

## **Montes de Maria, trajectory of a region from 1998 - 2011**

By Claudia Lopez

### Executive Summary

Montes de Maria (MdM) is a region comprised of 646,000 hectares (Ha) of land, over 15 municipalities, located in the northwestern Colombian Caribbean zone between the provinces of Sucre and Bolivar, with approximately half a million inhabitants. MdM was one of the regions of the country most affected by the internal conflict from the 1990s through 2003. The implementation of the Colombian Government's Democratic Security Plan (DSP), beginning in 2003, led to the negotiated demobilization of right-wing paramilitary groups and the military defeat of left-wing guerrilla groups, which resulted in an impressive improvement in security conditions over a six year period. In parallel to this successful military intervention, the National Government also intervened in MdM by strengthening the presence of national institutions, programs and services, in order to fortify civilian rule of law and government presence, first through the Coordination Center for Comprehensive Action (CCAI by its Spanish acronym), between 2007-2011, and then through the more thorough Consolidation Program, since 2012. The goal of these civilian interventions in MdM was both to sustain security gains and to capitalize on them as a platform for enhanced socioeconomic development and democratic governance.

Following six years of national civilian government efforts, there remains a significant gap between what has been achieved militarily, in terms of security, and what has been achieved with regard to development and democratic governance. A comparative statistical and qualitative analysis of the region from 1998 - 2011 indicates that these civilian CCAI and Consolidation efforts have not achieved the same level of quick and decisive impact on development and democratic governance as the military interventions achieved with regard to security. Although MdM today enjoys State military control over the territory, and an enhanced security environment as compared to the 1990s, it still lacks civilian government institutional control and the effectiveness needed to improve development, and local government entities remain weak. This puts the region at a disadvantage in terms of development potential and in a fragile position as new security challenges arise from armed criminal groups (BACRIM).

This paper discusses the possible reasons for this dramatic divergence between military and civil sector "consolidation" efforts and provides some potential alternatives to try and change this. Unrealized assumptions, organizational and operational differences, and limited resources may explain the gap between security gains vs. the development and governability gains. Yet, the remarkable success in security provides strong lessons that may serve to help make improvements in the other two areas of development and governance. One key to closing the gap between security gains and lackluster civil society improvements may be in civilian interventions, such as the Consolidation Program, learning from the success of its military counterpart and incorporating its lessons learned, while adapting them to their distinct challenges at hand.

## **Montes de Maria, trajectory of a region from 1998 - 2011**

By Claudia Lopez<sup>1</sup>

### Introduction & Methodology

This report tracks the evolution of the Montes de Maria (MdM) region, from 1998 to 2011, across three areas: 1) governance, 2) development, and 3) security conditions. The goal is to understand what factors have influenced the evolution of each dimension, perceptions about its progress and ongoing challenges, and the role that national interventions, such as the Military Democratic Security Plan (DSP) and the CCAI-Consolidation Plan (CP) have played in such an evolution.

Methodologically, this reports combines qualitative and quantitative tools. It uses panel-data, random-effects regressions to compare governance, security and development indicators in the region to the rest of the country. It also tests for time varying effects by assessing the change in performance in these indicators in the 2004-2007 and 2008-2011 periods, compared with the 1998-2003 base period. Additionally, the report summarizes the evolution of a set of 27 secondary descriptive statistics, to demonstrate the evolution of the situation of security, development and governance in MdM municipalities, compared to the provinces of Bolívar and Sucre. These statistical methods allow the authors to highlight the positive and negative trends in MdM's municipalities over the past 15 years as compared with the MdM region's longer historical record, the provinces of Sucre and Bolivar, and the rest of the country.

On the qualitative side, the paper compares 10 qualitative reports about MdM produced by academics, NGOs, and international organizations that have been working in the region at least during the last decade. This paper analyzes findings from these 10 reports, along with those from 47 interviews that were conducted by the authors, which allows a comparison of perceptions of success, failure and ongoing challenges on security, development and governance in the region.

Combining qualitative and quantitative sources and techniques, this report offers first, an analysis of the data and facts regarding security, development and governance in MdM from 1998 to 2011; second, an analysis of informed actors' perceptions regarding the factors that might explain their evolution and current situation; and finally, a set of policy recommendations to deal with the current challenges in these three dimensions in the region.

### The facts

Descriptive statistics of a set of 27 variables track the evolution of MdM's 15 municipalities in terms of security, governance and development indicators between 1998 and 2011, and

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<sup>1</sup> This report counted with the help of a team of professionals. On econometrics, Jorge Gallego, economist and NYU's doctoral candidate in Political Science; on descriptive statistics, Felipe Jimenez, Professional, specialist in Governance and Public Management; on qualitative analysis, field work and interviews with Melisa de la Ossa, economist, and IM-General (r) Rafael Colon Torres, former Deputy Commander of Navy First Brigade in MdM. However, only Claudia Lopez holds responsible for this report's content, arguments and policy recommendations.

also allow us to compare this trajectory with that of the MdM’s own longer-term historical record.

Figure 1. Map of Montes de Maria Region’s 15 municipalities



In terms of security, MdM has witnessed a positive trend in recent years, as compared with its historical record. Since 2004, along with an impressive increase in State military presence and operations, the rates of homicides per 100.000 inhabitants, displacement, kidnapping, massacres, and FARC attacks decreased steadily up until 2011; paramilitary and BACRIM (criminal gangs by its Spanish acronym) attacks also reduced sharply, but in 2011 went up again.

Table 1. MdM evolution of security indicators 1998, 2004, and 2011

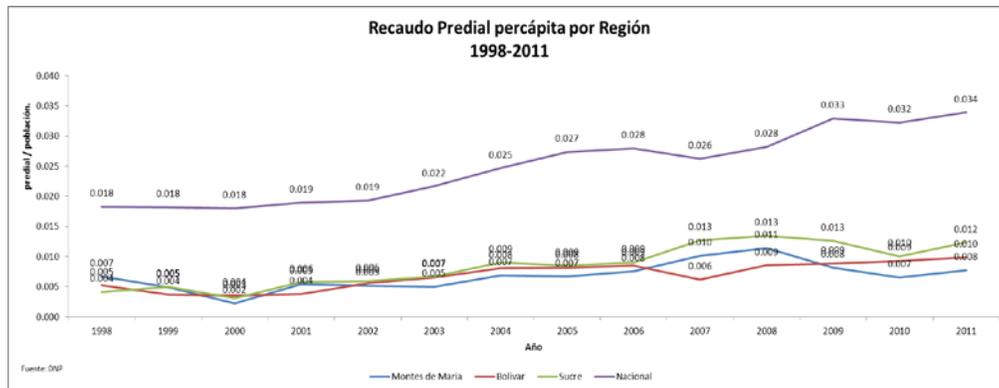
<b>Variables. Rates per 100.000 inhabitants</b>	<b>1998</b>	<b>2004</b>	<b>2011</b>
Homicides	37	51	9
Kidnapping	8	8	0
Displacement	2640	4521	56
Massacres	0.54	1.06	0.00
FARC attacks	4.03	11.75	0.00
State attacks/operations	0.00	63.12	0.90
Paramilitary/BACRIM attacks	1.88	0.10	0.34

The security evolution in MdM has two distinctive periods. During the first period, from 1998 to 2004, the region experienced a spiral of violence as shown, for example, by the fact that FARC attacks tripled, and the rate of massacres and forced displacement doubled between 1998 and 2004. During the second period, from 2004 to 2011, violence sharply

