



**How can microcredits be used as a
reintegration measure for
former FARC members in Colombia
to promote positive peace?**

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Content

ABSTRACT	3
ABSTRACTO	3
2 INTRODUCTION	4
3 TROUBLESHOOTING	6
3.1 GENERAL ECONOMIC INEQUALITY	6
3.2 ECONOMIC INEQUALITY AND POVERTY IN LATIN AMERICA AND COLUMBIA	7
3.3 COLOMBIAN HISTORICAL BACKGROUND WITH RELATION TO INEQUALITY	8
3.4 THE ROOTS OF THE FARC AND THE CURRENT POSITION OF FORMER MEMBERS IN THE SOCIETY	10
3.5 ECONOMIC AND SOCIAL PROBLEMS FACED BY FORMER FARC MEMBERS ACCORDING TO THE 2016 PEACE AGREEMENT	11
4 JUSTIFICATION	13
4.1 IMPACT ORIENTATION	13
4.2 IMPORTANCE OF ADDRESSING INEQUALITY	13
4.3 MICROCREDITS AS COUNTERMEASURE OF INEQUALITY	16
5 LITERATURE REVIEW	19
6 CONCEPTS AND THEORETICAL FRAME	22
6.1 GALTUNG'S SUPER TYPES OF VIOLENCE	23
6.2 INTERDEPENDENCE OF VIOLENCE AND PEACE	23
6.3 SUBCATEGORIES OF VIOLENCE	24
6.4 PEACE	26
6.5 INEQUALITY	27
6.6 MICROCREDITS	29
7 METHODOLOGY AND ETHICAL CONSIDERATIONS	30
7.1 METHOD	30
7.2 INTERVIEWS	32
7.3 ETHICAL CONSIDERATIONS	33
8 MICROCREDITS IN THE COLOMBIAN CASE	34
8.1 ACTORS	34
8.1.1 The role of the state	35
8.1.2 The black finance market "Gota a Gota" (Drop by Drop)	35
8.1.3 Access of microbusinesses to credit	36
8.1.4 State-owned credit providers and financial institutions (SOFIs)	37
8.1.5 State-owned guarantee funds	39
8.1.6 Mixed-economy entities	40
8.1.7 Private entities	41
8.2 PERFORMANCE OF THE MICROFINANCE PROVISION	43
8.2.1 Number and development of microcredits	43
8.2.2 Microloan size & entities	45
8.2.3 Number of microcredits by region	46
8.2.4 The supply of microcredits by financial institution and by region	47
8.2.5 Entities and microloan size & number, by region	48
8.2.6 Number of microcredits by region and poverty	51
8.2.7 Supply of microcredits to municipalities, with special attention to particularly alarming former FARC members and the work of reintegration centres (ETCR)	52
9 DISCUSSION AND RECOMMENDATIONS	56
9.1 THE REGULATION OF THE COLOMBIAN FINANCIAL MARKET	57
9.2 NETWORK AND PROGRAMMES IN THE COLOMBIAN FINANCIAL MARKET REGARDING MICROCREDITS	58
9.3 MARKET COMPETITION OF MICROLOAN SUPPLIERS	60
9.4 MICROLOAN PRODUCTS	63
9.5 INDIVIDUAL MICROLOAN PROVIDERS	67
9.6 OTHER RECOMMENDATIONS	68
9.7 REGIONAL COVERAGE	70
10 CONCLUSION & OUTLOOK	73
11 REFERENCES	76
12 APPENDIX AND DECLARATION IN LIEU OF AN OATH	I

Abstract

This master's thesis contributes to answering the question of how microcredits can contribute to the integration of former FARC members as a means of achieving a positive peace in Colombia and what is needed for the successful implementation of this instrument. The theoretical framework is Galtung's concept, according to which the laying down of arms only ends direct violence and thus only creates negative peace. Positive peace in the sense of sustainable pacification, on the other hand, can only be achieved if structural violence in a society is reduced. Galtung understands this to mean all social, economic, and cultural restrictions that prevent members of society from realising their personal potential. This includes, above all, gross income inequality, which is seen in Colombia as one of the central causes of the emergence of the FARC members and the decades of civil war associated with it. Against this background, as the master's thesis shows, the 2016 peace agreement places a strong emphasis on the economic integration of former FARC members. The granting of microcredits is intended to contribute to this objective as it is respected and appreciated worldwide as an effective and important instrument to support destitute sections of the population. The analysis shows that the Colombian financial system, including the granting of microcredits, is well designed to accomplish this task, especially since the state has numerous institutions of its own that specialise in this area. However, a more in-depth examination reveals that the system has significant shortcomings regarding microcredits for former FARC members. These range from the interest rate structure and credit conditions on the supply side to limited creditworthiness and a lack of financial know-how on the demand side. To address these shortcomings, 13 recommendations have been developed, including premiums, targeted subsidies, guarantees, the provision of financial know-how, changes in the interest rate structure, and a list of 132 municipalities categorised according to funding needs. These recommendations are underpinned by in-depth interviews with three former FARC members who have successfully taken out microloans. The study identifies the Colombian state as the key player in the process of achieving greater positive peace in Colombia.

Abstracto

Esta tesis de maestría contribuye a responder la pregunta de cómo los microcréditos pueden contribuir a la integración de los antiguos miembros de las FARC como medio para lograr una paz positiva en Colombia y qué se necesita para la implementación exitosa de este instrumento. El marco teórico es el concepto de Galtung, según el cual la dejación de las armas sólo pone fin a la violencia directa y, por tanto, sólo crea una paz negativa. En cambio, la paz positiva, en el sentido de pacificación sostenible, sólo puede lograrse si se reduce la violencia estructural en una sociedad. Galtung entiende por tal todas las restricciones sociales, económicas y culturales que impiden a los miembros de la sociedad desarrollar su potencial personal. Esto incluye, sobre todo, la gran desigualdad de ingresos, que en Colombia se considera una de las causas centrales de la aparición de las FARC y de las décadas de guerra civil asociadas a ella. En este contexto, como muestra la tesis de máster, el acuerdo de paz de 2016 hace especial hincapié en la integración económica de los antiguos miembros de las FARC. La concesión de microcréditos pretende contribuir a este objetivo, ya que es respetada y apreciada en todo el mundo como un instrumento eficaz e importante para apoyar a los sectores indigentes de la población. El análisis muestra que el sistema financiero colombiano, incluida la concesión de microcréditos, está bien diseñado para cumplir esta tarea, especialmente porque el Estado cuenta con numerosas instituciones propias especializadas en este ámbito. Sin embargo, un examen más profundo revela que el sistema presenta importantes deficiencias en lo que respecta a los microcréditos para los antiguos miembros de las FARC. Éstas van desde la estructura de los tipos de interés y las condiciones de los créditos por el lado de la oferta hasta la escasa solvencia y la falta de conocimientos financieros por el lado de la demanda. Para abordar estas deficiencias, se han elaborado 13 recomendaciones, que incluyen primas, subvenciones específicas, garantías, la provisión de conocimientos financieros, cambios en la estructura de los tipos de interés y una lista de 132 municipios clasificados según sus necesidades de financiación. Estas recomendaciones se basan en entrevistas en profundidad con tres antiguos miembros de las FARC que han obtenido microcréditos con éxito. El estudio identifica al Estado colombiano como el actor clave en el proceso de alcanzar una mayor paz positiva en Colombia.

1 Introduction

After decades of internal conflicts, at times verging on civil war, and accompanied by widespread poverty and social and political division, Colombia is now in a decisive phase of its recent history. This phase began on December 1st in 2016 with the signing of the peace agreement between the government and the country's largest guerrilla group, the Fuerzas Armadas Revolucionarias de Colombia – Ejército del Pueblo (Revolutionary Armed Forces of Colombia – People's Army), hereinafter: FARC. The “Acuerdo Final Para La Terminación Del Conflicto Y La Construcción De Una Paz Estable Y Durada”¹ (in short: “Acuerdo de Paz”) was approved by both the Colombian House of Representatives and the Senate without any votes against. The aim of this agreement, which was preceded by a failed similar attempt in 2012, is to end the armed conflict between the two parties and, in this context, to implement the following six points: ‘Rural Reform’, ‘Political Participation’, ‘End of the Conflict’, ‘Solution to the Problem of Illicit Drugs’, ‘Agreement on the Victims of the Conflict’. This includes the recognition of the suffering of the victims, and finally the “Implementation, Verification and Endorsement” (Unidad de Implementación del Acuerdo de Paz 2022) of all the above-mentioned objectives. It was explicitly clear to all involved that the disarmament and integration of former FARC members into society, in particular, could only be successful if the deeper causes of the past violence in Colombia were sustainably eliminated and lasting alternative peaceful forms of participation in social and economic life were created for the actors.

The centrepiece of the measures required for this is, more or less implicitly, the ability of former FARC members to participate equally and successfully in the country's economic life and thus earn their living in a peaceful way. The theoretical justification for this is provided in the chapter ‘Theoretical frame and concepts’. Among these measures, the granting of small or micro-credits or microloans to those affected, with the aim of reducing poverty, is undoubtedly one of them. The reason is that microcredits represent an economic policy concept that explicitly shall enable poor, asset-less sections of the population to access capital that conventional banks do not usually offer. “Microfinance is an effective tool for the recovery of local economies, as it can promote local economic growth by facilitating access to financial services” (Estrada *et al.* 2015:50). Sheehan even goes one step further and emphasizes “[...] that such services are vital for promoting peace by supporting economic recovery and increasing the income of the conflict-affected population” (Estrada *et al.* 2015:50 from Sheehan 2003). Thus, this access to capital, even in small amounts, is an essential prerequisite for enabling the aforementioned group of people, namely former FARC members to start small businesses and thus open up another way out of poverty in addition to conventional employment in the ordinary labour market (Estrada *et al.* 2015:50).

¹ All direct translations from Spanish into English in this master's thesis were done with the help of <https://www.deepl.com/de/translator>.

From a global perspective, microloans are, with few exceptions, widely recognised as an instrument for alleviating poverty worldwide and thus also for defusing social conflicts that often result from extreme income inequality. The concept achieved a breakthrough thanks to the Bangladeshi economist Muhammad Yunus, who founded the Grameen Bank in 1983, an institution that provided small and microloans to members of the poor sections of the population without them having to provide collateral. In 2006, Yunus was awarded the Nobel Peace Prize, explicitly not the Nobel Prize for Economics, because the five-member Norwegian Nobel Committee was convinced that the concept of microcredit strengthened peace.

This view had also been echoed in the scientific community, even with regard to Colombia. Grau-Prada worked out the mechanisms by which microcredits could reduce social conflicts on three different levels: firstly, directly ('mitigación directa') by boosting the economy with the help of loans to the poor; secondly, indirectly ('mitigación indirecta') by combating the scarcity of resources, which often represents a flashpoint for conflict; thirdly, by creating incentives that motivate the actors of the various parties to the conflict to work together, thus setting in motion a process ('mitigación del proceso') of dealing with each other in a comprehensive way instead of mutual rejection ('rechazo mutuo') (Grau-Prada 2017:290). The renowned peace and conflict researcher Johan Galtung had also seen microcredits as a possible form of peace-building measures for Colombia, in order to reduce social and structural inequalities in the country and promote peace (Galtung & Roa Suárez 2000:22–23).

In this respect, microcredits are one option for using economic measures to prevent a resurgence of the conflict with the FARC members in Colombia, because "economic opportunities support peace processes and offer incentives for conflict actors to lay down their arms and for communities to put pressure on them" (Estrada *et al.* 2015:47 from Berold 2002). Thus, microcredits are definitely regarded as "one of the key factors in preventing a new conflict [and] promoting the successful reintegration of displaced persons, the population groups affected by the conflict and the actors involved" (Estrada *et al.* 2015:47 from Santos 2003).

Against this background, this master's thesis will explore the extent to which microcredits to former FARC members are suitable as a peace-building reintegration measure in Colombia in the current crucial situation. Thus, the research question is: *How can microcredits be used as a reintegration measure for former FARC members in Colombia to promote positive peace?*

To this end, in this regard the Colombian financial system's current offerings will be examined from both a quantitative and qualitative perspective, and the deficits on the supply side and hurdles on the demand side will be identified. To support the macro- and microeconomic analysis, interviews with former FARC members will be conducted to present the perspective of those affected and to complement the results of the analyses before. Based on their practical experiences and the results of the analyses, proposals for improvement and concrete recommendations for the use of microcredit as a tool to promote the peace process in Colombia will be derived. In this way, the master's thesis attempts to support

political and economic decision-makers in their efforts to promote peace and to integrate former FARC members through microcredits.

2 Troubleshooting

The following chapter presents the main problem from the perspective of this master's thesis which must be solved on the way to reintegrating former FARC members into society in order to achieve a sustainable peace, and in which microcredits can play an important role. Here, one crucial problem is the inequality, or, to put it another way, the poverty suffered by large groups of Colombian society in general and by former FARC members in particular, who had almost no regular income after laying down their arms.

2.1 General economic inequality

Inequality can prevail on several levels. There are social, economic, ethnic, cultural, and political inequalities. These are often interwoven. Nevertheless, the topic in this master's thesis paper is mainly limited to economic inequality, as the focus here is on an economic means, namely microcredits, to combat this inequality and to reach positive peace. After the Organization for Economic Co-operation and Development (OECD) inequality of income is not only a question of social justice. It is also or above all a problem of the welfare of a nation in general because the bigger the inequality the smaller the total GDP. The reason for this is that the poor strata of population are hindered from using their human capital potential (OECD 2015). In addition to the economy, which is suffering from inequality, there is also a risk of increasing conflict and violence as inequalities in access to resources, opportunities and rights can trigger social unrest and challenge existing orders (North C. Douglass, John Joseph Wallis & Barry R. Weingast 2009:90–95).

Therefore inequality, its causes and possible instruments for elimination have become one of the most discussed economic problems worldwide. After the well-known inequality researcher Piketty “income inequality has increased substantially in most world regions since the 1980s, albeit at different speeds” (Piketty 2018:2). Even though, the trend of inequality on a global level is quite diverse depending on the country and on the region (Bourguignon 2018:349) it can be said that in general, rich countries like the OECD countries are more unequal than they were in the mid-1980s. At the same time the world's resources accumulate in the richer countries while the poorer countries receive none or little of the wealth with remarkable results for the population. “According to the United Nations Development Programme, the income gap between the fifth of the world's population living in the richest countries and the fifth of the world's population living in the poorest went from 7:1 in 1870 to 11:1 in 1913 to 74:1 in 1997” (Lockwood 2021:2–3 cited from Pieterse 2002:1025). It was expectable clear that consequences of this trend were sharply shown in particular in developing countries in the global south, amongst them Latin America and Columbia, the focus of this work.

2.2 Economic inequality and poverty in Latin America and Columbia


In comparison to Europe, Latin America is characterised by a much higher inequality which is usually measured by income, property and consumption (Brot für die Welt 2019:7). In 2020, per capita income in Europe amounted to 239 percent of the global average per capita income, while in Latin America it was only 90 percent (Chancel & Piketty 2021:3031). In Europe in 2020 the top 10 percent income share was equal to 36 percent of total income meanwhile in Latin America it was equal to 55 percent (see annex page I).

In the last decade according to the Economic Commission for Latin America and the Caribbean (CEPAL), there had been a growth of poverty in this region since 2014. In 2019, there were 30,8 percent of people in Latin America living in poverty. That means that the income is lower than what a person would need in order to buy basic food and services.

In Latin America and globally, Colombia is one of the most affected countries in terms of poverty and inequality. By a Gini-Coefficient of 51.5 Columbia suffers from one of the highest income inequalities of the world. In 2021 after the World Bank 39.3 percent of the population lived in poverty (see figure 1). This percentage is also called poverty line, an “[...] indicator [giving] the prevalence of people living in extreme poverty, as measured by their daily consumption or income” (WHO 2024).

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	19.6	39.3	2021
International Poverty Line 3517.5 in Colombian peso (2021) or US\$2.15 (2017 PPP) per day per capita	3.4	6.6	2021
Lower Middle Income Class Poverty Line 5971.5 in Colombian peso (2021) or US\$3.65 (2017 PPP) per day per capita	8.2	16.0	2021
Upper Middle Income Class Poverty Line 11206.9 in Colombian peso (2021) or US\$6.85 (2017 PPP) per day per capita	20.2	39.2	2021
Multidimensional Poverty Measure		7.0	2021
SHARED PROSPERITY			
Annualized Income Growth per capita of the bottom 40 percent		-2.39	2016-2021
INEQUALITY			
Gini Index		51.5	2021
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		-0.77	2016-2021
GROWTH			
Annualized GDP per capita growth		0.40	2016-2021
Annualized Income Growth per capita from Household Survey		-1.62	2016-2021
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		-2.17	2016-2021

Sources: WDI for GDP, National Statistical Offices for national poverty rates, PIP as of April 2023, and Global Monitoring Database for the rest.

 **WORLD BANK GROUP**
Poverty & Equity

Poverty Economist: Maria Davalos

Figure 1: World Bank 2023 - Poverty & Equity Brief (World Bank 2023:1)

The poverty in Columbia hits the weakest and already pre-pandemic poor of the population particularly hard: the rural population, indigenous people, Afro-Colombians, Venezuelan refugees, and victims of the conflict, meaning also former FARC members. These groups recovered poorly or not at all from the pandemic (World Bank 2023:1–2). This means that also now after the pandemic especially this groups

of the population inclusively former FARC members must be taken lift out of the additional increase in poverty in the post-pandemic period.

Even though, the economy and the labour market continued to recover in 2022, but real wage growth was reduced by high inflation. Overall national poverty and extreme poverty are expected to remain above pre-pandemic levels despite economic growth and labour market recovery. The main reason for this slowdown was inflation, particularly food inflation, which was estimated at 27.8 percent in 2022. The exceptionally strong La Niña phenomenon also led to environmental damage such as landslides and flooding, which further weakened the poor rural population consequently also a large proportion of the former FARC members and reduced environmental security (World Bank 2023:1–2).

In Colombia, social inequality, which is closely linked to economic inequality, makes it difficult to find a way out of this situation. This manifests itself on many dimensions which affects the non-traditional forms of security for the most vulnerable population strata like former FARC members who are affected by the Colombian conflict. Thus, these groups of population often experience energy insecurity (Bros 2020), health insecurity (Elbe 2019), food insecurity (Teng & Lassa 2016), and environmental insecurity (Barnett & Dabelko 2019). That means, that even if there is a ceasefire and military security given, poor people in Colombia, affected by the conflicts of the last decades suffer from insecurity on different levels. The consequence of social inequality in Latin America and Colombia were most recently demonstrated in a particular and drastic way during the pandemic of Covid-19. The NGO "Brot für die Welt" reports: "Social inequalities are the cause of poverty and hunger, violate human dignity and human rights, promote social conflict and violence in society and increase vulnerability to pandemics like Corona" (Dietz, Peters & Schnepel 2022:22). The NGO emphasizes that the reasons for inequality on a social and economic level are mostly fed by economic policy systemic structures both globally and on a national level (Brot für die Welt 2019:4). The overall context taken into account shows that economic measures such as microcredits which improve the economic structure of the society are to be taken in order to reduce conflicts and violence and to create sustainable peace.

2.3 Colombian historical background with relation to inequality

In order to understand the manifestation of these structures of inequality and to be able to counteract them with the help of microcredits, it is relevant to contextualise and briefly illuminate the historical background of Colombia. It is obvious that Colombia is a country characterised by years of conflicts and confrontation. This makes Colombia a special case and leads to consider the former FARC members as a vulnerable population group affected by this. In order to understand this, it is to identify how the past has influenced current structures.

The country's inequality is strongly linked to the conflicts, among other things. The studies by Bircan et al. deal with the connection between conflict and income inequality in conflict-ridden nations. They find that inequality increases sharply during and especially in the first years after the ending of wars. It is shown that the peak of income inequality is reached after about five years and then lasts for up to 40 years, steadily decreasing (Bircan, Brück & Vothknecht 2017:1). Extreme forms of violence, conflict,

expulsions, and killings struck Columbia during the 20th century. In 2017, for instance, regarding the number of displaced persons, Colombia was on a similar level to Sudan, Syria, and the Democratic Republic of Congo and therefore one of the four countries with the highest number of displaced persons. Looking at the 1990s Columbia was also the country with the highest homicide rate (Berry 2017:277). In the 1990s, the number of homicides reached 80-90 per 100,000 inhabitants. This made Colombia one of the most violent countries in the world. The number of displacements peaked in the late 1990s and early 2000s, rising from 50,000 displaced persons per year to 400,000 per year over the course of the decade. This figure remained roughly constant in the years that followed. The situation in Colombia remains tense and “[...] between June 2021 and May 2022, there were 147 events of mass displacement, which affected nearly 60,000 people” (UNHCR Global Focus 2024b). That makes Colombia to the country which “[...] has one of the largest internally displaced populations in the world, standing at 6.8 million” (UNHCR Global Focus 2024a).

Against this background Berry emphasizes that “in Colombia, more than in other countries, violence and injustice have been tightly linked and have clearly combined to contribute to the inequality of access to land and to the inequality of income”. The causes of this extreme inequality and violence lie particularly in the “[...] misappropriation of agricultural land – dispossession through theft, extortion and legal manipulation, among other mechanisms” (Berry 2017:278). For example, in most cases, the cause of displacement was illegal land grabbing or fraud. As a result, extreme violence is particularly prevalent in rural regions and the number of homicides is highest (Berry 2017:280).

When looking at the development and roots of inequality in Colombia, two key factors play an important role. One is land distribution, and the other is education. At the beginning of the 20th century, Colombia was a country that was very much dominated by agriculture. However, the unequal distribution of land resulted in unequal agricultural incomes (Berry 2017:279). In the 1960s, for example, a law was passed that set an upper limit on the amount of land that could be given to private individuals. But this was not put into practice and instead large tracts of public land were given into the hands of large private landowners (Berry 2017:285). At the same time elites ensured that education was withheld from the broad mass of the population, making Colombia “one of the least educated countries in the world among those with a similar level of income” (Berry 2017:279) in the late 19th century. The poorly educated “human capital” thus supplemented the unequal distribution of agricultural income. This ensured that the pattern of unequal income distribution manifested itself historically and determined the income distribution of the future: On the one hand, the few coming from the elites who owned a lot of land and could therefore generate a lot of income and were well educated at the same time. On the other hand, those who received neither a lot of land nor a good education and could therefore generate little income. The general income inequalities were thus largely determined by agricultural incomes. Due to the fact that inequalities are relatively stable in most countries, income inequality also persisted in Colombia (Berry 2017:279).

In addition to the cause of land grabbing and missing education, drug trafficking, especially of cocaine, played an important role in the Colombian conflict in the early 1980s. Nevertheless, the activities of

guerrilla fighters such as the FARC could already be noted two decades earlier. This shows that although drug trafficking was a major cause of conflict, the activities of the guerrillas can be attributed to the factors of inequality described before.

Besides the cause of unequal land distribution, missing education and drug trafficking, the Colombian state is seen as part of the problem of the conflict. A brief analysis of the weaknesses of the state in Colombia is worthwhile in this paper, as it can be an important authority for the redistribution of resources and in the event of market failure especially regarding the provision of microcredits. In the literature the Colombian state is often described as weak and small, and its absence in certain regions of the country is criticised. In some cases, it is described as a state “à la Marx” (Berry 2017:286) i.e., as an instrument of the dominating class or as an organism in which there is a regular government on one side and a shadow apparatus on the other, which enforces the drug interests and/or the interests of the paramilitaries.

To explain the violence and inequality that have arisen, to understand the consternation of former FARC members and to explain the connection with microcredits, it is necessary to briefly outline the main aspects of the weak performance of the Colombian state in recent decades, which continue to have an impact today. Firstly, informal land rights i.e., a series of requirements for poor landowners, such as the payment of court fees and the preparation of expertise, make it impossible for them to formally claim their land rights. Secondly, corruption among land notaries and agricultural state institutions led to local power holders being able to hoard more and more land. President Lleras Restrepo (1966-1970), who was aware of the consequences of these structures, did nothing to reform these corrupt power structures (Berry 2017:286). Thirdly, there is also a strong disparity in access to justice services and in the quality of them between the urban and rural population. This manifests and reinforces the inequality between these two groups. Fourthly, the technocratic incompetence of the state led to small farmers not to be properly supported, and the rural population was never given a sustainable strong political voice. Fifthly, the weakness of the Colombian state also manifested itself in the fact that producers' associations (“gremios”) gained power and took over tasks that are normally carried out by the state. Therefore, the state was not in a position to support the diversity of production in terms of type and quantity. For example, the coffee growers' federation (Federación Nacional de Cafeteros) advocated for the types of production or mainly production associations strengthened the rights of large farms and achieved political support to produce certain products such as rice, sugar for export, cattle, or palm oil (Berry 2017:287). It is obvious that factors such as these deter former FARC members who are looking for agricultural work, for example, from staying in rural areas.

2.4 The roots of the FARC and the current position of former members in the society

In order to discuss the microcredits as possible method to reintegrate former FARC members and to build a sustainable peace by this it is relevant to understand their historic roots, their former self-conception and their current position in the society.

There is no doubt that increasing inequality in Colombia, along with much violence and bloodshed, led to the foundation of guerrilla groups to fight for their interests. Though, there is the "feasibility model" which sees the drug trade, the complicated topography, and the weak state as the main causes of the national conflict in Colombia. Other researchers emphasise that this does not explain the presence of the FARC before the 1980s (Berry 2017:283).

In reality, the roots of the FARC go back to the 1870s when the demand for coffee and thus for land to produce had risen sharply. Over the years large landowners tried to rob the smallholder squatters of their land to use it for their coffee production and judges and local mayors were instrumental in strengthening the large landowners. Therefore, in the 1920s and 1930s small farmers began to organize themselves into collectives, colonies of permanent occupation or the Communist Party of Colombia (Partido Comunista Colombiano). The conflict between large landowners and small farmers escalated increasingly in the 1940s and 1950s. This stage of the civil war is called 'La Violencia' because of the brutality of the violent evictions of small farmers. These formerly peaceful peasants took up arms to defend themselves against large landowners. In the course of "La Violencia", the FARC was founded in 1964, a guerrilla group that represented "[...] a thoroughly peasant movement" and whose members fought for the ownership of land for small farmers (Berry 2017:288). The origins of the founding of the FARC were therefore to combat inequalities as the state did not take on this task. Thus, the rebel groups, in particular, wanted to achieve a fairer and more equal distribution of land that supports small farmers. In addition to the origins of the FARC, for successful reintegration and creating sustainable peace it is important to understand the current position of the former rebels in society, their economic and social situation. After the peace agreement of 2016 it turned out that former FARC members were both excluded on an economic and on a social level. This exclusion was evident in different environments of social life, be it "as co-workers or neighbours, and even less so as citizens or friends" (Gibson 2018:103). Former FARC members also experienced discrimination in the labour market and are outcast by threats (Gibson 2018:119). One example for the social exclusion is the partial exclusion of the FARC members from the health system. Former FARC members often have no or poorer access to the healthcare system than civilians and it is reported that they often only are treated by other former FARC members. As a result, health security is lower for them (Reynolds *et al.* 2021:9). In addition to the problem of the social exclusion, former FARC members often are traumatized by the violence they experienced and suffer particularly badly from mental health problems (Idrobo *et al.* 2018; Reynolds *et al.* 2021:2). Knowledge of these social factors plays an important role in the reintegration of the FARC, be it through economic means. It is important to be aware of these difficulties in order to adapt reintegration measures to this population group (see chapter 8.6).

2.5 Economic and social problems faced by former FARC members according to the 2016 peace agreement

In order to evaluate microcredits as a tool to improve the economic and social situation of former FARC members and to achieve sustainable peace it is also necessary to analyse what the objectives of the 310-

page agreement in 2016 signed by the FARC members and the Colombian state are. The treaty contains six major thematic blocks, all of which are intended to achieve the main goal of establishing sustainable national peace. Important and relevant for this master's thesis is that "the Agreement includes a comprehensive agrarian development plan with access to land and services and a sustainable illicit crop substitution strategy" (Ministerio de Relaciones Exteriores de Colombia 2016:7). In order to achieve that goal, the following six aspects are addressed: "Integral Rural Reform", "Political participation: Democratic openness to build peace", "Bilateral and Definitive Cease-Fire and Cessation of Hostilities and the Surrender of Weapons", "Solution to the Problem of Illicit Drugs", "Victims" and "Implementation and verification mechanisms" (Jurisdicción Especial para la Paz 2016:7-9). It is explicitly said that: "It [the third aspect] also contains the agreement aims for a 'reincorporation of the FARC-EP into civilian life - economically, socially and politically - in accordance with their interests'". This clearly shows that laying the foundations for building a stable and lasting peace requires the effective reintegration of the former FARC members into the social, economic, and political life of the country.

The conclusion of these chapters of the peace agreement is that to realise the overall goal of a sustainable peace, it is important to take concrete measures. Central for this master's thesis is that one of these concrete measures are microcredits which are implicitly included among the means of pacification in the peace agreement of 2016. So, in chapter one in the context of small entrepreneurs who are explicitly to be supported as part of the agricultural reform it is said that "[...] development programmes with a territorial approach" are to be set up to enable full access to agriculture for the weaker sections of the population, who are often supporters of the former FARC (Jurisdicción Especial para la Paz 2016:21). To implement the rural reform, the signatories have agreed on "integrality", which even explicitly mentions the granting of loans as a means of promoting productivity (Jurisdicción Especial para la Paz 2016:13). To ensure productivity and to drive agricultural progress, small landowners are to be supported with the help of loans and access to land funds in order to prevent the unproductivity or non-utilisation of land (Jurisdicción Especial para la Paz 2016:16, 28). The peace agreement also provides for the national government to pay seed capital, which does not have to be repaid, to poorer sections of the population to help them set up productive projects. This and "the adoption of a guarantee-system to facilitate access to agricultural credit for the peasant, family and community economy" (Jurisdicción Especial para la Paz 2016:30) is intended to ensure the financial inclusion of the poor, in particular low-income producers, especially the rural population and women. Furthermore, the agreement aims "the provision of soft, flexible, timely and subsidised credit lines for the peasant, family and community economy, and complementary activities, and with progressive subsidies for medium-sized producers with lower incomes, aimed at supporting the right to food, productive reconversion, and the generation of added value. Subsidised credit lines for the purchase of land will be granted exclusively to small producers" (Jurisdicción Especial para la Paz 2016:30).

This type of capital allocation, namely with flexible interest rates, to particularly poor population groups and sums suitable as seed capital, is like the idea of microcredits. This means that the national

government and the former FARC members consider this type of financial inclusion to be necessary for the reintegration of former FARC members and to reach sustainable positive peace.

3 Justification

The following chapter is intended to justify the topic and research question of this thesis. The relevance of the topics of inequality, microcredits, reintegration of the FARC members and positive peace will be presented here.

3.1 Impact orientation

First, the orientation of the master's thesis is to be briefly stated in order to understand the researcher's perspective. As Creswell describes in his book on different research methodologies, research is related to certain "worldviews", which in turn allows conclusions to be drawn about the higher goal and justification of a work.

In this thesis there are two guiding worldviews whose goals are being pursued. On the one hand there is a transformative worldview which is "political", "power and justice oriented", "collaborative" and especially "change oriented" (Creswell 2014:35). This follows more or less directly from the topic of this thesis and its research question. Therefore, the change orientation dominates in this work and thematizes "[...] issues of power and social justice, discrimination, and oppression that needed to be addressed [and there is a focus] on the needs of groups and individuals in our society that may be marginalized or disenfranchised" (Creswell 2014:38). The former FARC members can undoubtedly be subsumed under this heading. This is relevant as the higher target is to contain "[...] an action agenda for reform that may change lives [...]" (Creswell 2014:38) and to contribute to providing solutions for access to resources by granting microcredits to former FARC members.

On the other hand, there is the worldview of pragmatism which is also pursued in this thesis. This includes "consequences of actions", it is "problem-centred", "pluralistic" and "real-world practice oriented" (Creswell 2014:35). This perspective also arises from the topic of this master's thesis and the research question, but above all from the troubleshooting described in detail above. "Instead of focusing on methods, researchers emphasize the research problem and use all approaches available to understand the problem" (Creswell 2014:39). The approach to understanding the problem of injustice, inequality and a lack of peace comes from a pragmatic perspective and aims to understand the real world on different levels. For this reason, the detailed troubleshooting in the previous chapter also plays an important role. Only through a deep understanding of the problem transformation can be achieved. For this reason, the analysis of the overall topic of injustice is of high relevance.

3.2 Importance of addressing inequality

The first step is to explain why it is important to address inequality. In addition to the above-mentioned factors of conflict risk, poverty and injustice, different levels can be used to justify why inequality plays an important role.

There are two approaches to why inequality should be tackled and therefore two reasons to address inequality in this thesis and to advance research in this area. The first perspective on inequality is the normative perspective, which emphasizes morality, i.e. values like equivalent opportunities, equality before the law, fraternity, or solidarity. The second one is the pragmatic perspective which emphasises the economic costs caused by inequality (Bourguignon 2018:362). In the following, first the moral approach on the importance of tackling inequality will be described and after that, the pragmatic approach. The moralistic perspective on inequality, based on values like described above, is opposed by Friedrich August von Hayek's liberal point of view. According to the economist, inequality is important in order to create positive sanctions or rewards for performance and to incentivize individual performance in order to belong to the top echelons of society: "Inequality is not regrettable, but highly gratifying" (Hayek:16; Hartwig & Jochen:10). The moral egalitarian current, on the other hand, disputes this and sees inequality as unethical, be it in terms of material well-being or income. Liberal moral philosophers emphasize, inequality is related to the extent to which someone can pursue their personal desires and with that the personal well-being (Bourguignon 2018:362). Summing up and regarding the roots of the FARC (look above) it is the first mentioned moralistic perspective, inequality is creating injustice and thus, preventing positive peace, which underlies this master's thesis.

