

TRANSNATIONAL COLONIZERS

**A STUDY OF TNCs
AND HUMAN RIGHTS VIOLATIONS IN COLOMBIA**

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INTRODUCTION

“We have seen our people suffering for many years from mining in all stages and forms, and from exploration to development through abandonment. Industrial mining has caused grievous pain and irreparable destruction to our culture, our identities and our very lives. Our traditional lands have been taken, and the wealth seized, without our consent or benefit.”¹ – The London Declaration 2001

At the dawn of the 21st century, flowing with trends of globalization, Western businesses are expanding and moving various sectors abroad, escaping from environmental, union, and human rights limitations set in their countries of origin. Formerly small businesses like Drummond Coal Company have grown into transnational corporations (TNCs) with franchises and partner companies around the globe. Large TNCs, many originating in the United States, have almost turned into colonizing agencies with little interest in anything other than increased production and increased profits. The growth of these very companies has been accompanied by numerous human rights violations abroad, particularly in Colombia.

A significant (perhaps the most important) contributing factor to such corporate growth has been increased wealth and consumerism in core countries paralleling increased production and relative poverty in the periphery.² In this paper, I will provide a brief analysis of consumer culture in the United States aiming to define the roots of the TNC problem that will be discussed later. Two theoretical concepts, modernization and dependency, will also be discussed prior to the main discussion of TNC human rights violations in Colombia. The two theories are imperative in understanding the idea of “transnational colonizers” or TNCs behaving like independent actors, as indicated above.

¹ *The London Declaration*. 2001. <http://dte.gn.apc.org/CLdc.htm>. Accessed March 2006.

² In studies of political science, developed countries are referred to as “core” or “center” countries; the “periphery” is referred to as less developed countries.

After the quick breakdown of consumerism in the United States and a description of the two theories, I will lay out the role of transnational corporations in Colombia in general terms: a discussion of foreign investment and other economic issues in Colombia will be provided; the financial support of TNCs in the Colombian conflict will be described; Plan Colombia as well as land conflict issues will be discussed and tied to TNC presence in Colombia. The assessment of these economic, political, and social issues is important as they are closely tied to and will provide better understanding for the latter analysis.

Thus, I will treat five main topics: 1) American consumerism and mass media, 2) dependency and modernization theories, 3) economic, political, and social issues relating to the TNC conflict in Colombia, 4) a study of various TNCs in Colombia, identifying the problem, and 5) actions that are and can be taken to combat the problem. In the fourth section, the pillar of this paper, I will examine three companies in order to reveal specific examples of the atrocious business practices of some TNCs in: 1) Coca-Cola Company, 2) Drummond Coal Company, and 3) British Petroleum (BP). These TNCs will be analyzed in the context of the Colombian conflict. Some fundamental concepts discussed in this study will be how TNCs disrupted the subsistence peasant economy, exacerbating violent conflict particularly over access to land, which, in turn, consolidated the country's violent conflict. Additionally, these companies triggered rent predation in some of the conflict's main actors: state, guerrillas, and paramilitaries, thereby directly and indirectly helping to finance and maintain the conflict without affecting TNCs profit margins. TNCs, thus, not only generated violence but also financed opposing forces: guerrillas on

one side, the state and paramilitaries on the other. Finally, I will consider various steps that can be taken in order to combat the discussed problems.

AMERICAN CONSUMER CULTURE AND THE MEDIA

“America must be the teacher of democracy, not the advertiser of consumer society. It is unrealistic for the rest of the world to reach the American living standard.” –Mikhail Gorbachev

Before analyzing the business practices and ethics of large corporations, one must first determine some of the pillars and roots on which the industry is built. One of the main backbones of these businesses is consumption and its interconnection with mass advertising. I will limit this section to consumerism and media in the United States only. Advertising, media, and consumerism are more significant and more present in large capacity in the United States than other developed nations. Furthermore, two of the three TNCs that will be analyzed later in this paper originate in the US. Therefore, consumerism in the US will be the most relevant target for purposes of this paper.

Where do roots of consumer culture lie? As Daniel Bell and others described it, the edifice of consumer society rests squarely upon the pillars of three social inventions: mass production, mass marketing, and mass finance or consumer credit.³ Warren Susman, a pioneer in the study of consumer culture, struck the right chord when he observed: “One of the fundamental conflicts of Twentieth Century America is between two cultures – an older culture, often loosely labeled Puritan-republican, producer-capitalist culture, and a newly emerging culture of abundance.”⁴ One cannot say when and where consumer culture first became apparent, but in the present, American consumerism is notable for its excess. By the early twentieth century consumer culture in

³ Calder, Lendol. 1999. *Financing the American Dream: A Cultural History of Consumer Credit*. Princeton: Princeton University Press.

⁴ Susman, Warren I. 1984. *Culture as History: The Transformation of American Society in the Twentieth Century*. New York: Pantheon, p. xx.

the United States surpassed republicanism, Victorian producerism, and Protestant Christianity as the foremost cultural authority for American society. Its momentum was fueled by a dynamic form of capitalism, and by the 1950s, the culture brought forth by capitalism had become a powerhouse for capitalism. According to Lendol Calder, the culture of consumption is largely responsible for legitimizing capitalism in the eyes of the world.

WHAT IS CONSUMPTION?

Consumption surpasses the economist's definition of the use of goods and services in the satisfaction of human wants. It not only encompasses the use of goods, but also the "dreaming, shopping, buying, personalizing, and disposing of commodities."⁵ In his book *Ads, Fads, and Consumer Culture*, Arthur Berger analyzes American society and the role of the advertising industry. It plays an important role in the socialization of people of all ages, even children at five or six years of age were documented to know a great deal about products advertised on television. Children often learn to sing the jingles and repeat slogans from commercials.⁶ American teenagers are typically exposed to 360,000 television commercials by the time they graduate high school.⁷ This exposure affects consumer culture significantly by creating desires for new products continually, often products that are very impractical and unnecessary.

Another interesting fact Berger points out is that the average person watches more than three and half hours of television per day. He further describes a phenomenon called incidental learning, a type of learning from experiences of which we may not be conscious. Since television is such a large part of our daily experience, Berger argues that it plays an important role in 'teaching' us about life.⁸ Advertising affects American culture by teaching us or influencing our food preferences, our body shapes, and our politics.⁹ As William Leach calls them, "the brokers" of desire, retailers, advertisers, economists, and bankers, set forth the ideal images of what human beings should be like

⁵ Calder, Lendol. 1999. *Financing the American Dream: A Cultural History of Consumer Credit*. New Jersey: Princeton University Press.

⁶ Berger, Arthur A. 2000. *Ads, Fads, and Consumer Culture: Advertising's Impact on American Character and Society*. Pp. 17-18. Oxford: Rowman & Littlefield Publishers, Inc.

⁷ Ibid. p. 42.

⁸ Ibid. p. 18.

⁹ Ibid. p. 21.

and what they should buy in order to be that way. On a side note, Berger and Leach's studies not only show the use of psychology and training that affect consumerism by creating desires for various products advertised on the screen, but their statistics also imply a great deal of energy used by Americans from a young age to keep the TV screen running, sometimes while other family members are in the other room watching the news on another TV screen.

Furthermore, Berger states, "Needs are finite but desires are infinite..." Thus, as soon as our needs have been taken care of, we become obsessed with what we don't have but want as a result of advertising. Advertising, among other things, manufactures a desire, shapes it and creates people who are insatiable and who have been conditioned to continually lust for more things.¹⁰ According to Pope John Paul II, "This is the so-called civilization of 'consumption' and 'consumerism'... One quickly learns that the more one possesses the more one wants." This trend of increased wants is exacerbated by mimetic desire.