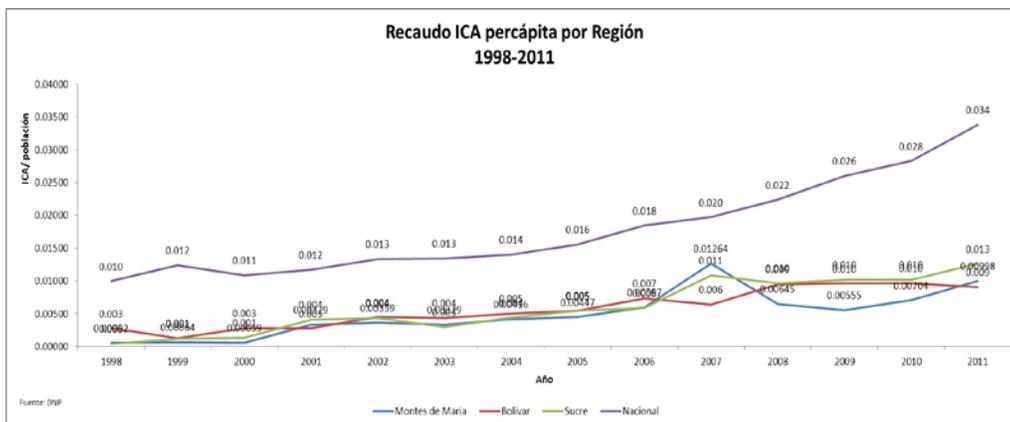
decreased while security notably improved; for example, massacres and FARC attacks completely disappeared in the region, while forced displacement fell sharply, by more than 80%. The only worrisome variable is the rate of paramilitary/BACRIM attacks, which in 2011 was higher in MdM than in Sucre, Bolívar or nationwide, although attacks were not of the same nature or magnitude as previously observed. Current paramilitary/BACRIM attacks are not widespread in the region, but heavily concentrated in only two municipalities: San Juan Nepomuceno (Bolívar) and San Onofre (Sucre). Yet, the rates in these two municipalities (3.0 in San Onofre and 2.1 in San Juan) in 2011 are much higher than the provincial rates (0.25 in Bolívar and 0.15 in Sucre), and San Onofre's rate is higher than the national average (0.27).

Regarding municipal fiscal and administrative management, the picture looks grimmer. Measured in 2011 Colombian pesos, the level of tax revenue in MdM has not changed that much. Land property tax revenue per capita was \$7.000 (aprox. USD 3.7) in 1998 and \$8.000 (aprox. USD 4.2) in 2011. Business tax collection per capita has increased more sharply, from \$500 pesos (USD 0.26) in 1998 to \$9.000 pesos (USD 4.7) in 2011, yet both land property and business tax revenue in MdM still fall below provincial and national averages.

Graph 1. Collection of property tax (per capita)



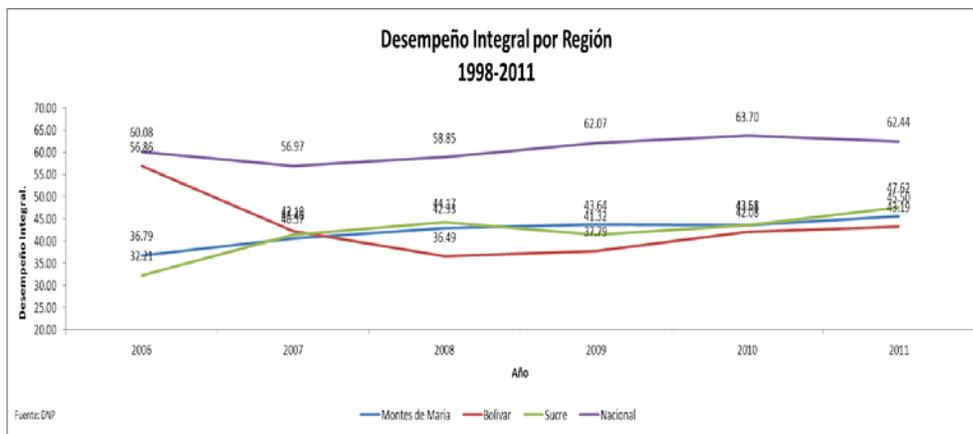
Graph 2. Collection of ICA business tax (per capita)



Fiscal dependency on national resources is still extremely high in Mdm’s municipalities. On average, Mdm’s municipalities depend on getting 6 out of every 10 pesos of local budget from national government fiscal transfers, and in some municipalities, such as Coloso (Sucre), Morroa (Sucre) and Córdoba (Bolívar), this reaches as high as 8 out of 10 pesos.

The Municipal Development Index, which measures fiscal, planning and administrative performance, averages 45 (out of a possible 100) points for the 15 Mdm municipalities, which is 17 points lower than the national average. Although between 2006-2011 the average performance improved by 24% in the region, some municipalities’ performance worsened, registering negative rates of annual change in performance as in the case of Cordoba (Bolívar), El Guamo (Bolívar), María la Baja (Bolívar), San Juan Nepomuceno (Bolívar), Zambrano (Bolívar) and Ovejas (Sucre).

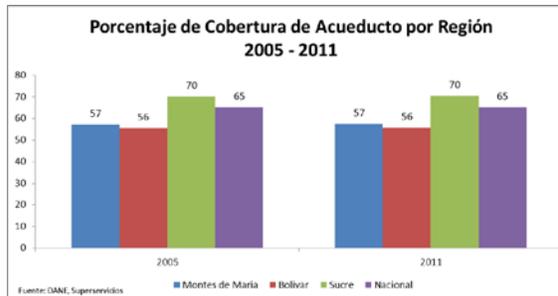
Graph 3. Municipal Development Index



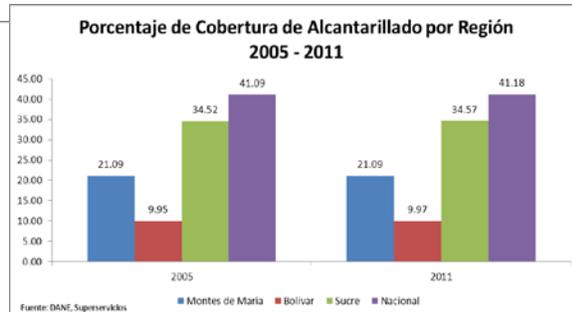
The local judiciary branch is also lacking strength. Based on official records, the NGO Dejusticia estimates that although all 15 municipalities have local judges, only four out of the 15 municipalities have public prosecutor’s offices (Fiscalías) and personnel (El Carmen de Bolívar (Bolívar), San Jacinto (Bolívar), San Juan Nepomuceno (Bolívar), Ovejas (Bolívar) and San Onofre (Bolívar)). This provision of justice is neither enough to deal with the vast impunity derived from past armed conflict, nor for the current security challenges it is facing. To have a sense of proportion about justice challenges, official records estimate that during the last 15 years approximately 120.000 persons were violently displaced, thereby taking away their 49.775 Ha of land. Additionally, some of the strongest criminal drug trafficking networks are still operating in this region.

Socioeconomic indicators, such as education and health coverage have improved markedly, reaching up to 100% of the targeted population in some areas by 2011. Yet other social indicators, for example the provision of public utilities (such as drinkable water and proper sewage collection), is much lower in Mdm than in the Sucre province and nationally, although it is much better than in the Bolívar province. At least half of Mdm’s population still does not have access to drinkable water and sewage disposal, and no significant progress has been made on these services since 2005.

Graph 4. Water supply coverage



Graph 5. Sewage coverage



The lack of public service provision, combined with higher deficiencies in housing quality, explain why the poverty Index of Unsatisfied Basic Needs (NBI), which measures poverty based on public goods accessibility and quality, is still too high in the region: 68% of Mdm’s population do not enjoy adequate public goods<sup>2</sup>; a proportion 23 points higher than the national average. During the last 15 years, 12 out of the 15 municipalities of Mdm have reduced their NBI index, except El Carmen de Bolívar (Bolívar), San Jacinto (Bolívar) and San Juan Nepomuceno (Bolívar), which have received high influxes of internally displaced populations from the rest of the neighboring municipalities. Thus, more than a critical change in NBI in the region, what has occurred is a critical displacement of population between the municipalities within the region. Both nationally and in Mdm, violently displaced populations suffer worse NBI indicators than the average poor (non-displaced) population.

Overall security, and some socioeconomic indicators such as education and health, have evolved very positively, but low provision of public goods, high levels of poverty and lack of fiscal and administrative capacity still represent great challenges for Mdm’s municipalities. The following table summarizes the evolution of a set of 27 descriptive indicators (from secondary data sources) in a “traffic light” pattern, where “green” indicates a positive trend in indicator change over the time period listed, meaning that the indicator for Mdm is in line with, or better than, the regional and national averages; “yellow” indicates that the indicator for Mdm is moderately worse off than the regional and national results, and “red” means that the indicator results for Mdm are lagging well behind the regional and national trends<sup>3</sup>.

