of its many formal powers. In spite of the twin processes of associational diversification and growth in state capacity, regularized—much less institutionalized—relations between business groups and the state have been rare (with the exception of the much older relations between the state and the coffee sector). Both have feared being coopted by the other, and each reflects elements of weakness. This combination has created the paradoxical situation in which producer associations have provided important assistance to the political regime in moments of crisis and have maintained excellent access to state policy-making circles even while they often appear critical of each successive government.

## NOTES

1. *Producer associations* is an approximate translation of the term employed in Colombia, *gremios de producción*, to refer to business associations or organizations. In referring to activities of firms or businessmen, either alone or in conjunction with the associations, I will employ the term *producer groups*.
2. I have found it useful to employ the distinction between the *state* (a basic "pact of domination" among ruling classes) and *political regime* (the formal rules that link the major political institutions and the nature of the ties between citizens and rulers), as elaborated in Fernando Henrique Cardoso, "On the Characterization of Authoritarian Regimes in Latin America," in *The New Authoritarianism in Latin America*, edited by David Collier (Princeton: Princeton University Press, 1979), 33–57; see especially 38–40. *Government* will be used to refer to a particular ruler or presidential period. A brief, but useful, discussion on issues of state autonomy and state power is Peter S. Cleaves and Henry Pease García, "State Autonomy and Military Policy Making," in *The Peruvian Experiment Reconsidered*, edited by Cynthia McClintock and Abraham Lowenthal (Princeton: Princeton University Press, 1983), 209–44. One measure of the growing importance of the public sector in the economy is public investment as a percentage of gross investment. For Colombia (at current prices), this indicator

- grew substantially between 1960–61 and 1969–70, from 18.7 percent to 30.6 percent, yet it has not increased in percentage terms since then. The average for all of Latin America was 31.7 percent in 1960–61 and 35.0 percent in 1969–70. Figures from *Indicadores de desarrollo económico y social en América Latina* (Santiago, Chile: CEPAL, 1976), 55. See also Richard M. Bird et al., *Finanzas intergubernamentales en Colombia* (Bogotá: Departamento Nacional de Planeación, 1981), 44–47, 54–55, 294–302.
3. *La violencia* began in 1946, intensified between 1948 and 1953, and did not fully taper off until the 1960s. Two hundred thousand deaths have been attributed to la violencia. A useful analysis is Paul Oquist, *Violence, Conflict, and Politics in Colombia* (New York: Academic Press, 1980).
  4. A 1968 constitutional reform programmed a gradual, but not total, dismantling of this agreement. It reinstated passage by simple majority, rather than by two-thirds vote in congress. It also opened elections to all parties and eliminated parity in the legislative branch at the municipal and departmental level in 1970 and at the national level in 1974. Competitive presidential elections were first held in 1974, although parity in public employment was extended until 1978. From 1978 on, the majority party was required to offer adequate representation to the party receiving the second-highest number of votes. Thus since 1958, all governments in Colombia have been bipartisan, although different party factions have been in opposition during different periods.
  5. Arend Lijphart introduced the term “consociational democracy” to describe a pattern of democratic politics in countries marked by actual or potential violent conflict across the major segments of their societies. This conflict is avoided within an open political regime by means of overarching elite cooperation. One central means by which this cooperation is implemented is government by a grand coalition of political leaders of the country’s major conflict groups. See Arend Lijphart, *Democracy in Plural Societies: A Comparative Exploration* (New Haven: Yale University Press, 1977). On applications of the concept to Colombia, see Robert H. Dix, “Consociational Democracy: The Case of Colombia,” *Comparative Politics* 12 (Apr. 1980):303–21; Jonathan Hartlyn, “Consociational Politics in Colombia: Confrontation and Accommodation in Comparative Perspective,” Ph.D. diss., Yale University, 1981; and Alexander Wilde, “Conversations among Gentlemen: Oligarchical Democracy in Colombia,” in *The Breakdown of Democratic Regimes: Latin America*, edited by Juan J. Linz and Alfred Stepan (Baltimore: Johns Hopkins University Press, 1978), 28–81.
  6. The role of the state in Colombia began to grow during the 1930s and 1940s, although it did not play as significant a role in manufacturing, mining, or transportation as in other Latin American countries. See Bird et al., *Finanzas intergubernamentales*, 294–98. In addition, particular private groups have been affected by the political party that formally controlled state power.
  7. See Robert D. Bond, “Business Associations and Interest Politics in Venezuela: The Fedecámaras and the Determination of National Economic Policies,” Ph.D. diss., Vanderbilt University, 1975, 58–59.
  8. Thus democracy has been circumscribed in Colombia, not only by the limits imposed by the consociational agreement, but also by other restrictions. I consider it analytically more useful, however, to consider Colombia a limited democratic consociational regime rather than an authoritarian regime. Respect for political and civil liberties has been greater and repression has been qualitatively less severe than in the authoritarian military governments of Latin America during this period. The establishment of the Venezuelan democratic regime shares certain consociational elements with the Colombian case. For an analysis of the process in Venezuela that stresses the conservative bias of the consociational agreement, see Terry Karl, “Petroleum and Political Pacts: The Transition to Democracy in Venezuela,” Wilson Center Latin American Program Working Papers no. 107, 1981. See also Daniel H. Levine, “Venezuela since 1958: The Consolidation of Democratic Politics,” in Linz and Stepan, *Breakdown of Democratic Regimes*, 82–109. The mix of pluralism and authoritarianism of the current Colombian regime also shares some similarities with the authoritarian Mexican regime, although the legitimacy of the Colombian regime is based on the historical strength of the two traditional parties and elements of