Mimetic desire, a desire to do the same things others desire, Berger states, "It is mimetic desire that helps explain our consumer lust; we desire what others have desired and purchased." It is particularly interesting to note the desire of what celebrities, movie stars, and sports heroes have purchased. Mimetic desire implies that our desires imitate their desires, which is proven by the purchase of various products that they have purchased. This can be seen through soft drink ads for instance in which Hollywood and music industry celebrities lead the ads. Coke also has a very aggressive marketing strategy in schools. Public school officials have sadly become a chief ally of the soft-drink industry and a driving force behind school commercialization due to its

¹⁰ Ibid. p. 29.

profitability. In Ohio recently, local school officials challenged a state order and federal law to stop selling soda and candy to students while breakfast and lunch were being served because it was cutting into their profits.¹¹ This Ohio case only exemplifies one instance (of many) of the effects of advertisement and the importance of profitability. Advertisement and marketing, therefore, significantly influences not only consumer choice and increased consumerism but it also affects the extent to which individuals will go to defend their profits; And as mentioned above, infinite desires tend to take over.

Businesses, thus, have a vested interest in advertising. Meanwhile, consumers have a vested responsibility to be aware of their consumer habits and desires. These interests will be further discussed later in this study.

¹¹ Manning, Steven. . June 25, 2001. "The Littlest Coke Addicts." *The Nation*.

ON MODERNIZATION AND DEPENDENCY

In order to understand corporate trends in Colombia more holistically from the United States into the developing world, it is important to understand two major theories: modernization and dependency. The latter theory stems from Latin America and condemns the former. Global trade is rooted and explained in these concepts. The interdependent world economies of society today and centuries ago can better be understood with an understanding of modernization and dependency theory, as the two theories that shaped development and consumer trends in the developing world.

THEORETICAL ARGUMENTS OF MODERN SOCIETY

In theoretical arguments of modern society there was a notion of linear progression from the traditional way of life to modernization. Modern Society was to be characterized by "achievement; universalistic, specific, and neutral orientations and patterns of action; a nuclear family structure serving limited functions; a complex and highly differentiated occupational system; high rates of spatial and social mobility; a predominance of secondary economic activities and production for exchange; the institutionalization of change and self-sustained growth; highly differentiated political structures with rational legal sources of authority; and so on."¹² The assumption of the modernist was that values, institutions, and patterns of action of traditional society are the cause of underdevelopment and constitute the main obstacles in the way of modernization. Therefore, in order to enter a modern world, underdeveloped societies had to overcome

¹² Valenzuela, Samuel J. and Valenzuela, Arturo. 1978. *Modernization and Dependency: Alternative Perspectives in the Study of Latin American Underdevelopment*. P. 18. New York: City University of New York.

traditional norms and structures opening the way for social, economic, and political transformation; tradition was seen as a barrier to development in the modernizer's eyes.

"Modernization is based more on the actual transformation of individuals through their assimilation of modern values."¹³ Where as tradition included backward ideology, religious beliefs, collectivist principles, tribalism, and values of kinship, the transition into modernization meant Western education, capitalism, democracy, secularism, etc. There was intervention in tradition on different levels: psychological, demographic, political, economic, and intellectual. Psychologically, there was a shift in values, attitudes and ideas of the traditional man. The modern man wanted to change education, increase literacy, and attain more knowledge. Demographically, there was a rapid growth of the urban sectors of the underdeveloped world; the political goal was democracy, and prevention of communism, as there had to be a rationalization of authority. The post colonial states had to become a national secular entity with specialized structures, legal systems, and bureaucracy. Hierarchies became more complex through the modernity process. Economically, the level of employment increased, and there was an emergence of national markets everywhere, and a lead to industrialization. According to Karl Deutsch, there were social and economic mobilizations, which meant changes in attitudes, values, increased education, mass media, capital, GDP, etc. S. M. Lipset, was one to argue that an open class system with open economies would lead to a relationship between modernity and democracy, and most countries would follow this as if it were a linear path.

W.W. Rostow discusses five stages of a transition into modern society in his

¹³ Valenzuela, Samuel J. and Valenzuela, Arturo. 1978. *Modernization and Dependency: Alternative Perspectives in the Study of Latin American Underdevelopment*. New York: City University of New York.

book, *Stages of Economic Growth: A Non-Communist Manifesto*. These stages are: 1. traditional society with limited production function, based on pre-Newtonian science and technology; 2. pre-conditions of take-off, which is a period of transition, investment increases, commerce goes up, and new nationalism emerges; 3. take-off, where old blocks are finally overcome, growth becomes a normal condition; 4. drive to maturity, which takes place approximately sixty years after take-off; it is refined with advanced technological processes, and strives for further general advancement in the modern system; 5. age of mass consumption, where the tree of maturity is a structure of working forces that increase continuously – the final stage of modernity. Again, one notices the linear notion of modernization and the idea of economic development as an ultimate positive achievement that go hand in hand with democracy. However, when such ideas became unacceptable by some experts; tensions and debates rose.

ARGUMENTS AGAINST MODERNIZATION

One of the most well known authors in political science, Samuel Huntington, was a major critic of modernization from within the modernizing culture. In his book, *Political Order and Changing Society*, he argues that the modernizing process would lead to instability as opposed to stable society. Huntington explained that social mobilization without investment in economic development would lead to social frustration; social frustration without mobility would lead to political participation; and political participation without political institutions would lead to political instability. Hence, because of the lack of institutions in the developing world, there would be great instability. Huntington called the resulting state a praetorian society with an absence of political institutions where “social forces confront each other nakedly.” He further argued that new tensions would arise as “students will riot, workers will strike, the wealthy will bribe, and military coup.” This means that chaos and revolt would hinder the modernization process, and thereby hinder the spread of democracy.

DEPENDENCY THEORY

One main problem with modernization theory was that it was essentially ethnocentric, in that it saw only one way of life for all human beings, and this was the Western way, the modern way. It not only disregarded and downplayed the traditions of indigenous people, but the new theory's objective was to destroy the old way.

Moreover, modernization theory did not take into account history, and it did not take into account the consequences of the process, which leads me into explaining dependency theory.¹⁴ Dependency is a theory that came from Latin America; the theory stated that modernization wiped out tradition, and divided the world into core countries and the periphery. The problem, according to Samuel Valenzuela and Arturo Valenzuela was structural, not cultural or institutional, as dependent development would produce an opportunity structure of dominant groups at the expense of the periphery and lead to an imbalance of wealth and power.¹⁵

Andre' Gunder Frank, in his book, *The Development of Underdevelopment*, victimized Latin America to a great extent by taking politics and agency out of his argument. Accordingly, the underdeveloped countries became underdeveloped because of the rape and pillage of the Spanish and Portuguese conquest in Latin America. One Colombian example of this is given in Gabriel Garcia Marquez' *One Hundred Years of Solitude*, in which he describes the Banana farmers of Macondo; they are faced with modern transformations through the influences of technology, economic exploitation and foreign invasion that eventually lead to a massacre, killing most of them and their

¹⁴ Valenzuela, Samuel J. and Valenzuela, Arturo. 1978. *Modernization and Dependency: Alternative Perspectives in the Study of Latin American Underdevelopment*. New York: City University of New York, p. 34.