<sup>2</sup> The public goods variables used to build the indicator of NBI are: Inadequate housing, Housing critically overcrowded, households with inadequate public services, economic dependence and lack of education coverage.<sup>3</sup> An Excel file that includes the detailed descriptive statistics for Mdm between 1998 and 2011, and that was used in producing the “traffic light” analysis below, is included in Annex 1 of this report.

<sup>3</sup> An Excel file that includes the detailed descriptive statistics for Mdm between 1998 and 2011, and that was used in producing the “traffic light” analysis below, is included in Annex 1 of this report.

Table 2. MdM “Traffic Light” Status on 27 Descriptive Indicators

BALANCE OF DESCRIPTIVE STATISTICS FOR MONTES DE MARÍA, 1998-2011					
#	Variable	Topic	Type of trend	Source	
1	<a href="#">Tasa de Homicidio</a>	Security	Green	1998-2011	
2	<a href="#">Tasa de Secuestro</a>		Green	1998-2011	
3	<a href="#">Tasa de Desplazados</a>		Green	1998-2011	
4	<a href="#">Tasa de Masacres</a>		Green	1998-2011	
5	<a href="#">Tasa de acciones Unilaterales FARC</a>		Green	1998-2011	
6	<a href="#">Tasa de acciones Unilaterales Paramilitares</a>		Yellow	1998-2011	
7	<a href="#">Tasa de Acciones Unilaterales Estado</a>		Green	1998-2011	
8	<a href="#">Hectáres de Coca</a>	Green	2001-2011	SIMCI	
9	<a href="#">Presencia jueces y Fiscalía</a>	Justice	Yellow	2012	DEJUSTICIA, CSJ
10	<a href="#">Recaudo Predial per cápita</a>	Fiscal & Administrative capacity	Red	1998-2011	DNP
11	<a href="#">Recaudo Predial en millones de pesos de 2011</a>		Red	1998-2011	DNP
12	<a href="#">Recaudo ICA per cápita</a>		Red	1998-2011	DNP
13	<a href="#">Recaudo ICA en millones de pesos de 2011</a>		Red	1998-2011	DNP
14	<a href="#">Autonomía Fiscal</a>		Yellow	1998-2011	DNP
15	<a href="#">Formación Bruta de Capital Fijo</a>	Green	1998-2011	DNP	
16	<a href="#">Desempeño Integral</a>	Institutional capacity	Red	2006-2011	DNP
17	<a href="#">Estado Catastral</a>		Yellow	2013	IGAC
18	<a href="#">Índice de Gobierno Abierta - IGA</a>		Yellow	2011 - 2012	PGN
19	<a href="#">Necesidades Básicas Insatisfechas</a>	Poverty	Green	1985 - 1993 - 2005	DANE
20	<a href="#">Cobertura de acueducto</a>	Public utilities provision	Red	2005 - 2011	DANE, Superservicios
21	<a href="#">Cobertura de alcantarillado</a>		Red	2005 - 2011	DANE, Superservicios
22	<a href="#">Porcentaje de Personas con cuentas de ahorro</a>	Access to financial services	Red	2006-2011	ASOBANCARIA
23	<a href="#">Número de bancos en el municipio</a>		Yellow	2013	Banca de Oportunidades
24	<a href="#">Cobertura régimen subsidiado de salud</a>	Access to social services	Green	2005 - 2001	Min Protección Social
25	<a href="#">Cobertura bruta de educación</a>		Green	2006 - 2001	MEN
26	<a href="#">Tasa de analfabetismo</a>		Red	2005	DANE
27	<a href="#">Participación Electoral</a>	Local Electoral Participation	Green	2007 - 2006 - 2010 - 2011	National Registry's Office

The advantage of descriptive statistics is that they provide a quick and easy snapshot of the region, but they do not allow any like-causal inference analysis of what has happened in the region compared to the rest of the municipalities in the country. For example, are the trends observed in MdM particular to that region? Are they significantly different from the rest of the country? What could explain MdM’s trends in a more nuanced way? To address these questions the author ran a panel-data, random-effects model to test for particular trends in MDM’s security, development and governance indicators that significantly differ from the rest of the country. The model tests if being a municipality that belongs to the MdM region explains differences in these three dimensions, controlling for territorial extension and population density, so that differences in trends are not explained by differences in these variables. Out of the 27 variables used for descriptive statistics, 14 were selected to test if belonging to the MdM region significantly predicts a particular performance or trend in these three dimensions; seven were grouped to test the evolution of security and another seven to test for governance and development, as shown in Table 2.

Table 3. Panel-data, random-effects Model variables

Type	Variables	Description	Years	Source
Security	Homicides	Homicide rate per year per 100,000 inhabitants	1998-2011	Vicepresidencia
	Displacement	Displacement rate per year per 100,000 inhabitants	1998-2011	Vicepresidencia
	Kidnapping	Kidnapping rate per year per 100,000 inhabitants	1998-2011	Vicepresidencia
	Massacres	Massacres rate per year per 100,000 inhabitants	1998-2011	Vicepresidencia
	Hectares of coca sown	Hectares of coca	2001-2011	SIMCI
	Paramilitary presence	Paramilitary presence. Dummy variable	1998-2011	CERAC
	FARC, paramilitary, and State attacks	Rate of attacks per year per 100,000 inhabitants	1998-2012	CERAC
Governance and Development	Municipal development index	Measures the behavior of municipalities in social and financial variables.	2000-2011	DNP
	Fiscal performance index	Includes financial aggregates such as tax collection, resources transferred by central government, investment, indebtedness and indicators of fiscal management of territorial governments.	2000-2011	DNP
	Property tax revenues	\$ Collected per capita	1998-2011	DNP
	Industry and commerce tax revenues	\$ Collected per capita	1998-2011	DNP
	Health coverage	% of people included in the public system health	1998-2011	Ministerio Salud
	Poverty index	Poverty based on unfulfilled basic needs index, or NBI in Spanish	1993/2005 / 2010	DANE
	Local electoral participation	Percentage of actual voters in mayoral elections	2000 / 2007 / 2011	Registraduría

The overall period of analysis is 1998 to 2011, which was broken into three sub-periods (1998-2003, 2004-2007, 2008-2011), so that the evolution of trends in 2004-2007 and 2008-2011 are compared to the base period 1998-2003. The break-up of years for each sub-period was conducted to serve as proxies to test the influence of three bold initiatives executed in the region: first, the Military campaign initiated in 2003 as part of the Democratic Security Policy in the region; second, the initiation of the Laboratory3-Peace and Development Program (PdP), a civil society initiative supported by UNDP and European Union that also started in 2003; and third, the initiation of activities, in 2007, of the Center for Coordinated and Integrative Action (CCAI), a national government initiative to bring the civilian entities, their programs and services, to this region. The Consolidation Plan only started in 2012, so no assessment is yet possible with the data available. Although the model does not allow adjudication of distinctive causal effects among any of these three initiatives, at least it allows testing whether after the initiation of these programs the region

experienced significant changes in security, development and governance, compared to the 1998-2003 base period, and compared to the rest of the country<sup>4</sup>.