- interparty and intraparty competition, rather than on a revolutionary myth built around a single dominant party. For a nuanced view of the authoritarian and pluralist elements of the Mexican regime, see Daniel Levy and Gabriel Székely, *Mexico: Paradoxes of Stability and Change* (Boulder, Colo.: Westview Press, 1983), 113–18.
9. Certainly, many additional factors could enter into an explanation of the establishment and relative longevity of a political regime. The consociational literature is useful in the Colombian context due to its focus on “pact making” among crucial elites, particularly party leaders, in helping create civilian regimes in certain instances. Its politically voluntaristic emphasis, however, downplays the crucial role of economic groups, the focus of this article, and other actors such as the church and the military. A complete analysis that would examine these other actors, attempt to understand how the regime has channeled or constrained the demands of the peasantry, the working class, the lower middle class, and other popular sector groups, or examine the constraints imposed upon the political regime by the interaction of the national political economy with the world capitalist system is beyond the scope of this article.
  10. These case studies are not intended to be a fully representative sample. Much of the activity between government and business remains invisible, and some conclusions are necessarily more tentative than others. Nevertheless, this article is cumulative in the sense that it builds upon case studies by others on policy processes in Colombia as well as on cases that I have pursued through interviews and supplemented with newspaper and document collection.
  11. Thus it is common for major firms to be members of both more specialized producer associations and ANDI. Major coffee exporters, however, do not appear to be members of ANDI, judging from an examination of its 1977 list of member firms.
  12. Much remains to be known about the economic and political influence of these groups. A preliminary, but incomplete, attempt by the government to analyze them is found in *Conglomerados de sociedades en Colombia* (Bogotá: Superintendencia de Sociedades, 1978). See also Julio Silva Colmenares, *Los verdaderos dueños del país: oligarquía y monopolios en Colombia* (Bogotá: Fondo Editorial Suramérica, 1977).
  13. In the 1980s, this situation was beginning to change when SAC appointed a competent economist associated with one of the country’s major economic research institutes as its manager. This individual then became the first Minister of Agriculture in Belisario Betancur’s government in 1982.
  14. Most of the so-called decentralized sector was formed since 1940. Many major agencies and firms were created during the presidency of Carlos Lleras (1966–70). Currently, about 70 percent of public investment is carried out through this sector. See the discussion in Bird et al., *Finanzas intergubernamentales*, 287–308.
  15. Industrial growth rates from Gabriel Poveda Ramos, *Políticas económicas, desarrollo industrial y tecnología en Colombia, 1925–1975* (Bogotá: Colciencias, 1976). See also the discussion in Alvaro Tirado Mejía, “Colombia: siglo y medio de bipartidismo,” in *Colombia hoy* (Bogotá: Siglo XXI, 1978).
  16. For a description of these events, see John D. Martz, *Colombia: A Contemporary Political Survey* (Chapel Hill: University of North Carolina Press, 1962), 173–245.
  17. Based on interviews during July 1982 with the president of ANDI at the time, the president of FENALCO at the time, a leading Medellín industrialist from that period, and the first Minister of Finance of the interim military junta. See also Jonathan Hartlyn, “Military Governments and the Transition to Civilian Rule: The Colombian Experience of 1957–58,” *Journal of Inter-American Studies and World Affairs* 26, no. 2 (May 1984):245–81.
  18. Review of *El Tiempo* newspaper (1957–58) and my July 1982 interview with a leading industrialist during that period.
  19. This tendency is chronicled in a number of the case studies examined in Linz and Stepan, *Breakdown of Democratic Regimes*.
  20. One prominent industrialist told me during a July 1982 interview that he had been offered a cabinet post in a potential new government. For a brief discussion of initial patterns of labor incorporation in Colombia, see Jonathan Hartlyn, “The Impact of Patterns of Industrialization and of Popular Sector Incorporation on Political Regime