¹⁵ Ibid. p. 26.

families at a mass protest.¹⁶

Frank argued that the most underdeveloped countries were at some point the most resource rich and greatest exporters, yet the emergence of dependence on foreigners investing and buying from developing countries has been very destructive to the developing countries. The countries were forced into their means. Their wealth had been extracted and sent to the core, and thereby, poverty was imposed actively by the core in the periphery, the underdeveloped nations. He further described a slippery slope scheme of the world capitalist system that forced the exacerbation of underdevelopment where the core developed at the periphery's expense.¹⁷ This paper equates the developing core to the TNCs and the periphery to the Colombian TNC workers. Frank's theory applies in the case of Colombia, as the core continues to develop at the periphery's expense.

A powerful conception was Prebisch's idea that CEPAL structured world economic thinking. Each country, according to Prebisch, was inserted into the world specializing in the production of one or two commodity products. The problem with this capitalistic economic policy is that commodity prices fluctuate and historically (1880-1925) commodity exports from Latin America to the rest of the world would grow five-fold. Expansion then began the modernization process, which was controlled by the other countries. Wealth left the countries, while the value of commodities compared to manufactured goods decreased and prices rose. Later in this paper some examples of wealth leaving the country will be explained through the coal and oil mining companies,

¹⁶ Márquez, Gabriel G. 1992. *One Hundred Years of Solitude*. New York: Perennial Classics.

¹⁷ Frank, Andre' Gunder. 1969. *The Development of Underdevelopment*. P. 14. New York: Monthly Review Press.

Drummond and BP in Colombia.

Prebisch then proposed Import Substitution and Industrialization (ISI) policies, which was a switch from agricultural commodity goods production into manufacturing, a switch that Colombia, among many countries, underwent. The purpose of ISI was to break the bonds of dependence, yet it resulted in even more dependence on the developed countries as the need for imports of high technological capital goods increased. There was an expansion of national markets – the modernization goal.

Modernization and dependency were portrayed as an analytical tool by Cardoso and Faletto in *Dependency and Development in Latin America*. They did not prescribe what should be done, instead analyzed policies and pointed out the flaws of Gunder Frank's argument. Their tool of analysis was a structural-historical analysis; they understood politics by understanding the country's insertion into the political economy and described that the path to development needed an inclusion of politics as well as economic theory. According to Gunder Frank, there could exist no development for a non-Western state, while Cardoso argued that despite a country's place in the periphery, development would still be possible, but one would have to look at the way development happens and not just modernization, industrialization. Cardoso and Faletto discussed historical-structuralism, which emphasized not only the structural conditioning of society, but also the historical transformations of structures by conflict, social movements and class struggles. This did not mean that dependency and underdevelopment were necessarily self-perpetuating or permanent. Instead, they argued that social structures imposed limits on social processes and reiterated established forms of behavior, yet also generated contradictions and social tensions that opened the possibilities for social

movements and ideologies of change. Their goal was to study the historical movements and social forces that influenced the change.¹⁸ Cardoso then later discussed dependent development in what he called “associated dependent development.” It is here that he discussed the lack of a strong bourgeoisie, and they would be those who have control of the capital, which created a problem. He further referred to the dependent development of the “triple alliance”: 1. the foreign multinationals, 2. the state, and 3. local political elites, with the belief that a solution to these barriers of foreign hands in national affairs would be nationalization of goods, which would however, continue the inequalities. Cardoso’s argument can certainly be traced in the Colombian example in this paper.

Cardoso and Faletto’s account of modernization and dependency were useful analytical means to describe the theories, define concepts and demonstrate the conflicts between dependency and modernization. The two theories remain to this day a matter of debate, as one can support either side, though dependency theory seems more relevant in the Latin American (and most) context.

When applying the two theories to the Colombian model, one can note that until recently the decolonized country depended on its former colonizers and the Occident at large politically and economically. Today, as will be shown in this paper the history of peripheral countries continues with the dependency trend; this dependence, however, has shifted from states/colonizers to Transnational Corporations as colonizers. This, arguable, will be shown with the cases of Coca-Cola, Drummond, and British Petroleum in Colombia that will be discussed later in this paper.

¹⁸ Cardoso, Fernando H. and Faletto, Enzo. 1971. *Dependency and Development in Latin America*. P.x-xi. Berkeley: University of California Press.

TRANSNATIONAL CORPORATIONS IN COLOMBIA

ECONOMIC BACKGROUND

In the 1990s, foreign direct investment in Colombia grew at an annual average of 55 percent, well above the average growth of the 1980s. These higher rates of foreign investment were in part recorded because of the privatization of public enterprises, the sale of several financial institutions to foreign banks, and the elimination of restrictions on foreign direct investments completed between 1990 and 1991.¹⁹ Today, four hundred transnational corporations in Colombia generate an annual income of about \$15 billion, which constitutes about fifteen percent of the country's GNP. These figures provide a sense of the significance of these companies and their impact on the national economy and also serve as an indicator of Colombia's integration into the global market.

The success of transnational oil corporations was established by favorable contracts from the Colombian government, which reduced the royalties they paid to the government. In 2002, for example, the companies' royalties were reduced from the 20 percent flat rate to a flexible one that depended on the volume of production and the international prices of oil and gas. The government's 50 percent profit share after deducting royalties and costs was also reduced.²⁰ This success was preceded, however, the year before with another, when oil transnationals successfully phased out the \$1.50 per barrel "war tax" (a byproduct of Colombia's more than four decade long protracted civil war) that they paid to the state. The companies based their argument for canceling

¹⁹ Richani, Nazih. 2005. *Latin American Politics & Society*. "Transnational Corporations, Rentier Capitalism, and the War System in Colombia." Issue 47.3, pp. 113-144.

²⁰ Carment, David. 2002. *The Private Sector and Conflict Prevention Mainstreaming: Risk Analysis and Impact Assessment Tools for Transnational Corporations*. CIFP, Carlton University.

the war tax on the increasing security costs they were incurring in areas of conflict, which affected their profits and inhibited future investment plans.

In 2002, among the top 25 most profitable companies in Colombia were British Petroleum (BP), Texaco, Occidental Oil, Drummond, and Carbones Cerejón, in addition to Colgate Palmolive and General Motors (GM). In terms of their profits, Colgate Palmolive ranked third, BP sixth, Texaco seventh, Occidental eighth, Carbones Cerejón twelfth, Drummond eighteenth, and GM twenty-first.²¹ Notwithstanding that Colombia's GDP is not even close to the 30 percent dependence on primary commodity export that is the "danger benchmark" set by Collier and Hoeffeler; oil, coal, gold, and emeralds account for just under five percent of the GDP.²² These businesses did not depend exclusively on the market of violence for capital formation and accumulation. However, they did capitalize on the civil war and agents of violence by using the paramilitaries and guerrilla groups in their favor and this point will be discussed further in the paper. The changes that many transnational corporations unleashed in Colombia were disruptive to the modes of life and production that existed before the advent of these companies.

²¹ *Semana* (Bogotá). 2003. February 3.

²² Economist Intelligence Unit. 2001. Country Profile: Colombia.

ARE TNCs FUNDING WAR IN COLOMBIA?