Table 7: Montes de María Impact on Security Outcomes with Heterogeneous Period Effects (Random Effects)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Homicides	Displacement	Kidnapping	Massacres	Coca	FARC Attacks	Paras Attacks	State Attacks	Paras Presence
Montes	3.825 (11.75)	8469.2*** (2290.7)	14.55 (9.195)	1.048*** (0.405)	-102.4*** (18.02)	6.554*** (2.093)	1.204** (0.510)	4.854** (1.956)	0.321*** (0.0833)
I(04-07)	-12.26*** (2.086)	146.1 (116.8)	-15.70*** (2.886)	-0.348*** (0.0728)	11.54 (8.340)	0.0878 (0.252)	0.175 (0.156)	6.102*** (0.504)	-0.289*** (0.0149)
I(08-11)	-27.38*** (2.008)	-950.5*** (109.3)	-16.73*** (2.900)	-0.362*** (0.0722)	-20.00** (8.777)	-0.103 (0.261)	-0.464*** (0.119)	1.483*** (0.171)	-0.309*** (0.0140)
Montes×I(04-07)	-11.18 (9.217)	-6168.2*** (1768.5)	-14.33* (7.744)	-0.935** (0.448)	23.29** (11.74)	-1.713 (2.096)	-1.551** (0.636)	31.84*** (8.859)	-0.222*** (0.0418)
Montes×I(08-11)	-23.29* (12.49)	-8600.8*** (2246.6)	-15.92* (9.169)	-1.137*** (0.405)	38.53*** (12.82)	-7.145*** (2.110)	-1.568*** (0.533)	-2.326 (1.441)	-0.321*** (0.0834)
Constant	52.55*** (1.955)	1225.4*** (109.3)	17.86*** (3.064)	0.441*** (0.0683)	80.21*** (13.74)	1.548*** (0.190)	0.773*** (0.111)	0.195** (0.0768)	0.308*** (0.0140)
Controls	Y	Y	Y	Y	Y	Y	Y	Y	Y
Year Effects	Y	Y	Y	Y	Y	Y	Y	Y	Y
N	15337	13136	15303	15294	12041	14278	14278	14278	15337

Notes: Standard errors in parentheses. Results based on random effects regressions. Municipality level controls include population and population density. Montes is a dummy that equals 1 for municipalities in the Montes de María region and zero otherwise. Homicides, Displacement, Kidnappings, Massacres, FARC Attacks, Paras Attacks, and State Attacks correspond to the rates per 100,000 inhabitants for the respective variable. Coca is the number of hectares sown. Paras Presence is a dummy indicating any presence of paramilitary units. I(04-07) and I(08-11) are dummy variables, for periods 2004-2007 and 2008-2011, respectively. The baseline period is 1998-2003. Every specification includes fixed effects, year effects, and standard errors are clustered at the municipality level. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

The model's estimates for security indicators show a very positive trend since 2004 (see table 7). According to the panel-data random-effects model, overall between 1998 and 2011 being a municipality that belongs to the MdM region predicts having higher rates of forced displacement, massacres, presence and attacks of paramilitary groups, as well as higher FARC attacks and Armed Forces operations, than being a municipality located in the rest of the country. However, since 2004 belonging to MdM region predicts a higher decline in homicides, kidnappings, and massacres rates, as well as in paramilitary presence, than being in the rest of the country. This also predicts having significantly higher Armed Forces operations than in the rest of the country, which coincides with the initiation of the military campaign in the region. Since 2008, these previous trends in reducing violence improved even further, and additionally, being part of MdM means foreseeing greater reduction in the rate of forced displacement and in attacks of both the FARC and paramilitary groups, compared to the rest of the country. This impressive turnaround in violence and improvement in security is by far the greatest achievement of national state intervention in the MdM region, according to all sources consulted for this report, both qualitative and quantitative.

<sup>4</sup> A complete explanation of the Panel-data, random-effects model and its results is attached as Annex 2.

Table 8: Montes de María Impact on Development and Performance Outcomes with Heterogeneous Period Effects  
(Random Effects)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Municipal Performance	Fiscal Performance	Predial Tax	ICA Tax	Health Coverage	Poverty	Turnout
Montes	-7.574*** (0.902)	-1.169 (0.956)	-0.00709*** (0.000979)	-0.00398*** (0.000992)	-29.00*** (3.874)	23.296*** (2.264)	3.785* (2.146)
I(04-07)	21.22*** (0.152)	7.580*** (0.300)	0.0149*** (0.000660)	0.0125*** (0.000993)	13.81*** (1.188)		3.849*** (0.227)
I(08-11)	5.087*** (0.212)	12.03*** (0.319)	0.0247*** (0.00119)	0.0279*** (0.00265)	19.61*** (1.296)		6.705*** (0.245)
Montes×I(04-07)	0.815* (0.447)	-1.480 (1.492)	-0.00649*** (0.00115)	-0.00192 (0.00219)	19.33*** (4.196)	0.198 (2.81)	-2.137* (1.291)
Montes×I(08-11)	-2.324** (0.987)	-6.957*** (2.452)	-0.0137*** (0.00137)	-0.0130*** (0.00323)	26.66*** (4.946)	0.164 (2.811)	-0.190 (1.117)
Constant	34.34*** (0.296)	54.30*** (0.274)	0.00637*** (0.000601)	0.00146** (0.000707)	72.96*** (1.268)	54.02*** (0.596)	61.00*** (0.355)
Controls	Y	Y	Y	Y	Y	Y	Y
Year Effects	Y	Y	Y	Y	Y	Y	Y
N	13143	11652	15279	15279	14242	3288	4378

Notes: Standard errors in parentheses. Results based on random effects regressions. Municipality level controls include population and population density. Montes is a dummy that equals 1 for municipalities in the Montes de Maria region and zero otherwise. Municipal Performance is measured by the Idemun index. Fiscal Performance is an index constructed by the National Planning Department. Predial is a property tax. ICA is an industry and commerce tax. Health Coverage is the percentage of the population subscribed to the subsidized health system. Poverty is measured as the proportion of the population with unfulfilled basic needs (NBI), for years 1993, 2005, and 2010. Turnout is voter turnout for mayoral elections on 2000, 2003, 2007, and 2011. I(04-07) and I(08-11) are dummy variables, for periods 2004-2007 and 2008-2011, respectively. The baseline period is 1998-2003. Every specification includes fixed effects, year effects, and standard errors are clustered at the municipality level. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

The model's estimates for governance and development indicators show very different results than for security (see Table 8). For the entire period of 1998-2011, belonging to MdM means worse municipal management, local tax collection (both on land property and business activity), health coverage and poverty, as measured by NBI index, than being in the rest of the country. Although grim, these strong differences between MdM's development indicators and those in the rest of the country have been the norm further back in history; unfortunately, history did not change in this period. The only governance indicator in which MdM did better than the rest of the country from 1998 to 2011, was having significantly higher rates of electoral participation in mayoral elections. However, judicial investigations regarding the so-called para-political scandal proved that paramilitary groups coerced voters in favor of their hand-picked candidates between 1998 and 2003, meaning that this superior level of electoral participation might be a sign of worry rather than hope in MdM. The model shows that electoral participation was significantly lower in MdM in 2007 local elections (once paramilitaries demobilized) compared to 2003, and enter within the national average in 2011.

Dividing by sub-periods, the overall performance of MdM on development and governance shows some signs of improvement since 2004. During the period 2004-2007 being part of MdM predicts a modest improvement in municipal management and a significant improvement in health coverage; additionally there is no sign of further poverty deterioration in the region, so that MdM's trend in NBI falls within the national average. Yet being in MdM predicted a lower tax collection of land property taxes in 2004-2007 compared to the base period. During the period 2008-2011 only health coverage keeps improving in MdM higher than in the rest of the country; poverty keeps within the national average, there is no sign of deterioration or improvement compared to the base period. On the contrary, in 2008-2011 being in MdM predicted lower land and commercial tax

collection, and worse municipal and fiscal performance compared to the base period and the rest of the country. In sum, poverty improved modestly and health coverage improved significantly in MdM since 2004, but local governance in terms of fiscal and municipal performance did not, compared to the base period.

These previous development and governance indicators were chosen because there are data series available for them from 1998 to 2011 that allow assessing time varying effects. Additionally, three other indicators, whose data series are shorter, from 2006 to 2011, were assessed separately. First, capital formation (the capacity of local governments to translate their budgets into actual investments), second, the proportion of the population holding saving accounts and third, a new version of the municipal performance index that started in 2006, named Integral Development Index. As with the previous set of development indicators, in these three, belonging to MdM's region predicts having significantly lower levels in all three indicators than being in the rest of the country, and only the Integral Municipal Performance Index showed a modest improvement since 2008.