- Type: A Case Study of Colombia," *Studies in Comparative International Development* 19 (Spring 1984):38–42; see also Miguel Urrutia Montoya, *The Development of the Colombian Labor Movement* (New Haven, Conn.: Yale University Press, 1969).
21. Interviews with a number of the major actors, including the Conservative president of ANDI at the time and the Liberal president of ANDI's board of directors (in July 1977, February 1978, and July 1982). Other members of ANDI's board as well as those on the boards of SAC, FENALCO, and ASOBANCARIA were also interviewed in 1977 and 1978.
  22. Once the crisis was resolved, policy differences reemerged within the private sector. Within ANDI an intense debate ensued between those who argued that excessive government intervention necessitated a stronger defense of the business sector and a more reformist group, who argued that the state needed a sounder fiscal base upon which to build a stronger public investment program, including social reforms. Interviews with high ANDI officials and members of ANDI's board during July 1977 and April 1978. The reformists' point of view is reflected in the commission's report drafted essentially by ANDI's technical staff. See Comisión Especial de Estudios Económicos y Sociales, *Aspectos económicos y sociales* (Bogotá: Talleres Gráficos del Banco de la República, 1965); and Comisión Especial de Estudios Económicos y Sociales, *Conclusiones* (Bogotá: Talleres Gráficos del Banco de la República, 1965).
  23. A useful overview of ANAPO is found in Robert H. Dix, "Political Oppositions under the National Front," in *Politics of Compromise: Coalition Government in Colombia*, edited by R. Albert Berry, Ronald G. Hellman, and Mauricio Solaún (New Brunswick, N.J.: Transaction, 1980).
  24. ANDI also feared that its public endorsement could negatively affect the chances of any of the non-Rojista candidacies because of ANDI's image as an elite organization. Interviews with high ANDI officials and leaders of agricultural associations of that period, July 1977, November 1977, and May 1978. Ironically, the dissident candidacies of Betancur and particularly Sourdís, which mobilized voters who otherwise might not have cast ballots and siphoned some votes away from Rojas, may well have saved the Frente Nacional from being overwhelmingly defeated by Rojas.
  25. See Gustavo Gallón Giraldo, *Quince años de estado de sitio en Colombia: 1958–1978* (Bogotá: Editorial América Latina, 1979), 82–85.
  26. July 1977 interview with a high ANDI official of that period. Confirmed in interviews with other industrialists, July 1977 and July 1978.
  27. The two traditional labor confederations, the UTC and the CTC, represented about 65 percent of all union affiliates in 1974, down from 70–75 percent in 1967. From 1969 to 1976, however, these two confederations together never accounted for more than 28 percent of all strikes in any one year. See Jaime Tenjo, "Aspectos cuantitativos del movimiento sindical colombiano," *Cuadernos Colombianos* 5 (1975):22–23; Hernando Gómez and Rodrigo Losada, "La actividad huelguística en Colombia, 1962–1976," *Coyuntura Económica* 7 (May 1977):129; and José Antonio Ocampo and Nohra Rey de Marulanda, "La recesión de 1981 y la situación laboral," *Desarrollo y Sociedad* 3 (May 1982):14.
  28. See Alvaro Delgado, "El paro cívico nacional," *Estudios Marxistas* 15 (1978):58–115.
  29. The López and Turbay governments confronted the country's most severe guerrilla threat since the late 1950s and early 1960s. For a brief overview of these two governments and the first months of the Betancur administration, see Jonathan Hartlyn, "Colombia: Old Problems, New Opportunities," *Current History* 82 (Feb. 1983):62–65, 83–84. The UTC and CGT also feared a potential military intervention if they went ahead with the strike in 1981. See "La encrucijada del movimiento sindical," *Colombia Hoy* (Apr. 1982):19, 50–51. On wages and employment during this period, see Ocampo and Marulanda, "La recesión de 1981."
  30. See Miguel Urrutia Montoya, *Gremios, política económica y democracia* (Bogotá: Fundación para la Educación Superior y el Desarrollo, 1981), 211–18. This outcome contrasts sharply with the Peruvian military government's outright abolition of the landowners' association in 1972. See Cynthia McClintock, "Velasco, Officers, and Citizens: The Politics of Stealth," in McClintock and Lowenthal, *The Peruvian Experiment Reconsidered*, 287. Urrutia's scholarly book is a thoughtful and informed account