Despite the anti-foreign capital stance of the FARC and the ELN and their call to renegotiate contracts and concessions granted by the Colombian state to transnationals over the years, both guerrilla groups have managed to extract significant protection rents from these companies and to obtain royalty payments from local government officials by gaining contracts with them.²³ There are four main modalities of rent extraction. One is the “direct tax” that TNCs pay the guerrillas as a price for not harming their installations and personnel. The second is the “community tax,” which forces the companies to invest in community projects such as vocational schools, equipment like computers, children’s playgrounds, etc. The “community tax” is usually negotiated between the targeted community representatives and the transnational companies. The third modality is subcontracts to front companies owned by the guerrillas to carry out certain projects. According to a government official, during the last two decades Occidental Oil provided \$1.3 billion in royalties, from which about \$390 million reached the coffers of the guerrillas through the subcontracting mechanism. The ELN obtained about \$200 million and \$190 million was extracted by the FARC.²⁴ The fourth and most lucrative form of rent extraction is through kidnapping for ransom of these companies’ high-ranking employees.

According to Latin American Scholar, Nazih Richani, combined transnational “contributions” helped to resurrect the ELN, the second most important insurgent group in Colombia, after its debilitating 1973 defeat in Antioquia. The resurrection was mainly because of the ransom paid by the German engineering firm, Mannesman Anlagbau

²³ Richani, Nazih. 2005. *Latin American Politics & Society*. “Transnational Corporations, Rentier Capitalism, and the War System in Colombia.” Issue 47.3, pp. 113-144.

²⁴ *El Tiempo* (Bogotá). 2003. April 1; *Semana* (Bogotá). 2003. May 5.

A.G. for the release of three kidnapped employees. Mannesman was subcontracted by Occidental Oil to build a pipeline from Cafio Limon, Arauca, to the Caribbean coast. The company paid the ELN an estimated \$2 million for its hostages and another \$18 million to allow it to execute the \$169 million project.²⁵ These funds helped the ELN to rebuild its fighting capability and increase its fronts from three in 1983 to eleven in 1986. Oil and security transnational companies may have provided between 40 percent and 60 percent of the guerrillas' income over the last two decades. This income is significantly higher than what the FARC gains from taxing the narco-trafficking industry (keeping in mind that portions of what narco-traffickers and coca merchants pay in taxes come in the form of weapons).²⁶

²⁵ Richani, Nazih. 2001, *Pax Cbristi*, 23.

²⁶ Richani, Nazih. 2002. *Systems of Violence: The Political Economy of War and Peace in Colombia*. Chapter 5. Albany: State University of New York Press.

TNCs AND PLAN COLOMBIA

Transnational corporations have vested interests in providing the Colombian government diplomatic support for its position against the guerrillas. These interests were manifested, for instance, by the lobbying campaigns of Occidental Oil and BP in the US Congress to increase the military assistance to Colombia.²⁷ In this mode, TNCs have become an integral part of the human rights violations dynamics and the main financier of its different warring actors.

Plan Colombia, introduced by the Clinton administration raised Colombia to the third most important recipient of US military aid after Israel and Egypt. The focus of Plan Colombia remained the war on drugs, and the US ware material obtained through the plan was employed in the war against narco-trafficking and fumigation. In departments such as Putumayo, however, where the plan was concentrated; where the FARC had a strong support base and military presence, the plan remained unclear on how to separate the anti-drug war from potential involvement in counterinsurgency operations. The FARC objected to the fumigation policy as a means to address the coca problem. The FARC called for a viable crop substitution program negotiated with coca growers and demanded manual eradication rather than aerial fumigation, which was causing severe ecological damage as well as serious health hazards. Thus, Plan Colombia was on a collision course with the FARC.

Occidental played a leading role in supporting Plan Colombia in Congress. Its vice president, Lawrence Meriage demanded that Plan Colombia be executed on the Colombia-Venezuela border, where Occidental has a contract in Arauca and in

²⁷ Cilliers, Jakkie, and Christian Dietrich, eds. 2000. *Angola's Ware Economy: The Role of Oil and Diamonds*. Pretoria: Institute for Security Studies, pp. 219-236.

Catatumbo, where BP-Amoco has a contract, and not solely in the Putumayo, as the plan intended.²⁸ He argued:

We understand that the package [Plan Colombia] put forward by the Administration targets aid for counternarcotics activities in the southern part of the country in the Putumayo region near the Ecuadorian border. We have two concerns relating to this approach. It does not address the explosion of coca cultivation that is occurring in other parts of the country, particularly the northern regions where the bulk of existing and prospective oil development takes place. Moreover, a massive concentration of force in the Putumayo region could ultimately lead narco-guerrilla forces to move operations further south into Ecuador. Occidental also has operations in Ecuador some 40 kilometers from the Colombian border. Recent kidnappings near our area of operation in Ecuador have been attributed to the FARC... I would urge you to consider support of counter-narcotics operations in the northern regions as well as the south. This will help augment security for oil development operations, which, as noted earlier, are fundamental to the success of "Plan Colombia."²⁹

The \$1.3 billion of mostly military aid envisaged in Plan Colombia, which took effect in 2000, represents a watershed in the level of US military involvement in the conflict, unprecedented in the 39 years of the war. However, soon, under the Bush administration, US involvement took another turn, which allowed it to subsume the war on drugs with the war on terrorism. In July 2002, the restrictions on the use of the anti-drug resources against the insurgency were removed. Moreover, Occidental achieved its goal, well stated by Meriage, of expanding the radius and scope of the US intervention in Colombia by including the north of the country in addition to the south. The prize was a \$98 million package designed to arm and train two additional Colombian battalions (trained by US Special Forces) for the protection of Occidental's five-hundred-mile Cafio Limon pipeline. This became effective in fiscal year 2003. Thus, since the Clinton administration, US foreign policy toward Colombia has moved toward more involvement

²⁸ Mondragon, Hector. 2002. *Information Services Latin America, Special Report*. "US Fuels the Fires in Colombia." <http://isla.igc.org/Features/Colombia/SR3mondragon.html>. Accessed February 2006.

²⁹ Meriage, Lawrence P. 2000. Vice President, Executive Services and Public Affairs, Occidental Oil and Gas Corporation. Testimony Before the House of Government Reform Subcommittee on Criminal Justice, Drug Policy, and Human Resources Hearing on Colombia. 106th Congress. Washington, DC, February 15.

in the internal conflict. The Bush government completed the shift by merging the war on drugs with counterinsurgency, opening the door for a more substantial intervention than the one envisaged in Plan Colombia. US military aid allowed the state to service the military bureaucracy and helps subsidize and help to maintain the war system.

Oil TNCs operating in Colombia were supportive of Plan Colombia because an increase in the US military presence could offer them better protection against guerrilla attacks, particularly in the south, by strengthening security along the Colombia-Ecuador border, where British Petroleum, Occidental and other oil companies operate. Oil TNCs spent about \$25 million lobbying Congress between 1995 and 2000 to further their interests in Colombia.³⁰ Occidental alone, which is reported to have close links with the Bush Administration, “has long lobbied for the United States to be more involved in the conflict.” It spent \$1.5 million on presidential and congressional elections between 1995 and 2000 and another \$8.7 million “lobbying American officials on Latin America policy, largely regarding Colombia” between 1996 and 2000.³¹ Other oil and energy companies, such as ExxonMobil, BP, Unocal, Texaco, and Phillips Petroleum, spent about \$13 million during the same period, mostly to court US policy toward Colombia. These were the years when Plan Colombia was still in the preparation phase.³² The number of Colombian contracts with US, Canadian, and British oil companies has notably increased.

³⁰ Forero, Juan. 2002. *New York Times*. “New Role for the US in Colombia: Protecting a Vital Oil Pipeline.” October 4: A4, A6.

³¹ Forero, Juan. 2002. *New York Times*. “New Role for the US in Colombia: Protecting a Vital Oil Pipeline.” October 4: A4, A6.