Table 10: Montes de María Impact on Additional Development and Performance Indicators  
(Random Effects)

	(1)	(2)	(3)	(4)	(5)	(6)
	Capital Formation	Savings Accounts	Integral Index	Capital Formation	Savings Accounts	Integral Index
Montes	-0.0851*** (0.0133)	-0.00798*** (0.000890)	-18.52*** (2.746)	-0.0502*** (0.00769)	-0.00567*** (0.000974)	-19.85*** (3.692)
I(04-07)						
I(08-12)						
Montes×I(04-07)				-0.0548*** (0.0145)		
Montes×I(08-12)				-0.0685*** (0.0254)	-0.00347*** (0.000537)	1.994 (2.642)
Constant	0.0635*** (0.00236)	0.00953*** (0.000778)	62.27*** (0.441)	0.0631*** (0.00232)	0.00955*** (0.000778)	62.26*** (0.441)
Controls	Y	Y	Y	Y	Y	Y
Year Effects	Y	Y	Y	Y	Y	Y
N	15279	6567	6575	15279	6567	6575

Notes: Standard errors in parentheses. Results based on random effects regressions. Municipality level controls include population and population density. Montes is a dummy that equals 1 for municipalities in the Montes de María region and zero otherwise. Capital Formation is per capita gross formation of fixed capital, for the period 1998-2011. Saving Accounts is the percentage of citizens with this type of accounts for the period 2006-2011. Integral index is a measure of municipal performance for the period 2006-2011. I(04-07) and I(08-11) are dummy variables, for periods 2004-2007 and 2008-2011, respectively. The baseline period is 1998-2003. Every specification includes fixed effects, year effects, and standard errors are clustered at the municipality level. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

These econometric results fit with the perceptions and arguments given in all 10 qualitative reports and 46 interviews made for this paper. The puzzle is the same for all sources consulted. In a six-year period (2003-2008) a top down, coordinated, national military intervention in MdM was able to crack down on illegal groups, reduce violence, gain military control of the territory and significantly improve security. Why another six years (2007-2011) of a top down, coordinated, national effort to bring civilian institutions, programs and services have not had as good results in development and governance as those in security? What are the bottlenecks? What explains this gap? This next part of the report addresses these questions, based on the interviews and qualitative sources that were conducted and reviewed.

## The Interpretations

This section relies on a comparative analysis of 46 interviews and 10 reports about MdM's historical characterization and current situation of security, development and governance<sup>5</sup>. These reports and interviews were compared to see how much they agree or disagree along some common themes and arguments regarding the situation in the region<sup>6</sup>. Not all reports touch on the same topics, some are more comprehensive than others, some focus on security rather than development, but all of them explore deeply and rigorously at least one of the three dimensions analyzed in this report.

Table 4 below summarizes the main arguments regarding the recent evolution and current challenges in security, governance and development in the region, as discussed in the reports, and the level of agreement among all sources; 60% or higher level of coincidence indicates strong agreement across all 10 reports, between 40 and 60% a moderate level of agreement, and lower than 40% indicates either that the source did not touch that particular topic or that it has a strong disagreement with the base argument, though the former reason is more common than the later.

Table 4. Agreement between primary findings of 10 qualitative studies on MdM

10 QUALITATIVE STUDIES ABOUT MdM Comparison of main arguments	% level of agreement
1. Historical struggles among different agricultural users and land uses evolved into armed conflict as disputes arose over the control of strategic corridors, weapons' and drug trafficking's routes. Despite the defeat of FARC and other guerrilla groups, and the demobilization of the paramilitaries, land conflicts remain the biggest challenge for security, governance and development in the region.	79%
2. Historically clientelistic gamonalismo (landlordism) prevails as the dominant political regime in MdM, but altogether with political and fiscal decentralization, armed conflict and drug trafficking, it evolved into armed/political/mafiosi clientelism. This hybrid, de facto system of local governance is one of the greatest obstacles for regional development.	70%
3. Out of the 646.600 hectares of MdM, by 2007 54% were devoted to pastures for livestock (this area went from 45% in 2005 to 54% in 2007); 13% for agriculture and 33% for other uses. These numbers reveal that land used for cattle ranching and perennial products, such as agro-fuel crops have increased at the expense of more short-term seasonal crops, related to food security in the region and in the country.	68%
4. The aforementioned patterns of agricultural land use and distribution have been accompanied by processes of land concentration; the land Gini coefficient increased from 72% in 2002 to 75% in 2009 in the MdM region.	65%

<sup>5</sup> A full list of the 10 reports and 46 interviewees, and their cross comparison is provided as Annex 3.

<sup>6</sup> The main/base arguments were taken as quotes of the most cited source in these 10 reports: Daniels Puello, Amaranto and Múnera Cavadía, Alfonso, "Los Montes de Maria: región, conflicto armado y desarrollo productivo" Universidad de Cartagena: Instituto Internacional de Estudios del Caribe, 2011.

10 QUALITATIVE STUDIES ABOUT MDM Comparison of main arguments	% level of agreement
5. Although massacres and killings began to decline in some municipalities in the region after 2003, it wasn't until 2007 that displacements began to drop substantially. Between 2003 and 2006, forced displacement affected up to 30% of the population of Carmen de Bolivar, Ovejas, San Juan Nepomuceno and San Onofre and a little less in Maria la Baja. Negative long lasting effects of these modes of violence persist, such as increases in poverty, distrust within communities, and distrust between communities and local authorities.	60%
6. Regional agriculture is trapped between the collapse of larger Haciendas, the resilience of rent seeking cattle ranching, the impoverishment of small and medium farmers, and the emergence of large scale agro industries, such as biofuels of palm oil. As historically, these current mix land uses grow without an inclusive approach towards small farmers, inclusive development and environmental sustainability for the region.	60%
7. The region requires the strengthening of democratic governance and decentralization and an adequate system of: 1. Long-term regional planning; 2. Local fiscal and administrative strengthening and, 3. A transparent scheme of public - private relationships.	50%
8. Planted area in MDM increased 25.9% between 2003 and 2007, reaching 81,075 hectares, but this increase is mainly due to the advance of perennial crops, which had an overall growth of 53% (crops of palm oil exhibit the largest increase, of about 250%), followed by seasonal crops, which grew 25% (the growth rates of corn (618%), eggplant (78%) and avocado (70%) are noticeable).	43%
9. The greatest achievement of the democratic security policy was the dismantling of FARC's fronts 35 and 37 and the demobilization of paramilitaries.	42%
10. The decline of massacres after 2003 is the result of a change in the criminal strategy of the paramilitaries, who replaced collective massacres by selective murders. This change is the main factor behind the declining rates of massacres and increased homicide rates between 2003 and 2007.	40%
11. The increase of mining and anti-personnel mine accidents between 2003 and 2005 is related to the greater military initiative of the State and the defensive-offensive reaction of the guerrillas, specially FARC, particularly in Carmen de Bolivar and Ovejas.	30%
12. Between 1997 and 2004, 49,775 Ha have been abandoned in the Bolivar province due to violence and forced displacement. Due to the armed conflict, 63% of the land given by land reform programs during the previous 40 years has been dispossessed from farmers. This data resonates with the national estimate referred to by the T025 sentence, which estimates a total national dispossession of 5.5 million Ha of land due to violence and forced displacement.	30%

10 QUALITATIVE STUDIES ABOUT MdM Comparison of main arguments	% level of agreement
13. "The largest chunks of land recently acquired by new agricultural entrepreneurs are located in areas heavily affected by armed conflict and forced displacement. This remarkable fact contradicts conventional wisdom about capitalist investment, in the sense that the greater the violence, the greater the risk and consequently the lower the interest in investing"	24%

There is a strong level of agreement, superior to 60%, among the 10 reports in which six out of the 13 arguments and conclusions were similar. These six arguments refer to three broad topics/conclusions: 1. Both historically and currently, conflicts over land possession, distribution and use are the greatest obstacle to stable security, democratic governance and inclusive development in MdM (level of agreement up to 79%); 2. Both historically and currently, a de facto political regime based on landlordism, clientelism and high corruption is the greatest political obstacle to democratic governance and efficient public management in MdM (level of agreement up to 70%); 3. Neither democratization (popular election of local authorities) nor decentralization (higher political and administrative autonomy) or the recent security improvement (guerrillas defeated, paramilitary groups demobilized, and violence decline) have been sufficient to overcome the aforementioned challenges; on the contrary, some of their current dynamics pervasively reinforce rather than supersede them (level of agreement up to 60%).

