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A CULTURAL POLITICAL ECONOMY OF CORPORATE SOCIAL RESPONSIBILITY:
THE CASE OF C.I. UNIBAN S.A. AND THE COLOMBIAN BANANA INDUSTRY, 1987-
2017

by

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ABSTRACT

This dissertation concentrates on the banana sector in Urabá, Colombia from 1987 to 2017, paying particular attention to C.I. Uniban S.A., the largest and oldest banana marketing and export company in the country, its social foundation, Fundauniban, its marketing subsidiary Turbana Corporation, Agricola Sara Palma S.A. banana producers, and local communities in the region. Through an in-depth, qualitative case-study supported with insights from cultural political economy (CPE), it documents the local and global pressures that forced these actors to adopt and deploy corporate social responsibility (CSR) to upgrade to compete in the global banana market. It makes the case that their approach to CSR shifted from a short-term ‘crisis management’ strategy in response to the ‘race to the bottom’ to a long-term model centered on inclusive business, shared value and peacebuilding in the 21st century. By sketching out this transformation the study reveals the inroads, limits, and contradictions related to CSR and underscores how it became a ‘soft strategy’ for banana capitalists to produce new forms of subjectivities and modes of conduct and to manufacture consent around a ‘new spirit of banana capitalism’ in Urabá that fuses together economic and social concerns.
ACKNOWLEDGEMENTS AND DEDICATION

This dissertation came to fruition with the help, support, and generosity of numerous people. First and foremost, I would like to thank C.I. Uniban S.A. for giving me access to the company in Medellín and Urabá, Colombia. I would like to express my gratitude to the President and Executive Board for their patience, gracious hospitality, collaboration, and time. Other employees of C.I. Uniban S.A. that made my project a reality include: Doña Alba for arranging travel, coordinating interviews, and inviting me into her home in Envigado; Sandra for transporting me to and from Río Negro and Medellín; Antonio of Agrícola Sara Palma S.A. for transporting me to banana farms in Urabá and welcoming me into his home in Apartadó; Diego for teaching me about Fundauniban and taking me to see the foundation’s projects in Urabá; the banana workers of Agrícola Sara Palma S.A.; and everyone else that participated in my project in Colombia. I want to express my utmost gratitude to Ernesto L. Ebratt, for traveling with me to Colombia and helping me with my field work in Medellín and Urabá as well as for his countless hours of support, conversations, and critical feedback on my dissertation drafts. Last, but certainly not least, I would like to thank my dissertation committee for their encouragement, critical commentary, and time throughout these years, especially my dissertation advisor, Fernando I. Leiva, for rigorous and lengthy discussions that molded my initial ideas into a suitable topic for a dissertation. I appreciate everyone’s contributions. I dedicate my dissertation to my mother, Margaret L. Uzzell, and my father, David H. Uzzell, and to the loving memories of my grandmother, Mary L. Murley and my uncle, James R. Murley, Jr. without whom this project and experience would not have been possible. You have been wonderful examples of unconditional love, strength and inspiration in my life.
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CHAPTER 1: INTRODUCTION

I. PURPOSE OF THE STUDY

This dissertation concentrates on the banana sector in Urabá, Colombia from 1987 to 2017, paying particular attention to C.I. Uniban S.A., the largest and oldest banana marketing and export company in the country, its value chain stakeholders, banana workers and producers, and local communities in the region. It identifies key theoretical threads from cultural political economy (CPE) and uses them to produce a critical assessment of corporate social responsibility (CSR) in Urabá and the particular modalities of CSR adopted and deployed by C.I. Uniban S.A. and its social foundation, Fundauniban, from 1987 to 2017. To lead into this analysis the dissertation identifies historical stages, or key turning points, around which the relationships among different actors in the Colombian banana trade in Urabá changed leading to a crisis known as the race to the bottom that forced C.I. Uniban S.A. to adopt CSR and create a social foundation in response to the deteriorating circumstances in the banana zone. Considering these factors, it documents the specific set of global and local circumstances that gave rise to this crisis and shows how the company’s approach to CSR evolved from a short-term strategy to manage the crisis of the late 1980s and 1990s to a long-term model based on inclusive business, shared value, and peacebuilding in the twenty-first century. Throughout the dissertation the role of CSR will be discussed and critically assessed by moving across four related but independent scales: (a) the global which refers to global banana market conditions and major international political, economic, and social events related to the banana trade; (b) the national which includes political, economic, and social changes in Colombia; (c) the regional which encompasses local capital/labor relations, banana producers and workers, and local communities in the banana zone.
in Urabá; and (d) the corporate which refers to C.I. Uniban S.A. and its network of value chain actors.

Based on interviews with executives, producers, managers, workers, and community members in Medellín and Urabá; corporate archives; on-site visits in the banana zone; field observations, conversations, notes, and secondary literature, the dissertation places CSR within a context of ‘crises’ and makes the case that different sets of local and global pressures have forced C.I. Uniban S.A., Fundauniban, and Agrícola Sara Palma S.A. banana producers in Urabá to upgrade to compete in global banana markets thereby imbuing CSR in the banana zone with a flexible and dynamic character that has adapted to contemporary trends towards combating the negative consequences of businesses on society and the environment. Moreover, the dissertation argues that the transformation of CSR from a ‘crisis response’ in the late 1980s and 1990s into a more durable corporate strategy centered on inclusive business, shared value and peacebuilding in the twenty-first century has ushered in a ‘new spirit of banana capitalism’ in the banana zone in Urabá. This new modality of CSR has created opportunities and challenges for C.I. Uniban S.A., Fundauniban, banana producers and workers on Agrícola Sara Palma S.A. farms and local communities in Urabá. Such an analysis will provide an accurate barometer of the recent dynamics and shifting power relations shaping the Colombian banana industry in Urabá and of how CSR has been processed, managed, and deployed by a key business actor in a region historically characterized by violence, insecurity, and conflictive capital/labor relations.

This introductory chapter is structured as follows: Section II provides the background and justification for the study; Section III states the two primary research problems the dissertation will address; Section IV lists the primary and secondary research questions the study aims to explore; Section V lays out the research design which encompasses the methodologies and
research sites that were used to gather information from research participants during fieldwork in Colombia; and Section VI presents the overall structure and principal objectives of each chapter of the dissertation.

II. BACKGROUND AND JUSTIFICATION

One of the earliest books I came across while trying to come up with a suitable topic for this dissertation was *Upgrading to Compete: Global Value Chains, Clusters, and SMEs in Latin America* by Carlo Pietrobelli and Roberta Rabelotti. The title of the book immediately caught my attention and, particularly, the phrase *upgrading to compete* got me thinking about how a Colombian banana company like C.I. Uniban S.A. was involved in upgrading processes in global banana markets, especially considering that foreign multinational companies historically had dominated the banana trade. In their scholarly account, Pietrobelli and Rabelotti (2006a, 2006b) document how small and medium-size enterprises (SMEs) in Latin America can successfully compete in the global economy through economic upgrading, cluster development, market integration, value capture, collective efficiencies, and linking up with ‘lead firms’ in global production networks.

As I became interested in these arguments, I also had lengthy and productive discussions with my dissertation advisor that led me to read more literature related to GVCs, social responsibility, and critical studies of global capitalism and transnational conflicts. David Harvey’s important contributions such as *A Brief History of Neoliberalism* (2005), *The Enigma of Capital and the Crises of Capitalism* (2010), and *Seventeen Contradictions and the End of Capitalism* (2014) were particularly influential. Moreover, William I. Robinson’s critical theory of global capitalism and his scholarly work on transnational social classes, particularly capitalists and elites, and how they rely on social unity and consensus building to legitimate capitalist
ideologies and business-centric practices also provided inspiration for this dissertation.\textsuperscript{4}

According to Robinson (2014) capitalists and elites represent:

dominant political, socioeconomic, and cultural strata and, in particular, capitalists and landlords, along with top-level managers and administrators of the state and other major social institutions and leadership positions in the political system...capitalists are elites who own or manage means of production as capital. Elites...occupy key decision-making positions in institutions, whether in private corporations, the state, political parties, or culture industries (43-44) (my emphasis added).

In addition to providing conceptual language for discussing transnational social classes, Robinson (2013) shows that transnational forces have qualitatively changed the nature of global capitalism and heightened levels of inequality, domination, and exploitation around the world.

These issues began to resonate with me since I was also learning about the banana zone in Urabá, a culturally and racially heterogeneous region wracked by a long history of social conflicts, economic turmoil, and political upheavals. In fact, as I dug deeper into the story of the banana sector in Urabá, instability, violence, exclusion, and social struggle and desires for transformation stood out as recurring themes.\textsuperscript{5}

As I continued to learn about the history of this region of Colombia, I also began to read the vast literature about CSR. Waddock (2006), for instance, has pointed out that a significant ‘global architecture’ of CSR experts, organizations, and institutions centered on the corporate responsibility movement quickly sprouted up during the last decades of the twentieth century (5). The overriding theme related to CSR has revolved around realigning business and society interests or re-articulating a new ‘social contract’ between corporations, their value chain stakeholders, and the general public through discourses about transparency, accountability, and responsibility. CSR has found particular resonance in the global banana trade with environmentally-conscious consumers, human rights advocates, civil society and grassroots associations, non-governmental organizations (NGOs), and progressive political groups trying to
reverse the race to the bottom and fight for more humane alternative systems to capitalism based on fairness, transparency, accountability, and social justice.

As I learned more about these global shifts towards social responsibility, I began to ponder how companies in the banana sector in Colombia had utilized CSR to deal with persistent socio-economic problems plaguing the region of Urabá. As the topic for the dissertation came into sharper focus, I also became interested in how CSR has changed over time in the banana sector. In other words, I wanted to find out more about how CSR had become normalized, institutionalized, and operationalized within C.I. Uniban S.A. and Fundauniban and how it had undergone ‘social repair’ (Sum and Jessop, 2013) from the perspectives of those who played a key role in its development in Urabá. What also became evident as I researched CSR and its particular manifestations in the banana zone in Urabá is that it did (and does) not represent a unified, stable notion, nor a clearly defined set of ideas and practices (Cantó-Milà and Lozano, 2009; Christensen, et al., 2013; Guthey and Morsing, 2011; Matten and Moon, 2008). Instead, it is best conceived and analyzed as a complex social structure in constant motion (Carrol, 1999) that is “shaped by interpretations, enactments and negotiations of legislators, corporations, and other agenda-setters [and] an unstable arena of exploration where ideals, standards, and goals are continuously expanding and evolving” (Christensen, et al., 2013, 1-2). While my dissertation embraces many of the critical arguments about CSR, it also advances the idea that criticism alone fails to capture the complex nature of CSR. In my view, it is equally important to pay attention to the tangible progress and undeniable benefits social responsibility has brought to an export zone as well as how it has contributed to peacebuilding in a historically violent area of Colombia that is transitioning to a ‘post-conflict’ society. Given the region’s lackluster human rights record; its high levels of criminality; its reliance on clientelism and corruption; its involvement in the
international drug trade; its long-standing domestic conflict between the government, guerrilla
groups, and paramilitary organizations; and its recent efforts at brokering trade negotiations and
peace agreements, I began to ponder how businesses that claimed to be socially responsible
could not only emerge in the banana zone in Urabá, but also bring about transformative changes
and thrive in such a toxic environment. From the outside looking in, it seemed counterintuitive
that a banana company in Urabá could be a corporate steward for social responsibility given the
difficult market conditions in the banana trade, volatile domestic affairs in Colombia, and
unpredictable and violent local circumstances in Urabá.

By considering the diverse sides of CSR as a product of global and local forces, it is
possible to come away with a deeper understanding and appreciation of its evolution in the
banana zone of Urabá from 1987 to 2017. On one hand, this more nuanced examination of CSR
will reveal its incredible capacity to reinvigorate life into the banana zone via its laser focus on
inclusive business, shared value, and peacebuilding. Interestingly, most studies about social
responsibility in this region of Colombia tend to be more general in nature instead of focusing on
a particular banana company or corporate social foundation. They also do not approach CSR
from a critical lens analyzing its advantages and disadvantages and relationship to structures of
power and how these correlation of forces may change over time. Additionally, they do not
incorporate personal accounts from those involved in developing and deploying CSR or from
those who have been impacted by social responsibility initiatives. Finally, they do not consider
how social responsibility has been transformed into a model of inclusive business and shared
value nor how the private sector may contribute to peacebuilding efforts in a conflict zone. This
dissertation aims to fill in these gaps by providing an in-depth case study of C.I. Uniban S.A.’s
and Fundauniban’s approach to CSR based on fieldwork with executives, managers, workers,
and local communities in the banana zone in Urabá from the theoretical perspective of CPE. This blended methodological-theoretical framework is a particularly important contribution and intervention in the field and can be highly instructive in terms of elucidating the dynamic character of CSR developed by C.I. Uniban S.A. and Fundauniban as it has shifted over the last thirty or so years.

On the other hand, this analysis will reveal how banana capitalists and elites have utilized CSR as a ‘soft governance’ mechanism and as a “basis of consent for a certain social order, in which hegemony of a dominant class is created and re-created in a web of institutions, social relations, and ideas” (Robinson, 2005, 6). Untangling the darker side of CSR is a fruitful endeavor for the several reasons. First, this exercise can highlight and analyze moments of crisis and conflict (i.e. instability, exclusion, marginalization, etc.) that have shaped the contours of banana capitalism in this corner of Colombia. Second, it can identify and assess how social responsibility has been utilized to control labor at the point of production, capture value along the value chain, (re)produce capitalist and elite power, and neutralize dissent and significant challenges to the ‘new way of doing business’ based on an upgrading to compete paradigm that blends together concerns about upgrading and competitiveness with shared value, inclusive businesses, and peacebuilding. Finally, peeling back the façade of CSR can reveal that it is an unstable, highly-evolving, contradictory social formation that comes to life through individual actors reducing complexity, construing reality according to their perspectives to advance their interests, and engaging in ‘social repair’ work. Such themes became the driving motivations for me to write this dissertation.

In addition to the reasons I have outlined thus far, there are other ones that also justify why this study is needed related to the importance of bananas in the global trade and for the
regional economy in Colombia. Globally, “bananas are the world’s most exported fresh fruit both in volume and value” (Liu, 2009, 1). They grow in tropical regions in more than 130 countries around the world (FAO, 1998, 1) and are a vital food source ranking alongside rice, wheat, and corn as the most important staple items in family diets (Potts, et al., 2014, 97). In terms of world trade, bananas rank as the fifth largest agricultural export in world trade after cereals, sugar, coffee and cocoa (Chambron, 2005, 1). According to the Food and Agricultural Organization (FAO) (2003), “the volume of bananas exported between the period of 1985-2002 grew at an unprecedented average annual rate of 5.3 percent; twice that of the previous 24 years (2.4 percent between 1960 and 1984)” (1). As of 2016, “the global export value of the banana trade was estimated to be U.S. $11.8 billion…with a retail value between $20 and 25 billion” (Banana Link, 2019, n.p.). Experts have attributed this expansion to technological changes in refrigeration, palletization, containerization, telecommunications, and traceability capabilities, growing environmental awareness, and world-wide shifts to neoliberal models of development that have liberalized trade, opened up economies, deregulated labor markets, embraced competition, and spawned the increasing dominance of transnational corporations and the retail sector in the global banana trade (Chambron, 2005; FAO, 2003; Farquhar, 2005, 2009; Harari, 2005a, 2005b). In fact, the global banana trade has ballooned into a multi-billion dollar vertically-integrated industry historically dominated by multinational firms like Chiquita, Dole, Del Monte, and Fyffes. Vertical-integration is a common industrial organization feature that allows these companies to control all stages in their value chains from production and transportation to marketing and final distribution (Bucheli, 2005). As bananas pass from farms to consumers they generate considerable foreign exchange for governments and income for workers, producers, and companies in exporting nations. They are also readily available year-
round at supermarkets in the United States, Europe, and other regions of the world. More recently value-added bananas under Fairtrade and organic labels have broadened the options for consumers and provided new opportunities for companies, producers and workers in the banana trade.

In terms of exports, Latin America and the Caribbean are major banana producing regions accounting for over half of the total number of bananas exported internationally. India, Brazil, Ecuador, the Philippines, China and Indonesia produce around 55 percent of total world production, but of the 86 million tons of bananas produced only around 14 percent are traded in international markets as an export commodity (Chambron, 2005, 1). As of 2017, Colombia ranked fourth globally in terms of the value of bananas it exported in U.S. dollars, almost cracking into the ‘billion-dollar export club’ with Ecuador, Belgium, and Costa Rica. Although there are many types of bananas produced around the world most banana exports are the Cavendish variety (FAO, 2003). Its popularity as the premiere export banana is based on its “high yields, durability in long distance transport, consistent quality and unblemished appearance” (FAO, 2003, 1). More than 100 countries import bananas, but the United States and Europe are the largest importers followed by Japan (which receives bananas from the Philippines and Ecuador).

Banana production takes place within three principal trading blocs in the global economy. The first trade regime is comprised of the ‘African, Caribbean and Pacific (ACP) bananas’ that are highly regulated via import quotas, subsidies, tariffs and quantitative restrictions (Mather, 2008, 8). The ACP system favors preferential trade arrangements between European markets and small-scale banana producers from African, Caribbean, and Pacific regions that rely on rudimentary production methods with higher cost structures. The second trade regime consists of
‘dollar bananas’ which are produced in Central and South American nations, like Honduras, Costa Rica, Guatemala, Colombia and Ecuador. Most dollar bananas end up in North American markets primarily due to geographical proximity and lower transportation costs. Logistically, the time between harvesting dollar bananas on farms in Latin America to their delivery to supermarkets across North America is about 48 to 72 hours (CEO of Turbana, Personal Interview). There are no tariffs or quantitative restrictions with dollar bananas as there are under the ACP system. In terms of production, most dollar bananas come from large-scale industrial farms where there are bigger economies of scale. These farms produce large quantities of bananas for export, typically operate more efficiently at lower costs, employ developed technologies, and rely on aerial fumigations with agrichemicals like fertilizers, pesticides, herbicides, and fungicides to curtail pests and mitigate diseases and bacteria (Secretary General of C.I. Uniban S.A., Personal Interview).

Banana production costs vary from country to country depending on the types and structures of banana farming that exist (Mather, 2008). In dollar banana exporting nations, like Colombia, there are large-scale industrial plantations where technical, production, and distribution systems help lower production costs. Extreme weather conditions also play a role in determining production costs from one nation to another. Climatic calamities can impose financial hardships on owners, farm workers, and local communities that rely on the banana industry for employment. These issues can also lead to replanting which zaps capital and human resources.

III. STATEMENT OF THE PROBLEM

The first problem this dissertation addresses is the failure to acknowledge that CSR represents an ongoing ‘contradiction’ in the Colombian banana industry despite efforts to
transform it into a new model of inclusive business, shared value, and peacebuilding. Stated more specifically, I argue that CSR in Urabá represents a ‘collective solution’ and a ‘strategic intervention’ to a specific crisis at a particular historical juncture in the evolution of banana capitalism in Urabá and an ongoing ‘contradiction’ due to its limitations as a product of the capitalist system. CSR in Urabá was not only the product of regional and national power struggles in Colombia, but of global pressures that forced the entire industry (including C.I. Uniban S.A. and its banana producers) to change their prior business practices and reorient them around an *upgrading to compete* model. As optimism for a solution to the crisis associated with the race to the bottom increased in the late 1980s and early 1990s in Urabá, social responsibility, certification standards, and inclusive business became the new magical elixirs promising to bring transformative change to an industry in dire need of a face-lift. Given this scenario, the dissertation shows that CSR emerged in this region of Colombia as a both a ‘collective solution’ to a crisis, and a ‘strategic intervention’ in the sense that it provided a pathway for banana capitalists and elites to re-brand the banana trade around an *upgrading to compete* agenda that became increasing oriented and organized around social responsibility, shared value, inclusive business and peacebuilding in a conflict zone in the twenty-first century. The dissertation also foregrounds how social power and the status quo have been maintained and/or challenged at different historical moments based on differentiated circumstances and how particular “groups [exercise] their social power—through *institutions*—to control value production, to appropriate surpluses, and to reproduce these arrangements” through the social construction of discourses and the deployment of particular practices about business and society (Robinson, 2014, 127). As various accounts of CSR are documented and brought into conversation with one another, a more robust and complicated picture will emerge, one that demonstrates how CSR is both a way “to
imagine a better future and to socialize and justify an unequal present” (Hanlon and Fleming, 2009, 8).

The second problem examined in the dissertation is related to how C.I. Uniban S.A., an important business actor deeply embedded both in the dynamics of global markets as well as the social and environmental parameters of the banana production and export process anchored in Urabá, responds to the economic, social, and political challenges of the moment through the implementation and deployment of CSR. Through a qualitative critical case study of C.I. Uniban S.A., its social foundation, Fundauniban, and its relationship with its banana producers on Agrícola Sara Palma S.A. farms, the dissertation highlights how CSR has been utilized to manage internal and external pressures in its value chain, deal with social and economic problems in the banana producing region of Urabá, and maintain its competitiveness in a multinational-dominated global banana trade. An in-depth examination of these factors will reveal the contributions, setbacks, opportunities, and relationships that have defined, or perhaps, ‘redefined’ this global industry in Colombia. Additionally, and perhaps more importantly, an analysis centered on deployment and interventions redirects attention to the actual real-world practices and techniques utilized by a multi-million dollar banana corporation to upgrade to compete and rebrand itself as an inclusive business focused on shared value and peacebuilding in a region that used to be known as one of the most violent places on Earth (Chomsky, 2008). I argue that these interventions are entangled with changing dynamics among banana capitalists, producers, workers, the Colombian State, local communities in Urabá, and stakeholders in the global banana trade and that they have imbued banana capitalism in Urabá with a flexible and dynamic character.
Here I am concerned with capturing the perspectives of executives and upper- and middle-tier managers within C.I. Uniban S.A. in Medellín and Urabá about CSR, upgrading, and governance. Many of the executives and managers I interviewed had over 30 years of service with the company so they had first-hand experience and knowledge about the issues in my questionnaires. Therefore, the information they shared reveals their participation “in framing, co-constructing, negotiating, translating, and molding disconnected ‘common sense’ into ‘good sense’ and ‘collective will’” regarding CSR in the banana trade in Urabá (Sum, 2004, n.p.).

The other component of my questionnaires targeted local communities, workers, and producers in the banana zone in Urabá which enabled me to gain access to what Fairclough (2006) calls the ‘people of everyday life’ that have experienced the real effects of the machinery of banana capitalism in Colombia. Their definitions, accounts, and interpretations of the various aspects of CSR provided a counterweight to executive and managerial perspectives. Moreover, their voices served as a critical piece of the upgrading to compete story that has accompanied the blossoming of CSR since the late 1980s. Through a blend of field data and CPE, the dissertation presents different accounts and perspectives of CSR from the ‘people in the trenches’ per se and they contribute to a more robust and rich understanding of the different ways CSR has been defined and how it has touched the lives of key stakeholders in Colombia’s most important banana export zone.

IV. RESEARCH QUESTIONS

The primary research question this dissertation aims to explore is: How has the particular modality of CSR developed and deployed by C.I. Uniban S.A. and Fundauniban shaped business and societal relations in the Colombian banana industry in Urabá from 1987 to 2017? The secondary research questions flowing from the primary question include: 1) What factors and
events led to the emergence and dominance of CSR during this time period? 2) What impact did CSR have on C.I. Uniban S.A.’s ability to upgrade to compete? 3) How did C.I. Uniban S.A. and Fundauniban’s approach to CSR change between 1987 and 2017? What opportunities and challenges did this pose for banana producers, workers and local communities in the banana zone in Urabá?

V. RESEARCH DESIGN

A. METHODS

The information contained in this dissertation is derived from extensive readings of secondary literature about competitiveness, value chains, economic and social upgrading, CSR, shared value, inclusive business, CPE, and critical studies of globalization, global capitalism, and transnational processes as well as fieldwork completed in Medellín and Urabá, Colombia in August of 2012. My methods included a blend of recorded and unrecorded interviews with banana executives, managers, producers, workers, and community members in both locations; corporate archives; on-site visits in the banana zone; observations, informal conversations, notes, and photos about production, manufacturing, fluvial/maritime transport, and marketing processes.

Travel to Medellín and Urabá to carry out fieldwork for the dissertation was important for a number of reasons. First, C.I. Uniban S.A. is a private company that does not publicly disclose detailed data about its finances nor its social involvement in Urabá. Therefore, my trip gave me a unique opportunity to speak with key gatekeepers and gain rare access to financial and social foundation reports as well as books, articles, and videos about the historical, social, environmental, technological, and commercial dimensions of banana production and export in Urabá that otherwise would not have been available to me in the United States. Before gaining
access to these contacts and information, I had an extensive meeting with the President and Board of Directors of C.I. Uniban S.A. at the company’s headquarters in Medellín where I presented my research project objectives, distributed my questionnaires, justified why I needed their collaboration, answered their questions, and put together a plan of action to carry out my fieldwork.¹⁹

Once they agreed to participate in my research project, I met with several executives and their assistants to define my agenda in Medellín and Urabá. We began setting up interviews with high-level executives and upper- and mid-tier managers within the company’s headquarters. I also began working with the President’s secretary and other company personnel to plan my trip to the banana zone in Urabá. Interview sessions took place in Medellín and Urabá. Before conducting interviews, I showed my consent forms to all potential participants (see Appendix B) that explained who I was, what my research was about, what the interview process entailed, and what I intended to do with the information I was collecting. I also informed research participants that their real identities would be protected since their names would not be used in my dissertation. Participants were free to talk about any of the questions in my questionnaires, could skip any question, and could stop the interview at any point. This approach provided them a level of comfort and flexibility to discuss issues they found particularly relevant to their experience with the company. In cases where interviewees gave concise answers, I asked follow-up questions to elicit more information. These measures helped me gather as much relevant data as possible and ameliorate potential negative impacts from the interview process.

All interviews were conducted in Spanish since this was the native language of my research participants. All recorded and unrecorded interviews were completed with executives, managers, and employees of C.I. Uniban S.A. in both Medellín and Urabá and with banana
workers on Agrícola Sara Palma S.A. farms and local community members in Urabá. Recorded interviews were subsequently translated and transcribed into English. Detailed notes were taken during unrecorded interviews. Interviewees were selected based on their availability, willingness to participate, and knowledge of the subject matter in my questionnaires.

I ended up with 55 recorded interviews which consisted of 20 with executives, managers, and employees of C.I. Uniban S.A. and 35 with banana workers and managers on farms in Urabá. Recorded interviews ranged from 10 to 75 minutes. Before beginning interviews, participants identified questions in my questionnaire most relevant to their job position and function in the company’s value chain. This helped to focus our discussions. After gaining consent on banana farms in Urabá, workers and managers were randomly selected to participate in recorded interviews that lasted from 10 to 25 minutes. In addition to recorded interviews, I completed an additional 40 unrecorded interviews since some research subjects agreed to participate, but declined to be recorded. These unrecorded interviews included three with executives of C.I. Uniban S.A. in Medellín, 15 with banana workers on farms in Urabá, and 22 with local community members related to CSR projects in the region. Using the questions in my questionnaires, these unrecorded interviews ran between 10 to 60 minutes. Data collected from research participants was qualitative and exploratory. Any quantitative data in the dissertation originated from my interviews, archival research, on-site visits, and secondary sources of literature and was used selectively to support my arguments and findings. The data compiled from interviews served as an excellent barometer of changing power dynamics, challenges, and opportunities related to C.I. Uniban S.A., its banana producers, value chain stakeholders, and local communities in Urabá as they have attempted to upgrade to compete in global banana markets.21
B. RESEARCH SITES

Medellín, Colombia

Part of my fieldwork took place in Medellín where C.I. Uniban S.A. has its headquarters. In this location, I interviewed executives, managers, and employees and accessed the company’s library, which houses corporate and historical documents related to the banana industry in Urabá. I chose to concentrate on C.I. Uniban S.A. because it stood out as a unique case in the global banana trade: it was a domestically owned company created through the efforts of local banana entrepreneurs and the Colombian state on January 26, 1966 after banana production had shifted from the department of Magdalena to Urabá. This was the first time in the history of the banana industry in Colombia that local producers banded together to successfully break free from foreign multinational corporate control and export their own bananas (Hough, 2007). By the 1970s the company had captured over half of the banana export market in Colombia, launched a marketing company called Turbana in Florida, and expanded into European markets via its commercial ties with the Velleman & Tas distribution company. Its initial successes have continued into the twenty-first century, as it has become unquestionably the most dominant company in Colombia in terms of domestic banana export market share. From 1998 to 2012, for instance, the company maintained a 31 to 50 percent share of the banana export market in Colombia, exporting between 23 and 40 million 18.14 kilogram boxes of bananas.

In interviews and orientation sessions at the company’s headquarters in Medellín I learned that the company acts as an intermediary between banana producers in Urabá and clients (i.e. supermarkets and wholesalers) in North America and Europe as well as spot markets in other regions of the world. While it is not directly involved in banana production in Urabá, the company along with its network of subsidiaries shape banana production, manufacturing,
fluvial/maritime transport, and marketing processes through consulting, financing, selling agricultural inputs, products, and services, marketing, standards implementation, enforcement, and monitoring for banana producers. Aside from bananas the company is involved in the production, marketing, and export of plantains and tropical products and it acquires, distributes, produces, coordinates, and markets goods, materials, equipment, and machinery to domestic and foreign markets (Superintendencia de Sociedades, 2005). As a pivotal player in these arenas, it generates considerable export earnings, direct and indirect employment, and tax revenue, and the livelihood of thousands depend on its survival and long-term success. These are additional reasons that motivated me to research this company and travel to Medellín for my fieldwork.

**Urabá, Colombia**

The second site I visited for my fieldwork was the banana zone in Urabá, which is comprised of four main municipalities, Apartadó, Carepa, Chigorodó, and Turbo (Ministerio de Agricultura y Desarrollo Rural, 2006). This region accounts for 35,000 out of the total of 47,000 hectares under banana production in Colombia, creates 20,000 direct jobs and 60,000 indirect, has a population just above 300,000 and an annual growth rate of around three percent (Quesada, 2013, n.p.). Urabá is prime real estate for banana production and export because there is an abundant labor supply, human capital, and fertile land with adequate sunlight, rainfall, and humidity. There is also an extensive infrastructure with roads, canals, the León River, storage units and a barge loading zone in the port of Turbo, the Gulf of Urabá, and developed production systems on banana farms. Urabá has accounted for approximately three-fourths of the yearly volume of banana exports, yearly value of exports, and land under production. Ninety-eight percent of banana workers in Urabá are under collective bargaining agreements with Augura (the national banana association), Sintrainagro (the labor union for banana workers) and banana
companies (Executive Sales and Supply Manager of C.I. Uniban S.A., Personal Interview).

Salaries are based on the items and work completed and raises are tied to the consumer price index. Exchange rate volatility has been a major factor that has impacted banana worker salaries in Urabá. Since banana export payments are made in U.S. dollars, the depreciation of the Colombian peso spells disaster for local producers significantly driving up production costs and wages while a strong dollar ensures producers receive more Colombian pesos in earnings, which helps them cover these costs. While companies, like C.I. Uniban S.A., have vertically-integrated value chains, they depend on a vast network of horizontal relations with support institutions.²⁸

When I arrived to the region to conduct my fieldwork, I went to a company camp near Apartadó that had housing, office complexes, and recreational facilities. From there I worked with C.I. Uniban S.A. personnel to review and modify my research agenda. This time was utilized to set up: 1) visits to banana farms to do interviews about social, economic, and environmental factors facing producers and workers; 2) observations, orientation sessions, small group meetings, informal conversations, and interviews about the manufacturing, banana production, fluvial/maritime shipping, and marketing segments of C.I. Uniban S.A.’s value chain; and 3) trips to Fundauniban project sites to speak with local communities about CSR and C.I. Uniban S.A.’s involvement in social upgrading in the region. The following sections provide additional details about these core areas of C.I. Uniban S.A.’s value chain.

Manufacturing

Agrochemical inputs and other manufactured goods such as imported and domestically produced fertilizers, fungicides, pesticides, herbicides, seeds, cardboard boxes, plastic products, twine, ropes, reams of paper, machinery (tools, naval equipment, etc.) are essential for banana production in Urabá. To observe and learn about the manufacturing processes involved in
producing and delivering these inputs to banana, plantain, and pineapple producers on farms in Urabá, I visited the industrial zone where I interviewed and spoke to plant managers and employees that dealt directly with cardboard box, pallet, and plantain chip production. During my visit to the cardboard box factory, I observed how corrugated cardboard boxes were produced for banana producers in the region. This elaborate process begins with large reams of imported paper that are run through elaborate conveyor belt systems that churn out brand-new cardboard boxes that are subsequently painted with corporate logos of the buyers. This highly technical, mechanized, and computerized process involves a multi-node station system and the constant supervision of technical professionals. The second manufacturing process I observed was related to the construction of pallets (and esquineros) which hold forty-eight 18.14 kilogram boxes of bananas engineered with thermally-treated, plague-resistant wood that meets ICA norms. The third core manufacturing process was related to the company’s snacks plant that was launched in 2008 as part of the company’s diversification strategy and efforts to create value-added products and services. This venture has allowed C.I. Uniban S.A. to take advantage of fruit that does not meet specific export requirements by having its marketing subsidiary Turbana sell different flavors and options of fruit and plantain snacks under its label Turbana Chips.

**Banana Production: Agrícola Sara Palma S.A. Farms**

I spent about half of my time in Urabá on Agricola Sara Palma S.A. banana farms where I learned about banana production from managerial and worker perspectives through interviews, small group discussions, field observations, notes, and photos. It is important to highlight some key characteristics related to the banana production process in Urabá. First, there are two primary types of bananas, the *Cavendish Valery* that is exported to global markets and the *banano criollo*
meant for domestic consumption since it does not meet stringent quality export standards (Ministerio de Agricultura y Desarrollo Rural, 2006). Second, most banana production in Urabá takes place on medium- to large-scale industrial certified Global GAP farms (Ministerio de Agricultura y Desarrollo Rural, 2006, 13). As of 2012, there were 182 banana producers in Urabá under exclusive supply contracts with C.I. Uniban S.A. Once banana producers establish contractual relations with C.I. Uniban S.A., they must also become shareholders by putting up their own capital to export their fruit. According to executives, this arrangement guarantees a certain level of income for banana workers, but also allows the company to buy Cavendish export bananas from its producers in Urabá and sell the fruit at free-on-board (FOB) prices to its U.S. and European marketing subsidiaries (Turbana and Tropical Marketing Association respectively) (CEO of Turbana, Personal Interview). Third, over 90% of banana producers in Urabá are affiliated with Augura and Sintrainagro which gives banana producers in Urabá bargaining power in contractual situations concerning agricultural inputs and the prices they receive for their fruit with lead banana companies like C.I. Uniban S.A. (Quesada, 2013; Romero 2005).

My visits to farms in Urabá gave me the opportunity to observe and learn about the labor-intensive banana production process that involves planting, cultivation, harvesting, and packing. Planting involved locating arable tracts of land, selecting seeds, and ensuring that farms had adequate drainage and cable systems. Cultivation included tasks like trimming banana trees, controlling the growth of weeds, protecting banana stalks, covering fruit bunches with plastic bags, ensuring optimal sunlight and shade, fertilizing the soil, and fumigating farms to protect plants from insects and other pests as well as common plagues like sigatoka negra and moho. Fertilization cycles, aerial fumigations, technical and soil analyses, and rationing of resources
were key areas of integrated industrial farm management systems on all the farms I visited. Harvesting involved transporting banana stalk bunches on cable systems to packing stations, unwrapping banana stalks, and severing bananas from the stalks. Packing included intensive labor like fruit selection, washing, weighing, treatment, packing, labelling, palletization, and loading fruit onto freight trucks. Finally, my visits to banana farms in Urabá allowed me to learn about quality, internal management, manufacturing, security, marketing, safety, and socio-environmental standards, labels, and certification schemes that govern the relationships between C.I. Uniban S.A. and its banana producers in the region.³⁴

*Fluvial and Maritime Transport: Isabella Shipping Ltd.*

A subsidiary of C.I. Uniban S.A. called Isabella Shipping Ltd. handles marine operations. This company coordinates fluvial and maritime transport of bananas from Urabá to ports of entry in the United States and Europe where distributors receive and take responsibility of the fruit. Isabella Shipping Ltd. leases large reefer vessels through time-party charters and deals with nationalization and registration processes with Colombian customs related to the import and export of goods. It also helps C.I. Uniban S.A. coordinate the logistics process (i.e. scheduling, communication with marketing representatives, etc.) and is directly involved in the negotiation of fares and rates for large maritime shipping vessels which are not the property of C.I. Uniban S.A.³⁵

To observe this segment of the value chain I began my visit at the collection centers (*centros de acopio*) where bananas were unloaded from trucks, inspected, and reloaded onto barges (*bongos*) guided by tugboats. Each pallet was carefully stacked in the interior of the barges to maximize the utilization of space. Next, I observed the inspections process in the industrial zone in the pier (*el embarcadero*), and then traveled in a speedboat via man-made
canals to the León River which flows into the Gulf of Urabá. This was where I boarded a large reefer vessel waiting to be loaded at high sea in the middle of the gulf. As the barges loaded with bananas arrived, they were unloaded with a high-capacity crane and placed within the ship’s interior that held thousands of boxes of bananas in refrigerated units along with other goods such as machinery, flowers, fruits, and cars destined for global markets. Ship laborers controlled the highly mechanized process of hoisting the pallets from barges and stacking them tightly inside the storage area. The time to unload varied depending on weather conditions, number of barges to be unloaded, and workers available. All boxes had identification labels called QR codes that allowed easy traceability of bananas throughout their journey to their final destinations.

*Fundauniban Project Sites*

Another significant portion of my time in Urabá was spent visiting Fundauniban’s project sites to talk to local community members about C.I. Uniban S.A.’s involvement in social and economic upgrading initiatives in the region. During my initial visit to the foundation’s main office near Apartadó I went through an orientation and interview session with the President of Fundauniban to discuss the foundation’s strategic priorities, or its ‘social vision’ for the region. During our time together, our conversation revolved around social and economic development, education, housing, and community infrastructure. My trips around the banana zone taught me about the history of Fundauniban and exposed me to how the social foundation had prioritized its investments in the region as well as how local community members perceived and interacted with the foundation. This exclusive access gave me a more complicated picture of the ways in which Fundauniban has deployed CSR in a region that has experienced “dispossession, repressive labor control, lack of public investment in infrastructure and social services, the persistence of authoritarian political structures, and armed conflict” (Brown, 2013, 2575).
VI. STRUCTURE OF THE DISSERTATION

Chapter 2: A Cultural Political Economy of Corporate Social Responsibility

This chapter conducts a literature review of CPE that will guide my analysis of CSR as it relates to C.I. Uniban S.A. and the Colombian banana sector in Urabá. The review highlights key contributions from a group of scholars working at the Cultural Political Economy Research Centre (CPERC) at the University of Lancaster in England. This group of researchers provided inspiration for the theoretical framework for this dissertation, particularly the voluminous work of Bob Jessop and Ngai-Ling Sum. The review introduces key conceptual language and targets three core strands of analysis in CPE that will be relevant in subsequent chapters: 1) the dialectal relationship between semiosis and extra-semiosis (i.e. the mutual interdependence of language and material realities), 2) technologies of governance and the production of hegemony, and 3) critiques of domination.

Chapter 3: The Development of the Colombian Banana Industry: The Rise, Sedimentation, and Recontextualization of CSR, 1890-2017

This chapter documents the rise and development of the banana industry in Colombia from 1890 to 2017. It serves as a contextual backdrop that will highlight the specific global and local forces that came together to spawn concerns about social responsibility and later to the sedimentation of CSR as a pivotal strategy utilized in the Colombian banana industry in Urabá to compete in global banana markets. The first part of the chapter focuses on the early development of the first banana export enclave in the department of Magdalena (1890-1960) located on the northern Colombian coast in the Caribbean. The second part focuses on Urabá, which became Colombia’s premiere banana production and export zone in the 1960s. As the chapter explains, this shift took place due to long-standing conflicts between foreign capitalists and local banana working classes in Magdalena, the corporate restructuring of the United Fruit Company (a
Boston-based banana multinational company), developmentalist policies of the Colombian State, and the presence of an entrepreneurial banana capitalist class in the department of Antioquia poised to stake their claim against multinational banana firms in the global banana trade. After the bulk of banana production and export shifted to Urabá, the continued struggles between foreign and domestic capitalists, banana working classes, and the Colombian State led to a ‘crisis’ in the industry known as the race to the bottom. The third part pinpoints the specific forces that came together to give birth to social responsibility in Urabá and shows that it became the central strategy of the Colombian banana industry to avert crises, reinvent itself, and bolster its competitiveness. The fourth part of the chapter discusses how C.I. Uniban S.A.’s model of CSR has shifted towards inclusive business, shared value, and peacebuilding in the twenty-first century and what this means for the future of the banana zone in Urabá.

Chapter 4: Economic Upgrading and Social Responsibility

This chapter shows how C.I. Uniban S.A. and Turbana executives and managers have made sense of economic upgrading, marketing, and social responsibility. Specifically, it argues that embracing a shift in a vision around social responsibility from crisis management to one anchored in inclusive business, shared value and peacebuilding had multiple purposes that served the interests of executives and managers of C.I. Uniban S.A. and Turbana. In the late 1980s and 1990s a top priority for both companies was to market social responsibility as a way out of the crisis that had engulfed the industry. The adoption and gradual implementation of social responsibility helped both companies rebrand themselves to their shareholders, stakeholders, and other actors in the global banana trade, bolster upgrading processes in the value chain, take advantage of new market trends, and navigate the web of consumer, activist, and client expectations and demands.

This chapter concentrates on the company’s social foundation called Fundauniban and its impact and relationship with local communities in the banana zone in Urabá. The first part of the chapter documents the beginning of the foundation and the initial successes and roadblocks it faced as it began its work in the region. The second part of the chapter incorporates the voices and perspectives of Fundauniban executives to ‘make sense’ of the language of social responsibility as it was defined in the foundation. The third part of the chapter targets the foundation’s deployment of CSR paying particular attention to its strategic priority areas and projects pertaining to social development, education, housing and community infrastructure, and economic development.

Chapter 6: The Deployment of Social Responsibility with Banana Producers and Local Communities in Urabá

This chapter shows that the adoption and implementation of international certification standards, specifically Global GAP and Fairtrade, in the banana zone in Urabá provide both opportunities and limitations in terms of upgrading for banana producers and workers. The chapter reveals that these standards were embraced by most executives and managers as an ‘opportunity’ to extend social responsibility to the point of production and to continue to develop C.I. Uniban S.A.’s new model of CSR by creating a general sense of solidarity and social cohesion among management and workers. Although these standards helped mitigate risks on farm and foster a new vision for management-worker relations, the chapter shows that discontent among some managers and workers have not completely vanished. Another point explored is the ‘integration thesis’ in the value chain literature that claims that ‘linking up’ with lead firms in an industry can drive economic and social upgrading processes for producers through the generation
of ‘positive spillover effects’. While the chapter acknowledges that close relationships between C.I. Uniban S.A. and its banana producers can lead to upgrading opportunities, they also set up a scenario where (in)direct governance has become a subtle, yet significant feature of the neoliberal banana trade in Colombia and a means by which banana capitalists have reproduced their hegemony in the twenty-first century as the dominant class fraction in the region.

Chapter 7: CSR as Inclusive Business in the Banana Zone in Urabá?

The final chapter recaps the main arguments in the dissertation, makes conclusions and points to promising areas for future research.
Notes

1 A value chain refers to “a set of businesses, activities, and relationships engaged in creating a final product (or service) [that] becomes transformed, combined with other products, transported, packaged, marketed, etc. until it reaches its final consumer. In this sense, the value chain describes how producers, processors, buyers, sellers, and consumers—separated by time and space—gradually add value to products as they pass from one link in the chain to the next” (UNIDO, 2009, 1)

2 I am borrowing the phrase “upgrading to compete” from the title of the book Upgrading to Compete: Global Value Chains, Clusters, and SMEs in Latin America (Pietrobelli and Rabelloti, 2006a). In the dissertation I argue that upgrading to compete refers to a development model under contemporary capitalism in the neoliberal banana trade that has become increasingly concerned with competitiveness, governing value chains, and promoting economic and social upgrading, CSR and its recontextualized variants like shared value, inclusive business and peacebuilding.

3 David Harvey works at the City University of New York (CUNY) as a Distinguished Professor of anthropology and geography. He is a British economic geographer that has written extensively about capital and capitalism (among other topics) from a critical Marxist perspective.

4 William I. Robinson is a professor of sociology at the University of California at Santa Barbara. He has published extensively on global capitalism, globalization, and transnational capitalist and elite classes. One of his recent books, for instance, touches on important transnational processes and issues shaping the global political economy such as immigrant justice, educational reform, labor and anti-racist struggles, policing, Trumpism, the resurgence of
a neo-fascist right, and the rise of a global police state. For more information, see his personal website at http://www.soc.ucsb.edu/faculty/robinson/books.shtml.


6 Evidence of these battles to map meanings onto CSR include the vast range of concepts, theories, strategies, and practices deployed. Some approaches to CSR emphasize corporate social performance, shareholder value theory (or fiduciary capitalism), stakeholder theory, and corporate citizenship (Melé, 2008). The ‘business case’ literature on CSR focuses on cost and risk reduction, competitive advantage (i.e. adapting and leveraging opportunities), reputation and legitimacy (building a responsible brand), and synergistic value creation (seeking win-win outcomes) (Kurucz, et al., 2008). Another area targets corporate social performance and corporate financial performance and the relationship between the two (Orlitzky, 2008). Other prominent concepts and theories about CSR include corporate social responsiveness and business ethics (Carroll, 2008), corporate citizenship (Carroll, 1998; Matten and Crane, 2005), corporate social performance and shareholder and stakeholder theories (Melé, 2008), shared value (Kramer and Porter, 2011), and socially responsible investment (Kurtz, 2008). More recently, critical appraisals of CSR have viewed it as a ‘socio-economic phenomenon’ or a ‘soft form of predatory power’ that deepens the corporate form as a legitimate way of ‘going on in the world’ (Fleming and Jones, 2013) For select critical studies, see Blowfield and Murray, 2008; Carroll, 1979, 1999; Christensen and Cheney, 2011; Gilbert et al., 2011; Okoye, 2009; and Scherer and Palazzo, 2007, 2011.