³² Forero, Juan. 2002. *New York Times*. “New Role for the US in Colombia: Protecting a Vital Oil Pipeline.” October 4: A4, A6.

THE LAND CONFLICT

The conflict over land in Colombia has been one of the most enduring legacies of colonial times. It has passed through different phases and significant changes in terms of the social classes involved, the political articulations of the conflicts, and the regional and international contexts of their occurrence.

With the onset of oil exploration, the peasant economy in areas of oil exploitation witnessed the pressures of a changing political economy. For one thing, wages in the rising oil industry were manifold times the earnings of a subsistence peasant. This contrast came at a time when the peasant economy was increasingly suffering from shrinking world market demands for traditional cash crops such as potatoes, cotton and sugarcane.³³ Later, additional pressure came from the increasing imports of cheaper and better-quality products, chiefly after the economic *apertura* in the 1990s. The encroachment on the peasant economy was not limited to the market pressures but also included uprooting peasants from their lands in areas of exploration and areas ceded by the state to the oil companies.³⁴ Explorations and land concessions created an important source of conflict between these companies and the peasants, which is likely to increase with the increase in contracting and exploration. Thousands of families lost their lands and their source of livelihood to TNCs over the last five decades, and many more will

³³ Richani, Nazih. 2002. *Systems of Violence: The Political Economy of War and Peace in Colombia*. Chapter 5. Albany: State University of New York Press.

³⁴ A rentier economy is one that relies on the extraction of raw materials and land speculations. In the context of this study, the term refers to the transformation of land function from subsistence agricultural production to extraction and speculation.

likely lose theirs in the near and long term unless the trend is adjusted to the needs of the local communities and their subsistence economy.³⁵

³⁵ Richani, Nazih. 2002. *Systems of Violence: The Political Economy of War and Peace in Colombia*. Chapter 5. Albany: State University of New York Press.

THREE CASE STUDIES

DRUMMOND COAL COMPANY

The Drummond Coal Company was a small, family founded Alabama operation that started in 1935 that grew into a massive structure digging up over 25 million tons of coal annually with revenues of \$800 million.³⁶ Drummond began operations in Colombia in 1995 when the company found interest in a 385 million ton coal reserve and established a 20-year contract with the government.³⁷

In 1985, the Alabama-based Drummond Company began laying off American workers in its Alabama mines to invest in coal production in Colombia. By 2001, two thousand Alabama mine workers had been laid off and the company was importing four million tons of coal from Colombia back to its Alabama plants. United Mine Workers activists in Alabama described the effect of the mine closures in their communities: “By laying off so many Alabama miners, the company sucked the lifeblood out of our region,” said District 20 president John Stewart. “Many miners lost their homes and cars... The trickle-down effect forced some local businesses to close. While some miners got jobs through the state employment services, little assistance came from Drummond. The company is not noted for helping anyone,” said L.U. 1948 president John Nolen.³⁸ Drummond’s president, Mice Zervos, cited three reasons for shifting their production to

³⁶ Smith, Stephen. March 2004. *The Birmingham Free Press*, Vol. 4. “Drummond Co. Accused in Murder Conspiracy.”

³⁷ Smith, Stephen. March 2004. *The Birmingham Free Press*, Vol. 4. “Drummond Co. Accused in Murder Conspiracy.”

³⁸ “From Alabama to Colombia: Drummond’s Trail of Tears.” July-August 2001. *United Mine Workers of America Journal*, 122:4. <http://www.umwa.org/journal/VOL112NO4/july3.shtml>. Accessed March 4, 2006.

Colombia: high mining costs, global competition and environment laws.³⁹ Union miners in Alabama earn ca. \$3,000 a month (plus benefits); in Colombia, Drummond pays between \$500 and \$1,000 a month.⁴⁰ American workers' dependence on Drummond Company proved to be instable and destructive after the corporation's departure. The same would happen in Colombia if Drummond left.

By the year 2000, the paramilitaries in Colombia dominated the César province where Drummond mines are located. They acted with relative impunity against workers and peasants and with tacit support of the Drummond Company.⁴¹ In October 1996, paramilitaries attacked the village of Media Luna, outside of Valledupar, killing six and abducting seven. While no specific motive was named, this was part of what Amnesty International called a wave of internal displacement following a paramilitary offensive in the province.⁴²

Drummond's 215-mile rail line from the mine to their own private port, Puerto Drummond, has been bombed repeatedly (in 2000-2001, five times) by the FARC since it began its operations. The FARC also levies a tax on Drummond's coal production.⁴³ After an April 2000 attack, the Company began to circulate flyers reading "The

³⁹ From Alabama to Colombia: Drummond's Trail of Tears." July-August 2001. *United Mine Workers of America Journal*, 122:4. <http://www.umwa.org/journal/VOL112NO4/july3.shtml>. Accessed March 4, 2006.

⁴⁰ Bacon, David. July 23,2001. *In These Times*. "The Colombian Connection: U.S. Aid Fuels a Dirty War Against Unions." <http://www.globalexchange.org/colombia/itt072301.html>. Accessed March 6, 2006.

⁴¹ Roston, Aram. 2001. "It's the Real Thing: Murder." *The Nation*. <http://www.thenation.com/doc/20010903/roston>. Accessed March 7, 2006.

⁴² Amnesty International Report. October 1997. *Amnesty International*. "Just What Do We Have to Do to Stay Alive? Colombia's Internally Displaced: Dispossessed and Exiled in Their Own Land. [http://web.amnesty.org/library/pdf/AMR230481997ENGLISH/\\$File/AMR2304897.pdf](http://web.amnesty.org/library/pdf/AMR230481997ENGLISH/$File/AMR2304897.pdf) Accessed March 7, 2006.

⁴³ Bacon, David. July 23,2001. *In These Times*. "The Colombian Connection: U.S. Aid Fuels a Dirty War Against Unions." <http://www.globalexchange.org/colombia/itt072301.html>. Accessed March 6, 2006.

transnational Drummond is a source of income and growth for our city, and for that reason it has become like our heritage” and “No al Sindicalismo guerrillero [No to the guerrilla union]”.⁴⁴ In addition to the promotional campaign, company president Gary Drummond met with Colombian president Andrés Pastrana in 2000 to request government protection for the mine and railway.⁴⁵

Drummond workers joined the Sintramienergética, the Colombian Union of Mine and Energy Industry Workers, early on. In addition to traditional union issues such as wages, hours, working conditions, and health insurance, Drummond workers protested having to take lie detector tests including questions like “Are you supporting the guerrillas?” In flyers like the one mentioned above, the Company also made it clear that, as far as it was concerned, union activity was subversive activity. Following a FARC attack on the railroad in September 2000, in which three employees were taken hostage, a new company flyer stated “We know that the heads of the union have a clear nexus with the subversion... down with the guerrilla union. Down with the subversion that is against investment in the country.”⁴⁶

The year 2001 was especially difficult for the workers at the Drummond mine in Colombia. Union activists received frequent death threats as they protested to the Company and to the national government. These union leaders challenged the Drummond Company as they demanded better working conditions and accused

⁴⁴ Roston, Aram. September 2001. “It’s the Real Thing: Murder.” *The Nation*. http://www.thirdworldtraveler.com/Transnational_corps/RealThing_CocaCola.html. Accessed March 7, 2006.

⁴⁵ Bacon, David. July 23, 2001. *In These Times*. “The Colombian Connection: U.S. Aid Fuels a Dirty War Against Unions.” <http://www.globalexchange.org/colombia/itt072301.html>. Accessed March 6, 2006.