Although there is a high level of agreement between the reports on these three broad conclusions, there is much less clarity on the nuance of explanations of why this is the case. For example, although up to 65% of all sources explicitly mentioned and agreed that land concentration has worsened, and that this is negative for inclusive economic development, only 43% of the sources directly mentioned and agreed that this is definitively related to the expansion of large cattle ranching and agro-industrial mono crops, such as palm oil. Additionally, only 24% of the sources mentioned explicitly that this expansion may be taking advantage of forced displacement and violent land dispossession in the region. Therefore, either a lack of common reliable sources and information, or substantially different views about these topics may explain these divergences.

The 10 reports had a more historical perspective of the region during the last decade. To contrast such historical views with current perceptions, the authors conducted 46 interviews with informed MdM stakeholders, which can be divided into two categories. Approximately half of them have been either national or local public officials or private professionals who worked in entities/programs executed in the region during the last decade. The other half accounts for community leaders, peasant leaders or dwellers of particular rural towns visited in the region for this report. The level of information and expertise on different topics varies greatly between these two groups, and yet neither of the two types of interviewees showed strong disagreement with the ranking of issues derived from the 10 reports comparison. However, they emphasized additional contemporary challenges, which are summarized in Table 5.

Interviewees' additional arguments	% agreement	Main Reference mentioned
1. The region has experienced an economic decline generated by lack of infrastructure and connection to national markets, lack of education and employment opportunities for youth, and the fact that national economic projects do not match local needs.	68%	Transversal MdM not finished yet. Youth population did not have opportunities.
2. Substantive progress has been made in security, however there are problems associated with illegal drugs, micro trafficking, citizen's security and common crime, which still spark violence in the region.	62%	Security challenges transformed, Military forces left and Police is utterly insufficient.
3. Consolidation's rapid response projects have had positive effects on the quality of life of its participants in the region.	54%	Consolidation's rapid response projects are positive and useful, but do not deal with structural economic challenges. There is progress, but too slow and too little compared to the massive and fast-moving negative legacies of violence and current challenges of poverty.
4. Clientelism and the lack of transparent and effective political and public management prevail. There is significant distrust towards local governments.	40%	Local governments are too weak, and also too corrupt. Mixed feelings about their appropriate role.
5. Lack of public goods, such as health, education, infrastructure and public utilities remain as major concerns because there has been little improvement in their provision, in spite of lower violence and better security.	38%	Multiple initiatives, but partial and usually disconnected; none deal with structural conditions affecting economic development.
6. Food security is at risk because agricultural areas are sacrificed to the land demands of large-scale cattle ranching and agro-industrial production.	27%	There is not a common vision of how land should be distributed among different agricultural uses. Land conflicts remain the biggest challenge.

As in the scale aforementioned, a level of agreement of 60% or higher among the 46 interviewees indicates a strong level of agreement, between 40% and 59% a more moderate level of agreement, and less than 40% indicates that only some interviewees mentioned the topic and from very different perspectives. Based on a cross comparison of both the 10 reports and the 46 interviews, the rest of this section explains in detail four arguments regarding MdM's current perceptions about the challenges of its security, development and democratic governance.

1. Armed conflict is over, but drug trafficking and security are still big challenges.

Armed conflict between guerrillas and paramilitaries is over, which is very positive for the region. Yet, progress towards this goal seems lagging behind that made in the past, while other security challenges remain or emerge. MdM still has huge "competitive advantages" for drug trafficking: its location, geography, midway connection between important cities, such as Sincelejo, Monteria, and Cartagena, and to the interior, multiple routes to the Caribbean sea in the Morrosquillo Gulf, and a history of criminal know-how in drug

trafficking. These advantages remain, regardless of the level of coca production in the country (which reduced by two thirds since mid-1990s, from 164.000 Ha of coca to 64.000 in 2011). These “advantages” are still heavily exploited by strong criminal networks, commonly designated as BACRIM .

There are strong differences of opinion about what, and who, the BACRIM are. Some interviewees see them as neo paramilitaries without uniforms; others think BACRIM and paramilitaries are a totally different phenomena; others believe BACRIM manage both transnational and local drug trafficking; other groups think local and transnational criminal networks work in collaboration, but with autonomy. Nobody has reliable hard data or information on this topic, so speculation prevails.

Not only drug trafficking, but also micro trafficking is now a big challenge in the region. Although no source has reliable hard data on this either, the common perception of both local authorities and actors interviewed, including Police members, is that MdM is no longer only a transit zone for transnational drug trafficking, but also a growing market of local micro trafficking and narcotics consumption. As a result of forced displacement, vulnerable young families are now heavily concentrated in MdM’s small urban centers (specially Carmen de Bolívar, Ovejas, San Juan Nepomuceno, San Onofre and Maria la Baja), which do not offer sufficient economic and social opportunities for these youth. As a result, intra-family violence, narcotics consumption and prostitution, among other social and security challenges, seem to be growing, as well as violence related to micro trafficking, in particular in Carmen de Bolívar and San Onofre.

2. In the face of current security challenges, police presence seems utterly insufficient.

There is no comparison between the previous military build-up that successfully dealt with armed conflict, and the police and judicial build-up to deal with current security challenges in MdM. According to Infantry General Rafael Colon, who was among the top commanders that led the military intervention in MdM, by 2002 only infantry marines of the First Naval Brigade (composed of roughly 5.000 infantries, divided in five Companies, one of which specialized in counterinsurgency operations) sparsely patrolled the entire Bolivar and Sucre provinces, including MdM, from bases in Cartagena, Malagana and Corozal. In 2003, a Presidential Decree declared 23 municipalities of Bolivar and Sucre provinces (including the 15 of MdM) a rehabilitation zone, giving special legal and judicial functions to the Armed Forces operating in the region.<sup>7</sup>

In 2005, all three Armed Forces (the Army, Infantry and Air Force) joined their manpower, intelligence and operational resources under one Joint Command for the Caribbean Region. In 2006, as part of the Caribbean Joint Command, and special Joint Force of Decisive Action (FUCAD by its Spanish acronym) is designated to operate and patrol only the 15 municipalities of MdM, with 5.000 new men, of which 700 were professional counterinsurgent soldiers, divided into two Companies. This huge increase in manpower

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<sup>7</sup> Although the Constitutional Court rejected the rehabilitation’s decree at the end of 2003, according to journalistic reports, during its period of validity Infantry’s manpower in MdM was increased by approximately 20% See: Navia, José. “Los Montes de Maria aún esperan su hora” special report for El Tiempo Newspaper, published March 10, 2003. Consulted in October 2013.  
<http://www.eltiempo.com/archivo/documento/MAM-965369>

was accompanied also by a significant increase in budget for artillery, weapons, logistics and intelligence so that Armed Forces' capacity were better coordinated, comprehensive, effective and sustainable<sup>8</sup>.

This military buildup for the MdM region operated from 2004 to 2008 and is the decisive factor explaining the defeat of FARC and other guerrilla groups and the consequent decrease in violence experienced in the region, along with the demobilization of paramilitary groups between 2004-2006. By the end of 2007, MdM was declared a paramilitary and guerrilla free zone, and was designated a CCAI zone, which was a coordination mechanism of National civilian institutions to focus and increase the provision of civilian and social services in militarily disputed or recovered regions. By 2010, the FUCAD was relocated to operate in the Nudo de Paramillo region (placed between the provinces of Antioquia and Cordoba), which is also a CCAI region. Currently, the Infantry has approximately 1.250 men patrolling MdM.

Although military and police buildups are not directly comparable, the police currently have on average 15 officers per municipality in MdM. When the Rehabilitation Zone was established in 2003, the official goal of the Infantry Commander in MdM was that each municipality could have a police station with 30 police officers. According to Consolidation professionals interviewed by Infantry General Rafael Colon for this report, such a goal has only been achieved in Carmen de Bolívar, which has 80.000 inhabitants, and San Jacinto, which has 25.000 inhabitants, and each has 30 police officers. A municipality with severe criminal and citizen security challenges, such as San Onofre, has 15 police officers, and recently the police made a big effort positioning four officers in its largest rural village, La Libertad; San Onofre has approximately 50.000 inhabitants, and is the epicenter of BACRIM drug trafficking criminal network operations in the Morrosquillo Gulf.