In the following, the claimed connection between inequality and violence will be made clear, with the moral background of striving to avoid violence and promote peace. By that, it should be demonstrated why it is important to focus on inequality from a moral perspective, particularly in the case of Colombia. Inequality as a manifestation of structural violence (there is a broad explanation of this concept in chapter five) leads to more conflict, which should be prevented at all costs to alleviate suffering, especially in a country like Colombia, which has been characterized by violence for decades. This is how the authors Douglass et al. argue that inequalities in access to resources, opportunities and rights can trigger social unrest and challenge existing orders (North C. Douglass *et al.* 2009:90–95). Also, Berry argues that inequality plays an important role in Colombia's conflict. He doubts that there would have been conflicts in Colombia in the 1930s or 1950s if resources, especially land, had been equally distributed. He is of the opinion that if land had been distributed equally in these decades, the conflict would not have occurred at all or would have been much less pronounced. Because if there had been a conflict despite equal land distribution, then "[...] this would make Colombians unique in the world in their proclivity to violence" (Berry 2017:284). According to Douglass et al. structural violence leads to conflict by creating institutional conditions that reinforce inequalities and power asymmetries (North C. Douglass *et al.* 2009:75–80). These institutional structures favour certain groups while disadvantaging others, leading to dissatisfaction and tensions (North C. Douglass *et al.* 2009:82–85) as it happened during the peasant unrest due to unequal land distribution in the 1930s or 1950s in Colombia. Furthermore, they argue that Conflicts arise when groups defend their interests or protest against the injustices perpetuated by structural violence (North C. Douglass *et al.* 2009:100–105).

This phenomenon could be observed, for example, in the origins of the FARC, many of whom tried to defend their rights as peasants. The authors emphasize that overcoming structural violence and creating fairer institutional frameworks are crucial to avoiding conflict and achieving a more stable society (North C. Douglass *et al.* 2009:110–115). For this reason, namely the connection between inequality and violent conflict, this problem should be explored in more detail from a moral perspective. This is the only way to change the structures that manifest this inequality.

In addition to the moral approach described above, the pragmatic point of view should also be examined to determine why inequality and the associated conflict should be addressed. It focuses on the economic costs that arise as a result of inequality creating direct or indirect dysfunctions in the economic system (Bourguignon 2018:362). The biggest problem for a society, according to the pragmatic approach, is that inequality and conflict weaken the economy in different ways, and therefore the nation as a whole. The conflict and inequality in Colombia, for example, had a negative impact on GDP - according to most estimates, GDP fell by between one and two percentage points per year during the conflict period, which would be 35 percent over 15 years (Berry 2017:289–290). This correlation between inequalities and falling economic growth and increasing risk of conflict, could be counteracted by distributing resources to the weaker in Colombia in the form of capital as microcredits.

The following explains exactly how inequality and the economy are linked and why inequality is bad for economic growth if it is "excessive" or "too much" (Bourguignon 2018:362–363). Many studies show that there are three explanations for the relationship between inequality and economic efficiency or economic growth. The first explanation focuses on the connection between unequal opportunities and economic inefficiency or income inequality. The term "unequal opportunities" refers to the "[...] unequal access of people to income-generating activities due to their family background, discrimination or other market imperfections [...]" (Bourguignon 2018:363) including for example financial exclusion. The logic behind why unequal opportunities lead to economic inefficiency is that people are prevented from developing their talent due to "[...] unequal access to quality education, to credit, to good jobs, to security, or to justice [...]" (Bourguignon 2018:363) and are held back or not intensified in carrying out social or private profitable projects. The capacities of individuals are therefore not fully utilized, and they face unequal opportunities, which leads to an inefficient economy, especially when the wasted human capital on a micro level is aggregated to a macro level. Even if the extent of this correlation has not been sufficiently researched, numerous studies confirm its existence (Bourguignon 2018:363). For this reason, the possibilities of supporting vulnerable population groups, such as the former FARC members, should be addressed by ensuring their access to resources and by providing them capital in order to utilize their full human capital and thus strengthen the overall economy.

The second explanation for the relationship between inequality and economic efficiency or economic growth emphasizes the demand-oriented market side. Here it is argued that demand declines in the event of inequality, thus weakening the economy. This is because poor households consume less than richer households. According to the argument, falling demand reduces investment incentives on the domestic

market, which further weakens the market (Bourguignon 2018:363). For this reason, it is important to analyse how weaker households, such as those of the former FARC members, can be supported, for example with the help of financial opportunities like microcredits to strengthen the demand of poorer households and thus stimulate the overall economy.

The third explanation for the link between inequality and economic inefficiency is based on the argument that state intervention weakens the economy. It is argued that with growing inequality, the state must intervene at some point through economic policy redistribution measures and must therefore use resources, which in turn weakens the economy (Bourguignon 2018:363). For this reason, possible private sector mechanisms, such as microcredits, should be discussed to strengthen the weaker members of society in order to conserve state resources and thus overall economic resources in the long term.

Therefore, it is highly relevant from both a moral and a pragmatic perspective to bring inequalities to the fore as an issue.

3.3 Microcredits as countermeasure of inequality

Due to the above explained existing connection between inequality and the weakening of the economy, it is therefore worth analysing how far microcredits as countermeasures can help to achieve greater equality.

To combat economic inequality on a global level there are some practical ideas from different authors. They go from taxing the rich and transferring these taxes to the poorer world population (Piketty & Goldhammer 2017:597–662) over net capital transfers from richer nations in the form of investments, loans or economic aid to poorer countries (Milanovic 2016:7, Lockwood 2021:13) to global redistribution by migration (Lockwood 2021:13). The disadvantage over the problems to realize these ideas are described in the literature very broadly so because of this the discussion of each of them would go beyond the scope of this master's thesis.

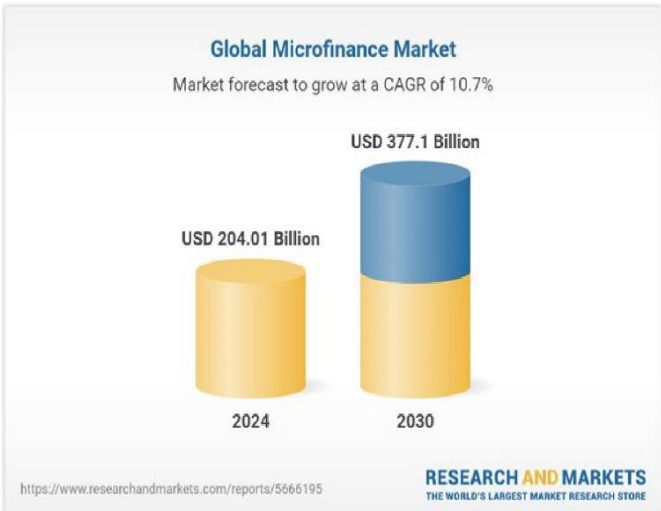
Therefore, the main focus on this master's thesis is on measures at national level. Here, authors such as Bircan *et al.* emphasize that the state plays an important role in minimizing inequality, especially in post conflict states. They argue that one reason why income inequality decreases in many post-conflict nations in the 40 years following the end of a war is due to government measures that are taken. Furthermore, they point out that there are few studies that prove that civil wars determine the long-term economic situation of a country. Rather, it is the distribution of income that characterises a country's economic performance (Bircan *et al.* 2017:1).

State redistribution mechanisms like tax measures or cash benefits are therefore of enormous relevance for reducing inequality (Bourguignon 2018:360). However, the Colombian state has failed to do this sufficiently at all for decades: Through its political one-sidedness the Colombian government discriminated against precisely weaker groups like the rural population and ensures that their wealth and income has only grown very slowly (Berry 2017:281). For this reason, it is important to find alternative non-state mechanisms to minimize inequality in Colombia. The unreliability of the public sector means that private sector redistribution levers should be considered. This is where microcredits come into play

again and to great extent. This economic tool is not just about strengthening the weaker members of society, such as the former FARC members, and thereby reducing inequality. Rather, microcredits ensure a global redistribution of resources from rich industrialized nations to developing countries such as Colombia, independent of governments. Nevertheless, it will be shown below (see chapter eight) that it is unavoidable for the state to support this concept especially regarding former FARC members in order to ensure its success.

Because of that it is worth to thematize more detailed and in depth the importance of microcredits to reduce inequality and why they play an important role on a global level to reach distribution of resources and to hopefully coming closer to positive peace.

In order to fight poverty worldwide and in Latin America, the economic means of microfinance has become increasingly established in recent years. This involves micro-loans that are granted to poor people, especially women, to provide them with start-up capital for a micro-enterprise. The resources for this come from investors in rich industrial nations who, with their investments in the bank, pursue the goal of combating economic inequality in developing countries with the help of microcredits. In this way, resources are redistributed on a global level. Microcredits are known to a wider audience as a means to reduce income inequality in emerging countries and therefore also as a means to contribute to a pacification of society since the Nobel Peace Prize for the efforts towards “economic and social development from below” was awarded to the Pakistani economist Muhammad Yunus in 2006 for his “Program of Microcredits in 1967” (Hettlage 1983). This was preceded by the foundation of the Consultative Group to Assist the poor through the World Bank in 1995 and the announcement of the goal to mobilizing 200 million US-Dollars for the granting of microcredits. Also, coinciding with the awarding of the Nobel Prize to Yunus, the United Nations acknowledged microcredits as an important instrument for the reduction of poverty to reach the Millennium Development Goals. Finally, in 2006 they proclaimed the “year of microcredits”.



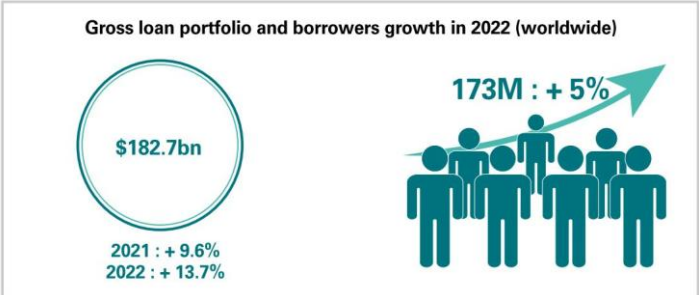
In the following years, therefore, the lending of microcredits as impact-oriented financial investment has become an increasing economic leverage in order to fight poverty. In the end of 2014 it reached a volume of 10.4 billion USD (Stüttgen 2017:117) and it kept on growing as a current report shows based on data from the ATLAS platform.

Figure 2: Research and Markets 2024 - Global Microfinance Market (Research and Markets 2024)

Accordingly, the volume of microloans is increasing overall: in 2022, the gross loan portfolio (GLP) amounted to 182.7 billion USD, which corresponds to a growth rate of 13.7 percent in 2022, meanwhile, in 2021 the growth rate was 9.6 percent borrowers (Convergences & ZERO exclusion carbon poverty

2023:3). “The Microfinance Market size [...] is expected to grow at a CAGR [compound annual growth rate] of 10.65 percent to reach 377.10 billion USD by 2030” (Research and Markets 2024).

Also, the number of borrowers increased and amounted to 173 million in 2022, 56.9 percent of whom were women (2021: 55.1 percent). In terms of microfinance institutions, this corresponds to average growth of 5 percent. In 2022, the median amount of a microloan corresponded to 44.6 percent of gross national income per capita per year. Overall, the study shows that the South and Southeast Asia region has the highest number of microcredit borrowers, namely 70.6 percent. Nevertheless, only 37 percent of the total microcredit volume flows into this region, which shows that the loans in this region are particularly small. With 18.6 percent of borrowers, Latin America and the Caribbean is the second most common region for microloans. The volume is 29.9 percent, which is significantly higher than in South and Southeast Asia, meaning that the loans in Latin America a higher in average. This is followed by Sub-



Saharan Africa with 6.4 percent of borrowers, Europe and Central Asia with 2.5 percent and the Middle East and North Africa with 1.9 percent of borrowers (Convergences & ZERO exclusion carbon poverty 2023:3).

Figure 3: *Convergences, ZERO exclusion carbon poverty 2023 - IMPACT FINANCE (Convergences & ZERO exclusion carbon poverty 2023:3)*

Despite the expansion of financial inclusion in recent decades, the World Bank reports in year 2022 that “[...] 1.4 billion people who remain unbanked” (World Bank 2022), i.e. have no access to financial services. These are for example saving offers, loans, insurances, and payment transactions. Without access to financial services, it is difficult to build prosperity or wealth and to get out of the precarious living situation (Stüttgen 2017:117p.). Almost 30 percent of the population in developing countries still do not have a financial account. This particularly affects women, which is reflected in the “gender gap in account ownership” (World Bank 2022) of six percentage points, meaning “[...] that 74 percent of men but only 68 percent of women in developing economies had an account” (World Bank 2022).

Summarizing, this means that the economic tool of microcredits might be a weighty means for politicians to fight economic inequality towards a more justice society. Especially for those in regions like Latin America where the gap between rich and poor is extreme. Here, microcredits as strategy could play an important role for politicians. It is thus important to use an evaluation research approach and with a summative focus to identifying the effectiveness of the programme of microcredits (Patton 2002:218) in order to further investigate in how far the economic leverage really fights poverty and inequality. This means for this master’s thesis that in particular it is to be investigated the extent to which former FARC members in Colombia benefit and could benefit from microcredits, as the reintegration of this vulnerable population group is of particular relevance to achieving positive peace. The economic aspects of the reintegration of the former FARC members are of great relevance, as studies show that victims of violence like former guerrillas have a lifelong deficit in their income (Berry 2017:290). It is

therefore particularly important to counteract these structures of inequality and to investigate possible mechanisms like microcredits in more detail.

In summary, it can be said that the consideration of microcredits as a possible economic means of global redistribution is relevant from a moral and pragmatic point of view in order to combat inequalities. This is important to create positive peace and to counteract conflicts and the weakening of the economy. Furthermore, additional research and clarifications would be important to spark investor interest in microloans, which the state, but also banks, churches, private individuals, or foundations can do. This would lead to support for the redistribution of resources on a global level.

4 Literature Review

It shows that certain research provides a good template to build on and deepen in order to contribute to closing research gaps of the topic concerning microcredits as a reintegration measure for former FARC members to strengthen peace in Colombia.

The theoretical concept of this master's thesis is based on structural violence and positive peace by the peace and conflict researcher Galtung, whose theories have been taken up in a large number of studies (Galtung 2011, 1990, 1969; Höglund and Öberg 2011; et al). For example, the concept of structural violence was also placed in the context of conflict by North C. Douglass (2009) or Berry (2017), which is of particular relevance in this work due to the Colombian conflict. However, although research on structural violence as form of indirect violence and positive peace has moved more into the centre of research within the last decades, economic equity as part of peace remains underrepresented in the field of the economic theory and praxis. One reason for that is that International Covenant on Economic, Social and Cultural Rights (December 16, 1966), a treaty by the United Nations General Assembly has not been ratified by the leading power of the United Nations, the United States (Galtung 2011:1). This master's thesis aims to contribute to closing this gap of bringing together economic equality perspectives and peacebuilding.

In addition, although inequality as form of structural violence is analysed in depth in research, it is often detached from the concept of positive or sustainable peace. Also, research analysing microcredits as a concrete tool against structural violence is underrepresented. Reinforcing the link between inequality and peace as well as microcredits and structural violence, as is done in this master's thesis, would therefore be a useful approach to contribute to closing possible gaps in research. By that, inequalities as form of structural violence could be explored in a more goal-oriented way, namely the pursuit of peace with concrete strategies like microcredits. Thus, research could reinforce a better understanding of the relation of economic equality and peace within national policies.

Regarding the research on inequality, it is striking that there is an increasing focus on international inequality between states rather than on domestic one (Piketty 2011, 2017; OECD 2022; Lockwood 2021; Bircan et al. 2017). In addition, other authors (Polachek & Sevastianova 2010; Murdoch & Sandler 2004; Hofstetter 1998; et al. show that there is a negative correlation between conflict and economic

growth in general and that this correlation can also be observed specifically in Colombia (Ville et al. (2013)). The topic of the master's thesis therefore represents an important approach to economic growth in post-conflict Colombia.

Furthermore, research on microcredit provides another important basis for this master's thesis. It has been shown that this economic instrument has been increasingly researched in many studies with different focal points in recent decades. As the United Nations proclaimed 2006 the 'Year of Microcredit', the topic has been internationally recognised since then at the latest. An overview of the results of many individual studies is provided through the meta-study by the authors Chliova et al. (2014), who summarised 545 quantitative results from 90 studies globally and found "a positive impact of microcredit on key development outcomes at the level of the client entrepreneurs". Furthermore, according to the authors "microcredit generally has a greater impact in more challenging contexts" (Chliova, Brinckmann & Rosenbusch 2015:467). Additionally, the extent to which microloans have a positive effect depends heavily on the microloan provider. This state of research is particularly relevant for this thesis, as it shows that a positive impact through microfinance can be reached and that this is particularly achievable in Colombia as it is a challenging context. Furthermore, these results emphasise the relevance of conducting more in-depth research into microfinance provision, including microcredit providers in Colombia in order to explore what it takes to optimize the supply with microcredits. This is precisely what this master's thesis aims to investigate.

The social impact of microfinance is also presented by international microcredit providers, meaning the supply side, such as BNP PARIBAS-Bank from France (2023) with its Social Performance Report. On the other hand, there are also endeavours to reflect the client's side in the literature. For example, 60 Decibel (2023), a research company with 1,200 researchers from 80 countries, has set itself the goal of compiling an international comparative index for microfinance and its social impact from the perspective of the borrowers. This master's thesis aims to bring together the two very important pages of the supply and demand side, i.e. the microfinance system in Colombia and the perspective of former FARC members as customers.

The research on microfinance in Colombia also serves as a good basis for the master's thesis. In addition to individual studies investigating the effects of microfinance, primarily various market players and organisations are driving research forward in this area. For example, Banca de las Oportunidades, the Superintendencia Financiera de Colombia (2022), or the World Bank Group address microloans in a national context. In their yearly Financial Report, the microfinance sector is analysed regarding various variables such as geographical location, institutions, demographic data of microcredit borrowers, among others. These publications help to gain an overview of the microfinance sector and recognise trends. This research is supported by other individual actors like FINAGRO, or Banco de la República de Colombia who present analyses of the microfinance market in Colombia. There are also supply-side alliances that have an interest in exploring the market in greater depth, like Asomicrofinanzas (2022) which is an association of 40 microfinance institutions in Colombia to defend their interests before the

Colombian state and research on microfinance in Colombia. Nevertheless, these studies generally omit the link between peace and microcredit and, in particular, former FARC members as an important potential client group which needs (financial) products specially tailored its needs and the general approach of using microcredit as a reintegration measure. This transfer, i.e. the merging of the variables and the emphasis on the use of microcredits to promote peace, is to take place in this master's thesis.

There are already a few attempts at research that explore the approach of peacebuilding with the help of microcredits. In the context of this master's thesis, the most important author who sees microcredit as a peacebuilding measure is Galtung. In an interview with Roa Suárez in 2002 on the subject of the Colombian peace process, he explicitly mentions microfinance institutions as a concrete strategy for overcoming social structural inequalities as a reason for violence. 13 years later, during the peace negotiations in Colombia, Estrada et al. (2015) did not conduct research based on Galtung, but rather conducted research on microcredits and even went so far as to claim that they recommended the provision of microcredits as the most important instrument for the reintegration of victims of the conflict. The authors stressed that financial inclusion in rural areas in post-conflict Colombia must take place with the help of public policy through the granting of rural loans and microcredits. To this end, they work out the advantages of micro, small and medium-sized companies. In the context of their report Estrada et al. present the negative relationship between conflict and economy growth as well as the negative influence of a high level of violence in the various departments in Colombia on the offer of rural loans.

While the contribution by Estrada et al. focuses more on the role of micro-enterprises, meaning the demand side, Grau-Prada (2017) explores and emphasizes the important role and challenges of microfinance institutions (MFIs), meaning the supply side, in achieving peace one year after the peace agreement.

Ramirez et al. (2019) also recognise the relevance of the Colombian state in their studies: Three years after the peace treaty they found that MFIs play an important but under-utilised role as peacebuilders. As a gap, they explicitly mention that MFIs are not sufficiently taken into account as a tool of the Colombian state to promote peace. In this context, the authors focus on agroecology and the rural population and the goals of the peace agreement, namely the inclusion of the rural population, which in many cases includes former FARC members. With their study the authors “[...] aim to promote the implementation of integral microfinance in the post-conflict zones of Colombia” (Ramírez Virviescas, Monroy Isaza & Guevara Castañeda 2019:746) with focus on agroecological financing.

This shows that the literature forms a good basis for the master's thesis both from a theoretical-conceptual point of view according to Galtung and on the analyses of individual variables such as poverty, inequality, violence, or microfinance in general and in Colombia. Nevertheless, there are gaps in the research: on the one hand, Galtung's concepts are not brought together with microfinance; furthermore, the supply and demand sides are not combined; in addition, there are very few approaches that analyse microfinance as a means of reintegration and peacebuilding and none that focus in particular on former FARC members and their perspective; finally, there is the urge for research which concretises practical

measures and specific products in the area of microfinance in order to reintegrate former FARC members in Colombia.

This master's thesis aims to contribute to closing these gaps, in particular by linking the analyses of the supply and demand perspective, which was carried out through interviews with former FARC members, and by embedding the topic in the theories of structural violence and positive peace of the peace and conflict researcher Galtung.

5 Concepts and theoretical frame

The following chapter presents the theory and concepts underlying this master's thesis. For its change orientation the theoretical framework is of high importance as "Theory, research, and practice are part of a continuum for understanding the determinants of behaviours, testing strategies for change, and disseminating effective interventions" (Glanz 2017:10). Without an adequate theoretical foundation, there is a risk that the consideration of microcredits as a possible means of pacifying and integrating former FARC members will remain at the anecdotal, purely descriptive level without the chance of drawing generalisable conclusions and predictions. "A theory is a set of interrelated constructs (concepts), definitions, and propositions that present a systematic view of phenomena by specifying relations among variables, with the purpose of explaining and predicting the phenomena" (Kivunja 2018:45).

The theory and the concepts of the peace and conflict researcher Johan Galtung prove to be the most suitable and expedient for assessing microcredits as a possible means of pacifying and integrating former FARC members. As will be shown below, Galtung's understanding of "peace as the absence of violence" (Galtung 1969:168) unites the most important existing approaches to the pacification and integration of former FARC members like "paz total"², poverty measured through a broad index including social factors (ppi)³, and the idea of reintegration⁴. Here, Galtung's theory with its concepts of various types of violence and peace will be presented below because these are useful for analysing microloans. Other variables used in this work must also be explained in more detail in order to systematically understand and predict certain phenomena and relationships. These variables are inequality and microcredit.

² "On 3 November 2022, the Colombian Senate passed Law No. 181 of 2022, also known as the Total Peace Law, which allows the government of Gustavo Petro to negotiate peace agreements with political Organised Armed Groups (GAOs) and to submit to justice with criminal GAOs" García-Miguel (2024).

³ The poverty probability index (ppi) is a tool that measures the probability of a household falling below the poverty line. It asks 10 questions that go beyond the one-sided use of income as an indicator of poverty. For example: "What material is your roof made out of? How many of your children are in school?" PPI (2024).

⁴ "[...] reintegration is the process whereby former combatants and their families are integrated into the social, economic and political life of (civilian) communities. [...] [it] is a long-term, continuous social and economic process of development [...]" Özerdem & Podder (2008).

5.1 Galtung's super types of violence

Galtung makes a fundamental distinction between three basic types of violence, which he presents in a triangle of violence as three "super-types" (Galtung 1990:294). On the one hand there is direct violence which is visible for the actors and the affected individuals. On the other hand, there is structural and

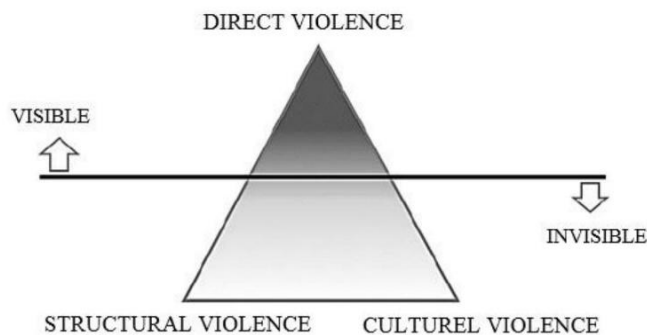


Figure 1. Galtung's Violent Triangle Model
Source: Galtung (1990, p. 295)

cultural violence which is invisible. The difference between these forms of violence is described in this way: "Direct violence is an *event*; structural violence is a *process* with ups and downs; cultural violence is an *invariant*, a 'permanence, remaining essentially the same for long periods'" (Galtung 1990:294).

Figure 4: The violence triangle of Galtung (ERCOŞKUN 2021:2)

In the following chapter, the focus is on structural and direct violence and their subcategories. Therefore cultural violence must be explained only very briefly because at best the link to microcredits is very weak and therefore neglectable. By cultural violence, Galtung means: "[...] aspects of culture, the symbolic sphere of our existence - exemplified by religion and ideology, language and art, empirical science and formal science (logic, mathematics) - that can be used to justify or legitimize direct or structural violence" (Galtung 1990:291). Maybe the former FARC members feel kept in a "structural iron cage" (Galtung 1990:295 from Weber 1971) by the political and economic elite who "[...] preaches, teaches, admonishes, eggs on, and dulls [...] [them] into seeing exploitation and/or repression as normal and natural, or into not seeing them (particularly not exploitation) at all". Nevertheless, it is hardly to be seen that microcredits could show a direct way out of this sort of violence.

Therefore, this master's thesis which deals with microcredits as a measure to reduce inequality is focussed on the concept of structural violence as it is "a process with ups and downs", which in turn can cause direct outbreaks of violence and thus is linked to direct violence. Therefore, as one of the most important concepts in this master's thesis the understanding of Galtung's category of "structural violence" is essential as a basic category of creating peace as the absence of violence (Galtung 1969:168) between the society and the former FARC members and within each other. To achieve this understanding, it must be explained what Galtung means by violence and its opposite peace in general.

5.2 Interdependence of violence and peace

Galtung's definition of violence in general in his work from year 1969 is extremely broad "[...] as the cause of the difference between the potential and the actual, between what could have been and what is" (Galtung 1969:168). For Galtung "[...] violence is present when human beings are being influenced so that their actual somatic and mental realizations are below their potential realizations" (Galtung

1969:168). This broadness of the definition of violence plays a crucial role in justifying actions to promote peace. By this broadness Galtung aims to ensure that as many measures as possible fall under the category of combating violence in order to reach peace. In this way, peace, defined as the “absence of violence” (Galtung 1969:168), can be promoted as an ideal as broad and diverse a manner as possible (Galtung 1969:168).

According to this comprehension violence again is determined by the gap between possibilities and reality. Because of this for Galtung it is logical that where there is such gap there also is violence: “[...] when it [the violence] is avoidable, then violence is present” (Galtung 1969:169). For example, according to Galtung a former FARC member who lives in poverty because he can’t cultivate his fields which had illegally transferred to others is confronted with violence because the potential cultivation of his field by him is taken away through avoidable actions. Also, a former FARC member who lost his leg in the war, who can’t do hard physical labour anymore and who doesn’t have access to auxiliary means like a wheelchair to practice another job falls under the category affected by violence according to Galtung. This shows very concretely the relevance of the theoretical basis for answering the question in this thesis as to what extent microcredits can contribute to the pacification of former FARC members.

5.3 Subcategories of violence

To differentiate and operationalize his very broad definition of violence, Galtung creates six subcategories to distinguish the different types of violence which nevertheless are often intertwined (see Figure five).

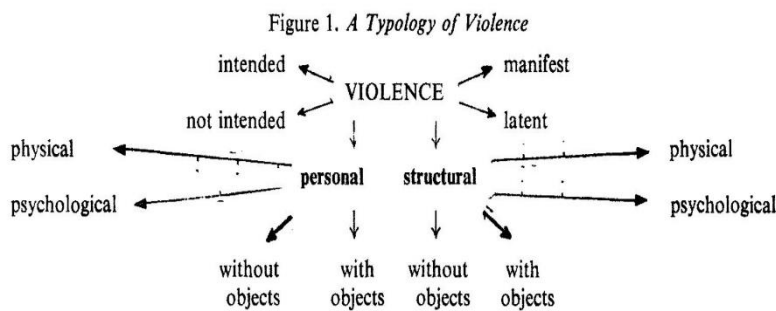


Figure 5: Galtung 1969 - Violence, Peace (Galtung 1969:173)

The most imported subcategories related to former FARC members are five of them and they are described below inclusively a brief analysis of the extent to which the former FARC members (could)

suffer presumably from these types of violence. This is done in order to assess both the situation of vulnerability of the former FARC members and the extent of peace that has not possibly been achieved in Colombia under the premise that the absence of violence means peace.

One type of violence after Galtung is the “physical and psychological violence”. Physical violence is anything that affects a person's body, e.g., injury or killing. Psychological violence corresponds to everything that affects the psyche, or the mind of a person, e.g., threats or oppression (Galtung 1969:169). Former FARC members experience psychological violence as a result of threats from other sections of the population, armed groups or the state. Physical violence in the form of physical injuries and killings against former FARC members is also still prevalent, as there are still hostile groups attacking former FARC members (United Nations 2024).

Another type of violence can be generated by the “approach to influence” (Galtung 1969:170). That means even positive sanctions which lead (for example by influencers) to people doing things is violence. The reason is that this prevents people from using their potentials completely and therefore by Galtung’s definition it is a form of violence (Galtung 1969:170). Due to the limited opportunities, former FARC members could be susceptible for harmful influencers so an improvement of their economic situation for example by microcredits could reduce the danger of this type of violence.

A third type of violence is to be distinguished “on the object side: whether or not there is an object that is hurt” (Galtung 1969:170). This definition of violence also contains "truncated violence", i.e. without hurting any object directly, for example "throwing stones around or testing nuclear weapons" (Galtung 1969:170). For Galtung this is a "threat of physical violence" and an "indirect threat of mental violence that may even be characterized as some type of psychological violence since it constrains human action" (Galtung 1969:170). This is the case for example when many former FARC members who signed the 2016 peace agreement were threatened by members who did not sign and therefore had to leave their homes and flee out of fear (EL PAÍS S.L. 2023). In chapter eight it will be discussed if microcredits could contribute to prevent this and what would be necessary for this.

A fourth type of violence follows “ [...] the traditional distinction between two levels of violence, the manifest and the latent” (Galtung 1969:172). For Galtung manifest violence is that which is visible for example when “[...] the situation is so unstable that the actual realization level 'easily' decreases” (Galtung 1969:172). Manifest violence against former FARC members can still be observed, for example through the killing and displacement of special groups. Nevertheless, the link between direct violence and microcredit must be considered relatively weak as this economic tool concentrates on minimizing structural violence. Therefore, direct violence will not be in the centre of research in this master’s thesis. However, it is conceivable that the extremely fragile economic situation of many former FARC members has the effect of latent violence towards them, and microcredits can counteract this.

At last, there is violence where there is a distinction “[...] whether or not there is a subject (person) who acts” (Galtung 1969, p. 170). This category, also one form of "truncated violence" (p.170), is concerned with the side from which the violence comes from. Here, Galtung distinguishes between "personal or direct" violence on the one hand, where there is a recognizable aggressor behind the violence and a clear "subject-action-object" relationship. And on the other hand, "structural or indirect" violence, where the origin of the violence cannot be traced back to a factor, but rather emerges from the system.

It is obvious that less the personal violence but above all the structural violence in terms of economic inequality, poverty, discrimination, and exclusion from access to resources of all types represents the appropriate theoretical framework for fortify the grant of microcredits to underprivileged people in particular like former FARC members. The structural or indirect form of violence after Galtung manifest itself through " [...] unequal power and consequently as unequal life chances" (Galtung 1969, p. 171). In this case "resources are unevenly distributed, as when income distributions are heavily skewed, literacy/education unevenly distributed, medical services existent in some districts and for some groups only,

and so on. Above all the power to decide over the distribution of resources is unevenly distributed. The situation is aggravated further if the persons low on income are also low in education, low on health, and low on power" (Galtung 1969, p. 171).

This summary shows that generally spoken the economic and social situation of the individuals can be considered as one of the most important reasons for emerging violence in society. This concludes that all measures which improve this situation, amongst them microcredits, are appropriate to reduce the level of violence and to contribute to sustainable peace.

5.4 Peace

After explaining violence, the theoretical framework of peace as an essential category of this master's thesis must be described, too. Here it is also yielding results using the concepts of Galtung because his "[...] extended concept of violence leads to an extended concept of peace" (Galtung 1969:183). Always under the premise that peace is the absence of violence, he assumes two forms of peace: Peace characterized by the absence of direct or personal violence, which he calls "negative peace". And peace characterized by the absence of indirect or structural violence, which Galtung calls "positive peace" (Galtung 1969:183).

That means that if there is no open conflict then negative peace is reached (Höglund & Öberg 2011:15–16). For instance, (partially) stopping the armed conflict in Colombia lead to negative peace (Höglund & Öberg 2011:15). Positive peace in contrast describes "[...] what should be *added* so as to change society and make it more peaceful". An example would be the "[...] use of conflict resolution, equal integration and/or justice for all partners in society" (Höglund & Öberg 2011:15). Considering the approach of microcredits, namely *adding* an instrument to society in order to equal integration in society, is aimed at positive peace. Positive peace also includes relations of gender, class, race, familiar background in order to reach social justice. If microcredits contribute to this depends on their concrete configuration in this direction.

Independently of the theoretical framework presented above a critical point in abolishing or reducing structural violence and creating sustainable peace in Columbia or elsewhere is the expectable resistance of certain circles of the society against doing this. So in the literature it is pointed out that more powerful actors often use the mean of implicit or explicit threat and unpredictable violence in order to create fear and intimidation among the less powerful actor(s) (Höglund & Öberg 2011:16). From a Marxist perspective, that means, that elites have power over the means of production and can therefore determine the distribution of resources, i.e., shape the economic system in such a way that indirect or structural violence prevails over those without access to resources. In addition, the elites can use the money they have generated through the income from the means of production, and which can be easily converted into other benefits, to gain advantages in other dimensions, such as education or health, and thus also promote structural violence (Galtung 1969:170–171). These structures of violence in a society can thus being described as "a situation in which killing occurs not through the individual use of arms but through

the organization of society – for example, humans dying from starvation in a country that is rich in food” (Höglund & Öberg 2011:16).

The application of this theoretical framework regarding the elites would exceed the topic of this master’s thesis. Therefore, the extent to which microcredits could contribute to changing the existing distribution of resources cannot be analysed neither. Prima facie however most likely the instrument of microcredits might be overstrained to solve this fundamental problem in Colombia. Undoubtedly many former FARC members originally come from agricultural families and were often strongly represented in the lower classes for decades, they are now particularly affected by inequality and structural violence due to the accumulated resources within the elites. At best microloans might temper this structural violence at least in very small steps.