- by the author of several books on the Colombian labor movement, income distribution, and other topics as well as the occupant of many government positions (including Director of National Planning and Minister of Mines under López). Urrutia's book has been my source of much useful information regarding the Frente Gremial and the 1974 tax reform (in which he played an important role). I have not always agreed with his interpretation of events, however, because I believe that he underestimates the capacity for influence of producer associations in focusing on them in isolation from the groups they represent.
31. Eventually an agreement was reached to increase the minimum wage at a level somewhat higher in relation to inflation than in previous years. See Urrutia, *Gremios*, 224–25, and the discussion, 219–25.
  32. Interviews with the members of the boards of directors of ANDI, FENALCO, FEDEGAN, SAC, and FEDERACAFE during July 1977 through April 1978.
  33. The most comprehensive study of minister recruitment is John I. Laun, "El reclutamiento político en Colombia: los ministros de estado, 1900–1975," manuscript, Bogotá, Universidad de los Andes, Departamento de Ciencia Política, August 1976. Laun concludes that ministers have not been career bureaucrats, having had instead extensive experience outside of government. My observation regarding recent high government officials is based upon information collected from nineteen interviews with a sample of them in 1977 and 1978.
  34. This tendency has led many associations to complain about a lack of continuity in government policies that actually reflects limited state autonomy and its penetration by private interests.
  35. For an excellent brief discussion, see Marco Palacios, *Coffee in Colombia, 1850–1970: An Economic, Social, and Political History* (Cambridge: Cambridge University Press, 1980).
  36. See Bird et al., *Finanzas intergubernamentales*, 95, 292.
  37. The number of private directors of the Coffee Federation was increased from five to six in 1958 in order to assure partisan balance. Between 1968 and 1978, four of the six principal directors (each of whom also has an alternate or *suplente*) had served the entire period (one had served his first two years as a suplente). Based on interviews with several high government officials and members of the board of the coffee federation, October 1977 through February 1978.
  38. One examination of this issue is found in John J. Bailey, "Pluralist and Corporatist Dimensions of Interest Representation in Colombia," in *Authoritarianism and Corporatism in Latin America*, edited by James M. Malloy (Pittsburgh: University of Pittsburgh Press, 1977). Constraints imposed by an underpaid, inefficient work force and terrible relations between the political regime and public sector unions also have played a role. Examples described to me in interviews (in January and July 1978) included the national telecommunications agency (the Empresa Nacional de Telecomunicaciones, or TELECOM), the national railroads, and the agricultural marketing agency (the Instituto de Mercadeo Agropecuario, or IDEMA).
  39. Based on interviews with ANDI or private sector representatives and high government officials in January and February 1978.
  40. Based on interviews with former ANDI technical staff and high government officials and industrialists in July 1977 and July 1978. One successful agreement was reached during the López government in the paper sector. According to one of the participants, this agreement was facilitated by these factors: paper is not a basic necessity whose price the government believes must be carefully controlled; because the sector is heavily oligopolized and its consumers are few in number, the parties to the negotiations were limited.
  41. Landowners subject to expropriation have been accused of hiring groups to attack peasant tenants, sharecroppers, or squatters; the same landlords simultaneously might be attempting to bribe land reform officials not to expropriate their land and suing in the courts under the claim that legal procedures or definitions were not adequately followed.
  42. Most of the land acquired by INCORA for redistribution occurred under the Lleras presidency. Yet after sixteen years of agrarian reform, only 2.7 percent of the total