An exceptional case is the rural village of El Salado, infamously known for a horrendous massacre executed by paramilitaries in 2000. Currently, El Salado has 20 police officers thanks to a public private partnership initiative lead by Semana magazine that took El Salado as its special case for reconciliation, channeling both public and private resources to rebuild the town and to encourage displaced population to return.

The police argue correctly that they have made a big effort to increase their presence in MdM. In fact, when the current police presence is compared to the year 2002, when in half of MdM's municipalities there were neither mayors nor police officers operating in its urban centers, by 2013 the police has at least doubled the number of officers in the region. But what this increase actually means is that approximately a third of MdM's municipalities went from no police officers to 10 police officers on average, another third to up to 15 on average, and only five municipalities have more than 20 police officers. According to the interviewees, such institutional effort looks like a drop in the ocean compared to the magnitude of security and community challenges in MdM, and the police Chief Commanders

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<sup>8</sup> Though there are no regionalized military budget figures, according to Colombia's Ministry of Defense, nationwide the Armed Forces increased their budget by 1.1% of Colombia's GDP between 2000 and 2007 and additionally US cooperation through Plan Colombia was equivalent to 0.575% of Colombia's GDP during the same period. See: Ministry of National Defense. (2009). *Gasto en Defensa y Seguridad 1998 - 2011*. Ministerio de Defensa de Colombia. Bogota: Imprenta Nacional de Colombia.

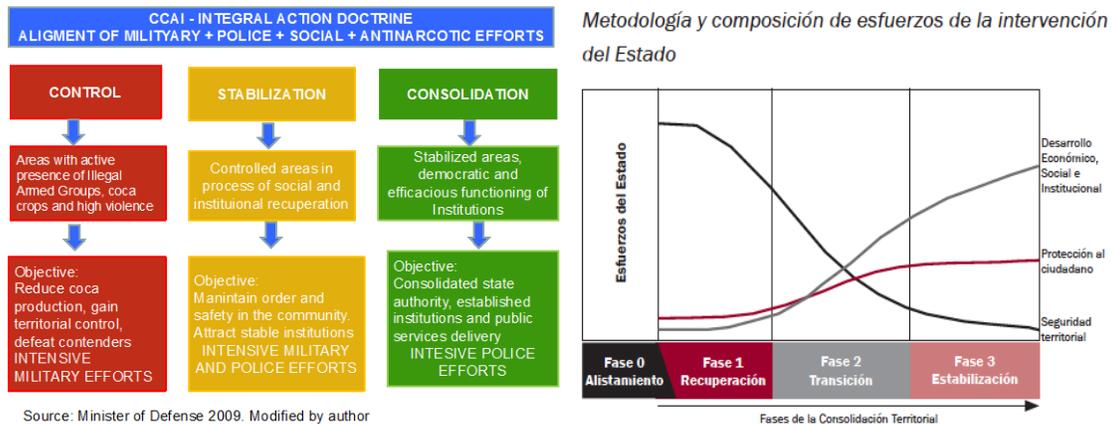
of both Bolívar and Sucre acknowledge there is still a big gap between their effort and the regions demands.

- There is no comparison between the magnitude and strategic set up of the military effort, designed to crackdown violence, and the current civilian effort to improve development and democratic governance.

All sources, qualitative and quantitative, consulted for this report agree that the impressive reduction of violence in MdM was due to the combined effects of three factors. First, the demobilization of paramilitary groups since 2004; second, the effort that the Infantry made to break criminal links between some of their members and paramilitary groups and to build a more friendly and trust-based relationship with communities; and third, the massive and strategic military buildup deployed to break illegal armed groups' advantages and capacity irreversibly, while making sustainable the state's military control of the territory. In sum, the implementation of the Democratic Security policy, both in its negotiated demobilization component as well as in its military effort, irreversibly dismantled the conditions that allowed illegal armed groups to control territory on broad and permanent basis. Thanks to these factors, Montes de Maria went from increasing violence until 2003, to a steady reduction in violence (higher than the national average since 2004), and to expanding those improvements after 2008, as our econometric model shows.

The Democratic Security and the CCAI-Consolidation policies foresee a coordinated, sequential and sustained institutional effort to deal first with security and then with development and governance. The expectations were that security gains obtained in the first phases of state intervention would be capitalized in development and governance, and that all three dimensions would have equal priority along the different phases of intervention. Unfortunately, that had not been the case through 2011.

Figure 2. CCAI and Consolidation Program Strategy Presentation Graphics



There is a huge gap between the strategic vision and the political and financial priority given to the security intervention, compared to the interventions in development and governance in MdM. Neither the CCAI nor the current Consolidation Program have received an influx of additional resources for fresh public investment equivalent to 1.1% of Colombia's GDP (of national resources), or equivalent to 0,575% of GDP (of US cooperation resources), as did security between 2000 and 2007 through Democratic Security (See

footnote 7). Neither CCAI nor Consolidation are supposed to be new, additional programs or public investments [note: both were intended to attract major new resource flows to critical municipalities where civilian institutions had been historically absent], but mere coordination mechanisms of programs and budget priorities set up at the national level. Both CCAI and Consolidation resulted in state business as usual, although perhaps better coordinated and focused in certain regions, such as MdM. The security challenge was not addressed as military business as usual with only a regional focus. On the contrary, it implied a strategic intervention to deal with structural factors affecting both regional and national military control of the territory, through an overhaul in budget, planning coordination mechanisms and ground operations in multiple regions.

The most symbolic example given by interviewees of the gap in priority given to the security intervention, as compared to the interventions for development, is the Transversal of MdM. This Transversal is a 42 km route across the rural towns in the high mountain area of MdM, connecting Carmen de Bolívar with Chinulito in Sucre province. This Transversal route enormously facilitates and makes cost efficient transportation of peasant agricultural production to the urban centers in the region, and to the rest of the country. The Transversal was designed and executed by two Army Engineers' Companies and its cost was estimated initially in \$11.000 million pesos; their works started in 2008. After six years, by 2013, the Transversal first phase is heavily damaged due to climate conditions, quality construction and lack of maintenance (as showed in the pictures), the second phase is still in progress, and the third phase still lacks all the budget appropriations needed.

Figure 3. Pictures taken of Transversal MdM in October 2013



As some of the interviewees put it, “Consolidation’s rapid response projects are nice and useful, but the Transversal was supposed to be CCAI-Consolidation’s structural project for development and six years after it started, it is still not completed”. Interviewees, in particular community leaders, expressed that this seems equivalent to the execution pace in other critical developmental issues, such as land titling, land restitution, and financial and technical assistance for rural development; progress has been made, but too slow and is insufficient compared to the massive and rapid negative legacies of violence and current challenges of poverty. In sum, either CCAI-Consolidation do not have the strategic vision to alter structural factors limiting development and democratic governance as security had, or they lack the effective means and resources to do it, or both; that is the most common perception of interviewees.

4. The anticipated “snowball effect”, that increased security would have on governance and development, has not yet occurred.

MdM’s successful intervention in security proves that neither negotiated demobilization nor military defeat of illegal armed groups generate, by themselves, positive snowball effects on the conditions of governance and development. Defeating armed competitors was undoubtedly a necessary condition, but it is not a sufficient one. To achieve in development and governance a similar impact as in security, a strategic, prioritized and effective institutional set up must be put in place to effectively translate and institutionalize security gains into development and democratic governance. One can affirm, as some sources do, that this is precisely the role of the Consolidation Program and that it is just a matter of time to see its impacts. But some other sources argue that CCAI was mainly a subsidiary partner of the military intervention, and that its successor, Consolidation, is not much stronger than CCAI.

There are at least four factors to explain why CCAI-Consolidation’s impact on development and governance might not be just a matter of time. First, security challenges evolved in a manner and at a pace unforeseen by these programs originally. For example, the BACRIM and micro trafficking phenomena rapidly became a challenge, and neither the military nor the civilian interventions of CCAI-Consolidation were envisioned, and set up, to deal with these kinds of challenges. The kind of military buildup executed since 2003 proved to be appropriate and effective to deal with guerrilla groups, but not necessarily to deal with organized transnational criminal networks or local criminal gangs, and even less with community or intra-family violence or land related conflicts.