Robinson (2005) notes different interpretations of hegemony: a) hegemony as international domination, b) hegemony of the nation-state, c) hegemony as consensual or ideological domination, and d) hegemony as the exercise of leadership within historical blocs within a particular world order (1-2). He advocates a move away from state-centric conceptualizations of hegemony preferring to analyze it as an incomplete transnational project constructed, exercised, and contested by social groups or class fractions in the global socio-economic and political order (2005, 6). The last two points are particularly relevant for this dissertation.

Retail chains and supermarkets in the United States and Europe capture profits via captive buyer/producer relations, intensive marketing strategies, and the implementation and enforcement of global standards and certification schemes.

The global market shares for the top five firms in the global banana trade shift according to corporate strategies, mergers and acquisitions, divestments, market conditions, weather conditions in producer countries, political climates, and regulatory and commercial frameworks. According to the FAO (2014), the top three firms (Chiquita, Dole, and Del Monte) had their highest market shares during the 1980s controlling about 65% of the global banana market, but this has gradually dropped off during the 1990s and early part of the twenty-first century (2).

It should be noted that de-verticalization also has become a common occurrence in the global banana trade as companies have sought to pare down their exposure to labor, climatic, and financial risks involved in the production segments of their value chains.

The trade value of exported bananas is over 11 billion U.S. dollars, but their retail value is approximately 25 billion U.S. dollars (Banana Link, 2019).
Of these countries, Ecuador and the Philippines are the only major banana exporters. See Table 1 in Appendix A for a list of the top ten banana exporting countries in the world in 2017.

Colombia falls within this trade regime (Forero-Madero, et al., 2006, 170). However, C.I. Uniban S.A. has clients in North American and European markets. Under the third trade regime the Philippines is the premiere supplier of Asian markets.

Some Latin American producers, such as Ecuador and even Colombia, supply bananas to countries like Japan; however, this market is underdeveloped due to the geographical distance and difficult trade relations between Latin America and Asia. Noboa, an Ecuadorian banana firm, and the Daabon Group, a Colombian-based company in Santa Marta, Magdalena, have exported bananas to the Japanese market. The trade relations between Asian and Latin American nations have developed through free-trade agreements, yet the geographical distance is a cost-prohibitive factor in deepening integration and international commerce in bananas between these regions.

ACP banana producers, for instance, rely on smallholder production that makes large-scale mechanization or irrigation less likely.


Before this meeting, I had already sent a formal letter to the Secretary General of C.I. Uniban S.A. signed by my dissertation chair and me. In the letter I explained my research project and asked the company to participate. I also communicated with the President’s Secretary by email on multiple occasions before arriving to Medellín about my initial meeting with the President and Board of Directors.
Agrícola Sara Palma, S.A. is a subsidiary of C.I. Uniban S.A. that handles all issues (i.e. salaries, working conditions, etc.) related to banana workers and producers on farms in Urabá.

See Table 2 in Appendix A for a summary of the recorded and unrecorded interviews completed during my fieldwork.

When the company was first created it was called Unión de Bananeros de Urabá S.A. However, on June 3rd, 1982 it adopted its current full registered legal name as an international trading and marketing firm: Comercializadora Internacional Unión de Bananeros de Urabá Sociedad Anónima, or simply C.I. Uniban S.A. (Secretary General, C.I. Uniban S.A. Personal interview. 8 Aug. 2012).

Velleman & Tas is part of Fyffes, an Irish multinational banana firm that belongs to the world’s largest banana firm ChiquitaFyffes. This company commercializes and distributes C.I. Uniban S.A.’s products in the European Union and Eastern Europe.

See Table 3 in Appendix A for domestic banana exports and market shares for C.I. Uniban S.A. from 1998 to 2012.

C.I. Uniban S.A. also deals with banana producers in the department of Magdalena, but these relationships will not be the focus of this dissertation. Spot banana markets include places like Russia, China, the Middle East, and the Mediterranean where C.I. Uniban S.A. and Turbana sell surplus fruit (Executive Sales and Supply Manager, C.I. Uniban S.A. Personal Interview).

See Table 4 in Appendix A for a complete list of the subsidiaries of C.I. Uniban S.A. as of 2012.

Volume refers to the number of 18.14 kg boxes exported. Value is in millions of U.S. dollars. Share refers to the percentage of the total national banana exports.
See Table 5 in Appendix A for the major support institutions in the banana industry in Urabá.

I was not able to visit Polyban International S.A. in the Mamonal industrial free-trade zone in Cartagena, Colombia. However, it is another important subsidiary of C.I. Uniban S.A. that produces, markets, and exports plastic products and resins to other parts of Latin America and the Caribbean.

ICA refers to the certification body called El Instituto Agropecuario de Colombia, or The Agricultural Institute of Colombia in English.

Global GAP refers to Global Good Agricultural Practices.

Contracts between counterparties stipulate the characteristics of export bananas such as size, shape, quantity, and appearance with which banana producers must comply. The land under production may be owned solely by the producer or leased by a producer or banana company (Secretary General of C.I. Uniban S.A., Personal Interview).

Augura is the National Banana Association and Sintrainagro is the banana industry’s trade union. Augura and lead firms in the banana industry provide managerial, financial and technical support, advice, and consulting services for banana producers in Urabá. These relationships foster a high degree of standardization in terms of products and processes in the production segment of the value chain.

Global GAP, Fairtrade, PCIC (Programa de Calidad Integral Certificada, Integrated Certified Quality Program), SA8000, and ISO 9000 were the most common governance schemes mentioned in orientation sessions, interviews, and small group discussions during my visits to farms.

36 Fluvial and maritime transport of bananas in Urabá is a unique process since there is no actual wharf where ships dock to be loaded.

37 For studies pertaining to these issues, see Carrol, 2010; Chomsky, 2008; Hough, 2007, 2011, 2012; and Ortiz, 2007.
CHAPTER 2: A CULTURAL POLITICAL ECONOMY OF CORPORATE SOCIAL RESPONSIBILITY

This chapter takes an in-depth look at CPE and argues that it is a powerful theoretical framework for analyzing the particular forms of CSR developed and deployed by C.I. Uniban S.A. and Fundauniban in the banana zone in Urabá. In fact, this framework could be easily applied to a variety of business-related issues, contexts, and circumstances prevalent in the global political economy, thereby making it a robust, critical, and flexible theoretical tool for scholars across many fields of study and areas of expertise. The literature review in this chapter underscores core concepts in the CPE framework and discusses the following strands of analysis: 1) the dialectal relationship between semiosis and extra-semiosis, 2) technologies of governance and the production of hegemony, and 3) critiques of domination. Before delving deeper into these areas, some preliminary comments about CPE as a field of study and its connection with this project are warranted.

I. LITERATURE REVIEW OF CULTURAL POLITICAL ECONOMY

The theoretical framework for this dissertation stems from a body of research largely developed since the late 1990s by a group of scholars working at the Cultural Political Economy Research Centre (CPERC) at the University of Lancaster in England. During this period, the primary contributors have been Andrew Sayer, Norman Fairclough, Isabela Iețcu-Fairclough, Ruth Wodak, Bob Jessop and Ngai-Ling Sum, among other scholars at other universities and institutions.¹ Researchers at the CPERC have defined CPE as “a trans- and post-disciplinary research paradigm” as well as “a capacity-building resource” for global academic communities interested in furthering research about theories and methods pertaining to “the interrelations among semiosis, imaginaries, political economy broadly conceived, and issues of governance, government, and governmentality”.² As it states on the CPERC website, the aim is “to provide a
hub for studying and applying cultural political economy as a cutting-edge approach to a wide range of theoretical, substantive, and policy issues for the twenty-first century”.

In terms of theoretical inspiration, CPE is indebted to a wide variety of critical theories ranging from post-structuralism, critical semiotic and discourse analysis, Marxism, state theory, the regulation approach, and political economy, to Antonio Gramsci’s work on hegemony, and Michel Foucault’s concern with discursive practices, disciplinary normalization, and critical governance studies just to name a few.

The CPERC has played a pivotal role in strengthening and developing CPE through seminars, meetings, reading groups, annual workshops, keynote presentations, special courses, conferences, and publications. The fruit of this intellectual labor has resulted in various themes and projects targeting changing cultures of competitiveness (Ngai-Ling Sum), discourses of capitalism (Norman Fairclough and Isabela Iețcu-Fairclough), moral and social economy (Andrew Sayer), political imaginaries (Ruth Wodak), the semiosis of financial and economic crises and repercussions on the ‘real’ economy (Bob Jessop), the construction and dynamics of BRIC (Brazil, Russia, India, China) economies (Ngai-Ling Sum), the Green New Deal (Ngai-Ling Sum and Michael Farrelly), globalization and the knowledge-based economy (Fairclough, Jessop and Wodak), global business governance and CSR (Ngai-Ling Sum), and epistemologies of CPE related to critical realism and discourse analysis.

By taking stock of these themes, it is clear that CPE provides an invaluable theoretical lens to explore a wide-range of social, economic, political, and cultural issues and phenomena.

Drawing from Jessop (2009), it is possible to note the primary features in CPE that will be relevant to this dissertation. First, he stresses the ‘cultural turn’ in political economy by arguing that there is always an existential proclivity to reduce complexity to function and carve out our place in the world. Second, he stresses the interdependence and co-evolution of the
semiotic (i.e. inter-subjective production of meaning) and extra-semiotic (i.e. material dimensions of life). Third, he highlights the role of structuration and imaginaries in shaping the exterior world. Fourth, he foregrounds the interplay of social construals and social constructions and explains how each function to produce hegemony. Fifth, he underscores the relation between technologies of governance and hegemony and focuses on how they become consolidated and/or contested across different sites, scales, and historical epochs. Sixth, he questions dominant imaginaries in the global political economy to advance critiques of domination (336-337).

Taking into consideration these points, three connections with this project can be made. First, CPE approaches CSR, in both discursive and material terms, i.e. as sets of concrete discourses and real-world practices that, when deployed, intervene and affect relationships between businesses and social actors. Second, CPE brings to light how particular governance mechanisms related to CSR operate and unveils how capitalists and elites have utilized them to ‘(re)produce’ their hegemony and consolidate their power and authority. Targeting this area also makes it possible to explore “accounts of how subjects and subjectivities are formed and how different modes of calculation emerge, are institutionalized, meet resistance, and are transformed or overturned” (Jessop and Sum, 2006, 159). Third, CPE helps elaborate critiques of power and elucidate how structures of domination and particular class fractions are normalized, negotiated, and contested over periods of time. Strikingly, these are underdeveloped areas in current scholarship about the Colombian banana industry in Urabá. In brief, the remainder of this chapter highlights the importance of approaching CSR from the critical perspective of CPE and returns to the core points highlighted by Jessop (2009) to conduct a more thorough literature review and connect the analytical threads to important issues that will be explored throughout the dissertation.
II. CULTURAL POLITICAL ECONOMY: STUDYING SOCIAL RESPONSIBILITY THROUGH THE PRISM OF LANGUAGE AND MATERIAL REALTIES

The selection of CPE as the theoretical framework for this dissertation was informed by my desire to understand the socio-economic dynamics of the banana trade in Urabá revolving around two axes of analysis from a critical perspective: language and material realities. In terms of language, it is essential to live, communicate, and interact in oral and written forms with other human beings. We cannot make meaning and sense of our lives and interactions with other people without depending on language. Therefore, it represents a quintessential element of the human condition that enables us to attain a deeper understanding of current events, history, and socio-economic, political, and cultural relations and conditions that ‘make the world go around’. Beliefs, emotions, perceptions, and experiences, so foundational to humanity, are expressed through language.

Furthermore, language gives life to discourses, which represent particular ways of speaking about realities perceived and experienced in the real world. For instance, CSR is a complex amalgamation of discourses produced via specific language by particular social actors around the world (i.e. businesses, politicians, academics, etc.). In many cases, dominant CSR discourses encapsulated and disseminated through material channels (i.e. books, journals, articles, conferences, corporate documents, certification standards, etc.), have impacted real-world practices in terms of how we approach business/societal relations. However, these dominant discourses alone do not capture the whole story about CSR. Inevitably, they reduce complexity by excluding some ideas while positioning other ones that advance their projects and agendas in the limelight.

Given the complexities of reality, these discourses compete with other stories, definitions, and experiences of CSR. Social interactions among capitalists, elites, workers, and community
members in particular industries, scholarship about these economic activities, and everyday interactions and exchanges among social agents in the global political economy—produce, negotiate, and contest different versions of CSR. While corporations and elites certainly represent key agents in collective and historical processes of struggles over meanings and societal transformations regarding CSR, so do value chain stakeholders like farm managers, banana workers, and members of local communities that have experienced it in the flesh. For this reason, the dissertation centers on capturing a multitude of voices to illuminate the benefits, limitations and contradictions that sustain CSR as a dominant mode of conducting business in this part of Colombia. In his work about intellection production, Robinson (2005) stresses that:

the exercise of studying the world, of trying to know the world, is itself a social act, committed by agents with a definite relationship to the social order. Intellectual production is always a collective process, and knowledge a social product...The raw material of intellectual production are the hopes and struggles for survival of communities and peoples around the world, the contending social forces, conflicts, the ideological clashes, the alternative visions, and the raging political battles that characterize our epoch (13, my emphasis added).

While Robinson’s comments are directed at exploring the role of intellectuals in the face of the multifaceted humanitarian crises spawned by the excesses of global capitalism, his comments are particularly relevant for thinking about CSR as a by-product of social, intellectual, and corporate acts to produce knowledge (via language and discourses) and act in a complex and conflict-ridden world ruled by the logic of the marketplace. Therefore, it is important to analyze discourses about CSR not as apolitical or neutral forms of knowledge, but rather as social constructions tied to global socio-economic and political agents (i.e. companies, institutions, elites, workers, etc.) with unique perspectives, goals, and agendas. By bringing together diverse perspectives, stories, and personal experiences about CSR, it is possible to contribute to “an understanding of history and social change that may elucidate the inner workings of the
prevailing order and the causal processes at work in that order that generate crisis” (Robinson, 2008, xiii).

While language certainly represents a foundational component to the human experience, discourses cannot exist in isolation of the material realities and conditions that people face in the real world. They are mutually influential. Under capitalism, human beings produce and reproduce their material requirements of life by entering into production and exchange relationships. These exchanges are based on capital, knowledge, nature, time, among other resources and assets. These power relations comprise a global division of labor upon which the engines of capitalism churn. However, these relationships and the durable institutions and structures that house them are often perceived as ‘normal’ facets of life and, for this reason, are often left unquestioned. Nevertheless, these relationships and material structures are dynamic and depend on imbalances (i.e. crises, conflicts, exclusion, marginalization, violence, contradictions, etc.). Bearing this point in mind, the banana zone in Urabá and C.I. Uniban S.A. and Fundauniban’s involvement in deploying CSR provide an excellent backdrop for examining the fundamental mechanisms of capitalism, social class factions, and battles to maintain and contest capitalist and elite hegemony.

III. SEMIOSIS: THE ‘CULTURAL TURN’ TOWARDS THE INTER-SUBJECTIVE PRODUCTION OF MEANING

The first contribution that CPE makes towards a critical assessment of CSR in the banana zone in Urabá is its insistence that ‘culture’ be taken seriously. Ray and Sayer (1999) capture the importance of this ‘cultural turn’ in CPE stating that:

Common to all uses of ‘culture’ is a concern with practices and relationships to which meanings, symbols or representations are central: in short, ‘signifying practices’. These patterns give meaning to, and orient social behavior, within particular groups. Since any and every social act can be a signifying practice, culture is everywhere. However, that
does not mean that culture is everything, that the only thing that goes on in society is signifying practice, or that the signifying aspects and artefacts exhaust all we need to know about them (5).

From their statement it is possible to surmise that the ‘cultural turn’ (also known as *Sinnmachung*) refers to ‘signifying practices’ concerned with meaning-making and the molding of subjectivities and identities, yet culture should not exhaust all facets of analysis. Sum and Jessop (2010a, 2010b, 2012) note that the ‘cultural turn’ in CPE also involves *semiosis*, which refers to ‘inter-subjective meaning-making’ that serves as the ‘foundational moment of all social relations’ (95). Semiotic orientations are geared towards “argumentation, narrativity, rhetoric, hermeneutics, identity, reflexivity, historicity, and discourse” (Jessop, 2009, 337).

Discourse and language also acquire a central role in shaping the inter-subjective production of meanings (Fairclough, 2006, 2015; Sum and Jessop, 2013). In reference to this point, Sum and Jessop (2013) write that:

> language provides the primary horizon of sense-making for actors/observers and thereby shapes lived experience of being in the world, focusing on just some meanings from the infinitude of possible meanings…Language enables humankind to construe the natural and social world, use language tactically or strategically…(161).

Taking language (both spoken and written forms) seriously can produce critical accounts of sense-making related to “the profit-oriented, market-mediated economic order of capitalism and the institutional and practical specificities of legal and political systems” (Sum and Jessop, 2010b, 95). Additionally, semiotic analysis can reveal the tactics and strategies that lead to the exercise of power through the production of, access to, and control over discourses (Van Dijk, 2008). The ‘economic order of capitalism’ to which Sum and Jessop (2010b) refer would be “always culturally inflected or ‘embedded’ [since] there is no way [it] can be conducted independently of systems of meanings and norms” (Ray and Sayer, 1999, 6; Granovetter, 1985). This ‘cultural turn’ in CPE encapsulates a ‘critical spirit’ that aims to be “more critical of
contemporary economy, culture, and society” by reflecting about “the lifeworld aspects of economic processes—identities, discourses, work cultures, and the social and cultural embedding of economic activity” (Sayer, 2001, 688). In short, semiosis underscores the significance of language and discourses in the production of meanings related to social interactions embedded in economic activities.

As we consider the role of semiosis in CPE, Sum and Jessop (2013) underscore two fundamental concepts: social construals/imaginaries and social repair. Sum and Jessop (2013) explain that “construals refer to sense-making from the actor’s apprehension of the natural and social world…Construal views meaning-making from the actor’s perspective” (162). Social construals are “ongoing, unfinished, and open-ended process(es) [that are] contradictory and conflict-ridden, driven by social forces in struggle” (Robinson, 2012, 405).8 Bearing this in mind, CSR should not be considered as sets of stable discursive formations since “there is continuing variation in discourses as actors intentionally or unintentionally redefine, the sites, subjects, and stakes of actions and articulate innovative strategies, projects, and visions” (Sum and Jessop, 2013, 161). Taking for granted CSR would be a big misstep, especially since it is produced through struggles over meaning which are played out through language, discourse, and material conditions. Furthermore, CSR may be considered an imaginary or semiotic ensembles of complex social relations (i.e. constellations of social construals) across space and time that frame individual subjects’ lived experiences of the world and partially determine their individual subjective viewpoints (Sum and Jessop, 2013, 3). Exploring CSR as imaginaries can distill how social actors make decisions, devise strategies, and sketch out collective actions that are deployed at different scales. Sum and Jessop (2013) point out that in order to construe imaginaries social agents (i.e. corporations, elites, academics, among others) must engage in
complexity reduction. Their argument is that the real world is too complex to understand in its entirety so social agents must reduce complexities to relate to and make sense of the environments that surround them. Complexity reduction necessarily involves a ‘structurally-inscribed strategic selectivity’, which refers to “how a given structure may privilege some actors, some discourses, some identities, and some strategies over others” (Sum, 2012, 3). Also at work is a ‘structurally-oriented strategic calculation’ or the processes through which social actors “engage in strategic calculation about their ‘objective’ interests, and recursively select strategies through reflection, learning, and […] forgetting” (Sum, 2012, 3). Jessop (2009) notes that these two forms of complexity reduction are rooted in the infinite, historically specific, and multiscalar social interactions of everyday life that serve as transformative mechanisms changing ‘meaningless unstructured complexity’ into ‘meaningful structured complexity’ (338). Without recourse to such tactics, Jessop and Sum contend that actors simply could not grasp the complexities of the exterior world. Therefore, social construals and imaginaries about CSR in the banana zone in Urabá are borne out of complexity reduction and they attempt to create meaning and sense out of the chaotic and unpredictable relationships that comprise social formations and economic life.

Complexity reduction is also closely related to structuration, or the particular ways in which actors advance their interests, agendas, strategies, projects, claims, visions, reasoning, and modes of thought and filter out elements that threaten them (Jessop, 2013, 2009, 2004; Sum 2012; Sum and Jessop 2013). The statement below from Jessop (2013) touches on these key points in CPE:

Because the totality of economic activities is so unstructured and complex, it cannot be an object of effective calculation, management, governance, or guidance. Such practices are always oriented to ‘imagined economies’. These comprise subsets of economic relations (economic systems, subsystems, networks, clusters, etc.) that have been
semiotically and, perhaps organizationally and institutionally, fixed as appropriate objects of intervention. They are discursively constituted and materially reproduced on many sites and scales, in different spatio-temporal contexts, and over various spatio-temporal horizons...when an imaginary has been operationalized and institutionalized, it transforms and naturalizes these elements into the moments of a specific instituted economy with specific emergent properties. Structuration sets limits to compossible combinations of social relations...However, there are always interstitial, residual, marginal, irrelevant, recalcitrant, and plain contradictory semiotic and extra-semiotic elements that escape any attempt to identify, govern, and stabilize a given ‘economic arrangement’ or broader ‘economic order’ (3-4).

While structuration sets limits to what can be said and done, there are all types of scenarios that can interfere with attempts to frame understandings of the exterior world. Bearing this in mind, imaginaries, while by no means homogeneous and static, have the potential to congeal into identifiable multi-scalar social formations, generating a sense of the natural order of human existence, a sense that what exists is the only possible way of the social structuring of life. For instance, the definitions and meanings attached to CSR vary so greatly that the plurality of approaches, strategies, and models tip into the realm of chaos. Yet within these complex struggles to establish meanings, CSR has remained remarkably resilient as a permanent fixture across different sites and scales in the global political economy for quite some time now. Social, economic, and political actors all recognize that CSR exists in reality, so in this sense, it has, without a doubt, congealed into an ‘identifiable multi-scalar social formation’.

Within such formations, CPE instructs us to pay attention not just to complexity reduction and structuration, but also social repair. This refers to how webs of complex human interactions are “more or less embodied and ‘embrained’ in individual actors, and in need of continuing social ‘repair’ work for their reproduction” (Jessop and Sum, 2006, 159). Therefore, social construals/imaginaries of CSR must constantly evolve to reproduce themselves, spawn new ideas, and encourage new calls to action. For instance, C.I. Uniban S.A. (which came into existence via social construals and imaginaries) promotes CSR strategies to meld economic and
social performance. As previously mentioned, CSR has become a naturalized feature of the global political economy. However, constant social repair of CSR reproduces renewed versions, models, strategies, visions, projects, and critiques based on the realities, forces, and circumstances of a given historical juncture. The apparent stability of social construals and imaginaries about CSR rests on immensely complex and unstable webs of struggles between multiple social forces. This instability is most readily apparent in corporate decisions to embrace newer manifestations or variants of CSR like shared value and inclusive business to guide their agendas and visions for the future (Bockstette and Stamp, n.d.p.; Porter et al., 2011; Porter and Kramer, 2011; Shared Value Initiative, 2016). As social construals and imaginaries undergo social repair some never gain traction while others become internalized, normalized, and institutionalized as ‘common sense’ by corporations, elites, academics, and other actors in the global economy.

One task is to consider how complexity reduction, structuration, and social repair have made CSR appear to be a normal part of everyday life in the banana zone in Urabá. The other should move beyond these concerns to target how ‘objects’ come to bear on the subjectivities and identities of individuals. A concrete example here will suffice to clarify the point. In the banana zone in Urabá we might consider how the Global G.A.P. certification scheme has impacted banana producers and workers of Agricola Sara Palma, S.A., a wholly owned subsidiary of C.I. Uniban S.A. in charge of banana production. The widely recognized international Global G.A.P. standard has become a powerful governance device in the banana zone in Urabá because particular influential social actors have construed sets of norms, best practices, outcomes, procedures, and requirements to create accountability, uniformity, transparency, and traceability that banana producers and workers must meet to integrate and
participate in the global banana trade. From fieldwork (particularly interviews with these actors) we can learn about their personal experiences with this imposed governance regime and begin to unravel how it has impacted their material conditions locally in Urabá and how they have contributed to and/or contested it. This type of analysis starts to get at the heart of CPE, which is viewing both subjects and objects as co- constructions and co-evolutionary. Related to this point Fairclough (2006) notes that social construals are also bound up with the production of actors’ own subjectivities and identities in relation to these perceived externalities (i.e. realities). Therefore, a critical assessment of CSR related to C.I. Uniban S.A. and the banana zone in Urabá must consider the “co-construction’ of subjects and objects” and analyze the “particular meanings, interpretations, narratives, values, attitudes, [and] identities” at play within these dialectical spaces (Fairclough, 2006, 27).

IV. EXTRA-SEMIOSIS: MATERIAL CONDITIONS, CONSTRUCTIONS AS THE EFFECTS OF CONSTRUALS/IMAGINARIES, AND SEDIMENTATION

While the ‘semiotic or cultural turn’ represents a powerful analytical device to explore the discourses, meanings, identities, forms of representation, and language related to CSR, it alone cannot provide a robust, comprehensive account of the most recent manifestations of banana capitalism in the banana zone in Urabá. For this reason, it is necessary to look at “the constitutive role of discourse and the emergent extra-discursive features of social relations and their conjoint impact on capacities and transformation” (Jessop and Sum, 2006, 159, my emphasis added). In other words, approaching CSR from a CPE optic must make both semiosis and extra-semiosis analytical priorities whereby “the role of discursive practices not only in the continual (re-)making of social relations but also in the contingent emergence, provisional consolidation, and ongoing realization of their extra-discursive properties” are foregrounded as fundamental lines of inquiry (Jessop and Sum, 2006, 160). Taking these points into
consideration, this section of the chapter discusses extra-semiosis, or what CPE refers to as the ‘materiality of social relations’ and the ‘invisible’ forces that operate ‘behind the backs’ of social agents (Jessop, 2009, 338; Sum, 2012b, 3). As Best and Patterson (2010) emphasize, the ‘cultural’ dimension in CPE “is not purely about meaning and language…it is sedimented in routines and rituals, and embodied in living practices” (9). Therefore, merging ‘culture’ with political economy is essential because:

- culture is perhaps at its most powerful when it is simply taken for granted as one of the markers of identity, privilege or appropriate behavior, or when it produces the infrastructure of the economy and daily life…culture is a force that works to demarcate divisions between self and other – distinctions between identity and difference that can easily translate into logics of inclusion and exclusion, good and evil, powerful and powerless…(22).

In their discussion of the durable material conditions and forces of everyday life (extra-semiosis) Sum and Jessop (2013) use the concept construction to denote ‘the socially transformative and external effects [of social construals]’ (162). They draw a clear distinction between construals and constructions; the former being concerned with language (written or spoken) and semiosis (sense and meaning-making) and the latter referring to the concrete effects of social construals as they are deployed materially at multiple scales, sites, and time horizons in the global economy. Sum (2012) explains that the material (re)production of social construals and imaginaries (i.e. constructions) occurs through ‘molecular’ channels of social relations that are repeated an infinite number of times through daily interactions, exchanges, and encounters with participants and stakeholders in the global economy. In terms of analyzing CSR this means tracking the intricate webs of social, economic, and political actors at multiple scales that have re-contextualized, popularized, normalized, and institutionalized CSR as a dominant framework for policymaking, economic and political governance, and understanding business and societal relations. Anchored in this analysis is also a concern for what CPE denotes as retention and
sedimentation. Jessop and Sum (2006) indicate that retainment refers to how particular imaginaries are “discursively reproduced, incorporated into individual routines, and institutionally embedded” thereby becoming normalized and naturalized as common sense and unquestioned forms of knowledge about business and society (167). In this sense, CSR discourses become embedded, ‘retained’, and unquestioned features of the global political economy. Sedimentation “covers all forms of routinization that lead, inter alia, to forgetting the contested origins of discourses, practices, processes, and structures” (Jessop, 2009, 340). In this way, CSR structures social life and orients subjectivities around normalized, taken-for-granted economic and political structures and institutions. Therefore, retention and sedimentation provide additional pathways for exploring how CSR operates ‘behind the backs’ of banana producers, workers, and communities in the Colombian banana industry in Urabá.

The concepts of construction and retainment/sedimentation will provide the conceptual language in subsequent chapters to document how CSR has been materially reproduced via a myriad of toolkits, practitioner guidebooks, handbooks, case studies, working papers, journals, corporate reports, chapters, books, videos, conferences, summits, and other social gatherings at different sites and scales. For instance, the language of ‘social responsibility’ has materially produced (or constructed) a whole new gamut of disciplinary technologies such as reporting, auditing, verification, certification schemes, labels, monitoring, consulting, ratings, rankings, global standards, corporate citizenship, multi-sector collaborations and dialogue, philanthropy, sustainable/responsible investments, micro-finance (lending), volunteerism, and other modalities of corporate-community relations. While a full account of these constructions is beyond the scope of this dissertation, they represent examples of material manifestations of CSR in the global political economy that have real consequences for C.I. Uniban S.A., its banana producers
and workers, and local communities in Urabá. The overriding theme in social construals and imaginaries about CSR has revolved around realigning business and society interests or re-articulating a new ‘social contract’ between corporations, their value chain stakeholders, and the general public through discourses about governance, upgrading, transparency, accountability, and responsibility. I contend that these heterogeneous construals and imaginaries have aimed to mitigate the harsh excesses of the corporate-centric, shareholder-maximizing, individualist, and polarizing system of global capitalism, and, at the same time, propelled them by re-producing a transnational capitalist and elite status quo that seeks to maintain their hegemony in the global political economy.

Summing up, subsequent chapters document how capitalists and elites at multiple scales have flexibly adapted CSR into seemingly more compassionate, human-/nature-centric hegemonic narratives around redefining the runaway train of capitalism. Regarding the particular manifestations of CSR in the banana zone in Urabá, I recognize the spasmodic instances of progress, but remain highly skeptical regarding CSR’s seductive promises of bringing about transformative change. I point out that the imposition of CSR as ‘technologies of governance’ has moved the industry forward competitively speaking, but has also created a scenario that has failed to deconstruct and challenge long-standing power structures that have led to conflicts, crises, and inequality in the banana zone. In this sense, I argue that CSR functions as a powerful tool to control and monitor what can be imagined in terms of business/societal relations, who are the winners and losers in the game of competition, how integration into the global banana trade should take place, and how policy frameworks and governance structures ranging from rules and regulations to value chain certification schemes, contracts, and labels should look. Therefore, I contend that banana capitalists and elites have played a crucial role in naturalizing common
sense related to CSR through semiotic and extra-semiotic channels and appeals to particular forms of expertise in order to control how banana producers and workers can think and act. In short, attention to these dimensions can create awareness about the struggles, contradictions, and tensions between different structures of power, modalities of knowledge, institutional actors, and local stakeholders in the banana trade that have construed and constructed CSR.

V. GOVERNMENTALITY, TECHNOLOGIES OF GOVERNANCE AND THE PRODUCTION OF HEGEMONY

Discussions about governmentality, technologies of governance, and the production of hegemony have been central to the development of CPE and they will frame my analysis of CSR in the banana zone in Urabá in subsequent chapters in the dissertation. This section unpacks the specific meanings of these concepts, explains their relevance, and presents key questions tied to my critical assessment of CSR. As Walters (2012) points out, governmentality is not so much a theory per se, but rather “a loose set of analytical tools and concepts” developed out of the work of Michel Foucault that “can be used to enhance the think-ability and criticize-ability of past and present forms of governance” (2-3). Over the last 25 years, the field of governmentality studies has exploded and governmentality has become a ‘flexible’, widely ‘adaptable’, and central concept for scholars interested in understanding manifestations of power in the global political economy. While the concept and field have gained currency and provide a great deal of flexibility for researchers in various disciplines, Walters (2012) cautions us that governmentality is not a catch-all concept applicable to everything related to governance and it should not be viewed as a homogeneous, non-contested concept or field of study. Despite disagreements about the nature of the term and debates in the field of governmentality studies about the ‘details in the pudding’, CPE researchers at the University of Lancaster, particularly Bob Jessop and Ngai-Ling Sum, have certainly been influenced by neo-Foucauldian studies of governmentality.
Debates aside, a fruitful entry point for discussing governmentality is to consider it in its broadest sense which Walter (2012) explains as follows:

Governmentality is a heading for a project that examines the exercise of power in terms of the ‘conduct of conduct’. It is a framework for analysis that begins with the observation that governance is a very widespread phenomenon, in no way confined to the sphere of the state, but something that goes on whenever individuals and groups seek to shape their own conduct or the conduct of others (11).

From this broad definition, we learn that governmentality has to do with the exercise of power, especially in governing the conduct of the self and others. While this helps us gain our bearings in terms of appreciating the wide applicability of governmentality to a range of circumstances, it only represents a starting point for considering CSR. Miller and Rose (2008) articulate more specific meanings related to governmentality from the angles of discourse, representation, and intervention. As discussed earlier in the chapter both discourse and representation are bound up with semiosis, since they are fundamentally about sense and meaning making. Intervention deals more with the specific ways in which such discourses, once deployed materially at different sites and scales, impact subjectivities, identities, and the material realities of actors in the global political economy. Regarding the discursive dimension of governmentality Miller and Rose (2008) observe how discursive formations render visible certain ways of knowing which allow the ‘governing of objects’ to take place stating that:

Governmentality has a discursive character: to analyze the conceptualizations, explanations and calculations that inhabit the governmental field requires an attention to language...We argue for a view of ‘discourse’ as a technology of thought, requiring attention to the particular technical devices of writing, listing, numbering and computing that render a realm into discourse as a knowable, calculable and administrable object. ‘Knowing’ an object in such a way that it can be governed is more than a purely speculative activity: it requires the invention of procedures of notation, ways of collecting and presenting statistics, the transportation of these to centres where calculations and judgements can be made, and so forth. It is through such procedures of inscription that the diverse domains of ‘governmentality’ are made up, that ‘objects’ such as the economy, the enterprise, the social field, and the family are rendered in a particular conceptual form and made amenable to intervention and regulation (29-30, my emphasis added).
In this sense, knowing anything involves recourse to language and discourse through which subjects come to understand themselves and others. This is why Jessop and Sum (2010b) view semiosis as a foundational element of all social interactions and relations in the global political economy. Governance arises out of these concrete attempts to frame reality through language, structuration, and complexity reduction in order to render these externalities (i.e. realities in the external world) knowable and governable. In terms of the representational dimensions of governmentality, Miller and Rose (2008) write that:

> all government...depends on a particular mode of ‘representation’: the elaboration of a language depicting the domain in question that claims both to grasp the nature of that reality represented, and literally to represent it in a form amenable to political deliberation, argumentation, and scheming...For it is in language that programmes of government are elaborated ...to what is or is not possible or desirable—and the plans, schemes and objectives that seek to address specific problematizations within social, economic or personal existence... ‘Government’...is always dependent on knowledge...[and] ways of reasoning about it, analyzing it and evaluating it, identifying its problems and devising solutions” (31).

Here they emphasize that modes of governance limit what is possible or knowable by setting agendas, articulating strategies, and defining objectives to regulate or govern the complexities and conundrums of the world. These attempts to gain control over reality represent particular cognitive practices that establish rules, procedures, guidelines, policies, and practices which, in effect, set up the ‘rules of the game’ and craft possible solutions to particular economic, social, political, ecological, technological, and cultural problems. Importantly, such construals of governance do not just revolve around discourse and representation, but they actively intervene in the lives of actors at many sites and scales in the global political economy. Regarding governmentality as a mode of intervention, Miller and Rose (2008) utilize the concept of technologies of governance to refer to the act of ‘ruling’ which:
pays great attention to the actual mechanisms though which authorities…have sought to shape, normalize and instrumentalize the conduct, thought, decisions and aspirations of others in order to achieve the objectives they consider desirable (32).

This aspect of governmentality is crucial for critically assessing CSR in the Colombian banana industry in Urabá since it raises awareness about the:

humble and mundane mechanisms which appear to make it possible to govern: techniques of notation, computation and calculation; procedures of examination and assessment; the invention of devices such as surveys and presentational forms such as tables; the standardization of systems of training and the inculcation of habits; the inauguration of professional specialisms and vocabularies; building design and architectural forms—the list is heterogeneous and is, in principle, unlimited (Miller and Rose, 2008, 32).

This is where the work of CPE scholars link up with neo-Foucauldian studies of governmentality and techniques of governance. For instance, Sum (2004) argues that disciplinary technologies include forms of interpretation: economic talk, ethical talk, inclusion/exclusion talk; modes of subjectification: discursive positions of experts and scholars; regimes of notation and documentation: lists, records, charts, codes, and reports; and technologies of control: naming, categorizing, ordering, and classifying (n.p., my emphasis added). It is through attention to these details that we come to unveil the role of expertise in the production of truths, consent, sense-making, regulation, and persuasion. Miller and Rose (2008) remind us that the language of expertise appears compelling since it seems disinterested, politically unengaged, and promising in terms of its provision of solutions to economic and social issues for businesses and societies. However, this is not the case. So-called experts (i.e. capitalists, elites, and academics) play an essential role in manufacturing ‘truth regimes’ and techniques of governance and their language represents a political battleground for the ‘hearts and minds’ of many actors in the global economy.

The advantage of CPE is that it closely scrutinizes these ‘truth regimes’ or technologies of governance pointing to their limits and contradictions which leads us to the final significant
point in this section of the chapter which revolves around an examination of how hegemony and historical power blocs are produced, consolidated, and reconfigured. Sum (2004), inspired by neo-Gramscian and neo-Foucauldian studies of governmentality, disciplinary technologies, and power, argues that the production of hegemony refers to:

the processes and mechanisms in and through which ‘political, intellectual, and moral leadership’ is secured in and across the differentiated and dispersed organizations and institutions of civil society and articulated with the apparently autonomous production order” (Sum, 2004, n.p.).

The task of approaching CSR in the banana zone in Urabá from this optic in CPE means to unmask the “material-discursive mechanisms, processes, practices, and technologies in and through which hegemonies (intellectual, moral, and self-leadership) get built in diverse social fields and in the wider society” (Sum, 2009, n.p.). Furthermore, Sum and Jessop (2013) explain that:

Effective hegemony depends on the capacity of dominant groups to suture the identities, interests, emotions, and values of key sectors of subordinate classes and other subaltern groups into a hegemonic vision and embed this in institutions and policies—leading in turn to their translation into common sense (201).

As these comments suggest the connection between technologies of governance/modalities of expertise and the production of hegemony are undeniable. For instance, Sum (2004) stresses that vast web of experts in corporations, institutions, organizations, civil society and media groups in the global economy:

participate in framing, co-constructing, negotiating, translating and moulding disconnected ‘common-sense’ into ‘good sense’ and ‘collective will’ for wider public dissemination and consumption [thereby limiting the] number of choices for public response from which the public then forms an opinion” (n.p.).

Therefore, CPE draws our attention to the strategic-selective deployment of disciplinary mechanisms and techniques of governance across various sites and scales and explicates how they “produce hegemony and consolidate states of domination” within particular production
orders (Jessop, 2009, 343; Sum, 2004, 2012). These disciplinary or governmental technologies act as “mechanisms involved in the governance of conduct and, a fortiori, in the production of hegemony” (Jessop, 2009, 342). In their classic work on empire, Hardt and Negri (2000) define a disciplinary society as one in which:

social command is constructed through a diffuse network of dispositifs or apparatuses that produce and regulate customs, habits, and productive practices. Putting this society to work and ensuring obedience to its rule and its mechanisms of inclusion and/or exclusion are accomplished through disciplinary institutions (the prison, the factory, the asylum, the hospital, the university, the school, and so forth) that structure the social terrain and present logics adequate to the “reason” of discipline. Disciplinary power rules in effect by structuring the parameters and limits of thought and practice, sanctioning and prescribing normal and/or deviant behaviors (23).

The last point in this statement is particularly important when considering CSR as a mode of governance. Attempts to govern the complexities of the global banana trade through these axes of power are where meanings are made, negotiated, and contested. They are where ‘normalcy’ and ‘deviance from the norm’ are sketched out. They are where ‘reason’ rears its head and where boundaries, however artificial and subjective, are articulated. They are moments of deployment and intervention that can be analyzed in terms of their claims to power and authority as legitimate forms of knowledge.

The discussion of governmentality, technologies of governance, and the production of hegemony leads to interesting questions we can pose in relation to C.I. Uniban S.A. and the Colombian banana sector in Urabá. If we consider CSR to be a constellation of technologies of governance anchored in semiotic and material realities, what can this reveal about the production of hegemony in modern-day Urabá? Who has become entangled in ‘governing the banana trade’ in Urabá and (re-)producing hegemony? How have these power structures been consolidated and/or contested in the banana zone through appeals to CSR? Should CSR be considered a success story, a failure, or something in between? As these questions are considered, it is worth
noting here that CSR blossomed in an environment characterized by the following: 1) the Colombian state was deepening its neoliberal model of political and economic governance from ‘above’, 2) competitiveness, export-promotion of bananas, diversification, and economic and social upgrading became the linchpins of an industrial/corporate upgrading to compete strategy, 3) banana companies like C.I. Uniban S.A. had to deal with a global and local pressures such as macro-economic volatility (i.e. fluctuations in exchange rates), the waxing and waning capitalist/labor relations, and entrenched civil strife between paramilitaries and guerilla groups in the region. Studying these characteristics of this period of history in the banana zone from a CPE perspective can reveal how social, economic, and political actors were coming to grips with the historical legacy of the ‘race to the bottom’ and attempting to carve out a pathway for the future.\textsuperscript{14}

VI. CRITIQUES OF DOMINATION

\textit{Economic ideas and theories of development become powerful for many different reasons. They can inspire visions of a better future or conceal inequalities and naturalize an unjust status quo; they can beckon forth creative effort, new forms of cooperation and collective action, and even dreams of liberation. They interact in complex and changing ways with political struggles and existing class interests. Yet economists, economics, and development economics have remained, for the most part, resistant to self-criticism and to examinations of how our own “truth claims” are constructed and how economic ideas interact with existing social relations.}

---Fernando I. Leiva, Professor of Latin American Studies, University of California Santa Cruz (2008, xv).

A final contribution that CPE makes to my analysis of CSR in subsequent chapters centers on critiques of domination. First, it is important to note that Jessop and Sum (2006) make a distinction between Ideologiekritik, or the ‘critique of ideology’, and Herrshaftskritik, or the ‘critique of domination’. They contend that the former “serves at best to uncover the ideal and material interests behind specific meaning systems and ideologies” (Jessop and Sum, 2006, 159), while the latter concentrates on the “semiotic and extra-semiotic mechanisms involved in
selecting and consolidating the dominance and/or hegemony of some meaning systems and ideologies over others” (Jessop, 2009, 344). Second, Jessop (2009) explains that critiques of domination make important political interventions since they “contribute to the re-politicization of sedimento, taken-for-granted discourses and practices” (343-344). As mentioned previously construals and constructions related to CSR are not neutral, value-free or unbiased, objective forms of knowledge, but rather representational, ideological, and political modes of thought and action that must be challenged and deconstructed. Third, critiques of domination question how “social imaginaries come to more or less durably shape, dominate, or hegemonize the world” (Sum and Jessop, 2013, 171). Fourth, critiques of domination need to suggest alternatives and possibilities for dealing with the problems described.

Here I believe Mittelman’s (2005) push for ‘critical globalization studies’ can enrich the previous three points made about critiques of domination. Mittelman (2005) agrees with the need to challenge dominant forms of knowledge so that hidden interests and agendas are made visible and power held accountable, but he also argues that “advancing alternative visions and possibilities” or “establishing counter-hegemony [and engaging] hegemonic power” are essential building blocks of critical analysis (24-25, my emphasis). This intellectual labor ‘to envision alternative futures’ is an analytical component in critical globalization studies and, in my view, should be on the CPE research agenda as well (Robinson, 2005, 14-15). The four arguments laid out above privilege what we may call an ‘interventionist re-activation of politics’. The task is to identify semiotic and extra-semiotic forms of dominance related to CSR, demonstrate how they acquired meaning at particular sites, scales, and historical junctures, unmask how they consolidated and/or contested hegemony, problematize and uproot sedimented meanings attached to them, and suggest possible alternatives. Ultimately, my conviction is that this
analytical thread in CPE will lead to a reflexive critique of forms of domination and elucidate how CSR ‘un-problemizes’ capitalism by diverting attention away from its internal contradictions and limitations. Returning to Leiva’s comments at the beginning of this section, CPE can unearth the new forms of cooperation and collective action for a better future that CSR promises and unveil how it naturalizes and shields a status-quo that contributed to the crisis it purports to resolve.

VII. FINAL REFLECTIONS

This chapter conducted a literature review of CPE and identified core concepts and analytical threads that will be used to examine CSR in the banana zone in Urabá in later chapters. The threads identified from the literature about CPE included: 1) the dialectical relation between semiosis and extra-semiosis; 2) technologies of governance and the production of hegemony; and 3) critiques of domination. Subsequent chapters will incorporate fieldwork data into this theoretical framework to enrich my critical assessment of CSR.

Regarding the first analytical thread, the chapter explained that CSR will be studied in both semiotic and extra-semiotic terms, i.e. as sets of concrete discourses and real-world practices that, when deployed, intervene and affect relationships between C.I. Uniban S.A., its banana producers and workers, and local stakeholders in the communities of the banana zone in Urabá. The task here is to identify: 1) the semiotic dimensions of CSR in Urabá embedded in language and discourses that have enabled CSR to become a ‘sedimented’ form of common sense; and 2) the extra-semiotic dimensions of CSR that includes normalized, routinized, and institutionalized material constructions at multiple sites, scales, and time horizons.