To summarise, Galtung’s categories accurately describe the social, political, and economic situation of former FARC members and show a link to the possible effects of microcredit on this situation. To achieve peace, defined as the absence of violence in the broad meaning after Galtung, microcredits can be considered as a helpful instrument if they contribute to reduce structural violence, i.e. the economic and social inequality.

5.5 Inequality

One of the most important causes of structural violence after Galtung – and an object of microloans as well - is the unequal distribution of resources. Therefore, the phenomena must be an integrated part of the theoretical framework of this master’s thesis. To be able to classify what exactly is meant by inequality and how both its extend and the possible effects of microcredits can be measured, this variable is to be explained and discussed.

There are four most frequently used measure instruments: Gini coefficient, expenditure per capita, equivalized income and top income. Which measurement is being used depends a lot on the region. In emerging countries usually **household expenditures per capita** or **consumption expenditures** define the inequality, except from Latin America and South Africa. There, inequality generally is measured by the disposable income per capita (Bourguignon 2018:347). Even though the data to measure this type of inequality is often lacking and is not the common way of measuring inequality in Latin America, this calculation would theoretically allow an indication of the impact of microcredit on inequality. This is because statistics can show a possible effect of granting microcredits by increasing purchasing or consumption power through higher income (Schroeder 2020). This means that if expenditure per capita is used to measure inequality, it should highly be likely that inequality shrinks with the granting of microcredits due to increased consumption.

The **Gini Coefficient** however, remains a common tool for measuring inequality in every region (Bourguignon 2018:347). The purpose of this coefficient is to measure income inequality on a scale from zero to one. A value of zero corresponds to a completely equal distribution of income in one or more societies. A value of one, on the other hand, means that the entire income of the society is received by a single person and therefore there is complete inequality of distribution (figure six).

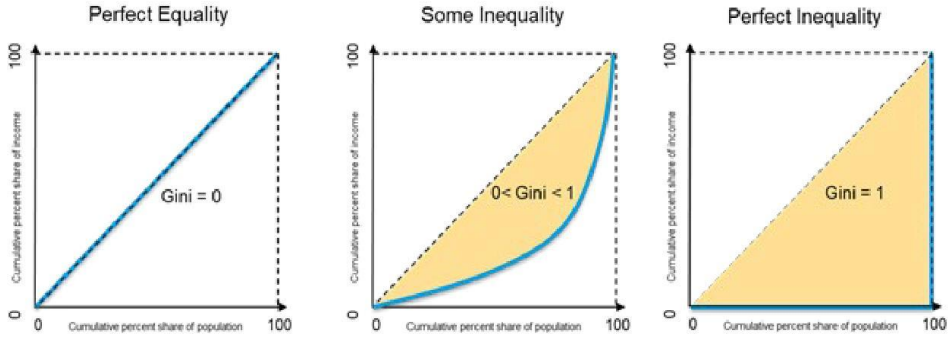


Figure six: Gini-Coefficient of inequality - Introduction to Inequality (International Monetary Fund 2024)

y-axis: cumulative percent share of income; x-axis: cumulative percent share of population

If granting microloans has a positive effect on income equality, the belly of the curve must be reduced, and the coefficient adjusted downwards. This is because microloans could lead to an increase in the income share of the poorer population in a society's total income. This means that inequality, as measured by the Gini coefficient, would shrink through the granting microloans to those who have a little share of the society's income.

The third very frequently used way of measuring inequality is the **equivalized disposable income**. This type of measurement is often used to analyse poverty, income inequality and income distribution (Bourguignon 2018:347). It indicates the disposable income of a household. It considers the total income of a household, the number of people living in the household and the age of the people living in the household to calculate the disposable income after deducting taxes and social security contributions. The advantage of this calculation is that it is more realistic as it considers economies of scale: fixed costs, such as electrical appliances or rent, shrink for every additional person sharing the same household. For example, it is cheaper for two adults to buy a washing machine, as the price can be shared, than for just one person. Or it is cheaper for two people to live in a flat as they share a bathroom and kitchen, for example, and the rent is lower per person. For microcredits this means that increasing the income by granting to former FARC members not only augments the welfare of the microcredit borrower himself but also of his dependants and thus reduces inequality, i.e., structural violence, too, indicated by the equivalent income.

Lately the “**top incomes**”, that means the top one percent of all incomes, as reference for inequality have been used in debates (Bourguignon 2018:349). But this indicator cannot be recommended to measure the effects of microcredits on the distribution of income. The weakness of measuring inequality by top income can be seen, for example, when the results are compared with the results of the Gini coefficient: Inequality measures by the top one percent share has been constant between 2005 and 2010 in Colombian, meanwhile inequality according to the Gini coefficient declined during this period

(Bourguignon 2018:354). A change in the result of measuring inequality is not to be expected through the granting of microloans, but rather and theoretically in favour of the top incomes. On the one hand, the income of borrowers is generally at the lower end of the income distribution. On the other hand, nearly only higher incomes can benefit from the microfinance funds and the interest the poor borrower must pay for the microcredits.

5.6 Microcredits

At last, in order to evaluate the economic tool of microcredits as instrument to reduce inequality and by this the structural violence, this tool itself and the theoretical concept behind it has to be described briefly. Microcredits or microloans are subordinated to the term of microfinance which involves support going beyond the direct payoff, for example in the form of life or family insurance, educational or saving opportunities (Armendáriz 2013). In this, the overarching goal of microfinance is: “[...] to alleviate suffering, bring dignity, make them sustainable, and inspire others to provide support” (Centro Internacional de Formación Financiera 2014:50). One subcategory of microfinance is microcredit which depicts small loans for (small) entrepreneurs. From an economic and developmental point of view microcredits represent the most influential strategy of microfinance. They are generally composed of productive loans, meaning for example loans for running costs such as for electricity, and of commercial loans such as for the expenditures for machines. Microcredits are mainly applied in the sectors of trade, service, or craft (Stüttgen 2017:119).

The goal of granting microcredits is a “double promise of performance” (Stüttgen 2017:117): financial and social success. On the one hand, there are socially motivated capital providers in rich industrial countries, on the other hand, there are small business owners in poor developing and emerging countries. By forwarding the financial means of the rich actors in industrial nations to the poor ones in emerging countries, there is a connection between them and an anticipated win-win-situation for both sides by increasing income - on the one hand by generating interest income, on the other hand by increasing the income of the borrowers by credit induced investments, and all together by achieving social goals (Stüttgen 2017:117).

Through the economic leverage of microcredits, the very important international goal of financial inclusion, which incorporates the access to and usage of financial services, shall be reached. “Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way” (World Bank 2024). This goal is even listed as one of the UN's 17 Sustainable Development Goals. Furthermore, “the G20 committed to advance financial inclusion worldwide and reaffirmed its commitment to implement the G20 High-Level Principles for Digital Financial Inclusion”. In addition, “the World Bank Group considers financial inclusion a key enabler to reduce extreme poverty and boost shared prosperity” (World Bank 2024). Microcredits as one form of financial inclusion supports those at the bottom end of the income pyramid, or more specifically: micro-entrepreneurs with liquidity bottlenecks. There are 500 million microentrepreneurs globally with an

average loan requirement of 500 US-Dollars. These loans help them with building their income and wealth. These two variables correlate positively with the prosperity measured in the GNP. Also, the common wealth in developing countries is increased (Stüttgen 2017:117pp.). In 2021, there were still 1.4 billion people who were unbanked, i.e., had no access to financial services. Women in particular were prevented from taking control of their own financial lives due to a lack of access or influence. For this reason, there is a special focus on women in the provision of microloans, which is intended to empower and financially include them (World Bank 2024).

The granting of microcredits with the aim of reducing structural violence in terms of economic inequality is also found in Latin America. In terms of private microfinance funds and providers, Ecuador has the fourth-highest number of institutions worldwide, with 614. In terms of public providers, Colombia has the eighth-highest number worldwide, with 655 (60 Decibels 2023:13). However, neither the direct link between peace and the granting of microloans nor the extent of the impact of microloans on the level of peace has been empirically investigated in detail.

6 Methodology and ethical considerations

After having described the impact orientation of this master's thesis (look above chapter 3.1) it is necessary to explicate the methodology and the tools of the investigation as well as the ethical considerations which find their way into it.

6.1 Method

In addition to the guiding worldviews (the change-oriented transformative worldview and the real-world, problem-centred pragmatic worldview) this master's thesis uses a concrete mixed-methods methodology to contribute to clarifying what the potentials of microcredits to support positive peace in emerging countries and in particular in Colombia through the reintegration of former FARC-Guerrilla are. The mixed-methods approach uses a combination of two forms of data: qualitative and quantitative. It is based on the “[...] assumption that both forms of data provide different types of information [...]” (Creswell 2014:264) “one to gain an in-depth perspective and the other, to generalize to a population” (Creswell 2014:269). This has the advantage to allow a deeper understanding of the research question (Creswell 2014:264). By applying the mixed-methods methodology it is possible “developing a more complete understanding of changes needed for a marginalized group [...]” (Creswell 2014:267) to whom the former FARC members belong. Through that the result is that “having a better understanding [of] the need for and impact of an intervention program [...]” (Creswell 2014:267) which in this master's thesis is represented by microcredits to reintegrate former FARC members and an ultimate strengthening of positive peace.

There are different types of mixed methods. Here, the Transformative Mixed Methods design (figure seven) will be used.

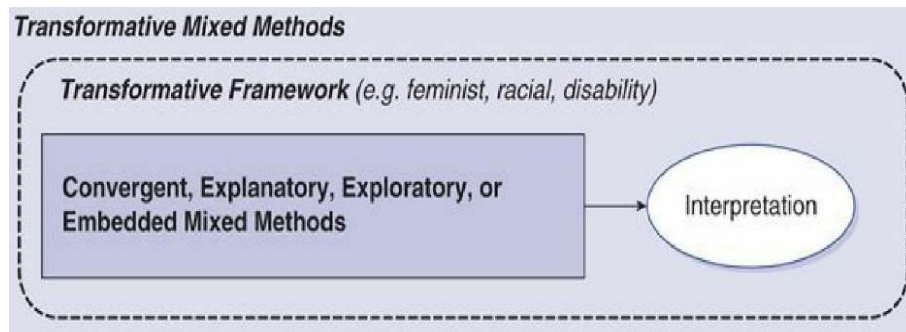


Figure 7: applied Advanced Mixed Method design (incorporation of elements of the Convergent Parallel Mixed Methods approach & the Explanatory Sequential Mixed Methods approach) (Creswell 2014:272)

The “social justices theory” of positive peace and structural violence by the peace and conflict researcher Galtung will be function “as a framework” (Creswell 2014:278) in order to focus the marginalized group of former FARC members and by that to explicitly support this group through research. “This theory (e.g., feminist, racial [, violence, or peace]) frames many aspects of the mixed methods study, such as the research problem, the questions, the data collection and analysis, interpretation, and the call for action” (Creswell 2014:278) which in this master’s thesis represents the goal of taking targeted measures, in this case the granting of microcredits in order to promote the reintegration of former FARC members. The strategy of using a social theory as framework “is popular in studying marginalized groups in various countries, especially third world countries [...]” (Creswell 2014:278) like Colombia. The elements that incorporate the Transformative Mixed Method design firstly come from the Convergent Parallel Mixed Method approach. Here, quantitative data and qualitative data are analysed separately, then linked to each other and finally interpreted (figure eight) (Creswell 2014:273).

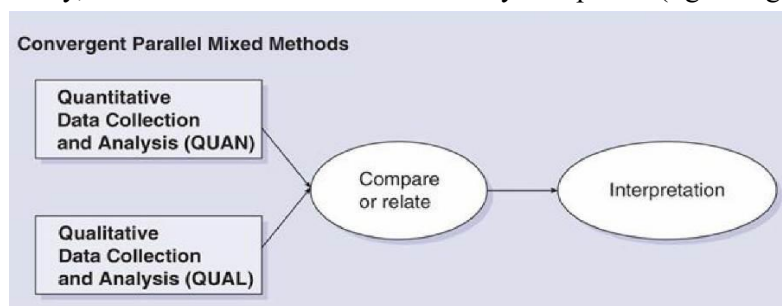


Figure 8: applied Convergent Parallel Mixed Methods approach (Creswell 2014:270)

In this master's thesis, the quantitative data are primarily studies on the performance of the Colombian

financial sector in relation to microcredits (see chapter seven). In addition, further quantitative data from reports on the topics of poverty, inequality and the quantified granting of microcredits worldwide serve to support the answering of the research question.

The qualitative data, on the other hand, primarily consists of three interviews with former FARC members who received a microcredit. The aim of the interviews as measurement, their type and structure are described in more detail below. Here too, further qualitative elaborations supplement the analyses so that the research question can be answered as deeply as possible. These supplementary qualitative data are analyses of reports on the topics of Colombian history, in particular that of the FARC, and the effects of the granting of microcredits on social events. This qualitative and quantitative data comes from various reports and articles and is collected and analysed in an online literature search. The qualitative and

quantitative data are then brought together and interpreted in a discussion section. Secondly, the elements that incorporate the Transformative Mixed Method design used in this work come from the Explanatory Sequential Mixed Methods approach (see figure nine).

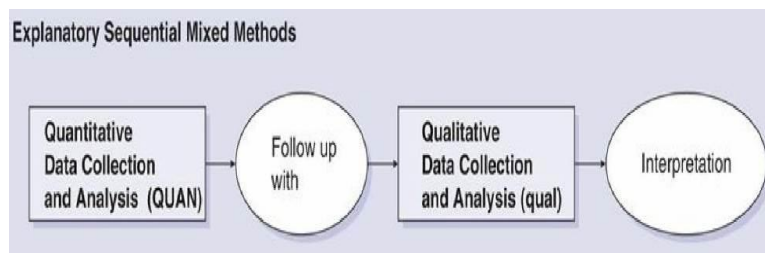


Figure 9: applied Explanatory Sequential Mixed Methods approach (Creswell 2014:270)

Here, “[...] the researcher collects quantitative data in the first phase, analyses the results, and then uses the results to plan (or build on to) the second, qualitative phase” (Creswell 2014:274). In this master's thesis, the results of the main part of the quantitative research, namely the performance of the Colombian financial market regarding microfinance, determine the questions in the interviews, i.e., the main qualitative part. For example, the questions to the former FARC members focus, among other things, on the relationship of trust between them and the entity that grants microloans, because quantitative analyses show that the type of entity can be decisive for actual borrowing. That means that “the quantitative results are then used to *plan* the qualitative follow-up” (Creswell 2014:274) as it is the typical procedure with the Explanatory Sequential Mixed Methods approach.

6.2 Interviews

The three interviews with former FARC members who have received a microcredit are conducted in order to analyse the experiences, perceptions, perspectives, and motivations of this population group regarding the granting of microcredits in Colombia, the conditions, the relationship between the borrower and the financial institution, the perceived financial offer and finally the assessment of the extent to which this economic instrument contributes to the reintegration of the former FARC members and to support peace. Through qualitative analysis based on a transformative and pragmatic worldview, it is possible to assess in greater depth the possible obstacles and opportunities for the successful granting of microcredits to former FARC members and to supplement the findings of the qualitative analyses. In order to select the participants, there are three conditions: to be former a FRAC member, to have received a microloan, and they to be of legal age.

The interviews are basically to be classified as formal interview as these “[...] are more structured, held to higher standards, and used more prominently in the professional world” (Adhabi & Anozie 2017:3). They are conducted via social media, specifically via a WhatsApp video call. This audiovisual combination is classified in the literature as an “extension of the face to face interview” (Adhabi & Anozie 2017:6). In addition to the advantages of social media to have a “wide geographical coverage” and that it is “easy to contact inaccessible individuals” (Adhabi & Anozie 2017:6), a video call has the benefit that a more personal and intimate relationship can be established between interviewee and interviewer and subtleties of facial expressions and gestures can be interpreted.

The structure of the interview (see guiding questions in the appendix page III) is semi-structural. This type of interview is characterized by the fact that “topics and questions prepared by the researcher” (Adhabi & Anozie 2017:4), however, “the response of the subject gives the researcher the flexibility to pose more enhanced questions than the initially drafted ones” (Adhabi & Anozie 2017:4). This means that if the former FARC member gives a particularly detailed answer and the interviewer reacts to this, the interviewee gets the freedom to give a long answer and subsequently the interviewer, if necessary, can add more in-depth questions concerning that topic that might deviate from the questionnaire. Also, the interviewee might bring up totally new issues which were not considered by the interviewer. Thus, this “in-depth interview” has the advantage that “the researcher can go deeper and highlight on personal issues” (Adhabi & Anozie 2017:4). Furthermore, through this flexible semi-structured interview it can be ensured that both the interviewee understands the questions and the interviewer understands the answers correctly (Adhabi & Anozie 2017:6).

6.3 Ethical considerations

Since this work involves field research in the form of interviews, the following ethical considerations for the interviews were set by the author of this master’s thesis for the protection of the interviewees. The aim was for me, Isabel Böhmer, a student at the Universidad del Rosario in Bogotá and the Catholic University of Eichstätt-Ingolstadt, to conduct the interviews personally. In summary, I assume that the interviews involve a very small risk. On a scale of one to seven, I would assume a total score of one. This includes a low risk of harm to respondents (score 2), as the topic is not very sensitive, but there is a possibility that respondents may feel uncomfortable or be reminded of issues that bother them; no risk of harm to me, as the researcher (score 0), as the interview is via social media and I therefore do not visit dangerous regions; no risk of environmental damage (score 0), because neither the interviewer nor the interviewee will travel; no social and a low economic risk (score 1), because the respondents will be anonymous and I will follow their schedule, so there will be no opportunity cost for them because they will not be able to do their work, nevertheless the interview takes about 30 minutes the interviewee has to spend.

An essential goal when conducting the interviews is to avoid harming the participants. The interviewees can be categorized as members of a vulnerable group in society due to their status as a former FARC member and/or person potentially affected by poverty. When conducting interviews with vulnerable people, possible negative effects are that they feel uncomfortable or ashamed because of their poverty or status in society or that they feel inferior or looked down upon because there could be a noticeable power asymmetry between the interviewer and the interviewees. This asymmetry could arise from the mere fact that the interviewer sets the topics and could be fuelled by the fact that I, as a student and a German, could embody the impression of social superiority. Furthermore, there is the risk that through the interview and the economic topic they are made aware of their potentially poor economic situation and become sad, depressed, or angry as a result.

In order to minimise these effects, I will first of all maintain a fundamentally extremely respectful approach and use no offensive language. As far as possible, I will orientate myself towards the interviewees

in terms of time. Furthermore, participation is completely voluntary. This is ensured by the type of acquisition: participants are acquired by the interviewer via an existing contact person who is a former FARC member with microcredit over 18 years old. This contact person has a broad network where he spreads the request for participation in the interview with my contact details and the topic. Thus, interested former FARC members can contact me if they wish to. If at any point during the interview I notice that participants are feeling uncomfortable, I will ask if they would like to continue or if they would prefer to end the interview. Also, I will be open to supplementary questions at any time and make sure to use a language level that I adapt to my counterpart to make the whole process as transparent as possible. In order to ensure transparency, I first fully explain what the project is about and that it is research for the university. I will then clarify to them that the interviews are firstly anonymous, and I will not save any personal data, secondly that they have the right to withdraw their participation without any personal consequences for them at any time before, during and after the interview and thirdly that I will ask them whether they agree to a video or audio recording. I will explain that it is just me who will listen to the tape, that I will not upload it but only save it locally on my computer and that I will use it to listen to it again afterwards for the analyses and quotations for my master's thesis. After that, I ask them once again whether they agree to participate. The recordings are used exclusively for this work and do not fall into unauthorized hands.

7 Microcredits in the Colombian case

The following section presents the quantitative analysis in the context of this master's thesis. For this, Colombia's financial system will be analysed regarding microfinance by first presenting the most important players and then the performance of microcredit supply in the financial market. This is done by number and size of microloans and geographical coverage, as well as by entities and their lending focus, and finally by the geographical locations of former FARC members in Colombia. This is relevant for the master's thesis as it serves to understand where Colombia stands regarding microfinance, how former FARC members could benefit from it and what gaps the system has. Thus, it is analysed whether there are gaps in the Colombian microfinance system that could prevent full use of this instrument to reduce structural indirect violence in relation to the economic disadvantage for former FARC members. In this way, it can be explored which actors in the microfinance market in Colombia would need to be strengthened by the state or the private sector and in what way, so that microfinance could be used as a better or successful reintegration measure for former FARC members and added as a tool in order to ultimately reduce inequalities and thus strengthen positive peace as the absence of structural violence.

7.1 Actors

Overall, the Colombian financial system roughly distinguishes between three players: public, private, and mixed-economy entities, meaning public-private ones. To avoid going beyond the scope of this master's thesis, only some of the most important players are presented below.

7.1.1 The role of the state

In order to assess the potential for political control of the microloan offer, the following should be emphasised: “the State plays an important role in the provision of financial services in Colombia through state-owned financial institutions (SOFIs), interest rate controls, mandatory investment requirements and credit subsidies” (The World Bank Group 2022:4). This also applies to microcredits and implies a high involvement of the state in this sector, too. In doing so, the Colombian state controls the interest rate on loans by setting a cap on the interest rate and thus combating usurious rates. The cap is calculated and controlled by the central bank (Banco de la República de Colombia, BANREP). It is “[...] 1.5 times the weighted average of rates applied by all credit providers operating in the segment regardless of the type of license under which they operate (e.g., commercial banks, finance companies, etc.)”. The agricultural sector is controlled through the National Agricultural Commission (Comisión Nacional de Crédito Agropecuario, CNCA). This means that 100 percent of loans in Colombia are granted with a controlled interest rate including the sector of microfinance which is therefore also an aim of statal regulation. This is by no means a matter of course in the region, if you look at Mexico, for example, where there is no interest rate control and all loans are granted at completely free market interest rates (The World Bank Group 2022:12).

The high level of involvement of the Columbian state in the microfinance sector is also reflected in the size of public microfinance funds, where Colombia ranks among the top ten countries worldwide (see appendix page II). This regulation definitely offers the state opportunities for potential targeted interventions on the microfinance market which are tangent to the supply of microcredits for former FARC members to mitigate structural violence caused by unfair, high interest rates charged by financial institutions.

7.1.2 The black finance market “Gota a Gota” (Drop by Drop)

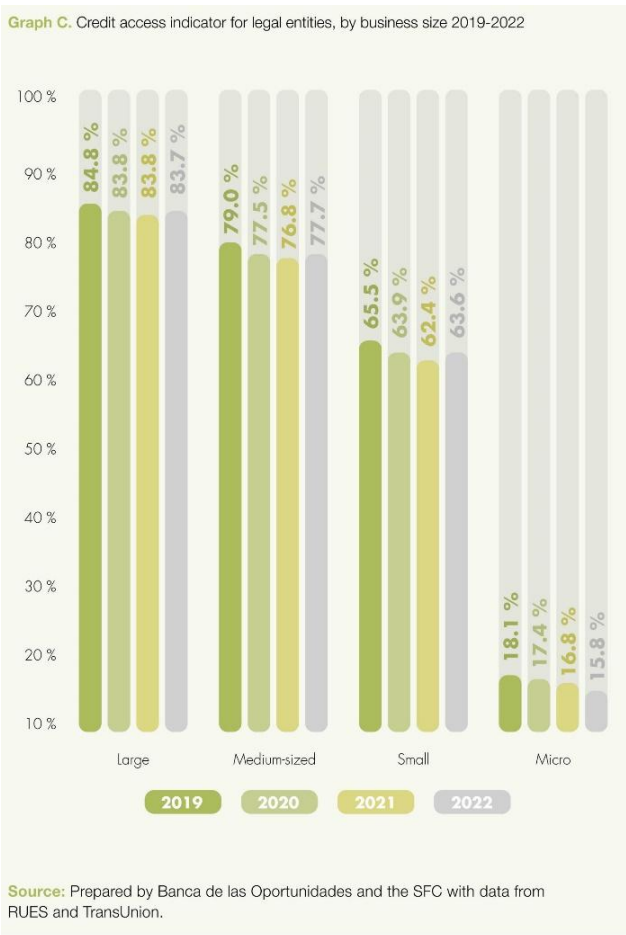
Despite state control, the problem of an unregulated credit market prevails in Colombia. The phenomenon of “Gota a Gota”, i.e., infiltration of the financial system through unregulated credits “drop by drop”, is very widespread. Here, unsecured loans are granted by private criminals to particularly low-income population groups, which includes former FARC members, and in often remote areas. The interest rates often far exceed the market-regulated interest rates from formal lenders (Salcedo-Pérez 2021:97); pressure is exerted on the micro-borrower to repay the loan; the business ideas or the appropriateness and the efficiency of the business for which the loan is used is not checked; and the loans are primarily consumer loans, meaning they do not increase productivity and thus do not ensure the pay back of the credits. The high interest rates and strict repayment terms drive many borrowers into a spiral of debt trap, often leading to loss of property and violence. These loans are particularly harmful to financial inclusion as they push people into the informal economy, make it difficult for them to access regular financial services and increase the potential violence (BBC News Mundo 2016). In Colombia, it is mainly people from the lowest income brackets (income below two million Colombian pesos or currently 452 Euros) who use the “Gota a Gota” loans. Between January 2021 and April 2023, such users

accounted for 40.5 percent of loan requests, often borrowing amounts of less than 1.5 million Colombian pesos (El Tiempo 2023).

This illegally uncontrolled financial market in Colombia represents a major risk for microfinance. Firstly, it is direct competition for the regulated financial system and the poorer and more vulnerable, and therefore also the former FARC members, are turning away from it. Secondly, as mentioned above, the black market in finances increases the risk that latent violence will turn into manifest violence and that former FARC members will become victims of direct psychological and physical violence at the hands of the debt collectors, i.e. the loan sharks as direct aggressors.

7.1.3 Access of microbusinesses to credit

One of the main reasons that strengthens the informal credit market like “Gota a Gota” is the lack of credit supply and the resulting difficult access to credit for micro-enterprises. This is shown by the figures following. The Columbian Law 905 from 2004 defines microenterprises as enterprises with assets of up to 500 minimum monthly income (SMMLV) that means companies with assets of up to



650,000,000 Colombian pesos, which currently corresponds to 145,879 euros. The share of these companies of all companies registered by the Columbian the Chamber of Commerce is 92.1 percent. That means the very overwhelming number of registered companies in Columbia are microenterprises. The next size level is the small companies with assets between 500 and 5,000 SMMLV, that means 650,000,000 to 6,500,000,000 Colombian pesos or currently 145,879 to 1,458,788 euros. The share of these companies is 5,9 percent ((Banca De Las Oportunidades & SFC 2022:152). The remaining two percent are medium-sized companies (between 5,000 and 30,000 SMMLV, i.e., 650,000,000 to 39,000,000,000 Colombian pesos or currently 145,879 to 8,752,731 euros) and large companies whose assets exceed 30,000 SMMLV.

Figure 10: credit access, by company 2019-2022 (Banca De Las Oportunidades & SFC 2022:155)

It is striking that the smaller the companies, the less access to credit. The biggest difference, however, is between the small companies and the microenterprises whose share of access to credit in 2022 was 15.8 percent, less than a quarter of small companies. Additionally whilst the access of the large, middle-sized and small companies remained both roughly in the same range of access to credit from 63.6 to

83.7 percent and rather stable during the last years, the share of access to credit of the microenterprises had shrunk from 18.1 percent in 2019 to 15.8 by more than ten percent (Banca De Las Oportunidades & SFC 2022:156).

This suggests that access to financial resources is difficult also for FARC members who already have a micro-business and especially for those who want to set up such a business, which particularly includes poorer sections of the population.

This means that the deficient access to credits represents a remarkable hurdle for the financial inclusion of poor people in general and of former FARC members in particular. This is important to emphasise because this problem could be counteracted by making it easier to grant microloans to particularly small companies. Also, it shows the potential of microloans to close the growing lack and to reduce the deficit to credit for this population group.

7.1.4 State-owned credit providers and financial institutions (SOFIs)

By granting loans and opening up the financial market also to the poorer population groups including former FARC members, the Colombian state has the opportunity to play a central role and by this to counteract the black market like “Gota a Gota” by its own public credit providers. The conditions for this opportunity are in place to a remarkable degree. This is for the so-called state-owned financial institutions (SOFIs) are already “[...] key actors in microcredit, agricultural and small business loans markets” (The World Bank Group 2022:4). SOFIs hold twelve percent of the assets of the entire banking sector (The World Bank Group 2022:4). They are largely used to improve the terms of existing loans. It is noteworthy that nevertheless only the public fund FNG (Fondo Nacional de Garantías) as SOFI has the mandate to gain new customers and to include these borrowers financially with new formal loans. The largest financial institutions like the public Bancoldex or the mixed economy but executing state concerns FINAGRO do not acquire new customers but merely look after existing loans for micro, small and medium enterprises, in short MSME (The World Bank Group 2022:14). To examine which type institutions are or could be relevant for the provision of microcredits specifically to former FARC members the most important ones will be presented here:

Banco Agrario: The largest SOFI and therefore one of the most important players of the state-owned financial institutions is Banco Agrario (BA), a financial holding for SOFIs. It is a public commercial bank and manages one third of the assets of all SOFIs (The World Bank Group 2022:33). Its focus is on supporting the agricultural sector in rural areas and “plays a key role in certain segment such as micro-credit and credit to small rural producers” (The World Bank Group 2022:9). Micro-borrowers make up a significant proportion of Banco Agrario's total loan portfolio, namely 41 percent. In addition, Banco Agrario “has the largest coverage network in Colombia, servicing 97 percent of towns with branches [...]. It is also the only financial service provider in 445 municipalities in Colombia” (The World Bank Group 2022:38). The Banco Agrario's branches or offices called *Fiduagraria*, which are widely distributed and can be found in rural areas, “[...] [provide] rural customers with access to investment funds and

trust services⁵” (The World Bank Group 2022:38). Banco Agrario's large regional network had two effects: On the one hand, it led to it winning government tenders and being given responsibility for disbursing government programmes in rural regions. On the other hand, the expanded network has led to the fact that "Banco Agrario serves large producers in conflict areas that private banks are unwilling to fund” (The World Bank Group 2022:38). The Banco Agrario therefore deserves close attention as it reflects potential actors and instruments for the provision of microcredits to former FARC members.

Development Financial Institutions (DFIs): In Colombia there are eight DFIs. They hold 60 percent of SOFI's assets and are a type of SOFIs which "provide credit for specific purposes but do not collect retail deposits" (The World Bank Group 2022:9). DFIs focus on regional support like infrastructure for the various departments and some of them also sell non-financial products in addition to purely financial ones. These non-financial products are for example "[...] technical assistance and consulting for project formulation and structuring" (The World Bank Group 2022:16) in the Colombian financial sector. The DFIs therefore also provide the chance that they could help other financial actors who grant microloans to implement them successfully and promote the infrastructure in the relevant region, including where former FARC members live and perhaps need financial support to start a small business.

Bancoldex: Bancoldex is one of the biggest DFI. It is subjected to the supervision by a state-owned accounting institution Superintendencia Financiera de Colombia (SFC) and focuses on foreign trade, meaning export and import, “[...] but about two thirds of its outstanding portfolio is credit to MSMEs” (The World Bank Group 2022:14). When granting microloans, Bancoldex is guaranteed by the Fondo Nacional de Garantías (FNG), which in turn is partially owned by Bancoldex (The World Bank Group 2022:21). So Bancoldex and its microloans are embedded in a system of mutual insurance and reinsurance which could represent a stable position in the market of microloans and therefore is noteworthy for the provision of borrowers affected by poverty like former FARC members. In this context Bancoldex is also an interesting player as it offers non-financial programmes like financial education, technical support for financial intermediaries and literacy (The World Bank Group 2022:16). This includes a particular opportunity for the reintegration of former FARC members as these programs can be tailored to this group and special support programs could be established. For example, Bancoldex runs a platform on which all financial service providers can register and offer their products for certain segments. For microfinance, this platform offers potential borrowers a good opportunity to compare the conditions of various private credit providers at a glance (Bancoldex 2024). As a result, providers of microcredits try to offer the best possible products with low interest rates and good conditions, as they are in direct competition with other financial services. In this way, more potential micro-borrowers like former FARC members can be encouraged to take out non-subsidised loans and public resources would be conserved. With the help of this platform, it is also possible for SOFIs to auction off certain funds such as guarantees that they receive from the public sector to private intermediaries. Furthermore, due to this

⁵ Trust services would be, for example, "land titles [that] can be placed in trust structures used to guarantee loans" The World Bank Group (2022:38).

platform SOFIs can check the recipients of these funds, i.e. the private financial service providers, and ensure that they improve the conditions for the borrowers, amongst them micro-borrowers (The World Bank Group 2022:21).

Grupo Bicentenario: This provider-group belongs to shareholders from the ranks of SOFIs, which include 13 different financial institutions like for example Bancoldex, Banco Agrario, Fondo Nacional de Garantías (FNG) and Financiera de Desarrollo Nacional (FDN). **Grupo Bicentenario** founded in 2019, is “[...] a holding for SOFIs reporting to the Ministry of Finance [...] (*Ministerio de Hacienda y Crédito Público*, MHCP), aspires to create efficiency and acts as the third largest financial holding in Colombia once all the envisioned SOFIs are integrated in the group” (The World Bank Group 2022:9). Its main objective is to improve the efficiency and coordination of these institutions to implement government financial policy more effectively and promote the country's economic development. The promotion of economic development also includes the support of microfinance projects by the members of Grupo Bicentenario like Bancoldex (ecos del combeima 2023). Grupo Bicentenario achieves this promotion of microcredits by coordinating and integrating the efforts of these and other member institutions to ensure more comprehensive and effective support for microfinance initiatives. This includes the provision of training and technical assistance programmes aimed at strengthening financial literacy and entrepreneurial potential in rural and disadvantaged communities (Grupo Bicentenario 2024). The young group of providers that has set itself the goal of granting microloans is increasingly emerging as a network and is supported by the state. This represents a clear to use microcredit to integrate the poorer classes and reintegrate former FARC members with that tool.