⁴⁶ Roston, Aram. September 2001. “It’s the Real Thing: Murder.” *The Nation*. http://www.thirdworldtraveler.com/Transnational_corps/RealThing_CocaCola.html. Accessed March 7, 2006.

Drummond of violating Colombian labor laws. In February, a group of armed men claiming to belong to the paramilitary AUC, broke into Drummond union activist Cándido Méndez's home and killed him in front of his family. In March, Valmore Locrano Rodríguez and Victor Hugo Orcasita, the Chair and Vice Chair of the La Loma local of Sintramienergética, were pulled out of a company bus by armed men outside of El Paso, César Province, on their way home to Valledupar from the mine. Locrano, who was originally from Fundación, Magdalena, was killed in front of their colleagues. The two union leaders had repeatedly asked Drummond to abide by an agreement allowing them to sleep at the mine for their own protection, but to no avail. The police commander in César province attributed these murders to the AUC.⁴⁷

In October 2001, the local union's new president, Gustavo Soler, was also murdered. He was the fifth union activist to be murdered at Drummond that year. Soler was a machine operator who had worked at the company for seven years, and had taken over the presidency upon the murder of Locarno and Orcasita.⁴⁸ The murders of these union leaders are examples of a few (of many) human rights violations by Drummonds.

The Drummond case is not unusual, however. Union activities at other Colombian worksites, including several run by American companies, have been met with

⁴⁷ El Observatorio para la Protección de los Defensores de los Derechos Humanos, Asesinato de líderes sindicales, Valmore Locarno Rodríguez; Víctor Hugo Orcasita; Cándido Méndez; Edgar Manuel Ramírez y José Luis Guete. March 19, 2001. <http://www.omct.org/displaydocument.asp?DocType=OBSAppeal&Index=786&Language=ES>

⁴⁸ See Violence Against Colombian Trade Unions Bulletin. In March, 2002, the International Labor Rights Fund, the United Steelworkers, and several Colombian unions brought a federal lawsuit against Drummond under the Alien Torts Act for complicity in the murders. See Steve Greenhouse, *Alabama Coal Giant Sued Over Three Killings in Colombia*, New York Times, March 22, 2002.

corruption, environmental abuses, and gross human rights violations as well. The Coca-Cola Company is another example.

COCA-COLA COMPANY

In July 2001, the United Steelworkers of America and the International Labor Rights Fund filed suit in US court against Coca-Cola and its bottling companies in Colombia on behalf of their workers. They alleged that the companies “hired, contracted with or otherwise directed paramilitary security forces.”⁴⁹ The companies denied that charge.

Coca-Cola bottling plant workers in Colombia have been killed and harmed otherwise since the early 1990s. The first Coke bottling-plant worker killed in Colombia was shot in the head during a strike for better working conditions in July 1990, in Narino, in the southwest. He was on the local union board of directors. In 1994-1995, three more Coke workers were killed, all of whom were employed at the Carepa plant in northwestern Colombia. In 1996, right-wing paramilitaries kill another Carepa plant worker and kidnapped a union leader, and torched the union offices. They returned again after the terror and demanded workers sign a statement resigning from the union if they wished to live beyond that day. Top union leaders were ordered to leave town.⁵⁰

A more specific example of the gross human rights violations through the Coca-Cola Company is the case of Luis Adolfo Cardona, factory worker in the western area of Urabá who used to earn about \$200 a month as a forklift operator. When the paramilitaries came for him, was able to escape, but a friend and fellow union organizer was killed on the plant grounds; additionally, the entire work force was forced to

⁴⁹ Roston, Aram. 2001. “It’s the Real Thing: Murder.” *The Nation*. <http://www.thenation.com/doc/20010903/roston>. Accessed March 7, 2006.

⁵⁰ Foust, Dean; Smith, Geri; Woyke, Elizabeth. . January, 23, 2006. “Killer Coke or Innocent Abroad?” *Business Week*, issue 3968, p.46-48.

renounce the union. The plant where Cardona worked is American-owned; it produces 50,000 cases of Coca-Cola per month.⁵¹

Coke officials say only one of the eight workers was killed on the premises of the Coke bottling plant owned by Bebidas y Alimentos de Urabá. They also say that the other deaths that occurred off-premises were byproducts of Colombia's four-decade-long civil war among guerrillas, government forces, and paramilitaries, which has resulted in at least 35,000 deaths, including 2,500 trade unionists since the mid-1980s alone.⁵² The spokesperson for Coca-Cola de Colombia, Pablo Largacha, said,

“We vigorously deny any wrongdoing regarding human rights violations in Colombia and are deeply concerned by these allegations against our company.... We have been and continue to be assured by our bottlers that behavior such as that depicted in the claim has in no way been instigated, carried out or condoned by these bottling companies.”⁵³

Coke representatives have continually denied allegations while human rights violations have continually persisted in Colombia. The Coca-Cola Company has also tried to disassociate itself from the case despite its partial ownership of the Latin American bottling affiliates. Detailed contractual agreements provide it strong oversight over operations that bottle its brand of soda. Largacha stated,

“Throughout the world, the Coca-Cola Company operates in conjunction with bottling companies under contract to bottle our products.... While the Coca-Cola Company and its bottlers are separate companies, we work with all of those bottlers to ensure global consistency of production and marketing of our brands.”⁵⁴

These claims of “global consistency” oblige the company to assume responsibility for the atrocities in Colombia. In Guatemala, the company stepped in to curb human rights after

⁵¹ Roston, Aram. 2001. “It’s the Real Thing: Murder.” *The Nation*.

<http://www.thenation.com/doc/20010903/roston>. Accessed March 7, 2006.

⁵² Foust, Dean; Smith, Geri; Woyke, Elizabeth. . January, 23, 2006. “Killer Coke or Innocent Abroad?” *Business Week*, issue 3968, p.46-48.

⁵³ Cray, Charlie. September 2001. “Coke Abuse in Colombia.” *Transnational Monitor*. Vol. 22, Issue 9.

⁵⁴ Cray, Charlie. September 2001. “Coke Abuse in Colombia.” *Transnational Monitor*. Vol. 22, Issue 9.

three union leaders were killed in the 1980s. If, when the first worker was killed, Coca-Cola had issued a statement condemning the paramilitaries demanding that they stay out of worker-employee relations, perhaps further human rights violations on the Coke bottling plants could have been prevented. Was the transnational corporation then encouraging impunity by its non-action?

As summarized above, in December 1996, the paramilitaries shot and killed Isidro Segundo Gil, the gatekeeper and a member of SINALTRAINAL's union executive board.⁵⁵ Later that day, they kidnapped another union leader at his home and torched the union's offices. The following day the paramilitaries returned to the plant, called the workers together, and gave them until 4PM to sign a statement resigning from the union. Many members signed immediately, others quit their jobs, and some fled to other cities fearing they would be killed if they stayed.⁵⁶ According to SINALTRAINAL, over the next nine years, in addition to eight deaths, five union members were jailed, 48 workers were forced into hiding, and 65 received death threats. The union claimed that the plant manager at Carepa had given an order to the paramilitaries to bust the union.