- land in production had been acquired by the agency for redistribution, and much of that land was unfit for cultivation. See INCORAs "Informe de actividades, 1977" (Bogotá: Ministerio de Agricultura, 1978). For discussions of agrarian reform in Colombia, see Albert O. Hirschman, "Land Use and Land Reform in Colombia," in *Journeys toward Progress* (New York: W. W. Norton, 1963); and Bruce Bagley, "Political Power, Public Policy, and the State in Colombia: Case Studies of the Urban and Agrarian Reforms during the National Front, 1958–1974," Ph.D. diss., University of California at Los Angeles, 1979. On ANUC, see Bruce Bagley and Fernando Botero, "Organizaciones campesinas contemporáneas en Colombia: un estudio de la Asociación Nacional de Usuarios Campesinos (ANUC)," *Estudios Rurales Latinoamericanos* 1 (Jan.–Apr. 1978):59–96.
43. Industrial, commercial, and financial associations rarely have placed their own candidates in congress. For example, Fabio Echeverri, elected to congress in April 1974, assumed the presidency of ANDI in July 1974 and rarely attended congressional sessions, eventually turning his seat over to a substitute (suplente). He did not seek reelection in 1978 or 1982, although he retained his position in ANDI. At the same time, some agricultural associations have believed that the relationship they have with congressmen is more beneficial to the legislators, who employ these linkages for electoral purposes. Interviews with members of the board of ANDI and leaders of agricultural associations in October and November of 1977 and February 1978.
  44. President Alfonso López made this point in an interview printed in *Revista Causa Común* 1 (Mar.–Apr. 1977):20. See also Bagley, "Political Power," 227–57.
  45. Upon the suggestion of then Senator Alfonso López, the 1968 constitutional reform created a "state of national economic and social emergency," whereby the president and his cabinet are empowered to legislate by executive decree for a period of up to ninety days if the social or economic order of the country is threatened (Article 122). The bipartisan nature of such reform was maintained in 1974 by the stipulation that the executive decree had to be approved by the entire cabinet.
  46. Among those favored by concessions at this time were the coffee growers. See Guillermo Perry, "Las reformas tributarias de 1974 y 1975 en Colombia," *Coyuntura Económica* 7 (Nov. 1977):128–29.
  47. Urrutia, *Gremios*, 294.
  48. Based on interviews in July 1982 with economists who were high government officials during the López government. See also the interview with Guillermo Perry in *Estrategia* 7 (Dec. 1977–Jan. 1978):23–25; and Urrutia, *Gremios*, 196–98. Urrutia argues that the tax reform survived, "although somewhat weakened." This incident highlights the importance retained by former presidents in Colombian politics.
  49. Soon after taking office, Belisario Betancur (1982–86) declared a state of national economic emergency to decree a new tax reform in an effort to further discourage evasion and increase public revenues because of growing fiscal deficits. His measures, however, were declared unconstitutional by the Colombian supreme court, and the congress finally passed new legislation in 1983.
  50. On ANDI and agrarian reform, see Bagley, "Political Power," 238–39; on ANDI and Decision 24, see Miguel Urrutia, *Colombia and the Andean Group: Two Essays*, Wilson Center Latin American Program Working Papers no. 65, 1980.
  51. Based on interviews with presidents of major textile firms and managers of leading cotton federations, as well as with high government officials, in July 1982.
  52. As evidence of this fact, one government official told me that from 1977–78 to 1978–79, 60 percent of the land in cotton cultivation on the coast was listed by the cotton federations as being new affiliations (July 1982). Cotton federation officials agreed that this tactic was a problem but insisted it was a relatively minor one. From interviews conducted in June and July 1982.
  53. President López's first Minister of Agriculture had been the manager of the Federación Nacional de Algodoneros (FEDERALGODON) for many years. Two subsequent Ministers of Agriculture were cotton growers who had founded or were active in other cotton federations. Thus it was difficult for these ministers to pressure the sector to unite into a single organization. In addition, the courts protected the right