7.1.5 State-owned guarantee funds

In addition to the described state-owned credit providers, the public guarantee funds play a crucial role in the financial system of Colombia. This is especially in the granting of microloans but also in general because the Colombian banking sector is faced with few assets and little liquidity (The World Bank Group 2022:12; 19). It is therefore difficult for the state to step in as a credit provider and lend money with the few assets it has. For this reason, the Colombian public financial system is focussing more on providing loan guarantees which in practice requires less capital. The liquidity, i.e. the available assets, must therefore be placed on the market by private or external lenders and is merely secured by the state. A guarantee for a loan is an enormously important means for most micro-borrowers, as they usually have no capital due to their poverty that they could provide as a guarantee for the bank from which they request a loan. Without a guarantee, however, granting a loan involves too much risk for banks and microentrepreneurs would have no chance of obtaining a loan and would therefore be excluded from the financial system.

The two most important public funds regarding microfinance are the **Fondo Nacional de Garantías (FNG)** and the **Fondo Agropecuario de Garantías (FAG)**. The FNG is one of the biggest public fund which offers “a public partial credit guarantee fund [...] and] guarantees loans to micro small and medium size enterprises [...] as well as some housing loans” (The World Bank Group 2022:9). In this way

borrowers can provide a guarantee and thus take out loans from public or private banks. Using the FNG the Colombian state could play a key role in shaping the microfinance system by financially including the poor and strengthen the economy without providing a huge amount of own assets. During the corona pandemic for instance the FNG adjusted the amount of the guarantee as part of the guarantee program and covered 80 percent of a loan instead of just 50 percent. The guarantees were subsidized by the state by up to 70 percent. The program has strengthened the economy despite the crisis, as it encouraged and enabled entrepreneurs to take out loans for their business. The success shows the theoretical potential of the FNG in terms of stabilizing and also developing start-ups for example of former FARC members. This is also applicable on the FAG which is managed by the Central Bank, the Banco de la República of Colombia, and which focuses on the agricultural sector and issues guarantees to microentrepreneurs for loans in the rural sector (The World Bank Group 2022:38).

In addition to the two nationwide guarantee funds there are also regional public guarantee funds in Colombia which pursue different objectives. One of the largest is the Fondo de Garantías de Antioquia (FGA), which supports small and medium-sized entrepreneurs and micro-borrowers in the Antioquia region by providing loan guarantees (Fondo de Garantías Antioquia 2023). Another rather regional public fund is the Fondo Microfinanzas Rurales (FMR) which is managed by the FINAGRO (look below). The FMR serves as a governmental instrument to expand financial service in rural areas and to provide loans to microfinance intermediaries, meaning financial institutions with direct contact to potential and actual borrowers, amongst them specialists like Contactar, Fundación de la Mujer Colombia S.A.S or Fundesan e Interactuar (GOV.CO 2023) which explicitly offer microloans. This proves that, even when focusing on certain regions and customers, an infrastructure for granting microloans exists in Colombia.

7.1.6 Mixed-economy entities

In addition to the purely public state-owned financial institutions in Colombia (SOFIs), mixed-economy entities also play a role with regard to microfinance.

Fondo para el Financiamiento del Sector Agropecuario (FINAGRO): Although FINAGRO acts as a DFI (see above) but is not purely public and can therefore be categorised as “a mixed economy society of the national order, organised as a credit institution, with a special regime, linked to the Ministry of Agriculture and Rural Development and supervised by the Financial Superintendence of Colombia”. FINAGRO focuses on the rural sector and provides large producers and producers' associations with “loans at subsidised rates under special credit lines for certain purposes such as energy efficiency, sustainable agriculture, investments to improve water management, or to implement projects in priority communities (eg. Afrocolombian communities)” (The World Bank Group 2022:38). But FINAGRO also finances a big part of the microloans granted by Banco Agrario and guarantees them by the company's own Fondo Agropecuario de Garantías FAG (The World Bank Group 2022:21). FINAGRO and FAG serve as important players in the implementation of state objectives in the agricultural sector, as they pursue the objectives of the state Comisión Nacional de Crédito Agrario (CNCA). In this

respect, they deserve high attention when considering their significance for microcredit in general and for former FARC members in particular.

The **Institutos Financieros de Fomento y Desarrollo Territorial (INFIs)** are special subnational development financial institutions with the aim of promoting decentralized municipal development and infrastructure. “The size of the sector is unknown as most INFIs do not disclose financials” (The World Bank Group 2022:19–20). They conclude agreements (*convenios*) with public institutions which partially feed the funds of the INFIs. In this way INFIs are financed up to 50 percent by public funds. INFIs then use and administer these funds and invest in a range of services such as “[...] public enterprises, payroll loans for public sector workers, treasury loans to public administration, invoice discount, microcredit and other functions, which could be served by private institutions” (The World Bank Group 2022:19–20). There is a total of 14 such institutions in Colombia, most of which are very small and are present at municipal level like IDESAN in Santander, InfiValle in Valle del Cauca, Chocó and Nariño or INFIHUILA in Huila. The advantage of a presence at the municipal level is that it closes financing gaps that are not served by large financial institutions – for example, the granting of microloans in the municipalities on which some of these institutions focus to a greater or lesser extent (asoinfis 2024). The problem, however, is that INFIs often lack transparent reporting and disclosure of their investments and their practices are often unclear or even open to criticism: “Weak institutional practices and lack of efficient mechanisms for reporting and control of activities appear to be the main problems of the sector and had propitiated questionable practices of INFIs” (The World Bank Group 2022:19–20).

7.1.7 Private entities

Besides purely public and mixed-economy entities there are also private providers in Colombia's financial market. They play a very important role in the granting of microloans, too. One of the largest groups of private actors are the saving and credit unions, the **Cooperativas de ahorro y de crédito (CAC)**, which are subject to supervision by the Superintendence of Solidarity Economy, the Superintendencia de Entidades Solidarias SES (The World Bank Group 2022:39). In total, there are 172 CAC throughout Colombia with three and a half million members (Unidad de Proyección Normativa y Estudios de Regulación Financiera 2024:5). CAC's total assets amount to 20.2 trillion Colombian pesos, or around 4.7 billion euros at the current exchange rate. The CACs vary greatly in size: while the ten smallest entities own an average of around 5 billion Colombian pesos or 1.2 million euros, the ten largest CAC have an average value of 790 billion Colombian pesos or around 182.5 million euros (Unidad de Proyección Normativa y Estudios de Regulación Financiera 2024:5).

Even though these institutions grant microloans, their focus generally is on housing and consumer loans (Banca De Las Oportunidades & SFC 2022:32). However, one example of a saving union on the Colombian financial market that specialises in microcredits and financial inclusion is the CAC Microempresas de Colombia. Alongside other large cooperatives such as Confiar, Coopcentral, Cooperativa Financiera de Antioquia and Cooperativa de Ahorro y Crédito de San José, it plays an important role in supporting small businesses by granting microloans and offering non-financial products such as a wide

range of financial training courses or special support for indigenous women (Microempresas de Colombia 2024). One advantage of granting microloans to former FARC members through this type of institution could be that they are not only financially but also socially and politically integrated within the organization, as they are also members - in line with the cooperative system.

Another group of private actors that play an enormously important role in the granting of microloans in Colombia are the **microfinance NGOs**. This type of entity is not monitored by the state and its number has risen sharply since 2011 (Asomicrofinanzas & Banco de la República 2022:147). Overall, microfinance NGOs tend to be smaller entities that focus on fewer geographic markets (Asomicrofinanzas & Banco de la República 2022:149). However, this does not change the fact that these entities play a particularly relevant role in the microfinance sector because of its presence in the rural sector, i.e. where former FARC members live, too.

A third type of microcredit suppliers are private **Microfinance companies** which specialize in microloans and aren't monitored by the banking supervisory authority neither. These include, for example Crezcamos, "Fundación Amanecer, Fundación delamujer y UNI2 Microcrédito" (Asomicrofinanzas & Banco de la República 2022:28). The difference between microfinance NGOs and microfinance companies is usually that NGOs focus more on the social aspect, while companies are generally more concerned with maximizing profits.

Finally, there are private **microfinance banks**, niche banks that specialize in microfinance and are supervised by the Superintendencia Financiera de Colombia (SFC). Well-known examples are Bancamía, Banco de la Mujer, MiBanco or BancoW (Asomicrofinanzas & Banco de la República 2022). Due to their specialization, they naturally play an important role in the granting of microloans as these institutions focus on providing microloans to small entrepreneurs and low-income populations, aiming to promote financial inclusion and create economic opportunities for disadvantaged communities. Beyond profit-making, they usually have a strong social mission and try to support small business development. Additionally, they often offer other non-financial products and services like savings options, insurance, and financial education to improve the financial stability and well-being of customers, which is important overall for former FARC members who want to start a business.

The analysis shows that the Colombian financial sector offers considerable opportunities for microloans. In addition, the analysis makes it possible to identify the hidden actors behind the structural violence: either those who act as aggressors, i.e. who exercise direct violence against former FARC members, meaning loan sharks on the "Gota a Gota" market. Or those actors who do not act as aggressors but as possible reducers of a negative peace towards a positive peace, meaning financial institutions that invisibly block the financial inclusion of former FARC members or make it difficult by excluding them (see chapter 2.4 and 8.6). In this respect, the Colombian financial system at least offers the material and organizational prerequisites to promote the pacification and integration of former FARC members by granting microloans, if this is politically desirable. In particular, by strengthening the agricultural sector, for example through Banco Agrario, FINAGRO or the FAG (Fondo Agropecuario de Garantías), micro-

borrowers in rural areas are supported in their activities. This is of particular interest as former FARC members often live in underdeveloped rural areas. Therefore, it remains to be investigated, however, what the hurdles are that need to be overcome for the successful use of microcredits for former FARC members. This is done in chapter eight.

7.2 Performance of the microfinance provision

In order to assess the prospects of success of microcredits for the integration of former FARC members in order to promote financial inclusion and by that positive peace by this tool, it is not enough to evaluate the supply side. It is also decisive to examine the performance of the microcredit system in Colombia. For this purpose, the data from the "Financial Inclusion Report 2022", published by the Banca de las Oportunidades and the Colombian Banking Superintendency (SFC) (Superintendencia Financiera de Colombia) are used as main source which covers the period from 2019 to 2022. The following chapter analyses the microfinance performance regarding the number and size of microcredits, the supply by geographical region, by entity, by the residences of former FARC members and by gender and by microbusiness-type. These variables could provide a vision of the possible reduction of latent structural violence through microcredits and also provide a basis for discussing the hurdles to grant microcredits to former FARC members and thus additionally to minimising structural violence.

7.2.1 Number and development of microcredits

Firstly, the number of microloans granted is discussed in order to provide a rough overview.

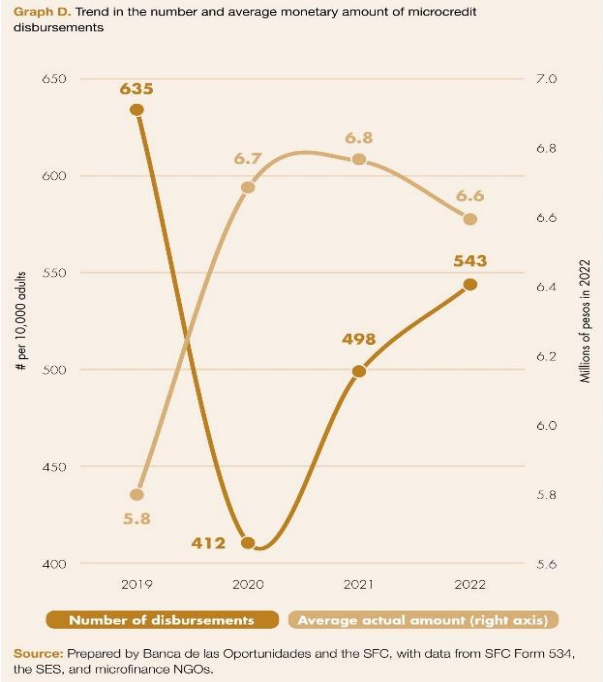
	% adults with microcredits	Number of microcredit disbursements per 10.000 adults	Average amount of microcredit disbursements per 10.000 adults
<i>National</i>	6.3	543	6,597,025 pesos 1,576 Euros
<i>Urban municipalities</i>	5.5	528	6,340,264 pesos 1,514 Euros
<i>Rural municipalities</i>	10.6	627	7,778,234 pesos 1,857 Euros
<i>Women</i>	6	563	5,771,481 pesos 1,378 Euros
<i>Men</i>	6.6	509	6,893,279 pesos 1,646 Euros

Figure 11: Own visualization based on the data of the Financial Inclusion Report 2022 (Banca de las Oportunidades and SFC)

The table shows that in rural regions the disbursement of microcredits is almost twice as large as in urban municipalities. The distribution by gender is balanced but with a slightly 15 percent higher loan amount for men. A comparison with previous years shows a decline in the proportion of microloan recipients from 6.91 percent of adults in Colombia in 2019 to 6.27 percent by 2022 (Banca De Las Oportunidades & SFC 2022:72). However, the number of new borrowers, i.e. those who had not previously taken out a microloan, increased slightly (Banca De Las Oportunidades & SFC 2022:110). The

above-average granting of microcredits in rural areas and the fact that there are more new micro-borrowers can generally be seen as positive, as new economically poorer individuals are thus financially integrated. Former FARC members, who previously had no access to the financial market, could also represent new customers and thus be included.

The slight decline between 2019 and 2022 is mainly due to a decline in the importance of cooperatives and NGOs. There was a decline by 6 percent in microloans granted by cooperative institutions⁶ (Banca De Las Oportunidades & SFC 2022:31–32). The same trend can also be observed among microfinance NGOs: In 2019, 1.3 percent of microloans were granted by NGOs, whereas in 2022 this figure was only 0.9 percent. This corresponds to around 138 microloans granted by NGOs per 10,000 adults in 2019 and only around 74 in 2022⁷ (Banca De Las Oportunidades & SFC 2022:33).



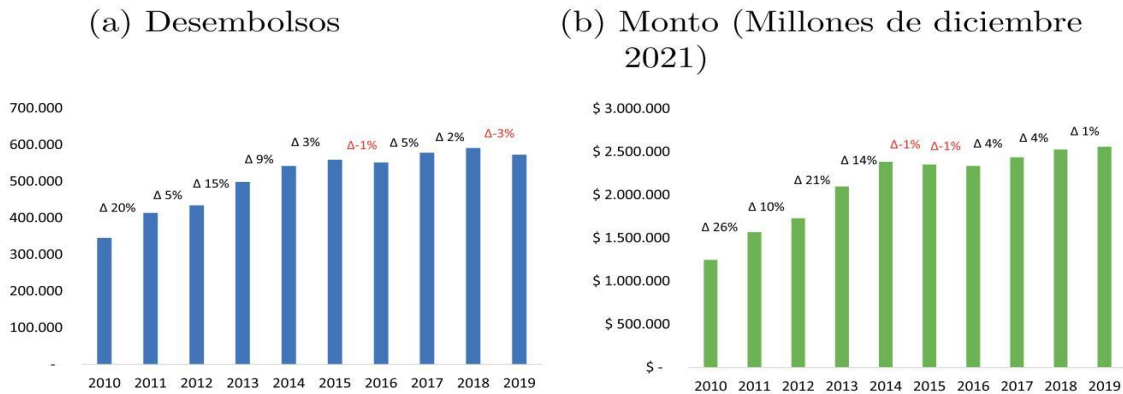
The size and the number of microcredits granted appear to be closely related and vary in opposite directions. In 2019, for example, the average size increased sharply within a year and the number of microloans fell sharply at the same time, meaning that the amount of lent money remained roughly the same. These fluctuations with a similar amount of lent money could be observed until 2022 (Banca De Las Oportunidades & SFC 2022:121). However, even if a slight decline in microloans can be observed between 2019 and 2022, there is still a trend, albeit slightly fluctuating, of an increase in the number and size of microloans granted since 2010.

Figure 12: average amount and number of microloans 2019-2022 (Banca De Las Oportunidades & SFC 2022:121)

⁶ “Some of the information in this section is based on the entities from the solidarity sector that report TransUnion information. As such, the size of the solidarity sector may be slightly underestimated as a result” Banca De Las Oportunidades & SFC (2022:31).

⁷ “The information in this section is based on the solidarity sector entities that voluntarily report to Banca de las Oportunidades. As such, the size of the microfinance NGO sector may be slightly underestimated” Banca De Las Oportunidades & SFC (2022:33).

Figura 1.2. Crecimiento del mercado de microcrédito



Fuente: Asomicrofinanzas; cálculos de los autores

Figure 13: microfinance market: number and size of loans 2010-2019 (Asomicrofinanzas & Banco de la República 2022:29)

Overall, in terms of the size and number of loans, it can therefore be stated that the product of microcredits is increasing rather than decreasing in popularity on the Colombian market, making access easier overall and for the vulnerable members of the population, including former FARC members. The size of the loans would of course have to be readjusted by the inflation rate and external economic factors. This goes beyond the scope of this master’s thesis, but it can be said that the size of microloans can vary greatly and react to external shocks such as inflation or the COVID pandemic.

7.2.2 Microloan size & entities

The size of microloans depends greatly on the financial institution. Banks that specialize in microloans like Bancamía or Mundo Mujer are largely responsible for granting particularly small microloans: 68.8 percent of microloans with the size of up to one minimum monthly income and 60.7 percent of up to two months are granted by these banks. The monthly minimum income is currently 1,300,000 Colombian pesos, which corresponds to around 293 euros at the current exchange rate. This is followed by microfinance NGOs, which account for 17.7 percent and 21.6 percent of microloans of these categories. Conversely, banks specializing in microloans like Bancamía account for only 32.8 percent of larger microloans, which correspond to ten to 25 months' minimum income. Microfinance NGOs only grant 5.6 percent of these larger microloans. Public banks like Banco Agrario in contrast make up the largest share, accounting for 36.9 percent of larger microloans, meaning bigger than three minimum monthly income. The smaller the loans become, the less these public banks are involved in granting them. For example, only 3.5 percent of microloans amounting to one to two months' minimum income are granted by public banks. Savings and credit unions (CAC) overseen by the SES in contrast, account for a relatively constant share of lending of around four to seven percent, with a slight increase in the number of loans granted as the loan size increases. Financing companies like UNI2 or Crezcamos, grant around

five percent of the very small microloans and accounts for an increasingly smaller share of the loans granted the larger the microloans become (Banca De Las Oportunidades & SFC 2022:80).

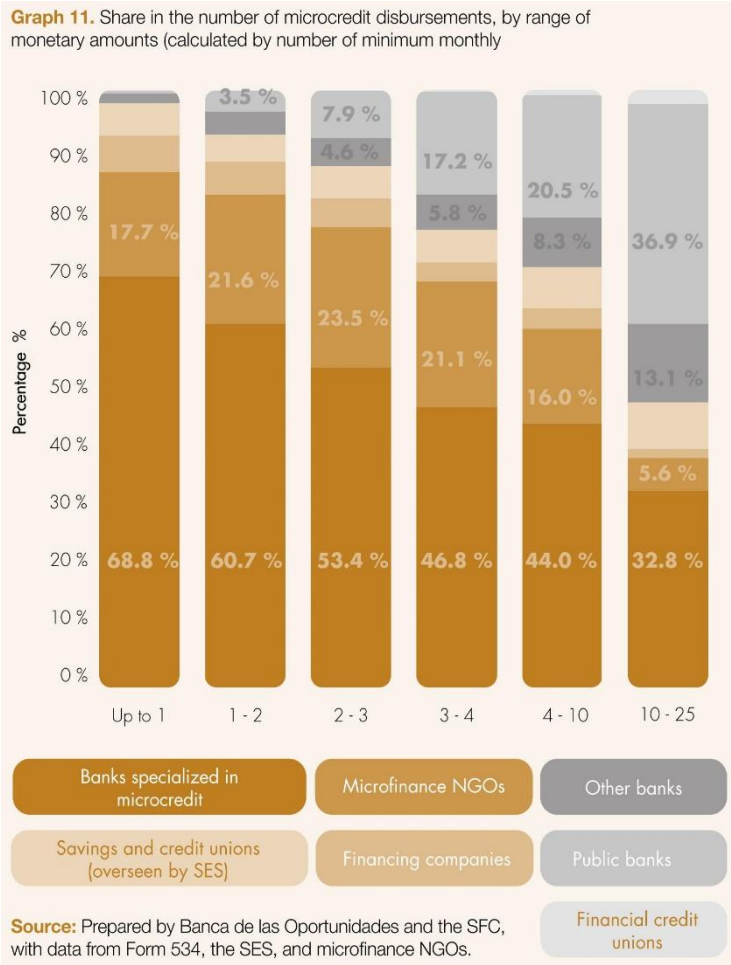


Figure 14 : share of financial institutions which disburse microcredits (Banca De Las Oportunidades & SFC 2022:80)

The figures show that the public, i.e. state-controlled, nationwide financial sector has so far hardly taken on the granting of smaller microloans. This represents a hurdle of being excluded as very small micro entrepreneur by state institutions can be seen as an impeded access to the financial market for former FARC members, which could be reduced by political measures. According to Galtung, this status quo is therefore avoidable and can be seen as violence. Former FARC members, for example, who are just starting a micro-business such as selling juices, must be informed that they should primarily

look at the offerings of banks that specialize in microfinance or consider the products of microfinance NGOs in order to be able to finance a juicer with a very small microloan. On the other hand, the state must decide whether it wants to expand the SOFIs' offer to include smaller micro-loans for former FARC members.

7.2.3 Number of microcredits by region

There are also major differences in the number of microcredits according to the geographical region in Colombia (the sheer number of loans of course says nothing about the size and the economic effects of these microloans). Thus, people living in urban areas are less likely to take out microloans than those in rural areas: While in cities and urban agglomerations only 4.5 percent of the adults use such an economic product, in medium sized municipalities the figure is 9.4 percent and even 10.9 percent in rural municipalities (Banca De Las Oportunidades & SFC 2022:74–75).

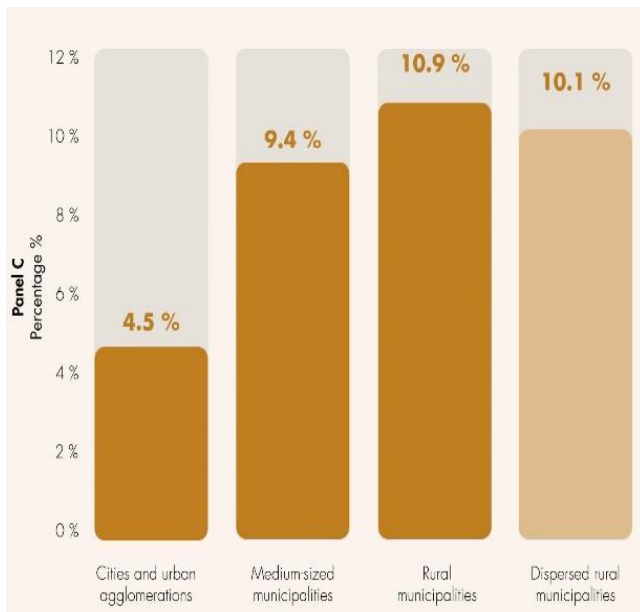
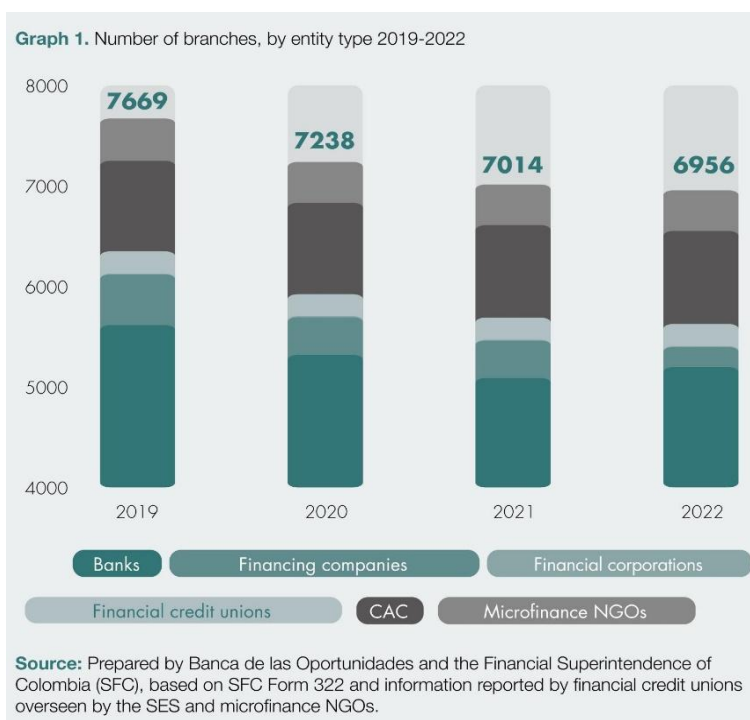


Figure 15: Panel C: Microcredit access indicator by level of rurality (Banca De Las Oportunidades & SFC 2022:75)

In principle, this is a positive development, as most of the economically disadvantaged population lives in rural areas and is often cut off from society. Access to microloans in rural areas can therefore counteract increasing urbanization and improve the living conditions of the rural population, which often includes many former FARC members.

7.2.4 The supply of microcredits by financial institution and by region

The access to financial services in general is also important for the access to microloans in particular. Last figures show that the numbers of branches of financial institutions and therefore the physical supply of financial services in Colombia are declining. In 2022, there were a total of 6,956 bank branches in 868 municipalities in Colombia. This corresponds on average to 78.8 percent of municipalities with bank branches. Among the urban municipalities there are 86.5 percent with bank branches (Banca De Las Oportunidades & SFC 2022:160). Conversely that means that in rural regions the coverage of municipalities by bank branches is lower, so there the physical access to financial inclusion in terms of financial services is worse.



Furthermore, the number of branches of all types of financial institution is declining. In 2019 there were 7,669 branches, in 2022 only 6,956 - a loss of nearly ten percent within three years. On average in 2022 there was one branch of a financial institution for 7,500 Colombians. In comparison, there are around 20,000 branches only of banks in Germany, which corresponds to an average of one branch for 4,500 Germans (Handelsblatt 2024).

Figure 16: number of branches, by entity type (Banca De Las Oportunidades & SFC 2022:162)

That means that the physical access to financial services in Colombia is not the best which is crucial for the financial inclusion of disadvantaged persons like former FARC members.

Banks and CACs account for the largest share, followed by microfinance NGOs and financing companies, which each have around half as many branches as banks or CACs (Banca De Las Oportunidades & SFC 2022:162). Although there was a downward trend in branches during this short period, the number of entities offering microfinance increased strongly in the long term between 2014 and 2020, as did in this way the overall supply of microfinance entities in Colombia. For example, in 2014 there were 63 banks specializing in microfinance, whereas in 2020 there were around 184 of these entities. Microfinance NGOs have also increased and instead of around 14 in 2014, there were 29 NGOs specializing in this product in 2020 (Asomicrofinanzas & Banco de la República 2022:146).

The multiplication of entities offering microloans over the last years can be seen as positive and perhaps as a slight compensation of the decline described above. This could cause a greater competition for customers and the prices for loans, i.e., interest rates, could fall as a result. There is also the possibility that new entities will want to develop new unique selling points (USPs), i.e., special features that set them apart from other market participants. One such USP could, of course, be the granting of microloans to former FARC members. However, in summary, still at 21.2 percent, around one fifth of Colombian municipalities has no access to financial resources, with this figure rising to 22.5 percent in rural areas, meaning that there is a gap in the financial market in this area. Entities that have a wide network such as Banco Agrario with its branches, as well as those that specialise in rural areas with small loans, such as microfinance NGOs, are therefore of enormous importance for the financial supply to promote the financial inclusion of all and thus strengthen positive peace in rural areas as well. This applies in particular to a potentially more targeted financial inclusion of particularly vulnerable sections of the population such as the former FARC members.

7.2.5 Entities and microloan size & number, by region

There are enormous differences regarding the importance of microcredits by financial institution, by volume of each loan and by region. This is important for this master's thesis, as it helps to determine which entities in which region should be used or supported (by the state) in order to financially include poorer individuals and by that former FARC members with microcredits. It is noticeable that in the large and medium-sized cities (Panel A and B) entities specialized in microloans like Bancamía or Mundo Mujer are the largest lenders covering all sizes of microloans well or very well except the biggest category (10 – 25 minimum wages per month).

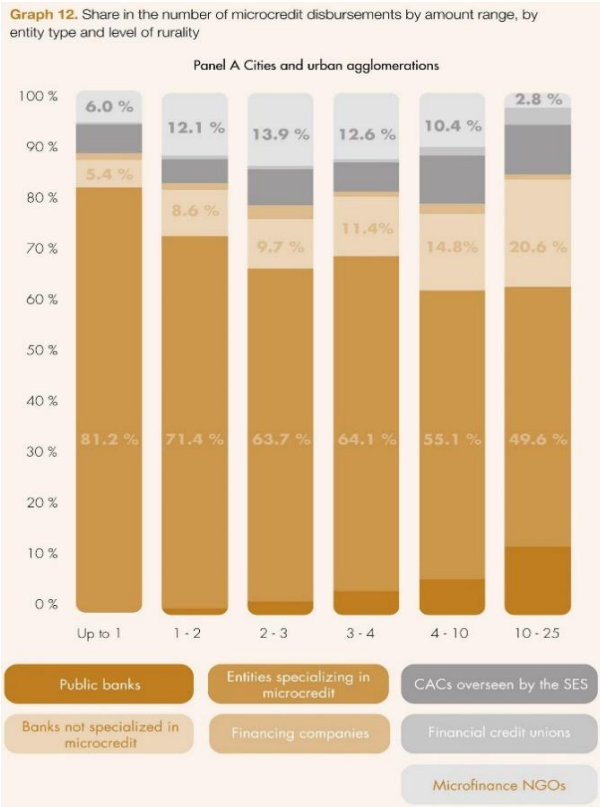
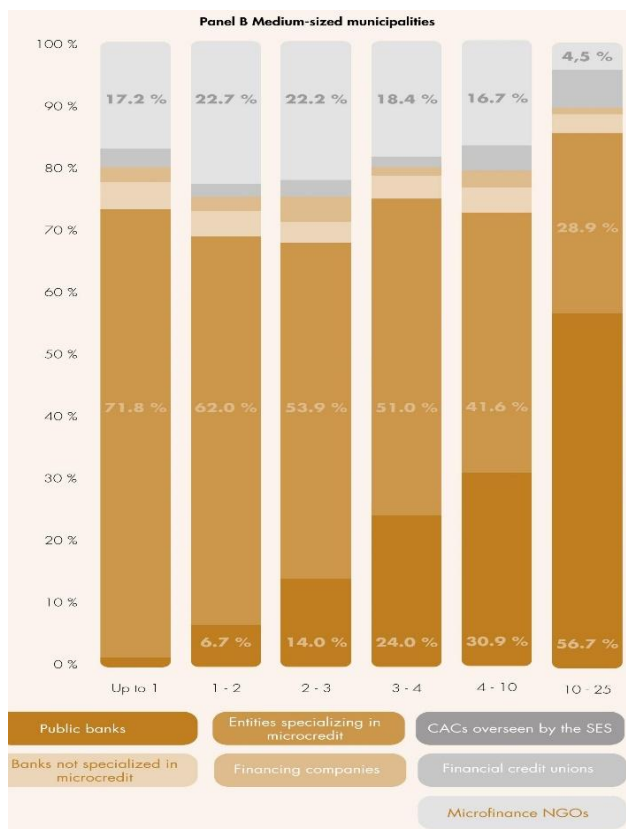


Figure 17: Panel A: Cities and urban agglomerations (Banca De Las Oportunidades & SFC 2022:81)

Here their leading position ranges from a market share of 41.6 percent in the second biggest category of loans to 81.2 percent in the smallest category. In comparison to this in rural regions the entities specialized in microloans only reach a remarkable market share of at most 39.5 percent (in the smallest categories of loans). Regarding their success in the big and middle-size municipalities these figures show that they might possess a not exhausted potential in the rural regions also to include people like former FARC members financially. That the entities specialized on microloans could be able to realize this is shown by their success in dispersed rural municipalities where in the

smallest category of loans their market share reaches astonishing 55.2 percent. This fact is all the more

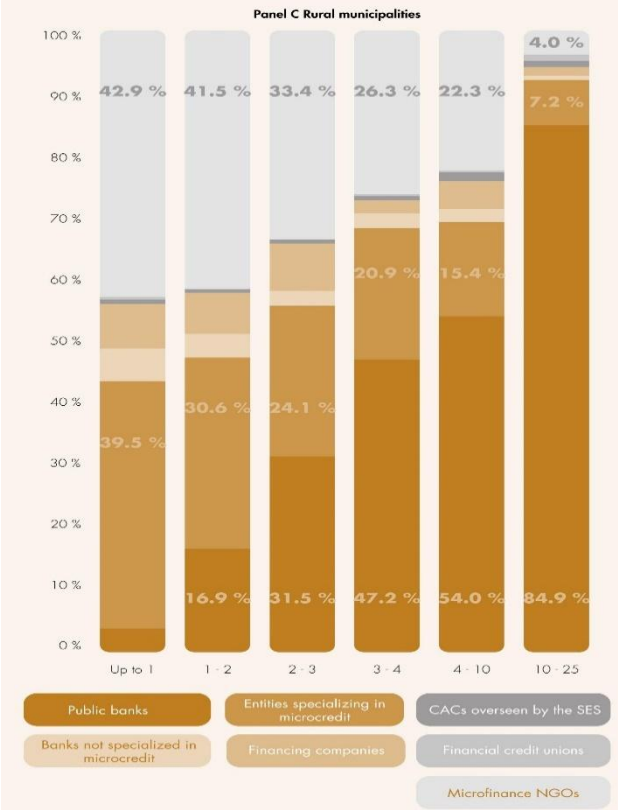


significant given that a large number of former FARC members live in this type of region. The figures also show the smaller the municipalities and the more rural the region, the greater the importance of public banks like Banco Agrario. However, this only applies to larger loans. Also, outside of the big municipalities the share of the public financial entities of the two smallest categories of microloans remains clearly below 20 percent. The importance of public institutions for rural and remote regions is even more evident in the largest microloan category (ten to 25 months' minimum income). Here, their market share rises from around ten percent in the agglomerations to 56.7 percent in the medium-sized cities, 84.9 percent in the rural areas and 90 percent in the remote areas.