The second analytical thread was related to techniques of governance and the production of hegemony. The chapter pointed out that both are comprised of semiotic and extra-semiotic
features whereby meanings are made, negotiated, and contested. Within this discussion, the role of expertise (i.e. that related to capitalists, elites, academics, and other global actors) plays a central role in the production of construals and constructions related to CSR. These ‘experts’ mold, configure, negotiate, and construe/construct CSR at multiple sites and scales. By doing so they delimit or ‘structure’ what can be known about CSR through complexity reduction and social repair. Moreover, the discursive/material mechanisms, processes, practices, and technologies utilized by these social actors produce hegemonic logics about CSR globally, nationally, regionally, and within companies like C.I. Uniban S.A.

The third and final analytical thread targeted critiques of domination. The discussion highlighted several key points. First, critiques of domination must unveil how hegemony is consolidated and/or contested by paying attention to the semiotic and extra-semiotic features that make dominance possible. Second, they must ‘engage in politics’ by politicizing and questioning sedimented ideas, discourses, and material practices/structures. Third, they must unmask how construals/imaginaries lead to durable, material constructions of hegemony. Fourth, they must seek alternatives and suggest possible lines of action to confront the problems outlined. Taking these points into account, subsequent chapters question the promises, propositions, explanations, and frameworks of CSR ‘experts’ to bring business and society closer together. Moreover, they will argue that the expertise surrounding CSR has led to the maintenance and reinvigoration a deeply entrenched status-quo largely uninterested in restructuring and transforming business and social structures. The overwhelming complacency to seriously interrogate CSR is worrisome particularly since CSR construals/imaginaries have gained wide degrees of legitimacy as material forces (i.e. constructions) in global industries like the banana trade in Colombia.
In conclusion, subsequent chapters, following the insights of CPE, will utilize the analytical threads presented in this chapter to analyze CSR, as complex sets of construals (i.e. imaginaries) that have been selectively and strategically structured, reduced in their complexities, repackaged in line with particular interests, agendas and strategies, deployed materially (i.e. sedimented and retained) at many different sites and scales through policies, institutions, and governance mechanisms that have produced hegemony and oriented particular identities and subjectivities through forms of domination (Sum, 2009, 186; Sum and Jessop, 2013).
Notes

1 Not all researchers interested in CPE are affiliated with the University of Lancaster. The CPERC has worked conjointly with scholars at various European universities on various projects pertaining to CPE. Interestingly, a Latin American CPE research group was launched in 2009 which aims to refine certain aspects of CPE to better understand core issues affecting Latin American nations such as: a) migration, subjectivity, and power; b) accumulation, inequality, and poverty; c) communication, media, and power (Leiva, 2010).


6 This claim does not contradict the previous statement from Ray and Sayer (1999) in reference to the ‘cultural turn’ as a mode of analysis incapable of explaining everything. Sum and Jessop are not lapsing into reductionist or fundamentalist modes of thinking. Quite the contrary, they make a powerful claim that all human interactions involve communication (language and discourse) and attempts to construe meaning is a launching pad for exploring all types of economic, social, political, and cultural issues in the global political economy.

7 For more about ‘cultural turns’, see Bonnell and Hunt (1999) and Best and Patterson (2010).

8 Robinson (2012) is referring to capitalist globalization, but I find his comments particularly useful for understanding the unstable, conflictive nature of social construals which represent ‘emergent structures in motion’ (405).
Best and Patterson (2010) define culture in its broadest sense as “…the meanings that we give social life and material objects, and the concrete practices that they enable and depend on for sustenance…” (3). In their view, ‘culture’ represents a powerful analytical device to study how economic life is determined, performed, and enacted at multiple scalar levels (globally, locally, etc.)

This heterogeneous group includes (but is not limited to) experts, organizations, institutions, private-public sector alliances, multi-stakeholder partnerships in value chains, universities (particularly business schools), policy think-tanks, development institutes, research centers, and civil society organizations (watchdogs organizations, activists, and religious groups).

For more on governmentality as the governing of the ‘conduct of conducts’, see Foucault, (2000, 2008)

Sum (2009) argues for a blending of neo-Gramscian and neo-Foucauldian scholarship in CPE to analyze the dialectical relationship between macro- and micro-modalities of power in relation to governance and the production of hegemonies.

Sum (2004) also addresses what she calls the hegemony of production that points to “the relative dominance of a production order or accumulation regime (e.g. Fordism) within the overall structure of a global social formation and to the mechanisms that secure and reproduce this relative dominance” (n.p).

The ‘race to the bottom’ will be discussed in chapter 3.

Mittelman (2005) notes that reflexivity means paying careful attention to the relations and changing dynamics between forms of knowledge and material and political circumstances (24).

I. INTRODUCTION

This chapter traces the rise and development of the banana industry in Colombia from 1890 to 2017. This background discussion underscores important historical moments relevant for understanding the development of the banana export zone in Urabá and for how CSR emerged and was consolidated in the region. First, it documents the early development of the banana sector in the department of Magdalena, located on the northern Caribbean coastal region of the country, from the late 19th century until the 1960s when production shifted to Urabá making it the primary banana export zone in Colombia. Second, it describes the power struggles among the U.S. based multinational banana firm called the United Fruit Company (UFC), domestic banana capitalists, local banana working classes, and the Colombian state from the 1960s through the 1990s as the banana industry was expanded into Urabá’s tropical lowlands from the department of Magdalena. Within this discussion the chapter highlights the characteristics of the crisis that emerged at the point of production in the banana trade in Urabá, commonly referred to as the race to the bottom.

Third, the chapter identifies the specific set of global and local events from the 1980s and 1990s that led to the emergence, development, and consolidation of CSR as a central strategy of the Colombian banana industry (and C.I. Uniban S.A.). These events include the decentralization of the Colombian political system, regional democratization, demobilization, and pacification efforts, elite violence, and paramilitarism along with the rise of neoliberalism and global concerns about the social responsibility of businesses, competitiveness, and economic and social upgrading in global production networks. C.I. Uniban S.A. was one of the principle collaborators with the national banana association (Augura) regarding social responsibility in Urabá and one of
the earliest pioneers and adopters of CSR creating its social foundation, Fundauniban, in 1987. The chapter stresses that these initial efforts that brought CSR to life were designed, in part, to mend the wounds of the past that had festered due to social neglect, exploitation of banana workers and producers, environmental degradation, and a lack of trust, transparency, and collective frameworks for negotiations and agreements between capitalist and working classes.

In fact, CSR was heralded as the ‘magical elixir’ that promised to democratize socio-economic relations, pacify the region, and circumvent future crises related to the race to the bottom. Despite these seductive promises, the chapter argues that the CSR adopted and deployed in the banana zone in Urabá during the late 1980s and 1990s struggled to meet these challenges due to global and local forces that coincided with its meteoric rise and that were at odds with its principal aims. Finally, the chapter highlights two recent manifestations of CSR (shared value and inclusive business) that have become rooted in the Colombian banana industry in Urabá in the twenty-first century. These new variants of CSR enacted and deployed by C.I. Uniban S.A. and Fundauniban have charted a ‘new spirit of banana capitalism’ in a region that is transitioning into a ‘post-conflict’ society.

II. THE BEGINNING OF BANANA PRODUCTION AND EXPORT IN COLOMBIA: BANANAS IN MAGDALENA

Banana production in Colombia began in the Santa Marta region of the department of Magdalena in the 1890s as a result of the opening up the Colombian economy to foreign capital investments in hopes of modernizing underdeveloped regions around the country (Viloria de la Hoz, 2008a; Hough, 2007, 2010). Foreign direct investment (FDI) was deemed by the Colombian State as a unique opportunity to develop the regional economy of Magdalena through the introduction of a large-scale industrial plantation complex designed for exporting bananas (Brungardt, 1987; Bucheli, 2004, 2005; LeGrand, 1998, 2003a, 2003b).
government partnered with the multinational banana company, known as the United Fruit Company (UFC) based out of Boston, Massachusetts, to turn the country into an exporting powerhouse in a matter of a few decades (Bucheli, 2004, 2005).²

To develop a banana export zone in Magdalena the UFC had to purchase large tracts of lands in tropical areas suitable for banana cultivation and erect an elaborate infrastructure system with canals, roads, ports, railways, and electrical systems. The transformation of the countryside brought about a commercial boom which attracted migrant labor from other regions of Colombia. Laborers arrived in droves with hopes of securing decent employment and steady incomes. Colombian political elites also had high expectations that foreign exchange earnings would incentivize growth, development, and modernization in the banana zone in Magdalena.³ While these initial years conjured up optimism, they also represented quite well what Hristov (2014) has referred to as ‘primitive accumulation’ characteristic of agribusiness expansion and export zones. With the arrival of large-scale export agriculture came privatizations, land disposessions, expulsions, evictions, and new agrarian policies as political and corporate elites sought deeper integration into the world economy (Hristov, 2014). In Magdalena, tensions quickly surfaced around the control of land and labor conditions among local banana working classes, the Colombian State, and the UFC.⁴ LeGrand (2003b) has underscored the tensions between the peasant economy and the export economy in the historical development of the banana sector in Magdalena. She argues that key problems centered on land titles, property rights, the privatization of public lands, and the expropriation of peasant squatter (colonos) lands. Peasants and wage-laborers both had grievances against the UFC. The former’s revolved around the securitization of land titles and the latter’s involved the desire for better “working conditions
by demanding collective work contracts, higher salaries, social security, and improved housing and medical care” (LeGrand, 2003b, 200).

In terms of contracts with the UFC, dismal pay and squalid living conditions were constant complaints of local banana producers and workers. However, UFC executives preferred to ‘look the other way’ and were staunchly opposed to giving in to such grievances (Bucheli, 2004, 2005). At the time UFC executives clearly understood the monopsony the company had in the banana trade which gave it considerable power to make decisions and control all aspects of its business (Bucheli, 2005). They also knew they had the backing of a staunchly anti-labor, pro-developmentalist Colombian government willing to employ force (i.e. coercion) to protect foreign investments and quell unruly worker dissent. Moreover, corporate executives understood that the banana proletariat in Magdalena was completely dependent on the company for their income and survival (i.e. material reproduction). Therefore, local banana producers and workers were in a precarious position because any form of labor unrest (i.e. protests, work stoppages, etc.) could lead to military repression from the Colombian State and the withdrawal of the UFC from banana production leaving them and the region in economic squalor. Armed with these weapons, the UFC resorted to coercive tactics to control banana working classes via unjust contracts. Banana laborers in Magdalena were presented with two clear choices based on these nefarious contracts: either they accept lowly remunerated, labor-intensive, precarious jobs or they run the risk of not having any job at all. These labor extraction strategies utilized by the UFC squeezed profits out the workers, fueled their business with fresh capital to appease their North American shareholders, and ensured domination, subordination, and manipulation were the norms (Hough, 2007, 2010, 2012).
Despite the unjust terms and conditions of their contractual relations with the UFC, local working class resistance and popular mobilizations in the forms of strikes and protests became commonplace. Tensions escalated into spats of violence, insecurity, and widespread unrest that were violently squelched by the Conservative political regime and the UFC. The persistent labor unrest and popular uprisings against the UFC in Magdalena during the 1920s led to the infamous banana massacre of 1928 (Brungardt, 1987). The bloodshed at the hands of the Colombian State in the late 1920s paved the way for the rise of liberal governments in the following decade that shied away from military and police brutality as legitimate means to confront labor revolts (Hough, 2007, 2010, 2012). The Liberal administrations were more populist- and nationalist-centric which clashed with the business model of the UFC. Potential nationalization, fewer political concessions and protections, and higher corporate taxes were also new threats the UFC faced with the new political regimes in Colombia. Since the company felt these shifts in politics threatened its dominance in the region, it decided to vertically disintegrate its business via divestments (Brown, 2013, Bucheli, 2004, 2005; Hough, 2007, 2010, 2012) As Hough (2010) explains ‘de-verticalization’ or ‘divestment’ helped the company get rid of the land it owned in the region and externalize the costs and risks of banana production in Magdalena onto local producers (138). This corporate maneuver enabled the UFC to move out of banana production by the 1950s leaving an opportunity for local Colombian banana entrepreneurs to launch their own export enterprises in its absence.

III. THE BANANA ZONE IN URABÁ TAKES SHAPE: THE ROOTS OF ‘CRISIS’ EMERGE AT THE POINT OF PRODUCTION

The development and consolidation of the banana industry in Urabá began in the 1960s and was the result of two historical occurrences. The first was related to the vertical disintegration of the UFC which, until that time, had operated primarily in the department of
Magdalena located near the Caribbean coast. The decision of the UFC to move out of banana production in that region was based on political uncertainties, world market instabilities, and local labor unrest and resistance directed towards multinational companies (Bucheli, 2004, 2005; Hough, 2007). As Hough (2007) states, the rise of Urabá as a banana export zone in the 1960s was “a direct result of the UFC’s efforts to externalize the ‘risks of production’ onto local elites in Central and South America” (122). The second major event that led to the emergence of the banana sector in Urabá was the rise of a nationally-oriented developmental Colombian political regime that helped local banana entrepreneurs break free of years of multinational corporate control and manipulation by forming a national banana association, Augura, in 1963, and the first fully-owned domestic banana export company in Colombia, C.I. Uniban S.A., in 1966 (Brown, 2013, Bucheli, 2005). With the intervention of the Colombian State, Augura, and C.I. Uniban S.A. achieved unprecedented commercial success in a relatively short time amidst a tightly controlled global banana market dominated by multinational corporations. However, the successful break with the tentacles of *el pulpo* along with the launching of a new banana export zone in Urabá with a national banana association and a domestically-owned banana company did not resolve prior tensions and problems. Early successes with this new model came with significant costs and past nightmares steeped in violence and bloodshed lingered on. As Hristov (2014) states: “violence has been a central and permanent feature of Colombia’s history…” (166) and Urabá, as the primary banana export zone in the country, represented quite vividly the collision and contradictions of capital accumulation processes and systems of violence. To better understand these formative years in the region I borrow Hough’s (2007) historical periodization which he sketches out in the follow manner: 1) the ‘coercive domination of the working class’
from the 1960s to the early 1980s, 2) a ‘crisis of control’ during the mid- to late-1980s, and 3) a situation of ‘domination without hegemony’ during the late 1980s and 1990s.7

The first period in Hough’s periodization underscores the centralized and exclusionary national, regional, and local political institutions that had little to no interest in labor or environmental regulatory oversight in the region. Scholarly accounts of Urabá in the 1960s and 1970s describe the region as a multiethnic, underdeveloped, excluded outpost characterized by criminal activity, impunity, and an absence of effective public institutions and policies (Beltrán, 1996; Botero-Herrera, 1990; García, 1996; Uribe, 1993). During this time migrant workers from other parts of Colombia poured into the banana zone looking for employment opportunities as tropical lowlands were cleared to make way for large-scale industrial banana plantations. As workers came into contact with local elites and banana capitalists from Medellín, racial, political, and class-based hierarchies sprouted up along with tensions and conflicts over access to land and resources (Brown, 2013; Chomsky, 2007, 2008a, 2008b, Hough, 2007, 164). During these years the historical absence of public institutions (Beltrán, 1996; Botero Herrera, 1990; García, 1996; Ramírez Tobón, 1997), the entrenchment of clientelism (Martz, 1997), and close ties among banana capitalists, local politicians, and the Colombian State ensured that dominant class interests, authority, and power structures were maintained via coercive practices (Brown, 2013; Bucheli, 2004, 2005; Chomsky, 2007, 2008a, 2008b, Hough, 2007, 2010, 2012). This scenario meant that attempts to form leftist political parties and banana labor unions to fight for worker rights and address economic, environmental, and social problems in banana producing communities were swiftly met with elite and state repression and violence. Hough (2007) writes that:

From its inception in the 1960s and into the 1970s efforts by banana workers to enter the political arena (via leftist political parties) or to establish class-based
forms of collective action (via independent trade unions) were effectively repressed which re-channeled worker political activity underground (via guerrilla insurgency groups) (162).

The domestic corporate-state alliance erected a pro-business platform that favored capital accumulation, export promotion, and protectionist economic policies (Hough, 2007, 122). Its development orientation; however, excluded banana workers, producers, and local communities. Military and police forces were deployed and used to protect corporate investments and ensured that production and export processes were not interrupted by unruly banana proletariat uprisings and leftist resistance. In her research about violence and processes of capital accumulation in Colombia, Hristov (2014) indicates that such hierarchical forces of power “have enabled the impoverishment, subordination, and dependence of the greater part of the population…[and have] dispossessed, disciplined, and kept people inside exploitative and alienating social relations throughout the history of capitalist development in Colombia” (168). With such a powerful network of corporate and state actors collaborating conjointly, banana workers, producers, and local communities in Urabá found themselves fighting an uphill battle to challenge and dissolve capitalist/elite hegemony.8

IV. THE RACE TO THE BOTTOM: THE CRISIS FERMENTS

These top-down modes of governance involving political corruption and military repression of working classes to maintain public order and protect the interests of local elites and banana capitalist classes based in Medellín contributed to the conditions associated with a race to the bottom in the banana zone in Urabá.9 This scenario has become commonplace in banana export zones around the world where extreme competition has locked banana workers in precarious jobs in the least profitable production node of the value chain whereby their wages, working conditions, and rights come under fire. The following excerpt from a report from the
Coordinating Body of Latin American Banana and Agro-Industrial Unions (COLSIBA) highlights the primary features of the race to the bottom in the banana industry:

- low wages; greater intensity of work (more work for less remuneration) and the generalised adoption of wage systems linked to productivity, piece work, in a high-pressure environment that is very physically and mentally demanding; flexibilisation or disappearance of the concept of eight-hour working days as established in international labour standards, as well as of access to healthcare and other social benefits; deregulation of employment contracts and the emergence of labour sub-contracting, which leads to job insecurity; difficulties in enforcing national and international labour laws; an increase in levels of aggression and intolerance on the part of some employers, and criminalisation of trade union activity in the plantations (2009, n.p.).

These characteristics were especially prevalent on industrial banana farms in Urabá where banana producers aimed to keep production costs as low as possible. These cost-cutting strategies contributed to the super-exploitation of labor and land. In terms of labor, the race to the bottom had the most damaging consequences for marginalized, dispossessed, poor producers and laborers in the banana economy who were locked in underpaid, exploitative positions. Pressures to maintain lean, efficient, low-cost production to ensure international competitiveness generated humanitarian crises for banana workers, their families, and local communities in the region.

While labor conditions on banana farms varied widely, poor workers and producers routinely faced dismal opportunities to secure decent work. The most vulnerable workers and producers in the production segment of the banana value chain faced the poorest working conditions, lowest remuneration, longest work hours, and the most unacceptable living arrangements due to rotating, temporary, piecemeal, disposable and flexible work, and short-term, insecure contracts with few to no benefits.

In terms of land exploitation and environmental impact, the race to the bottom was linked to a range of problems such as deforestation, water pollution, the transformation of local ecosystems, soil erosion, and the depletion of land, biodiversity, and natural resources.
(Chambron, 2005; Farquhar, 2005, 2009; Harari, 2005a, 2005b). Overuse, mismanagement, and improper storage of toxic agrochemical inputs, as well as inefficient oversight, countervailing, and training systems, and deficiencies in occupational health and safety have also been cited as key contributors to the super-exploitation of the environment in banana zones in producer nations like Colombia (Chambron, 2005; Farquhar, 2005, 2009; Harari, 2005a, 2005b). What the race to the bottom made evident in Urabá is that large-scale industrial banana farming, vertically-integrated value chains, lax labor and environmental regulatory and enforcement structures, and ineffective (trans)national political and economic institutions in the banana trade needed to be retooled so that burdens and benefits associated with banana production and export could be more equally distributed.

V. THE RISE OF SOCIAL RESPONSIBILITY IN URABÁ: ‘STRATEGIC’ INTERVENTION TO THWART THE CRISIS

Conceptualizing the race to the bottom in Urabá’s banana zone as a ‘crisis’ that directly affected banana workers, producers, local communities and eco-systems represents a particular inflection point where global and local events lined up forcing key actors in the Colombian banana industry to push for societal transformations. As CPE research has shown, crises encapsulate both moments of possibilities and danger. Jessop (2010) notes that crises:

create profound cognitive and strategic disorientation and trigger proliferation in interpretations and proposed solutions…a crisis is never a purely objective, extra-semiotic moment or process that automatically produces a particular response or outcome…[crises open] space for strategic interventions to significantly redirect the course of events…” (346-347, my emphasis added).

The Colombian banana industry had its back against the wall and was up against the clock to produce a collective response to the crisis. The core concerns at the time was how to respond to the crisis in ways that would not severely disrupt the banana production and export business, that could stabilize volatile capitalist-worker relations at the point of production and that could de-
escalate the unprecedented levels of violence and unrest in the banana zone. In short, the industry was facing a credibility and legitimacy crisis and Colombian banana companies were aware of the damaging effects this situation would have on their marketing efforts, profitability, and overall ability to grow and compete in a highly competitive global banana market over the long-term. Given the severity of the crisis in Urabá and changing conditions globally linked to the rise of CSR, industry leaders determined that the best avenue to significantly redirect the future of the industry was through a collaborative governance model centered on the creation of corporate social foundations and the adoption and deployment of CSR strategies and projects.

Given these difficult circumstances, what were the particular set of local and global factors that lined up to give rise to CSR in the banana zone? As the race to the bottom festered during the period of ‘coercive domination’, the banana zone shifted to a ‘crisis of control’ by the mid- to late-1980s (Hough, 2007). This period ushered in social, economic, and political transformations that shifted power into the hands of banana working classes in Urabá and eroded the ‘iron grip’ of banana capitalists and elites in the region.

First, there was a series of national debates in the mid-1980s about social and political policies in Colombia. The new collaborative spirit of this period brought together all actors in the Colombian banana industry to discuss collective solutions to the race to the bottom in Urabá (Madarriga, 2005). The Social Pact of 1986, for instance, made concessions to banana workers and ushered in an unprecedented labor peace and commitment to compromise and work towards the common betterment of the region and industry (Madarriga, 2005). Under this accord, negotiations via collective bargaining and consensual and collaborative forms of participation became the cornerstones of building a better future for the region. Key labor unions like Sintagro and Sintrabanano (later Sintrainagro) were able to engage in negotiations with the national
banana association (Augura) regarding “wages, working hours, housing and benefits, provisions for job security and the curtailment of subcontracting” (Hough, 2007, 187). These meetings took place in Bogotá every couple of years which allowed key stakeholders to engage in a collective dialogue about the pressing problems of the past and the future direction of the industry. Furthermore, Sintrainagro emerged as a powerful banana union in Colombia with fifteen thousand members that entered into collective bargaining with Augura, increased opportunities for workers to participate in politics, and mapped out how living conditions for workers in the banana zone in Urabá could be improved (Romero, 2005). Through the trade union’s efforts political, civil and labor rights for banana workers in Urabá were gradually improved and Augura recognized publicly that it carried responsibility for the social and economic development of Urabá (Hough, 2007). Therefore, the negotiations and changes in the political climate of the 1980s contributed to the recognition and legalization of banana workers’ efforts to formally organize themselves through political channels (i.e. local political parties and trade unions) (Hough, 2007). This inflection point overturned years of severe labor repression by giving workers, marginalized leftists, and rural peasants an outlet that encouraged their political empowerment, visibility, and representation (Hough, 2007; Romero, 2005).

Second, in 1991 Colombia adopted a new Constitution that aimed to democratize society and contribute to more inclusive and tolerant nation. For instance, the constitutional referendum in 1991 foregrounded social inclusion via “civil rights, participative democracy in social, political, administrative and cultural issues, and local autonomy” (González-Pérez and McDonough, 2007, 144; Quesada, 2013). In addition to a new constitution that reframed the rights of Colombian citizens, the Reconciliation Project of 1991 also represented an important milestone in the banana sector in Urabá since it furthered the goals of the Social Pact of 1986 by
emphasizing the importance of “grassroots organizing to solve local problems, institutional capacity-building, and the creation of alliances between the public and private sectors” (Personal Interview, President of Fundauniban, Medellín, August 7th, 2012).

Third, the political reforms and collaborative stakeholder dialogues in the banana industry during the 1980s initiated pacification and demobilization processes throughout Urabá which aimed to de-escalate armed conflict and reduce capitalist/working-class flare-ups. Demobilization of leftist guerrilla groups, in particular, became a priority during this time. In 1991, for instance, the largest illegal armed movement known as the Popular Liberation Army (EPL) disband and laid down their arms (González-Pérez and McDonough, 2007). The demobilization of the EPL was an important milestone supported by both Sintrainagro and Augura that led to “the creation of a network of social commitments within the labour movement and the banana trade organization, aimed at the integration of armed elements on the basis of social dialogue and social cooperation” (González-Pérez and McDonough, 2007, 144).

These historically unprecedented processes aimed to de-escalate the armed conflict, reduce bloodshed, and create stronger, more collaborative bonds between businesses and social actors in the banana industry. In terms of pacification, the banana trade union, the banana trade association, the Catholic Church, local politicians, community activists, non-governmental associations, the Colombian Army, regional police forces, local media, and other trade unions have all been active participants in restoring the health and vitality of the banana sector in Urabá since the early 1990s. This context provided local, fertile ground for concerns about ‘social responsibility’, social foundations, and CSR to emerge. For instance, González-Pérez and McDonough (2007) stress that “it was through the process of social incorporation of those who voluntarily decided to lay down their arms and participate in the banana labour market that the
pacification and social “integration” of the Urabá region was achieved” (144). These watershed moments attempted to cast aside years of neglect and exploitation and focus on social responsibility, transparency, trust, information exchange, and collective negotiations and agreements to democratize socio-economic relations, pacify the region, and circumvent future crises related to the race to the bottom. They were also the first steps to transform Urabá from a conflict zone to a ‘post-conflict’ society.

VI. CSR IN THE ERA OF PARAMILITARISM AND NEOLIBERAL DOMINATION

Although CSR emerged in Urabá as an industrial and corporate intervention strategy and response to the race to the bottom, there were a set of forces that were at odds with the idea of social responsibility and that complicated the goals of restoring order and transforming business/societal relations to overcome the banana zone’s nightmarish past. Paradoxically, the new model of CSR adopted by the Colombian banana industry came into existence at a time when the ascent of neoliberalism, an ongoing domestic armed conflict (between leftist-guerrilla groups, right-wing paramilitaries, and Colombian State forces), forced displacements, land disputes, human rights violations, high levels of criminality, drug, human, and contraband trafficking, and environmental and social neglect made the task of building relationships, trust, transparency, accountability and responsibility in the banana zone particularly challenging.

Hough (2007) refers to the third period in his periodization of the historical development of the banana zone in Urabá as ‘domination without hegemony’. This period witnessed the further unraveling of capitalist and elite power due to the social and political reforms enacted in the 1980s and 1990s and attempts to reestablish their hegemony through ties with paramilitary groups and organizations (Hough, 2007).
The *paramilitarization* of Urabá paints a contradictory and eerie picture in comparison to the new collaborative spirit related to social responsibility, social foundations, and CSR sweeping through the industry in the late 1980s and early 1990s. Paramilitary groups (i.e. conservative extra-legal civil defense groups), like the Autodefensas Unidas de Colombia (AUC), formed alliances with local elites who brutally purged the region of leftist union organizers, political leaders, and community activists by the mid-to-late 1990s (Hough, 2007). The rise of paramilitarism also transformed Sintrainagro from a left-wing trade union spearheaded by militant banana workers, leftist guerrilla groups and local politicians during the 1980s into a right-wing bastion by the mid-1990s (Hough, 2007, 241, 2010; Romero, 2005). Since this time the grip of paramilitarism on the Colombian banana industry has been tightened with reports of banana firms like Chiquita and Banacol (one of C.I. Uniban S.A.’s principal competitors) being involved in land grabbing and financing schemes to support paramilitary operations in the banana zone (Comisión Intereclesial de Justicia y Paz, 2012).¹³

An important point to bear in mind is that CSR was flowering publicly into the collective intervention strategy to solve the problems sparked by the race to the bottom, paramilitarism ensured that security and ‘well-being’ responsibilities were privatized or transferred to civilian populations and corporations that took ‘democracy’ into their own hands. For instance, Rojas (2009a, 2009b) explains that the transfer of power from the sovereign (state) level to civil society has led to the *paramilitarization* of Colombia or the emergence of extra-legal ‘para-states’ which have infiltrated national, regional, and municipal political structures through electoral fraud, scare tactics, and bribery.¹⁴ The infiltration, legitimation, and institutionalization of paramilitaries in Colombian politics has become widely known as *la parapolítica* (Hristov, 2009a, 2014). Therefore, CSR and paramilitarism have coincided and thrived as private
governance mechanisms in a violent environment in the banana zone in Urabá where there has been historically an “indifference on behalf of people towards human rights violations, not much respect for the law, and the idea that ‘everything is negotiable’ (Van den Boomen, 2017, 11).

The rise of paramilitarism and the “domination without hegemony” period to which Hough (2007) refers is also connected to another factor shaping the trajectory of CSR in the banana zone in Urabá: the development of neoliberalism. According to Tejedor Estupiñán (2012), this new economic and political model emerged due to multiple factors: 1) the exhaustion of the previous state-led national development model (import-substitution industrialization, ISI) that attempted to stimulate the growth of domestic enterprises and industries, 2) the lackluster performance of the coffee sector and other agricultural products, 3) the rise of an illicit drug-trafficking economy based on cocaine production, and 4) the consolidation of a transnational class of international elites and multilateral institutions and organizations that branded transnational capital, finance-led capitalist accumulation, and structural adjustments as the ‘high-road’ for Colombia to off-ramp onto the path to prosperity via insertion and deeper integration into the global economy (59). Gill (2007) points out that by the end of the 1980s neoliberal, Colombian-trained economists were pushing for a ‘free-trade agenda’ and the United States and Colombian State were in the midst of striking deals to “combat newly powerful drug cartels and a growing guerrilla insurgency” (239). Neoliberal reforms in Colombia ushered in self-regulating market forces opening up the domestic economy to foreign competition, embracing transnational financial capital and free trade, privatizing state enterprises, deregulating domestic financial, trade, and labor markets, and making competition, efficiency, and productivity in value chains the main ingredients in the country’s recipe for _upgrading to compete_ in the global economy (Castaño, 2002, 62).
At the Second International Banana Conference, Farquhar (2005) discusses how the rise of a new competitive environment in the global banana market based on the dominance of neoliberal model has nurtured what he calls the ‘race to the bottom’ or a ‘free fall’ due to “downward pressure on prices [which has impacted] wages, labor conditions, and the environment in producer countries” (4). One major factor linked to neoliberalism was linked to global oversupply and volatile prices. (Liu, 2009, González-Pérez and McDonough, 2005). This trend became prevalent in the late 1980s and 1990s as banana firms like C.I. Uniban S.A. ramped up production in hopes of capturing new markets in Eastern Europe due to the fall of the Soviet Union and in continental Europe due to the creation of the European Union. Neoliberal reforms also propped up unsustainable banana production systems (Liu, 2009) and emboldened banana companies to take pro-market stances to guide their corporate rent-seeking strategies which left a bitter taste in the mouths of workers and producers in the production segments of the banana value chain in Urabá. Additionally, unsustainable and outdated production systems on large-scale banana farms were crippling business and leading to labor problems, such as poor working conditions, low remuneration, long work hours, and unacceptable living conditions, and environmental challenges due to overuse, mismanagement, and improper storage of toxic agrochemical inputs, as well as inefficient oversight, countervailing systems, and training in the areas of occupational health and safety. According to Farquhar (2009), these circumstances generated a business-societal interface where profits mattered more than people and the planet, thereby jeopardizing the “ability to manage the planet’s resources sustainably in ways which are both environmentally responsible and socially just” (12).

The banana industry in Urabá has been particularly hard hit by the extremes of neoliberal capitalist development, especially when considering the “extreme capital mobility among
dispersed production sites, subcontracting, use of migrant labor, privatization of most state functions…and little regulation” (Chomsky, 2007, 93).18 As capital was valorized at the expense of labor and the planet under this model, strikes, murders, extortion, and lawlessness skyrocketed which gave Urabá the infamous moniker of ‘neoliberalism’s nightmare gone mad’ (Chomsky, 2008b, 187). Gill (2007) captures this nightmarish environment in Colombia writing that:

Political violence claimed the lives of thousands of unionists, peasants, human rights advocates, left-wing political party members, lawyers, and journalists. Right-wing paramilitaries targeted labor leaders with particular ferocity...hundreds of other unionists were threatened, forced into exile, displaced from their jobs, attacked, detained, tortured, and kidnapped. Most of the rights violations were connected to specific labor conflicts such as strikes, protests, and contract negotiations in which selective assassinations, arbitrary arrests, detentions, unlawful raids, and anonymous threats were tools of labor management. Targeted discriminate violence led not only to the death, exile, and displacement of hundreds of Colombian workers. It also contributed to a climate of anti-unionism in which trade unions were associated with guerrilla insurgencies and unable to exercise their right to free association. Union membership nationwide fell from 12% of the workforce in the mid-1990s to 3.2% in 2004, and Colombia earned a reputation is the most dangerous country in the world to be a trade unionist (240-241).

These general characteristics along with a long history of dispossession, repressive labor control, lack of public investment in infrastructure and social services, authoritarian political structures, and armed conflict have made the banana zone a region rife with unique social, economic, and political opportunities and challenges for companies, workers, communities, political institutions, and other (trans)national actors in the global political economy (L. Carroll, 2010, Chomsky, 2007, Hough, 2010; Ortiz, 2007).19

The bubbling cauldron of pressing problems festering under neoliberalism demanded global action and solutions. CSR served as a palatable strategic intervention to retard the crisis. With the emergence of transnational corporations (TNCs) with vast global production networks and the simultaneous rise of a corporate ruling class, or what Robinson (2004) terms “the transnational capitalist class”, global wealth became concentrated in the hands of capitalists and
elites more than ever before. As a consequence, numerous allegations of corruption, greed, and other forms of corporate malfeasance became commonplace which drove a deep wedge between businesses and society not only in Western developed nations, but also in developing nations like Colombia. Rampant inaction or indifference regarding labor, environmental, and other socio-cultural conditions in corporate supply chains also gave rise to civil society organizations which pressured firms to undertake widespread upgrading measures. CSR grew out of these global trends that targeted the empowerment of workers and producers in underdeveloped or developing nations, improved livelihoods, sustainability, decent work, social upgrading, and high roads to competitiveness.

Since the 1990s CSR initiatives in the banana zone in Urabá have addressed numerous economic, social, and cultural issues related to workers, their families, and local communities. Many have involved multi-stakeholder partnerships between private corporations, the public sector, and civil society organizations. However, what is particularly unique and striking about the particular manifestations of CSR sprouting out of Urabá is that they were conceptualized and deployed at the same time as neoliberal policies supportive of upgrading to compete were being deepened by (trans)national capitalists and elites. Contextualizing the development of CSR in Urabá’s banana zone within a ‘neoliberal-friendly’ political-economic status-quo in Colombia domineered by paramilitary influences and centered on an upgrading to compete agenda is often a moot point in much of the scholarship about CSR in the country. While CSR in Urabá has been communicated through prisms of optimism, democracy, transparency, and the collaborative spirit for the collective good, it conceals the poisonous logic of paramilitarism, legacy of neoliberalism and drive to upgrade to compete. Strikingly, it was within this context that social responsibility,
corporate social foundations and a concern with CSR took root in the banana sector in Urabá (Brown, 2013).

VII. RECONTEXTUALIZING CSR IN THE TWENTY-FIRST CENTURY: SHARED VALUE AND INCLUSIVE BUSINESS

By the twenty-first century CSR in the banana zone in Urabá was beginning to take on new characteristics due to the influence of shared value and inclusive business. The development of these contemporary manifestations or ‘recontextualizations’ of CSR provided executives and managers within C.I. Uniban S.A. and Fundauniban opportunities to flexibly adapt elements of CSR around a ‘new spirit of banana capitalism’ in Urabá that blended financial and social performance. The impetus to reorient CSR strategies in Urabá around shared value can be traced to global developments and efforts to promote shared value as the new substitute for CSR. Since the publication of an article titled “Creating Shared Value” by Harvard Business School Professors Michael E. Porter and Mark Kramer that appeared in the 2011 Harvard Business Review edition called “The Big Idea: How to Fix Capitalism and Unleash a New Wave of Growth”, shared value has become a dominant framework for multinational corporations and organizations. Shared value proponents claim that “capitalism is under siege” and that businesses must shed outdated CSR strategies and adopt, implement, and develop revolutionary shared value strategies to harness the full potential of the capitalist system and re-legitimate business (2-3). In a report called “Creating Shared Value: A How-To Guide for the New Corporate (R)evolution” published by FSG, Porter states that “what’s happening now is really a redefinition of the boundaries of capitalism. Creating shared value is the next stage of evolution in the sophistication of the capitalist model” (Bockstette and Stamp, 2011, 5). Porter’s words are echoed in the Institute for Strategy and Competitiveness (ISC) at the Harvard Business School (HBS) which explains that:
Capitalism is suffering from a crisis of trust. Today’s businesses take the blame for many of society’s economic, social and environmental woes, despite the launch of countless corporate social responsibility initiatives in recent decades. Now more than ever—in the midst of a global economic crisis that has strained the capacity of governments and NGOs to address complex societal challenges—it is time to restore public trust through a redefined vision of capitalism with the full potential to meet social needs.23

This business-centric imaginary claims to re-legitimize business, redefine the purpose of corporations, reshape capitalism, and displace CSR around the building blocks of vision, strategy, delivery, and performance (Bockstette and Stamp, 2011, 9; Porter, et al., 2011). The core argument advanced by proponents of shared value is that “if companies are not rigorously tracking the interdependency between social and business results, they may miss opportunities for innovation, growth, and sustainable social impact at scale” (Porter, et al., 2011, 2). Therefore, shared value is about fixing “the broken societal and business relationship” (Sadick, et al., 2017, 312) by fusing “social progress directly to business success and vice versa” (Porter, et al., 2011, 2).24

The material reproduction of shared value as an institutionalized form of knowledge has been developed and aggressively marketed by a vast international network of shared value experts, publications, forums, and institutions like the Harvard Business School, the Harvard Business Review, FSG, the Shared Value Initiative (SVI), and the Shared Value Leadership Summit.25 The SVI, in particular, has emerged as the primary forum for bringing together transnational capitalist and elite classes interested in learning about shared value from a global pool of leaders in business management, government, academia, non-profit organizations and foundations; developing and implementing shared value practices in corporate value chains; and networking with other shared value experts via learning communities, events, conferences, meetings, summits, and social networking. According to the SVI:
In 2012, the Shared Value Initiative was launched as a Clinton Global Initiative Commitment to Action with the support of Mark Kramer, Harvard Business School Professor Michael Porter, and the new executive director of the initiative, Justin Bakule, formerly a managing director at FSG. With shared value embedded in its corporate history and a strong consulting relationship with FSG, Nestlé signed on as the inaugural partner to fund the initiative with Verizon, Mercy Corps, and the Rockefeller Foundation. Today, 35 cross-sector organizations comprise the leadership group for the initiative. Sharedvalue.org curates research and insights generated by FSG’s client work, as well as contributions from the wider field. This platform is the go-to source for leaders who want to strategize, implement, or sustain a shared value initiative at their organization.26

Based on these claims it is clear that the SVI provides a ‘one-stop shop’ website for consulting, tools, resources, blogs, articles, reports, data about social change, and areas of expertise related to shared value. The breadth of its work is vast stretching around the globe. For instance, the SVI works with 25 lead firms from Fortune 500 companies; there are 10,000 multi-sector shared value practitioners across the global economy, 70 certified practitioners in 30 countries, and 400 shared value leaders that convene at the annual Shared Value Leadership Summit.27 The material (re)production of shared value in policy circles, corporate management, and elite intellectual circuits has also motivated capitalists in the banana sector in Urabá to rethink their approaches to CSR, particularly given the unique challenges of doing business in a ‘conflict zone’.28

The pivot towards a shared value approach to social responsibility in Urabá has also revealed the development and consolidation of a vision of Urabá based on collective responsibility, cohesion, non-violent forms of conflict resolution, participation, transparency, reintegration, and peacebuilding. While Porter and Kramer argue that CSR is an outdated and failed venture, my fieldwork and experiences in the banana zone in Urabá indicate that it is alive and well and has borrowed elements of shared value to adapt to the times and local circumstances. Recognizing the importance of these ideas, C.I. Uniban S.A. and Fundauniban have sharpened their vision, strategies and projects related to social responsibility in the region.
deliver better products and services to their clients and perform better financially and socially. This reorientation of their business model around a flexible CSR strategy capable of adapting to the demands of the times has helped re-legitimate the banana business in Urabá, redefine their corporate mission, contribute to social change, and vigorously pursue economic upgrading and financial performance as a domestically-owned banana company in a highly competitive global banana market dominated by multinational corporations. As interviews later in the dissertation will show, executive and management’s understanding of the interdependency between social and business results have opened up opportunities to innovate, grow, and achieve sustainable social impact in the banana zone of Urabá which are all elements central to the shared value proposition.

Another recent manifestation or re-contextualization of CSR in Colombia that has been influential in mending the damaged social-business relationship in Urabá is related to inclusive business (negocios inclusivos). The Colombian Business Council of Sustainable Development (CECODES) project that began in 2007 coined the term negocios inclusivos which it defines in the following way:

inclusive businesses are economically profitable, environmentally and socially responsible business ventures that, in a mutually beneficial logic, bring low-income communities into their value chains and improve their quality of life (my translation). 29

This ‘spin-off’ construal of CSR has been utilized by companies and elites in Colombia to formalize a national policy agenda and foment the creation of an institutional architecture around the concept of inclusive business. Like shared value this concept is packaged and marketed around a similar language, set of rationalities and approaches dealing with business-society relations. The inclusive business project in Colombia promotes social responsibility, social
cohesion, social impact, social performance, social progress, sustainable development, ecological balance, and eco- and socially-conscious capitalism.

In Urabá, C.I. Uniban S.A. and Fundauniban have been adept at flexibly adapting their CSR vision around the prism of inclusive business. This co-optation of inclusive business has functioned to soften the hardnosed rhetoric and practices that led to capitalist-labor flare-ups in the past and to the general crisis associated with the race to the bottom. In the banana sector, inclusive business has offered a framework that has contributed to new perceptions and engaged key stakeholders in new types of ideals and activities. It has also erected “a specific order or logic on its surroundings” (Christensen, et al., 2013, 4) and has set “limits to compossible combination of relations among relations within specific time-space envelopes” (Sum and Jessop, 2013, 4). As highlighted earlier in this chapter, banana capitalists and elites in Urabá embraced CSR in the late 1980s and 1990s as the ‘way out’ of the crisis and as a ‘strategic’ pathway to bolster the industry’s competitiveness. In the twenty-first century C.I. Uniban S.A. and Fundauniban continued to utilize CSR as a competitive strategy to drive economic and social upgrading initiatives, but they injected elements of shared value and inclusive business to better serve their specific goals and to (re)produce their hegemony in the Colombian banana industry.

VIII. CONCLUSION

This chapter documented the rise and development of the banana industry in Colombia from the 1890s to 2017. First, it discussed the early stages of banana production and export in Magdalena. As conditions spiraled out of control in that region, operations were relocated to Urabá, which was transformed into the primary export zone during the 1960s and 1970s. Second, the chapter documented the power struggles that emerged in Urabá between banana capitalists, working classes, and the Colombian State that resulted in the race to the bottom. Third, the
chapter identified the specific set of forces that led to the rise and development of CSR as a central strategy of the Colombian banana industry in the late 1980s. It argued that CSR emerged in Urabá due to global and local events that lined up at a specific moment in history that forced the Colombian banana industry to change. The decision to adopt and deploy CSR did not emerge organically out of the goodness of the corporate sector’s heart. Quite the contrary, it was imposed as a solution to the crisis and dictated that collective action be taken to confront the race to the bottom. C.I. Uniban S.A. created its social foundation, Fundauniban, and adopted CSR because it needed to clean up its public image, mend social bonds with local communities, manage its brand, rekindle its competitiveness, seek out new business ventures, cut costs, and quell local pockets of labor flare-ups. Pulido and Ramiro (2008) capture this ‘corporate desire’ to engage in CSR initiatives in Colombia quite brilliantly writing that they represent “a new strategy to consolidate and expand their businesses, lower the costs of their operations, generate a reliable image and deactivate resistance that they may find at a local level” (248). 31 Furthermore, other forces like paramilitarism and neoliberalism created an environment in Urabá that makes the blossoming of CSR in this region of Colombia counterintuitive. Given these circumstances, it is quite striking and rather unique that CSR initiatives spearheaded by C.I. Uniban S.A. and Fundauniban in the banana sector in Urabá have taken root as long-term solutions to such a severe crisis.

Finally, the chapter highlighted how shared value and inclusive business have influenced C.I. Uniban S.A. and Fundauniban’s approach to CSR in the twenty-first century supporting the claim that the “business sector [is] an important architect in the construction of Colombia’s social strategy”, particularly in terms of social commitments, social dialogue, and social responsibility (Gutiérrez, et al., 2006, 56). 32 It also illustrates the incredible capacity of C.I.
Uniban S.A. and Fundauniban to adapt to local circumstances and global forces of change. Their decision to enact a renewed model of social responsibility centered on the blending of social change, impact, and innovation, sustainable development, economic upgrading, and financial performance as well as non-violent forms of conflict resolution, participation, transparency, reintegration, and peacebuilding has paved the way for a ‘new spirit of banana capitalism’ in Urabá in the twenty-first century.

Chapter 4 shows how C.I. Uniban S.A. and Turbana executives and managers have made sense of economic upgrading, marketing, and social responsibility. Specifically, it argues that embracing a shift in a vision around social responsibility from crisis management to one anchored in inclusive business, shared value and peacebuilding had multiple purposes that served the interests of executives and managers of C.I. Uniban S.A. and Turbana. In the late 1980s and 1990s a top priority for both companies was to market social responsibility as a way out of the crisis that had engulfed the industry. The chapter argues that the adoption and gradual implementation of social responsibility helped both companies rebrand themselves to their shareholders, stakeholders, and other actors in the global banana trade, bolster upgrading processes in the value chain, take advantage of new market trends, and navigate the web of consumer, activist, and client expectations and demands.
Notes

1 See Posada-Carbó (1996) for a regional history of the Caribbean region in Colombia from the late 19th century to the mid-20th century.