Many workers lived in fear. One example of such fear is that of Luis Hernan Manco, age 59. He was president of the local SINALTRAINAL union in Carepa when union board member Isidro Segundo Gil was murdered. Manco witnessed the killing. Paramilitaries warned him that if he stayed in town he would be killed as well. Manco fled to Bogotá, leaving behind his three children with his ex-wife. Coke says its bottlers have compensated workers who were forced to flee their jobs, but Manco says he never received any severance pay. The company paid for his bus ticket to Bogotá but refused

⁵⁵ SINALTRAINAL is the National Union of Food Industry Workers, in Colombia

⁵⁶ Foust, Dean; Smith, Geri; Woyke, Elizabeth. . January, 23, 2006. "Killer Coke or Innocent Abroad?" *Business Week*, issue 3968, p.46-48.

other forms of compensation saying that he abandoned his job where he earned \$160 a month. He is still afraid to return to Carepa.⁵⁷

According to union leaders, the Coca-Cola Company could have halted the violence immediately by publicly condemning the paramilitaries after the first death. Edgar Paez, director of international relations for SINALTRAINAL, claims that the Coca-Cola bottler financially benefited from the paramilitaries' actions, since they broke the union and allowed the bottler to replace many of its full-time employees with much cheaper part-time and temporary workers.⁵⁸

In response to the allegations, Coke released the results of a study by Cal Safety Compliance Corp., a Los Angeles consultant that specializes in workplace audits. The audit found no instances of anti-union violence or intimidation at Coke bottling plants in Colombia, but union activists argued that since Coke had paid for the study, it yielded biased results. There is currently a demand for an independent investigation of Colombian operations. Because many of the killings of Coke workers took place a decade or more ago, and Colombia's justice system is slow to investigate and prosecute crimes, many of the human rights violations have not yet been dealt with.

Activists, Ray Rogers, demands that Coke pay reparations to the families of the killed and displaced workers, noting that the company came up with \$192.5 million to settle a racial-discrimination action in the US in 2000. In Bogotá, SINALTRANAL members believe that each survivor should get regular payments equal to the monthly salary received by Coke's CEO. Roy Rogers launched his "Killer Coke" campaign at

⁵⁷ ⁵⁷ Smith, Geri. January 17, 2006. "Online Extra: Inside Coke's Labor Struggles." *Business Week Online*, p. 18.

⁵⁸ Foust, Dean; Smith, Geri; Woyke, Elizabeth. . January, 23, 2006. "Killer Coke or Innocent Abroad?" *Business Week*, issue 3968, p.46-48.

Coca-Cola's annual meeting in Huston in April 2003. Soon after the commencement of this campaign, Bard College in New York became the first US school to not renew its beverage contract with Coke because of the controversy. The latest universities have been New York University and the University of Michigan to ban Coke products from their campuses since December 2005.

There has been a lack of responsibility and a lack of attention to human rights on behalf of the Coca-Cola Company in Colombia. The corporation cannot just say, "they're the bottlers, we just sell the syrup" as Donald F. McHenry claims, Director of the Coca-Cola Company.⁵⁹ SINALTRAINAL has been trying for years to get Coke to admit some responsibility for the killings of at least eight workers employed by its bottlers or to pay indemnization to their families. However, only when the union filed a US lawsuit in 2001 and began an international boycott in 2003 has Coke started to pay more attention to the problem. The United Steel Workers Union and the International Labor Rights fund joined forces with a Colombian union to file suit against Coca-Cola, its Latin American bottler, and two Florida investors who own a bottling company in Colombia. The lawsuit was filed in a federal court in Miami.⁶⁰ The case was initiated by SINALTRAINAL, which alleges the company's Colombian partners maintain open relations with the paramilitaries as a part of a strategy to intimidate trade union leaders. It also alleged that the paramilitary forces murdered SINAITRAINAL members and then presented the rest of the workforce with an ultimatum to resign from the union or flee Carepa. The SINAITRAINAL suit was the first to link a North American transnational to such atrocities in the country. They turned to the US courts for relief because they do

⁵⁹ Interview with Donald F. McHenry. March 2006.

⁶⁰ Cray, Charlie. September 2001. "Coke Abuse in Colombia." *Transnational Monitor*. Vol. 22, Issue 9.

not have access to the legal system in Colombia. According to the plaintiffs not one perpetrator has been successfully prosecuted for any of the thousands of cases of trade union assassinations which have taken place since the 1980s.

Although SINALTRAINAL is making progress with its boycott in the US and Europe, in Colombia, it represents only 2,300 workers, of which only 314 are from Coke (the rest from food companies). This number is down from 5,400 workers a decade ago, because companies, like Coke, have restructured their businesses. They have replaced full-time employees with short-term contractors.⁶¹ The problem then, has become job security. Coca-Cola has certainly profited from this indirectly, as costs have gone down with fewer union employees.

In October 2006, an International Labor Organization mission visited Colombia to assess the current state of labor rights. While the ILO applauded the government's efforts to improve investigation of labor-related crimes, it noted that impunity prevails. Fewer than 1% of cases are ever resolved in Colombia.

From a larger picture, least 30 union leaders are killed in Colombia each year, making it the most violent country for union organizers. According to Amnesty International, in 2004, over 60 trade unionists were executed in the country. Colombia has had a profound anti-union culture that dates back to the early 20th century. SINALTRAINAL is not the hardest-hit union group, but it has been successful in drawing attention to human rights violations and building a precedent. Other companies must, follow this lead in drawing international awareness and provoking action to defend the human rights of workers.

⁶¹ Gill, Leslie. "Neoliberal Globalization, Violence, and Transnational Activism: The Coca-Cola Workers of Colombia." 2005. American University Publication, Department of Anthropology, December 1.

BRITISH PETROLEUM (BP)

British Petroleum, one of Britain's two oil giants, has too, faced allegations that its Colombian operation is complicit in murder, torture, and intimidation. As is the case with Coke, the company denies the allegations.

British Petroleum is one of the main transnational corporations operating in Colombia. Its main installations, oil fields and pipelines are in areas of conflict extending from Casanare through the Middle Magdalena to Covenas. Casanare is one of the world's largest onshore fields, with reserves valued at nearly \$40 billion. In 1997, BP was pumping about 300,000 barrels a day. The paramilitaries of Victor Carranza and Carlos Castaño, the AUC control an important sector through which the pipelines pass. For the last few years, the prime objective of both Carranza's and Castaño's forces has been to deny the guerrillas the extraction of protection rent they obtain from oil companies.

The remote region by the Venezuelan border where BP operates while partially controlled by the AUC, is a stronghold of the National Liberation Army (ELN), Colombia's second largest guerrilla group. Oil pipelines are often targeted. The ELN, or its rival, FARC (this is unclear) also target the American company, Occidental involved. Guerrillas strike often and soldiers are killed trying to protect the pipeline.⁶² All oil companies faced similar risks in Colombia. According to the *Economist*, a way out may be to pay protection money to the guerrillas. BP however refused this. It relies on Colombia's armed forces and efforts of its own.

Oil companies in Colombia, by law, have to pay an official "war tax" of \$1.25 a barrel for protection. In addition to this tax, BP signed an agreement pledging a further

⁶² *Economist*. July 19, 1997. "BP at war." Vol. 344, Issue 8026, pp. 32-34.

\$5.4 million to the army over three years. The deal brought accusations that BP was forming a private army. It also bred mistrust among local people, already at odds with the company after a series of strikes and violent demonstrations.⁶³

In October 1996, Colombian official documents were attained by the European document that showed BP had given the army photographs, videos and intelligence about protesters. This information had led to intimidation, beatings, and disappearances. British Petroleum, like Coke and Drummonds, denied this, but it accepted that it had filmed the community meetings as evidence of good relations with local people.