Figure 18: Panel B: Medium-sized municipalities (Banca De Las Oportunidades & SFC 2022:82)

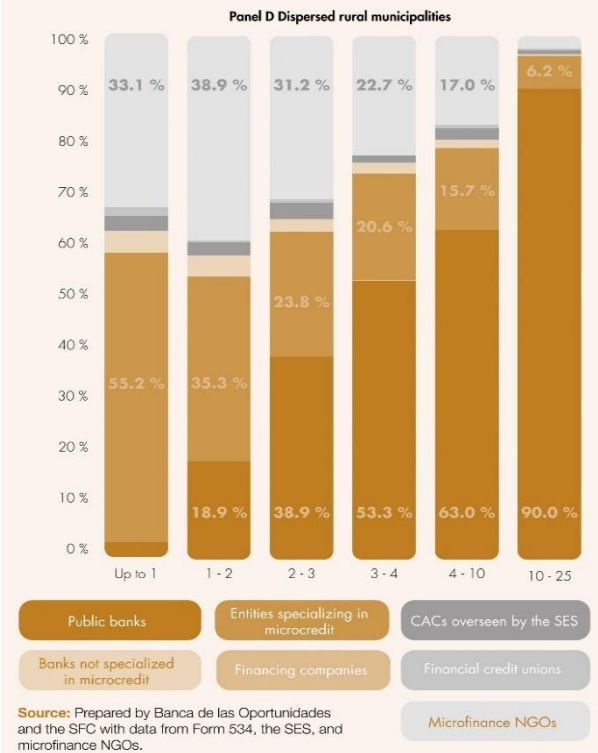
This shows that public financial institutions could not only be more present through larger loans in the more poverty-stricken rural areas where there are more former FARC members, but also to finance larger businesses run by former FARC members, for example, jointly.

Figure 19: Panel C: Rural municipalities (Banca De Las Oportunidades & SFC 2022:83)



Microfinance NGOs are also characterised by a different presence depending on the region: The more rural the surroundings the stronger their position. However, this only applies to the three smallest loan categories and here in particular to the two lowest, where the market share of NGOs is more than 40 percent in rural areas and between a good 30 and almost 40 percent in remote areas (Banca De Las Oportunidades & SFC 2022:81–84). It is also striking that microfinance NGOs are hardly involved in large microloans of up to 25 minimum monthly incomes - they only account for around 3.5 percent on average. Former FARC members who live in rural regions and are particularly affected by poverty can therefore expect offers from microfinance NGOs

in particular, especially if they are just setting up a new business and need a particularly small microloan. The group of savings and credit cooperatives (CAC) like Confiar is generally not strongly represented



and achieves a market share in all regions and categories of round about five percent or less. In this respect, no quantitatively significant contribution can be expected from them in the attempt to integrate ex-FARC members by granting microcredits. The only possible positive contribution of the CAC would be that former FARC members could be included not only as customers, but also as members of the CAC, which would lead not only to economic, but also political and social inclusion through co-determination and participation which would strengthen positive peace at it also takes social factors of equality and justice into account.

Figure 20: Panel D: Dispersed rural municipalities (Banca De Las Oportunidades & SFC 2022:84)

Source: Prepared by Banca de las Oportunidades and the SFC with data from Form 534, the SES, and microfinance NGOs.

7.2.6 Number of microcredits by region and poverty

If microcredits shall help to integrate former FARC members and to reduce their poverty it is advisable to examine additionally the presence and the power of the offering entities especially in the appropriate regions. If you combine the variables microcredit access and poverty, it becomes apparent that there is negative correlation. This means there is the rough tendency the fewer microloans are granted the more poverty there is in a department. This can be seen in the two maps shown below (see figure 21 and 22). The left-hand graph shows the percentage of microloans per 100 inhabitants granted in Columbia - the greater the disbursement the darker the department is marked. In the right-hand graph it is to be seen the poverty – the greater the poverty the darker the region is marked.

The found correlation is particularly visible in the especially poor western department of Chocó, for example, where only 3.8 percent of the population receive microloans. A low level of microloans of just 3.0 to 3.7 percent is also evident in the eastern departments of Vichada, Guainía, Vaupés and Amazonas, which are severely affected by poverty. And there is severe poverty in the very north in La Guajira, with only 3.6 percent of the population receiving a microloan. This shows that some very poor regions of Columbia are very behind of the rest of Columbia regarding the disbursement of microcredits. The regions in the south-west and along the diagonal from the south-west to the north-east of Columbia with more granted microloans do not suffer from severe poverty: e.g. Putumayo, Huilla, Tolima, Boyacá, Santander or Casanare. This could be interpreted as an indicator that a lack of economic inclusion of the poorer through the granting of microloans is a possible reason for higher poverty and inequalities which in turn increases the risk of direct violence.

It is important to mention that the correlation is only a tendency and includes exceptions. The south-western department of Nariño on the coast, for example, is particularly affected by poverty, but microloans are granted here at 14.1 percent, putting it in second place in the entire country. This can also be seen in the department of Chaquetá in the South above the Amazonas department, a region that is slightly more affected by poverty, but with a high number of microloans granted at 12.6 percent. However, it should also be noted that there can be strong regional differences in the granting of microloans within the departments, some of which are very large in Colombia. An analysis of why there is a general correlation between few loans and great poverty would go beyond the scope of this master's thesis.

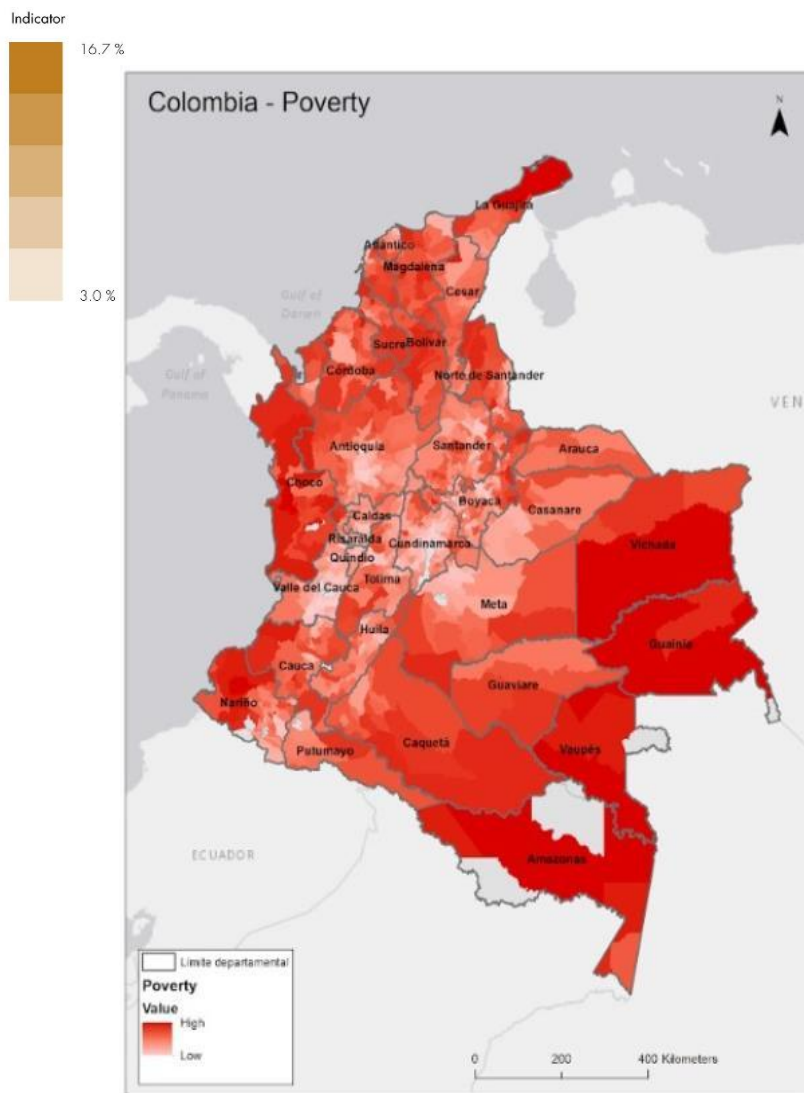
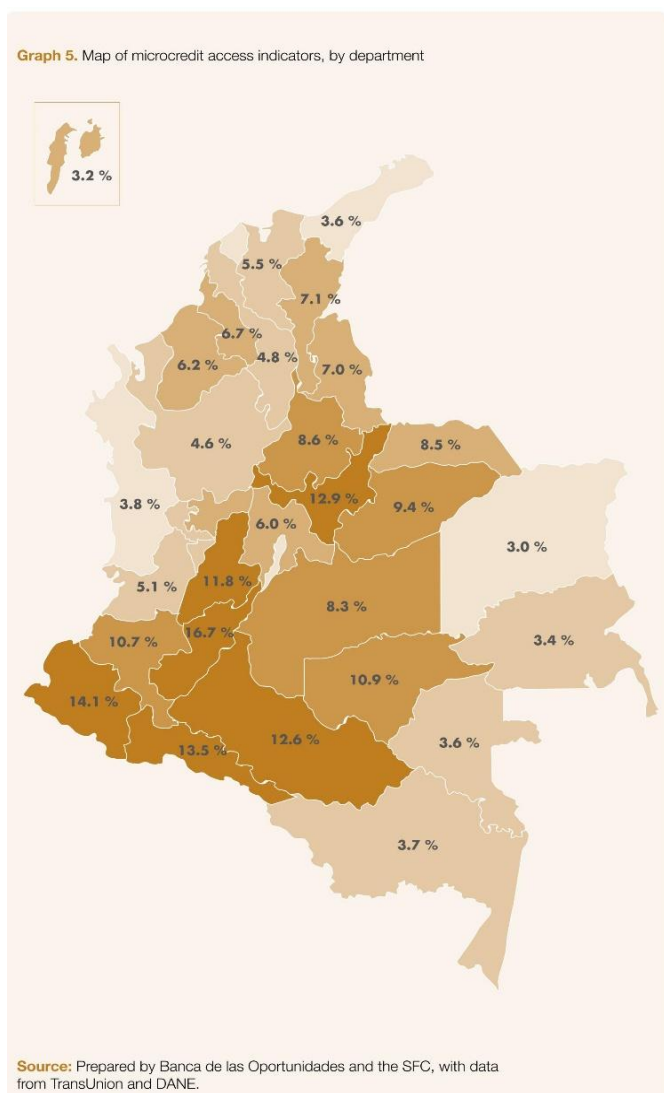


Figure 21: microcredit access (Banca De Las Oportunidades & SFC 2022:73); Figure 22: poverty in Colombia (Food and Agricultural Organization 2024)

7.2.7 Supply of microcredits to municipalities, with special attention to particularly alarming former FARC members and the work of reintegration centres (ETCR)

In order to make specific and unerring recommendations in the Discussion Chapter for the regional promotion of microcredits in the context of the reintegration of former FARC members, the analysis must go beyond of the departmental level described above and must focus on the municipal level. This is because some of the departments are very large in terms of area and the disbursement of microcredits within the departments can therefore vary greatly and therefore this level is not very meaningful.

Furthermore, to increase the accuracy of the recommendations beside the disbursement of microloans it is indispensable also to consider two other variables. The one is the presence of FARC persons in the municipalities, since in this master's thesis former FARC members are the primary target group for microcredits. If there are no former FARC members there is no reason to reinforce the use microcredits as an instrument for reintegration of this group of persons. To quantify the presence of the former FARC community this chapter is focussed municipalities where a group of FARC persons lives who are particularly alarming by their social and economic situation after the peace agreement where direct violence

has not been overcome. These are either still active or former FARC members who have relapsed or taken up arms again, the so-called FARC dissidents. The reason for this focus is that there is only a list of municipalities where there are FARC dissidents and that there is no list of municipalities with or without FARC persons in general. This restriction does not diminish the worth of the analysis and the findings. In the opposite: the focus on FARC dissidents even is helpful to identify the municipality where the process of peacebuilding has not succeeded yet and measures for reintegration like microloans are needed in particular and urgently.

The other additional variable to describe the situation in the municipalities regarding possible recommendations to promote microloans is the existence of reintegration centres, the so-called ETCR, meaning Espacios Territoriales de Capacitación y Reincorporación (ETCR). These ETCR are a state tool for the reintegration of former guerrillas and peacebuilding. The centres are implemented by the Agencia para la Reincorporación y la Normalización (ARN) in various regions. There is a total of 26 ETCRs in 13 departments (ARN 2024). The inclusion of the ETCR is important in order to take into account the existing efforts of the state in the communities to reintegrate FARC individuals.

The application of the variables “presence of FARC dissidents” and “existence of ETCR” on the Colombian municipalities conducted in this chapter led to 123 municipalities with FARC dissidents with or without ETCRs and to 9 municipalities with ETCR but without FARC dissidents. These 9 municipalities are also considered in these analyses because the existence of ETCR can be seen as an indication that former FARC members in general live here and could be addressees of promotion of microcredit. I.e. there are together 132 municipalities to be checked. These 132 municipalities are shown in figure 23, are listed in a table in the appendix (page XXII) and can be seen in the graph on the following page.

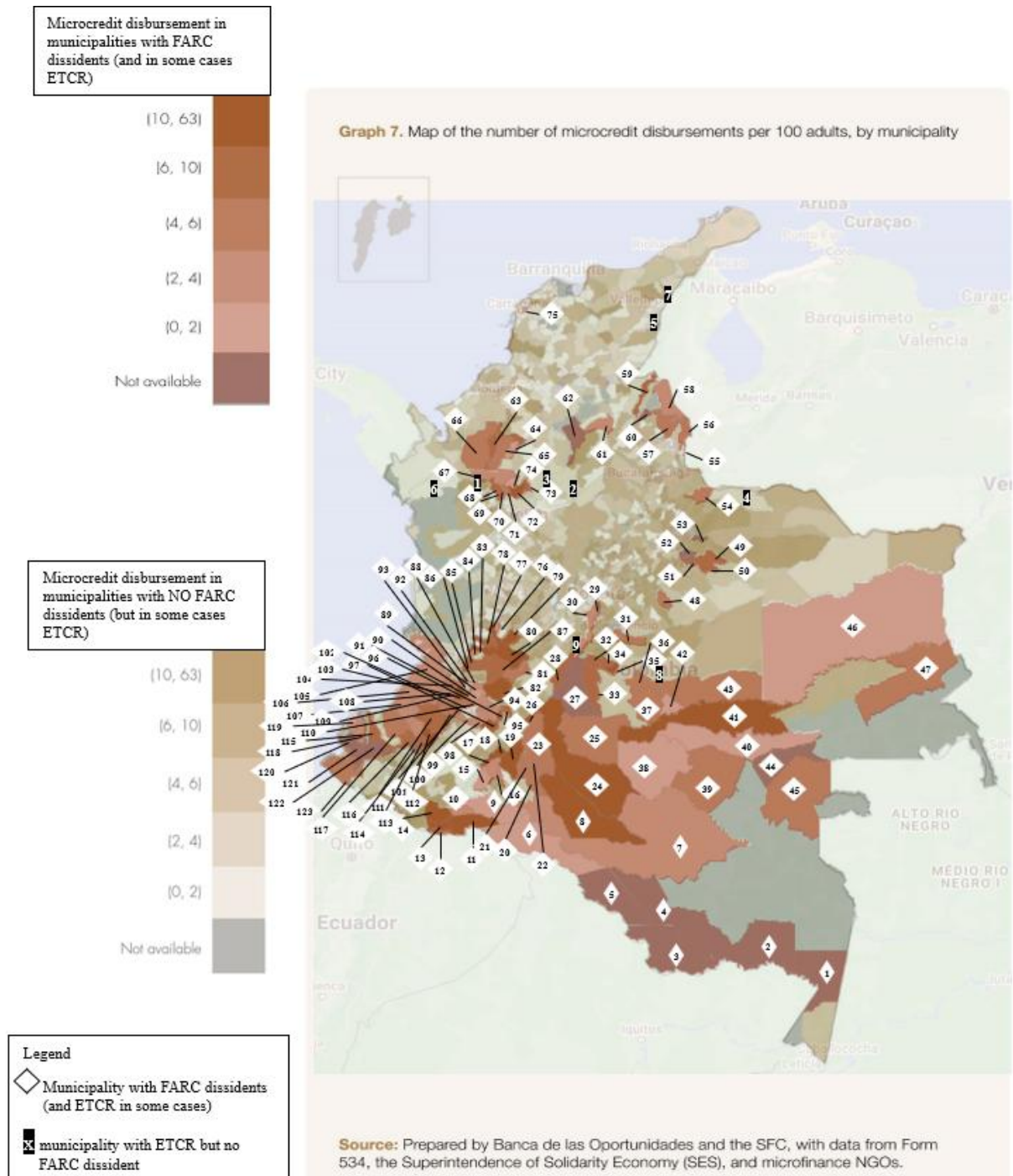


Figure 23 (Own graph): Colombia by departments, by frequency of microcredits, by municipalities with FARC dissidents and with or without integration centres (ETCR), and by municipalities without FARC dissidents but with ETCR. (sources: Banca De Las Oportunidades & SFC 2022:76; Colombia Reports 2020; names of municipalities see appendix number/page XXII)

The analyses of these 132 municipalities leads to two important results.

First, the provision of microloans in the found 132 municipalities varies within a wide range depending on the department. Regarding a non-disbursement, a very low disbursement of less than or equal to 6 microloans, a low disbursement from 7 to less than or equal to 10 and a high disbursement from 11 to less than or equal to 63 microloans per 100 inhabitants there are essential differences between the departments. The second important result is that there is a big difference also between the found 132

municipalities regarding the presence of FARC dissidents, the disbursement of microloans and the existence of ETCRs (for detailed results also look figure 23).

16 municipalities are found where FARC dissidents live but where there are neither any microloans nor any ETCRs. This is a particularly significant hurdle to the reintegration of former FARC members with the help of microcredits in these 16 municipalities as there is obviously no option of microcredit for former FARC persons at all.

In further 66 municipalities the disbursement of microloans is similarly low, almost in each of them live FARC dissidents, and in 15 of them ETCR can be found. That means that in round about two third of the found municipalities the disbursement of microloans is zero or very low although there are FARC dissidents and no matter if there are ETCRs. This presents a clear lack for the reintegration of former FARC members through microcredits as it seems to be no common tool in the municipalities where they live. Furthermore, the combination of little microloans disbursed in those municipalities where there are ETCR could mean that due to the low level of financial support FARC persons could be hindered integrating themselves outside the ETCR or could lead to the migration to economically more favourable regions. This means that even though the lack of microcredits in these municipalities might be offset by the activities of ETCRs, the little disbursement of microloans could be a cause of hurdles for former FARC members living in these municipalities to gain a foothold in society outside from the ETCR.

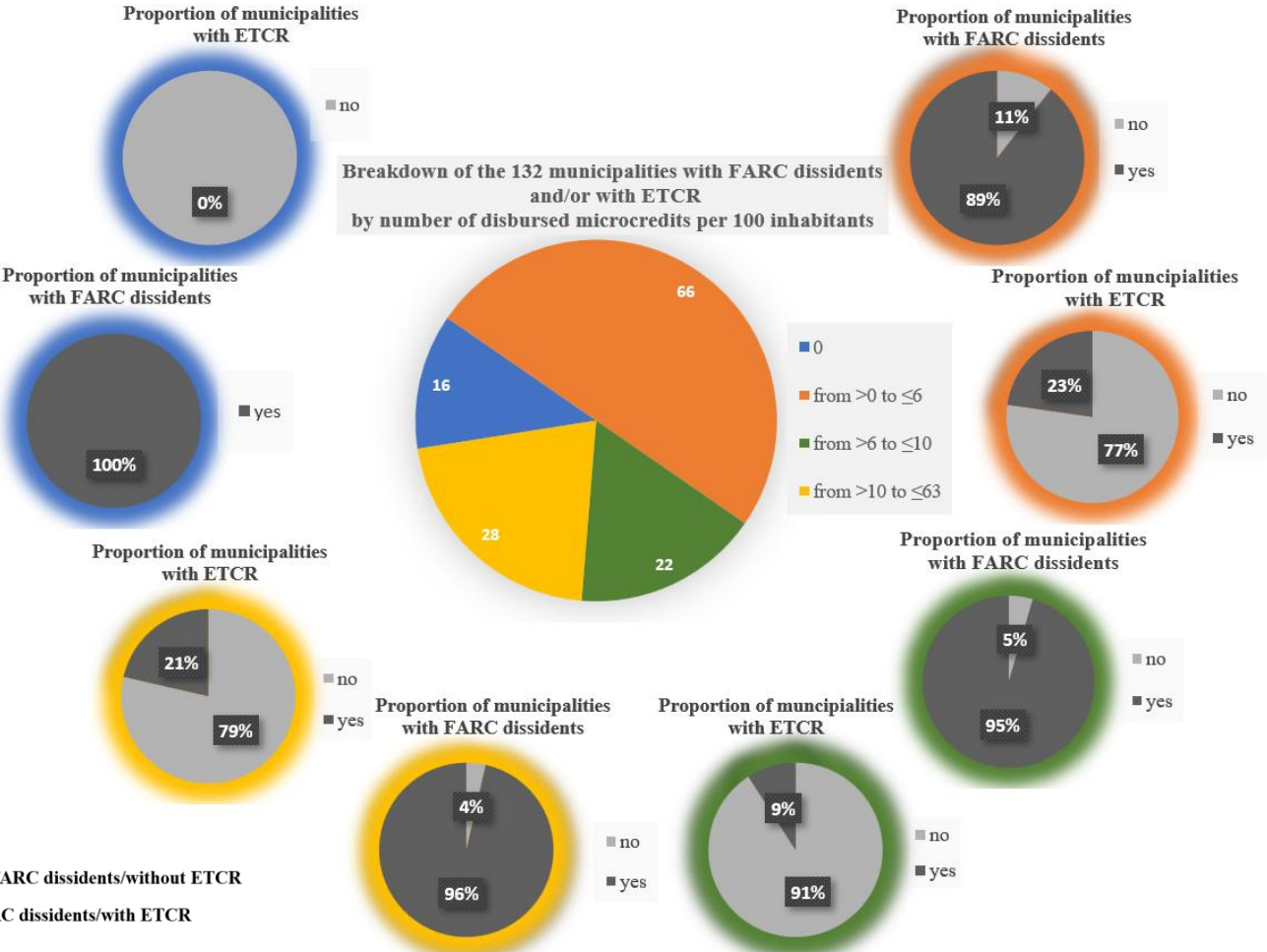


Figure 24: breakdown of the 132 municipalities with FARC dissidents and/or with ETCR by number of microcredits disbursed; by proportion of FARC dissidents; by proportion of ETCR.

Furthermore, there are 22 municipalities where the microloan disbursement again is slightly better, more than six and less or equal to 10 of 100 inhabitants benefit from a microloan. Nearly in each of them FARC dissidents live but nearly none of these municipalities possesses an ETCR.

At last, there are 28 municipalities where the disbursement of microloans is high, in nearly each of them FARC dissidents live, and where there is an ETCR in six of them. That means that here, in comparison to those municipalities with only a medium number of microloans, there are two levels of direct reintegration opportunities for former FARC: through the usual tool of microcredits and through some ETCRs. In summary, the research shows that it is very important to differentiate between the regions down to the municipal level in order to obtain a realistic picture of the provision of microcredits in Colombia, to identify where direct violence caused or intensified by structural violence due to financial exclusion, and to decide where this instrument of reintegration and peace consolidation can be used in an efficient and effective way. To derive concrete recommendations from this, a deeper consideration of the interaction between granting microloans and ETCR is conducted in the chapter discussion.

8 Discussion and recommendations

The following chapter discusses obstacles and opportunities for microcredits as a peace-building reintegration measure for former FARC members in Colombia and derives concrete recommendations for action to the government. For that, the results of two parts of the master thesis will be used: first, the results of the empirical analyses of the Colombian financial system focussed on microcredits in chapter seven which provides insights into the supply side of the microcredit market. And second, the qualitative part of the analyses consisting of three interviews with three former FARC members, in the following interview partner 1 (IP1), interview partner 2 (IP2) and interview partner 3 (IP3).

IP1 is male, 54 years old, comes from the municipality Dolores in the department Tolima and received a microloan of 12,240,000. Colombian Pesos (ca. 2,360 Euros) from the cooperative Confiar for his microbusiness of food production, i.e. a business in the service sector. IP2 is male, too, 51 years old, comes from the municipality Mesetas in the department Meta and received a microloan of 10,000,000. Colombian Pesos (ca. 2,680 euros) from the private Banco de Bogotá for his microbusiness of a restaurant, i.e. also in the service sector. IP3 is male as well, 44 years old, comes from the municipality Tuluá in the department Valle del Cauca and received a consumer microloan of 2,000,400 Colombian Pesos (ca. 368 euros) from the microfinance institute Banco Caja Social, a non-profit social foundation, and a second microcredit from the cooperative Confiar for his mortgage in order to have enough financial resources for his microbusiness of food production in the service sector. Two of the interviewees (IP2 and IP3) come from the Cauca and Chaquetá department, where the granting of microcredits is rather common. Full particulars of the interviews and the interviewed see appendix page III. These interviews – in absence of representative surveys - provide information about the demand side regarding microcredits that partially support the aforementioned empirical analysis or allows new insights. Overall, the for the discussion the concepts of Galtung will play a role as well.

8.1 The regulation of the Colombian financial market

The first part of the analysis and the resulting recommendations deal with the regulation of the Colombian financial market and regarding the supply of microcredits. Generally, it can be seen that Colombia has a highly regulated financial market both in general and in the system of microcredits in which the state is involved with own institutions. Part of the high regulation for example is an interest rate cap both for credits in general and for microcredits particularly. At the same time there is a very large shadow financial market (“Gota a Gota”).

This results in specific hurdles to the use of microcredits for the reintegration of former FARC members. One of the most important points is the interest rate cap. On the one hand, there is the positive effect that capping interest rates helps to prevent suppliers from imposing usurious rates of interest on disadvantaged groups such as the former FARC members and that the institutions do not exercise latent violence through this kind of discrimination. On the other hand, very small microloans are excluded by the interest rate cap, since offering small amounts of money would no longer be profitable for the banks. The reason of this fact is that costs of such very small microloans, like transaction costs or servicing the end customer, would exceed the income of the suppliers generated by the capped interest rate. Therefore, small microloans in particular are impeded by the cap in Colombia.

The negative consequence of the lack of very small microcredits based on the capped interest rate is the boosting of small credits being offered on the widespread “Gota a Gota” market. This unregulated market presents a clear hurdle for the use of microcredits for the reintegration of former FARC members. Not only is there a risk of exploitation, usury and coercion that is, forms of direct, manifest violence with visible aggressors, namely the debt collectors. As a shadow market “Gota a Gota” also represents competition and uncertainty for regulated financial institutions which try to prevent the exploitation of vulnerable groups, in particular, in emergency situations, including former FARC members. From this point of view the risks of “Gota a Gota” are considerable: private loan sharks prey on the end customers of microfinance institutions or ensure that end customers who have taken out a loan from both the bank and the “Gota a Gota” market get into debt due to the usurious interest rates of the unregulated market and are thus no longer able to repay the regulated loan to the bank.

Compared to these disadvantages of the cap of interest rates, the opportunities that arise from competition with “Gota a Gota” (namely that traditional banks could be forced to make their products more attractive, for example by keeping interest rates as low as possible) can be considered as neglectable.

From this the following recommendations can be derived to improve the performance of the Colombian financial market, to avoid direct violence through the loan sharks and to enhance the system of microcredits with a view to the reintegration of former FARC:

1. Detecting the demand for small microcredits in particular

The state should measure the extent to which there is demand for specifically small microcredits both, of the general population and of former FARC members. To do this, the government could cooperate

with microcredit institutions that would survey their end customers. Ideally, the demand for smaller microcredits among former FARC members should be determined. The governmental regulation could or should allow a spread within the gap of interest rates, i.e., a higher gap for very small microcredits up to a special level as they are more expensive for the financial institutions.

2. Covering the micro finance institutions' (MFI) risk of default by the state for small microloans

If there is a significant demand for specifically small microloans, the state should subsidise those MFIs offering such a financial product. Through that it would be still affordable for banks. This state subsidy could, for example, take the form of public guarantee funds offering a special guarantee for MFIs that offer small microloans. In this way, the state could help to maintain the MFIs' risk coverage ratio. This ratio indicates how much of the risk of loss due to default is covered by the MFI. This risk of non-repayment increases the smaller the loan which is why the risk coverage ratio must be higher the smaller the loan is, which is why especially small microloans are more expensive for an MFI.

These measures for offering particularly small microloans could be used to include former FARC members, who have a particularly small business, as well as those who might not trust themselves to take out a larger loan. In addition, by these recommendations MFIs that are sceptical about repayment by former FARC members could offer a product with a risk that is no higher and where the amount of money is very small. In this way, trust could be built up with a small amount to start with. Furthermore, these measures have the advantage that a state-subsidised risk coverage ratio increases the attractiveness for investments by international lenders, because a high-risk coverage ratio means a safer investment. This in turn would decrease the lack of liquidity in the Colombian financial market.

8.2 Network and programmes in the Colombian financial market regarding microcredits

The analyses of the network and programmes in the Colombian financial market to reintegrate former FARC members turns out that microfinancing is by no means an unestablished idea in Colombia. On the contrary, looking at the supply side, there are numerous programmes and experiences of MFIs and the state with microloans. For example, the state-owned Banco Agrario offers a variety of these products and has branches throughout Colombia, with various public guarantee funds already in place to provide financial security. The networking of individual providers, such as Grupo Bientarion as a shareholder of SOFIs, also implements state programmes and offers training for microbusinesses, among other things.

An example of a well-functioning network among providers is the experience of the interviewee IP3 who, as a customer of his microfinance institution Caja Social, was recommended to another provider, namely the Confiar cooperative, which could better satisfy his product needs: “[...] [Caja Social] offered me more credit. Even when I didn't want to take it, they offered me another one from another bank, which is a financial cooperative called Confiar. And yes, I took it from Confiar” (quote 29).

Further, Bancoldex, with its online platform for end customers, which allows them to see the entire range of products and services, also strengthens the microfinance market. FINAGRO, with its debt relief programme during the coronavirus pandemic, and Confiar, with special offers for the FARC, showed that there are definitely ways to protect the weakest in the financial market by adapting products. It turns out that networks are also present on the demand side, i.e. between former FARC members. The interviewees IP1 and IP3 have both implemented their business ideas and built up their business know-how through word of mouth and with the help of their networks with other former FARC members. IP1: “[...] a fellow [former FARC [...]] gave us the gift of learning how to make food products⁸ and gave us some classes at no cost [...]” (quote 1). IP3: “Well, I found the [micro business], because...I was working somewhere else, in the Transmilenio [bus company] and one of my colleagues was also a peace signatory. We were in jail together; we were acquaintances there and he told me about the [micro business]. And he found out about it from another colleague who was also a signatory” (quote 2).

Word-of-mouth recommendations among former FARC members about financial service providers and products also play an important role in the use of existing offers as showed by IP1: “Yes, I have recommended several people [to take a microloan] [...] and they have gone even yesterday a colleague who was in weapons, so he wants to take out a loan and I took him and presented him to the institution, and they are already acquaintances of mine who operate [...] I went and presented him as reinstated” (quote 3).

Furthermore, the experience of IP3 shows that the broad network provided mutual support for victims of the conflict. He reports that his project has grown to such an extent that it has strengthened and enabled more than 150 other projects run by people affected by the conflict. In a cultural institution IP3 sells the food products he produces with his former FARC colleagues, as well as other products like vegetables from poor farmers or meals prepared by displaced women from northern Colombia: “We have projects for signatories, we have projects for victims of the conflict, we have projects for small farmers who have products, but no one to market them, they have nowhere to sell them. So, they bring them to [...] to the cultural institution and sell their products there” (quote 37).

These networking structures represent a clear opportunity for the reintegration of former FARC members with the help of microcredits. This leads to the recommendation:

3. State-organised conferences with providers and former FARC members

First, the network should be strengthened by the state through regular exchange and knowledge transfer. This could be done, for example, through state-organised conferences and workshops. In order for former FARC members in particular to benefit from this network, this target group should be explicitly on the agenda at such network meetings. Three types of conferences should be implemented: those in which only the providers exchange ideas; those in which only former FARC members exchange ideas; and those in which providers and former FARC members can network and learn from each other. An

⁸ In order to protect the anonymity of the interviewee, the produced goods will not be discussed in detail and the company names will be changed.

additional option would be to organize conferences where others affected by the conflict and/or other societal actors participate, thus, creating further opportunities for reintegration through networking. The best-practice approach should be followed on the conferences. This means discussing successful programmes, recognising mistakes of the past, and developing future concepts.

This recommendation is underlined by the experience of the interviewee IP1 who became aware of the financial services provider (Confiar cooperative) through a trade fair, met his direct contact there and recommended this institution to other former FARC members. He also became a member of the cooperative, so he took full advantage of the networking opportunities at the trade fair. Furthermore, IP1 tells that networking with many other actors also helped to gain a foothold in society, which speaks in favour of the additional recommendation, namely, to also hold more extensive conferences with various actors affected by the conflict: “[...] many people arrived, and many people are arriving to exchange on different topics [...], the banks, the cooperatives, the politicians, the religions, [...] students [...]. And well, everyone is integrating, which is a good thing for us” (quote 4).

In addition, the following recommendation arises from the existing programmes of the state:

4. Tailoring/expanding existing programmes for former FARC members

Existing programmes should be specifically adapted to former FARC members. For example, the Bancoldex platform, which links providers and consumers, could include a category ‘former FARC member’, which interested borrowers could then select. This would make it possible to filter directly for those microfinance institutions that explicitly offer products and/or programmes such as training for former guerrillas.

A strong network is also helpful for the subsequent distribution of such microfinance or training products. For example, the interviewee IP1 was not familiar with the Bancoldex platform, but instead always obtained information from friends. By using these networks and existing programmes, resources can be saved, the issue of former guerrillas as a target group can be brought to the attention of some providers for the first time, and the trust between the providers and former FARC members can be strengthened. In this way, the suppliers, i.e. the experienced microfinance institutions can allay the scepticism of those who have not yet had any experience with former FARC members. The inexperienced microcredit institutions would benefit from this, as they would be able to expand their customer base, and the experienced ones would also benefit in the long term, as regions could become more stable by offering an alternative to poverty and open direct conflict with microcredits to former FARC members. Also, the demanders, the former FARC members, would benefit from these networks and programmes because it opens up opportunities for collaboration, allows them to express their needs and get an overview of what is supplied on the microfinance market.