2 It should be noted that the UFC was widely known as el pulpo or ‘the octopus’ due to its oligopolistic monopoly of the banana producing regions in Central and South America during the late nineteenth and twentieth centuries.


5 This bloody event was captured by Gabriel García Márquez in his classic novel Cien años de soledad.

6 The historical development of the Colombian banana industry in Urabá was made possible via a shift in the UFC’s modus operandi as it faced fewer business-friendly environments in Latin America as well as a teetering global banana economy characterized by boom and bust cycles stemming from the uncertain times of the Great Depression and World War II. For a detailed account, see Bucheli 2005.

7 I am borrowing Hough’s historical periodization of the banana sector in Urabá since it is particularly useful for contextualizing the set of events leading to the rise of social responsibility. However, I update and expand his periodization to encompass the years from 2000 to 2017 in the banana zone in Urabá. See Table 6 in Appendix A.
Social class conflicts were a hallmark of this period in the banana zone in Urabá. On one hand, there was a powerful right-wing alliance that brought together banana companies, elite politicians, wealthy landowners, and, the national banana association, Augura. On the other, a left-wing banana working class emerged that organized themselves through unions, political organizations, and guerrilla insurgency groups. For a detailed account, see Hough, 2007.

For more about the race to the bottom, see Chambrun, 2005; Farquhar, 2009; and Harari, 2005a, 2005b. The race to the bottom is closely related to what Barrientos, et al. (2010) refer to as downgrading in global value chains, which they define as movement into low value activities and the undermining of workers’ employment, rights and protections (7).

In Spanish COLSIBA stands for La Coordinadora Latinoamericana de Sindicatos Bananeros y Agroindustriales.

These conditions vary across banana producing regions. Despite its troubled labor history, the Colombian banana industry has had relatively stable contractual relations since the collective bargaining process was brokered between the national banana association, Augura, the banana labor union, Sintrainagro, banana companies, producers (farms), and workers.

In Colombia this armed group is known as the Ejército Popular de Liberación or EPL.


CSR has become a private governance technology of capitalist and elite classes. This point will be explored in chapter 6.

Since the late 1980s and early 1990s the neoliberal model in Colombia has gradually taken shape under the administrations of Virgilio Barco Vargas (1986-1990), César Gaviria Trujillo

Farquhar’s opening remarks remind us that the race to the bottom in the banana trade has deeper historical roots even though it seems to have been a recently coined term. He states: “When the first International Banana Conference was held in Brussels in 1998, the phrase “race to the bottom” had not yet come into vogue. Nevertheless, the process described was already well entrenched, even if it had not yet been named (4). This was certainly the case for the banana zone in Urabá that witnessed the downward spiral associated with the race to the bottom since banana production shifted to the region in the 1960s.

Overproduction was also exacerbated by the Asian financial crisis of the late 1990s which placed a downward pressure on prices inducing a prolonged period of volatility in global markets. Prices have since remained steadily unstable due to macroeconomic variables such as exchange rate fluctuations.

Many scholars have linked the Colombian State’s weakness and overall incapacity to govern effectively to recurring crises throughout the nation’s political history. See, for instance, Castaño, 2002 and Pizarro and Bejarano, 1994.

Kirk and Okazawa-Rey (2000) and Staples (2000) maintain that neoliberalism has promoted unrest, inequality, conflict, and war while ensuring that (trans)national corporate-military-industrial complexes that depend on wars, bombing campaigns, and reconstruction projects stay in business. For instance, Staples (2000) writes that “[globalization] promotes the conditions that
lead to unrest, inequality, conflict, and ultimately, war…[and to a] decline in human rights, social justice, environmental standards, and democracy” (18, 22). This war-machinery has guaranteed the survival of a savage capitalism that derives its punch from deepening the race to the bottom, encouraging political impasses, worsening class conflicts, and avoiding to face up to humanitarian crises marred by genocide, torture, and other criminal atrocities. The neoliberal model of economic and political governance in Colombia has overwhelmingly benefited private corporations, political elites, right-wing paramilitary groups, and mainstream media outlets that have supported neoliberal capital accumulation at the expense of people and the planet. Social exclusion, marginalization, repression, and violence have become common experiences for Colombian citizens, especially marginalized workers and producers in value chains, and leftist guerrilla organizations, intellectuals, students, and trade unionists seeking to challenge neoliberal capitalism.

20 Civil society may refer to NGOs, church groups, women associations, volunteers, trade unions, environmental and social watchdog organizations, academia, foundations, and/or policy institutes.

21 Initially, Porter and Kramer discussed the concept of shared value in 2006 in their jointly published article in the Harvard Business Review entitled “Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility”.

22 FSG is a non-profit consulting and research firm founded by Michael E. Porter that provides strategic planning advice and analysis to foundations, corporations, and other non-profit organizations.

Experts at FSG point out that shared value should be pursued by corporations in the following ways: 1) by reconceiving products and markets focusing on revenue growth, market share, and profitability that arise from the environmental, social, or economic development benefits delivered by their products and services; 2) by redefining productivity in their value chains focusing on improvements in internal operations that improve cost, input access, quality, and productivity achieved through environmental improvements, better resource utilization, investment in employees, supplier capability, and other areas; and 3) by enabling local cluster development which derives from improving the external environment through community investments and strengthening local suppliers, local institutions, and local infrastructure in ways that also enhance business productivity (Bockstette and Stamp, 2011; Porter, et al., 2011).

The Shared Value Initiative and the Shared Value Leadership Summit are multi-stakeholder efforts aimed at driving the adoption and implementation of shared value strategies among leading companies, civil society, and government organizations.

Research about shared value has included sweeping literature reviews and attempts to operationalize and measure it, differentiate it from CSR, and point out its flaws, limitations, and contradictions. Regarding the latter point, Crane, et al. (2014), have argued that shared value is “unoriginal, ignores the tensions between social and economic goals, is naïve about the challenges of business compliance, [and] is based on a shallow conception of the corporation’s role in society” (132). Dembek, et al. (2016) also make the case that shared value in its current form “is vague, and it presents important discrepancies in the way it is defined and operationalized, such that it is more of a buzzword than a substantive concept. It also overlaps
with many other (related) concepts and lacks empirical grounding” (231). Furthermore, Aakhus and Bzdak (2012) question whether shared value is really a game-changer as Porter, Kramer, and their global network of shared value experts suggest, arguing that it misrepresents what societies may value and does not go beyond the 1950s mantra of ‘what is good for business is good for society’ (237). They also note that the shared value model “is primarily built on positive cases without much if any consideration of potential contradictory examples or the negative implications of the examples given” (Aakhus and Bzdak, 2012, 238). Overall, the critical literature about shared value describes it as another business-centric rationality that does nothing to uproot transnational and elite hegemony or question global capitalism and analyze its contradictions. Shared value assumes that business and society’s needs and values can be aligned through processes of negotiation that ultimately benefit corporations, which sets up “a model for social innovation that is skewed toward the corporate interest” (Aakhus and Bzdak, 2012, 240).

29 CECODES stands for El Consejo Empresarial Colombiano para el Desarrollo Sostenible. The original statement in Spanish is “los negocios inclusivos son iniciativas empresariales económicamente rentables, ambiental y socialmente responsables, que en una lógica de mutuo beneficio incorporan en sus cadenas de valor a comunidades de bajos ingresos y mejoran su calidad de vida” (http://www.negociosinclusivoscolombia.org/site/negocios-inclusivos/). Accessed on 29 Aug. 2017). Table 7 in Appendix A shows the key actors involved in the development of inclusive business in Colombia.

30 These issues will be explored in depth in chapters four, five and six.

31 My translation. Their original statement in Spanish is “una nueva estrategia para consolidar y ampliar sus negocios, abaratar sus operaciones, generar una imagen confiable y desactivar las resistencias que pueden encontrar a nivel local” (248).
While these inroads are laudable, Pulido and Ramiro (2008) point out that CSR initiatives “can be successful and provide certain improvements [but] the fact is that they are isolated, disjointed and do not correspond to a planning regulated by the citizens, the State or the public authorities” (248).
CHAPTER 4: ECONOMIC UPGRADING AND SOCIAL RESPONSIBILITY

I. INTRODUCTION

This chapter explores the major challenges and opportunities C.I. Uniban S.A. has faced in its value chain, specifically with its former marketing subsidiary, the Turbana Corporation, as both companies have attempted to upgrade to compete in global banana markets from 1987 to 2017. The chapter has three primary objectives. First, it discusses how C.I. Uniban S.A. and Turbana have engaged in economic upgrading by bringing in the voices and experiences of senior executives and upper and mid-tier managers in both companies that were in decision-making positions at critical moments during this historical period. The chapter shows how these corporate actors reacted to and dealt with shifting dynamics in the global banana trade and local forces in Urabá to upgrade to compete. Second, the chapter shows that during the late 1980s and 1990s, a model of social responsibility based on crisis-management became critically important to ensure the survival and longevity of the industry and of C.I. Uniban S.A. as the premiere banana company in Colombia. As the chapter presents the responses of executives and managers in C.I. Uniban S.A. and Turbana, it makes the case that their comments represent a broader trend in the banana industry where capitalists and elites were searching for alternatives to avert future crises and ensure competitive positioning for Colombian bananas and related products in the global banana trade. Third, the chapter argues that both companies transitioned from a model of social responsibility built around crisis management to one that embraces shared value and inclusive business in the twenty-first century. This new business model aims to promote peacebuilding and contribute to a ‘post-conflict’ society in Urabá. By presenting executive and managerial accounts of these changes, it becomes possible to see how they “explore, construct, negotiate, and modify what it means to be a socially responsible organization” (Christensen and
While this ‘new spirit of capitalism’ became the primary feature of corporate culture in C.I. Uniban S.A. and Turbana and a cornerstone for upgrading to compete, it also contained contradictions that strengthened corporate power and set up a difficult situation for banana producers and workers at the point of production. An analysis of this scenario grounded in cultural political economy and the voices and experiences of high-ranking executives and upper-tier managers in Medellín and Urabá will document the challenges and inroads these companies have faced as they shifted from a model of social responsibility based on ‘crisis management’ to one that embraces shared value and inclusive business.

II. ECONOMIC UPGRADING: VALUE CHAINS AND COMPETITIVENESS

This chapter concentrates on the marketing segment of C.I. Uniban S.A.’s value chain. The term value chain was first used in 1985 in Harvard Business School Professor Michael E. Porter’s seminal work *Competitive Advantage: Creating and Sustaining Superior Performance*. Porter approached value chain analysis from an intra-firm perspective which looked at in-house primary and support activities that served as key catalysts of competitive advantage for companies through managing their intra-organizational linkages (Porter, 1990). While Porter’s contribution had significant implications for connecting value capture and retention with competitiveness, it was too narrowly focused on activities, decisions, strategies, and practices within the firm. In other words, it was too firm-centric in its orientation. As scholars continued to study competitiveness, they recognized the need to move ‘beyond the firm’. In the early 1990s, Gary Gereffi, a professor at Duke University, and a group of his colleagues published a volume of pioneering studies that expanded Porter’s original conceptualization of value chains to encompass a system of inter-firm linkages on a global scale. In this study, Gereffi (1994b)
introduced the term *global commodity chains* (GCCs) and identified three dimensions from which they could be examined:

1) an input-output structure, (i.e. a set of products and services linked together in a sequence of value-adding economic activities), 2) a territoriality, (i.e. spatial dispersion or concentration of production and distribution networks, comprised of enterprises of different sizes and types), and 3) a governance structure, (i.e. authority and power relationships that determine how financial, material, and human resources are allocated and flow within a chain) (96-97).

This conceptualization of global commodity chains branched out ‘beyond the firm’ to look at the larger organizational, institutional, and business linkages that influenced competitiveness in industries in the global political economy. However, the term *global commodity chain* eventually fell out of favor in the early 2000s since it referred to primary products and/or low-value added goods (Bair, 2009). Instead, the term *value chain* was adopted by academics, businesses, and other experts since it not only focused on the primary products and low-value added goods produced in the manufacturing segment of chains, but also included the entire range of goods, services and products that firms deliver to end markets in the global economy.² According to the United Nations Industrial Development Organization (UNIDO), a value chain refers to:

a set of businesses, activities, and relationships engaged in creating a final product (or service). It builds on the idea that a product is rarely consumed in its original form but becomes transformed, combined with other products, transported, packaged, marketed, etc. until it reaches its final consumer. In this sense, the value chain describes how producers, processors, buyers, sellers, and consumers—separated by time and space—gradually add value to products as they pass from one link in the chain to the next (2009, 5).

As this definition makes clear, the change in terminology shifted discussions back to where and how *value* is created, added, captured, differentiated, and distributed along a chain of locally, regionally, nationally, or globally-linked firms (Barrientos, et al., 2010; Bair, 2009; Gereffi et al., 2005; Gereffi and Kaplinsky, 2001). In fact, value addition has become a widely-accepted measure of economic upgrading (Kummritz, et al., 2017, 2). For companies involved in
international commerce, value-driven strategies are at the heart of solid financial performance and long-term competitiveness. For these reasons, value chain analysis has become a driving force du jour in the global political economy. Universities, companies, governments, among other organizations and institutions have relied on value chain analysis to target: (1) industry (re)organization, (2) coordination, governance, and power, (3) fragmentation in global industries, (4) how firms are linked to the global economy and (5) institutional and policy contexts in which chains operate (Gereffi, 2005).

When discussing value chain analysis, there are two dominant perspectives. One view represents a ‘top-down approach’ called ‘value chain governance’ that targets “the power relationships between firms that set the parameters to other firms in the chain” (Marcato and Troncoso Baltar, 2017, 2). The other view is a ‘bottom-up approach’ known as ‘upgrading’ that is concerned with how firms, companies, workers, and other participants in global industries move up the value chain and capture the gains from integration into global trade circuits (Cattaneo, et al., 2013; Gereffi and Fernandez-Stark, 2011; Marcato and Troncoso Baltar, 2017).

Based on the viewpoints shared by value chain experts in the literature, economic upgrading is a useful, yet dynamic and complex concept. Pinpointing a precise definition is quite difficult due to its multiple dimensions and ongoing debates regarding its meaning. Despite these squabbles, there are dominant viewpoints that stand out. Some value chain experts have described economic upgrading as the “strategies used by countries, regions, and other economic stakeholders to maintain or improve their positions in the global economy” (Gereffi and Fernandez-Stark, 2011, 12). According to Gereffi and Fernandez-Stark (2011), this scenario would involve “a series of economic roles and capabilities associated with production and export activities, such as: original equipment manufacturing (OEM), also known as full-package
production; original brand name manufacturing (OBM); and original design manufacturing (ODM)” (12). Other scholars, like Barrientos, et.al. (2010) state that economic upgrading is “the process by which economic actors—firms and workers—move from low-value to relatively high-value activities in global production networks” (6). Marcos and Bellhouse (2016) echo these comments noting that economic upgrading “could be considered movement up the international value chain to capture a greater share of the economic benefits of production” (9).

From these viewpoints, what matters in terms of economic upgrading is how firms move from low value-added tasks, products, and services to higher added-value ones.

However, Marcato and Troncoso Baltar (2017) point out that economic upgrading does not always indicate ‘moving up’ in value chains (5). For instance, Taglioni and Winkler (2014) explain, that economic upgrading “does not necessarily mean transitioning from an agricultural to a services economy as traditional development views suggest [but rather] embracing higher value-added production with the assistance of more technology, services, and know-how” (29). Kaplinsky and Morris (2001) also link economic upgrading with “changes in the nature and mix of activities, both within each link in the chain, and in the distribution of intra-chain activities” (38). In other words, economic upgrading is also associated with the ‘high road to competitiveness’ or “the ability to make better products, to make products more efficiently, or to move into more skilled activities…[and] innovating to increase value added” (Pietrobelli and Rabellotti, 2006b, 1-2). Considering such points, Marcato and Troncoso Baltar (2017) link economic upgrading with “increasing competitiveness in higher value-added products, tasks and sectors” (5-6). In order for economic upgrading to occur in value chains, firms must establish core competencies and dynamic capabilities as well as “the capacity to innovate, and to ensure the continuous improvement in product and process development” (Kaplinsky and Morris, 2001,
37). Furthermore, they must also acquire new capabilities, access new marketing channels and services, enter new sectors, or undertake new productive (or service) functions (Humphrey, 2004). The major types of economic upgrading identified in the GVC literature are listed below in Table 8.

Table 8: Types of Economic Upgrading

<table>
<thead>
<tr>
<th>Types</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) product upgrading</td>
<td>-improving existing products/services and/or shifting into higher value-added products/services</td>
</tr>
<tr>
<td>2) process upgrading</td>
<td>-improving efficiencies in the production system (i.e. introducing new technologies)</td>
</tr>
<tr>
<td>3) functional upgrading</td>
<td>-moving into higher value-added stages of the chain that require additional skills</td>
</tr>
<tr>
<td>4) chain upgrading</td>
<td>-entering a new chain by utilizing the knowledge and skills acquired in current value chain</td>
</tr>
<tr>
<td>5) end-market upgrading</td>
<td>-moving into new market segments</td>
</tr>
</tbody>
</table>

Source: Adapted by author from Gereffi, 2005; Gereffi, et.al., 2013; Fernandez-Stark, et.al., 2011; Humphrey & Schmitz, 2002b.

The typology of economic upgrading sketched out above can provide a contextual starting point for discussing how C.I. Uniban S.A. and Turbana have chosen to \emph{upgrade to compete} in global banana markets from 1987 to 2017. Moreover, the question related to economic upgrading is not whether firms \emph{should} compete, but rather \emph{how} they compete in global markets that really matters (Pietrobelli and Rabelloti, 2006b). Professor Michael E. Porter of the Harvard Business School, who is often credited with coining the term ‘value chain’ is also one of the world’s most prominent authorities on competition and competitiveness. In one of his classic texts, he addresses the link between upgrading and competitiveness stating that:

\begin{quote}
Sustained productivity requires that an economy continually upgrade itself. A nation’s firms must relentlessly improve productivity in existing industries by raising product quality, adding desirable features, improving product technology, or boosting production
\end{quote}
efficiency…A nation’s firms must also develop the capabilities required to compete in more and more sophisticated industry segments, where productivity is generally higher. At the same time, an upgrading economy is one which has the capability of competing successfully in entirely new and sophisticated industries (Porter 1990, 6-7).

As his comments suggest, upgrading involves capturing higher value-added products and services and achieving superior performance, operational effectiveness, and enhanced productivity via a variety of management tools and techniques. Lead firms, in particular, drive, coordinate, and control the forward and backward linkages in value chains which puts them in an optimal position to capture, add, and distribute value. The leadership positions that firms occupy in value chains have important implications regarding economic and social development for all actors along the chain, especially for those in the lower-value production segments like suppliers and producers. For instance, Marcato and Troncoso Baltar (2017) and Shepherd (2015) stress that such linkages in value chains can generate ‘positive spillover effects’ related to technology, productivity, and skills upgrading. Indeed, one of the central ideas stressed in the literature about value chain upgrading is the idea that firms, industries, and workers can upgrade their economic and social conditions via integration into global circuits of accumulation.

While firms make decisions and adopt strategies that can create, sustain, or erode opportunities for economic upgrading, firm-level efforts alone cannot determine how upgrading is created, sustained, or lost within value chains since companies operate within a broader external competitive environment. This realm is shaped by institutional, structural, and systemic factors that may hinder or enhance upgrading opportunities and challenges within a company’s value chain. Vertical and horizontal relationships among value chain actors, collaboration strategies and partnerships between the public and private sector, and upstream or downstream events in a value chain may also impact the ability of firms to upgrade. Constraints in the social and business environment related to macroeconomic volatility, trade policies, climatic
conditions, diseases, social unrest and violence, changes in consumer habits, and safety, environmental, social, and production standards are norms that may alter how upgrading plays out at given moments in value chains in the global economy. For instance, state policies, national and international regulatory institutions, corporate strategies, technological innovations and changes, shifts in supply and demand, and workers’ skill sets and knowledge of their trades all affect how upgrading may be achieved, sustained, or lost within value chains. What is clear is that upgrading is dependent on commercial, financial, social, environmental, political, technological, and cultural forces, involves constant change and learning, and may be experienced differently by executives, managers, producers and workers at different historical moments for different reasons. Before presenting the experiences of banana executives and managers with economic upgrading, the next section of the chapter briefly documents the challenges C.I. Uniban S.A. and Turbana have faced with marketing in a changing global banana trade and local business environment in Urabá.

III. **UPGRADING TO COMPETE: ADAPTING TO MARKET DYNAMICS AND LOCAL CONDITIONS**

*Turbana’s Marketing Challenges*

Since its creation in 1970, the Turbana Corporation, located in Coral Gables, Florida, has played a key role in the marketing and upgrading success of C.I. Uniban S.A. During my visit to the corporate headquarters in Medellín I spoke with high-ranking executives and managers in both companies about economic upgrading, marketing, and social responsibility. We also discussed shifting market dynamics in the global banana trade and changes in the local environment in the banana zone in Urabá. These conversations helped to bring to light how these corporate actors have ‘made sense of’ pressures to upgrade to compete in the global banana trade, local forces that threatened their competitiveness and business in Urabá, and how they
transitioned from a model of social responsibility centered on crisis management to one that was supportive of shared value, inclusive business, and peacebuilding. Cornelissen (2012) explains that “sensemaking refers to processes of meaning construction whereby people interpret events and issues within and outside of their organizations that are somehow surprising, complex, or confusing to them” (118). Applied to economic upgrading, marketing, and social responsibility, sensemaking contains individual, cognitive, and social (intersubjective) dimensions that become visible through language and discourse and enacted “through an organisation’s members’ discursive and storytelling accounts” (Fontana, 2018, 27; Onkila and Siltaoja, 2017).

During the 1990s C.I. Uniban S.A. and Turbana had to deal with changes in the global banana trade which made marketing particularly challenging. A couple of problems were oversupply and volatile prices (Liu, 2009). According to a Turbana executive, “a huge obstacle for us during the 1990s was overproduction which drove down prices and made it difficult for us to hit our financial targets and marketing goals” (Executive Sales and Supply Manager, Turbana, Personal Interview). This situation was triggered at the beginning of the 1990s when banana firms increased production in hopes of capturing new markets in Eastern Europe due to the fall of the Soviet Union and in Europe due to the creation of the European Union. At the beginning of the decade, dollar banana prices were low, so C.I. Uniban S.A. and Turbana, together with Augura, decided to ramp up production in Urabá in hopes of gaining access to European markets. However, this decision proved disastrous because Europe subsequently raised tariffs and changed quota restrictions on dollar bananas. As the CEO of Turbana put it, “these markets never fully materialized how we expected and they exhibited extreme levels of competition leading to low prices and oversupply” (Personal Interview). At the time, the problem for Turbana in terms of marketing was dealing with the crisis of overproduction, extreme levels of
competition from other banana firms seeking to capture market share in Europe, and navigating
the different and complicated trade restrictions in each European country (Executive Sales and
Supply Manager, Personal Interview). In terms of dealing with different trade policies in
different trading zones around the world, the CEO of Turbana laughingly remarked “if there is
one damn thing that remains a challenge in marketing bananas, it is certainly dealing with
uncertainty and volatile trade environments and negotiations that we, as a company, can’t
control” (Personal Interview).

In addition to the overproduction crisis, executives and managers discussed ongoing
concerns related to fluctuations in supply and demand in terms of banana production. As the
Executive Banana Production Manager in Urabá noted that “there is a higher demand in markets
during the first 26 weeks of the year. However, production is typically lower during this part of
the year. During the final half of the year, market demand goes down and production increases.”
(Personal Interview). According to Turbana executives, market demand decreases during the
second half of the year due to the appearance of other seasonal fruits like melons, grapes, and
berries that provide more competition for bananas in U.S. and European markets. Bananas are
the only crop produced year-round, so a huge challenge for C.I. Uniban S.A. and its marketing
team in Turbana is to figure out how to deal with the mismatch between production and demand
during the year. As the CEO expressed:

The challenge is to ensure that income is not drastically affected due to the lull in demand
during the second half of the year. So, Uniban has tried to schedule production to help
balance out these imbalances, but this is never easy because there are other factors like
exchange rate fluctuations, changing consumer preferences, diseases and pests (*sigatoka
egra* and *moko*), and adverse climatic conditions (droughts, floods, high winds, etc.)”
(Personal Interview).

A final challenge that executives described was related to exchange rate volatility. Undulating
exchange rates have been a constant concern for both companies since they can directly impact
profits and losses. In fact, the Executive Administrative and Financial Manager and Executive Treasurer of C.I. Uniban S.A. explained in our meeting in Medellín that the revaluation of the Colombian peso to the U.S. dollar from 2003 to 2012 was a challenging time for Uniban and its subsidiaries that led to financial volatility and losses (Personal Interviews). The concerns about exchange rate instability expressed by these executives in interviews is reflected in C.I. Uniban S.A.’s financial statements where there were significant losses on the books for 2010 and 2011. After a very profitable year in 2009 at over 30 million U.S. dollars, the company suffered consecutive years of net losses. In 2010, it lost almost five million dollars and in 2011 it reported a net loss of almost 19 million U.S. dollars (see Table 9 below).

Table 9: Net Profit and Losses for C.I. Uniban S.A., 2009-2011

<table>
<thead>
<tr>
<th>Year</th>
<th>Net profit/losses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>30,302</td>
</tr>
<tr>
<td>2010</td>
<td>(4,972)</td>
</tr>
<tr>
<td>2011</td>
<td>(18,882)</td>
</tr>
</tbody>
</table>

Source: Adapted by author based on Informes y estados financieros 2010 and 2011, C.I. Uniban S.A. Net profits and losses are in thousands of U.S. dollars.

Despite the challenges associated with overproduction, fluctuations in supply and demand, unstable trade environments, and exchange rate volatility, both companies have enjoyed considerable longevity for companies operating in a ‘conflict zone’. Moving into 2021, C.I. Uniban S.A. is almost 55 years old and is still the largest and oldest banana company in Colombia. As of 2016 when Turbana was rebranded Fyffes America it was 46 years old. This long shelf-life has been attributable, in part, to the decisions executives and managers have made over the years and the upgrading successes both companies have celebrated along the way. Table 10 below provides a sampling of the key events in the history of each company.
<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>Unión de Bananeros de Urabá S.A. was created by a group of local entrepreneurs and farmers who decided to export their fruit directly to foreign markets.</td>
</tr>
<tr>
<td>1969</td>
<td>Parker Banana, a company from Florida, signs a contract with Unión de Bananeros de Urabá S.A to purchase bananas to sell to the U.S. market. Unión de Bananeros de Urabá S.A sends its first shipment of 18,000 boxes of bananas to the U.S. on a ship called the Matilde.</td>
</tr>
<tr>
<td>1970</td>
<td>The Turbana Corporation is created as the marketing company in the North American market for Unión de Bananeros de Urabá S.A.</td>
</tr>
<tr>
<td>1975</td>
<td>Turbana makes its debut in Europe. Unión de Bananeros de Urabá S.A signs a contract with the Velleman and Tas company to distribute its fruit in Europe. This gives the Turbana brand exposure to European markets.</td>
</tr>
<tr>
<td>1978</td>
<td>Unión de Bananeros de Urabá S.A opens a corrugated cardboard box factory in Urabá.</td>
</tr>
<tr>
<td>1982</td>
<td>Unión de Bananeros de Urabá S.A. becomes legally registered as an international trading and marketing firm and changes its name to Comercializadora Internacional Unión de Bananeros de Urabá Sociedad Anónima, or simply C.I. Uniban S.A.</td>
</tr>
<tr>
<td>1983</td>
<td>Turbana opens a new shipping route from Turbo to Newark. A new sales team is hired and offices open in Maryland, Massachusetts, and New Jersey to accommodate Turbana’s expansion plans. Turbana becomes a major player in the North American banana market.</td>
</tr>
<tr>
<td>1985</td>
<td>Retail stores start selling Turbana plantains across North America.</td>
</tr>
<tr>
<td>1987</td>
<td>Fundauniban, C.I. Uniban S.A. and Turbana’s social foundation is created.</td>
</tr>
<tr>
<td>1992</td>
<td>Turbana launches a new exotic fruits line that goes beyond bananas, plantains, baby bananas, and red bananas. Turbana creates customized packaging solutions for retailers and educates them about the new product offering.</td>
</tr>
<tr>
<td>1994</td>
<td>Turbana creates the first Private Label Program for Stop and Shop in Boston. The private label business explodes making Turbana the largest producer of private label bananas in North America.</td>
</tr>
<tr>
<td>2004</td>
<td>Turbana begins selling Fyffes pineapples.</td>
</tr>
<tr>
<td>2005</td>
<td>C.I. Uniban S.A. and Fyffes form a strategic alliance which results in a 50% split ownership of Turbana.</td>
</tr>
<tr>
<td>2006</td>
<td>C.I. Uniban S.A. acquires a 50% stake in Proban, giving it more control over the banana export market in Colombia.</td>
</tr>
<tr>
<td>Year</td>
<td>Event Description</td>
</tr>
<tr>
<td>------</td>
<td>-------------------</td>
</tr>
<tr>
<td>2007</td>
<td>Turbana signs a four-year contract with Disney. This deal makes the company an exclusive supplier of bananas and pineapples under the Disney Garden Label.</td>
</tr>
</tbody>
</table>
| 2008 | C.I. Uniban S.A. builds its first snack factory in Urabá to produce plantain chips which creates new jobs and provides additional income for small-scale plantain farmers.  
C.I. Uniban S.A. acquires 100% ownership of Proban as part of a corporate diversification and expansion strategy which gives Turbana access to European banana markets via Proban’s marketing company called Tropical Marketing Associated. |
| 2010 | Turbana diversifies its product portfolio with plantain chips in six flavors: chili, chili lime, sweet, lime, garlic, and natural. |
| 2012 | Turbana launches its tropical line that includes 18 products such as yucca, chayote, coconut and avocado. This initiative was designed to help Turbana’s retail clients cater to the growing Hispanic and ethnic foods markets. |
| 2016 | Turbana was rebranded Fyffes North America. |

Sources: Personal Interviews with the Corporate Librarian and Media Relations Director, C.I. Uniban S.A. and www.turbana.com.

The next section of the chapter discusses how executives and managers in C.I. Uniban S.A. and Turbana adapted to shifting market dynamics and local conditions in Urabá by focusing on marketing, economic upgrading, and social responsibility.

*Executive and Managerial Perspectives of Marketing*

Turbana executives explained that their role in the marketing segment of the value chain is to find markets and clients for the products that C.I. Uniban S.A. sells and that there are two types of bananas that they work with C.I. Uniban S.A. to sell in global markets: FOB and *ventas a riesgo* (CEO of Turbana, Executive Sales and Supply Manager, Personal Interview).16

Turbana’s job as a marketing company is to ensure that both types of sales take place so that one hundred percent of the bananas is sold. Since the late 1990s, executives explained that Turbana has become laser-focused on technological innovations, product and process upgrading, and customer service. Since not all parts of bananas are marketable, the company tries to create new ways to maximize the number of bananas sold so that producers can receive better earnings, but,
at the same time, its job is to make sure it meets its clients’ stringent demands (CEO of Turbana, Personal Interview). The CEO continued saying that:

At Turbana, we aim to understand our clients’ preferences regarding the types of bananas they prefer, be it their shape or size or whether they are Fairtrade or premium fruit. Our top priority is satisfying our clients’ demands, which means we have to work closely with our producers to make sure they have the technological capabilities, capital, resources, and knowledge to put our vision into action and to meet the demands of the marketplace (Personal Interview).17

In addition to speaking about the purpose of marketing, executives and managers I interviewed repeatedly emphasized the concept of value. In fact, the emphasis on value also appears on C.I. Uniban S.A.’s website where the company proclaims that “we add value for the world” (my emphasis).18 Krzyzanowska and Tkaczyk (2014) note that “value plays a very important role in choices made by customers. When given the ability to choose among many competitive offers, buyers choose products or services with the biggest perceived value” (154, my emphasis). Yet, value is not only important for consumers deciding which products and services to purchase. Companies also aim to provide value to the marketplace and to their shareholders and stakeholders. Executives explained that their experiences with economic upgrading have been centered on value creation. For instance, the Executive Sales and Supply Manager explained that “creating value for shareholders and stakeholders in Colombia, and for clients and partners in other parts of the world is what we aim to achieve” (Personal Interview, my emphasis). In another related interview, the Executive Manager of Banana Farms in Urabá echoed these comments adding that “we are always looking for ways to maximize the earnings of our producers while remaining competitive…we want to create value for them and for our company” (Personal Interview, my emphasis).
**Linking Up with Transnational Retailers to Capture ‘Value’**

Given the changing dynamics in the global banana trade and local conditions in export zones, banana companies, like C.I. Uniban S.A. and Turbana, have had to reinvent themselves and adapt to these scenarios to create value for the marketplace and their shareholders and stakeholders. Since the 1980s there has been a steady decline in export market shares of multinational banana corporations (FAO, 2014, 1-2). A key impetus behind this change has been the emergence of new global buyers, particularly the transnational retail sector, which has transformed the industry from a producer-driven to buyer-driven market (Mather, 2008, 12; Van de Kasteele and Van der Stichele, 2005). The unprecedented rise of global supermarkets and retailers since the late 1990s and early 2000s has intensified competition among banana firms, partially fragmented and decentralized multinational corporate power, and redistributed value in favor of transnational capitalist classes (FAO, 2014, Mather, 2008). For companies, like C.I. Uniban S.A. and Turbana, this trend has meant that securing contracts with transnational retailers and supermarkets with deep financial pockets and business and political connections is an important way to compete. Striking lucrative commercial contracts with companies like Whole Foods, Shaws, Stop and Shop, Price Chopper, Kroger, among other notable retailers has been paramount to Turbana’s marketing success in the United States (CEO of Turbana, Personal Interview). As another executive marketing manager described it:

> The more retailers we can do business with in the U.S., the better. Why? Because it means that our products have more visibility in those markets and this increased visibility can potentially translate into sales, especially when our products end up in well-recognized stores with long track records of customer service and quality (Executive Sales and Supply Manager, Personal Interview).

Another marketing executive remarked that Turbana has been able to land some of these bigger retailers due to its position as a lead firm in the Colombian banana industry and reputation as a serious business partner noting that:
Turbana takes quality assurance seriously so we always are focused on the quality of the products we sell to our larger retail clients...I would say that by taking quality seriously and demonstrating that we are a serious and reputable business, retailers respect us and want to do business with us because they know that we provide consistent value in terms of the quality of the products we produce and sell (Executive Sales and Supply Manager, Personal Interview).

While these connections have helped Turbana achieve its marketing objective of finding clients and markets for the products that C.I. Uniban S.A. sells, the retail value of bananas is where big money is being made. Since global buyers are at the top of the food chain so to speak, they are in a position to jack up banana prices in supermarkets to capture profits and dictate prices, quantities, and quality standards to their suppliers. This shift to a global buyer-driven market has resulted in a ‘crowding-out’ effect that has raised the bar of competition for banana firms and placed extreme pressure on producers and workers on banana farms to meet stringent market expectations (Van de Kasteele and Van der Stichele, 2005). Moreover, the immense purchasing power of supermarkets and retailers has led to price wars, which have fueled tensions among global buyers, banana companies, and banana producers and workers. Effectively, what is happening is that value is being extracted at the retail and marketing segments of the banana chain and these profits are being funneled into the pockets of capitalists and elites.20 The consequences of redistributing value in this way has strengthened transnational corporate and elite hegemony and led to instability, marginalization, and exclusion for workers in the production segment of the chain.21

Upgrading to Compete Via Mergers and Acquisitions

Other than establishing contractual relationships with retailers and wholesalers, banana firms have responded to these new market conditions in additional ways. One response has been corporate mergers which have helped firms maintain and enhance operational and distribution efficiencies and stabilize sales and profits through improvements in their economies of scale.
In addition, mergers and acquisitions have consolidated (trans)national power in the global banana industry. Despite reported declining market shares of multinational firms, competition is as fierce as ever. The epic deal struck between U.S.-based Chiquita and Irish multinational Fyffes in 2014 is a case in point. The merger is a major development in an ongoing corporate power struggle for hegemonic market dominance. The new multinational firm, known as ChiquitaFyffes, was expected to rake in around 4.5 billion in annual earnings and was valued at just over a billion U.S. dollars (FAO, 2014). The corporate merger of two of these two giants represents what some scholars have hailed as the “Walmartization” of bananas (Berman, 2014).

Another important acquisition was when Fyffes partnered with the Turbana Corporation in 2004 to distribute pineapples throughout North American markets. In 2005, Fyffes struck a joint venture deal with C.I. Uniban S.A. in which it acquired a fifty percent stake in the Turbana Corporation (CEO of Turbana, Personal Interview). In 2016, Turbana was rebranded Fyffes North America, providing yet another instance of the importance of mergers in the global banana industry.

Another acquisition that stands out in the case of C.I. Uniban S.A. is its purchase of a majority stake in Proban in 2006, that, at that time, was the second top banana exporter in Colombia. In 2008, C.I. Uniban S.A. bought out Proban to create a larger economy of scale to become more competitive. This was part of a corporate diversification and expansion strategy to deflect financial pressures the company was facing during the early to mid-2000s (Secretary General, C.I. Uniban S.A., Personal Interview). As the Secretary General explained at our meeting in Medellín “we were trying to volumize production and gain direct access to Europe via Proban’s Tropical Marketing Associated (TMA) marketing firm” (Personal Interview). Another financial executive added that “without this move we would have been restricted
financially speaking, so we made the decision to acquire Proban to provide ourselves with more options, that is, potentially more ways to make money, diversify our business, and mitigate risks” (Executive Administrative and Financial Manager, C.I. Uniban S.A., Personal Interview). The purchase of Proban enabled C.I. Uniban S.A. to solidify its position as the premier banana firm in Colombia and provided a boost to Turbana since it provided additional access to European clients and more streams of revenue for Uniban’s products ranging from bananas and plantains to plantain chips and tropical and exotic fruits” (CEO of Turbana, Personal Interview).

**Divestment and (Dis)Verticalization: Between Competition and Risk Mitigation**

Another response of banana companies to changing market dynamics has revolved around divestment and *dis-verticalization* (Bucheli, 2005; FAO, 2014; Hough, 2012; Van de Kasteele and Van der Stichtele, 2005). Some companies have moved out of direct ownership of banana plantations and direct involvement with banana production because both carry significant production, climatic, financial, and labor risks and are deemed largely unprofitable. Hough (2012) explains that the Latin American banana trade has shifted to a ‘vertically-disintegrated, buyer-driven banana regime’ because “the market concentration at the top of the chain has allowed transnational fruit conglomerates to capture the largest profits within the market, shifting competitive pressures onto domestic producers who have little choice but to establish sales contracts with them” (244). Despite high unionization levels in the banana industry in Urabá and transnational union mobilization strategies that have emerged to protect workers and their rights, fierce competition in the banana trade is still encouraging a race to the bottom where profits are being squeezed out of producers and workers in the production segment of the value chain (Frundt, 2009, 104-116, Hough, 2012, 245; Riisgaard, 2005). Under this scenario, banana capitalists facing pressures to create and add value to their products and services, boost
productivity, and reduce costs resort to ‘labor control and surplus extraction’ to *upgrade to compete* while they are actively marketing themselves as socially responsible organizations (Frundt, 2009, 3; Grossman, 1998, 7; Hough, 2012, 244). Despite a growing interest in social responsibility initiatives, the vertically-disintegrated structure of the global banana trade “appears to be the death spell of banana workers in terms of their welfare, well-being, and potential to mount durable resistance to banana capitalist control” (Hough, 2012, 244). In the case of C.I. Uniban S.A., it has offloaded production responsibilities onto its subsidiary, Agrícola Sara Palma S.A. In brief, corporate divestment enables firms to transfer risks onto local producers and workers, which enables them to shore up additional capital to target the upstream, more lucrative marketing, distribution, and ripening segments (Van de Kasteele and Van der Stichele, 2005).

*Corporate Portfolio Diversification: Moving Into ‘Profitable’ Chains, Market Segments, and Niches*

Another response of banana companies to changing market dynamics has involved the diversification of corporate portfolios (Mather, 2008; Van de Kasteele and Van der Stichele, 2005). To remain competitive firms have turned to value-added products and services, upgraded their core business models, and moved into more profitable markets and value chain segments. The leadership within C.I. Uniban S.A. recognized that exporting primary commodities (i.e. plantains and bananas) alone would not be a profitable enterprise over the long haul. For this reason, corporate leaders looked to expand the business into other areas that had profitability potential. The initiative spearheaded by the President and Board of Directors of C.I. Uniban S.A. that sought to diversify the company’s portfolio of businesses is a case in point. The purpose was to diversify the company’s assets so that it would not be so concentrated in bananas and plantains and it could deflect financial windstorms associated with exchange rate fluctuations and other
external factors affecting supply and demand. The idea was, as the Executive Administrative and
Financial Manager mentioned:

to branch out into the palm oil sector, develop our lines of tropical and exotic fruit
products, to explore possibilities with refrigerated containerization, ripening, and
warehousing, to boost efforts around our plantain snacks business with Turbana, to
acquire more certified Fair Trade and Global GAP banana producers under contract in
Urabá and Magdalena, and to explore partnerships, mergers, and acquisitions with other
companies that would strengthen our financial position and leadership role in the
Colombian banana sector (Personal Interview).

Executives and managers explained that these new ideas being thrown around in the boardroom
represented ‘in-house’ decisions about how to upgrade to compete given the changing dynamics
in the global banana trade. Furthermore, these fresh ideas for how to upgrade the business
injected a dose of excitement and confidence into the corporate culture at C.I. Uniban S.A.
Corporate leaders reported that they felt that they were at the helm of a historic and unique
mission to add value to the world through their products and services. Another high-ranking
member of the Board commented that:

The direction the Presidency and Board have decided to take the company have placed us
in an unique position. While there certainly have been challenges, these new ventures
have provided us opportunities to create value; they have opened up new possibilities for
us as a diversified business. The plantain snacks business, for example, has been quite
successful for us. We look forward to growing that business and our line of products in
‘niche’ markets…We also are excited to continue working with our global partners and
clients we have worked to acquire to explore additional opportunities to boost our
revenue and profits (Personal Interview).

As these comments indicate, the move into new ventures has been central to C.I. Uniban S.A.’s
economic upgrading strategy. Product upgrading, in particular, moving into niche markets such
as exotic bananas and tropical fruits and foods, has proven successful for the company. For
instance, Turbana has included a diverse line of tropical and exotic foods like baby bananas, red
manzano bananas, yucca, ñame, batata, and aloe in its portfolio. Additionally, niche markets
including value-added packaged and prepared foods like juices, snacks, and salads have become popular ways banana companies are responding to market transformations (Mather, 2008).

Closely related to these developments is the transformation, elaboration, and industrialization of banana by-products. Gómez-Berrio (2011) describes, for instance, how bananas can be transformed into other food products like dehydrated and frozen bananas, crèmes, pastes, pulps, purees, compotes, marmalades, flour, flakes, and syrup; how they can be used as feedstock for cattle and other animals; the stems/shoots (los vástagos) can be used to generate organic fertilizers, the stalks (los tallos) can be converted into fiber and paper products; alcoholic beverages like wine and beer can be produced via fermentation processes; and waste from banana harvesting can produce biodiesel, cardboard sheets, packaging materials, and pita/hemp fibers. While banana companies have articulated a variety of responses to recent market transformations and challenges, it is unclear whether the risks of embarking on these newer endeavors will yield results. One lesson learned, however, is that exporting bananas alone does not represent a long-term, viable business model to upgrade to compete.

IV. SOCIAL RESPONSIBILITY AS CRISIS MANAGEMENT IN A ‘CONFLICT’ ZONE

Crisis disrupt accepted views of the world and how to ‘go on’ within it and also call established theoretical and policy paradigms into question. Viewed objectively, crises are complex moments of indeterminacy, where ‘decisive’ action can make a major difference to future developments. Ideas and imaginaries shape the interpretation of crises and the responses thereto. At one pole of a continuum, some crises appear ‘accidental’, that is, are readily (if sometimes inappropriately) attributable to natural or ‘external’ forces (for example, a tsunami, crop failure, AIDS). At the other pole, there are form-determined crises, that is, crises rooted in crisis-tendencies or antagonisms associated with specific social forms (for example, capitalism).


Jessop’s comments are particularly relevant for considering the crisis that had erupted and festered in the banana zone in Urabá from the 1960s through the 1990s. The race to the bottom was characteristic of a ‘form-determined crisis’ that grew out of the antagonistic and...
crisis generating nature of the extreme form of capitalism that had taken root in the region. The late 1980s and 1990s represented a period of indeterminacy in Urabá, where ‘decisive’ action had to be taken to ensure the future survival of the industry, its companies, producers, workers, and local communities that relied on banana production and export to earn a living. Indeed, Colombia as a nation was mired in a deep crisis in the 1990s. For instance, De Shazo, et al. (2009) writes that:

At its deepest crisis point, which occurred at some moment during the 1998-2001 period, Colombia was a very weak state, perhaps on the road to state failure but not there yet… The threat to state authority by guerrillas, paramilitaries, and criminal drug gangs that reached fullest fruition at the end of the 1990s, like the earlier conflicts, drew strength from Colombia’s difficult geography, vast ungoverned spaces, elite-dominated political system, widespread poverty, and the large disparities in income that characterized Colombian society (10).

As the tipping point in the banana industry in Urabá was approached in the late 1980s, it became clear that prior ways of doing business had not been working and fresh strategies were warranted. In his discussion of crises, Jessop (2012), explains that:

when there is a crisis of crisis-management (that is, normal responses no longer work) and efforts to defer or displace crises encounter growing resistance. Such crises are more disorienting than crises ‘in’, indicating the breakdown of previous regularities and an inability to ‘go on in the old way’ (25).