Second, the assumption that state civilian institutions, both local and national, were going to be able to work appropriately once security was recovered proved wrong. Neither the local nor national institutions were able or ready to deal with the enormous challenges left behind by violent armed conflict. Local governments are still financially and administratively weak, and politically entrenched in clientelistic practices, either by political or criminal networks or by a combination of both. Many of the national institutions/programs are relatively new and overwhelmed by challenging tasks, such as attending displaced population, land dispossession, land restitution and serving the needs of war victims.

Third, beyond kind communication and coordination there is no real institutional connection between Consolidation efforts and the municipalities’ and provinces’ institutions, which are actually ‘the state’ that is going to have lasting presence in the region. Consolidation works autonomously and independently of local institutions. There is no institutionalized connection between the tasks and local entities politically accountable and nationally, technically capable. This disconnect cannot be attributed simply as Consolidation’s wrongful approach or an easy to adjust issue, as its roots are structurally located, for example, in the political unwillingness and institutional inability of the Colombian State to handle land-related conflicts and agrarian development.

Last but not least, civilian institutions and political command works very differently than military command. While the President is the commander-in-chief of the Armed Forces and can therefore give orders to generals, he can only convince and coordinate mayors and governors. These differences in hierarchy and authority are felt in effective coordination and impact of any presidential initiative such as CCAI-Consolidation.

## Policy recommendations

To some extent Consolidation in MdM is victim of the Democratic Security Policy success. The fact that illegal armed groups, which seemed all powerful and unbeatable, could be disrupted structurally and significantly, in a short period of time, (between 2003 and 2010) increased expectations of having similar effects on governance and development. What is required for a program such as Consolidation to attain a similar structural and steady change in MdM's governance and development?

1. Recognize that land related conflicts and land de facto regulation is the structural Gordian knot of the region. Put this issue at the center of national priorities, and also of Consolidation.

According to reliable sources such as MdM Peace-Lab Observatory and Incoder, between 1997 and 2004 small peasants and farmers were dispossessed of approximately 49.775 Ha of land and another 137.000 Ha were traded illegally. To have a sense of proportion, MdM's total area is composed of 646.000 Ha, which means that approximately 28% of the total region is subject to land related conflicts, only related to these two issues, without taking into account other factors such as de facto land regulation by criminal drug trafficking networks. According to the Director of the recently created Unit of Land Restitution, the Unit has restituted 2.000 Ha in MdM to registered armed conflict victims, which is equivalent to approximately 5% of the area that was dispossessed.

Not only land possession, but also land use is conflictive in MdM. Agrarian land use is heavily concentrated in extensive cattle ranching, which comprised 54% of the land in 2007 (it was 45% in 2005), while only 13% was devoted to agriculture, of which 89% is used in perennial crops, such as palm oil, and only 11% is used in seasonal crops, such as avocado, corn and eggplant (of which only corn is closely tied to enhancing food security).

The expansion of palm oil plantations and agroforestry projects is a source of controversy; for some interviewees it is an economic opportunity for the region, but for most qualitative sources and interviewees it is a threat to food security, water management and environmental sustainability. These large-scale agro-industrial projects demand high investments in capital, maximization of land use and minimizing labor use, which means that their opportunities to engage small farmers either as owners, associates or employees are very limited.

Land ownership concentration is also very high in MdM. Several sources, such as MdM Observatory's, UNDP's, New Rainbow Corporation's and Incoder's reports acknowledge that neither the military nor the civilian CCAI-Consolidation initiatives have reduced land concentration in MdM; on the contrary, land GINI coefficient has worsened in the region jumping from an average of 0.72 in 2002 to 0.75 in 2009; some MdM municipalities register worse than average land GINI coefficients, for example, Guamo 0.84, San Antonio de Palmito 0.83, Toluviejo 0.79, Maria La Baja 0.78 and Coloso 0.76.

Land possession, use and economic exploitation has been regulated by de facto powers in the region, from strong cattle ranchers up to former paramilitary or current BACRIM networks rather than by formal rules and state institutions. There are no longer military competitors defying the state in MdM, but there are still strong competitors (from

clientelistic, corrupt networks, up to armed Mafiosi networks) challenging institutional effectiveness and legitimacy, in handling critical issues such as conflict management, land uses, and economic opportunities for the population. As some of their former military competitors, some of the current state competitors are entrenched within the State's political and administrative institutions. Such hybrid forms of governance limit the institutionalization and legitimacy of the state in the territory, and also obstruct Consolidation's effectiveness to bring policing, judicial and economic development under state control in MdM.

In sum, from any analytical perspective, land related conflicts are structural and massive in MdM, meaning that this is not simply an issue where merely "improving" coordination within state business as usual, through Consolidation, seems to be enough. National structural reforms that go far beyond Consolidation are necessary. For example, unifying the rural cadaster is needed, as well as improvements in land titling and land taxation functions in capable state regional units, supported by other policing and judicial institutions to effectively regulate land ownership, use and economic exploitation.

2. Consolidation's development and governance components should learn from its security component how to plan, fund and execute a structural intervention in land management.

It is not advisable to parrot the security scheme, but to draw lessons from its vision, prioritization and execution. The national cadaster-IGAC, the ministry of Agriculture and Incofer, the Land Restitution Unit and the Regional Autonomous Corporations-CAR are the main national institutions in charge of land regulation. Their work is not oriented by a comprehensive and coherent Land Policy, equivalent to the Democratic Security Policy; their operation at the ground level is not coordinated by mechanisms equivalent to the Regional Joint Commands or Fucad; their combined budgets do not make a third of the security budget; their performance is not defined by specific targets and measurable goals. In sum, not only Consolidation's development and governance dimensions need to learn, but also, and mainly, National Land Management Institutions need to learn from the institutional organization in security, and adapt it to effective land management throughout the country.

The Democratic Security policy had a strategic vision that aligned regional, national and international policies and resources under well-defined targets and goals, to break the balance of forces and structural factors that prevented the State's military control of the territory. Consolidation is an instrument to implement a policy. Thus, there is no chance that Consolidation can have similar impacts in development and governance if it lacks a national rural policy for development and governance with a similar structural strategic vision, priority and institutional set up than the Presidency once had for security.

3. Governance and development must be built within mayors and governors' offices, not in spite of them.

Unlike security, in governance and development public functions are more decentralized, both politically and technically. While the President is the Armed Forces' commander-in-chief and has the autonomy to dismiss military personnel, he is not the boss of mayors and governors, who are popularly elected. Consequently, coordination and deployment

mechanisms that were used in security are not repeatable in these other two areas.

A national intervention that intends to structurally overhaul the factors impeding democratic governance and development must work through municipal and provincial institutions, and should be able to work effectively in three issues. First, promote citizen formation and collective action in both rural and urban communities so that they are able to hold local authorities accountable. Second, create merit based, stable, capable local bureaucracies in charge of land use and economic planning, tax collection and public contracting. Third, build institutional mechanisms of public accountability between local, regional and national political representatives, technocrats and citizens so that public programs and investments' information, goals, achievements and challenges can be assessed periodically.

### Final remarks

Without altering the social and political order of the regions, no institution building is possible or sustainable. The current divorce between citizenship, institutions with technical capability, and institutions with political legitimacy, creates a huge democratic gap, which is exploited by the de facto powers. Without bridging this gap, institutional inefficiency and political illegitimacy will continue to prevail. Consolidation became a kind of nonelected 'senator' of rural communities heavily affected by armed conflict, which begs and competes for national resources for regions, such as MdM. This does not make sense in a functional representative democracy in a modern state. The structural challenge is that peasants and the wider rural Colombia are politically and institutionally adrift; how to address such structural problem overcomes both Consolidation and this paper's purpose.

For development and governance to improve substantially, not only the state and its political representatives (local political order) must change, local communities (local social order) must also change. Even if the region is prioritized, institutionalized and land regulation is brought under effective state control, the peasants' agriculture focus only in self consumption and local markets, based on traditional production methods, is unsustainable and unfeasible as a path out of poverty for small farmers and peasants. The state should change and ensure titled land, infrastructure and technical services to rural families, but small farmers also have to change and update their methods, diversify production and incorporate technologies that increase their productivity and marketability to broader national and global markets.