8.3 Market competition of microloan suppliers

The market of microloans in Colombia is characterized by a large number of suppliers and a remarkable competition between these suppliers. The question is which are the consequences of this remarkable competition for the reintegration of former FARC members in terms of providing them with microloans.

Overall, there is a wide range of microcredits from various kinds of actors on the Colombian financial market with striking competition amongst them. On the one hand there is no doubt that effective competition between different types of microcredit providers brings certain opportunities. For example, it leads to more innovation, such as the expansion of the microfinance infrastructure through technological solutions like online banking or digital lending; to the adaptation of products to customer groups; to greater efficiency and thus to cost reductions through savings and to better conditions for end customers; and to an increased customer orientation.

On the other hand, as the market for microloans becomes more saturated with providers, the risk of negative consequences arising from fierce competition also increases. Firstly, there is the possibility of borrowers falling into debt, either because microloans are granted too quickly to too many end customers or because microloans are also granted to end customers who do not actually have a good microbusiness concept or use it as consumer loan instead of as productive loan. Smaller financial institutions in particular may try to keep pace with the growth of their competitors by using this method of granting microloans, which is too rapid and ineffective. Secondly, there is a risk that microfinance institutions will be weakened by having to lower and lower interest rates to keep up with the competition, so that in the end they no longer make enough profit and can go bankrupt. Thirdly, if the microfinance market is oversaturated by suppliers, the institutions that dominate the market are those that are strong and more profitable and are able to offer lower rate of interest thus outcompeting microfinance institutions with a social focus. This also leads to a distortion of the market and, in the worst case, to an undermining of the credibility of the microfinance market. This undermining can be caused, on the one hand, by disreputable microfinance providers who maximize their profits and ignore the social mission of microloans. Or, on the other hand, this could be done by untrustworthy end clients and such without good business concept. They could enter the market, fail, and get victims of “Gota a Gota” but had been accepted by the finance institutions due to the high level of competition. This, in turn, can lead to microentrepreneurs and those affected by poverty no longer seeing microcredit as an opportunity and international donors will no longer invest in the market. Fourthly, cutthroat competition can lead to the commercial market becoming unstable because the social focus is lost, end customers can no longer repay their loans and in the end, debt leads to greater poverty and conflict than before.

The conclusion of these risks and opportunities of severe competition on the financial market is that the Colombian state should allow a certain degree of competition but prevent an oversaturation of the microfinance market on the supply side, so that microcredits (continue to) be successfully used as a reintegration measure for former FARC members in order to promote positive peace. Three recommendations can be derived from this, which all simultaneously promote regulation to protect consumers on the one hand and fair competition between providers on the other.

5. Artificial statal market distortion through targeted subsidies for microcredit providers with a social mission and for those lending microcredits to former FARC members with the help of a rating system

To avoid oversaturation on the supply side, the Colombian government should continue to regulate the microfinance sector. Furthermore, it would make sense for it to provide targeted subsidies to those MFIs which, firstly, demonstrate a general social mission and by that strengthen positive peace. And secondly, to those MFIs which offer microcredits explicitly to a set number of former FARC members. In order to be able to determine which MFIs are particularly committed to their social mission, a rating system for MFIs with this focus on this should be used in addition to disclosures. This could be done by conducting anonymous surveys of micro-borrowers in general and former FARC members in particular, who should be asked to rate each institution.

However, it would be necessary to ensure that the granting of microcredits to former FARC members continues to be based on a business being self-sustaining. This is important to help that the loans can continuously be repaid by the former FARC members and that the MFIs do not start granting microcredits to any former FARC member, also with a bad business idea, just so that they are subsidised by the state. To prevent this, the subsidy could be linked to the repayment rate. That means that subsidies would only be given to MFIs that grant loans to a certain number of former FARC members and whose repayment rates are at least 96 percent, for example. However, care would have to be taken here to ensure that the repayment rate presented does not in turn lead to micro-borrowers being put under undue pressure to repay their loans. The above-mentioned rating system can be used to counteract this. This would mean that only MFIs that can demonstrate a certain repayment rate in combination with a good customer rating would be subsidized for granting microcredits to former FARC members.

In addition to the results of the empirical market analysis, which shows that there is a large supply in the microfinance sector in Colombia, the interviewees also confirm this impression. However, IP2 emphasizes that in addition to a large supply of microcredits, there is also a large demand that should not be neglected which supports the recommendation of a fundamental maintenance of the broad supply: “Yes, of course, there is a supply, but then it is a country of many needs, the demand is very high” (quote 5). And IP1 confirms that the support of small entities by microloans plays an important role for reintegrate former FARC members: “Yes, they are doing a role, well let's say good. Even though they are a small entity, but they are doing good things for the reintegration of us into normal life” (quote 27). Furthermore, IP2's experience with a private profit-maximizing provider shows that the approach of strengthening MFIs that pursue a social mission makes sense: IP2: “Well, there is no trust there, it's beneficial” (quote 6).

Furthermore, the statements of the respondents support the idea that a rating system of MFIs that provide microcredits would make sense, since negative as well as positive experiences, as reported by the former FARC, would be made transparent. Like IP1, for example, who had a generally positive experience and in particular noticed an improvement in reintegration as a result of the microloan received and the conditions attached: IP1: “But we have also talked about, if there is the need to take out another loan, then it was from the same cooperative or from Banco Agrario.” (quote 26) IP1: Or IP3 who also had some rather negative experiences by exerting a great deal of pressure through the institution when it came to

repaying the microloan: IP3: “[...] and for example, if you have the payment... because you set the date, when you can pay [...] And as soon as 3, 4 days are missing, then they are already calling you to pay. So, I see that as a bad thing, because if my deadline, for example, is the 20th, they have to wait for me to pay them on the 20th. [...] Yes, there was a lot of pressure” (quote 28).

The next recommendation concerns positive incentives for the institutions to consider former FARC members as recipients of microcredits.

6. Promoting microcredits for former FARC members as target group

Combining with establishing an artificial market distortion the government could achieve supplying microcredits especially to former FARC members. By promoting this, the government for example could stimulate MFIs to recognise the granting of microcredits to this target group as a unique selling point (USP) in the market and to see this as an opportunity to stand out from their competitors.

The recommendation is strengthened by the fact that there are already financial institutions, such as Confiar, that have recognized the former FARC members as their target group and their USP and that have been successful in this regard as the statement of IP1 shows: “Yes, they [Confiar] know [that we were FARC], because it is a cooperative that gives us, let's say, many invitations to reincorporated personnel that we are. They know that we were in arms. That is why they give us many facilities to take out loans there and link us to that financial entity” (quote 7). And the question of the interviewer in this context “So, you're saying it was a positive thing, that they knew you were FARC?” was answered by IP1 saying: “Yes, of course” (quote 7).

8.4 Microloan products

Based on the wide range of offers and the competition between providers, it is worth taking a look at possible microfinance products specifically for former FARC members. After all, it is not enough to promote them as a target group and as a USP; at the same time, the needs of these consumers must also be identified. This leads to the recommendation:

7. Market analyses, public relations and awareness raising

Promoting microcredits for former FARC members requires to create a baseline of data measuring regarding the demand of this population group for microcredits and the motivation of social participation in the economic life. This should include data about the needs of this potential customer group. This data should then be provided in campaigns and MFIs should be made aware of former FARC members as a potential target group.

A broad market analysis and survey of the needs of former FARC members with regard to microcredits as recommended in number seven would go beyond the scope of the master's thesis. However, the interviews show initial indicators of the problems these people face when taking out a microloan. The perspectives of this target group are important to detect the specific hurdles and measure the manifestations of structural violence from the perspective of the borrowers. They have revealed five main obstacles on the demand side which have to be reduced when taking out a microloan.

First, one fundamental problem that became apparent during the interviews and should be solved is that possibly a remarkable number of former FARC members doesn't have a credit history and therefore has enormous difficulties in obtaining a micro-loan because they cannot provide the relevant documentation. So IP3 said: "[...] they only lent me 2.000.400 (ca. 400 Euro). Because I had no credit line. You know that out there in the bush, I mean I say in the bush, in the jungle where we were, there was no access to credit channels [...]". (quote 10) "[...] we lasted our time in the bush, so we didn't have a credit channel there" (quote 9) and "[the financial institutions] offer according to the credit route you have and the salary you have" (quote 25). And IP1 adds: "The obstacles, that many of us do not have a credit line [...]" (quote 24).

Second, that in addition to the credit route, former FARC members often must present a guarantor who should own a piece of land or a house when they want to take out a microloan. This prevents potential clients amongst the former FARC members from microcredits as IP1 explicates: "There are many requirements for a person to acquire or consult a loan there. That person must have a guarantor and that guarantor must have, let's say, some assets to give you that debt [...]. So, it is not easy in Colombia to acquire a loan. Well, for anything, because there are many requirements" (quote 39). "Or they tell you well, we have credit, but we need a guarantor, but that guarantor must have some assets in that city where you are going to take out some credits [...]" (quote 40).

Third, former FARC members complain that interest rates often are too high, and the repayment period is too short. For the interviewed it was decisive and pure luck finding a bank where they do not to suffer from bad loan conditions and for them it is important that the state tries to improve the loan conditions in general. So IP3 said: "Well, the truth is, it was an experience that I do not advise anyone to withdraw money in this bank because it charges very high interest rates" (quote 11). IP2 adds: "If [...] it was possible that there was an entity that favoured or that there were payment products of very little interest" (quote 13). "Yes, [...] of course it was a good decision [to take out a microcredit]. But with all the interest costs, it is very difficult" (quote 14). "One does not manage to pay off a debt quickly [...]". (quote 15). And IP1 demands: "It is about the government opening up possibilities for populations in the process of recovery, so let's say with very low interest loans in the long term" (quote 12).

Fourth, it can be deduced from the statements of the interviewed former FARC members that microloans for groups and for appropriate projects are perceived as positive. For example, IP1 emphasizes the importance of the collective behind his project financed by microloans. "No, I had no fear or anything because we talked about it in a group, and we ended it as a team that we were going to do" (quote 8). Also, IP3 sees the advantages behind a collective project because more resources are combined, and a larger sum emerges for a larger joint business: "So that's what we start with [...]. But if a single person riding on a project, he does have to have enough money for that" (quote 46).

Fifth, the interviews with the former FARC members show that there is a strong need for both financial and business training. IP2 (together with IP3) for example emphasizes that they did not know how to

produce the food they sell but wanted to work in this business. They then acquired their know-how from other FARC members or people who happened to know how it worked. IP3 knows how important it is to have a good business idea and emphasizes that he would recommend that former FARC members should only take out a microcredit if they have a sustainable project: “[...] training can be added to it. Because not all of us are prepared to administer and manage a company” (quote 17). This also applies the contact with the banks, because “here in Colombia all banks are the same” (quote 20) he mentioned derogatively. IP1 thinks that you need “talent” to choose the right financial product and the right institution and emphasizes the dangers of being uninformed or of a lacking understanding of the financial market. Thus, in particular he sees a power asymmetry in the financial market between supplier and demander due to a lack of knowledge and the associated risk of exploitation or unfair treatment: “Yes, one who deals with banks has to be very cautious to make any kind of money transfer, because when you least expect it, they can sign a wrong paper and you are left without money, or you have to go somewhere else. So, you have to be very talented to manage the banks” (quote 18). For IP1 there is a big lack of necessary information for start-up entrepreneurs within the former FARC community: “There are a plenty of offers. Quite a lot. Especially if one has an account, let's say “Nequi” [an online payment system] to give money to the cell phone, there are offers of loans and that kind of thing, and that's a lot. But no one never tells me if I should make the loans or not, so that's it” (quote 19).

From these five main needs and obstacles which can be interpreted as expressions of structural violence for former FARC members when taking out a microcredit, these recommendations can be derived:

8. Customised microfinance products for former FARC members

Based on the data to be collected the government should use experts and experienced MFIs to design microfinance products specifically tailored to former FARC members, so that the process of adding this customer group to the portfolio is facilitated for MFIs. These financial products should consider the needs of the former FARC discussed above and have the following characteristics:

First, MFIs should waive the credit history of applicants. Since this represents an increased risk for the providers, a state guarantee fund should be set up to compensate this risk specifically of loans for former FARC members. To finance this guarantee, the state could, for example, use the state-owned Fondo Nacional de Garantías. The offer of this guarantee should therefore be available from the moment a demand for a microloan is made.

Second, longer repayment periods should be offered. Although the former FARC members' demand for lower interest rates is difficult to implement since high costs and thus interest rates are in the nature of microcredits due to the high risk and transaction costs. However, this problem can be mitigated by longer repayment periods. The extension of the repayment period could be linked to the current status of the microcredit company. For example, microfinance entities that have only been in existence for a short time, as was the case with IP3, could be linked to a longer repayment period to give them a chance to get started and generate income. Even when more challenging, one way of reducing the debt service, however, would be for example to reduce the risk of a micro-enterprise failing by requiring business

and financial training, as evidenced by certificates, and thus lowering the interest rate and debt service somewhat.

Third, more group loans should be granted. It has been shown that this leads to greater security for the borrower, as it is possible to use swarm intelligence, for example. It also opens the door to social reintegration as a form of positive peace through social cohesion among former FARC members, but also between former FARC members and other population groups in the case of mixed groups, for example with other victims of the conflict.

Fourth, business and financial training should be offered by the state. This promotes economic independence and reintegration and protects micro-borrowers from unfair treatment by the providers. Educational opportunities could therefore ensure that former FARC members are less vulnerable to unfair microcredit conditions, so that the risk of violence being practised through negative influence, as Galtung describes it, can be minimised. It is conceivable that this training could be made compulsory to minimize the risk of non-repayment and thus encourage MFIs to grant loans to former FARC.

The requirement of special microloan products for former FARC members and a special treatment of these clients is impressively shown in the interviews e.g. by the statement of IP3: “[...] we spent our time in the bush [...] So what happens? When the government and the General Staff of the FARC made the peace agreement, it would have been stated that [...] we were normal citizens like any other, you know what I mean? And that the banks would lend to us normally, like any other citizen. As if there was not this obstruction for us [...]” (quote 21). That means that on the financial market the former FARC members were treated like normal Columbians but did not have the needed knowledge and therefore suffered from particular obstacles. Both the necessity of microcredits and the wish of a suitable configuration of the loans is expressed by the statement of IP2: “Demand forces people to take out loans and get into debt (quote 48) [...]. Yes, of course [it would not have been possible to develop the business without microcredit] (quote 49). Because I had no resources [...] since we are all in need, we must do it” (quote 16). And IP1 emphasises: “Well, let's say there are better options [than microcredits theoretically]. [But] we have to do it because there is nowhere else to start from” (quote 35).

This leads to the finding that former FARC members should be given further support for the disbursement of microloans and to the following recommendation:

9. Deployment of financial advisors for former FARC members and building tandem network

The state should train so-called facilitators to act as specific points of contact and supporters for the former FARC members. Although advisors have already been deployed in accordance with the peace agreement in 2016, they should also be trained in financial inclusion with a focus on microfinancing. These advisors should act as a kind of bridge between the financial institutions and former FARC members. It is important to establish a basis of trust and to provide constant support until the moment when a microbusiness has been set up. On the one hand, these advisors would save the MFIs costs, as the risk of non-repayment would be minimized, and customer support reduced. On the other hand, in addition to financial education, the facilitators could also help with the aforementioned feeling of being

overwhelmed by the wide range of options and the former FARC members' lack of trust in financial institutions. As a further step, a tandem network could be established in which former FARC members who run a successful microbusiness and have experience in taking out microloans serve as contacts for those of this population group who are inexperienced.

The necessity of facilitators is expressed by the situation described by IP1: “[...] we meet with different companions, and we talk about the economic situation, the political situation, well, the situation we are going through. And many times, since we have a certain degree of trust, we tell each other what the value is of each one of us. And some of them need to produce [...] let's say, cocoa, to start an avocado farm, or to start a beekeeping or poultry farm, but there are many who have the idea of taking out loans. But I don't know of anyone who has actually taken out a loan” (quote 38). Furthermore, the positive experience with such advisors is proved by the statement of IP3: “We were placed with facilitators who explained to us about civilian life, about reincorporation. They explained to us how they were going to continue and how the process was going to be, how it was going to continue...how to continue after the peace agreement” (quote 23) “[...] the facilitators took me and helped me to open the account” (quote 22).

8.5 Individual microloan providers

To evaluate and to improve the supply of microcredits both in general and for former FARC members it is important to regard separately the individual microloan providers because they often differ, and they are characterized by particular strengths. Regarding the access to former FARC members most providers of microcredits have certain advantages and disadvantages. For example, INFIs are particularly good at strengthening decentralised municipalities, but they lack transparency in their activities. CACs are insufficiently controlled, but they play an important role in the participation of the population, particularly in rural areas, and thus represent a significant opportunity for the former FARC members to achieve reintegration. Individual microfinance institutions also offer an important opportunity for reintegration, as they are experienced and particularly active in rural areas where former FARC members live, poverty is particularly severe but where there is often little or no financial infrastructure. At last individual microfinance institutions offer particularly small microloans which helps those, having a very small business. Public banks, especially Banco Agrario with its broad network, also offer opportunities for the reintegration of former FARC members, since the state can influence them, and they have an enormous reach with their branches. Nevertheless, the loans offered by public banks usually are bigger and exclude those who recently started their business and need a smaller loan. This results in the following recommendation regarding individual microloan providers:

10. Subsidies and/or support for financial products for specific providers with potential

Instead of creating new providers, the strengths of the existing individual providers should be utilised. It is therefore recommended to particularly support these providers through the state, whether it be through subsidies or through state offers such as a customised financial product or training for former FARC members, which represent a great potential in supporting the reintegration of them with

microcredits. The necessary condition for utilizing microcredits as an effective instrument to reintegrate former FARC members is that these financial services are accessible everywhere, therefore those providers that also operate in rural areas should be strengthened first. These would be, for example, Banco Agrario with a large network and a bit bigger loans or institutions specialising in microfinance with a lot of experience in particularly vulnerable regions and with particularly small microloans. In addition, CACs should be supported by the state because they play an important role in participation beyond the financial. In order to create a generally broader offering from public-sector providers, it should also be considered that SOFIs such as Bancoldex or partially public entities like FINAGRO, in addition to the FNG, are able to acquire new customers and not just provide existing customers with microloans as they already have a network of branches (see chapter 7.1.4).

Thus, by supporting specific actors or groups of actors, the state would be able to cover financial access in all regions, including in conflict-ridden municipalities where open violence prevails involving FARC dissidents (see also below 8.7). Also, it would ensure greater participation and social inclusion if CAC were supported since in this type of institution borrowers are also members and have a democratic right of co-determination.

8.6 Other recommendations

Besides the market, its structure and its deficits described above, there are other important issues to be considered regarding microcredits for former FARC members. The conducted interviews are valuable source for this. For example, all interviews show that there might be a stigmatization of former FARC members by financial institutions. All three interviewees complain about prejudice against former FARC members and about the resulting hurdles to being accepted as a customer and obtaining a microloan. So IP1 says: “[...] there is still stigmatization of us in Colombia. So, it is difficult for us as ex-combatants to get a loan [...] there is a lot of distrust in us, and many people distrust us. So, we lend you money and tomorrow you disappear... so it is always difficult for us to get a credit” (quote 41). IP2 confirms: “[...] there is the stigmatization for having been one of the FARC” (quote 47). And IP3 illustrates: “The banks do not give credit to all the signatories. There are very few, that is, very few people who have given us credit. Not to all the signatories. No, because just because they are signatories. That's enough for them not to lend. They put in the ID cards and with the ID cards they know if they are signatories or not. As soon as they see that they are signatories, they go back [...]. We are registered” (quote 42). This kind of discrimination through stigmatisation can be seen as a hidden form of violence (see chapter 2.4). Thus, according to Galtung, it would be cultural violence that manifests itself, for example, in the way people communicate word-for-word, symbolically or through their ideological views. In this case these people are the respective lenders or their officers who in this way legitimise or conserved the structural violence by the financial exclusion of former FARC members.

To reduce and minimize this cultural violence that exclude former FARC members from the financial system simply because they had belonged to the FARC, it is to recommend:

11. Payment of a state premium to financial institutions that grant microcredits to former FARC members plus trust building

On the one hand, the change of the policy of the financial institutions could be achieved by incentivizing them through a state premium for paying out microcredits to former FARC members. Of course, a business with good prospects as the base of a credit remains essential. On the other hand, prejudices on the part of employees of the financial institutions towards former FARC members could be reduced by trust-building measures like the above-mentioned conferences, workshops, or similar events with all stakeholders inclusively former FARC members to create closeness also as form of personal peace building. Another way to reduce prejudices against former FARC members on the part of financial institution employees would be to use the state facilitators recommended in a very early phase of the initial business contact. These would act as direct supporters of the former FARC members or as a kind of state mediators between the stigmatized and the employees of the financial institution.

Another hurdle for the economic reintegration of the former FARC members, which emerged from the interviews, is the problem that they do not have buyers for the goods they produce due to the lack of trade channels. IP3 for example explains “[...] we have a project for small farmers who have products, but no one to market them, they have nowhere to sell them.” (quote 44). To solve this problem IP1 wishes “guarantees” to ensure sales: “And also that, for example, if it is a question of the countryside, to give guarantees in the production of different products. And also, the guarantee to commercialize what is produced in the regions, not only for us as signatories of peace, but for all the population living in the region” (quote 45).

This leads to the recommendation:

12. Initial state purchase guarantee

The state – at least initially - could guarantee the sale by purchasing the goods produced by microentrepreneurs. This could take place by establishing a trade facility/channel until private actors recognize the business and are able to substitute it. In concrete terms, this means that the government would buy the goods and then resell them on the market. That is, the costs of transportation and distribution would fall on the state, or the producers would share these costs with the state, or the producers cover them entirely. In the long run the state should reduce the purchase guarantee to avoid overproduction. After a certain period not only private actors but also the producers themselves can manage the sales for example by founding a sale or a transport cooperation. In this way, greater security and stability can be achieved both for micro-borrowers especially like former FARC members who start e.g. agricultural micro-enterprises and for financial institutions that granted them a micro-loan.

In the 1980s, for example, the European Community (EC) guaranteed its farmers the sales by a fixed price for milk and butter that was higher than the world market price. Then the EC reduced the price by subsidies below the world market price and sold the milk and the butter for example to Non-EC costumers (MIV Milchindustrie-Verband e.V. 2025). From 1919 to 2017 state purchase guarantees or

obligations concerning the production of potable alcohol existed in Germany in the form of the so-called Federal Monopoly Administration for Spirits (Bundesministerium der Finanzen 2024).

8.7 Regional coverage

In the last section of this chapter, the **geographical regions** are to be analysed regarding the real coverage and potential lacks concerning the supply of microcredits. The recommendations derived from this are based and focussed on the analyses of the municipalities above regarding the disbursement of microcredits, the FARC dissidents and the ETCRs. The aim is to identify municipalities where there is a particular need to promote the granting of microcredits to former or reactive/still active FARC members and to which extent this should be done. This is also to increase and ensure the efficiency of state promotions in order to generate or strengthen positive peace in the whole country.

Amongst the 132 municipalities found above to be distinguished in order to derive the extent of the promotion of microcredits for FARC persons it is recommended to form five groups (A-E). The affiliation to one of these five groups depends on the coverage by microloans as described above (zero; low = more than zero but less than or equal to 6 microloans per 100 inhabitants; middle-range = from 7 to 10, high = from 11 to 63), on the existence of FARC dissidents, and on the existence of ETCRs. For each of these five types of municipalities the following recommendations regarding the support and the promotion of microloans are given.

A detailed description of all the municipalities identified, including recommendations for action, can be found in the appendix (page XXII) in tabular form.

*13.1. **Very high** support and promotion for municipalities of type A (FARC dissidents, low microloan disbursement, no ETCR)*

The analyses found 67 municipalities with FARC dissidents, zero or low microloan disbursement and no ETCR. For those 67 municipalities a reinforced support to offer microloans for FARC persons is very highly recommended and especially useful as many FARC dissidents live there, for whom it is particularly important to create alternatives to guerrilla activities to promote positive peace, reduce poverty and strengthen the economy. By specifically supporting this group, it can be achieved that those former reactive or still active FARC who have no hope or perspectives join those FARC who have opened to a new path by signing the peace treaty. As there is almost no disbursement of microcredits in these regions and there are no ETCRs, there are currently few alternatives to guerrilla activities for FARC dissidents because two important reintegration measures to join a peaceful path are not applicable: microcredits and ETCRs.

*13.2. **High** support and promotion of microloans for municipality of type B (FARC dissidents, low microloan disbursement, ETCR; FARC dissidents, medium range microloan disbursement, no ETCR)*

28 municipalities were identified where these conditions prevail. For these 28 municipalities the promotion of microcredits is highly recommended. Here, on the one side there are FARC dissidents, but only low disbursement of microcredits like in Type-A municipalities. An ETCR exists which means that there is at least some kind of reintegration offer for FARC people but without any positive effects on the

disbursement of microcredits. On the other side these 28 municipalities include locations with a slightly better disbursement of microloans but finally the lack of the ETCRs is the reason to a strong support of the microcredits as these loans represent the only option for reintegration here.

13.3. Moderate support and promotion of microloans for municipalities of type C (both with and without FARC dissidents, medium range microloan disbursement, ETCR; no FARC dissidents, low microloan disbursement ETCR)

Nine municipalities were identified where these conditions prevail. In comparison to the municipalities of type A and type B, a special promotion of microcredits for these nine municipalities is moderately recommended. The (non-)existence of dissidents, the slightly better disbursement of microcredits and the existence of ETCR should be considered as a valuable base to increase the microcredits because here, on the one hand, the concept of microcredits seems to be working, but should be expanded; and, on the other hand, the ETCR indicates, that although there is already another pillar to the medium microloan offer, it is likely that other former FARC members, in addition to the dissidents, live there and could be potential borrowers in order to maintain their willing of a peaceful path.

Here, too, municipalities are included where there are no dissidents, but the disbursement of the microcredits is very small and there is an ETCR available. Therefore, the strengthening of microcredits is moderately worthwhile. This is because it can be assumed that there are other former FARC members living in the municipalities and that an additional offer alongside the reintegration centre would be beneficial, as more microcredits offer them to set up their own business outside of the ETCR, to tell others about it or to open a business together.

13.4. Little support and promotion of microloans for municipalities of type D: (FARC dissidents, high microloan disbursement, no ETCR).

22 municipalities were identified where these conditions prevail. For these 22 municipalities a special promotion for microcredits is little recommended currently because of the already granted microloans there. This does not mean that in the long term, after other regions have been strengthened, further promoting microloans would not also be useful in these 22 municipalities.

13.5. Very little support and promotion for municipalities of type E: (both with and without FARC dissidents, high microloan disbursement, ETCR):

Six municipalities were identified where these conditions prevail. Here a special promotion for microcredits is very little recommended. Although many FARC dissidents live there, many microcredits are already being distributed and an ETCR is also in place. This means that in these municipalities, two important framework conditions for economic inclusion are theoretically in place for the time being. This is also, where no FARC dissidents live.

Summarizing the regional factors the analysis shows that the state should promote and support the granted microcredits in Columbia in certain regions and particularly in the municipalities of type A and B followed by type C. It is important to set certain priorities in order to use the available resources in the right places to promote peace, since Colombia is a large country with many different population

groups. Furthermore, there is the problem of rural exodus in Colombia due to displacement and a lack of opportunities. Thus, by offering active or inactive FARC members in the respective municipalities alternatives through microcredits, not only would positive peace be strengthened, but also displacement, i.e. open, direct violence which refugees often experience, would be reduced.

The problem of rural exodus is concretely described by IP1, who would actually like to return to his home municipality rather than living in Bogotá if there were economic opportunities in his area of origin: “To live (in my home of origin), well, as long as there are no conditions, let's say, to go out there as a producer, let's say to settle in a region to produce beans, sugar cane or whatever, I wouldn't like it. If there are possibilities, yes, but not now, because one is where there is work, where there is food and where one can live well. But if there is absolute poverty, then one looks for a place where it is easier to produce food, where one can sell goods. So, that is why there are so many displaced people in Colombia because there are no conditions, so they migrate to other places and the fields are left unoccupied. Hunger is seen more in the cities because all the people leave for the cities, others leave for irregular groups, delinquents. So, these are the consequences of poverty” (quote 36).

There are various ways to strengthen the granting of microcredits in these regions. However, it would be important to first find out why more or fewer of these loans are granted in certain municipalities: Is it due to the (non) availability of the offer? Is it due to a lack of information among the population? Is it due to a lack of adaptation of the product to potentially interested parties? Once these questions have been clarified, it will be much easier to ensure that more microcredits are granted in the recommended municipalities. Subsequently, the state can explicitly apply the above recommendations to the regions, strengthen microcredit providers that are active in these municipalities, and ensure that the infrastructure for the provision of this product is in place.

Overall, the empiric analysis of the financial market in Colombia regarding microloans as well as the interviews show that microcredits can definitely be seen as an option for the reintegration of former FARC members and that the demand side has been able to derive fundamental positive benefits from this product. IP3 for example says: “I don't regret the loan I took out because with that I bought the lot I have, and the lot is gaining value. Every day it is gaining value” (quote 30). And IP1 confirms: “Yes, of course it was an idea because without the loan we would have remained, let's say tied up in the development of the activities we do here in production” (quote 31).

These benefits are not only felt at the individual level; it has been shown that microcredits have a broader impact and can have an economic effect on the municipality level. This could be seen, for example, in the network that IP3 was talking about, whose project strengthens 150 other projects by victims of the conflict by selling their products or employing displaced as cooks in their cultural institution, as described above. Thus, in this way, entire structures of society become more just and inclusive, which means that positive peace is strengthened.

However, the microfinance products must be used and adapted in the best possible way, as suggested in the recommendations. While the respondents do not regret taking out a microloan and it has also been

of long-term economic benefit to them, there are still doubts and areas of dissatisfaction, as well as potential for improving this reintegrative financial tool. What is striking, however, is that they do see microcredit generally as a possible solution to improve their economic situation and integrate into society, but they emphasize that the state has a very important role to play in this. Both the positive effects, the complexity of microfinance and the important function of the state are well shown by the statement of IP1: “Well, let's say there are better options. But since we don't have the resources, we have to make these credits for different projects, be it for agriculture, industry or research. So, we have to do it because there is nowhere else to start from [...] the governments have not provided this possibility before. So it is, let's say, an option” (quote 32). IP2 emphasizes this, too: “The government can resolve these obstacles. As long as there is a democratic government. That has a good thought with humanity, with people who need some [...] loans” (quote 34).

These quotes show that it is definitely desired that the state takes initiatives and interferes in market developments. This supports the recommendations made in this chapter – a general admission of competition, but at the same time regulation and state intervention in the financial market regarding microloans. And it is also shown by the interviewees that structural violence can be seen as a ‘process with ups and downs’ (1990:294), as Galtung described it. The state therefore has the opportunity to use the recommendations to influence this process, to reintegrate former FARC members, to ensure that they can fully develop as human capital and that positive peace can be strengthened as a result. It can also minimise inequalities as microcredits to former FARC members as vulnerable and poor population strata would increase their disposable income per capita, the household expenditures per capita or consumption expenditures, decline the Gini Coefficient and/or increase the equivalized disposable income among this population group.

9 Conclusion & Outlook

This master's thesis addressed the question of how microcredits can be utilized as a reintegration measure for former FARC members in Colombia to promote positive peace. To answer this question the master's thesis first cleared theoretically in what way and what extent financial instruments can be measures to peace building in a society in general. Then the market of microcredits in Columbia focussed on former FARC members was examined to describe the importance of this instrument for this group of people and to find the strengths and weaknesses of the supply side of this market. The results were broadly discussed, and 13 recommendations were derived which could help to improve the provision of the former FARC members with microcredits in general and with adequate micro financial products in particular. Concrete recommendations are characteristic components of the pragmatic and transformative approach, which aims to get to the bottom of complex issues and is change-oriented. In lack of representative surveys on the demand side and on the actual use of microcredits by former FARC members three of them who received microloans were interviewed to reflect, modify, and complete the recommendations and the findings before.

The theoretical base in this master's thesis to justify the use of microcredits for peacebuilding within the society are the theories of the renowned peace and conflict Norwegian researcher Johan Galtung. The central point of his considerations is the concept of positive peace which he sees as a sustainable peace that goes beyond a ceasefire and which is based on social structural justice and equal distribution of resources in a society. This kind of justice, namely the structural justice, is not prevailing in a status of structural violence, which is another of Galtung's concepts and is in the focus of this master's thesis. These considerations of a positive peace which goes beyond the absence of open conflict found their public echo by the Pakistani economist Muhammad Yunus by being awarded the Nobel Peace Prize 2006 for his idea of global redistribution of resources from industrialized to developing countries by microfinancing. In this context Yunus saw precisely the positive peace described by Galtung in the financial inclusion of vulnerable population groups affected by poverty.

Against this background it turned out that addressing the concept of microcredits in Colombia is both appropriate and timely regarding the FARC topic. Colombia is in a crucial (post)conflictual phase. Since a peace agreement between the FARC and the government was signed in 2016 for the first time after 50 years of civil war, practical measures are now needed to provide the signatories of the peace agreement with concrete prospects and alternatives to the resumption of arms. Under these circumstances micro-loans to former FARC members are one of the welcome measures here. They not only ensure that former FARC members can build up their own business as microentrepreneurs, but also support their financial and social inclusion.

The analyses of the financial market showed that the necessary conditions for the use of microfinancing as a broad instrument to focus also on former FARC members are in place. There are numerous providers with different legal forms and different areas of focus, and there is both state regulation and competition between microfinance institutions. However, the financial market also has gaps, both in terms of microcredits in general, such as the lack of distribution of microcredits in some regions of the country, and in terms of the granting of microcredits to former FARC members in particular. In this regard, it became apparent that the Columbian microfinance institutions and the regulatory system have not yet, or only partially, adapted to grant microcredits to this special group of population to strengthen the reintegration. The deficits go from an inappropriate structure of interest rates and missing to the lack of know-how on the demand side. In particular the interviews showed that there are special hurdles on the part of former FARC members to get over, like the missing of a track record concerning credits received in the past or not being accepted as customers because of former activities as guerillas.