The recognition that the crisis could no longer be side-stepped due to the changing nature of the banana trade, pressures to upgrade to compete, and widespread pockets of resistance in the banana zone provided a space for banana capitalists and elites to utilize social responsibility as a tool to manage the crisis in the industry. I make the case that C.I. Uniban S.A. and Turbana latched onto social responsibility, especially during the late 1980s and 1990s, as a ‘crisis management’ strategy. From my viewpoint, their response during this period was a product of global and local pressures colliding that forced them to come up with a ‘solution’ to manage the crisis in the banana zone in Urabá and find a way to ensure their long-term competitiveness and
economic success as a business in the global banana trade. Fontana (2018) explains that “CSR emerged as a corporate practice aimed at solving societal challenges and improving human lives both outside and inside an organization” (Fontana, 2018, 28). While this is certainly one way of looking at CSR, I argue that executives in C.I. Uniban S.A. and Turbana were not solely focused on adopting and implementing CSR for these reasons alone even though a more stable local business environment would have most likely benefitted their businesses.

There are several reasons that support this claim. First, both companies were being forced to come to terms with commercial pressures to compete and to adapt to shifts in global markets, consumer demands, and activism championing a turn towards social responsibility, accountability, transparency, and traceability. The late 1980s and 1990s witnessed a myriad of companies, institutions, organizations, governments, and other entities and actors warming up to social responsibility. These global trends certainly encouraged and pressured companies like C.I. Uniban S.A. and Turbana to follow suit. Second, both companies never stopped pursuing ways to upgrade to compete. The economic and financial aspects of the banana business related to earnings, profits, surplus extraction, and value creation never completely faded into oblivion. They were just repackaged into new initiatives and projects that sold the public on the idea that these companies were socially responsible organizations. Given these circumstances, C.I. Uniban S.A. and Turbana had to adapt to the times in order to maintain and strengthen their position in the global banana trade. Executives recognized that by not staying up-to-date with market trends and striving for continual improvements in their products, processes, and services, they would be swallowed up by their competition and would inevitably go out of business. Third, local forces in Urabá, particularly leftist resistance from local politicians, peasants, workers, producers and trade unionists during the late 1980s and early 1990s threatened to dissolve corporate and elite
hegemony and erode their ability to make profits (Brown, 2012; Hough, 2012). This situation led
to a violent paramilitary backlash during the 1990s whereby banana capitalists and elites re-
established their control in the region.

To fully understand this last part of the argument, it is important to bear in mind what
was taking place in the banana zone in Urabá in the 1980s and 1990s. Hough (2012) provides a
succinct account of the mix of local forces in Colombia that were colliding during this period:

The democratization of Colombia’s political regime and national peace negotiations in
the 1980s allowed the guerrilla groups to openly organize the region’s banana worker
unions and nascent leftist political parties, leading to a series of massive strikes that
forced local banana planters to accept sweeping demands for higher wages, regulatory
oversight, and housing subsidies. Urabá’s elites, however, responded by effectively
lobbying the central government to bring new battalions and brigades into the region,
making Urabá the most heavily militarized region in terms of troops per square kilometer
in the country. They also financed the establishment of a paramilitary militia [which later
became] a central arm of the United Self-Defense Forces of Colombia (AUC), which
began a massive dirty-war offensive that effectively purged the region of its leftist
influence by the mid-1990s (253).

These developments in the late 1980s to mid-1990s foregrounded fundamental tensions between
capitalists and elites on one side and banana producers and workers on the other even as social
responsibility was being heralded as the solution to these issues. As Hough (2012) explains, the
points of contention in the crisis were related to profitability and legitimacy:

To reinvest profits made in the sector back to meet the demands of workers threatens the
profitability of domestic banana capitalists. To re-invest these profits back into further
accumulation processes threatens the legitimacy of domestic political elites, who make
the profitability of their banana sectors possible through repression, subsidies, and
economic support (253).

Recognizing the threat that leftist politicians, peasants, workers, trade unionists, and guerrilla
groups posed, banana capitalists and elites found an alternative to bring the situation under
control and withstand the pressures they were under. Paramilitarism emerged as a form of private
governance that banana capitalists and elites utilized to guarantee their ‘private security’ and re-
secure their hegemony in the region.\textsuperscript{24} In fact, there is substantial evidence that suggests that banana companies and elites have been involved in the financing of paramilitary groups to maintain order and security in the banana zone. Indeed, as early as 1987 (coincidentally the same year Fundauniban was founded), the president of Augura came out in favor of organizing ‘self-defense’ committees due to the Colombian State’s failure to find a solution to the widespread violence that was attributed to the uprising of peasants, workers, and trade unionists (Chomsky, 2008, 196). The paramilitarization of the banana zone in Urabá during the 1990s was strongly supported by a neoliberal policy environment that was being enacted by the Colombia State that targeted “rolling back the social and economic gains won by banana workers in the past and deepening the marketization of their social reproduction” (Hough, 2012, 254). While the vast majority of banana producers and workers enjoy collective bargaining and higher salaries than their peers in countries like Honduras, Guatemala, and Ecuador as well as high levels of unionization with Sintrainagro, the persistence of a neoliberal state-corporate-elite alliance and a general atmosphere of paramilitary hegemony created a system of checks and balances for any serious advancement of social responsibility, producer and worker rights during this time period.

At the same time that paramilitarism and neoliberalism were thriving in Urabá and enabling banana capitalists and elites to erode the advances of leftist resistance groups, demobilization, reinsertion, and pacification processes provided new spaces and opportunities for negotiation, compromise, and collective action aimed at brokering peace which dovetailed quite nicely with the purported mission of C.I. Uniban S.A.’s social foundation launched in 1987. Perhaps, the most important result of peace negotiations in the banana zone in Urabá under the Gaviria administration came in 1991 when one of the armed leftist groups, known as El Ejército Popular de Liberación (Popular Liberation Army) laid down their arms and disbanded to form a
political party called Esperanza, Paz y Libertad (Hope, Peace, and Freedom) (Brown, 2012). This new political party of demobilized leftists was successful in brokering an agreement with Augura and Sintrainagro that made the reinsertion of former members of guerrilla organizations a key step towards a ‘post-conflict’ society in Urabá and a ‘socially responsible’ Colombian banana industry. Brown (2012) explains that:

The pact was ostensibly intended to promote the reintegration of former guerrilla members into mainstream society and to promote economic opportunity through employment in the banana sector. It was lauded as evidence of industry, labor, state, and civil society actors’ commitment to developing a regional Social Responsibility Network (116).25

The conversations I had with Turbana executives captured the difficulties with marketing and upgrading they faced during this difficult period in Urabá’s history. Many executives stressed their ability to deal with adversities and uncertainty, which were framed as ‘learning experiences’ in moments of crisis. In his discussion of crises, Jessop (2012) points out that they constitute profound moments of disruption and disorientation where different actors subsequently attempt to ‘make sense of’ and ‘interpret’ what took place by piecing together information and formulating responses. The scars and legacies associated with the crisis in the banana zone in Urabá were clearly present as executives shared their experiences. One member of the Executive Board expressed that:

the adversity we faced during this period as an organization taught us a lot about our business. It gave us valuable insights and presented us with learning opportunities, both about our successes and failures…It made us reflect about our own actions and decisions and ask ourselves how we could be not only a better company, but also better people” (Personal Interview).

Another recounted how it was virtually impossible to negotiate with the trade union during the late 1980s because “we were afraid that we would be kidnapped, tortured, or killed” (Coordinator of Labor Relations, C.I. Uniban S.A. Personal Interview). Other accounts
reinforced similar scenarios. For instance, one marketing manager stated that: “Urabá was a chaotic place in the 1990s. There was complete lawlessness: extortion, kidnappings, killings, robberies, you name it…it was difficult to focus on marketing given the deterioration of the local conditions” (Personal Interview). The Regional Manager of Agroindustry’s account also reflects the nightmarish situation that made doing business extremely dangerous in Urabá:

We had to manage and monitor our producers from a distance which led to very inconsistent quality and unstable production. Marketing was a challenge because of daily uncertainties. We did not know what was going to happen on any given day, there could be strikes, work stoppages, robberies, attacks on farms. We just never knew. Even though we had started our social foundation in 1987 and had begun working with local communities shortly thereafter, there was a lot of distrust, anger, and hostilities directed at banana companies in the region. The security issue made all of us sleep uneasily at night (Personal Interview, my emphasis).

Interestingly, these comments reveal the concerns, feelings, and fears executives and managers had about security in the region and their awareness of the poisonous atmosphere that made marketing and economic upgrading particularly challenging. They also make sense provided that banana capitalists and elites were losing power and control due to the leftist tide gaining momentum that had the support of a labor-friendly political regime. The recognition that this environment was not conducive to upgrading to compete, pushed banana capitalists and elites to turn to privatized forms of security (i.e. paramilitary groups) to guarantee their safety and ability to go to Urabá during this volatile period.

While the violent scenario in Urabá was certainly a theme in interviews with executives and managers, they also discussed the inroads that had been made with banana producers, workers, and local communities in the banana zone. For instance, the Executive Manager of Human Resources remarked that:

I would say that around the end of the 1990s we started to see considerable improvements in our relationships with local producers, workers, and communities throughout the banana zone. We have committed ourselves to ‘planting seeds of hope’ in the region and
we have contributed to Urabá’s transformation through the results of these collaborative efforts. As you will see when you visit, Urabá is a safe place with great human talent and potential (Personal Interview).

Executives also emphasized the transition towards social responsibility and the transformations it brought for the banana producing region of Urabá and C.I. Uniban S.A. as a lead firm in the Colombian banana industry. One marketing manager added that they knew that creating a social foundation and adopting and implementing social responsibility measures throughout the company would help with their long-term marketing efforts, particularly in how they dealt with banana producers, workers and local communities in Urabá (Personal Interview). To reinforce this idea, the CEO of Turbana remarked at length that:

We knew that the deteriorating local conditions in the region could impact our business in important ways so we wanted to find a solution to the problem. In the nineties we were developing our approach to social responsibility by going out into the communities in Urabá and finding out what people thought we could do to help them and work in a more collaborative manner. This was difficult work, but we did it despite the many risks to our lives. This period was a learning experience for us because we were also adapting as an organization to changes in the industry related to social responsibility. Since adopting CSR we have been focused on creating value for Urabá, our company, our stakeholders, and our clients around the world. This new focus on value creation via social responsibility demonstrates our commitment to rebuild relationships, trust, and our brand with the people of Urabá. Without them, we could not do what we do. Additionally, this new approach has allowed us to achieve our marketing goals and unprecedented success over the last 15 years or so (Personal Interview).

Such comments reveal that executives and managers were well aware of the need to adopt social responsibility as a way out of the crisis and use it as an insurance policy to ensure that they could continue to upgrade to compete. The emphasis on the learning process involved in running a multi-million-dollar business in one of the most violent ‘conflict zones’ of Colombia while adapting to shifting market dynamics in the global banana trade contributed to the overall face-lift that C.I. Uniban S.A. underwent during the late 1980s and 1990s as it transitioned into a more socially-conscious company. The decision to fuse together economic and social concerns is
what has allowed both C.I. Uniban S.A. and Turbana to emerge from the crisis during the late
1980s and 1990s and solidify their position as major actors in the global banana trade. The next
section of the chapter presents evidence of how C.I. Uniban S.A. and Turbana’s CSR model has
shifted towards one that embraces shared value and inclusive business.

V. SHIFTING SOCIAL RESPONSIBILITY TOWARDS \textit{SHARED VALUE AND INCLUSIVE BUSINESS}

…by the end of the 1990s Colombia’s business class became pressured by escalating violence
which forced it to rethink the Business-Peace relationship, and in searching for risk management
found a response to hostile environments in CSR management models.

-Perdomo-Ortiz, et al., 2017, 35.

As the 1990s faded into history, the new millennium brought with it seeds of hope for the
future. Based on accounts from the field, I argue that C.I. Uniban S.A., Turbana, and
Fundauniban realigned their social responsibility strategies and initiatives around shared value
and inclusive business in the twenty-first century. This shift in their approach to social
responsibility also underscored how these corporate actors have become engaged in
peacebuilding processes in the banana zone in Urabá. This raises questions about how social
responsibility and its variants function in ‘conflict zones’ and contribute to ‘post conflict’
societies.\textsuperscript{26} While the idea of a ‘post-conflict’ society may sound unrealistic, it brings to light
how corporations can contribute to a better society and support those affected by years of armed
conflict. This section will discuss examples where this shift has been most visible: Turbana’s
plantain chips project, the creation of QR codes, and both companies’ experiences with quality
standards and certifications schemes.

\textit{Turbana’s ‘Platanitos’ Project}

One of the principle ways firms can pursue economic upgrading is through product and
process upgrading. In terms of product upgrading, Turbana has developed a line of plantain chips
in six different flavors. Executives explained that C.I. Uniban S.A. is the largest producer of
plantains in the world so it wanted to leverage this competitive advantage to create value for the company and local communities in the banana zone in Urabá. One of the company’s crowning achievements in terms of process upgrading is the development of a snacks plant factory in Urabá that transforms plantains into plantain chips that are sold throughout North American and European markets. This is the statement that appears on C.I. Uniban S.A.’s website about their snacks plant:

We have our own snack plant, equipped with cutting-edge food processing technology, based on high quality standards and the participation of a high-skilled team of collaborators. The production of snacks uses natural ingredients: fresh bananas and plantains, vegetable oil, salt and natural flavorings. We use no additives or artificial preservatives. Since the equipment used in the elaboration of these snacks was specially customized in agreement with our own particular cutting, frying and packing requirements, we can guarantee the high-quality of this product. Our production methods ensure low oil absorption, consistent chip size, and consistent crispness and taste.27

Turbana’s plantain chips are now also available at major supermarkets like Éxito, Carulla, Olímpica, and ARA throughout Colombia in the departments of Antioquia, Cundinamarca, Atlántico, Magdalena, Risaralda, Quindío, Caldas, Santander, Boyacá, Valle del Cauca, and Nariño.28 Executives explained that this project came to fruition because Turbana wanted to help create better product yields with plantain production and figure out what to do with the surplus of plantains that did not meet export standards (CEO of Turbana, Personal Interview). Regarding the development of the snacks plant in Urabá, the company explains the following on its website:

With the idea of generating added value to our plantains, we developed the production of snacks, banana chips fried in vegetable oil, with efficient processes, trained personnel, adequate infrastructure and advanced technology, being responsible with the communities and the environment. Our plantain chips, in different flavors and presentations, make a worldwide presence under our own brand Turbana, in Colombia, the United States, Mexico, Panama and some countries in Europe. Our excellent quality and fully equipped, technified production plant are at the forefront of international standards, and allows us to offer our banana chips, in different flavors, to the market for large private food brands around the world. Today our clients are key players in the food industry in North America, the Caribbean Islands and Europe. In the snack plant we have
certifications such as Good Manufacturing Practices - BPM, Hazard Analysis and Critical Control Point - HACCP and IFS FOOD V6 (my translation). The plantain chips have become a marketing success for C.I. Uniban S.A. and Turbana due to their desirability as a crunchy, salty, sweet, yet healthier alternative to potato chips and other unhealthy junk foods that flood grocery store aisles. On the Turbana Chips website, brand messaging is concentrated on the nutritional value of the plantain chips as a natural, zero trans-fat, zero cholesterol, and GMO and gluten free gourmet product with few ingredients that is portable and can be enjoyed with other meals, dips, as a snack, or on the go. As the website shows, Turbana is targeting consumers looking for natural, healthy, gourmet, quick, and flavorful alternatives to junk food and other less optimal foods for a healthy lifestyle. Turbana’s plantain snacks fit into the ‘clean eating’ lifestyle in vogue in health and fitness circles. This marketing strategy has positioned plantain chips as a healthier snack than potato chips and as the ‘go-to’ option for sports aficionados during social gatherings to watch a big game. Zeroing in on these consumer trends and lifestyle changes particularly in health-conscious U.S. and European markets has contributed to the success of Turbana’s brand becoming more visible on supermarket shelves.

While executives celebrated the ‘platanitos’ as a monumental success story in terms of economic upgrading and marketing, they also emphasized that plantains have played a vital role as a ‘social crop’ because they are produced on small-scale farms around Urabá and they typically involve individuals, families, and women who have been affected by violence (CEO of Turbana, Personal Interview). Therefore, the ‘platanitos’ project has represented not only a milestone in terms of the marketing history of Turbana, but also in terms of how it presents itself as an inclusive business that has transitioned into a model of social responsibility focused on
This shift in corporate discourse has been a long-time in the making. For instance, the President of C.I. Uniban S.A. noted that:

Uniban has learned so much since the late eighties. It has faced so many challenges and had so many successes. It has had to adapt with the times and mature as a corporate entity. It has had to make changes to survive, to compete and to continue to provide opportunities for a better future. It has improved its products, processes, and even has moved into new businesses. Finally, and perhaps most importantly, it has contributed to the development of the banana zone in Urabá and to the well-being of producers, workers, and local communities (Personal Interview).

The Coordinator of Human and Workforce Development in C.I. Uniban S.A. also added that “now we see ourselves as an inclusive business in Colombia that wants to help solve social and economic problems and help create opportunities for producers and local communities in Urabá” (Personal Interview, my emphasis added). Prandi (2011) reminds us that companies that operate in conflict and/or buffer zones “are not inserting themselves into neutral territory; rather they are moving into a setting which has witnessed serious economic, political and especially social fractures, and that its CSR policy must therefore include a conflict sensitive perspective” (37). This raises the question of how C.I. Uniban S.A. and Turbana are implementing social responsibility as peace building practices in scenarios of conflict and spaces transitioning into post-conflict to project themselves as inclusive businesses that are committed to the principles of shared value. Perdomo-Ortiz, et al. (2017) note that “framed in a context of internal conflict, companies in Colombia have found in CSR standards and their associated behavioral codes a way to understand and become involved with their complex and violent environment” (38). Such research brings to light how companies can contribute to peacebuilding processes (Perdomo-Ortiz, et al., 2017). Given these insights, it is important to see Turbana’s creation and marketing of the plantain chips as not only an example of product and process upgrading in its value chain, but also, and perhaps more importantly, as a direct peace intervention into the
conflict zone of Urabá. This intervention marks a watershed shift from utilizing CSR solely to
manage crises to a perspective of CSR grounded in the company’s proposition as an inclusive
business that is committed to shared value and peacebuilding in the twenty-first century.

To learn more about the ‘platanitos’ project from the perspectives of workers and local
communities, I traveled to a small-scale plantain farm in Urabá. During my visit, I spoke to
plantain workers (both men and women) who had formerly belonged to guerrilla groups in the
region.34 These conversations brought to light their experiences with disarmament,
demobilization, reinsertion and reintegration into Colombian society as former combatants.35 Our
conversations revolved around how they got involved in plantain production and why they
decided to partner with C.I. Uniban S.A. and Turbana. The consensus in the group of nine
plantain producers (four women and five men) was that plantains provided them a way out of the
violent hell that characterized their lives as guerrilla members. It was a way for them to return to
a level of ‘normalcy’. They explained that they turned to C.I. Uniban S.A. for help because they
were tired of fighting and they wanted to be ‘reinserted’ back into the local labor force so that
could earn a decent living and have a dignified life. The idea of reaching out to these vulnerable
populations also made sense for C.I. Uniban S.A. who had been actively involved in the
‘reinsertion and pacification process’ by working closely with community members in the
banana zone in Urabá who had been directly affected by the armed conflict. These opportunities
to ‘plant seeds of hope’, as executives repeatedly mentioned in interviews, allowed C.I. Uniban
S.A. to contribute to a ‘post-conflict’ society in Urabá and demonstrate that it had transitioned
into an inclusive business committed to shared value.
Building Inclusive Business Via Certification Schemes and Quality Standards

Another way that banana firms have adapted to shifting market conditions is related to the adoption and implementation of certification and quality standards. The explosion of CSR in the late 1980s and 1990s and the more recent shifts towards shared value and inclusive business (as discussed in chapter 3) have redirected attention to ethical and responsible business practices in the global economy and also provided companies opportunities to fuse together economic and social upgrading into their business models and corporate mission statements. In the banana trade, certification and quality standards have played a key role in economic upgrading and marketing efforts related to social responsibility. Standards have enabled lead firms to capture value and govern production and export processes with their producers. Value chain governance, is an important way that “some firms in the chain set and/or enforce the parameters under which others in the chain operate” (Humphrey and Schmitz, 2002a, 4). Furthermore, Gibbon and Ponte (2005b) write that:

Governance in GVCs is the process of organizing activities with the purpose of achieving a certain functional division of labour along the chain---resulting in specific allocations of resources and distributions of gains. Governance is about defining the terms of chain membership, incorporating/excluding other actors accordingly and allocating to them value-adding activities that lead agents do not wish to perform. ‘Rules and conditions of participation’ are the key operational mechanisms of governance. These may translate into different forms of a co-ordination that vary both along and between value chains. Marginalization/ exclusion and upgrading/participation are the axes along which resulting (re)distribution processes take place (3).

Therefore, standards play a key role in value chain governance because they specify the obligations and expectations of all counterparties, especially in terms of what product needs to be produced and delivered, in what quantity, and at what price (Humphrey and Schmitz, 2002a/2002b). Standards also convey notions of what counts in terms of ‘quality’ (Gibbon and Ponte, 2005b). However, it bears to keep in mind that standards, whether mandatory, voluntary,
or private, rely on “the diffusion of dominant normative paradigms that provide legitimacy for the mechanisms used to exert ‘leadership’” (Gibbon and Ponte, 2005b, 3).

C.I. Uniban S.A. has ‘exerted its leadership role’ in the Colombian banana industry via the establishment of a private quality certification program called PCIC (E8, Author Interview, 2012). According to executives, the company developed this program to deal with inconsistent quality production due to disruptions stemming from the volatile situation in the banana zone in Urabá. The program was also the result of global pressures the company faced to demonstrate more accountability, responsibility, transparency, and traceability in its value chain. As mentioned earlier, in today’s global banana trade, clients and consumers in end-markets in North America and Europe have high expectations and demands concerning quality, health, nutrition, environmentally friendly products, and socially-ethically just conditions for producers and workers in global production and export networks. Therefore, the proliferation of private standards and certification schemes in the global banana trade represents a shift towards concerns about social responsibility, inclusive business, shared value, and sustainability. For example, Perdomo-Ortiz, et al. (2017) demonstrate that there is strong evidence in the literature on business and peacebuilding that suggests that “standards and social certification systems generate favorable conditions for companies to be able to consolidate Pro-Peace practices” (34, see also Kolk and Lefant, 2015 and Rettberg and Rivas, 2012).

Given the importance of private standards and certification schemes, banana companies have entered into business relationships with producers and suppliers whereby the shapes, quantities, sizes, packaging, labels, and standards of quality related to bananas are codified to streamline the export process and meet the demands of global markets. C.I. Uniban S.A.’s PCIC program is an example of how the company has enacted its own in-house certification scheme to
incentivize higher quality production, govern the banana production processes, focus on economic upgrading and provide possibilities for workers to earn a decent living. According to a Agrícola Sara Palma S.A. farm manager in Urabá, the program functioned as follows:

Once a producer becomes certified in PCIC, Uniban pays them a bonificación (a bonus or premium) for every box of bananas they export that meets quality standards. This was an innovative strategy Uniban used to upgrade the quality of banana production from Urabá to meet stringent export standards and trade regulations. The program incentivized producers to produce higher quality products so they could earn steady streams of income (Personal Interview).

Once a producer became certified under the PCIC program, C.I. Uniban S.A. would hold a special ceremony or ‘graduation party’ and would sponsor a soccer match to celebrate the farm’s certification (Agrícola Sara Palma S.A. Farm Manager in Urabá, Personal Interview). As executives described, this certification program was a way for C.I. Uniban S.A. “to encourage better communication and build stronger relationships with its business partners by standardizing production and processing requirements” (Executive Administrative and Financial Manager, Agrícola Sara Palma, S.A., Personal Interview). This standardization process incentivizes increased productivity and efficiency through periodic audits of the production process on Agrícola Sara Palma S.A. farms in Urabá. Due to stringent export requirements, audits evaluate whether or not producers are meeting a certain percentage of requirements to keep their certification. Those farms that do not meet the minimum requirements of the PCIC program lose their certification, but can retain it in the future provided they make improvements and demonstrate consistency and compliance with the certification requirements (Executive Administrative and Financial Manager, Agrícola Sara Palma, S.A., Personal Interview). Hensen and Humphrey (2010) note that “standards, public or private, mandatory or voluntary…transmit credible information on the nature of products and the conditions under which they are produced, processed, and/or transported” (1633). The Executive Administrative and Financial Manager of
Agrícola Sara Palma, S.A. in Medellín described the PCIC standardization program as “a great innovation moment” in terms of economic upgrading that has mitigated risks, lowered transaction costs, and standardized compliance among producers and suppliers (Personal Interview). C.I. Uniban S.A.’s development and implementation of this private, voluntary certification program was critical in terms of streamlining coordination and management of production, processing, and logistical processes in its value chain. Due to their experiences with establishing and implementing the PCIC standard, executives claimed that their transition into other private certification schemes, like Global GAP and Fairtrade, has gone off without any significant hitch.

Although executives and managers described the PCIC quite favorably, it should be noted that there are limits to how private, voluntary standards play out on the ground. For instance, in Urabá the rise of private, voluntary standards as ‘soft forms of governance’ must be understood in relationship to the absence of the Colombian State and alongside the emergence of social responsibility, neoliberalism, and paramilitarism. Neoliberalism, for instance, has extended market forces into virtually all realms of social life and encouraged the privatization of governance which assumes that corporations (and other non-governmental institutions and actors) and not the State should hold ultimate responsibility for market regulation.³⁷ In the case of the banana sector in Urabá, both neoliberalism and paramilitarism have also guaranteed an optimal security environment for capitalists and elites to establish forms of ‘private governance’ that enable them to pursue their interests, enact their projects, and strengthen their hegemony.³⁸

QR Codes: Converting Economic Upgrading into Social Upgrading

The revolution in information technologies and communication systems has been a driving force behind the creation of (inter)national food safety, security, standards, labelling, and
certification and codification schemes as well as tracking, and traceability technologies that have standardized agricultural food chains creating uniformity and consistently high and widely-accepted standards (Fajarnes-Garces and Matringe, 2002). For instance, Turbana marketing executives mentioned traceability technology, particularly QR codes, or a matrix Quick Response barcode, in our conversations about quality standards and certification schemes. They noted that this form of technology was originally developed in the mid-1990s for the Japanese auto industry, but had become commonly used in other global industries over the last fifteen to twenty years. The purpose of developing this type of technology, as they explained, was to communicate to clients and consumers where a product comes from with pinpoint accuracy (i.e. down to the farm), when it was packed, what production techniques and products were applied to produce the product, and how and where the product traveled before it ended up on grocery store shelves. The CEO of Turbana described the advantages of having value chain traceability capabilities via QR codes in the following manner:

What Turbana is wanting to do is to have a consumer scan a QR code and receive real-time information about the farm where the bananas they are eating come from, the workers, the social foundations associated with that particular farm, etc. This would give consumers immediate ‘transparent’ information about where their food comes from and how it was produced. So, the plan is to create a direct connection between the consumer and the producer (Personal Interview).

At the time of my interviews, Turbana executives emphasized that they were in the middle of pilot projects with QR codes. They also pointed out that they decided to make this technological upgrade due to the increasing demands from their clients regarding transparency and traceability in their supply chain. Widespread concerns about corporate responsibility, accountability, transparency, and traceability, food safety and health concerns, and social and environmental justice in global production networks have made QR codes a key way to connect consumers in end-markets in North America and Europe with producers on farms in Urabá. Based on
interviews with marketing executives, it was evident that C.I. Uniban S.A. was actively researching and learning about this market trend which reflects its continued desire to upgrade to compete as an inclusive business committed to shared value.

_Selling ‘Inclusive Business’ Through Fairtrade: A Case in Point_

Another principal way that C.I. Uniban S.A. and Turbana have dealt with changing market dynamics and implemented social responsibility into marketing is by supporting Fairtrade. Not only do Fairtrade bananas provide fresh revenue streams, they also delink the names, images, and brands of corporations with the race to the bottom. The appearance of Fairtrade products in corporate portfolios have provided new avenues to compete based on more inclusive business practices that stress social responsibility, shared value, and sustainability.

According to the Fairtrade Foundation’s website:

Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world. By requiring companies to pay sustainable prices (which must never fall lower than the market price), Fairtrade addresses the injustices of conventional trade, which traditionally discriminates against the poorest, weakest producers. It enables them to improve their position and have more control over their lives.³⁹

Fairtrade has resonated with environmentally-conscious consumers, human rights advocates, civil society and grassroots associations, non-governmental organizations (NGOs), and progressive political groups trying to reverse the race to the bottom in the global banana trade and fight for more humane alternative systems to capitalism based on fairness, transparency, accountability, and social justice. Companies also have jumped on the Fairtrade bandwagon due to the untapped potential in the marketplace. For instance, Fairtrade certified foods have exhibited phenomenal growth both in terms of sales and producer organizations becoming certified under the Fairtrade label.⁴⁰ Fairtrade bananas also have become increasingly popular since they represent:
an alternative which benefits producers by giving them higher revenues for their goods [potentially opening] up opportunities to find new markets, [enhancing] participation in the decision-making process relating to trade, [and encouraging] producers to protect the environment and the communities in which bananas are grown, improving social, environmental and labour conditions (Forero-Madero, 2006, 171).

Given these circumstances, Fairtrade has also represented an important pathway to compete for C.I. Uniban S.A. and Turbana. During my interviews with Turbana executives in Medellín, they spoke highly of Fairtrade as a ‘win-win situation’ for C.I. Uniban S.A., Turbana, and banana producers in Urabá. In fact, during our conversations they proudly boasted that “we were Fairtrade, before Fairtrade even existed” meaning that they adhered to many of the principles associated with Fairtrade prior to its emergence in the region (CEO of Turbana and Executive Sales and Supply Manager, Personal Interviews). Related to these comments, the CEO of Turbana clarified that:

In Turbana we have always tried to provide fair and transparent prices, economic development and education opportunities, safe working conditions, financial consulting, technical support and an overall a better quality of life for our producers in Urabá. That is why we feel that we were Fairtrade before Fairtrade existed (Personal Interview).

As of 2012 when I did my fieldwork, C.I. Uniban S.A. had around 30 farms that had acquired the Fairtrade designation since 2004 when the parent company originally approached producers about the idea of becoming certified under the Fairtrade label (Corporate Librarian, Personal Interview). Since this time the phenomenal growth in the Fairtrade banana market has made C.I. Uniban S.A. “the world’s largest supplier of Fairtrade bananas and the first to bring them to U.S. supermarket shelves, under the Turbana label” (Brown, 2012, 121). Brown (2012) emphasizes the positive ramifications Fairtrade has brought to the region writing that:

Fairtrade’s emergence in Urabá can be viewed as a successful effort to improve conditions for workers on certified farms. More broadly, there was widespread consensus among different actors that Fairtrade had been of enormous benefit to the regional banana industry. Certification had brought in new resources for worker and community needs, training to improve labor and environmental management systems, and more stable
market access for some growers. The region has experienced strong growth in Fairtrade exports over the past decade, bringing in new buyers from both the US and European markets and bolstering its image as a site of ethical banana production (124).

By branching out into Fairtrade bananas, C.I. Uniban S.A. and Turbana have underscored their commitment as inclusive businesses that are focused on shared value in the twenty-first century. Again, the idea is that they are thinking beyond the narrow confines of the company and its financial success and incorporating social and environmental concerns into their decision-making processes. In short, they demonstrating a steadfast commitment to food safety, consistent product quality, environmental sustainability, and favorable labor conditions on certified farms in Urabá.

While executives attempted to caste Fairtrade in a positive light, especially in terms of how it has enabled the company to transition into an inclusive business committed to shared value, there are potential challenges with this type of certification scheme. As Brown (2012) has pointed out, there are “contradictions and limits to how Fairtrade actually plays out” which can make benefits “unstable, transitory, and uneven” (Brown, 2012, 111). The Fairtrade model in Urabá exhibits various shortcomings as Brown (2012) sketches out in her research. First, there is a ‘crowding out’ of small-scale producers since larger, industrial farms with more access to capital and technology are coming on board with Fairtrade which makes it difficult for smaller producers to compete for certifications. Second, the hype around obtaining a Fairtrade certification creates a ‘jump on the bandwagon’ frenzy for producers that may lack the capital, technology, and skills to deal with the stringent certification requirements. Third, Fairtrade is a private, voluntary, certification scheme that pits certified farms against non-certified farms. Brown (2012) notes that this increased competition engenders tensions with the trade union model of negotiation regarding the claims that workers make in terms of benefits and wages. She points out that the encouragement of “private funding to meet social and economic needs”
contrasts with “the trade union model, which prioritizes workers’ collective action and labor-management negotiations to achieve wage and workplace goals” (111). While Turbana executives described Fairtrade as an essential ingredient in their upgrading to compete and inclusive business toolkit, there are clear drawbacks to Fairtrade as a private, voluntary, market-based model. The themes of Fairtrade and quality standards and certification schemes related to banana producers and workers on Agrícola Sara Palma S.A. farms in Urabá will be further explored in chapter 5.

VI. CONCLUSION

This chapter has shown how C.I. Uniban S.A. and Turbana executives and managers have made sense of economic upgrading, marketing, and social responsibility and how they went from crisis management to value creation focused on social responsibility, shared value, and inclusive business. Executive and managerial and accounts provided a rich canvas of perspectives and experiences from which to dissect the corporate language of upgrading to compete and better understand how it has been deployed in the banana zone of Urabá. Today, the region’s facelift is being heralded as a success story, especially by Colombian banana companies. Indeed, Urabá has been called the “best corner of the Americas” given its well-developed infrastructure designed for large-scale industrial banana production and export (Aparicio, 2009; Brown, 2012; Uribe, 2001). There is also evidence and hope that the banana zone in Urabá is shedding its traumatic past, transitioning from a conflict zone to a post-conflict society. While these narratives about Urabá contain pockets of truth, they are rooted in a discourse that has been carefully reduced in complexity (structured), filtered, and marketed to advance capitalist and elite interests. They cast the success of the industry and the social progress of the region in a positive light, but also hide that “its success was predicated on both the
dispossession of small-scale agriculturalists and the hyper-exploitation of a newly proletarianized workforce” (Brown, 2012, 115).

While it is certainly not an exaggeration to say that C.I. Uniban S.A. and Turbana have contributed to the progress and development of the banana region in Urabá, questions remain about what role corporations and social responsibility can play related to peacebuilding in ‘buffer zones’. In other words, what shelf-life can this ‘new spirit of capitalism’ centered on inclusive business and shared value have in this region of Colombia? Embracing these new modes of business had multiple purposes that served the interests of executives and managers of C.I. Uniban S.A. and Turbana. In the late 1980s and 1990s a top priority for both companies was to market social responsibility as a way out of the crisis. The adoption and gradual implementation of social responsibility was part of a larger collective response to both global and local pressures forcing change upon the industry. The comments and experiences shared in this chapter captured moments of this turning point in the history of C.I. Uniban S.A. and Turbana. The accounts represent how corporate actors were coming to terms with the pressures to upgrade to compete and how the fusion of economic upgrading and social responsibility gave the appearance that both companies suddenly cared just as much about people and the environment as they did about their balance sheets and competitive strategies. This strategic maneuver to embrace the journey of becoming a socially responsible organization at the time helped them rebrand themselves to their shareholders, stakeholders, and other actors in the global banana trade. This new image also allowed them take advantage of new market trends and navigate the web of consumer, activist, and client expectations and demands. In essence, C.I. Uniban S.A. and Turbana executives and managers were successful at marketing their expertise as problem-solvers. Their efforts to redirect the course of history through the fusion of economic/financial and social/environmental
concerns bolstered their hegemony. In other words, the ways they made sense of the crisis and how they responded to it by construing and enacting discourses and practices targeting social responsibility and marketing were key moments in which they actively intervened “to produce and reproduce political, intellectual, moral and self-leadership” (Sum, 2009, 186).

From a CPE perspective, the executive and managerial experiences presented in this chapter can be understood as politically-charged products of complexity reduction, selection, variation, and retention that are linked to capitalist and elite explanations, interpretations, projects, visions, and policy recommendations (Jessop, 2009). In this regard, inclusive business and shared value represent socio-economic imaginaries that “frame individual subjects’ lived experience of an inordinately complex world and/or inform collective calculation about that world” (Jessop, 2009, 344). These imaginaries, packaged in corporate discourses via specific language, are then deployed through organizational channels, business linkages, and social networks in local communities in the banana region of Urabá. By softening the language of capitalism, attention is diverted away from profits, surplus extraction, and exploitation which had been points of contention in the past. As Brown (2012) points out, “the banana industry’s soft response to the left’s growing political power, including sponsorship of social foundations and accommodation of some labor demands, have been critical to the region’s history, setting the stage for the emergence of Fairtrade” (111-112). The next chapter examines Fundauniban’s philosophy of social responsibility as the corporate social foundation of C.I. Uniban S.A., the particular priority areas it has pursued in the banana zone in Urabá, and how it has enacted a model of social responsibility built around shared value, inclusive business, and peacebuilding in a ‘conflict zone’.
My original plan was to focus on all segments of C.I. Uniban S.A.’s value chain. However, as I did interviews with executives and managers in Medellín and Urabá, the company’s marketing subsidiary, Turbana, garnered the most attention. Since more information was provided about this value-added segment of the chain, I was able to capture a higher degree of details regarding interviewees’ perspectives and experiences with economic upgrading and social responsibility which are central to the overall upgrading to compete story this chapter of the dissertation purports to tell.

See Bair (2009) for more about the differences between global commodity chains and global value chains as well as the historical roots and variation of chain themes.

Economic and social upgrading are the two principal types of upgrading sketched out in the value chain literature. Social upgrading will be discussed in chapter 5.

In terms of quantifying economic upgrading, some experts look to certain “economic performance indicators, such as export quantity, export value, export unit value, market participation rates, labor productivity, technological intensity of production and value added” (Marcos and Bellhouse, 2016, 9). Milberg and Winkler (2011) have exposed the thorny issues that plague research accounts of economic upgrading that revolve around: 1) the level of analysis, 2) the comparability of current studies, 3) the quality of the data available, and 4) the conceptualization of economic upgrading.

In their research about small and medium-size enterprises (SMEs) in Latin America, Pietrobelli and Rabelloti (2006a) suggest that firm-level upgrading is determined by three crucial ingredients: 1) the collective efficiency of the cluster in which SMEs operate, 2) the pattern of
governance of the value chain, and 3) the peculiar features that characterize learning and upgrading patterns in particular sectors (3).

6 Some of these include total quality management, benchmarking, time-based competition, outsourcing, partnering, reengineering, and change management. See Porter, 2008c.

7 However, Bair and Werner (2011) stress that this assumption “tends to downplay, if not ignore, the fact that changing geographies of global production reflects moments of inclusion and exclusion…Production volatility, precipitous booms and busts, and historical patterns of dis/investment and dispossession are effaced by the literature’s ‘inclusionary bias’ towards expanding production frontiers” (989). Their research draws attention to the “layered histories and uneven geographies of capitalist expansion, disinvestment, and devaluation” in the global economy (989). For further critical studies related to the crises and complexities of capitalism, see Harvey, 2010 and Sassen, 2014. The inclusionary bias in the literature about economic upgrading also dodges how value can be gained, maintained, or lost in chains that touch down in conflict zones. Paramilitarism and neoliberalism were two key ingredients in the banana zone in Urabá that affected how upgrading/downgrading took place.

8 Porter (2008b) identifies five competitive forces that shape strategy and the competitive environment in which firms operate: 1) rivalry among existing competitors, 2) threat of new entrants, 3) bargaining power of suppliers, 4) bargaining power of buyers, and 5) threat of substitute products or services.

9 Bair (2005), for instance, argues that “closer attention to the larger institutional and structural environments in which commodity chains are embedded is needed in order to more fully inform our understanding of the social and developmental dynamics of contemporary capitalism at the global-local nexus” (154).
Pietrobelli and Rabelloti (2006b) discuss the importance of accounting for both the organizational context (i.e. firms, suppliers, customers, competitors, universities, research institutes, standard-setting agencies, financial institutions, technical schools, government agencies, and business organizations) and the institutional context (i.e. laws, regulations, social rules and norms, technical standards, and cultural habits) when studying how upgrading and competition are actually achieved.

For more studies about sensemaking, see Basu and Palazzo, 2008; Cramer, et al., 2006; Fontana, 2018; Georgieva, 2012; Maitlis and Christianson, 2014; Maitlis and Sonenshein, 2010; Maitlis, 2005; and Weick, 1995.

Fontana (2018) cites four main reasons for studying CSR from the angle of sensemaking: 1) it is important to organizational change, 2) it is process-oriented, 3) it is dynamic, yet retrospective, and 4) it conveys meaning through language (18-20). His research framework also applies well to critically examining corporate perspectives about economic upgrading, marketing, ‘shared value’ and ‘inclusive business’. The realities (i.e. crises, pressures, successes, failures, limitations, contradictions, etc.) corporate actors face are consequences of complexity reduction, structuration, and social forces in continual processes of negotiation. Prior actions, strategies, and ways of conducting business with society provides the impetus for new realities, possibilities, and outcomes to blossom and take root. Also related to the linguistic/semiotic dimension of sensemaking is the idea of CSR as ‘aspirational talk’. Christiensen, et al. (2013) explain that “the many attempts to talk about CSR from a variety of positions and across social norms and expectations—in terms of formulating definitions, articulating ideals, laying down principles, contesting standards, publicizing visions, putting forward plans, etc.—have the potential to stimulate positive social change” (373).
Protectionist trade policies in Europe at the time included tariffs, quotas, preferential trade conditions, restricted licenses, and duties (CEO of the Turbana Corporation and Executive Sales and Supply Manager, C.I. Uniban S.A., Author Interviews, 2012). Marketing executives in Medellín pointed out the European trade regime was designed to protect ACP (African, Caribbean, and Pacific) bananas, which were bananas produced on poorer, more inefficient, small-scale farms with less capital-intensive labor requirements and that were former colonies that, otherwise, could not compete with cheaper, more abundant dollar bananas produced on large-scale monocrop industrial plantations operated mostly by multinational banana corporations. In effect, Europe was utilizing these policies to compensate ACP producers for lost income due to the stiff competition from their more powerful dollar banana competitors.

Other executives and managers also explained this trend noting that contracts differentiate between the first and second half of the year because more fruit is produced in the second half of year. Given this situation, C.I. Uniban S.A. receives all fruit produced by producers in the first half of the year and producers sell what executives call *fruta de cupo* or *fruta regular*. During this time, the more bananas producers produce, the more earnings potential they have since C.I. Uniban S.A. purchases their entire crop. In week 26, the average weekly price of fruit is calculated. At this point, producers are paid weekly for surplus production (*fruta excedente*). Under this scenario, C.I. Uniban S.A. offers to pay producers a certain price for the surplus production, which they can accept or reject. The second 26-week period of the year is more volatile for producers due to this contractual arrangement and general increase in supply (Secretary General of C.I. Uniban S.A. and Production Manager of Agrícola Sara Palma S.A., Personal Interviews)
For a discussion of the effects of the revaluation of the Colombian peso against the U.S. dollar and its relation to the banana industry in the department of Magdalena, see Viloria de la Hoz, 2008.

The FOB, or Free on Board, market is comprised of Cavendish bananas shipped to traditional export markets like the United States and Europe. FOB surplus bananas are also sold in spot markets, which are secondary markets like Russia, China, and the Mediterranean region. Marketing executives explained that typically between five to eight percent of the entire production of bananas is not exported. The non-exported bananas, or what they called ventas de riesgo, do not meet stringent international export standards so they are distributed to retailers and wholesalers within the domestic market in Colombia (Personal Interviews).

According to the Secretary General of C.I. Uniban S.A., corporate statutes require banana producers in Urabá to be shareholders in the company to export their fruit. Producers become shareholders (i.e. owners of company stock) based on the number of planted hectares of bananas they have under production. Producers must be willing to put up their own capital and meet stringent export standards to get into the business. Export contracts are made on a farm-to-farm basis. If a producer owns multiple farms then the producer enters into contracts with C.I. Uniban S.A. for each farm. The export contracts establish three key points: 1) shareholder/producers are owners, 2) producers are responsible for delivering the fruit to C.I. Uniban S.A. in the quantities, quality, and times defined in the contract, and 3) producers are also clients of C.I. Uniban S.A. since the latter sells and provides products and services to the former (Secretary General, C.I. Uniban S.A., Personal Interview). While these relationships are the most common, C.I. Uniban S.A. also receives fruit from producers that are not shareholders under a subsidiary called Proban.

19 During the 1980s Chiquita, Dole and Del Monte controlled just over 65% of the global banana export market. As of 2013 their shares have dropped to just under 37% (FAO, 2014).

20 Smith (2009) notes that corporate pricing strategies (i.e. multinational retailer negotiations of prices with suppliers) are stripping value out of the global banana trade for workers and producers in the lower-value production segments of the industry.

21 This ‘crowding-out’ effect counters the upgrading ‘integration hypothesis’ and underscores the ‘uneven geographies of capitalism’ (Bair and Werner, 2011) and the possible scenarios of ‘up/downgrading’ in global value chains (Bernhardt and Milberg, 2011; Marcos and Bellhouse, 2016). For research about supplier exclusion and marginality within African value chains, see Gibbon, et al., 2008; Gibbon and Ponte, 2005a, 2005b.

22 According to C.I. Uniban S.A.’s website “the 27 properties owned by this Uniban affiliate company are distributed in 3,634 hectares of farmland, 96% of this extension is used in the production of banana crops that were originally planted using Valery and Williams clones. The annual production reaches 7,500,000 export-quality boxes of banana. All the farms managed by Agrícola Sara Palma S.A. are certified with the Global GAP and the Rainforest Alliance Management Systems”. See http://www.uniban.com/index.php/en/affiliate-companies/agricola-sara-palma-s-a. Accessed 30 Nov. 2019.

23 See also Erdogan et al., 2015; Ferraro, et al., 2015; Margolis and Walsh, 2003; and Rodell, et al., 2017.

24 For studies about the armed conflict in Colombia related to paramilitary and guerrilla groups as well as neoliberalism, see Forero, 2012; Grajales, 2017a, 2017b; Hristov, 2009, 2014;


26 These themes will be explored more extensively in chapter 5.


Both shared value and inclusive business represent the most recent variants of CSR that are focused on sustainability and transforming business-society relations in the global political economy. See, for instance, CECODES, 2017; CECODES, n.d.p.; CECODES, 2008; Crane, et al., 2014; Negocios Inclusivos, 2019; Perdomo-Ortiz, et al., 2017 and Porter and Kramer, 2011; Porter, et al., 2011; Shared Value Initiative, 2019.