- of the multiple organizations to form, according to the former manager of a cotton federation whom I interviewed in May 1978.
54. An internal memorandum prepared in June 1981 for the monetary board (the Junta Monetaria) asserted that the economics of cotton cultivation in Colombia were acceptable and that the government should withdraw from its current active role in fomenting and aiding the sector. The memorandum was leaked to the cotton growers, causing a major uproar. I have a copy of this memorandum. This second example of former President López's importance in Turbay's government not only reflects their political intimacy but reinforces the general point regarding the continuing importance of former presidents in policy-making in Colombia.
  55. Based on interviews with government and cotton federation officials in June and July 1982; memoranda by the cotton federations to the government (copies in my possession).
  56. Urrutia makes a similar point in *Gremios*, 279–80.
  57. An identical point is made about business in relation to other groups in Mexican society in John F. H. Purcell and Susan Kaufman Purcell, "Mexican Business and Public Policy," in Malloy, *Authoritarianism and Corporatism*, 195. The Mexican state they describe is more powerful and more autonomous than the Colombian state.
  58. Urrutia, in *Gremios*, considers it essential that the associations be able to criticize the government through the press. Although the producer groups have utilized the judiciary to their advantage, the labyrinth of legal codes has provided protection for the more organized elements of the working class. The courts' extreme inefficiency and slowness at times have worked against the interests of business groups.

## APPENDIX

Interest Group	Subsector	Founded
<i>Commercial Agriculture</i>		
Sociedad Antioqueña de Agricultores (SADA)	Regional (Antioquia)	1914
Asociación Nacional de Exportadores de Café (ASOEXPORT)	Coffee exporting	1942
Federación Nacional de Arroceros (FEDEARROZ)	Rice	1948
Federación Nacional de Molineros de Trigo (FEDEMOL)	Wheat milling	1949
Arroceros del Tolima y del Huila (ARROLIMA)	Rice (regional)	1952
Federación Nacional de Algodoneros (FEDERALGODON)	Cotton	1953
Asociación Nacional de Productores Lácteos (ANALAC)	Milk	1956
Asociación Nacional de Molineros de Arroz (MOLIARROZ)	Rice milling	1959
Federación Colombiana de Ganaderos (FEDEGAN)	Livestock	1959