These findings led to 13 recommendations the master's thesis derived from the exploration of the Columbian microfinance market focussed on former FARC members and from the interviews with three of them. Here, the state plays a decisive role to combat structural violence in form of financial exclusion. I.e. the government can and should use the available resources and instruments through targeted measures in the form of financial incentives like subsidies and premiums, network formation, trust building or artificial distortion of competition. Furthermore, a special analysis of this master's thesis found

municipalities where to promote and support the microcredits more or less. Regarding these recommendations, it could be possible to use microfinance more specifically, efficiently, and successfully for the reintegration of former FARC, thus providing them with alternatives to guerrilla activities and ultimately strengthening the positive peace in Colombia, also by reducing of inequalities additionally. Insofar, this master's thesis tries to provide new perspectives on the reintegration of former FARC members with the help of microcredits to promote social positive peace.

However, due to the framework to be adhered to, this thesis also has certain gaps. Although the methodology covers empirical, quantitative, and qualitative research, it should be mentioned that in order to make a representative statement about the demand side, i.e. the former FARC members with regard to microcredits, a larger survey would have had to be conducted, which would have required more time and economic resources. The three interviews only allow for an inductive conclusion, i.e. from the individual case to the general. Furthermore, the interview partners had similar demographic data: they were three men of similar age without children. The perspective of women, for example, would have provided further insights, for instance if they had a family to feed with her business. Despite great efforts, it was not possible to find interviewees in Colombia with diverse demographic data. However, it was feasible to interview two former FARC members from the Cauca and Chaquetá department, where the granting of microcredits is quite typical, which strengthened the inductive conclusions.

Another gap in this work can be found in the analysis of the Colombian financial market. Due to a lack of literature, non-transparent figures from microfinance institutions and the given framework of the master's thesis, the specific microfinance products of the providers could not be analysed in detail and an overview of the interest rates, repayment periods and requirements for obtaining a microloan is missing. This information would be interesting, as it would allow the recommendations for adapted microfinance products for former FARC members to be more detailed.

Only if all population groups are economically and financially integrated, thereby reducing inequality, this important source of structural violence will be diminished and, in the long run, positive peace will be established throughout Colombia. Microcredits specifically and adequately targeted at former FARC members can contribute to this.

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11 Appendix

declaration in lieu of an oath

Isabel Böhmer
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I hereby affirm in lieu of oath that I have prepared the present thesis independently and without unauthorized help of third parties and without using any other tools and means than the ones indicated and that I have marked all verbatim and content-related quotes taken from the used works. In particular, I affirm that I have not made use of any help in return for payment offered by agency or advisory services (doctoral consultants or other persons).

Düsseldorf, 25/01/2025

A handwritten signature in blue ink that reads "Isabel Böhmer" followed by a horizontal line extending to the right.

(Isabel Böhmer)

TABLE 5. Inequality by region, 1820–2020 (top 10% income share).

	1820	1900	1950	1980	2020
World	50%	60%	55%	56%	55%
East Asia	46%	51%	37%	59%	44%
<i>incl. China</i>	46%	51%	27%	28%	42%
<i>incl. Japan</i>	45%	47%	28%	35%	43%
Europe	50%	54%	35%	30%	36%
<i>incl. Great Britain</i>	50%	56%	33%	30%	36%
<i>incl. France</i>	49%	50%	34%	28%	32%
<i>incl. Germany</i>	47%	53%	30%	29%	38%
Latin America	53%	57%	58%	55%	55%
<i>incl. Brasil</i>	53%	55%	58%	55%	57%
<i>incl. Mexico</i>	54%	55%	58%	53%	59%
Middle East and North Africa	53%	56%	53%	67%	57%
<i>incl. Egypt</i>	53%	58%	61%	51%	49%
<i>incl. Turkey</i>	53%	54%	55%	55%	51%
North America	42%	40%	39%	34%	45%
<i>incl. the United States</i>	42%	40%	39%	34%	45%
Russia/Central Asia	45%	48%	27%	26%	46%
<i>incl. Russia</i>	45%	48%	27%	26%	46%
South and Southeast Asia	47%	52%	39%	46%	54%
<i>incl. India</i>	48%	54%	35%	32%	57%
<i>incl. Indonesia</i>	41%	42%	46%	40%	41%
Sub Saharan Africa	49%	54%	55%	58%	56%
<i>incl. South Africa</i>	49%	53%	53%	47%	65%

Interpretation. In East Asia in 1980, the top 10% income share was equal to 59% of total income.

Sources and series: Chancel and Piketty (2021). See wid.world/longrun.

Chancel, Piketty 2021 - Global Income Inequality.jpg (Chancel & Piketty 2021:3033)

Top 10 Countries, public microfinance funds ^[2]	Commitments (USD M)
Turkey	2,308
India	2,257
Nigeria	848
Egypt	756
Multicountry (global)	690
Cambodia	688
Georgia	686
Colombia	655
Multicountry (EAP)	609
Brazil	576

public microfinance funds by country (60 Decibels 2023:13)

Interview partner 1 (IP1)

Interviewer: Entonces, puedes decir una vez más, si está bien de grabarlo para que también lo tengo grabado, que está bien para ti.

Excombatiente: Si está bien, puedes grabar.

Perfecto, entonces ya voy a empezar, digan los datos concretos sobre ti. ¿O sea, cuántos años tienes?

Tengo 54 años.

¿Y de dónde eres? ¿De qué departamento y municipio?

Soy del departamento del Tolima.

¿Tolima, listo. ¿Y el municipio también me lo quieres decir o mejor no?

El municipio es Dolores, Tolima.

Ah, qué bueno, he escuchado eso, creo una vez. ¿Y, cuál es tu situación educativa?

Tengo el nivel educativo 11 básico.

¿Y qué es tu estado civil? ¿Tienes familia? ¿Tienes hijos?

No, no tengo familia. Tengo pues la familia, pero no tengo hijos. Familia es bastante. Tengo una compañera.

¿Y tú lugar de residencia actual es Bogotá?

Bogotá, Bogotá capital sí.

¿Estás empleado autónomo o tienes una propia empresa o tienes otro trabajo?

Trabajo en la empresa *Alimentate*⁹.

¿Okay y eres también copropietario de la empresa o estás empleado por *Alimentate*?

Soy el socio de del proyecto (*Alimentate*) y me pagan el del empleado a la vez. Porque, es como que *Alimentate* es un proyecto colectivo de varias personas y las personas que trabajamos ahí nos pagan el trabajo.

¿Es decir que un poco de *Alimentate* es la tuya, cierto como miembro?

Exacto, sí. Es una asociación y hay varios asociados que somos, digamos todo el colectivo somos dueño de ese proyecto. Somos 14 personas del proyecto.

¿Y en qué, en qué año te uniste a las FARC?

Bueno yo ingresé a las FARC en el año 1986.

¿Y también firmaste el acuerdo de la paz no es cierto?

Sí, soy firmante.

¿Y eso fue en 2016 o cuando fue?

⁹ In order to protect the IP, the name of his business in the food industry will be fictive (*Alimentate*).

Sí lo firmé en 2016.

Okay, perfecto. Ahora voy a preguntarte algunas cosas sobre el préstamo que recibiste. ¿Cuándo pediste un préstamo? ¿La primera vez en qué año fue?

Eso fue el año antepasado que es 2022. Y sacamos de un préstamo, pues lo saqué a mi nombre, pero el préstamo es para el colectivo, para resolver todos los demás de *Alimentate*.

¿Listo y de cuánto era el préstamo, de qué tamaño?

El préstamo fue de 12.200.000 a 18 cuotas que lo estamos pagando en la actualidad – no digo yo, sino *Alimentate* está pagando porque soy su empleado para resolver necesidades de *Alimentate* lo terminas de pagar ahorita en este próximo diciembre.

¿Okay es decir que si tú no puedes pagar paga *Alimentate*?

Sí, eso está pagando *Alimentate* porque es a mi nombre, pero está pagando *Alimentate*.

Sí, entonces al final la empresa es la entidad responsable, si, por ejemplo, falta el dinero para reparar.

Sí por ejemplo mañana debo ir a cancelar la cuota a este mes y así cada mes estoy pagando o estamos pagando hasta diciembre que queda la última cuota.

¿Y te parecía que era un monto muy grande o un préstamo muy grande o te parecía muy pequeño o normal?

Pues para nosotros que estamos empezando tenemos muchas valencias, el monto es pequeño. Pero para cancelar eso es importante sientan necesito que lo que nosotros pusimos muy poco. Las ganancias son bastante mínimas y entonces siempre el pago es para nosotros es autopago. Pero en lo que invertimos es algo muy mínima porque las cosas son muy caras.

¿Por qué sacaron este crédito ahora en este momento, para qué lo sacara?

Lo sacamos para pagar impuestos porque estábamos alcanzados con esa deuda y que esos impuestos que hay que pagar como el de IVA (impuesto de valor añadido) y otros que hay que pagar, porque como estamos constituidos legalmente, nos corre todos los impuestos de una microempresa para pagar al DIAN (Dirección de Impuestos y Aduanas Nacionales) y algunos repuestos de las máquinas.

¿Qué máquinas?

Por ejemplo, hay muchas piezas que se quiere reemplazarlas y son bastante costosas, entonces se compran diferentes piezas. Algunos arreglos que se hace también a las máquinas, entonces ahí para eso fue el dinero.

¿Entonces este préstamo fue individual, no fue colectivo, fue solamente de tu nombre?

No, eso figura en el Banco es una cooperativa figura personalmente individual, pero el beneficio fue para el colectivo. Y lo están pagando el colectivo.

¿Y, cómo te ocurrió la idea de negocio de *Alimentate*? ¿Fuiste también una de las primeras personas o te reuniste después, cuando ya surgió la idea de otras personas?

Sí, nosotros los que trabajamos aquí en la producción como maestros, somos fundadores del proyecto. Entonces salió un compañero, nos regaló el aprendizaje y hacernos unos (alimentos¹⁰) y nos dio unas clases sin costo alguno y fuimos ya con los días mejorando. Y ahí estamos en la

¹⁰ To protect the IP, the product is not specified here.

actualidad y produciendo unos buenos alimentos. Y pues eso fue en 2018, octubre 2018. (quote 1)

¿Entonces es bastante joven la verdad no?

Vamos a cumplir 6 años ahorita.

¿De dónde conociste la entidad donde sacaron el crédito? ¿Cómo conociste a esta institución?

Se llama cooperativa financiera Confiar. Es una cooperativa que está, pues al tanto de la reincorporación, entonces está ofreciendo beneficios a la población en proceso de reincorporación, nos invita a las ferias a diferentes eventos que hacen ellos. Entonces pues yo me hice amigo de una señora gerente de la sede cerca de donde estamos ahora. Estuve también en una feria de vivienda que hicieron ellos y que se hizo en Bogotá y ahí estuvo esta entidad. Y pues me pareció bueno que ellos nos ofrecieron un préstamo para vivienda. Tengo un CDT (certificado de depósito al término) para meter mis ahorros allá. Entonces tenía dos ahorros allá y me vinculé también como socio a esta cooperativa. Soy afiliado a esta cooperativa, entonces me hicieron la oferta de un préstamo de 12.000.000 con bajos intereses y a largo plazo y a cuotas muy cómodo. Entonces como teníamos la necesidad en la microempresa le comenté a los compañeros y en el equipo resolvimos y aprobamos que íbamos a hacer el préstamo a esa cooperativa. (quote 8)

¿Ah súper y cuando dices intereses bajos, a cuánto fueron los intereses?

Los intereses en el año y medio suman un total de 1.600.000 creo, en el transcurso de estamos pagando la deuda que es un año y medio.

¿Y sabes el porcentaje?

No, la verdad que no, no sé. Pues eran 12.240.000, 18 cuotas de 775.100.

¿Y la cooperativa está ubicada en Bogotá?

Sí tiene varias sedes aquí en Bogotá y en muchos municipios en Colombia tiene sedes porque trabaja muy de la mano con el campesinado.

¿Tuviste que presentar una garantía para el crédito?

Pues la garantía de este préstamo es los intereses que yo tenía ya en ahorros.

¿Y fue alta o estaba bien para tí?

Estaba bien porque yo tengo ese dinero ahí en el Banco y en el caso de que yo no pudiera pagarlo por alguna u otra razón, entonces ese dinero que yo tengo ahí se pagaría la deuda. Esa es la garantía, pero como no hubo retraso, no han hecho ningún problema entonces mi dinero sigue ahí y nosotros estamos pagando la deuda, normalmente. No había ningún problema ni obstáculo para pagar la deuda con mi dinero, tampoco tuve problema, entonces todo sigue normal.

Muy bien. Cuando yo buscaba el internet encontré a muchas instituciones financieras y me interesa si tú conoces a esas instituciones financieras y también qué piensas sobre ellas. Entonces te voy a nombrar algunas que encontré. (FINAGRO)

Sí. Hay varias entidades financieras. Está el Banco de Bogotá, Banco de la Mujer, Bancolombia, de vivienda. Bueno, ahí hay muchos bancos que hay aquí y también en otros países que prestan plata a intereses e incluso prestan para vivienda y todo eso. Pero yo no me recuerdo exacto,

pero por estarte por aquí que tiene las funciones de bancos más pequeños, pero si tienes casi todo.

Y también vi que tienen muchos fondos de garantía. ¿Entonces yo encontré el Fondo Nacional de Garantías, conocías este fondo?

No, no lo conozco.

¿Y el Fondo Agropecuario de Garantías?

¿Ese es del Banco Agrario?

Es un es un propio fondo, creo que no es del Banco Agrario.

No, no lo he oído.

Y el último fondo que encontré fue el Fondo de Microfinanzas Rurales. ¿Eso tampoco has escuchado?

No lo he oído tampoco.

Está bien. Yo leí sobre eso porque me parecía muy interesante porque ayuda a las personas que no tienen garantías.

¿Entonces me dijiste que no había dificultades para devolver el préstamo, no es cierto?

No, está fluyendo normalmente.

¿Y también has pensado de sacar un crédito en otra entidad otra institución financiera o fue la única opción para ti?

Pues por el momento, o sea para el proyecto hemos sacado solamente ese préstamo, el crédito. Pero también hemos hablado de que, si hay la necesidad de sacar otro préstamo, pues era de la misma cooperativa o del Banco Agrario (quote 26). Lo hacemos porque hay veces que se queda uno demasiado corto, entonces si se llega el momento lo haremos. Y ya en lo personal, pues yo pienso en sacar uno para la vivienda.

¿También has beneficiado de otras ofertas complementarias, por ejemplo, cursos de educación o educación financiera, educación empresarial o algo así?

¿Me pregunta de la cooperativa? No he beneficiado todavía de algunos beneficios que ofrece la cooperativa, porque no. Pero si los hay para las personas, pero yo no he salido beneficiado.

¿Pero te gustaría o no? ¿O piensas que no es necesario?

Claro sí, que por ejemplo en mi caso es mucho que voy a necesitar digamos beneficios de las entidades bancarias o del estado, de muchas entidades.

¿Y en general, me dijiste que tuviste una buena experiencia con esta cooperativa, no cierto?

Sí, muy bien.

¿Y en los principios, tuviste una reserva o inquietud o preocupación de sacar un crédito?

No, no tuve ningún temor ni nada porque eso lo hablamos en un colectivo y lo terminamos en equipo que íbamos a hacer.

¿Y la institución financiera, la cooperativa sabía que eras un ex miembro de las FARC?

Sí, ellos saben, porque es una cooperativa que nos da digamos, muchas invitaciones a personal reincorporado que somos. Ellos saben que estuvimos en armas. Por eso nos da muchas facilidades de sacar préstamos allá y vincularnos a esa entidad financiera.

¿Entonces dices que fue algo positivo, no cierto? ¿O que ellos sabían que ustedes son de las FARC?

Sí, claro. (quote 7)

¿De dónde sabía la cooperativa que ustedes son de las FARC?

Pues cuando se hizo el proceso con los diálogos cuando nos dijeron que iniciaron, luego todo se estructuraba y hacia nosotros llegó mucha gente y está llegando mucha gente a intercambiar sobre diferentes temas y entonces han llegado el Banco las Cooperativas, los políticos, las religiones a las que nosotros, estudiantes. Y bueno así se van integrando todo eso es de buen agrado para nosotros. Para constituir amistades no solamente aquí en Colombia, sino que en otros países como ahí estemos en este momento. (quote 3)

¿Tú sabes que es Gota a Gota?

Sí, esos son personas digamos que se benefician por digamos (planes de necesidades) de muchas personas que por obligación tiene que hacer un préstamo, pero resulta que sale muy caro porque digamos, prestan a un interés muy alto y que si no cumplen con esas deudas eso le va muy mal a las personas. Entonces eso es algo, digamos muy lesivo para las personas que hacen ese tipo de préstamos. Pero en Colombia la pobreza está tan aguda, entonces eso obliga a muchas personas a relacionarse con esas personas de que hacen el Gota a Gota.

Sí entiendo. ¿Y tú dirías que la oferta de sacar pequeños préstamos en Colombia es grande o la oferta no es tan grande?

Las ofertas, eso son muchísimas las que hay. Bastante. Incluso si uno tiene una cuenta, digamos de Nequi (Payment system) de dar plata al celular de más tienen están llegando ofertas de préstamos y de esa vaina, y eso sobra. Pero pues nunca me dice bien si hace los préstamos o no, entonces eso. (quote 19)

También encontré a más instituciones y también me gustaría saber qué piensa sobre esas instituciones. Ya me dijo Banco Agrario y que pensó sobre sacar un préstamo allá también ¿no? ¿así esta institución le parece bien?

Pues sí el Banco Agrario, como el nombre dice, es más metido o más incluido en lo que tiene que ver con el desarrollo del campo. Ellos prestan bastante dinero, pero resulta que los intereses son siempre altos y hay que llenar muchos requisitos para que una persona adquiera o consulte un préstamo allá. Esa persona debe tener un fiador y ese fiador debe tener, digamos, unos bienes para que te den esa deuda. O uno debe tener digamos bienes para que esa deuda sea representada en lo que mañana esa persona no puede pagar, entonces el Banco llega y dice le embarga de esos bienes que esa persona tiene. Entonces no es fácil en Colombia adquirir un préstamo. Bueno, para cualquier cosa, porque hay muchos requisitos. (quote 39)

¿Y el Bancoldex qué piensas sobre esa institución, la conoces?

Lo he oído, pero no lo manejo.

¿Y Bancamía?

No, la he escuchado, pero no la conozco.

¿Y Banco de la mujer y Banco W? ¿Eso sí, conoces?

Sí, los conozco. Están aquí, hay varias sedes y pasé a pagar los servicios o pagar algún impuesto, pero así en lo personal, pues no he ido a hacer una gestión para mí.

¿Eres escéptico de frente a esas instituciones que te mencioné o no tanto? ¿Piensas que uno debería ser más prudente con esas instituciones o más escéptico o tienes confianza en estas instituciones?

Sí, uno que maneja el tema de los bancos tiene que ser muy precavido para hacer cualquier vuelta de dinero, porque cuando menos piensa uno le pueden firmar un papel mal y queda uno sin dinero o arranca para otro lado. Entonces hay que ser muy talentoso para hacer las gestiones de los bancos. (quote 18)

Encontré, tal vez te interesa también, porque me parecía muy interesante, una plataforma donde te puedes registrar como persona que quiere recibir un préstamo y esa plataforma es de Bancoldex, de este banco que te mencioné, y ellos presentan toda la oferta para las pequeñas empresas con los intereses, las condiciones y los documentos que tienes que presentar y todo eso. ¿Has escuchado de esa plataforma la conoces o no?

No, no lo conozco. Pero siempre pregunto a amigos cuál es el banco que es más rentable para uno y dejar el dinero allá para que le produzca algún ascendente por tenerlo allá. Una figura que tú tienes el dinero allá y mensualmente damos porcentaje pequeño, pero bueno. Entonces he buscado a ver cuál es el banco que da más, más ganancias en dejar el dinero allá de depósito.

El último bloque trata un poco de la reintegración. Entonces primero me gustaría saber si ¿en general piensas que fue una buena idea de sacar un préstamo?

Sí, claro que fue una idea porque sin el préstamo nos hubiéramos quedado, pues digamos amarrado en el desarrollo de las actividades que hacemos aquí en la producción. (quote 31)

¿Has recomendado a otros amigos, otros ex guerrilleros de las FARC que pidan microcrédito o has ido a amigos a decirles, oye, tienen que también sacar un crédito es una buena idea?

Sí, he recomendado a varias personas. Porque ellos necesitan sacar un préstamo o necesitan colocación de dinero ahí en un CET. Y entonces sí, he recomendado y han ido incluso ayer un compañero estuvo en armas, entonces quiere sacar un crédito y lo llevé y lo presenté a la institución y ya son conocidos míos los que operan en esa... fui y lo presenté como reincorporado y pues ahí estuvimos hablando sobre eso. (quote 4)

¿Y tú crees que los microcréditos o pequeños créditos son una buena idea para la reintegración de las FARC o es un buen mecanismo que se puede utilizar para la reintegración?

Pues digamos que hay mejores opciones. Pero como no tenemos recursos hay que hacer esos créditos para diferentes proyectos ya puede ser de agricultura de industria o el estudio. Entonces hay que hacerlo porque no hay de dónde más que arrancar (quote 35). Entonces, podría buscarse otro que ...mejor, digamos que los gobiernos anteriormente no han brindado esa posibilidad. Entonces sí es, digamos una opción. (quote 32)

¿Y qué opinas son obstáculos para exguerrilleros de sacar un préstamo?

Los obstáculos, que muchos de nosotros no tenemos una vía crediticia (quote 24) y digamos, no tenemos unos bienes para que representen esas deudas y como existe la estigmatización todavía en Colombia sobre nosotros. Entonces es difícil, un préstamo para nosotros como ex-combatiente. Entonces en unos de los requisitos, por ejemplo, me decía antes hay que tener un fiador y hay mucha desconfianza en nosotros y muchas personas desconfían en nosotros.

Entonces, te prestamos y es qué mañana desapareces, y entonces por esa parte siempre es difícil para nosotros adquirir un crédito. (quote 41)

Ajá entiendo. ¿Entonces las instituciones a veces saben que ustedes son exguerrilleros y dicen que no confían en ustedes, entonces no quieren dar un préstamo?

Exacto, así es. O te dicen bueno, tenemos crédito, pero necesitamos un fiador, pero ese fiador debe tener unos bienes en esa ciudad donde vas a sacar unos créditos (quote 40) porque si no puede, entonces el fiador debe pagar esa deuda.

¿Entonces tú crees que lo que hace Confiar es un buen método de cómo reintegrar a las FARC y tener una oferta justa exguerrilleros?

Sí, ellos están haciendo un papel, pues digamos bueno. A pesar de que son una entidad pequeña, pero sí está haciendo cosas buenas por la reintegración de nosotros a la vida normal. (quote 27)

¿Entonces sería una buena chance de si el gobierno, por ejemplo, les daría más oportunidades o más ofertas, específicamente para exguerrilleros? ¿Eso crees que sería una buena oportunidad?

Sí, claro, es que de eso se trata. De que el gobierno abra las posibilidades para las poblaciones en proceso de recuperación, entonces que digamos con préstamos a muy bajo interés a largo plazo. (quote 12) Y además que, por ejemplo, si se trata de campo dar garantías y en la producción de diferentes productos. Y también, la garantía para comercializarlo que se produce en las regiones, no solamente para nosotros como firmantes de paz, sino para toda la población que habita en la región. (quote 45) Porque el acuerdo, no se hizo solamente para resolver la problemática de nosotros, sino para resolver la problemática del campesino colombiano, que ha sido muy olvidado en la historia, digamos. Colombia tiene un retraso de más de 200 años, entonces estos acuerdos benefician a esa población que está marginada, que ha sido perseguida, que es víctima de la violencia. Entonces, eso tiene que motivar que el gobierno abra espacios para la problemática que hay en Colombia. No solamente para nosotros como reincorporación para poblaciones en general.

Ya entiendo. ¿Y te gustaría volver a tu municipio en donde creciste?

Sí, yo voy para allá, trato cada año. Digamos que empezando o finalizando el año voy por allá y visito la familia, los amigos y regreso otra vez acá.

¿Y no te gustaría vivir otra vez allá o sí?

A vivir continuo, pues mientras no haya las condiciones, digamos de suscitar allá como productor, digamos asentarse en una región a producir frijoles, caña o lo que sea, no me gustaría. Si hay las posibilidades, sí. Pero ahora no porque uno está donde haya trabajo, donde haya comida y pueda vivir bien. Pero sí hay una pobreza absoluta, pues busca uno una parte pues donde se produce más fácil las comidas, donde se puede vender los artículos. Entonces, por eso hay tantos desplazados en Colombia porque no hay las condiciones, entonces emigran para otras partes y los campos quedan desocupados. El hambre se ve más en las ciudades porque toda la gente se arranca para ciudades, otros arrancan para grupos irregulares, delincuentes. Entonces esos son las secuelas de la pobreza. (quote 36)

Bueno, sí, eso fue todo. Disculpe que fueron muchas preguntas, creo, pero si me ayudó mucho y me parece muy interesante para mi tesis – muchas gracias.

Ah bueno listo sí con gusto y por acá te esperamos para sigamos intercambiando y hacer más amistades.

Ya súper muy bien. ¿Tú crees que tienes algunos conocidos o amigos que también sacaron un préstamo? No tienen que ser de *Alimentate*. Puede ser otro negocio, puede ser cualquier cosa.

Pues aquí en concreto que yo conozca no, pero 1 se reúne con diferentes compañeros y ya hablamos la situación económica, la situación política, bueno la situación que estamos viviendo cada uno. Y muchas veces, como tenemos un cierto grado de confianza nos contamos cual es la valencia de cada uno. Y algunos para entrar necesitan producir digamos, de cacao, para fundar aguacate o para colocar un cultivo de apicultura, de ave, bueno de cualquiera, pero si hay muchos que tienen esa idea de sacar los préstamos. Pero que hayan concretizado un préstamo, no conozco. (quote 38)

Después del proceso, porque no ha sido fácil, por muchas razones, porque en lo que habíamos pasado ha hecho falta voluntad, porque los que por ejemplo el gobierno que hubo anteriormente fueron unos gobiernos que no estaban de acuerdo con los diálogos. Además, querían destrozarnos estos acuerdos. Entonces son diferentes las situaciones que viven nuestros cultivos por allá en las regiones.

Interview partner 2 (IP2)

Interviewer: Sí puede repetir una vez que está bien, que lo grabo sería súper bien para que tenga grabado su consentimiento también.

Gracias está bien.

Las primeras preguntas son datos generales sobre usted. ¿Cuántos años tiene?

Tengo 51 años.

¿De dónde es, de qué departamento y de qué municipio?

Del departamento de Meta, del municipio Mesetas.

¿Y, qué es su situación educativa?

Bachiller.

¿Y su estado civil? ¿Está casado, tiene una familia, tiene hijos?

No. Yo vivo con una muchacha, pero no tenemos hijos.

¿Su lugar de residencia actual, cuál es?

El municipio El Doncello en Chaquetá.

Ok. ¿Su empleo es autónomo o es propietario de una empresa o tiene su propia empresa?

No, yo soy agricultor. Tengo mi propia ganadería.

¿Entonces las propias actividades son su propia empresa, es cierto?

Sí.

¿Bueno, entonces usted me ha dicho que también ha pedido un microcrédito, cierto?

Sí.

¿Cuándo fue la primera vez que pidió un microcrédito?

En el 2018.

¿Ok y de que cuánto era el préstamo?

De 10.000.000 pesos (= 2.689 euros en 2018).

¿Y era una cantidad bastante alta o fue muy baja para usted en este momento?

Me parecía pequeño en este momento. Pero los intereses son muy altos.

¿Y cuál era la finalidad de este préstamo? ¿Para qué lo utilizaba?

Para montar un restaurante.

¿Entonces era para el lugar del restaurante o era para los sartenes o las cosas que utilizaba o para que fuera exactamente?

Sí, para comprar todos los requisitos del restaurante: mesas, cucharas, platos, ollas, ...

Ok súper. ¿Y fue un préstamo individual cierto?

Sí, individual.

¿Y, cómo le ocurrió la idea de ese negocio del restaurante?

Eso fue la idea normal de salirme adelante de sus propias cosas y hacer comercio.

¿Porque sabía cocinar, entonces decidió hacer este restaurante?

Sí claro.

¿Qué entidad fue que concedió el préstamo? ¿O sea que institución financiera?

Banco de Bogotá.

¿Y dónde está ubicada la entidad? ¿Está en Bogotá también? ¿O dónde la encontró?

Aquí en Chaquetá.

¿Tiene sus ramas ahí en diferentes lugares, me imagino, ¿no?

Sí.

¿La región donde está, cómo la describiría? ¿Es una región con mucha pobreza, con mucho conflicto? ¿Hay muchos antiguos ex guerreros de las FARC o es el contrario?

Sí, claro, es un municipio donde la pobreza es alta. No a vías, muy pocas vías. Y, sí, claro firmantes de paz si hay hartos. Aquí en este departamento hay 930 firmantes de paz.

¿Y su empresa, es decir su restaurante también está ubicado en la misma región, ¿no?

Sí.

¿Y entonces qué tuvo que presentar frente de la institución financiera? ¿Tuvo que presentar una garantía o qué fue? ¿Qué documentos tuvo que presentar?

Solamente fotocopia de cedula y nada más.

¿Y no necesitaba garantía?

No.

Ah ok. Entonces, bueno, me parece fácil, ¿no?

Sí, pero pues eso es un poquito. Era poquita plata por 10.000.000.

Listo. Cuando yo estaba leyendo sobre los microcréditos en Colombia, encontré algunas instituciones y me gustaría nombrar los nombres y qué tal vez usted me podría decir si las conoce o no y lo qué piensa sobre esas instituciones. La primera sería FINAGRO.

Sí conozco. Un banco del estado sí, ese es del Estado.

¿Okey y qué piensa sobre FINAGRO? ¿Piensa que es una buena entidad o hay que tener cuidado con esta entidad?

No, esa es una buena entidad. Lo que pasa es que ahí es muy difícil de sacar los préstamos. Tienen muchos requisitos.

Ok. ¿Y el Fondo Nacional de garantía conoce?

Sí. También es bueno. Es de ahorro.

Ah sí. ¿Y el Fondo Agrario de Garantías o Fondo Agropecuario de Garantías, a este conoce también?

Sí también es bueno, porque es de agropecuario, entonces claro que sí es bueno. Pero lo mismo, también es muy difícil sacar un crédito ahí.

Y la entidad donde sacó el crédito, el Banco de Bogotá, ¿ahí no es tan difícil de sacar un crédito?

Por ahí no es tan difícil de sacar un crédito, un banco privado, pero los costos de los intereses son muy altos.

Entiendo. ¿Cuál fue el plazo de su préstamo?

36 meses.

¿Cuánto le costó, es decir qué intereses pagó? ¿Sabe el porcentaje del interés?

Bueno, la verdad exactamente no sé cuánto era.

¿Tal vez sabe cuánto fue la cantidad que pagó para los intereses? Es decir, no el porcentaje, sino el monto.

No me acuerdo.

Para que yo tenga una idea más o menos: ¿Cuánto era más o menos?

El Banco de Bogotá está más o menos al 9%.

Okey. ¿Y hubo dificultades para devolver el préstamo?

Hubo, sí claro. Me tocaba trabajar muy duro para poder devolver.

¿Entonces, tuvo que interrumpir el reembolso o algo?

Sí, claro. Me tocó buscar una alternativa para poder pagar.

Entonces, para que entienda bien: ¿usted ha buscado alternativas para repagar el crédito porque usted mismo no lo podía pagar sólo? Es decir, una forma de Gota a Gota.

Sí, sí, claro, me tocó otra gente para repagar el crédito.

¿Entonces fue una mezcla de gota a gota y la institución financiera? ¿Es decir, para repagar el crédito otra gente le prestaba dinero?

Sí.

¿Y el gota a gota era una persona que conocía del privado?

Sí.

Entonces preguntó a esa persona si puede apoyar para repagar este crédito, ¿no?

Sí.

¿Entonces al final con la entidad misma no tuvo problemas? ¿Es decir, sí, buscó otra alternativa con Gota a Gota, pero con la entidad a sí misma no tenía problemas?

No.

He leído, que a veces los intereses son mucho más altos si uno pide dinero privado. ¿Usted tenía esa experiencia también?

No pagué intereses porque fue a través de un amigo que me prestó el dinero.

¿Y obtuvo un segundo préstamo?

Sí, de la misma entidad. También para el restaurante.

Y aparte del préstamo, ¿ha beneficiado de otras ofertas complementarias, por ejemplo, cursos de educación financiera o educación empresarial o fue solamente el dinero?

Solo el dinero.

¿Y otros productos financieros como seguros?

Sí. Me pagó un seguro de vida el Banco de Bogotá.

¿Antes de sacar ese préstamo, tuvo alguna reserva o inquietud o preocupación a la hora de pedir un microcrédito?

Sí, Claro, sí. Pues, uno tiene necesidad y con ganas de emprender, porque pues esta vaina se hace con el fin de emprender.

Ok. ¿Y cómo fue la relación con la entidad? ¿Cómo se sentía frente de la entidad en general, cómo le trataba?

Con compromiso porque te diré que el banco esté si se colgó un poquitico de los créditos pagos que le aplican a uno de la deuda. Todo eso es complejo.

¿Y tenía confianza en la entidad?

Pues allí no hay confianza, es beneficial. Hay que meterse a todos los costos del crédito, los intereses (quote 6) ... y el pago. Le tocó uno. Los costos del crédito.

¿La entidad sabía que era ex guerrillero de las FARC?

No.

Qué piensa en general: ¿Existe una oferta grande o pequeña en Colombia de préstamos pequeños para gente con poco capital?

Sí, claro, hay una oferta, pero entonces es un país de muchas necesidades, la demanda es muy alta (quote 5). La demanda obliga que la gente saca préstamos y endeudarse (quote 48).

¿Ok, entonces, dice que si hay una oferta grande?

Sí, claro.

¿Opina que debería haber una mayor oferta con el enfoque más pequeñas empresas o cree que está bien así?