Forrer and Katsos (2015) describe Colombia as a nation with ‘buffer-zone’ characteristics which means that it is a territory in flux from conflict to post-conflict. Perdomo-Ortiz, et al. (2017) also highlight this phase in contemporary Colombian history stating that the country, while still not pacific, is in “the middle of consolidating processes of paramilitary reincorporation and reconciliation with guerrilla groups” (32). Pacification, demobilization, reinsertion, reconciliation, social dialogue, and peace negotiations have been some of the key arenas of national debate in Colombia’s transition to a post-conflict society.

There is a sizeable literature about the role corporations and CSR in conflict zones as pathways to peacebuilding and conflict management and resolution. See, for instance, Bauer, 2015; Dunfee and Fort, 2003; Feil, 2002; Fort and Schipani, 2007; Guáqueta, 2006; Jiménez Peña, 2014; Katso and Forrer, 2014; Kolk and Lenfant, 2015; Oetzel, and Getz, 2012, Peña, 2014; Perdomo-Ortiz, 2017; Prandi and Lozano, 2011; Rieper, 2013; Rivas, 2011; Rojas and Meltzer, 2005.

They asked me not to record our conversations, but I was able to capture their comments in fieldnotes.

Prandi and Lozano (2011) define reinsertion and reintegration as they relate to former combatants. Reinsertion refers to “assistance offered to former combatants during the demobilization but prior to the long-term reintegration process. This is a form of transitional
assistance to cover the basic needs of the former combatants and their families, and they can include provisions for security, food, clothing, medical services, education (in the short-term), training, jobs and tools” (53). Reintegration represents “a process in which the former combatants acquire the status of civilians and get sustainable jobs with regular income. It is essentially a social and economic process with an open timeframe that takes place first in the communities. It is part of the overall development of a country and is a national responsibility, although it often requires outside assistance in the long-term. Originally, reintegration was envisioned as economic opportunities for former combatants, especially regarding vocational training. However, awareness was gradually gained of the need to engage in the social facet of this phase for the sake of greater reconciliation for a society immersed in post-war rehabilitation” (53).

36 In Spanish the program is called Programa de Calidad Integral Certificada.

37 Mayer and Phillips (2017) show that “politics, and by extension states, are marginal in debates about the genesis, evolution and functioning of the GVC based global economy” (134). They dispel the “myth of the powerless state” and claim that there is a false assumption in the GVC literature that private governance has somehow displaced public governance acquiring more importance in global value chains. Their research challenges this view by bringing politics and states back into discussions of private and public forms of governance in value chains and how they interact in complex ways. For example, they state “what may appear to be purely private forms of governance are always and everywhere underpinned by particular kinds of interactions with state authority and public governance (144).

38 All of these points will be discussed more thoroughly in chapter 6.

39 See https://www.fairtrade.org.uk/What-is-Fairtrade.
Liu (2009) notes that “global sales of Fairtrade certified foods reached nearly €2.4 billion (USD 3.5 billion) in 2007…[and]…632 producer organizations in 58 developing countries in Africa, Asia, the Caribbean and Latin America were certified by FLO” (47).

For example, in a 2013 article in *El Colombiano*, a major newspaper in Medellín, former President of C.I. Uniban S.A. Luis Fernando Arango discussed the progress in Urabá noting that “hoy en día todos se pelean por estar en la zona…Urabá está en un momento de gran desarrollo…” (Arias Jiménez, 2013). My translation: “Today everyone is fighting to be in the region…Urabá is in the midst of a development boom…”.
CHAPTER 5: FROM CRISIS MANAGEMENT TO INCLUSIVE BUSINESS IN A ‘CONFLICT ZONE’: THE EVOLUTION OF FUNDAUNIBAN’S APPROACH TO SOCIAL RESPONSIBILITY, 1987-2017

I. ‘PLANTING SEEDS OF HOPE’: FUNDAUNIBAN’S PHILOSOPHY TOWARDS SOCIAL RESPONSIBILITY

During an orientation session in Medellín I learned that C.I. Uniban S.A. was the first banana company in Urabá to create a corporate social foundation in the Colombian banana industry which it called Fundaurabá in the municipality of Apartadó in 1987 (Orientation Director, C.I. Uniban S.A., Personal Interview). The company’s decision to create a social foundation was directly correlated to the socio-economic, political, and historical circumstances of the times. As mentioned in previous chapters, the 1980s and 1990s pressured banana companies in Colombia to adopt CSR as an industry-wide strategy to address the race to the bottom. Fundauniban was the product of these turbulent times. In one of my first meetings with the Orientation Director, he explained that:

Fundauniban made ‘social responsibility’ the new strategy to move the industry and region forward. The 1980s and 1990s were rough times for Uniban in Urabá…Seeing the aftermath of years of violence, fear, mistrust, and instability, we felt that the creation of a social foundation could begin to address some of the longstanding problems in the region and directly benefit our growers, workers, and communities. This was our opportunity to begin an ongoing dialogue and a meaningful collaboration to improve the overall quality of life in the banana zone (Personal Interview).

The Social Responsibility Manager of Fundauniban also explained that the company’s original decision to name the foundation Fundaurabá “conveyed the message that it would serve the needs of entire communities in Urabá” (Personal Interview). Envisioning the foundation as a community-based development initiative as opposed to an employee-focused organization set Fundaurabá apart from other social foundations in the Colombian banana industry. As the Social Responsibility Manager of Funduniban pointed out:
From the beginning, our focus with the foundation was on our communities in the banana zone. Some companies, like Banacol, built their social responsibility strategies exclusively around their workers and families. For us, our workers and families were important, but we felt that our mission had to be broader and extend out to all communities in Urabá. In this way, Fundauniban could have the greatest impact possible (Personal Interview).

Despite early disagreements among banana companies about the nature and purpose of social foundations as well as a paramilitary backlash and continued violence in the banana zone during the 1980s and 1990s, a community-based CSR approach became the hallmark of Fundauniban’s involvement in the region. In 1989, C.I. Uniban S.A. officially decided to change the name of the foundation to Funduniban to help local residents in Urabá make a connection between the new name and the parent firm (Funduniban, 2011, 5). As the President of Fundauniban mentioned, “the name change helped communities in Urabá understand that Uniban wanted to plant seeds of hope and address the various economic and social problems plaguing the region” (Personal Interview, *my emphasis added*). The idea of ‘planting seeds of hope’ represents a concrete instance of how executives utilized new language to envision their mission in the region and capture the ‘hearts and minds’ of local urabéños. Nevertheless, the company’s initial community outreach attempts were met with resistance and distrust and took a while to gain traction (President of Fundauniban, Personal Interview). Despite these headwinds, Fundauniban pushed on with its strategy to connect with local communities and find out how it could benefit them through its commitment to social responsibility. According to the Social Responsibility Manager of Fundauniban, one of the most pressing concerns for the foundation during the first decade was “lack of adequate housing, which had been a major source of conflict” (Personal Interview). As early as 1988 the foundation had identified housing as a major deficiency, but it had to abandon housing projects in the region due to ongoing violence and socio-political instability. Given these difficult circumstances the foundation was forced to identify more effective ways to reach out to
local residents and address regional social and economic issues. Persistent communication and contact with community members represented the pillars of early success with their outreach efforts. According to executives, Fundauniban went into the communities in the banana zone, not with the intention of determining or controlling what projects it would do, but rather to determine what pressing concerns and needs were most urgent in the eyes of local residents (President of Fundauniban, Personal Interview). To ease into this role as a mediator in a ‘conflict zone’, executives decided that they needed a ‘soft approach’ to establish trust and relationships with local communities and banana workers. Initially, the foundation approached these situations through popular pastimes like “soccer, music, and dance [since they] resonated with local residents” (President of Fundauniban, Personal Interview). Equipped with this knowledge, the foundation began to sponsor recreational and sporting events and listen to people’s concerns. Within a few years collaborative community-corporate organizing efforts sprang up. Sports committees, environmental task forces, neighborhood groups, youth and women’s organizations, among other grassroots organizations began discussing social and economic upgrading initiatives with Fundauniban (Social Responsibility Manager of Fundauniban, Personal Interview).

While the idea of ‘planting seeds of hope’ did not immediately come to fruition, this period was crucial to the foundation’s development because executives and management were able to spend time with people from local communities in the banana zone and gather information about their needs and the most urgent problems affecting their lives. In this way, this period served as a valuable educational experience about what to do and what not to do as a social foundation. It also allowed leadership within Fundauniban to map out short-term plans and gradually build longer-term strategies based on what they had learned. The Regional Director of
Fundauniban described the foundation’s early approach to social responsibility in the following way:

> during the first decade we were hyper-focused on managing the crisis in the industry by connecting with local communities…We had to do this by trial and error. There was no blueprint in place for what we should do so we had to slowly come up with our own ways to go into these communities while levels of violence were still high (Personal Interview, *my emphasis added*).

As time passed and the violent conditions in the banana zone subsided, the foundation became more adept at polishing their brand of CSR. Since the doors opened in 1987 Fundauniban has become a recognized and respected leader for its work in the banana zone of Urabá. While the road has been long, it has established relationships with local communities, formed partnerships, and spearheaded projects that have benefited thousands in this region of Colombia. The President of Fundauniban defined the foundation’s commitment to social responsibility as:

> improving the quality of life of the poorest communities by providing them opportunities for participation and inclusion in terms of health, education, infrastructure, recreation, and business so that they can improve their livelihoods and ensure sustainability over the long term (Personal Interview).

The recognition that the foundation had direct leadership role in coming up with solutions to the widespread economic and social problems in Urabá and the acknowledgement by C.I. Uniban S.A. that collaborative dialogues could take place by using Fundauniban as a vehicle for this purpose made sense and represented the spark that would ignite the fire behind its new model of social responsibility based on inclusive business that would emerge years later. Recognizing that there were problems and challenges ‘beyond the firm’ and that the banana production and export process relied on thousands of people directly and indirectly was a moment that made the pursuit of becoming an inclusive business over the *long durée* a high priority for C.I. Uniban S.A.
It is important to note here that many scholars have pointed out that the business sector’s commitment to CSR in the face of conflicts, crises and problems can lead to peacebuilding in ‘conflict zones’. For instance, Fontana (2018) writes that “CSR emerged as a corporate practice aimed at solving societal challenges and improving human lives both outside and inside an organization” (Fontana, 2018, 28). Guaquetá (2006) also argues that “companies at the forefront of CSR are usually involved in projects linked to peacebuilding” (12). López and Santamaria (2017), Perdomo-Ortiz, et al. (2017), and Prandi and Lozano (2011) provide insights about the particular motivations of private-sector involvement in peacebuilding in conflict zones or ‘buffer zones’ (those regions transitioning to post-conflict societies). From their studies I identified (and adapted in no particular order) the most relevant and applicable drivers that may be associated with the case of Fundauniban in Urabá which are listed in Table 11 below. These are also the particular characteristics that were the main drivers of C.I. Uniban S.A.’s new commitment to social responsibility as an inclusive business in the twenty-first century.

Table 11: Drivers of Private-Sector Involvement in Peacebuilding

<table>
<thead>
<tr>
<th>Driver</th>
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<tr>
<td>1) Reduction in high levels of violence and the financial and human costs associated with the armed conflict</td>
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<tr>
<td>2) Rise in social and economic benefits and opportunities associated with resolving the conflict</td>
</tr>
<tr>
<td>3) Morale booster for executives, managers, workers, and local communities</td>
</tr>
<tr>
<td>4) Weakness and/or absence of the State and, by extension, the rule of law (i.e. effective government and democracy)</td>
</tr>
<tr>
<td>5) Preservation of banana capitalist and elite interests in the ‘post-conflict’ era (i.e. a pathway for companies and elites to exert their ‘leadership’ via governance mechanisms and deepen their hegemony or the capacity of business to intervene in conflict zones and act as a ‘neutral’ mediator compared to political actors)</td>
</tr>
<tr>
<td>6) Importance of the clout of the business sector and its credibility in the eyes of shareholders, stakeholders, and clients in global banana markets</td>
</tr>
</tbody>
</table>
7) Permanently communicating and managing relationships with communities via social dialogue and ongoing participation and support of their needs (i.e. infrastructure, educational institutions, housing solutions, health, recreational, and event centers, etc.)

8) Empowering citizens to make intelligent decisions, understand processes and how society functions, and developing their values and respect for human rights

9) Deepening a commitment to sustainability (i.e. respecting and caring for the environment and local ecosystems)

10) Creating opportunities for entrepreneurship, training, skills upgrading, and knowledge acquisition

11) Generating employment and opportunities for regional economic diversification; supporting small urban businesses and micro and rural family-owned enterprises

12) Creating awareness and action (through direct participation and intervention in the peace process) surrounding issues of social inclusion for marginalized and excluded groups (i.e. the reintegration of ex-combatants and armed actors, women, the displaced, and other vulnerable populations; focusing on social cohesion, collective problem-solving, social responsibility, non-violent conflict resolution, dialogue, acceptance, forgiveness, and reconciliation)

*Adopting quality and certification standards and behavioral codes for business practices and extending them throughout the company’s value chain (although this is not a direct driver for Fundauniban, it is for C.I. Uniban S.A.)

Source: Adapted by author from López and Santamaría, 2017, Perdomo-Ortiz, et al. (2017), and Prandi and Lozano, 2011.

While executives did not explicitly mention the word ‘peacebuilding’ during interviews, it became apparent that ‘peacebuilding’ was an ideal woven into the fabric of the social foundation they had created. Overall, there was a consensus among executives and managers in Medellín and Urabá that it was of paramount importance to promote “an image of Urabá’s banana industry as one that is committed to social responsibility and social investment” (Brown, 2013, 2580). In fact, the President’s support of this mission was evident in one of his comments during my initial orientation session where he remarked: “We are excited that Fundauniban can spearhead a legacy of change” (President of Fundauniban, Personal Interview, my emphasis added). The idea
of building a lasting legacy and long-term strategy to improve the conditions and quality of life for the banana zone in Urabá became one of the hallmarks of the foundation’s new approach to social responsibility after the turn of the millennium. Prior to this period the foundation’s approach was characterized by more isolated, short-term, reactionary responses designed to manage the race to the bottom in Urabá and engage in damage control so that C.I. Uniban S.A.’s brand and reputation would not be tarnished due to the bad publicity the crisis had conjured up.

Table 12 summarizes C.I. Uniban S.A.’s evolving vision of CSR from 1987 when Fundauniban was created to 2017 when the foundation celebrated its thirtieth anniversary.

Table 12: C.I. Uniban S.A.’s Evolving Vision of CSR, 1987-2017

<table>
<thead>
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<tbody>
<tr>
<td>-Planting ‘seeds of hope’</td>
<td>-Harvesting and replanting ‘seeds of hope’</td>
</tr>
<tr>
<td>-Devising a short-term response or ‘solution’ to the race to the bottom</td>
<td>-Developing a long-term strategy to improve the quality of life in Urabá by creating economic and social upgrading opportunities for the company and banana producers, workers, and communities in the banana zone</td>
</tr>
<tr>
<td>-Finding out the needs of local communities and ways to make human connections to reestablish trust and reputation</td>
<td>-Building a long-lasting legacy in the region through social responsibility projects and initiatives centered on social cohesion, collaboration, teamwork, multi-stakeholder alliances, and transparency.</td>
</tr>
<tr>
<td>-Overcoming fears of traveling to Urabá due to ongoing violence due to the armed conflict</td>
<td>-Embracing and exerting leadership by creating awareness and action (through direct participation and intervention in the peace process) surrounding issues of social inclusion for marginalized and excluded groups (i.e. the reintegration of ex-combatants and armed actors, women, the displaced, and other vulnerable populations; focusing on collective problem-solving, non-violent conflict resolution, dialogue, acceptance, forgiveness, and reconciliation)</td>
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<tr>
<td>---</td>
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</tr>
<tr>
<td>-Addressing housing deficiencies</td>
<td>-Addressing infrastructure deficits and generating employment and opportunities for regional economic diversification (i.e. supporting small urban businesses and micro and rural family-owned enterprises)</td>
</tr>
<tr>
<td>-Responding to global demands and local pressures in Urabá to adopt and implement social responsibility</td>
<td>-Deciding to build an inclusive business around shared value based on years of input, experiences, collaborations, successes, and failures</td>
</tr>
<tr>
<td>-Requiring banana producers to acquire private certification standards to export their fruit</td>
<td>-Embracing Global GAP and Fairtrade as powerful transformative opportunities for banana producers and workers to upgrade their capabilities, skills, and knowledge</td>
</tr>
</tbody>
</table>

Source: Author.

As the table illustrates, the first decade of social responsibility was shrouded in devising short-term strategies and solutions to the crisis associated with the race to the bottom. As the Regional Director of Fundauniban explained “in the beginning we were not thinking long-term, we had a very short term mindset because we needed to figure out how to solve the most pressing problems day by day…At the time, we weren’t thinking years down the road” (Personal Interview). These comments reinforce the idea that “crises disrupt accepted views of the world and how to ‘go on’ within it…crises are complex moments of indeterminacy, where ‘decisive’ action can make a major difference to future developments” (Jessop, 2012, 2). The race to the
bottom had disrupted life to the extent that it was difficult for Fundauniban’s leadership to think ‘beyond the present’. While ‘decisive action’ was desperately needed to overcome the challenges in the region, early on it was not clear to C.I. Uniban S.A. nor Fundauniban how best to proceed on a long-term basis.

During the first decade the foundation’s model of social responsibility was quite restrictive and did not reflect the maturity of an organization with a lot of experience under its belt. As the violence in the region waned in the twenty-first century, this provided executives and managers a window of opportunity to accelerate a more robust strategy around social responsibility based on their first decade of experiences, successes, and failures. As the table above indicates, there was a shift in C.I. Uniban S.A.’s model of social responsibility based on ‘crisis management’ during the first decade of the foundation’s existence into a more mature and long-term model of social responsibility anchored in inclusive business from 2000 to 2017.

Based on my conversations with Fundauniban executives and managers, I argue that they recognized the importance of transitioning to this new model around the turn of the century because they began to think more about the legacy of the foundation as opposed to isolated responses to quell the crisis. In other words, they came to an understanding that building a legacy around a ‘new spirit of capitalism’ that would fuse together economic, social and environmental concerns could win over the ‘hearts and minds’ of the people of Urabá and provide C.I. Uniban S.A. an unfettered social license to operate its business without significant global and local resistance. This clever and seductive maneuver is a clear example of how banana capitalists within the company and foundation exerted their leadership, dominance, and power through subtle, non-violent means to divert attention away from their hidden agenda surrounding labor
and surplus extraction. These are critical observations that I will discuss in more detail in the conclusion of the dissertation.

II. DELVING INTO THE ‘VALUES’ OF INCLUSIVE BUSINESS: FUNDAUNIBAN’S MISSION STATEMENT

Most businesses have a social foundation that publishes annual reports that document companies’ commitments to social responsibility and inclusive business. This practice is especially important for companies like C.I. Uniban S.A. that need a way to communicate their work to massive audiences and document how they have successfully operated in zones of conflict as ‘peacebuilding actors’. While these reports are sometimes dismissed as targeted marketing tools that provide cursory or suspect details and cherrypicked examples of successes, they also represent key archival information that can help scholars better understand how an organization construes their own version of social responsibility through specific language. As Fairclough (1989) reminds us language and power are intimately connected and should not be cast aside, but rather showcased in the crosshairs of critical analysis. In fact, his study of language and power in modern British society brought to light important insights about how language is connected to social practices, discourses, ideologies, and structures of power. In his view, language is not neutral, but rather a contributor of social continuity or social change. It also conceals ‘hidden agendas’ that reproduce dominant social classes in capitalist societies (Fairclough, 1989). For these reasons annual CSR reports can provide a treasure trove of valuable information that can help scholars piece together how an organization envisions and actually articulates an agenda around social responsibility and inclusive business in an export zone that is transitioning to a ‘post-conflict’ society.

To delve into the language Fundauniban used to define its newer brand of CSR I visited C.I. Uniban S.A.’s corporate library in Medellin where I was granted access to the foundations’
yearly CSR reports archive. To make this portion of my project more manageable I decided to focus on its mission statement in its most recent report at the time of my fieldwork (in 2012). This report captured the foundation’s most up-to-date account of its relationship with social responsibility and how it construed and deployed it within the banana zone in Urabá. Within the report I discovered that Fundauniban’s CSR mission statement was crafted around four core values: solidarity, integrity, humility, and excellence (Fundauniban, 2011).

The first value *solidarity* is defined as “the capacity of the organization to offer its human resources, knowledge, and capital to local communities to build a stronger social fabric” (Fundauniban, 2011, 5). The organizational discourse around solidarity is a particularly important aspect of the company’s CSR mission statement because it feeds into its larger aspiration of contributing to peacebuilding in Urabá. Furthermore, the emphasis on solidarity is significant because:

> [it] names a *specific mode* of relationship: it begins with a recognition of interdependency. In relationships animated by many different dynamics of power, privilege, inclusion, exclusion, cooperation and exploitation, our lives and fates are bound together with myriad others. Solidarity is enacted when we recognize these connections, take active responsibility for our own participation in them, and work to simultaneously transform those relationships that are destructive or exploitative and to cultivate those relationships that embody care and mutual respect for those with whom we are connected (Miller 2010, 6).

The recognition that solidarity is built upon interdependency, social cohesion, and a new collective identity anchored in collaboration, reintegration, and social upgrading to overcome destructive and exploitative conditions was a vital step forward towards the foundation’s new vision for the banana zone in Urabá in the twenty-first century. Respecting and valuing other peoples’ lives regardless of gender, race, ethnicity, class or other categories of difference opened up a new dimension to the foundation’s approach to social responsibility that could promote peacebuilding in a region that was coming to grips with its past as a conflict zone and gravitating
towards a new future. While trust and reputation building were factors during Fundauniban’s first decade in the region, these values gradually morphed into more meaningful “corporate-community partnerships, multi-stakeholder alliances, and pacific dialogues that aimed to overcome social and economic deficiencies” over the long durée (Regional Director of Fundauniban, Personal Interview). Fundauniban’s emphasis on solidarity in its CSR mission statement is also aligned with research about solidarity economies. Miller (2010), for instance, argues that cooperation, mutuality, individual and collective well-being, economic and social justice (equity), ecological health, democracy, diversity and pluralism are common ways of construing solidarity. For Fundauniban, enacting successful CSR initiatives depended heavily on articulating a language of solidarity centered on these ideals.

The second value mentioned in Fundauniban’s mission statement is integrity. The report further subdivides this value into ethics, equity, loyalty, honesty, respect, transparency, and service (Fundauniban, 2011). Conducting business in ethical, fair, and transparent ways and providing top-notch service diverts public attention away from corruption, corporate malfeasance, conflicts, and problems. It also sets the tone for how business will be conducted, what shareholders, stakeholders, and clients can expect, and how businesses intend to make meaningful contributions to societies where they operate. While the report divided integrity into further values, Fundauniban executives and managers related it to consistency, conscientiousness, accountability, and commitments, which they highly regarded as critical components of Fundauniban’s identity as a corporate social foundation. The President of Fundauniban in Medellín noted that:

committing ourselves to the communities where we operate means that our words and actions must remain consistent...integrity means consistency and reliability which are absolutely essential for building bridges with stakeholders in the banana zone and our
clients…integrity [also] means that we should hold ourselves accountable and be held accountable to the highest business standards and ethics… (Personal Interview).

It is important to note that ‘accountability’ functions on a couple of levels and is the lifeblood of a post-conflict society in the banana zone in Urabá. On one hand, there is personal accountability whereby every individual must assume responsibility for his or her own decisions and actions. This also means that “every individual is socially, morally and legally accountable to the community or organization that they belong to” (The Open University, 2016, 3). On the other, there is social accountability which means that leaders within corporations, organizations, and institutions are held accountable for their conduct and performance. This trait linked to integrity is crucial for Fundauniban because it is anchored in building relationships, effective governance and empowering the citizenry to make decisions and participate in important processes and events related to their lives.

The third value in Fundauniban’s mission statement is humility which denotes an environment of constant learning and upgrading. According to the President of Fundauniban, “it is important to be receptive to new ideas, feedback (both positive and negative), and advice [and] acknowledge our strengths and limitations in an environment of constant learning and teaching” (Personal Interview). In addition, he mentioned that humility encourages cooperation, citizenship, and leadership and that cooperation is closely associated with the foundation’s emphasis on solidarity. The President continued saying that “cooperation can occur if we are humble…we can contribute to the pacification process in Urabá and to the overall improvement in the quality of life of local communities if we listen and learn from each other and recognize our differences and similarities” (Personal Interview). Exerting leadership in this way has been an important step in the Fundauniban’s maturation process. However, some scholars have noted that humility and leadership are not always seen in a positive light. For instance, Owen, et al.
(2011) point out that they may be contradictory in some scenarios especially where leadership is coupled with dominance, aggressiveness, ascendancy, and hierarchical power relations. In the case of Fundauniban, executives insisted that they were focused on building humble leadership within the foundation focused on the most urgent needs of local communities in the banana zone in Urabá. Owen, et al. (2011) also underscore the advantages of businesses and organizations adopting humility as a fundamental aspect of their missions stating that:

> [humility] is the cornerstone of organizational learning, high-quality service to customers and employees, and organizational resilience since it fosters an openness to new paradigms, an eagerness to learn from others, an acknowledgement of limitations and mistakes, and a more realistic picture of both the firm and the firm’s external environment…(262).

Their research also demonstrates that humility in corporations and other organizations revolves around individual performance, prosocial behavior, team processes, and leadership (Owen et al., 2011). Other research has shown that the acknowledgement of mistakes, imperfections, gaps in knowledge, and limitations and appreciating the value and contributions of others are key drivers of humility (Tangney, 2002, 74). Most importantly, Fundauniban’s decision to frame its CSR mission statement in terms of humility allows it to steer clear of “self-aggrandizing arrogant behavior, hostility, entitlement, and lack of empathy toward others” which are traits that have been shown to be counterproductive within corporate and organizational environments (Morf and Rhodewalt, 2001, 178). Fundauniban executives and managers seemed to understand very well that negative traits like narcissism, arrogance, self-enhancement, and egocentrism can foment “poor interpersonal relating” (Vazire and Funder, 2006), “conflict, and lower social acceptance” (Paulhus, 1998).

The fourth value in Fundauniban’s mission statement is *excellence* which encompasses a concern with standards, performance, meeting benchmarks, goals and objectives (Fundauniban,
The President of Fundauniban expressed that “excellence must accompany our daily actions, decisions, and commitments…it must guide our strategy of social responsibility so that we can make a difference and contribute to the overall improvement in the quality of life for the people in Urabá” (Personal Interview). The Regional Director of Fundauniban echoed the President’s comments about excellence in our interview in Urabá stating that “making the right choices time and again and putting one’s personal priorities and biases aside and figuring out what is best for the foundation and for those the foundation serves” (Personal Interview). Such comments suggested that excellence is not about special accolades, but rather about doing the little things day to day to create trust and long-term relationships. Based on the comments of the foundation’s leadership and observations during my fieldwork in Urabá, it seemed evident that excellence for Fundauniban represents a long-term journey of personal and professional growth and is tied to the character and identity of the people that make up the social foundation.

III. THE DEPLOYMENT OF SOCIAL RESPONSIBILITY IN THE BANANA ZONE IN URABÁ: FUNDAUNIBAN’S PRIORITY AREAS AND PROJECTS

Fundauniban has deployed its brand of CSR via projects throughout the banana zone in Urabá. These projects have directly impacted the material conditions of thousands of people in the banana zone. They revolve around four key priority areas: social development, education, housing and community infrastructure, and economic development (Fundauniban, 2011). From 1987 to 2011 the foundation had invested almost 160 billion Colombian pesos of its own money in these priority areas and almost 287 billion Colombian pesos when factoring in managed funds and the Rotary Housing Fund (Fundauniban, 2011, 73). According to The Produce News:

Over 25 years, Fundauniban has created over 5,000 housing solutions and 3,128 community equipment projects that have improved sanitary conditions, created 15 educational institutions and upgraded healthcare—including funding for 776 surgeries for children and teenagers who suffered from cleft lip and split palate deformities.
However, the foundation’s ability to deploy these initiatives is affected by evolving community needs, a volatile budget, and changing external funding sources from (inter)national organizations and institutions. Unstable and lack of financing are also potential roadblocks for long-term sustainable CSR practices. For instance, while C.I. Uniban S.A. earns around 300 million U.S. dollars per year, Fundauniban has invested on average 3.5 million U.S. dollars per year which is a fraction of the total yearly earnings of C.I. Uniban S.A. (Fundauniban, 2011; C.I. Uniban S.A., 2012b). This suggests that a larger internal budget or additional funding from external partners will be needed to carry out its long-term investments in social responsibility in the region. Unfortunately, a budget increase seems unlikely since the foundation’s finances are bound to the corporate financial performance of C.I. Uniban S.A. which can be severely constrained at times due to exchange rate volatility. Limited financing, as the President of Fundauniban put it “makes it difficult to have scalable impacts, monitor projects over the long-term, and conduct follow-up research to ensure that goals and targets have been met” (Personal Interview). Finances aside, the next sections of the chapter highlight the projects that Fundauniban was spearheading in 2012 in each of the four priority areas. My intention is not to provide a comprehensive account of these projects, but rather to demonstrate the ways in which the social foundation has attempted to utilize social responsibility to solidify its commitment to becoming an inclusive business and contribute to peacebuilding in the banana zone in the twenty-first century.

**Priority Area #1: Social Development**

Although the region exudes promise today, social tensions stemming from its violent past are still bubbling beneath the surface. This fragile state of affairs indicates that violence and social unrest could resurface if social needs are not met. To quell such eventualities Fundauniban
has made efforts to establish and maintain healthy interpersonal relationships and to educate local communities about the importance of collaboration, teamwork, leadership, and conflict management and resolution, all important drivers of their particular version of CSR in the banana zone. Table 13 depicts the specific social development projects led by Fundauniban as of 2012.

Table 13: Social Development Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Number of Participants</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cleft lip and cleft palate</td>
<td>234 children</td>
<td>Apartadó, Carepa, Chigorodó, Turbo, Mutatá, Necoclí</td>
</tr>
<tr>
<td>2. Support for local management in strategic communities</td>
<td>305 leaders</td>
<td>The community of Nueva Colonia in Turbo and the community of Zungo and the San Marino housing project in Carepa</td>
</tr>
<tr>
<td>3. Group cohesion adventure</td>
<td>2,078 people</td>
<td>Mutatá, Chigorodó, Carepa, Apartadó, Turbo, Necoclí, Arboletes, San Juan de Urabá, and San Pedro de Urabá</td>
</tr>
<tr>
<td>4. Football tournament “Cup for the Consolidation of Peace”</td>
<td>2,078 people</td>
<td>Mutatá, Chigorodó, Carepa, Apartadó, Turbo, Necoclí, Arboletes, San Juan de Urabá, and San Pedro de Urabá</td>
</tr>
<tr>
<td>5. Strengthening the Musical Pedagogical Project</td>
<td>450 children and young people</td>
<td>Carepa, Apartadó, and Turbo</td>
</tr>
</tbody>
</table>

Source: Translated and compiled by author based on Fundauniban, 2011.

One interesting example of how Fundauniban is working on social development in the region is through its partnership with the Servicio Nacional de Aprendizaje or the National Educational Service (SENA) to offer workshops called ‘cohesion groups’. These initiatives bring together community members from around the banana zone in Urabá and teach them effective communication skills and strategies to deal with problems that arise in groups. As individuals participate they learn how to deal in non-conflictive ways with multiple viewpoints and how to
find a consensus among groups to overcome particular obstacles. For instance, Guillermo, a 26 year old banana worker from Currulao who was participating in the cohesion group told me that they are “great opportunities to learn about teamwork and trust with people in your community you don’t know…people with different personalities, experiences, [and] ways of thinking” (Banana Worker 1, Personal Interview).³ Another banana worker, Sofia, a 35 year old mother of three from Turbo, explained that cohesion groups “encourage active participation in my community and provide me a chance to make social connections with other people in Urabá…we can come together to discuss our problems and future” (Banana Worker 2, Personal Interview).

Both Guillermo and Sofia and some of their co-workers and neighbors participated in this program on the day I visited. I spent several hours observing the social group cohesion activities which included group conflict resolution discussions and trust-building activities. During the discussions participants shared their experiences about past conflicts and situations that were difficult to resolve. Everyone was encouraged to participate and offer advice for how the situation could have been avoided or handled better. The discussions also included controversial situations or role plays where participants had to figure out collective solutions to problems without arguing. Interestingly, the trust building activity required the group of 28 participants to divide up into two groups. Each person in each group had to get onto a wooden balance beam structure. The objective was that both groups of 14 people had to figure out how to balance out the teeter-totter structure without either group touching the ground. This task was not easy and required communication, collaboration, and teamwork to figure out the right amount of weight and pressure to be applied in different parts of the structure. Fundauniban executives affirm that social cohesion activities like this one are helping local residents in the banana zone become
more sensitive and receptive to other’s concerns and ideas and less reliant on holding grudges and settling scores through tense arguments and physical violence if disagreements arise.

Another interesting project the President of Fundauniban talked to me about was designed to address the alarmingly high levels of cultural illiteracy among citizens in Urabá. For instance, the foundation found out through their years of interactions with local communities in the region that many residents were unaware of their basic human rights, local politics and laws. They lacked a basic understanding of why they should obey traffic signals, why they have to stand in lines, how to use a medical card, and why they needed to have a cédula in Colombia, which “are basic things that people take for granted, but they are vital skills to be culturally literate and fully participate as productive citizens in a democratic society” (President of Fundauniban, Personal Interview). Therefore, a major component of Fundauniban’s deployment of social responsibility in the banana zone has centered on developing human capital, particularly in terms of raising public awareness about such issues and encouraging them to take an active role in shaping their own future by developing social skills.

Priority Area #2: Education

The difficult topography, under-funded schools, and lack of teaching materials pose considerable barriers to delivering high-quality educational experiences for children throughout the banana zone. Recognizing that education is one of the most important pillars of social and economic development, Fundauniban has been working to increase the quantity and quality of educational institutions in Urabá. At the time of my fieldwork, it was leading 10 educational projects throughout the region which can be seen in Table 14 below (Fundauniban, 2011).
Table 14: Educational Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Number of Participants</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Uniban Institute</td>
<td>644 children, teens, teachers, and parents</td>
<td>Apartadó, Carepa, Chigorodó</td>
</tr>
<tr>
<td>2. Casanova Educational Center</td>
<td>70 children</td>
<td>The community of Casanova in Turbo</td>
</tr>
<tr>
<td>3. Integrated Care Center “Manitos Creativas”</td>
<td>46 children</td>
<td>The community of Zungo Embarcadero in Carepa</td>
</tr>
<tr>
<td>4. Laptop Educational Innovation Project</td>
<td>1,956 children, teens, teachers, and parents</td>
<td>Turbo, Apartadó, and Carepa</td>
</tr>
<tr>
<td>5. Aliance for Quality Education: “Ser más profesores”</td>
<td>68 teachers</td>
<td>Apartadó</td>
</tr>
<tr>
<td>6. New School</td>
<td>34 teachers</td>
<td>Apartadó</td>
</tr>
<tr>
<td>7. Federico García Lorca Library—Fyffes Community Library—Nueva Colonia</td>
<td>240 people</td>
<td>The community of Nueva Colonia in Turbo, Carepa, Chigorodó, and Apartadó</td>
</tr>
<tr>
<td>8. Water advocacy clubs</td>
<td>179 children, teens, teachers, and parents</td>
<td>Mutatá, Chigorodó, Carepa, Apartadó, Turbo, and Necocli</td>
</tr>
<tr>
<td>10. Strengthening of the Institution Josefina Diaz</td>
<td>30 children and teachers</td>
<td>Mutatá</td>
</tr>
</tbody>
</table>

Source: Translated and compiled by author based on Funduniban, 2011.

The education of young children, in particular, is one of the social foundation’s top priorities. To learn more about Funduniban’s approach to this facet of social responsibility, I visited the Uniban Institute in Apartadó and the Casanova Education Center near the port city of Turbo. At the Uniban Institute, I spoke with the director, Natalia, who explained that the overarching
mission of the institute is to provide a quality educational experience for children in Urabá.

According to Natalia, the Uniban Institute aims to provide:

an educational space that encourages interaction among students and teachers and promotes the exchange of knowledge, investigation, respect for human dignity, environmental stewardship, and a continuous improvement in the quality of life for the children of Urabá (Personal Conversation).

The director talked to me about several contributions the Uniban Institute has made to the educational experience of its students and local communities in Urabá. First, she mentioned that the institute employs a methodology called *autoaprendizaje*, or ‘self-learning’, whereby the oldest and brightest students in each grade become leaders of small groups that consist of their classmates. Natalia explained that this methodology has been adopted because “there is a lack of teachers in rural areas of Urabá and some schools only have one teacher for several different grade levels” (Personal Conversation). As she noted in our conversation, the basic idea is to empower young, talented, and intelligent students to help teachers teach course content that otherwise would be impossible to do given the constraints many schools face. Due to the successful experience with self-learning at the Uniban Institute, Funduniban executives mentioned that they plan to partner with other schools to expand the approach to address educational deficiencies in the region. Second, Natalia noted that the Uniban Institute library offers literacy services for local communities such as story hour and cinema for children and youth, laptops, and ‘tertulias’. Third, there is a music program that teaches students to play various instruments like the violin, viola, cello, clarinet, trumpet, flute, and other wind instruments. Fourth, the foundation is involved in sexual health education. Funduniban and teachers at the institute recognized that there were knowledge deficiencies, especially among the youth about sexuality, protection, sexually transmitted disease prevention, and intervention related to unplanned pregnancies and its consequences. The goal is to help young people “be

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contributors to society and not burdens to their families, friends, co-workers, bosses, [and] institutions” (Director of Instituto Uniban, Personal Conversation). Respect for others, the ability to live together peacefully, traditional values through music, trainings, and the integral formation of individuals and society matter to the Uniban Institute, Fundauniban, and to communities in the banana zone.

Another interesting example of how Fundauniban is deploying its brand of CSR via educational projects is the Cassanova Education Center. This institution uses the self-learning methodology adopted at the Uniban Institute and is a recipient of the foundation’s educational innovation project which provides laptops for school children. Turbana donated 1,800 laptops for the One Laptop Per Child Project (CEO of Turbana, Personal Interview). As of 2011, there were almost 2000 beneficiaries in 15 rural schools in the banana-growing region of Urabá (Fundauniban, 2011). According to a former CEO of Turbana:

Following our philosophy of community development and socially responsible business practices, One Laptop Per Child is a perfect fit…We will support this excellent global mission in Colombia and integrate it into our existing community projects. For us, it is all about education and personal growth as the key for the development of the region, and there is no better place to start than empowering children to take an active role in their education and future.⁴

At the Cassanova Educational Center each student had access to functional laptop computers. The teachers I met explained that Fundauniban has been an important partner with the school promoting digital literacy to children and providing them access to the latest technological advances. For instance, one teacher mentioned that the laptops:

allow students to access the Internet, work on projects and presentations during class…students can write, read, learn English, make calculations for math classes, draw and design, take photos, produce videos, study geography and culture, and play games…really the creative and educational possibilities are limitless (Teacher at the Institución Educativa Casanova, Personal Conversation).
The day that I visited classrooms I observed students using their laptop computers for many of these purposes. One classroom was a laboratory with 15 desktop computers and a projector with a pull-down screen designed for presentations. One student, a 12 year old girl, was giving a presentation about Colombian culture and food. In brief, the laptop program has benefited the Casanova Education Center and has self-empowered students making education interesting and fun. It has brought technology to a region where many schools lack such innovations.

Priority Area #3: Housing and Community Infrastructure

Housing in Urabá has long been an Achilles heel leading to conflicts and violence. Recognizing the importance of adequate housing and decent living conditions, Funduniban has been actively leading initiatives and partnering with other institutions and organizations to build new homes and refurbish others since 1988. According to its 2011 social responsibility publication, Funduuniban was involved in six housing and community infrastructure projects which can be seen below in Table 15.

Table 15: Housing and Community Infrastructure Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Number of Participants</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Community housing project--Rosalba Zapata Cardona</td>
<td>240 people from 48 families</td>
<td>Apartadó, the Obrero neighborhood</td>
</tr>
<tr>
<td>2. Conventional Rotary Housing Fund of the banana producers of C.I. Uniban S.A. and Sintrainagro</td>
<td>795 people from 159 families</td>
<td>Turbo, Carepa, Chigorodó, and Apartadó</td>
</tr>
<tr>
<td>3. Construction of the Indigenous Town ‘Siakoro’</td>
<td>738 people</td>
<td>The indigenous community of Siakora in Apartadó</td>
</tr>
<tr>
<td>4. Community housing project “Diseños”</td>
<td>370 people from 74 families</td>
<td>Apartadó</td>
</tr>
<tr>
<td>5. Construction of the Uniban Institute Coliseum</td>
<td>676 children, teens, teachers, parents, and local residents</td>
<td>Apartadó</td>
</tr>
</tbody>
</table>
6. Infrastructure improvement project in the Rural Educational Institution of Casanova

| 70 children | The Casanova community in Turbo |

Source: Translated and compiled by author based on Fundauniban, 2011.

To finance these infrastructure projects Fundauniban has established a yearly Rotary Housing Fund in which local banana producers contribute a percentage of money based on each box of bananas they export. The Rotary Housing Fund pools together capital contributions from banana workers to finance homeownership and construction and renovation projects. Since 2000, over 23 billion Colombian pesos have been raised to directly combat housing deficiencies in the region. In 2011 this fund benefited 159 families and 795 people in 4 municipalities (Fundauniban, 2011). One interesting housing project I visited was the Rosalba Zapata Cardona apartment complex in Apartadó. This was a new housing project that benefited 48 families and 240 people in a working-class neighborhood in the city (Fundauniban, 2011). Residents, Carla and Édgar, a middle-aged married couple from Apartadó, expressed happiness and gratitude with Fundauniban’s involvement with the housing project. They mentioned that their new apartment in the complex was a considerable upgrade in comparison to their old home which did not have hot water, was poorly constructed with cheap materials, and was falling apart. They were unable to refurbish it because they lacked the money so they began searching for other housing options in the region. Édgar, who worked on a Fair Trade certified banana farm, found out about the housing program with Fundauniban. They proudly took me on a guided tour of their new apartment showing me the details like running hot water, tiled flooring, a spacious kitchen, and bedrooms for themselves and their children. This is one example among many of how the foundation is committed to improving the overall quality and availability of housing and community infrastructure in the banana zone.
Priority Area #4: Economic Development

Employment opportunities, income generation, and regional economic diversification for community groups, micro and rural family-owned enterprises, small urban businesses, and those marginalized or displaced groups in Urabá are priorities for Fundauniban (Regional Director of Fundauniban, Personal Interview). As of 2011, the social foundation had five projects focused on regional economic development. It provides credit via its financial entity, Unidad de Crédito, technical advice and assistance, and additional consulting services for many small businesses, micro-enterprises, and ‘famiempresas’. For instance, Fundauniban has provided small-scale plantain producers who used to belong to armed groups business opportunities by buying their crops to produce Turbana’s line of plantain chips that are sold to supermarkets in the United States and Europe. Additionally, the foundation has helped launched a micro-enterprise of ice cream producers that has benefited families in multiple municipalities in Urabá. Finally, Fundauniban has provided agricultural employment opportunities for 225 women displaced by violence. As of 2011 there were over 1400 participants in the foundation’s economic development projects in Urabá which can be seen below in Table 16 (Funduniban, 2011).

Table 16: Economic Development Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Number of Participants</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Unidad de Crédito</td>
<td>902 family-owned and small businesses</td>
<td>Necoclí, Chigorodó, Carepa, Apartadó, Turbo, San Juan de Urabá, San Pedro de Urabá, and Mutatá</td>
</tr>
<tr>
<td>2. Plantain Producers</td>
<td>125 family-owned plantain producers</td>
<td>Turbo</td>
</tr>
<tr>
<td>3. Strengthening of Ice Cream Producers</td>
<td>19 people</td>
<td>Necoclí, Chigorodó, Carepa, Apartadó, Turbo, and San Pedro de Urabá</td>
</tr>
</tbody>
</table>
4. Network of Women | 225 women | Necoclí, Chigorodó, Carepa, Apartadó, Turbo, San Juan de Urabá, San Pedro de Urabá, Mutatá, and Arboletes

5. Strengthening of “Unidades de Negocio” | 130 women | Necoclí, Chigorodó, Carepa, Apartadó, Turbo, San Juan de Urabá, San Pedro de Urabá, Mutatá, and Arboletes

Source: Translated and compiled by author based on Fundauniban, 2011.

Corporate social foundations, like Fundauniban, have played a pivotal role in integrating women into rural labor markets in Urabá via micro-enterprise development. These partnerships with local women provide opportunities for their voices to be heard and where “their full equality, participation, and leadership are being supported and promoted…” (Jhansi and Mishra, 2012, 1). These rural businesses are typically small (i.e. less than 10 employees), informal, flexible, and labor intensive. Additionally, they do not require extensive capital expenditures, educational experience, and technical and managerial knowledge. During my fieldwork, I visited a small farm near Turbo in Urabá that produced herbs, varieties of peppers, and other vegetables. The farm was run entirely by women from local municipalities that had been displaced and affected by the ongoing armed conflict in the region between 1992 and 2009. I met six women who talked to me about their experiences with Fundauniban, their activities on the farm, and their past experiences with employment and violence. In addition to forced displacements, the women disclosed that they had experienced various forms of domestic and sexual abuse throughout their lives. They also reported that that they have struggled to find decent jobs due to lack of educational background, gender and racial discrimination, and inadequate skill sets for some
available jobs. Psychologically, this toxic atmosphere had put a damper on their hope, joy, and dreams. Fundauniban intervened because it believed that decent work for women is a pillar of long-term sustainability, stability, solidarity, and peace within Urabá. As the Regional Director of Fundauniban put it: “we are investing in these women and training them because we believe this can promote peace, women’s rights, food sovereignty, and productive land usage…these women are seeds of hope for the banana zone, for Urabá, and for Colombia (Personal Interview). The deployment of CSR initiatives like this project have helped troubled women gain access to the labor market and develop their skills and knowledge of farming and agricultural practices. More importantly, they have helped restore their pride and dignity and have promoted the ongoing peacebuilding process in the banana zone.