Asociación de Cultivadores de Caña de Azúcar (ASOCAÑA)	Sugarcane	1959
Federación Nacional de Cultivadores de Cereales (FENALCE)	Cereals	1960
Federación Nacional de Cacaoteros (FEDECACAO)	Cocoa	1962
Corporación Algodonera del Litoral (CORAL)	Cotton (regional)	1965
Asociación Colombiana de Industriales de la Leche (ACOLECHE)	Milk	1967
Asociación Agropecuaria del Cesar (ASOCÉSAR)	Cotton (regional)	1969
Asociación Colombiana de Productores de Semillas (ACOSEMILLAS)	Seeds	1969
Asociación Colombiana de Productores y Distribuidores de Huevo (ASOHUEVO)	Eggs	1970
Asociación Nacional de Exportadores (ANALDEX)	Exporting	1971
Asociación de Frigoríficos Exportadores de Carne de Colombia (ASOFRIGO)	Exporting frozen beef	1972
Asociación Colombiana de Productores y Procesadores de Pollo (PROPOLLO)	Poultry	1973
Asociación de Empresas de Aviación Agrícola (AVIAGRÍCOLA)	Agricultural aviation	1975
Asociación Colombiana de Exportadores y Distribuidores de Flores (ASOCOLFLORES)	Flower production and export	1976

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Asociación Nacional de Importadores y Distribuidores de Vehículos Automotores (ANDEMOS)	Automobiles	1947
Asociación Nacional de Radio, Televisión y Cine de Colombia (ANRADIO)	Communication	1948
Asociación Colombiana de Agencias de Turismo (ANATO)	Tourist agencies	1949
Unión Colombiana de Empresas Publicitarias (UCEP)	Advertising	1954
Asociación Nacional de Propietarios de Almacenes de Compra-Venta (ANPROCOT)	Warehousing	1956

Asociación de Líneas Aéreas Internacionales de Colombia (ALAIICO)	International airlines	1960
Federación Colombiana de Droguistas (FECOLDROGAS)	Drugstores	1961
Federación Nacional de Distribuidores de Derivados del Petróleo (FENDIPETROLEO)	Petroleum distribution	1971
<i>Construction</i>		
Asociación Colombiana de Ingenieros Constructores (ACIC)	Heavy construction engineers	1954
Asociación Colombiana de Acueductos y Alcantarillados (ACODAL)	Water treatment	1955
<i>Industry</i>		
Asociación Colombiana Popular de Industriales (ACOPI)	Small industry	1952
Federación Nacional de Fabricantes de Pastas Alimenticias (FEDEPASTAS)	Pasta	1952
Federación Colombiana de Industrias Metalúrgicas (FEDEMETAL)	Metal-mechanic	1954
Corporación Nacional de Industriales del Calzado (CORNICAL)	Shoes	1956
Asociación Nacional de Fabricantes de Pan (ADEPAN)	Bread	1958
Asociación de Productores y Distribuidores de Cosméticos y Perfumes (ACOPER)	Perfumes	1958
Asociación Nacional de la Industria del Jabón (ANALJA)	Soap	1958
Federación de Fabricantes de Alimentos para Animales (FEDERAL)	Animal feed	1960
Asociación Colombiana de Industrias Plásticas (ACOPLASTICOS)	Plastics	1961
Asociación Colombiana de Máquinas para Oficina (APROMAQUINA)	Office machinery	1962
Federación Nacional de Industrias de Tejidos de Punto (FEDEPUNTO)	Textile confection	1964
Asociación de la Industria Farmacéutica Colombiana (ADIFARCO)	Pharmaceuticals	1964
Federación Nacional de Fabricantes de Grasas		

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y Aceites Comestibles (FEDEGRASAS)	Oils and fats	1966
Federación Electrónica de Colombia (FEDELECTRONICA)	Electronics	1967
Corporación Colombiana de Productores de Vinos (COPROVINOS)	Wine	1968
Federación Nacional de Transformadores de Papel (FEDEPAPEL)	Paper	1969
Instituto Colombiano de Productores de Cemento (ICPC)	Cement	1973
Asociación Colombiana de Fabricantes de Pinturas y Tintas (ASOCOLOR)	Paints	1973
Asociación de Industrias Farmacéuticas Colombiana (ASINFAR)	Pharmaceuticals	1974