BP's own security staff is said to have included former army officers with poor human rights records in various abuses, including two murders. BP has made no major effort to defend its reputation in Colombia. The president of BP Exploration in Colombia, John Doust, says it doesn't need to do anything as unraveling evidence will speak for itself.

El Tiempo, Colombia's leading daily paper, announced that BP plans to shift its Latin American headquarters from Bogotá to the friendlier surroundings of Caracas, in Venezuela.⁶⁴

The three above mentioned transnational corporations have contributed to numerous human rights violations in their factories. This phenomenon, unfortunately is not a new one. Massacres of striking banana and cement workers in 1928 and 1965 set the tone decades ago. Most workplace killings have taken place during strikes or when a union presented a list of demands in the collective bargaining process. In the 1990s,

⁶³ *Economist*. July 19, 1997. "BP at war." Vol. 344, Issue 8026, pp. 32-34.

⁶⁴ *El Tiempo*. February 16, 2002.

labor laws were reformed to allow companies to replace full-time contract workers with part time laborers or subcontractors, which further weakened the labor union movement in Colombia. Today, only 4.8% of Colombia's seventeen million workers belong to unions down from nine percent in the 1960s.⁶⁵ International law remains in tact however, and transnational corporations like BP, Drummonds, and Coke have a political and social responsibility to uphold international human rights standards.

⁶⁵ Smith, Geri. January 17, 2006. "Online Extra: Inside Coke's Labor Struggles." *Business Week Online*. P. 18.

CONCLUSIONS: A CALL TO AWARENESS AND ACTION

According to international law, basic civil and political rights include,

the right to life, the right to be free from torture and inhuman treatment, the right to be free from slavery and forced labor, the right to liberty and security, the right of detained persons to be treated with humanity, the right to move freely and to choose one's residence, aliens' right to be free from arbitrary expulsion, the right to be fair trial, the right to free association, and the right to privacy.⁶⁶

Economic/social rights include “the right to work, education, health, and adequate standard of living, and cultural life, as well as the right to enjoy the benefits of scientific progress.”⁶⁷ As this paper demonstrates above, many of these basic human rights were violated by TNCs in Colombia. Rooting back to colonial devastation and continued dependence on the West, Colombia has been at a disadvantage for decades. This trend unfortunately, continues the downward spiral as mentioned earlier by Frank.

In a world where markets and life are profit driven, we unfortunately and, taking history into account, unsurprisingly encounter mass human rights violations; this was shown with the cases of Coke, Drummonds, and BP in this paper. Efforts must be made, therefore, to pressure transnational corporations to enforce and support similar safety and protection standards to their countries of origin and international standards. TNCs have a responsibility – both legal and humanitarian – to avoid conflict, let alone support and participate in conflict, when they choose to do business anywhere in the world. They are obligated to behave as responsible guests in foreign countries, particularly, when they choose a conflict ridden country like Colombia to do business.

Workers and citizens in the United States struggled for generations to better their conditions at home, seeding improvements like higher wages, improved working

⁶⁶ Baez, Dearing, Delatour & Dixon. 1999/2000. *Yearbook of International Law*. “Transnational Enterprises and Human Rights,” p. 221-223.

⁶⁷ Baez, Dearing, Delatour & Dixon. 1999/2000. *Yearbook of International Law*. “Transnational Enterprises and Human Rights,” p. 223.

conditions, safety regulations, environmental regulations, etc. However, these very accomplishments led US companies to seek less restrictive conditions abroad, where government repression frequently prevented workers and citizens from achieving the standards of the United States. As a result, many companies, such as Drummonds, cut back mining operations in the United States since they began to develop mines and factories in Colombia. According to Richani, extractive TNCs find a favorable opportunity in markets of violence to better obtain contracts for investment when the states' authority has either partly or totally collapsed.⁶⁸ These companies helped in fomenting and financing the war system, an element that could partly explain the protracted persistence of the Colombian conflict.

The US government has actively supported corporations in relocating. It put into effect legislation and institutions that protect the rights of US citizens at home, while simultaneously adding US corporations seeking to escape this regulation. The US government has specifically helped with tax incentives and other advantages; it has also helped indirectly by intervening militarily and politically in developing countries to maintain a favorable investment climate: that is, low wages, little regulation, and easy access to resources like land.⁶⁹ To address this particular problem, US citizens and grassroots organizations then, are responsible for lobbying the government to stop its current policies toward Colombia.

As US citizens, we can be held accountable for the consumer choices we make and in mass, we have great say and power over the business practices of TNCs. As the

⁶⁸ Richani, Nazih. 2005. *Latin American Politics & Society*. "Transnational Corporations, Rentier Capitalism, and the War System in Colombia." Issue 47.3, pp. 113-144.

⁶⁹ Chomsky, Noam. 1985. *Turning the Tide: U.S. Intervention in Central America and the Struggle For Peace*. Boston: South End Press, p. 47

consumers of products of violence, we are tacitly responsible for that violence. It is important that we question and learn more about the products they consume. Knowing where a product comes from, how it was produced, and what the consequences of that production were will most likely influence consumer choice and production practices by the TNCs in question.

As was shown in the examples of Drummond, Coke, and BP, trade unionists in Colombia have been among the principal victims of violence, US unions, in particular the United Mine Workers and United Steel Workers, have expressed their solidarity with Colombian mine workers since 1990. The killing of union organizers in the Drummond coal mines, for instance, was met with a wave of union activism in the United States expressing their solidarity. The United Steelworkers, the International Federation of Chemical, Energy, Mine and General Workers Union, and the United Mineworkers immediately condemned the March 2001 murders at the Drummond mine.⁷⁰ The USWA sent a delegation to Colombia that month to investigate military involvement in the killing of trade unionists. In 2000, the AFL-CIO had already taken a stand opposing US military aid to Colombia because of violations of human rights and labor rights there.⁷¹ In March 2002, the International Labor Rights Fund, the United Steelworkers, and several Colombian unions brought a federal lawsuit against Drummond under the Alien Torts Act for complicity in the murders.⁷² These positive actions are the first of many steps that must be taken in order pressure transnational corporations to follow worldwide

⁷⁰ ICEM Update 14/2001, March 15, 2001. <http://www.icem.org/update/upd2001/upd01-14.html>

⁷¹ Bacon, David. July 23, 2001. *In These Times*. "The Colombian Connection: U.S. Aid Fuels a Dirty War Against Unions." <http://www.globalexchange.org/colombia/itt072301.html>. Accessed March 6, 2006.

⁷² Greenhouse, Steve. March 22, 2002. *New York Times*. "Alabama Coal Giant Sued Over Three Killings in Colombia." <http://www.laborrights.org/press/coal032202.htm>. Accessed March 3, 2006.

codes of behavior.

Beyond bad public relations, the Colombia controversy demonstrates that challenges face all transnationals attempting to capitalize on cheap labor, products, and bypass regulations in their home countries in a quest for mass production and mass profit. As Coke learned through the recent Killer Coke Campaign, companies are increasingly being held accountable for everything that occurs all the way through the supply chain, even when it involves independent contractors. Coke, BP, and Drummonds may be able to defuse the negative publicity situation by consenting to an outside review, and by taking public steps to better ensure the safety of their company workers in countries like Colombia, which would mean positive progress. Although the problem is deep rooted and multifaceted, the power of public awareness and protest coupled with public media campaigns have proven to yield positive results in the past. Thus, the international community and individuals must to persist on this path to combat massive human rights violations against Colombian TNC workers and continue to aim for an improved future.

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