IV. CONCLUSION

This chapter examined how Fundauniban has made sense of social responsibility and has deployed it via projects and initiatives to benefit local communities in the banana zone of Urabá. It also made a unique contribution by identifying and presenting the language that the foundation’s leadership used to describe social responsibility and the novel features characterizing Fundauniban’s model of CSR from 1987 to 1999 based on crisis management and its more comprehensive version that took shape from 2000 to 2017 based on inclusive business. This side-by-side comparison helped show how the foundation’s vision of social responsibility evolved with the times and circumstances and matured as it acquired more experience in the region. As time passed, the foundation went from a short-term, reactionary outlook and approach to social responsibility to a more long-term strategy that aimed to contribute to peacebuilding efforts designed to build convivialité and catapult Urabá on the path to a ‘post-conflict’ society.\(^5\) Adloff (2019) explains that conviviality “is established in different routine practices of giving
and taking, talking and sharing, exchanging news and goods and so on […] The banal interactions across social…boundaries give a sense of togetherness” (44). This new age of convivial relations being erected in Urabá is based on massive, coordinated action, non-violent social dialogue, a tolerance of differences, care for others, human rights, and reciprocity. While it seems counterintuitive that a corporate social foundation in a conflict zone in Colombia could make such contributions to society, Fundauniban’s body of work provides noteworthy examples of how the business sector can successfully intervene in a conflict zone, create shared value, and promote peacebuilding and upgrading efforts. This ‘new spirit of banana capitalism’ represents a key way banana capitalist classes and elites have opened themselves up to an ongoing social dialogue about economic and social upgrading.

While the work of Fundauniban is certainly only a snippet of the vast array of actors involved in these efforts, this chapter has attempted to shed light on its journey from the perspectives of the people who have been ‘in the trenches’ and lived through the ups and downs. Corporate claims about being a leader in social responsibility and inclusive business in the banana sector in Urabá carry significant weight especially given the region’s past and ongoing struggles. While some claims might certainly be valid, others can be quite misleading and even irresponsible. For the vast majority in Urabá everyday life is still an uphill climb. There are basic needs like sanitation and housing that are still not being met. There is also instances of exclusion and marginalization based on class, race, ethnicity, gender, and other categories of difference. While Fundauniban’s model of CSR has become sedimented, naturalized commonsense, this does not mean that cracks do not exist. The conclusion of the dissertation will deal directly with these shortcomings by presenting my own critical interpretations of C.I. Uniban S.A.’s overall
approach to CSR in the banana zone in Urabá by drawing inspiration from the critical literature of cultural political economy.
Notes

1 There is a vast corpus of scholarship dedicated to CSR and peacebuilding in conflict zones. A portion of this literature has focused on Colombia. For select studies see, for example, Banfield, et al., 2006; Berdal and Mousavizadeh, 2010; Fontana, 2018; Ford, 2015a, 2015b; Forrer and Katsos, 2015; Ganson, et al., 2016a, 2016b; Ganson and Wennmann, 2016; Grasa, et al., 2019; Guáqueta, 2006, 2013; Hayward and Magennis, 2014; Iff and Alluri, 2016; Jiménez, 2014; Kaplan and Nussio, 2018; Kolk and Lenfant, 2016; Lederach, 1997; López-Santamaría, et al., 2017; Miklian, et al., 2019; Miklian and Rettberg, 2017; Miklian, 2017; Miklian and Medina Bickel, 2016; Miklian and Schouten, 2014; Novick, 2012; Oetzel and Miklian, 2017; Oetzel and Breslauer, 2015; Oetzel, et al., 2010; Perdomo-Ortiz, et al. (2017); Prandi, 2011a, 2011b; Rettberg, et al., 2019; Rettberg, 2002,2003, 2004, 2015, 2016; and Rettberg and Rivas, 2012.


3 All banana workers were given fictitious names to protect their real identity.

4 See http://www.perishablenews.com/index.php?article=0015008

5 There is a sizeable literature about conviviality. See, for instance, Adloff, 2019; Adloff, et al., 2016; Boisvert, 2010; Heil, 2015, 2019; Neil, et al., 2018; and Wade, 2019.

6 For quote, see also Nowicka and Vertovec, 2014, p. 346.
CHAPTER 6: THE DEPLOYMENT OF SOCIAL RESPONSIBILITY WITH BANANA PRODUCERS AND LOCAL COMMUNITIES IN URABÁ

I. INTRODUCTION

In previous chapters I made the case that C.I. Uniban S.A. and Turbana shifted from a model of CSR based on crisis management during the late 1980s and 1990s to one in the twenty-first century that embraces inclusive business, shared value, and peacebuilding. This chapter further explores their development and deployment of CSR in the banana zone in Urabá showing that the adoption and implementation of international certification standards, specifically Global GAP and Fairtrade, in the banana zone in Urabá provided both opportunities and limitations in terms of upgrading for banana producers and workers. The chapter reveals that these standards were embraced by most executives and managers as an ‘opportunity’ to extend social responsibility to the point of production and to continue to develop C.I. Uniban S.A.’s new model of CSR by creating a general sense of solidarity and social cohesion among management and workers. Although these standards helped mitigate risks on farm and foster a new vision of management-worker relations, the chapter shows that discontent among some managers and workers have not completely vanished. Another point explored is the ‘integration thesis’ in the value chain literature that claims that ‘linking up’ with lead firms in an industry can drive economic and social upgrading processes for producers through the generation of ‘positive spillover effects’. While the chapter acknowledges that close relationships between C.I. Uniban S.A. and its banana producers can lead to upgrading opportunities, they also set up a scenario where (in)direct governance has become a subtle, yet significant feature of the neoliberal banana trade in Colombia and a means by which banana capitalists have reproduced their hegemony in the twenty-first century as the dominant class fraction in the region.
II. SOCIAL UPGRADING

While GVC experts have pointed to economic upgrading as a crucial ingredient in the 
upgrading to compete equation, equally important is how businesses function as social actors 
that address social upgrading challenges. For instance, Salido and Bellhouse (2016) note that 
social upgrading is “closely linked with the idea of inclusive growth as defended by different 
international organizations” (9). Other researchers have connected social upgrading to 
“international standards laid down through core ILO conventions promoting freedom of 
association in collective bargaining, no discrimination, no child and no forced labor” (Barrientos, 
2008, 979; Barrientos and Smith, 2007). For instance, Barrientos, et al. (2010) has described it as 
“the process of improvement in the rights and entitlements of workers as social actors by 
enhancing the quality of their employment” (7). While these references to social upgrading help 
begin making sense of the concept, they remain broad and vague. For this reason, some scholars 
have become more granular in their attempts to pinpoint what social upgrading actually means, 
preferring to further subdivide it into measurable standards and enabling rights (Elliott and 
Freeman, 2003; Barrientos and Smith, 2007). The question of how to measure social upgrading 
in value chains has also preoccupied GVC scholars. For example, Salido and Bellhouse (2016) 
emphasize that social upgrading has quantitative and qualitative dimensions, writing that:

Total employment, wages, and female share of employment and wages are among the 
quantitative aspects of social upgrading. Qualitative measurements include labor 
conditions and enabling rights, such as freedom of association and collective bargaining. 
Other measurements of social upgrading include formalization of employment, youth 
unemployment, higher education levels, overtime policies, and “decent work” standards 
among others (10-11).

While debates still rage over the precise meaning of social upgrading, it is undeniable that the 
concept has gained significant traction, especially in the field of GVC studies where these efforts 
have consolidated into a more focused research agenda targeting labor environment
development, workforce development and skills upgrading, and community development. This chapter acknowledges these important contributions and discusses each area briefly below, but also makes the case that the social upgrading literature in GVC studies should be extended to other critical areas of scholarship related to cultural political economy, social responsibility, inclusive business, shared value, and peacebuilding in conflict zones. This type of cross-disciplinary analysis could yield new insights and productive critical discussions that could enrich extant scholarship and create a more robust research agenda, particularly in terms of the private sector’s utilization of CSR, inclusive business, and shared value as ways to build peace in historical zones of conflict.

As mentioned above, one area identified in the social upgrading literature in GVC studies is the development of the labor environment which refers to the improvement in the rights and entitlements of workers and the overall quality of their employment in value chains, such as access to better jobs, working conditions, protections, and rights (Barrientos, et al., 2011; Milberg and Winkler, 2008; Rossi, 2011). This area of social upgrading encompasses the concept of ‘decent work’ developed by the International Labor Organization (ILO) (Salido and Bellhouse, 2019). For instance, Barrientos, et al. (2011) explain that:

The concept of social upgrading is framed by the ILO’s Decent Work Agenda, which encompasses employment, standards and rights at work, social protection and social dialogue. This package promotes work performed under conditions of freedom, equity, security and human dignity, in which rights are protected and adequate remuneration and social coverage are provided (324).

Social dialogue regarding workers’ rights and the quality of their employment has been particularly important in the banana sector in Urabá to begin addressing issues like precarization, informalization, outsourcing of labor (i.e. reliance on subcontracting and contract labor), and discriminatory labor practices based on class, race, gender, ethnicity, and other categories of
difference. Social protections and ongoing social dialogues about questions of security, equity, human dignity, and sustainability also have been underlying drivers of the pacification process aimed at de-escalating armed conflict and violence in Urabá. In this regard, a key organization in the Colombian banana industry has been the national banana workers’ union, Sintrainagro, that has negotiated with the national banana association, Augura, and banana companies in favor of ‘decent work’ conditions for producers and workers in Urabá (González-Pérez and McDonough, 2007). Decent work in the words of the ILO refers to:

opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.

Although banana production remains labor-intensive and overall remuneration low, this favorable environment with a strong union presence has placed workers in Urabá in a better position than their counterparts in other dollar-producing nations in Latin America to negotiate the conditions of their employment, such as wages, labor conditions and benefits, with powerful actors in the industry. Dense unionization levels and collective bargaining have also created opportunities for ‘networks of social responsibility’ to take root in the banana zone and for Urabá to be marketed as an ‘ethical site of banana production’ (González-Pérez, 2007).

Although Sintrainagro has acquired dominance as the most powerful workers’ union in the banana zone due its partnerships with NGOs and international labor solidarity networks like the Latin American Coordination of Banana Workers’ Unions (COLSIBA) (Brown, 2013, 2586), unionization along with ‘networks of social responsibility’ have gained traction in a whirlwind of contradictions. As documented in chapter 3, one of the most important ones had to do with the upsurge in paramilitarism during the 1990s, which was a direct response of banana capitalists
and elites that witnessed their power being eroded by changes enacted during the peace process initiated in the mid-1980s under the Betancur administration. These transformations facilitated union organizing, labor militancy, and legitimized leftist political parties that favored working class interests which began to dismantle the bulwark of banana capitalist and elite hegemony (Brown, 2013, 2578; Carrol, 2010). In fact, it seems quite counterintuitive that labor environment upgrading, social dialogue, and social responsibility would even be topics on the negotiating table given the iron fist of capitalist and elite repression that accompanied the surge in paramilitarism during the 1990s. Brown (2013) captures in vivid details this troubling scenario:

While Urabá’s agrarian elites had at first appeared to accommodate workers’ growing power, they quickly fought back. Bolstered by the growth of the narco cattle ranching sector, landowners financed private security forces and paramilitary groups, many of which organized formally under the umbrella of the United Self-Defense Forces of Colombia (AUC) in 1997. Claiming to protect local interests, and with support from the Colombian army, the paramilitaries mounted a reign of terror against peasants, workers, and trade unionists—in short, anyone they perceived to be connected with the guerrilla movements—as well as those who were simply in the way. Their tactics included economic blockades, raids and illegal detentions, targeted killings, and massacres, which left thousands dead and tens of thousands displaced…Capital accumulation in Urabá has thus been both reflective and re/productive of impoverishment and violence (2579).

As these contradictory forces came together, C.I. Uniban S.A. exerted its leadership position in the Colombian banana industry launching its social foundation, Funduniban, in 1987 and, later on, becoming involved with certification standards like Global GAP and Fairtrade at the point of production on farms in Urabá. These occurrences were consequences related to the urgent need to address social upgrading issues for workers and local communities.

One of the most salient examples of how social upgrading has played out in the banana zone in Urabá is related to the rise of certification standards which have forced banana export and marketing companies like C.I. Uniban S.A. and Turbana to work closely with their producers. GVC scholars have pointed out that ‘linking up’ with lead firms in a particular value
chain can have ‘positive spillover effects’ for producers and suppliers that can contribute to environments conducive of economic and social upgrading. Such effects include skills upgrading, workforce development, financing, technical, and consulting services, and the development of leadership, teamwork, communication, conflict management, and general management skills. Within the new age of standards, workforce development and skills upgrading, in particular, have become paramount concerns for ‘lead firms’ to ensure that their suppliers and producers are up-to-date about standards, protocols, products, and processes that may affect their profits and losses (Christian, et al., 2011; Gereffi, et al., 2011; Fernandez Stark, 2011a, 2011b, 2011c; Psilos and Gereffi, 2011). According to Fernandez Stark, et al. (2012), workforce development refers to “the process by which a territory’s initial endowment of human capital is converted into a source of competitive advantage for firms and industries in the territory” (5). This group of GVC scholars argue that the development of human capital drives competitiveness in global industries and that “increasing capabilities in the labor force is a challenging task” (Fernandez-Stark, et al., 2012, 5). To meet these challenges a variety of things must take place which they capture in their more robust definition of workforce development:

In practice, workforce development occurs via multiple channels (formal education, training, and access to relevant services such as labor market information), and it covers a broad range of activities. Ideally, early education (primary and secondary) should provide the foundation of basic skills essential to fast and effective continued learning. This should then be complemented by specific vocational, technical, and professional education directly linked to existing skill requirements and those for the near future. Education and training should cover important “soft” skills such as communication, leadership, teamwork, and conflict management. This broad approach to workforce development is essential to create individuals who can continually update their skills to respond to the dynamic demands of the globalized economy (5).

This detailed description of workforce development demonstrates that the concept extends beyond the ‘workplace’ and into the social realm of everyday life. Skills acquired via educational channels such as public and private vocational and technical schools, colleges, universities,
government institutions, labor unions, professional associations, and non-governmental organizations are potentially powerful incubators of social upgrading, innovation, and constant learning. While certification standards have certainly played a pivotal role in upgrading human capital in the banana zone in Urabá, they have also created unique challenges and situations that call into question the ‘linking up’ hypothesis. As we shall see later in the chapter, Global GAP and Fairtrade certification standards are “part of a contradictory process, involving collaboration and conflict…in which inherent tensions play out” (Barrientos, 2008, 978).

Another strand of social upgrading has to do with community development which encompasses a range of factors that support a healthy competitive environment such as human capital and social development, public-private partnerships, educational initiatives, economic development, and infrastructure enhancements. This form of social upgrading is particularly important in the context of Fundauniban’s projects with local communities in the banana zone of Urabá. For example, the foundation has been actively involved in initiatives related to education, social dialogue, and social inclusion for marginalized and excluded groups such as ex-combatants of the armed conflict, children, women, the displaced, and other vulnerable populations. Its focus on collective problem-solving, non-violent conflict resolution, social dialogue, acceptance, forgiveness, and reconciliation has contributed to a more informed and engaged citizenry in Urabá. These ‘soft skills’ are not only relevant for driving competitiveness, but also for deepening C.I. Uniban S.A.’s commitment to social responsibility centered on inclusive business, shared value, and peacebuilding. Nevertheless, just like certification standards, these forms of deploying social responsibility in the banana zone in Urabá also have their limits and consequences which this chapter hopes to highlight.
III. THE GLOBAL GAP CERTIFICATION STANDARD: PERSPECTIVES FROM THE FIELD

The Global GAP certification standard is an internationally recognized private standard developed collaboratively among non-governmental organizations (NGOs), governments and the private sector that supports farm practices that focus on safety and economic, social and environmental sustainability. It originated in Europe in 1997 and has since been adopted in over 135 countries and across many global industries.\(^5\) The Global GAP’s unprecedented rise to power must be situated within a complex context where various forces congealed forcing businesses and societies to adapt to change. These phenomena included social responsibility, trade liberalization associated with the rise of neoliberalism, the globalization of food markets, and an increased global awareness and activism centered around issues like food safety, quality assurance, health and sanitation, ethical labor conditions for producers and workers, and environmental sustainability. The pressure on companies to demonstrate accountability, transparency, and traceability in their supply chains and to focus on environmental and social issues and impacts created what some authors have referred to as a “neoliberal food regime” (Otero, 2012), a “corporate environmental food regime” (McMichael, 2005), or “green capitalism” (Friedmann, 2005). In fact, the Global GAP organization that issues the standard has played a fundamental role in accelerating progress towards achieving Sustainable Development Goals through its capacity building efforts with farmers, exporters, importers, and other actors in global value chains.\(^6\) The Global GAP standard focuses on improving agricultural practices on farms in a variety of areas such as crop production, protection, and irrigation, the conservation of natural resources (energy and waste management), improvements in food quality, safety and sanitation, labor conditions, and traceability, and the creation of new market opportunities for
farmers, exporters and importers. Table 17 below presents the main features characterizing the Global GAP certification.

Table 17: The Global GAP Certification Standard

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<thead>
<tr>
<th>Feature</th>
<th>Details</th>
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<tr>
<td>- Global GAP is a trademark and set of standards for Good Agricultural Practices and is the most widely accepted private sector food safety and assurance certification in the world.</td>
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<td>- It began in Europe in 1997 as EUREPGAP, an initiative spearheaded by retailers belonging to the Euro-Retailer Produce Working Group.</td>
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<td>- It promotes safe and sustainable agricultural production to benefit farmers, retailers and consumers throughout the world.</td>
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<td>- Certification covers food safety and traceability, environment (including biodiversity), workers’ health, safety and welfare, animal welfare, Integrated Crop Management (ICM), Integrated Pest Control (IPC), Quality Management System (QMS), and Hazard Analysis and Critical Control Points (HACCP).</td>
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<td>- It has 700 certified products and over 200,000 certified producers in more than 135 countries.</td>
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<td>- It works with more than 2,000 trained inspectors and auditors working for around 159 accredited certification bodies to perform independent third-party producer audits that issue Global GAP certificates.</td>
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<td>- It possesses a pioneering integrity system with independent assessments to monitor the performance of its certification bodies.</td>
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<td>- It has a secure online certification database that customers can use to check producers and validate certificates.</td>
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<td>- It has an extensive worldwide network of consultants to help producers with their certification process.</td>
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<td>- It provides training to thousands of people on 5 continents in different languages.</td>
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<td>- It has a harmonization program to benchmark schemes and standards around the world.</td>
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<tr>
<td>- It offers more than 40 standards and programs for crops, livestock, and aquaculture.</td>
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<td>- It offers additional customizable solutions to its clients.</td>
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At the time of my fieldwork in 2012 all Agrícola Sara Palma S.A. farms in Urabá had achieved the Global GAP certification (Coordinator of Integral Management in Urabá, Personal Interview, 2012).\(^8\) According to information from Turbana’s website, Urabá has 173 independently certified Global GAP farms with each producer with its own certification.\(^9\) Of these farms, Agrícola Sara Palma S.A. owned 27 properties totaling around 3,634 hectares of farmland and 96% of this land under production produces around 7.5 million boxes of bananas for export each year.\(^{10}\) While evidence from interviews with executives, management and workers on Agrícola Sara Palma S.A. farms suggested that the adoption and implementation of Global GAP has streamlined the production and export of bananas, this has not come without tensions and consequences. The aim of this section of the chapter is to provide insider perspectives from the people who have had direct experience with the Global GAP certification. From these comments, I attempt to make sense of the advantages, challenges, and ambiguities related to this standard.

C.I. Uniban S.A. has required Agrícola Sara Palma S.A. to acquire the Global GAP certification as a baseline entry point into the banana trade. While the certification standard is, in theory, voluntary, it has become a de facto mandatory requirement for banana farms looking to export their fruit with C.I. Uniban S.A. According to multiple farm managers I interviewed, this governance scenario has created opportunities and challenges for everyone. In terms of opportunities, it has allowed producers to learn about and implement sustainable agricultural practices and new management techniques, have more access to financing, consulting and technical services and make technological and infrastructure upgrades. There was an overall consensus among executives and managers that the Global GAP standard fortified a level of seriousness and commitment needed to meet strict international food safety and quality assurance
norms. Without this standard, they maintained, there would be lack of uniformity, accountability, responsibility, and transparency, which could damage the company’s competitive advantage in the global banana trade (Regional Manager of Agroindustry, Personal Interview). Although Global GAP has become the minimum ‘mandatory’ requirement for banana producers in Urabá to export their fruit to global markets, some executives and managers pointed out that C.I. Uniban S.A., as an export company, was forced to jump on board with Global GAP to ensure steady supplies of export quality bananas. As the Executive Banana Production Manager of Agrícola Sara Palma, S.A. in Medellín commented:

I mean what choice did Uniban have at the time? It is an export company. If fruit does not meet the new standards of the market, it can’t do business. It would be forced to close down its operations. The only way forward was to require banana producers to acquire and comply with the Global GAP certification. In this way, Uniban had assurance that its producers were able to meet its clients’ demands in different markets. This also allowed the company to extend its vision of social responsibility throughout the supply chain to build stronger relationships with its banana producers in the region (Personal Interview).

These comments underscore that C.I. Uniban S.A. was not immune to global forces of change. Quite the contrary, it had to adapt to the changing circumstances by accepting the Global GAP standard as a key requirement for its producers. As a farm manager in Urabá pointed out, “we had to become certified in Global GAP to export our fruit. Otherwise, we would not be able to sell our fruit to Uniban because it would not accept it…We saw Global GAP as an opportunity for economic stability and long-term success” (Farm Manager 1, Personal Interview). Another farm manager near the city of Apartadó added that:

There are not enough economic opportunities for us to sell our fruit locally…The only way for us to generate more income was to export with a bigger company with access to global markets. The Global GAP certification has forced us to become better at what we do on our farm. It has forced us to re-evaluate our business practices and it has encouraged a closer relationship with Uniban, especially in terms of technical guidance, financing, and training our workforce (Farm Manager 2, Personal Interview).
Based on these comments, we can see how executives accepted the Global GAP certification standard out of necessity. On one hand, they were forced to do it as an exporter to deal with the demands of the transnational retail sector that could dictate the terms of participation for companies and producers further down the value chain. On the other, it enabled the company to develop and extend its philosophy of social responsibility to its producers in Urabá which helped market its reputation as an inclusive business since it could use the principles associated with Global GAP as marketing evidence of its commitment to social responsibility at the point of production.

Farm management perspectives tended to highlight the advantages of Global GAP related to standardization and the streamlining of the production process. Multiple farm managers noted that Global GAP had brought about better management/worker relations since everyone has to comply with the same norms and pursue common goals. In fact, one farm manager near the municipality of Currulao mentioned that “standardization has enabled us to improve productivity, efficiency, and sustainability on our farm…it has improved the labor process and our integral approach to farm management” (Farm Manager 3, Personal Interview). Another farm manager near the town of Carepa added that “Global GAP makes us better at what we do. It has created change, evolution, and growth…” (Farm Manager 4, Personal Interview). Another manager near Apartadó mentioned that “Global GAP has caused us to be more aware of our management systems, resources, relations with our workers and sustainable agricultural practices” (Farm Manager 5, Personal Interview). Other farm managers shared similar perspectives praising the Global GAP standard for helping to standardize and normalize relationships between management and workers on farms in Urabá by creating a framework of
rules and procedures that everyone had to follow for the collective good. Related to this point, a farm manager near Zungo Embarcadero highlighted that:

Global GAP has improved relations on farms because now we all have common goals. There are clear guidelines and procedures for achieving them. We all want to be as efficient, sustainable, and productive as possible because we want to do good work and help our community thrive. We want to be a success and we want the world to know about the quality of our work (Farm Manager 6, Personal Interview).

Another point farm managers stressed was that a ‘culture of documentation’ had accompanied the implementation of the Global GAP standard shifting priorities and creating new demands for management and workers. There was a clear demarcation of a period ‘before’ Global GAP and a period ‘after’ the standard was adopted and enforced. According to multiple farm managers, the period before acquiring the Global GAP certification, management and production processes were more inefficient and there was a poor understanding of agrochemical inputs being used because this information was either not recorded or recorded inconsistently from farm to farm.

One farm manager near Currulao remarked that:

25 years ago, we did not have advanced systems of documentation. Now, we have to document everything, from a technical analysis of plant and soil samples to our use and storage of pesticides, fungicides…as well as keeping records of our production numbers to ensure we are efficient and meeting our targets throughout the year (Farm Manager 7, Personal Interview).

Through my conversations with workers on various farms across the banana zone, it became evident that they also had internalized the new norms under the Global GAP certification scheme. One worker from the port of Turbo stated that “in the past we wasted resources, we did not write stuff down…Now, it’s different. We have to do that all the time. My manager is always reminding us to do these things…” (Banana Worker 3, Personal Interview). A female worker from the department of Chocó echoed this sentiment stating that “management is constantly telling us to record data, meet quotas, and exercise caution to avoid workplace accidents…”
(Banana Worker 4, Personal Interview). These moments of ‘internalization’ represent how certification schemes, which are products of transnational capitalist and elite projects, create consent and obedience as they intervene and actively shape the material realities for workers at the point of production. These types of comments also underscore how Global GAP was ‘felt in the flesh’, or how it has penetrated the ‘hearts and minds’ of workers as a commonsense approach to managing the socio-economic and environmental parameters of a production process anchored in Urabá.

While most interviewees described these changes associated with a ‘new culture of documentation’ in positive terms, some farm managers expressed their discontent. One farm manager noted that “[Global GAP] created steep learning curves” because it required “banana producers to document, report, and comply meticulously with the demands of the market to export their fruit” (Farm Manager 8, Personal Interview). His comments highlighted the ‘burden of compliance’ some farms endured as they were subjected to constant surveillance and audits under the Global GAP certification scheme. Another farm manager in Apartadó spoke about how Global GAP ushered in an era of “new functions and techniques in labor processes that were never used before in Urabá...[that] drastically altered farm management practices ranging from accounting and reporting processes in computer systems to waste management and drainage systems” (Farm Manager 9, Personal Interview). While his comments made these changes seem like they were welcome developments, they also seemed to suggest an underlying frustration with more tedious work associated with the new normative culture created under this certification scheme. Related to this point, another farm manager expressed his frustration with the overall increase in documentation, data-collection, management and storage, and accounting processes which he equated with “bureaucratic red tape” that bogs everyone down with
paperwork and busy work (Farm Manager 10, Personal Interview). Brown (2012), also questions the sweeping changes and emerging management systems under certification schemes since they “resonate with Western sensibilities” and can be viewed as “burdensome, inappropriate, or even incomprehensible to producers” (20). One of the veiled undercurrents that these types of comments make visible is that Global GAP certification and its faith in information or ‘intelligence’ gathering celebrates data-driven analysis, constant surveillance, and coordination that attempts to normalize management-labor relations on farms, dissolve potential conflicts, and manufacture win-win scenarios. On one hand this subtle, yet powerful maneuver helps to reinforce and strengthen C.I. Uniban S.A.’s public commitment to social responsibility as inclusive business. Under this model management and workers are encouraged to cooperate and comply with the norms and practices stipulated in the Global GAP certification. Deviation from the norms, conflicts and tensions between workers and management, and questioning the status-quo governance structure the Global GAP standard enacts is clearly discouraged. In fact, Global GAP represents a ‘soft form’ of governance that helps manufacture collective consent and environments of obedience so that banana capitalists and elites can deepen their upgrading to compete agenda without significant resistance or alternative perspectives that challenge it. This has been a key way in which C.I. Uniban S.A. has been successful in extending social responsibility at the point of production in Urabá via certification schemes.

While most workers I interviewed seemed to agree with management that Global GAP had helped to create better working conditions on farms, improve the environment, and foster a loose sense of solidarity between the workforce and management, some workers expressed their concerns and frustrations about the nature of work involved in banana production which cannot be surmounted by adhering to an internationally recognized certification standard. For instance,
some workers argued that they must endure difficult work conditions due to the extreme weather in Urabá citing humidity, heat, heavy rains, and draughts. They also mentioned the daily stress associated with constant surveillance from management to meet production quotas and maintain high levels of efficiency. For instance, the female worker from Chocó said “To be honest, this job overwhelms me at times. We really have lots of responsibilities and their [management’s] expectations are high. Sometimes I feel tired, but I have to keep doing my job because I don’t want to lose it. My kids and entire family depend on the income I earn” (Banana Worker 4, Personal Interview). Despite better pay conditions than banana workers in other countries, a strong union environment and a few decades of experience with certification standards, banana workers insisted that conditions on farms remain arduous, and there are little prospects for them to improve their economic condition.

Other concerns from the banana workers I interviewed revolved around long hours, repetitive movements, and exhaustive daily tasks, which did not allow them to spend time with their families or pursue other interests. For instance, a worker from Mutatá commented that “I agree that some things have improved, but we still work long hours in this heat…there is no other job opportunity for us here…no other way for us to earn a decent living and provide for our families…” (Banana Worker 5, Personal Interview). Another worker from Necoclí mentioned that he always wanted to have his own convenience store, but he has to work all the time so he can’t pursue his interests: “there is just not enough time in the day…I work all day, go home, eat, sleep, and repeat…I just feel trapped…” (Banana Worker 6, Personal Interview). A female worker from Apartadó that worked in the packing area of production made a similar remark saying: “I don’t have another way to earn a living…The job is very repetitive and long. I wish I had the chance to spend more time with my kids and husband” (Banana Worker 7, Personal
Interview). These types of comments demonstrate that, despite the benefits associated with the Global GAP certification standard, there were unsatisfied workers who were frustrated with the labor conditions and options available to them on Agrícola Sara Palma S.A. farms.

IV. ASSESSING FAIRTRADE IN THE BANANA ZONE IN URABÁ: THE PROS AND CONS

The other important certification standard that C.I. Uniban S.A. and Turbana have deployed at the point of production in Urabá is Fairtrade which has exploded in popularity as a way to promote social responsibility and sustainability. Fairtrade is a certification standard that brings together producers, companies, consumers, activists, and organizations with the idea of putting people and the planet before profits to promote fairer trading conditions and sustainable livelihoods. It dovetails quite nicely with the C.I. Uniban S.A.’s transition into an inclusive business in the twenty-first century. This certification standard focuses on income stability via a social premium and empowerment of farmers and workers; it promotes individual and community well-being and environmental stewardship; it works with pre-existing corporate standards; it sets social, economic and environmental standards; and it certifies products and services via the Fairtrade label. Table 18 below provides a brief overview of the key characteristics associated with Fairtrade.

Table 18: Fairtrade

- The Fairtrade Foundation was created in 1992.
- Fairtrade Labelling Organization International (FLO) was founded in 1997. Today it is known as Fairtrade International and is the parent body of all national Fairtrade organizations.
- Fairtrade International is a non-profit, multi-stakeholder association of 22 member organizations – three producer networks and 19 national Fairtrade organizations.
- Fairtrade International coordinates activities for its member organizations and owns the FAIRTRADE Mark, a registered trademark of Fairtrade that appears on more than 30,000 products.
- Fairtrade International works to share the benefits of trade more equally – through standards, certification, producer support, programs and advocacy.

- It supports and represents producers, builds (regional) markets and implements projects with exporters/importers.

- It advises businesses and deals with licensing of the FAIRTRADE Marks.

- It is involved in advocacy and dialogue with civil society.

- It has an independent certifier and auditor of Fairtrade called FLOCERT.

Source: Adapted by author from https://www.fairtrade.org.uk/What-is-Fairtrade/What-Fairtrade-does FairTrade Foundation and https://www.fairtrade.net/about/fairtrade-international.

As mentioned above, Fairtrade has provided an excellent opportunity for C.I. Uniban S.A. to deepen its commitment to its new model of CSR based on inclusive business with its banana producers in Urabá. According to C.I. Uniban S.A.’s website “Urabá’s Fairtrade fruit comes from 25 certified farms and 2 small-scale producers’ cooperatives”.

In fact, the Fairtrade banana market in Urabá has witnessed unprecedented growth since 2004 when the company first began to encourage its local producers in the region to acquire the certification to export and market their bananas under the Turbana label (Brown, 2013). This remarkable growth has been fueled by socially and environmentally conscious consumers in North American and European markets that have turned to Fairtrade bananas to support ethically sourced products and social conditions on farms where they are produced. From 2004 to 2017, Turbana became the world’s largest exporter of Fairtrade bananas and the premiere supplier of Fairtrade bananas to powerful retailers and distributors (i.e. Whole Foods Market, Safeway, Kroger, Stop and Shop, among others) in the United States. This unprecedented success has funneled in revenue to Fairtrade certified farms in Urabá via the social premium which has been used to make improvements in
community infrastructure, education, and social programs (CEO of Turbana, Personal Interview). ¹²

C.I. Uniban S.A. and its marketing subsidiary Turbana also have worked with large- and small-scale banana producers in Urabá not associated with Agrícola Sara Palma S.A. to acquire the Fairtrade certification, which has helped solidified its commitment to improving the livelihoods of banana workers in the region (CEO of Turbana, Personal Interview). One of the most noteworthy advantages of Fairtrade is that it has provided banana producers access to a highly lucrative global banana market that continues to grow. For instance, according to *Perishable News*:

Fair Trade is one of the fastest growing segments in the produce industry today. Over 71.5 million pounds of Fair Trade fresh fruit and vegetables were imported [to the United States] in 2011, which is a 40% increase from 2010...And the increase in buying activity yields more sustainability and growth in the farming regions across the world.¹³

This unprecedented growth in the Fairtrade banana market has continued at an impressive rate. In fact, the most recent report from Fairtrade International (2019) points out that 90 percent of Fairtrade bananas come from Latin America and the Caribbean; there are 173 producer associations representing 25 thousand farmers and workers in 18 countries; and banana producers have received 31.3 million euros in the Fairtrade premium. According to the same report, Colombia has received over 6.5 million euros of the Fairtrade premium and it has 42 producer organizations, 435 farmers, and over five thousand workers that operate under the Fairtrade certification standard (Fairtrade International, 2019). Even in 2012 when I spoke with Turbana executives in Medellín, they were excited about the opportunities associated with Fairtrade from a marketing perspective and from the vantage point of producers in Urabá. They caste Fairtrade as a ‘win-win’ scenario for the company and their producers and local
communities in the banana zone. Even some scholars of Fairtrade bananas have also underscored the advantages associated with this certification standard. For instance, Brown (2012) writes that:

Fairtrade’s emergence in Urabá can be viewed as a successful effort to improve conditions for workers on certified farms…[it has] brought in new resources for worker and community needs, training to improve labor and environmental management systems, and more stable market access for some growers. The region has experienced strong growth in Fairtrade exports over the past decade, bringing in new buyers from both the US and European markets and bolstering its image as a site of ethical banana production (124).

According to Turbana leadership, one of the hallmarks of the Fairtrade certification in Urabá is that it enabled the company to deepen its commitment to social responsibility, particularly related to inclusive business. The CEO of Turbana remarked that:

our Fairtrade premium bananas come from around 30 Uniban-operated farms in Urabá. By choosing to adopt the Fairtrade label and work with these producers, we are committed to building our approach to social responsibility and inclusive business. These partnerships are examples of our firm belief in food safety, product quality, environmental sustainability, and favorable labor conditions and wages for our banana producers that harvest these crops. Fairtrade has added value to our company and our communities in the banana zone and we are proud of the legacy we are building together (Personal Interview, my emphasis).

Other comments from Turbana executives also underscored how important the Fairtrade certification has been for business and the company’s overall ability ‘to plant seeds of hope’ in the banana zone. The CEO of Turbana pointed out that “Turbana is the largest Fairtrade certified banana producer and exporter in the world…we were Fairtrade before Fairtrade existed” (Personal Interview). This comment coincides with information from sources like Perishable News that state “Turbana and Uniban have utilized fair trade practices, even before certification existed, to provide financial and technical support, safe working conditions, economic development, education, fair prices and a better quality of life for their farmers”.14 Total contributions to the social premium that makes investments in health and sustainability projects, education, housing, loans, infrastructure, and cultural, sporting, and recreational activities total in
the millions (3.8 million in 2011 alone). Based on the interviews I did with Turbana executives at the corporate headquarters in Medellín and evidence from other sources, it seemed evident that Turbana executives considered themselves ‘pioneers’ in the Fairtrade banana market in Colombia.

In an online article from *Perishable News*, there is an excerpt of an interview where Marion Tabard, Turbana’s Marketing Director in Coral Gables, Florida, explains how consumption of Fairtrade bananas in the U.S. market has had direct material impacts on communities in the banana zone in Urabá. In the piece, he explained that:

> Just sixty-nine boxes of Fair Trade Certified bananas sold in an American supermarket allow one child from a poor family to receive an education at a local school. Think how many lives that truly changes…Now we’re at a turning point in the industry where consumers are educated in Fair Trade and want to invest in Fair Trade products. They care about social and corporate responsibility and want the companies they buy from to share the same values.

Providing value for producers, workers, and communities in the banana zone while boosting their bottom line by moving into the niche market of Fairtrade products is a clear example of how Turbana has built its model of social responsibility around inclusive business and shared value in the Colombian banana industry. But, this does not mean that there are not “contradictions and limits to how Fairtrade actually plays out” in Urabá which can make benefits “unstable, transitory, and uneven” (Brown, 2012, 111). In his study “In or Against the Market”, Schmelzer (2006) ponders whether Fairtrade is a neoliberal solution to market failures or a practical challenge to neoliberal trade and the free market system. He concludes that the Fairtrade system involves complexities, ambiguities, struggles, negotiation, and contradictions writing that:

> Rather than being either ‘in or against’ the market Fair Trade can be analyzed as a complex and multilayered process of social defense against destructive effects of unrestricted market. But this process, since it is part of capitalist development, is a site of
contestation, conflict and negotiation between different actors with different and partly opposing interests (Schmelzer, 2006, 46).

Instead of describing these complications and struggles encountered along the way with Fairtrade certified farms in Urabá, C.I. Uniban S.A. and Turbana executives tended to stress the positive developments and accolades Fairtrade has brought to the company and industry. While this was not entirely surprising, I found that their hesitancy to delve into touchy issues related to Fairtrade (and other topics) was reflective of the more general stance adopted by corporate leadership to re-route discussions away from problems, conflict, and the past and towards more positive, uplifting conversations and visions about the present and future of the banana industry and Urabá. The association between certification standards and ‘good business practices’ that executives suggested in their comments clearly showed their interest in de-linking the Uniban/Turbana name, brand, image, and reputation from the race to the bottom. Their comments also indicated that they envisioned themselves at the helm of an urgent mission to rewrite a more uplifting, progressive developmental narrative about banana production in Urabá. Thus, sidestepping sensitive issues has served as a tactic of banana capitalists to protect their reputation, image, and brand. Furthermore, these ‘acts of omission’ represent moments of ‘structuration’ and ‘social repair’ (Sum and Jessop, 2013) whereby corporate leaders reduce complexity in order to ‘filter out’ elements that can disrupt hegemonic commonsense and lead to revolutionary transformations and alternative visions, projects and agendas. These tactics are crucial moments that contribute to the reproduction of class power and dominance.

While the comments above underscore the complexities, ambiguities and contradictions of a ‘contested’ Fairtrade model, there also remain questions about the viability of Fairtrade in Urabá as a voluntary, private initiative with ties to the market (Brown, 2012). In particular, there are concerns about the long-term shelf-life of the Fairtrade model in Urabá since private sources
of funding are being used to ameliorate social, economic, and environmental problems for workers and local communities. Under this model, the market is utilized as an outlet to confront structural problems plaguing the industry. But, what happens when this apparently well-oiled machine comes to a screeching halt due to future crises and disruptions? For instance, what will happen if armed conflict breaks out again in Urabá? What will happen if global consumption habits of Fairtrade bananas change precipitously? What will happen if more and more producers in Urabá acquire the Fairtrade certification and make it more mainstream? What will happen if a plague or disease wipes out Fairtrade banana crops? These are just a few questions that reveal the fragility of the Fairtrade model in Urabá. Just because Fairtrade has brought much needed revenue, support, and resources to workers and communities in the banana zone, does not mean this scenario will continue down the road, especially considering that it is a ‘contested system’ among companies, producers, organizations, and institutions with different interests and agendas. Farms can lose their certification or be bought out, C.I. Uniban S.A. may decide to seek out other suppliers, global consumption patterns of Fairtrade products may shift abruptly, economic recessions or depressions can hit the industry, and extreme climatic changes or diseases could wipe out Fairtrade crops. Power disparities, marginality, exclusion, and conflicts will continue to exist whether Fairtrade exists in Urabá or not. So, my contention is that Fairtrade should not be masqueraded as the solution to the underlying structural problems in the banana zone.

Another problem in the Fairtrade model in Urabá has to do with the size of farms that are coming onboard with the certification and the intense levels of competition this has created (Brown, 2012). As more large-scale industrial farms have become certified, smaller farms have found themselves in a precarious position. There is a real danger, or ‘crowding out effect’ for these farms since they have less capital and technology to compete for a finite number of
certification opportunities. This was also a trend that Turbana executives brought up during interviews in Medellín. For example, the Executive Sales and Supply Manager stated that “we have worked with small farms to acquire the Fairtrade certification, but larger farms have expressed interest in becoming Fairtrade certified partners with us...we will evaluate the merits of each farm and decide who we will work with…” (Personal Interview).

An important related consequence of this scenario is that there is pressure on smaller farms to ‘jump on the bandwagon’ even if they are not fully capable (financially or technologically) to deal with start-up costs and/or ongoing compliance related issues with the standard (Brown, 2012). This type of situation may lead to further dependency on lead firms in the chain to generate ‘positive spillover effects’ for these producers. For instance, one farm manager near Apartadó explained that he was interested in obtaining the Fairtrade designation, but could not do so because of the ongoing costs associated with the Global GAP certification and the technical upgrades he had to make on his farm related to compliance (Farm Manager 11, Personal Interview). Other farm managers noted that it was difficult to compete with larger farms in the region with more resources. Brown (2012, 2013) underscores that these types of scenarios that exacerbate competition between certified farms and non-certified farms are thorny issues that the Fairtrade model has proven unable to resolve. Her research claims that there are tensions between the Fairtrade model being implemented on farms in Urabá and the trade union model of negotiation in the Colombian banana industry regarding the claims that workers make in terms of benefits and wages. Based on my conversations with farmers in the region, this scenario is indicative of a larger trend where lack of capital and technology represent real barriers of entry for some farms to dive into the Fairtrade scene.
A final point is that the Fairtrade movement has utilized a compelling narrative centered on notions of fairness, transparency, dialogue, and sustainability to give the impression that there are alternatives to savage and reckless capitalist accumulation processes. Initially, the Fairtrade movement emerged as an alternative to challenge free trade and pave the way for better economic, social, and environmental conditions in the banana zone. It did this by “focusing on solidarity and the well-being of producers and rejecting classical economic notions of competition, the self-regulation of the market and sometimes even employing anti-capitalist rhetoric” (Schmelzer, 2006, 3). This philosophy and message have struck a chord with workers and communities in Urabá because they give them ‘hope’ that things can be different, that there are alternatives, and that lives can be changed for the better. Through its promotion of a green and ethical form of capitalism, Fairtrade has also dovetailed quite nicely with C.I. Uniban S.A., Turbana, and Fundauniban’s commitment to social responsibility and inclusive business in the banana zone in Urabá. However, as Fairtrade has become ‘commonsense’, questions of power and how dominant social classes reproduce their hegemony have faded into oblivion. Based on my experiences in Colombia, it is clear that this certification standard is an essential ingredient in the upgrading to compete and inclusive business toolkit of C.I. Uniban S.A. and Turbana, but it has clear limitations as a private, voluntary, market-based model.

V. EXPLORING THE ‘LINKING UP’ HYPOTHESIS

Certification standards require tighter coordination and cooperation between lead firms and producers. A key question related to Global GAP (and Fairtrade) certifications has to do with whether ‘linking up’ with lead firms in value chains promotes economic and social upgrading. While the literature reveals that both upgrading and downgrading scenarios are possible, research supporting the ‘linking up’ hypothesis has pointed to ‘positive spillover effects’ that producers
(or suppliers) can enjoy by establishing close business partnerships and collaborations with lead firms in a particular value chain. The basic idea is that smaller producers and suppliers ‘link up’ or establish arms-length relationships with larger, more powerful lead firms in industries to drive economic and social upgrading processes. The assumption is that these close business linkages can expose producers and suppliers to ‘spillover effects’ to break out of poverty and unleash their full potential. The assumption is that without these close business ties, producers would not have ‘market access’ nor the financial and technical expertise and resources to run successful businesses.

The ‘spillover effects’ from working with C.I. Uniban S.A. and Turbana were identified by several farm managers I interviewed in Urabá. For them, having well-trained and highly-skilled workforces was critical to ensure that production and export processes run smoothly. For example, one manager mentioned that “standards stimulate a constant environment of learning for management and workers…There are, of course, challenges along the way for everyone, but they help us all improve our skills…” (Farm Manager 1, Personal Interview). It was particularly important for this manager that workers understood their specific role in the overall functioning of the farm since each labor task involved in the production process requires specific skill sets and knowledge. Other comments from managers emphasized the advantages of having a close relationship with C.I. Uniban S.A. One manager in Apartadó pointed out that “certified farms can receive favorable prices from the buyer [the lead firm] since the supply is consistently reliable and of high quality” (Farm Manager 9, Personal Interview). A farm manager near Currelao mentioned that a close relationship with C.I. Uniban S.A. has translated into “better access to credit to purchase agrochemical inputs” needed in the production process (Farm Manager 7, Personal Interview). Another manager on a farm near Chigorodó echoed these
comments stating that “we have better access to consulting, financial, technical and other support services and resources that would be out of our reach if we tried to conduct business on our own” (Farm Manager 12, Personal Interview). Another manager added that “the access and close relationship we have with Uniban has allowed us to improve our productivity, become more sustainable, and increase the consistency of quality of the products we produce” (Farm Manager 4, Personal Interview). These types of comments suggest that without this close vertical integration and coordination structure in the company’s value chain made possible by the adoption and implementation of standards, producers would lack the expertise and capital to develop their businesses and become integrated into the global banana trade. In this regard, ‘linking up’ was viewed by farm managers in a positive light.