Pues los intereses son muy altos, es el problema. Uno no logra a pagar una deuda rápida. (quote 15)

Listo. Encontré a algunas otras entidades estatales. Usted me ha dicho que uno necesita muchos documentos, ¿no? ¿Qué tal, por ejemplo, para el Banco Agrario o para el Bancoldex? ¿Requieren muchos requisitos?

Sí, mucho, mucho.

Ok. Es decir, ¿Usted conoce a estas entidades: ¿Banco Agrario, Bancoldex, Grupo Bicentenario?

Sí, los conozco.

¿Y, qué piensa sobre las cooperativas?

Son buenas. Pero igual son privadas, ¿no?

¿Para usted no sería una opción de sacar un crédito donde una cooperativa?

También requieren muchos requisitos.

¿Y que qué cree usted? ¿Era una buena decisión de pedir un préstamo?

Sí, claro, claro fue buena la decisión. Pero con todos los costos de intereses, pues es muy difícil. (quote 14)

Bueno, no estoy súper segura, si entendí bien por la señal, pero como yo entendí es que usted al principio tenía el plan de pagarlo directamente al Banco. Pero no era posible porque fue muy caro. ¿Entonces preguntó a su amigo, fue así?

Sí, exacto.

¿Entonces usted cree que no hubiera podido desarrollar su negocio sin un préstamo, es cierto?

Sí, claro. Porque no tenía recursos (quote 49).

¿Ha recomendado a amigos o conocidos o ex guerrilleros de las FARC que pidan un microcrédito también?

Sí pues, como todos estamos con necesidades hay que hacerlo. (quote 16)

Entonces dice que no hay otra opción ¿cierto?

Sí.

Bien. ¿Cuáles son posibles obstáculos para pedir un microcrédito como ex guerrillero de las FARC? Usted ha mencionado que los intereses son muy altos. ¿Hay otros obstáculos?

Sí claro, está la estigmatización por haber sido uno de las FARC. (quote 47). Pues se estigmatiza que uno pertenecía a una organización como guerrillero.

¿Entonces hay prejuicios?

Sí, claro.

¿Y cómo cree que se podría contrarrestar estos obstáculos?

El gobierno puede resolver esos obstáculos. Mientras haya un gobierno pues democrático. Que tiene un buen pensamiento con la humanidad, con la gente que necesita algunos créditos o préstamos. (quote 34)

¿Entonces también más proyectos que no sean préstamos, sino como una ayuda económica que no sea en forma de préstamo?

Ajá.

¿Y el gobierno ahora siente que está tratando de hacer eso o no?

Sí, el gobierno sí, lo que pasa es que me dura mucho...Que si el gobierno, es una maquinaria de economista que tiene una plata de todo.

¿Piensa usted que microcréditos en general ayudan a la reinserción de los exguerrilleros de las FARC?

Sí, claro. Si esté en el caso de negocios...y que es tu intención...

¿Cree que debería haber un producto específico como de microcréditos o una oferta financiera para específicamente para exguerrilleros de las FARC?

Sí, sí fuera posible, claro que sí. Fuera posible que hubiera una entidad que favoreciera o que hubiera unos productos de pago de muy poco interés. (quote 13)

¿Y, qué más debería tener este producto? O sea, intereses muy bajos ¿y otra cosa tal vez?

Sí, intereses bajos y bueno, pues se le puede anexar las capacitaciones. Porque no todos estamos preparados para administrar y manejar una empresa. (quote 17)

Bueno súper. Listo muchas, muchas gracias por la entrevista.

De nada.

Interview partner 3 (IP3)

Interviewer: Tal vez puedas repetir una vez más que estás de acuerdo de grabarlo, si no para que lo tengas grabado también.

Sí, estoy de acuerdo.

¿Por dónde estás viviendo?

Estoy viviendo acá en Bogotá. En ciudad Bolívar.

¿Bueno, mis primeras preguntas son sobre cómo los datos concretos sobre ti, o sea, cuántos años tienes?

Primero que todo mi nombre es Raúl¹¹. Soy firmante de paz del acuerdo que hubo entre el Gobierno de las FARC. Es decir, entre el Estado Mayor de las FARC y el estado, el gobierno colombiano hubo el acuerdo. Y pues, como soy firmante, soy guerrillero de las FARC, era...soy, mejor dicho, soy porque sigo combatiendo, ¿me entiendes? Entonces hubo el acuerdo de la firma de paz y pues soy firmante.

Súper, es un gusto. ¿Bueno, entonces ahora otra vez me puedes decir, bueno, de dónde eres, de qué departamento y de qué municipio y cuántos años tienes?

Soy de la ciudad de Tuluá del departamento Valle del Cauca, soy valluno y tengo 44 años.

¿Qué es su situación educativa?

Grado 11, estudié hasta el 11.

¿Cuál es tu estado civil? ¿Estás casado? ¿Tienes hijos?

Unión libre, pero no tengo hijos.

¿Y, qué es el lugar de residencia actual? ¿Me dijiste Bogotá no?

Bogotá sí.

¿Y la situación del empleo cuál es?

Bueno, en este momento estoy trabajando en un proyecto que conformamos 10 firmantes del acuerdo de paz, un proyecto que tenemos de alimentación¹², de muchas cosas ¿ya me entiendes? Después conformando ese proyecto y estamos trabajando. Prácticamente estoy trabajando en mi propio proyecto. Por eso estoy empleado porque estoy trabajando en el proyecto.

¿Entonces eres parte de esa comunidad y estás empleado por esa comunidad? ¿Es una cooperativa o qué es?

Sí, eso es una corporación.

¿Y cómo se llama el negocio?

Se llama *Cocinate*¹³. *Cocinate* es un emprendimiento de firmantes. Entonces toca que vengas a Bogotá vengas directamente a *Cocinate* a la institución de la cultura y ahí pruebas los alimentos de *Cocinate*, mires el emprendimiento. Y compras la camiseta de *Cocinate*, los pantalones de *Cocinate* a todo. Mejor dicho, que vayas uniformada con todo de *Cocinate*.

Jaja sí, lo haré. ¿Bueno, la siguiente pregunta, cuándo te uniste a las FARC? ¿En qué año fue?

Yo me uní en el 1997. Fui capturado, me capturaron en el 2014. Caía a la Casa Blanca, que es la cárcel de Villa Vicencio.

Entiendo. ¿Pero firmaste en 2016?

¹¹ To protect the interviewee, this name is fictive.

¹² To protect the interviewee, To protect the interviewee, the specific company is generalised under 'food industry'/industria de alimentación.

¹³ To protect the interviewee, this name is fictive.

Sí, en el 2016. Duré 2 años en la cárcel de Villa Vicencio y salí en el 2016 con la ley de indulto.

Bueno, ahora algunas preguntas sobre microcréditos. ¿Cuándo pediste un préstamo por la primera vez?

Bueno, la primera vez que yo pedí un crédito hace aproximadamente 2 años. Que fue en el Banco Caja Social y solicité 7.000.000 (ca. 1.400 euros) millones y solamente me prestaron 2.000.400 (ca 400 euros). Porque pues no tenía vía crediticia. Tú sabes que uno por allá en la mata, o sea yo le digo en la mata, en la selva donde estábamos, allá hubo pues uno no tiene acceso a vía crediticia (quote 10), entonces como no tenía vía crediticia solamente me prestaron 2.000.400 de primera vez.

¿Y en este momento te parecía muy pequeño el monto o era suficiente?

No era suficiente en ese momento porque era para yo comprar un lote, un terreno de tierra que me quería que me estaban vendiendo. Un lote para construir una vivienda.

¿Entonces, qué hiciste si no alcanzaba el dinero?

Cuando no me alcanzaba, pues yo tenía 2.000.000 ahorrado míos en la casa y pedí a *Cocinate*, en la corporación donde yo trabajo, le dije a la gerente que me prestara el resto, entonces ella me prestó el resto.

¿Y cómo te ocurrió la idea de comprar el lote?

Bueno, a mí me surgió la idea porque es que en la casa donde yo vivía yo pago arriendo ya me entiendes. Entonces el dueño de la casa, pues tenía un lote por allá en otro barrio, lejos de acá y él lo está vendiendo. Entonces me lo ofreció para que yo se. Pero como yo no tenía el dinero saqué el crédito y me concedió el resto de plata. Valía 7.000.000, entonces yo necesitaba esos 4.000.000 de pesos y me surgió la idea de comprarlo para yo, pues algún día que tenga la posibilidad construirla la casa, construir mi propia vivienda.

¿Entonces en este momento ya trabajabas para *Cocinate*?

Sí, en este momento trabajaba para *Cocinate*, gracias a dios.

¿Y cómo encontraste a *Cocinate*?

Bueno *Cocinate* encontré porque...yo estaba trabajando en otro lado, en una empresa de Transmilenio y uno de los compañeros era firmante de paz también. Estábamos en la cárcel juntos éramos conocidos allá y me contó de *Cocinate*. Y él se enteró por otro compañero que también era firmante. (quote 2)

Teníamos que conformar un proyecto para desbordar el dinero ahí para el proyecto que fueron a conformar. Entonces nos reunimos con 10 firmantes. Y en ese momento, pues uno de los compañeros me dijo cómo me sentía yo formando parte de este proyecto para que los 8.000.000 de pesos también entraran al proyecto que tenían pensado. Entonces, pues yo le dije que me explicara bien sobre el proyecto: ¿qué proyecto quería? ¿Qué tenían pensado? Y me dijo que pues un proyecto de cerveza. Entonces, pues yo le dije que sí. Pero de igual manera esos 8.000.000 de pesos no me entregaron a mí. Tenía que ser en algún proyecto. Entonces, pues yo le dije que sí. Y ahí pues fuimos y hablamos con los otros socios, con los otros que estaban interesados en el proyecto y todos colocamos de los 8.000.000 de pesos.

Entonces, comenzamos nosotros con los hermanos nos enseñaron a producir esta alimentación. Ellos dijeron, bueno, nosotros les enseñamos a producirla gratis, porque ustedes pues no tienen conocimiento, no saben. Entonces, pues ahí comenzamos.

Como estamos recién comenzando, entonces no teníamos el flujo de muchos empleados. ¿Entonces, qué pasó? Elegimos a dos personas que fue a Ana¹⁴ y a Juan¹⁵ para que estuvieran al frente del proyecto, que fueran sacándolo adelante y nosotros, pues trancamos por otro lado. Porque no podíamos trabajar todos los días ahí en algo de que hasta ahorita estábamos comenzando porque no nos iba a generar ingreso. ¿Entiendes? Entonces elegimos a ellos dos para que se hicieran al frente de eso y lo fueran sacando adelante y cuando ya estuviera el proyecto más fortalecido entonces ya vamos entrando a otros firmantes y así poco a poco íbamos ingresando allá.

Entonces cuando ya cogió un poquito de fuerza el proyecto, ya entré yo a trabajar. Entonces ya quedaríamos tres. Entonces a medio del tiempo ya creció un poquito más, entonces ya va cogiendo más fuerza y ya entró otro compañero. Quiero decirte que ya vemos cuatro firmantes en el proyecto.

Entonces ahí fue la forma donde yo entré al proyecto de *Cocinate*, de la institución de cultura hacer alimentos. Y pues ahí hacemos de todito, no hacemos solamente alimentos, sino muchas cosas lo que sale.

¿Y el dinero para *Cocinate* de qué institución era?

Bueno, el dinero que conformemos el proyecto fue de los 8.000.000 de pesos de semilla del acuerdo de paz. Cada flamante le daban 8.000.000 de pesos, entonces con eso nosotros completamos. Cada de los 10 firmantes viene con los 8.000.000 de pesos y conformamos el proyecto. Lo conformamos sin ayuda de nadie a nosotros, solamente con este dinero lo montamos.

¿Entonces el dinero era del Estado?

Sí era de parte del país de garantes para países que estuvieron en la firma del acuerdo de paz. Como, por ejemplo, estuvo Cuba, Venezuela, Noruega y muchos países estuvieron ahí. Pues Colombia, entonces, entre todos esos países reunieron esa plata para todos los firmantes.

¿Y, el momento cuando sacaste el crédito para tu vivienda? ¿Tuviste una garantía que tenías que presentar?

No solamente me tocaba llevar una carta laboral y la documentación sí.

Listo. En internet encontré algunas instituciones y me gustaría saber si las conoces o no, entonces voy a nombrarlas tú me dices si las conoces y que imagen tienes de esas instituciones. La primera sería FINAGRO.

FINAGRO lo he escuchado nombrar sí.

FNG, el Fondo Nacional de garantías.

No.

El Fondo Agropecuario.

Sí también lo he escuchado nombrar, no los conozco a los fondos, pero sí los he escuchado nombrar.

El último sería Fondo de Microfinanzas Rurales.

No ese no, no lo he escuchado.

¹⁴ To protect the interviewee and his colleagues, this name is fictive.

¹⁵ To protect the interviewee and his colleagues, this name is fictive.

Bueno. ¿Te acuerdas cuál fue el plazo de tu préstamo?

El plazo fue 2 años.

¿Y los intereses?

Bueno, ahí fueron 500.000 pesos que me cobraron de intereses por los 2.000.400. (ca. 25%)

¿Te parecía caro eso o barato?

Bueno, pues sí caro.

¿Y tenías dificultades de devolver el dinero?

Sí. Cuando eso, pues como te digo el proyecto de *Cocinate*, pues hasta ahorita estamos comenzando, ya me entiendes. Y yo estaba trabajando en el Transmilenio, donde solamente me ganaba el mínimo y tú sabes que un mínimo aquí en Colombia no es nada. Y en ese tiempo el mínimo estaba en 800.000 pesos. Y, pues me tocaba sacar para ir para el arriendo, para servicios, para alimentación, vestuario, transporte, ... Entonces no me quedaba nada porque para sacar para pagar el crédito, pues me quedaba un poco pesado.

Entiendo. ¿Entonces al final pudiste devolver todo o qué hiciste? ¿Preguntaste amigos por dinero?

Sí al final lo pagué todo al año completo. Me lo dieron por 2 años y yo lo pagué a un año.

¿Y cómo encontraste la institución? ¿Escuchaste de la institución de amigos o cómo sabías que existe?

No, esa institución la encontré desde cuando firmaron el acuerdo de paz, porque es que ahí nos abrió una cuenta para darnos unos desembolsos. Entonces, pues me ahí me dieron en qué Banco podía abrir la cuenta y ellos mismos, los facilitadores me llevaron y me ayudaron a hacer la abrir la cuenta (quote 22). Entonces, pues ahí me colocaron, porque a nosotros nos dieron 2.000.000 de pesos cuando salimos para que compráramos ropa y todo eso lo que necesitábamos ya me entiendes, pues lo que alcanzamos a comprar con 2.000.000 de pesos.

¿Quiénes fueron esas personas que ayudaron de abrir la cuenta?

A nosotros nos colocaron unos facilitadores que nos explicaban a nosotros sobre la vida civil, sobre la reincorporación. Nos explicaban cómo iban a seguir y cómo iba a ser el proceso, cómo iba a seguir... como a seguir después del acuerdo de paz (quote 23).

¿Entonces eran del Estado?

Del Estado, sí. También eran del Estado.

¿Además de préstamo, has beneficiado de otras ofertas como seguros u otras cosas del Banco Caja Social?

Sí me han ofrecido, me han ofrecido más crédito... Incluso cuando yo no lo he querido coger me ofrecieron otro de otro Banco, que es una cooperativa financiera que se llama Confiar. Y sí, lo cogí de Confiar (quote 29).

¿Entonces, cuál fue la experiencia con la Caja Social y con Confiar? ¿Tuviste buena experiencia o presionaron mucho o sentiste que tenían alguna un prejuicio tal vez?

Bueno, con la experiencia en mi caso fue que los intereses eran muy altos, demasiado de altos. Imagina que están al 50%. Pues la verdad, era una experiencia de que yo no consejo a nadie que saque plata en este banco porque cobra los intereses muy caros... (quote 11) y por

ejemplo, si tú tienes el pago...porque pues tú colocas la fecha, cuándo puedes pagar...¿Ya me entiendes?...Y en cuanto faltan 3, 4 días, entonces ya te están llamando para pagar. Entonces, pues veo feo eso, porque si el plazo mío, por ejemplo, es el 20, tiene que esperar que yo los pague el 20. No tienen por qué llamarme 2 días antes.

¿Entonces sentías que había mucha presión?

Sí, había mucha presión (quote 28).

¿Y sentiste que ellos te trataban diferente porque eres de las FARC?

No. Me trataban tan normal como cualquier ciudadano.

¿Y tuviste alguna inquietud o preocupación de ir a esa institución antes?

No, para mí no.

Ok. ¿Sabes qué es Gota a Gota?

Sí.

¿Has utilizado eso también una vez, o sea, sacaste un crédito en el mercado informal?

No. El Gota a Gota sé que es, pero nunca lo he utilizado porque pues eso es muy complicado, muy peligroso. Tú sabes que el Gota a Gota si uno no paga lo joden a uno o le joden la familia... mejor dicho a cualquier allegado lo joden porque no les importa nada, a ellos lo que les importa es la plata. Entonces nunca los he utilizado a ellos.

¿En Colombia, sientes que hay una oferta grande de microcréditos en general o tienes la sensación de que hay una oferta muy pequeña en Colombia para que puedas sacar un crédito?

Te cuento que aquí en Colombia nunca hay una oferta grande para crédito. Siempre ofrecen poquito. Acá ofrecen según la vía crediticia que tienes y según el sueldo que tienes (quote 25). Porque ellos hacen una evaluación sobre él entonces. Dicen, bueno, se gana tanto... Por ejemplo, ponga un mínimo, no le podemos ofrecer más de 10.000.000 de pesos porque le queda pesado. Entonces, así mismo se basan ellos. Entonces las ofertas de créditos acá en Colombia son muy bajas, muy pequeñas, son ofertas que no, no sirven para nada... que lo que ofrecen a ti, tú no con eso no te alcanzas a comprar nada.

¿Es decir, los montos son demasiado pequeños en general?

Son pequeños, sí.

Hay más instituciones que encontré. Por ejemplo, el Banco Agrario ¿Lo conoces?

El Banco Agrario, sí, lo conozco.

¿Y qué sensación tienes de este Banco? ¿Crees que es tienen una buena oferta o no tanto?

No, igual, igual que todos. Acá en Colombia todos los bancos son iguales (quote 20).

Bueno, la última parte es sobre la reintegración. ¿La primera pregunta sería, si tú piensas que fue una buena idea de sacar un crédito, o sea lo repientes o crees lo harías otra vez?

No me arrepiento del crédito que saqué porque es que con eso compré el lote que tengo y pues el lote que está cogiendo valor. Cada día va cogiendo valor (quote 30) ¿ya me entiendes? Pues

no me arrepiento porque igual manera pues lo pagué rápido el crédito ¿ya me entiendes? Y la plata del crédito no me la malgasté, pues hasta ahí y está cogiendo valor con el lote.

¿Y has recomendado a otros amigos o conocidos de las FARC de que saquen un crédito?

No.

¿Y crees que en general, más ex guerrilleros de las FARC deberían sacar un tipo de crédito? ¿Que eso sería una buena idea?

Bueno, según el proyecto que ellos tengan, pues sí podían sacar un crédito para crecer sus negocios o crecer su proyecto...ya me entiendes...para sacar adelante su proyecto según el proyecto. Porque si van a comenzar de 0 a 1 un proyecto, pues y no tienen suficiente dinero para comenzarlo. Ahí pueden sacar un crédito para sacar su proyecto adelante, así como lo sacamos nosotros ¿ya me entiendes? Por ejemplo, nosotros aquí, pues porque teníamos los 8.000.000 de pesos cada uno, entonces 10 personas, 8.000.000 son 80.000.000 de pesos. Entonces con eso comenzamos nosotros. Pero si una sola persona que va montado en un proyecto sí tiene que tener la cantidad suficiente de dinero para eso. (quote 46)

Entonces, según el proyecto, pues decidimos si podían sacar un crédito. Porque es que de igual manera los bancos no le van a prestar una cantidad de dinero... Y a notar los firmantes más que todo a todos no nos hacen crédito. Mira que a todos los firmantes no les hacen un crédito los bancos. Son muy pocos, o sea son muy de buena las personas que nos han dado crédito. A todos los firmantes no. No, porque por el solo hecho de que son firmantes. Con eso tienen para no prestarles. Ellos meten la cédula y con las cédulas se dan de cuentas, si son firmantes o no. Apenas ven de que es firmante de una vez están para atrás, como le da el crédito (quote 42).

¿Entonces dices que muchas veces no reciben un crédito porque son ex guerrilleros de las FARC?

Exacto, sí, muchas veces.

No entiendo bien ¿Cómo saben los bancos que son ex guerrilleros de las FARC? ¿Solamente con la cédula?

Con la cédula.

¿Pero en la cédula dice eso? ¿Dice que son excombatientes?

Es que nosotros estamos registrados. Ahí al meter la cédula entonces ahí sale (quote 42). O sea, hay un aparatico y que meten la cédula y ahí sale quien es la persona. Si debe la persona, si le debe algo al estado...si mejor dicho si lo están buscando para meterlo preso, entonces ahí te dan de cuenta si es firmante.

Entiendo. Entonces, aparte de los intereses y los prejuicios, ¿qué obstáculos ves para los microcréditos para ex guerrilleros de las FARC? Y bueno, los montos también que son muy pequeños.

Sí, los montos que son muy pequeños y el otro es que a todos firmantes no les prestan los bancos. O sea, eso es un obstáculo.

¿Y tú crees que un producto específicamente para exguerrilleros las FARC ayudaría? ¿Y cómo se debería ver este producto?

O sea, debería haber un proyecto, por ejemplo, en la firma del acuerdo de paz debería haber quedado de que a nosotros lo firmantes...y por ejemplo, nosotros duramos nuestro tiempo en la mata...entonces, que allá no tuvimos vía crediticia (quote 9). ¿Entonces qué pasa? El

gobierno y el Estado Mayor de las FARC cuando hicieron el acuerdo de paz hubiera quedado plasmado de que a nosotros, o sea que nosotros fuéramos ciudadanos normales como cualquiera ¿ya me entiendes? Y que los bancos nos prestaron normal, como a cualquiera ciudadano. Que no tuviera esa obstaculización para nosotros ¿me entiendes? (quote 21).

Es una de las ideas que se podría ver para los créditos de nosotros.

Bueno, esa fue la última pregunta y me ayudó mucho. Así, muchas gracias.

A ti gracias a ti por llamar y por tenerme en cuenta.

De igual manera estás invitada para que vengas ahí a *Cocinate* a la institución de cultura, conozcas porque ahí tenemos más de 150 proyectos. Tenemos proyectos de firmantes, tenemos proyectos de víctimas del conflicto, tenemos proyecto de campesinos micro campesinos que tienen productos, pero no tienen quien se comercialice, no tienen dónde venderlos (quote 44). Entonces ellos los traen ahí a *Cocinate*, a la institución de cultura y pues ahí se lo venden los productos (quote 37). Tenemos productos de más que 150 proyectos.

Y ahoritica, pues tenemos unas comidas más bonitas, o sea más sabrosa, más ricas, porque es que ahorita tenemos un emprendimiento de unas mujeres que son desplazadas, fueron desplazadas de sus tierras y ahoritica están ahí en *Cocinate*. Pues van cocinando en la rancho, o sea la cocina. Ellas están haciendo comidas del Pacífico, ahí hace pescado...comidas del Pacífico, muy rica, muy deliciosas. Entonces para cuando vuelvas te vas a pegar tu camarón.

Municipalities (132) with FARC dissidents and/or ETCR by number of microloans disbursed per 100 inhabitants

Municipalities	Departments	FARC dissidents (yes/no)	number on map (figure 23)	Upper limit of number of microcredits disbursed per 100 inhabitants	Criterion Range	ETCR (yes/no)	recommen- dation
Tarapacá	Amazonas	yes	1	0	0	no	very highly
Puerto Arica	Amazonas	yes	2	0	0	no	very highly
El Encanto	Amazonas	yes	3	0	0	no	very highly
La Chorrera	Amazonas	yes	4	0	0	no	very highly
Puerto Alegria	Amazonas	yes	5	0	0	no	very highly
Briceño	Antioquia	yes	74	2	from >0 to ≤6	no	very highly
Ituango	Antioquia	yes	67	4	from >0 to ≤6	yes	highly
Remedios	Antioquia	no	2	4	from >0 to ≤6	yes	moderately
Anorí	Antioquia	no	3	4	from >0 to ≤6	yes	moderately
San Andrés de Cuerquí	Antioquia	yes	71	6	from >0 to ≤6	no	very highly
Peque	Antioquia	yes	68	10	from >6 to ≤10	no	highly
Campamento	Antioquia	yes	73	10	from >6 to ≤10	no	highly
Yarumal	Antioquia	yes	72	63	from >10 to ≤63	no	little

Dabeiba	Antioquia	no	1	63	from >10 to ≤63	yes	very little
Araucita	Arauca	no	4	4	from >0 to ≤6	yes	moderately
Sabanalarga	Atlántico	yes	69	10	from >6 to ≤10	no	highly
Montecristo	Bolívar	yes	62	0	0	no	very highly
Calamar	Bolívar	yes	38	2	from >0 to ≤6	no	very highly
Paya	Boyacá	yes	51	0	0	no	very highly
Pisva	Boyacá	yes	52	0	0	no	very highly
Leiva	Boyacá	yes	114	0	0	no	very highly
Cubará	Boyacá	yes	54	6	from >0 to ≤6	no	very highly
San Jose del Fragua	Caquetá	yes	15	2	from >0 to ≤6	no	very highly
Solano	Caquetá	yes	7	4	from >0 to ≤6	no	very highly
Belen de los Andaquies	Caquetá	yes	16	4	from >0 to ≤6	no	very highly
La Montañita	Caquetá	yes	20	6	from >0 to ≤6	yes	highly
El Paujil	Caquetá	yes	21	6	from >0 to ≤6	no	very highly
El Doncello	Caquetá	yes	22	6	from >0 to ≤6	no	very highly
Puerto Rico	Caquetá	yes	23	6	from >0 to ≤6	no	very highly
Cartagena de Chaira	Caquetá	yes	8	63	from >10 to ≤63	no	little
Florencia	Caquetá	yes	19	63	from >10 to ≤63	no	little
San Vicente del Caguán	Caquetá	yes	24	63	from >10 to ≤63	yes	very little
Sácama	Casanare	yes	53	0	0	no	very highly
Monterrey	Casanare	yes	48	6	from >0 to ≤6	no	very highly
Pore	Casanare	yes	49	10	from >6 to ≤10	no	highly
Nunchía	Casanare	yes	50	10	from >6 to ≤10	no	highly
Toribio	Cauca	yes	90	2	from >0 to ≤6	no	very highly
Morales	Cauca	yes	61	4	from >0 to ≤6	no	very highly
López	Cauca	yes	106	4	from >0 to ≤6	no	very highly
Timbiquí	Cauca	yes	107	4	from >0 to ≤6	no	very highly
Suárez	Cauca	yes	108	4	from >0 to ≤6	no	very highly
Buenos Aires	Cauca	yes	109	4	from >0 to ≤6	yes	highly
Miranda	Cauca	yes	88	6	from >0 to ≤6	yes	highly
Corinto	Cauca	yes	89	6	from >0 to ≤6	no	very highly
Páez	Cauca	yes	94	6	from >0 to ≤6	no	very highly
Inza	Cauca	yes	98	6	from >0 to ≤6	no	very highly
Totoro	Cauca	yes	99	6	from >0 to ≤6	no	very highly
Cajibío	Cauca	yes	100	6	from >0 to ≤6	no	very highly
Caldono	Cauca	yes	102	6	from >0 to ≤6	yes	highly
Jambaló	Cauca	yes	110	6	from >0 to ≤6	no	very highly
Guapi	Cauca	yes	117	6	from >0 to ≤6	no	very highly
Caloto	Cauca	yes	91	10	from >6 to ≤10	no	highly
Villa Rica	Cauca	yes	93	10	from >6 to ≤10	no	highly
El Tambo	Cauca	yes	111	10	from >6 to ≤10	no	highly
Balboa	Cauca	yes	113	10	from >6 to ≤10	no	highly
Argelia	Cauca	yes	116	10	from >6 to ≤10	no	highly
Puerto Tejada	Cauca	yes	92	63	from >10 to ≤63	no	little
Piendamó	Cauca	yes	101	63	from >10 to ≤63	no	little

Santander de Quilichao	Cauca	yes	103	63	from >10 to ≤63	no	little
Patía (El La Paz)	Cauca	yes	112	63	from >10 to ≤63	yes	very little
Carmen del Darién y	Cesar	no	5	4	from >0 to ≤6	yes	moderately
San José de Puerto	Chocó	no	6	2	from >0 to ≤6	yes	moderately
Tierralta	Córdoba	yes	64	2	from >0 to ≤6	no	very highly
Montelibano	Córdoba	yes	65	6	from >0 to ≤6	no	very highly
Bogotá	Córdoba	yes	66	6	from >0 to ≤6	no	very highly
Soacha	Cundinama	yes	63	10	from >6 to ≤10	no	highly
Granada	Cundinama	yes	29	4	from >0 to ≤6	no	very highly
Inírida	Cundinama	yes	30	4	from >0 to ≤6	no	very highly
El Retorno	Guainía	yes	35	63	from >10 to ≤63	no	little
Miraflores	Guaviare	yes	47	6	from >0 to ≤6	no	very highly
San José del Guaviare	Guaviare	yes	40	2	from >0 to ≤6	no	very highly
Iquira	Guaviare	yes	39	6	from >0 to ≤6	no	very highly
Acevedo	Huila	yes	41	63	from >10 to ≤63	yes	very little
Suaza	Huila	yes	95	10	from >6 to ≤10	no	highly
Algeciras	Huila	yes	17	63	from >10 to ≤63	no	little
Nátaga	Huila	yes	18	63	from >10 to ≤63	no	little
La Plata	Huila	yes	26	63	from >10 to ≤63	no	little
Colombia	Huila	yes	96	63	from >10 to ≤63	no	little
Fonseca	Huila	yes	97	63	from >10 to ≤63	no	little
La Uribe	La Guajira	no	28	10	from >6 to ≤10	no	highly
Puerto	La Guajira	no	7	10	from >6 to ≤10	yes	moderately
Vista Hermosa	Meta	yes	27	0	0	no	very highly
La Macarena	Meta	yes	42	2	from >0 to ≤6	no	very highly
Puerto Lleras	Meta	no	8	4	from >0 to ≤6	yes	moderately
Puerto Rico	Meta	yes	25	6	from >0 to ≤6	yes	highly
Mapiripán	Meta	yes	36	6	from >0 to ≤6	no	very highly
Villavicencio	Meta	yes	37	6	from >0 to ≤6	no	very highly
Lejanías	Meta	yes	43	6	from >0 to ≤6	no	very highly
Mesetas	Meta	yes	31	10	from >6 to ≤10	no	highly
El Castillo	Meta	yes	32	10	from >6 to ≤10	no	highly
Francisco Pizarro	Meta	yes	33	10	from >6 to ≤10	yes	moderately
Roberto Payan	Meta	yes	34	63	from >10 to ≤63	no	little
Magui (Payán)	Nariño	yes	120	0	0	no	very highly
Mosquera	Nariño	yes	121	0	0	no	very highly
Olaya Herrera	Nariño	yes	122	0	0	no	very highly
Tumaco	Nariño	yes	119	2	from >0 to ≤6	no	very highly
El Charco	Nariño	yes	118	4	from >0 to ≤6	no	very highly
San Calixto	Nariño	yes	123	6	from >0 to ≤6	yes	highly
Villa del Rosario	Nariño	yes	115	63	from >10 to ≤63	no	little
	Norte de Santander	yes	60	0	0	no	very highly
	Norte de Santander	yes	55	4	from >0 to ≤6	no	very highly

Tibu	Norte de Santander	yes	58	4	from >0 to ≤6	yes	highly
Cucuta	Norte de Santander	yes	56	6	from >0 to ≤6	no	very highly
Sardinata	Norte de Santander	yes	57	6	from >0 to ≤6	no	very highly
Toledo	Norte de Santander	yes	70	10	from >6 to ≤10	no	highly
Convención	Norte de Santander	yes	59	63	from >10 to ≤63	no	little
Puerto	Putumayo	yes	6	2	from >0 to ≤6	no	very highly
Puerto	Putumayo	yes	9	2	from >0 to ≤6	no	very highly
Puerto	Putumayo	yes	10	4	from >0 to ≤6	no	very highly
San Miguel	Putumayo	yes	12	10	from >6 to ≤10	no	highly
Puerto Asis	Putumayo	yes	11	63	from >10 to ≤63	yes	very little
Valle del	Putumayo	yes	13	63	from >10 to ≤63	no	little
Orito	Putumayo	yes	14	63	from >10 to ≤63	no	little
Santa Rosa	Risaralda	yes	75	4	from >0 to ≤6	no	very highly
Ataco	Tolima	yes	81	6	from >0 to ≤6	no	very highly
Icononzo	Tolima	no	10	6	from >0 to ≤6	yes	moderately
Rioblanco	Tolima	yes	87	10	from >6 to ≤10	no	highly
Roncesvalles	Tolima	yes	79	63	from >10 to ≤63	no	little
Chaparral	Tolima	yes	80	63	from >10 to ≤63	no	little
Planadas	Tolima	yes	82	63	from >10 to ≤63	yes	very little
Caicedonia	Valle del Cauca	yes	76	4	from >0 to ≤6	no	very highly
Guacarí	Valle del Cauca	yes	84	4	from >0 to ≤6	no	very highly
Buenaventura	Valle del Cauca	yes	105	4	from >0 to ≤6	no	very highly
Jamundí	Valle del Cauca	yes	104	6	from >0 to ≤6	no	very highly
El Cerrito	Valle del Cauca	yes	85	10	from >6 to ≤10	no	highly
Palmira	Valle del Cauca	yes	86	10	from >6 to ≤10	no	highly
Sevilla	Valle del Cauca	yes	77	63	from >10 to ≤63	no	little
Tuluá	Valle del Cauca	yes	78	63	from >10 to ≤63	no	little
Buga	Valle del Cauca	yes	83	63	from >10 to ≤63	no	little
Papunaua	Vaupés	yes	44	0	0	no	very highly
Mitú	Vaupés	yes	45	6	from >0 to ≤6	no	very highly
Cumaribo	Vichada	yes	46	2	from >0 to ≤6	no	very highly