However, there is another side to the issue that foregrounds tensions with this hypothesis. I contend that Global GAP and Fairtrade certification standards and the close relationships and vertical integration structures they require also lock banana producers into ‘captive’ and highly dependent business relationships with C.I. Uniban S.A. in the value chain. While there was certainly evidence that ‘linking up’ with C.I. Uniban S.A. had positive effects on farm management and workforce and skills development, these ‘gains’ might not necessarily translate into long-term economic and social upgrading opportunities for banana producers. Downgrading, marginalization, exclusion, and expulsion are also possible given that crises, disruptions, and downturns are all part and parcel of the banana business (Gibbon and Ponte, 2005). Based on my conversations with management, it seemed highly unlikely that producers or workers could break out of their narrowly-defined roles in the production segment of the value chain due to its rigidity and hierarchical governance structure. For instance, some banana workers explained that it was virtually impossible to be promoted to managerial positions even with significant work
experience and knowledge of the production process. There were also few, if any, ways for farms to leapfrog into the more lucrative segments of the banana value chain like ripening, marketing or retail, or to move into other industries like palm oil where profit margins might be higher due to value-added potential. While association with lead firms and adherence to international certification standards can provide banana producers in Urabá with access to global markets and short-term upgrading opportunities, these relationships also create a web of dependency and obedience to a transnational and elite governance structure in the banana trade that traps producers and workers into roles that help support corporate interests. Hough (2012) has argued that the structural crisis in the banana trade appears to be the ‘death spell’ for banana producers and workers since their employment depends on their capacity to continue to provide labor at very low costs to banana capitalists, to assume the risks associated with production, and to operate within a global governance framework dominated by (trans)national capitalist and elite interests. Hough (2012) writes that:

…the new vertically-disintegrated, global structure of banana production, and the race to the bottom dynamic it engenders, appears to be the death spell of banana workers in terms of their welfare, well-being, and potential to mount durable resistance to banana capitalist control (245).

As Hough’s comments make clear, the wheels of capitalism are still at work behind the scenes despite claims that certification standards have contributed to conditions and opportunities for economic and social upgrading to take place. In fact, the drive to upgrade to compete has never stopped functioning even while social responsibility has been extended to the point of production via certification schemes. Global GAP and Fairtrade emerged in the banana zone in Urabá as the perfect solution for banana capitalists that were dealing with the legacy of the race to the bottom. As this chapter has shown, these certification standards provided C.I. Uniban S.A. an additional opportunity to extend its vision of social responsibility to its farms in Urabá via close business
linkages. Through these arms-lengths relationships the company and farm managers stressed that collaboration, sustainability, social cohesion and teamwork for the collective good were key for moving the industry forward instead of conflict and tensions that had characterized past relationships during the height of the race to the bottom. These standards also enabled banana producers and workers in Urabá to acquire the knowledge, skills, capital, and resources to improve their productivity and efficiency with the labor processes required for banana production and export. However, at the same time, certification standards allowed hierarchical power structures to remain intact and enabled C.I. Uniban S.A. to pursue its upgrading to compete strategy centered on extending social responsibility to banana plantations without any significant resistance or threat. This is an issue that I continue to explore in the next section of chapter.

VI. CERTIFICATION STANDARDS UNDER THE LENS OF CULTURAL POLITICAL ECONOMY: GOVERNANCE AND THE PRODUCTION OF HEGEMONY

While I acknowledge Global GAP and Fairtrade represent novel ways to extend social responsibility to the point of production and out to local communities, I also want to make the case that these certification standards provide banana capitalists and elites with a means to ‘govern’ the production and export processes that enables them to pursue their upgrading to compete agenda and reproduce their hegemony as the dominant bloc of power in the banana zone in Urabá. Under the new model of CSR in the banana zone in Urabá, governance is not about overt domination or a strong-handed, coercive approach as it was during capitalist/labor flareups from the 1960s to the 1980s, but rather about a concealed “desire to govern at a distance …creating subjects who do not need to be governed by others, but will govern themselves, master themselves, care for themselves” (Vallentin and Murillo, 2009, 14). The desired result of this indirect approach to governance is the “empowerment, individuation, or responsibilization of
subjects” (Valentin and Murillo, 2009, 14) that has become normalized under neoliberalism in Colombia. What is also quite unique about this neoliberal form of governing is that it is directly tied to a ‘strategic vision of CSR’ that is focused on competitiveness that preaches that ‘shared’ value should be the principal aim of the private sector (Valentin and Murillo, 2009, 14-15). By emphasizing ‘shared’ value, it becomes possible for the private sector to team up with industry stakeholders, NGOs, civil society actors, government institutions, and transnational organizations and companies to manufacture consent about ‘governance’ under the guise of certification standards and other projects and initiatives related to social responsibility.

Connecting certification standards to questions of governance is important on a semiotic level as well since they are conveyed through professionalized language that seeks to establish rules, procedures, guidelines, policies, and practices which set up the ‘rules of the game’. Moreover, they also put forward particular ways of handling economic, social, and environmental issues at the point of production and provide a mechanism by which companies, producers, and workers must comply. However, the language encapsulated in certification standards are far from neutral. Quite the contrary, they are highly political in the sense they represent the interests of particular organizations, institutions, and people that become codified into norms and regulations, or ‘naturalized’ as commonsense approaches to managing the complexities of production and export processes in the banana industry. For this reason, certification standards and the norms and practices they support actively intervene in the lives of banana producers in Urabá who must bear the weight of standards through hefty compliance fees, ongoing audits, new management procedures, stringent rules, increased competition with other producers, and rigorous surveillance that guarantees obedience, productivity and efficiency and discourages dissent and conflicts with other workers and management.
While it may be true that certification standards regularize responsibility, transparency, accountability, and traceability in value chains and streamline the coordination of activities and distribution of responsibilities among enterprises and other chain participants, they also set up a hierarchical system whereby expertise, knowledge, and power to extract value and control production and export processes reside in the hands of capitalists and elites. The seductive ‘promises’ encapsulated in certification standards as extensions of CSR agendas exude a ‘language of expertise’ that appears disinterested, politically unengaged, and compelling in terms of its solutions to economic, social, and environmental issues at the point of production. Nevertheless, it is essential to bear in mind that standards are part of transnational capitalist and elite projects centered on social responsibility, fair trade, and a sanitized green and ethical form of inclusive capitalism.

As this chapter has argued, Global GAP and Fairtrade have become sedimented and normalized as commonsense extensions of social responsibility at the point of production in Urabá which has translated into complacency from executives, farm managers and workers to scrutinize and question them from more critical perspectives. As these insider perspectives will show, certification standards are viewed largely as opportunities to enable economic and social upgrading processes and to embrace a ‘collective facelift’ that positions Urabá as the mecca of ethical banana production on its way to becoming a ‘post-conflict’ society. The problem with these insider views is that they assume that integration into transnational circuits of capital through participation in the neoliberal banana trade is their only viable pathway to success. These perspectives do not consider how dominant social groups (i.e. banana capitalists and elites in the case of this study) utilize certification standards to further their interests and agendas. My contention is that through these soft techniques of governance C.I. Uniban S.A. has successfully
manufactured consent (Herman and Chomsky, 2001) among its producers and workers without having to rely on coercive, combative, and overtly violent techniques to control labor at the point of production.

In fact, the Global GAP certification places lead firms like C.I. Uniban S.A. in powerful positions in the banana value chain since producers downstream in the production segment must adopt and comply with its norms in order to export their fruit. This governance scenario places banana producers on a precarious precipice, either they agree to the conditions stipulated under this certification scheme or they risk being marginalized and excluded from transnational circuits of capital. Given these two options, producers in Urabá are caught up in a hierarchical transnational banana governance regime that claims to support their businesses and livelihoods, but that limits their potential to move out of basic production into more profitable segments of the value chain. This inability of producers to break out of their narrowly defined role in production is a severe constraint that inhibits their progress, growth, and ability to take on more important economic roles with potentially better wages, benefits, and conditions. The only option under the current governance model is for banana producers and workers to continue to provide their labor to capitalists who continue to exploit the region’s natural resources through large-scale mono-crop industrial agriculture.

Certification standards also represent clear evidence of how experts and leaders within companies, organizations and institutions in the global economy exert their leadership and produce, consolidate and reproduce their hegemony. For instance, Sum (2004) explains that such groups:

participate in framing, co-constructing, negotiating, translating and moulding disconnected ‘common-sense’ into ‘good sense’ and ‘collective will’ for wider public dissemination and consumption [thereby limiting the] number of choices for public response from which the public then forms an opinion” (n.p.).18

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Manufacturing allegiance through emotional appeals to personal and collective forms of well-being and discouraging acts of dissent along with tactics of resistance or alternatives to class-based projects are crucial moments in the production of hegemony, or “the processes and mechanisms in and through which ‘political, intellectual, and moral leadership’ is secured in and across the differentiated and dispersed organizations and institutions” (Sum, 2004, n.p.).

Sidestepping these concerns is a glaring misnomer. For this reason, this chapter contends that banana capitalists and elites in Urabá and the Colombian banana industry have been able to exert their leadership at the point of production through seductive appeals and strategies linked to social responsibility via international certification standards. My research shows that banana executives and upper-tier management have successfully convinced producers and workers on farms that social responsibility in the guise of certification standards, fair trade, and sustainability are the pathways forward for a prosperous Urabá. By putting this seductive vision and agenda in motion in a region longing for peace and transitioning to a ‘post-conflict’ society, banana capitalists have struck a chord of solidarity with these groups, giving the impression that the ‘collective good’ is the missing ingredient capable of shedding a violent past and planting ‘seeds of hope’ for a brighter tomorrow.

While there is certainly merit to overcoming a long legacy of violence and explosive capitalist/labor relations, this type of maneuver also conceals how power and the interests of dominant classes operate under the radar. For instance, the fact that banana companies like C.I. Uniban S.A. and Turbana occupy powerful positions as lead firms in the banana value chain sidesteps discussions about how corporations extract value from chains and how they control labor processes involved in production and export. These are issues that can be foregrounded by connecting certification standards to the critical literature on cultural political economy.
VII. CONCLUSION

This chapter has presented the opportunities, limitations, and consequences associated with the deployment of CSR in the banana zone in Urabá by bringing in the voices and experiences of high-ranking executives and upper-tier managers in Medellín and Urabá as well as banana producers and workers on Agrícola Sara Palma S.A. farms and members of local communities. The first part of the chapter analyzed the opportunities and challenges associated with Global GAP and Fairtrade certification standards. My fieldwork revealed that these standards were embraced by most executives and managers as an ‘opportunity’ to extend social responsibility to the point of production and to continue to develop their new model of CSR based on inclusive business. Moreover, these standards afforded C.I. Uniban S.A. and Turbana opportunities to engage in peacebuilding efforts by creating a general sense of solidarity and social cohesion among management and workers. This did not mean that there was not tension and discontent on farms, but this ‘we are all in it together’ approach helped to quell potential conflicts, focus efforts on productivity, quality, safety, efficiency and sustainability in the production process, and market a rebranded image of Urabá as an ethical site of banana production to the world. The adoption and implementation of these standards at the farm level in Urabá also brought about many benefits for banana producers. For instance, they were able to gain better access to financing, consulting, technical services, to take part in trainings to upgrade their skills, knowledge and capabilities, and to learn about sustainable agricultural practices and best business practices. Executives and managers on farms described these features as the primary advantages associated with standards.

Advantages notwithstanding, there were also consequences, challenges, and limits associated with the new era of social responsibility around certification standards. While the
evidence presented in this chapter showed that standards did, in part, pave the way for economic and social upgrading to occur via ‘spillover effects’ generated from producers’ close relationships with C.I Uniban S.A. and Turbana, it also highlighted how they set in motion a particular governance structure whereby lead firms could capture and monopolize the high-value added segments of the banana chain like ripening, marketing, and retail while leaving banana producers in Urabá caught in a Catch-22. With few viable options for employment, producers have been backed into a corner where they had to choose to adopt Global GAP (Fairtrade was voluntary) along with all the learning curves, ongoing expenses, time, and effort that entailed, or risk being marginalized and excluded from the market. While standards like Global GAP and Fairtrade appeal to many global stakeholders and can spur on positive developments, they fail to remedy the structural inequalities that arise from global capitalism. By working behind the façade of certification standards and offloading production duties onto local producers, lead firms have positioned themselves as key experts and decision-makers in the chain, giving them the ability to call the shots. While they are susceptible to the demands of other powerful actors in the global economy (i.e. transnational retailers), C.I. Uniban S.A. and Turbana can extract value in the chain and maintain control over their banana producers through the utilization of standards. In this sense, the chapter made the case that Global GAP and Fairtrade represent partial, but insufficient solutions to the problems facing the banana zone in Urabá.
Notes

1 See, for instance, Creticos, et al., 2009; Gereffi, 2005; Gereffi, et.al., 2013; Gereffi, et.al., 2011; Fernandez Stark, et.al., 2011; Humphrey and Schmitz, 2002b, and McPherson and Fawcett, 2009.

2 Brown (2012) explains that “Sintrainagro represents the vast majority (95 percent) of Urabá’s 17,600 banana workers. Industry-wide labor-management bargaining means that virtually all workers on the 344 registered banana plantations in the region are represented by one collective contract, giving workers a fair amount of power in negotiations. As a result, workers receive better pay than their non-unionized counterparts, albeit still low considering that the work is arduous and regimented” (117).


4 Brown (2013) writes that “union density, in turn, bolstered labor’s collective bargaining power, allowing workers to achieve key demands, such as an eight-hour workday, establishment of labor courts to oversee violations, and an increase in average wages” between 1978 and 1987 (2579).

5 See https://www.globalgap.org/uk_en/what-we-do/.


7 See https://www.globalgap.org/uk_en/.

8 Agrícola Sara Palma S.A. is C.I. Uniban S.A.’s affiliate that oversees banana production in Urabá. All of their farms also were certified in Rainforest Alliance which is an international non-profit organization that targets issues related to climate change, conservation, biodiversity, human rights, and sustainable livelihoods by advocating and transforming land-use practices,
business practices, and consumer behavior. Its label represents a mark of sustainability and is intended to make responsible business practices the ‘new normal’ in the global economy. See https://www.rainforest-alliance.org/about.


12 It is important to note that the Agrícola Sara Palma S.A. farms I visited in Urabá were not Fairtrade certified. However, Fairtrade had been adopted on other farms in the banana zone. For this reason, it became a major topic of discussion in interviews with C.I. Uniban S.A. and Turbana executives, especially in relation to social responsibility and economic and social upgrading.


17 Spillover effects may refer to knowledge transfer (technical advice), access to credit, improved revenues and profits, and possibly higher wages, benefits, and better employment
conditions for workers. For more information about these types of upgrading and spillover effects, see Pietrobelli and Rabellotti (2006b).

18 Sum (2004) also addresses what she calls the *hegemony of production* that points to “the relative dominance of a production order or accumulation regime (e.g. Fordism) within the overall structure of a global social formation and to the mechanisms that secure and reproduce this relative dominance” (n.p).

19 Sum (2009) argues for a blending of neo-Gramscian and neo-Foucauldian scholarship in CPE to analyze the dialectical relationship between macro- and micro-modes of power in relation to governance and the production of hegemonies.
CHAPTER 7: CSR AS INCLUSIVE BUSINESS IN THE BANANA ZONE IN URABÁ?

I. INTRODUCTION

This dissertation has attempted to lay out how social responsibility has shaped (and been shaped by) business and societal relations in the Colombian banana industry in Urabá from 1987 to 2017 by focusing on C.I. Uniban S.A., Turbana, and Fundauniban. To achieve this objective the dissertation approached social responsibility from the lens of cultural political economy and weaved in insights from fieldwork conducted in Colombia in August of 2012 as well as archival information and secondary literature sources from various academic disciplines and bodies of critical theory. Based on this theoretical and methodological approach, the dissertation analyzed CSR, in both discursive and material terms, i.e. as sets of concrete discourses and real-world practices that, when deployed, intervene and affect relationships between businesses and social actors in the banana zone in Urabá. By presenting executive and managerial accounts of these dynamics, the dissertation showed how these actors made sense of CSR, or how they actively constructed, negotiated and modified what social responsibility meant at different points of time (Christensen and Cheney, 2011, 491). Furthermore, the dissertation also utilized the lens of CPE to foreground political issues related to governance and power and how banana capitalists and elites have utilized social responsibility to ‘(re)produce’ their hegemony and consolidate their power and authority in the banana zone in Urabá in the twenty-first century. The dissertation was framed around the following three primary sets of questions:

1) What factors and events led to the emergence and dominance of CSR from 1987 to 2017?

2) What impact did CSR have on C.I. Uniban S.A.’s ability to upgrade to compete?
3) How did C.I. Uniban S.A. and Fundauniban’s approach to CSR change between 1987 and 2017? What opportunities and challenges did this pose for banana producers, workers and local communities in the banana zone in Urabá?

The first section of this conclusion reviews my argument in the dissertation about how CSR went from a short-term way to manage the race to the bottom to a long-term crisis resolution strategy which has clearly benefitted banana capitalists and elites. The second section identifies the weaknesses of the new model of CSR in Urabá and summarizes my conclusions. The final section poses some open-ended questions to encourage future research about CSR, inclusive business, shared value, and peacebuilding.

II. FROM SHORT-TERM ‘CRISIS’ MANAGEMENT TO LONG-TERM ‘CRISIS RESOLUTION’ STRATEGY

Crises generate creative and often unexpected responses. This is illustrated by the way in which fractions of the Colombian private sector have tackled conflict—and its impact on business operations—at the local level. Often criticized for favoring strong hand approaches or for remaining uninvolved in the solution to social problems, a number of business initiatives are leading peacebuilding activities aimed at overcoming the perceived sources of conflict, or, at least, mitigating the negative impact, in several Colombian municipalities.

-Angelika Rettberg, Universidad de los Andes, 2004, 1.

With these words Angelika Rettberg, a professor from the Universidad de los Andes in Bogotá, Colombia begins her study about business-led peacebuilding in Colombia. In her title she poses the question “Fad or Future of a Country in Crisis?” which invites continued debate and open-ended questions about peacebuilding efforts involving businesses in Colombian society. Drawing from her rich analysis of the dynamic of private sector involvement in the peace process and conflict in Colombia, I also pose a question in the title of my conclusion to this dissertation. My reason for including a question mark is also to suggest that the whole idea of CSR centered on inclusive business, shared value and peacebuilding in Urabá is open to debate. There are certainly solid reasons presented throughout the dissertation that support the
notion that C.I. Uniban S.A. is a socially responsible company dedicated to these ideals. Yet, there are also strong reasons to question its commitment as well as justify why CSR or any of its variants like inclusive business or shared value are bogus, ingenuine, and never capable of truly bringing about transformative change. Setting up the conclusion in this way suggests that CSR is a complex socio-economic phenomenon in need of further research.

The quote above speaks of crises that illicit creative and often unexpected responses. One of the best ways to understand crises is to explore how the private sector has become involved in violent conflict zones and regions that are transitioning to ‘post-conflict’ societies. As Rettberg (2004) explains, Colombian companies are often chastised about their ‘strong-handed’ tactics and lack of involvement in supporting peacebuilding efforts and de-escalating potential sources of conflict. However, she also points out that such arguments only represent part of the story since they fail to show how Colombian companies are directly dealing with crises in conflict zones. In Urabá, CSR deployed via certification standards and corporate social foundations are direct ways that the private sector along with other actors have teamed up to confront the problems associated with the race to the bottom. Through these experiences banana companies, like C.I. Uniban S.A., have used conflicts to rebrand themselves, particularly in terms of their commitment to social responsibility, inclusive business, shared value, and peacebuilding. While my initial concerns as I was conducting fieldwork in Colombia in August of 2012 were not specifically about the later three issues, I was aware of the role that violence had played in Colombia in general and in Urabá in particular. After years of learning about the history of the banana industry, reading secondary literature, and reviewing and interpreting my field data, these sources began to tell the story and point me in the direction of the themes I have presented throughout the dissertation. These themes include: 1) upgrading to compete (i.e. economic and
social upgrading), 2) CSR as a short-term response/solution to crisis vs CSR as a long-term, strategic recontextualization around inclusive business, shared value, and peacebuilding, 3) governance, certification standards, and the production of hegemony, and 4) the private sector’s involvement and impact in terms of peacebuilding via the work of corporate social foundations in historical zones of conflict. By bringing together these themes, my motivation was to construct a more complicated account of C.I. Uniban S.A. as the largest and oldest banana company in Colombia, one that would show the opportunities and successes as well as the challenges and limitations it has faced with its banana producers, workers, and local communities in Urabá from 1987 to 2017.

I have argued in this dissertation that ‘crisis’ has played a fundamental role in the Colombian banana industry in Urabá. In chapter 3 I traced the rise and development of the banana industry in Colombia from 1890 to 2017. This background discussion pinpointed historical moments relevant for understanding the development of the banana export zone in Urabá, especially in terms of the shifting power struggles among the United Fruit Company (UFC), domestic banana capitalists, local banana working classes, and the Colombian State. Tracing these dynamics from the 1960s to the 1990s brought the ‘crisis’, known as the race to the bottom, into sharper focus. Sum and Jessop (2013) discuss how individuals, organizations, institutions, and other actors in the global political economy respond to crises. Their research makes the case that crises represent historical moments of disruption, disorientation, complexity, indeterminacy, fear, and opportunity. In such moments social actors must string together tactics, strategies, plans, and agendas to confront crises. They must negotiate and adapt to new ideas and produce fresh agendas that mend broken social relations or introduce radical, game-changing solutions that can be enacted and deployed on a large scale to deal with the underlying causes or
symptoms of the crisis. Since dominant blocs of power seek out opportunities to reproduce their hegemony in these profound moments of tension, disruption and disorientation, some strategies, visions, and agendas rise to the forefront beaconing attention, while others wither away into oblivion. The tensions, conflicts, and violence in Urabá during the race to the bottom produced a ‘consensus’ among key industry stakeholders regarding how to move forward. The name of this new project was social responsibility and it became institutionalized, legitimized, and deployed as a way for banana capitalists and elites to manage the crisis in the neoliberal banana trade. Initially, corporate social foundations filled this role though various projects and initiatives in the region. However, the first decade for Fundauniban was an uphill battle in terms of building trust and disseminating its message of social responsibility in local communities in Urabá due to continued violence and instability. Also, the first decade for the foundation was largely about ‘crisis management’ and acquiring direct experience with local urabeños through candid conversations about their needs and problems. The foundation’s foray into the ‘socio-emotional’ dimension (Leiva, 2008, 2019) of local residents occurred principally through music, dance, sports, recreational activities, and cultural events. Through these ongoing conversations and experiences, along with housing projects and other initiatives Fundauniban gradually developed a more sophisticated long-term, strategic model of CSR that dovetailed into inclusive business, shared value, and peacebuilding. By utilizing a new language of solidarity, conviviality, and collective-being encapsulated in the expression ‘planting/harvesting seeds of hope’, Fundauniban set in motion the conditions around which a ‘new spirit of capitalism’ (Boltanski and Chiapello, 2007) in Urabá based on ‘socially responsible eco-capitalism’ (Žižek, 2009) was erected.

Eventually, social responsibility was also expanded out to the realm of production via certification standards. At the point of production, C.I. Uniban S.A. utilized certification
standards, like Global GAP and Fairtrade, as further proof of its ongoing commitment to this new model of social responsibility. Through these ‘collective-consensual strategies’ C.I. Uniban S.A. and Fundauniban have deployed a particular brand of CSR that has aimed to promote integration, equity, cohesion, collaboration, and consensus-building. This new model also has made efforts to foster democratic and civic values, de-escalate violent encounters, discourage dissention from the ‘norm’, and encourage conflict resolution via peaceful means. Moreover, it has directly impacted banana producers and workers, as well as ex-combatants in the armed conflict, women, children, ethnic groups, displaced people, among other marginal groups. In this sense, the deployment of CSR has had, without a doubt, impressive achievements in terms of its material impact on local residents in the banana zone. Given these circumstances, C.I. Uniban S.A., Turbana, and Fundauniban have planted seeds of hope in a region where hope seemed not to exist.

III. THE LIMITATIONS OF CSR AS INCLUSIVE BUSINESS, SHARED VALUE, AND PEACEBUILDING

While this dissertation has fully acknowledged the advantages of CSR and the benefits it has brought to the banana zone in Urabá, it also points out its limitations and challenges. The next part of this conclusion identifies deficiencies (in no particular order) with the new model of CSR and briefly presents my critical thoughts and interpretations of them. The ideas presented in each section may overlap with each other, which is to be expected given their interrelatedness. It concludes by posing some open-ended questions that hopefully will encourage critical reflection and suggest possible future lines of inquiry for scholars interested in these dynamics.

Upgrading to Compete Continues Unabated Under Neoliberal Capitalism in Colombia

One crack in the model of CSR deployed in the banana zone in Urabá is that it cannot be neatly separated from the upgrading to compete logic that churns the engines of Fundauniban’s
parent firm and enables the (re)production of banana capitalist and elite power. *Upgrading to compete* under neoliberal capitalism continues unabated. Chomsky (2007) reminds us that for years Urabá has proven to be “the ideal neoliberal state”, one that has “relinquished all redistributive attributes, established optimum financial security for corporations, and privatized virtually all of its functions except for repression—although in effect even the military and police have been privatized” (90). In his work *Against the Terror of Neoliberalism: Politics Beyond the Age of Greed*, Giroux (2008) states that the rise of neoliberalism “is not only a system of economic power relations, but also a political project of governing and persuasion intent on producing new forms of subjectivity and particular modes of conduct” (1). In a similar way, one may argue that the model of CSR enacted and deployed by C.I. Uniban S.A., Turbana, and Fundauniban in the banana zone in Urabá is a political project that operates under a neoliberal order in Colombia (see Brown, 2012, 2013). It is *political* because it is anchored to particular interests, agendas, and visions of powerful businesses and organizations in Colombian society. Therefore, the deployment of CSR in Urabá represents subtle, yet powerful ways of “further embedding of capitalist social relations” which enables “a deeper opening up of social life to the dictates of the marketplace” (Hanlon, 2008, 157). While CSR has served the interests of local communities in the banana zone in Urabá, it also plays a central role in supporting C.I. Uniban S.A. as a major player in the global banana trade. By building a strong track record of projects, initiatives, and successful experiences in Urabá, it also helps to bolster the company’s credibility and provides compelling evidence that it is a socially responsible inclusive business committed to creating shared value and contributing to peacebuilding in the region. Moreover, it is important to bear in mind that the pressure to *upgrade to compete* since the late 1980s has resulted in “a commitment to CSR in the face of increased consumer activism” and has become
“a central component of the [Colombian] banana industry’s competitive strategy” (Brown, 2013, 2581). I have argued that the growing awareness and activism centered on governance, transparency, fair trade, human rights, sustainability, and ethical business practices in value chains have forced companies, like C.I. Uniban S.A., to make CSR and corporate social foundations ways to reconnect and engage in dialogues with their stakeholders, shareholders, and clients if they want to remain competitive in the global banana trade. As a consequence of these dynamics CSR has become a marketing and branding tool to convince consumers and other stakeholders that corporate products, services and value chains meet or exceed stringent international demands. As Brown (2013) explains, CSR allows “elites the ability to ‘perform’ CSR while maintaining a favorable business climate, based in neoliberal policy and practice” (2581). Along with neoliberalism, CSR has become institutionalized and normalized within the Colombian banana industry in Urabá through corporate social foundations, organizational and institutional linkages, interpersonal relationships, and other channels (i.e. certification standards). Despite these multi-stakeholder alliances and partnerships, the new model of CSR has not uprooted or drastically transformed corporate power in any meaningful way despite claims to the contrary. CSR, being bound up with corporate interests, suffers a critical flaw, particularly in relation to the language it utilizes to manufacture consent.

Bearing these comments in mind, I argue that the new model of CSR has an ambiguous relationship with the central tenants of global capitalism and the neoliberal status-quo in Colombia (Fleming and Jones, 2013). Competition, competitiveness, economic upgrading, profits, exploitation, power, and surplus extraction are as important as ever. In Colombia, economic and financial imperatives have continued to drive corporate interests, especially under successive neoliberal political administrations. Interestingly, under the cloak of CSR these
economic and financial concerns have been retooled to fit within a so-called ‘new spirit of capitalism’ that claims to be greener and more humane than ever. Shareholder value maximization, value-added products and services, and financial performance, all fundamentally tied to endless capital accumulation processes characteristic of the neoliberal mindset in the global banana trade, never disappeared from corporate boardrooms even as CSR became sedimented in Urabá as commonsense. CSR was part of a banana capitalist project designed to maintain corporate/elite hegemony in the banana zone of Urabá. Approaching CSR critically, one may argue that it provided the perfect smokescreen for executives and managers in C.I. Uniban S.A., Turbana, and Fundauniban to manage the ‘crisis’ in the industry and create the impression of caring more about people and the planet than about fattening their pockets.

Certification Schemes + The Structural Dynamics of the Global Banana Trade = The ‘Death Spell’ of Transformative Change?

As I have argued in this dissertation, certification schemes, particularly Global GAP and Fairtrade, provide significant opportunities and advantages to C.I. Uniban S.A. and its banana producers in Urabá. These rise of certification standards has enabled intermediary banana export and marketing companies to extend social responsibility to the point of production and to govern the banana production and export process. As mentioned earlier in the dissertation, the structure of the global banana industry based on the trend of vertical-disintegration continues to accelerate conditions conducive to fuel the race to the bottom and makes it extremely difficult, if not impossible for banana workers to mount formidable opposition or resistance to capitalist and elite power (Hough, 2012, 245). While Colombia’s banana sector has been touted as one of the most progressive and equitable in terms of labor and environmental upgrades in comparison to other banana producing countries in Latin America, Hough’s observations are instructive on three levels. First, the crux of banana production in Latin America occurs on domestically-owned
and operated plantations that internalize their own production costs (Frundt, 2009, 25; Hough, 2012, 244). Second, contract farming systems are now commonplace and are handled through exporting and marketing firms (Hough, 2012, 244). Third, marketing and exporting firms like C.I. Uniban S.A. monopolize the importation, wholesale, distribution, marketing, and ripening segments (i.e. the higher value-added segments) of the banana value chain and local banana farms are left to assume the costs and risks associated with labor. This last feature represents a form of captive value chain governance, or “enhanced mechanisms of labor control and surplus extraction” that locks producers into contractual relations with ‘lead firms’, keeps production costs down, and forces producers to comply with stringent international export standards or face expulsion from the chain (Frundt, 2009, 3; Hough, 2012, 244).

The extent to which corporations and their social foundations can uphold a new image of the banana industry in Urabá is highly debatable and constantly in flux due to internal constraints related to C.I. Uniban S.A. and external social, economic, and political conditions. Under this new model of CSR marketed as inclusive business, banana producers, workers, and members of local communities are consulted to determine which issues are important, but the power to ‘steer the ship’, so to speak, resides in the hands of the ‘experts’ (i.e. corporations, industry associations, domestic and international institutions and organizations, etc.). These experts are the ones who really ‘call the shots’, defining who will ultimately benefit and who will be excluded. While they make social responsibility seductively sound like a win-win scenario, the realities of the banana zone reveal that marginalization, exclusion, and other forms of inequalities are still alive and well. CSR in the banana zone in Urabá, in this sense, is the epitome of a double-edged sword; it excludes as much as it includes. Someone wins and someone loses.
Spotlighting The Future and Concealing the Past

As this dissertation has shown, a unique feature of CSR in the banana zone in Urabá is that it emerged at the height of leftist resistance in late 1980s and developed in the 1990s within a neoliberal status quo in Colombia and a hot zone of conflict characterized by high levels of paramilitary activity. As the armed conflict subsided and peacebuilding efforts gained traction into the twenty-first century, CSR was recontextualized by banana capitalists who funneled it into a new master narrative about inclusive business, shared value, and peacebuilding. Despite this change and the years of work Funduniban had logged in the region, the underlying conditions in Urabá were still fragile. In fact, it seems counterintuitive that CSR could emerge in a region stricken with human rights violations, ongoing armed-conflict, social neglect, exploitation, marginalization, and environmental degradation. This legacy makes it difficult, if not impossible, to believe any claim that a Colombian company or social foundation can be a leader in social responsibility.

The legacy of neoliberalism and paramilitarism has provided an ideal context for banana capitalists to reestablish and deepen their hegemony as the dominant bloc of class power. Brown (2013), for example, argues that CSR has served neoliberal capitalist class interests in that it became a popular labor control strategy designed to foster stable labor relations between managers and workers and quell further outbursts of violence. Recognizing that overt coercion had fallen out of favor as a legitimate labor control and governance strategy, banana companies like C.I. Uniban S.A. created social foundations to manufacture a new language around social responsibility and integration, stakeholder consensus, trust, and dialogue with workers, producers, and local leaders and groups to fuel their long-term commercial and financial performance and survival in a highly-competitive global industry.
Executive and managers also painted a sanitized picture of CSR, one that is largely devoid of conflict and violence. The comments they shared in interviews seemed to suggest that violence was something always external to the company or some sort of problem that had to be reckoned with. Their comments overwhelmingly hinted that they have put the past behind them and that they see themselves as leaders at the helm of an historical mission to rewrite the history of Urabá’s banana zone. Brown (2013) has shown that “conflicting narratives of violence and progress have been used by the industry to suggest a rupture with the past, whereby violence is framed as historical artifact and social development the way forward” (2584). By constantly emphasizing the future encapsulated in the phrase ‘planting and harvesting seeds of hope’ and taking an active role in the co-construction of new forms of subjectivity and modes of conduct (i.e. those tied to social cohesion, collective responsibility, accountability, citizenship, individualism, care for others, forgiveness, negotiation, reconciliation, among others), banana capitalists have deflected attention away from their role in contributing to the conditions that produced the race to the bottom in the first place. Their stories gloss over how banana companies and other actors in the private sector have contributed to inequalities, marginalization, violence and conflict that are still common experiences for many inhabitants in this region of Colombia. This skewed picture of reality from the perspective of banana capitalists and elites conceals the veiled undercurrents of violence, paramilitarism, exclusion, and marginality even as Urabá transitions toward a ‘post-conflict’ society (Brown, 2013, 2584). In a region where capital accumulation processes “have been forged in the crucible of armed conflict” (Brown, 2013, 2575) and where the “dynamics of dispossession, repressive labor control, lack of public investment in infrastructure and social services, the persistence of authoritarian political structures, and armed conflict” one must not ignore these central themes that have shaped the
contours of the banana trade in Urabá (Brown, 2013, 2575, Carroll, 2010, Chomsky, 2007, Hough, 2010, Ortiz 2007). The rise of corporate social foundations and CSR as the harbingers of ‘transformative change’ in the Colombian banana industry in Urabá has represented an uplifting and compelling, yet illusory master narrative couched in a language of social progress, modernity, development, and cohesion. These representations of CSR are partially misleading in the sense that they suggest that violence and the historical processes of dispossession, exploitation, and poverty suddenly have ceased to exist (Brown, 2013).

**Questioning the Effectiveness of Fundauniban’s Brand of CSR**

In their book, *The End of Corporate Social Responsibility: Crisis and Critique*, Fleming and Jones (2013) famously declare that “corporate social responsibility never really began” (3). Can we claim the same for the type of CSR deployed in Urabá in the twenty-first century? Based on my fieldwork, it would be misleading to claim that CSR has not begun in Urabá. As this dissertation has shown, CSR has had, without a doubt, some remarkable achievements since its rise to prominence in the late 1980s. However, CSR as inclusive business is not the solution to the social and economic challenges the region faces. While Fundauniban has thirty three years of experience as a social foundation, there are questions surrounding the effectiveness of its CSR agenda in the banana zone which may be attributed to several reasons.

First, although Fundauniban has articulated a clear mission and pursued CSR around four principal priority areas, its deployment of CSR is not homogeneous. It evolves based on the needs of the communities it serves and on the human capital and resources at its disposal at any given time. Additionally, its ability to carry out its CSR projects depends on the concrete actions, decisions, strategies, and ideas put forward by its leaders within the organization. As the human talent within the organization changes, the vision of CSR might change as well.
Secondly, Fundauniban’s ability to carry out its CSR projects are subject to budgetary fluctuations and constraints. Leaders within the social foundation insisted that its contributions represent long-term social investments in the local communities of the banana zone. However, long-term investments must be supported with solid and steady finances. Volatile finances and lack of appropriate resources can ax long-term investments before they come to fruition. In other words, operations and project finance shortfalls are potential roadblocks for long-term success. When comparing the yearly earnings of C.I. Unibán S.A. and the amount of capital Fundauniban has invested each year, it appears that more could be done. Based on annual financial and social responsibility reports, Fundauniban has invested on average 3.5 million U.S. dollars per year while C.I. Unibán S.A. is raking in on average 300 million U.S. dollars per year in earnings. Therefore, it is paramount for the foundation to have a larger budget or additional funding from external institutions and sources to carry out its long-term investment strategies in the region. Executives explained that a budget increase is unlikely considering the foundation’s finances are bound to the financial performance of C.I. Unibán S.A., which, at the time of my fieldwork, had been severely hampered due to exchange rate volatility. This scenario has created a cyclical business environment whereby the stabilization of corporate finances has not always been possible. Such financial uncertainty squelches chances of enlarging the foundation’s budget over the long-term. Limited financing also makes it difficult, if not impossible to have scalable impacts, monitor projects over the long-term, and conduct follow-up research to ensure that goals and targets have been met. To create true sustained social value for the communities of Urabá, more national and international public and private sector institutions need to become involved financially and committed to revolutionizing society in the region. This must be a
collaborative and sustained effort; the burden of social and economic development in the region cannot fall on the shoulders of one corporate social foundation.

Third, executives mentioned that data integration about social responsibility between the social foundation and C.I. Uniban S.A. was still a work in progress (President of Fundauniban, Personal Interview). While it was clear that the foundation’s programs have a strong social component, some company managers mentioned that fully integrating social responsibility with the strategic management and corporate governance practices of the parent firm has been a challenge. Although some quantitative models and metrics were under development and revision, the lack of a fully-integrated set of CSR indicators to link social and business performance was cited as a potential obstacle the foundation and its parent firm must overcome if they want to have more accurate measures of shared value. Timely and effective data integration about how business performance is linked to social performance will be a pivotal driver for corporate and community upgrading success in the future. Additionally, Fundauniban might think about investing in only those priority areas that create social value for local communities and economic value for the company. Trying to solve too many problems could stretch already scant financial and human resources even thinner.

Fourth, Funduniban and the rise of other corporate banana foundations initially filled the historic vacuum of an aloof and uncoordinated public sector, but public-private partnerships will be key for advancing future CSR initiatives. In a region of vast social and economic inequities and a past riddled with instability and violence, Fundauniban has stepped in to contribute to societal needs in the historical absence of the Colombian State and other public sector institutions. This was especially true with the initial construction of housing projects for local residents in the late 1980s and early 1990s. However, more recently the private and public sector
at both domestic and international levels have been actively involved in the socio-economic upgrading projects in the region. Its presence, along with other corporate social foundations, trade unions, and the national banana association have spawned a collaborative commitment to work towards a more democratic and equitable society. This needs to continue to fight the dangers of lapsing into another deep crisis.

Fifth, Fundauniban’s CSR reporting needs to be more comprehensive, transparent, and publicly available. As I sifted through the annual CSR reports I noticed the straightforward presentation of the ‘evidence’ and ‘embellishments’ that the foundation uses to prove that it is socially responsible. In this way, the reports lacked depth because they primarily focused on presenting the general information about the foundation’s work with local communities, but neglected to provide more detailed accounts of problems and challenges encountered in these projects and initiatives. Moreover, its website discusses its mission, values, areas of priority, and recent projects, but it does not disclose yearly CSR reports for interested consumers, companies, CSR practitioners, academics, or other interested parties who may not live in Urabá, Antioquia, or Colombia. For me, these ‘acts of omission’ created lackluster corporate evidence incapable of providing a comprehensive, critical account of all things CSR. Instead, the reports resembled a corporate façade that was meant to chalk up the many contributions and philanthropic donations and activities of Fundauniban over its lifespan.

*Manufacturing Consent, Governing, and Producing Hegemony*

In the dissertation, I have argued that the model of CSR erected by the Colombian banana industry in Urabá represents a new way banana capitalists and elites have secured their position as the dominant bloc of power in the twenty-first century. In the new age of domestic-based transnational banana capitalism based on *upgrading to compete*, CSR has become a powerful and
compelling project with ‘soft strategies’ for producing new forms of subjectivity and modes of
conduct (i.e. those tied to social cohesion, ‘planting and harvesting seeds of hope’, collective
responsibility, accountability, citizenship, individualism, care for others, forgiveness,
negotiation, reconciliation, etc.). Yet these new sensibilities and modes of being are
fundamentally at the service of transnational circuits of capital and capitalist and elite interests.
Here, Fernando I. Leiva’s recently published study entitled “Economic Elites and New Strategies
for Extractivism in Chile” is highly instructive. Leiva (2019) writes that the crowning
achievement of Chile’s capitalist class is “its continued ability to transform center-left politics
and center-left constellation of intellectual-epistemic communities into active co-producers of
the means to institutionalize, legitimize, renew, and re-embed the neoliberal system of
 domination (133). Leiva’s research also reveals how the Chilean capitalist class, elites, and an
array of other actors manufacture consent within a neoliberal order to deepen a naturalized,
commonsensical extractivist logic and consolidate their control over the country’s natural
resources and capital accumulation processes. Indeed, manufacturing consent (Herman and
Chomsky, 2001) in the banana zone in Urabá has involved a ‘socio-emotional turn’ (Leiva, 2008,
2019) capable of appealing to the emotional, relational, and inter-subjective dimensions of
humanity. This has clearly resonated as unproblematic commonsense to banana producers,
workers, and members of the communities in the banana zone. It has functioned as a
mobilization and accommodation strategy that co-opted elements from capitalism’s toolkit to
adapt to the times.

Through my fieldwork and analysis presented in this dissertation, I am convinced that the
new model of CSR based on inclusive business, shared value, and peacebuilding may best be
understood as a form of solidarity politics that constructs the notion of a ‘struggle for the
common good’. Fundauniban’s construals of CSR have shaped the collective identity of the banana zone, molding subjectivities through a softened form of ‘etho-green capitalism’ and a clear agenda in favor of social equity, justice, and upgrading. These construals have claimed power by marketing non-problematic, conflict-free, and compelling discourses that appeal to the ethical, moral, emotional, ecological, and social dimensions of people’s lives. Under this model of CSR, the valorization of capital peacefully co-exists with environmental and ethical concerns. Based on my fieldwork, the deployment of CSR as a collective struggle has clearly generated optimism among banana workers and local residents in communities in Urabá that are dependent on C.I. Uniban S.A. and its social foundation for their material survival and reproduction. Under the new model of social responsibility worker and community concerns are fused with corporate concerns that make violence, labor unrest, and overt coercion dissolve making it appear that everyone is on the same page with the same objectives and visions for the future.

IV. FINAL REMARKS: FUTURE RESEARCH

The analysis and observations I have presented throughout this dissertation pose vexing questions about the viability of CSR in the banana zone in Urabá. It clearly has brought the industry forward in many ways, but, at the same time, it has deepened capitalism’s foray into the everyday life of the citizens of Urabá. This has brought progress, modernization, development and upgrading opportunities for companies, producers, workers, and community members. Yet, it has also set up a scenario where producers and workers are getting the short end of the stick. Given the current situation, producers and workers are locked into captive relationships with larger, powerful corporations and actors. In these exploitative relationships, companies can continue to usurp labor from workers and capture value from the chain while workers are locked into the production segment with no prospects of breaking out of this segment in the value chain.
Although Colombian banana workers may enjoy better salaries, benefits, and working conditions than their counterparts in other countries in Latin America, work conditions are extremely precarious and their overall remuneration remains low. Given this dynamic, numerous questions could drive future research agendas. For instance, how can legitimate concerns for workers, producers, communities, and the environment in large-scale banana plantations in export zones like Urabá exist when companies are simultaneously seeking opportunities to boost their competitive advantages, leverage their products into new markets, boost their revenue and profits, and upgrade their value chains? Also, how can banana companies and their social foundations in former conflict zones, that profess to fuse society and business concerns, be taken seriously given the structural dynamics in which banana producers and workers find themselves in the global banana trade? If the cards are stacked against producers and workers, in the sense that they are locked into stagnant, low-remunerated, precarious positions in the production link of the chain and at the same time are governed and manipulated by (trans)national capitalists and elites, how can corporate commitments to social responsibility and inclusive business act as a counterweight to these top-down forces and give people and the planet hope to tame the polarizing realities of global capitalism? Given the limitations addressed in this dissertation, is CSR as inclusive business a mere mirage of solidarity, collective struggle, social upgrading, and social cohesion? What shelf-life can CSR have when the budgets of corporations and foundations change, community needs evolve, and natural disasters and diseases strike? Aren’t some of the impacts of social responsibility ephemeral? For instance, by focusing on one problem in one municipality, countless others are excluded that need urgent attention. To be fair, one foundation and one company cannot possibly solve all of the region’s economic and social woes. However, the conundrum with CSR in the banana zone in Urabá is that it is linked to the
reproduction of class power and authority. It has provided a remarkably effective and resilient tool to control decision-making processes related to resources, capital, land, investments, and development. As this dissertation has argued, CSR is a double-edged sword. It has remarkable potential and advantages, has injected new life into a ‘conflict zone’ and ‘planted seeds of hope’ for a better future. But, at the same time, it has concealed its ‘hidden agenda’ to ensure that the machinery of capitalism continues to churn by co-opting a language centered on inclusive business, shared value, and peacebuilding that appeals to the hearts and minds of people in the banana zone.
Appendix A: Tables

Table 1: Top 10 Banana Exporting Nations in 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>% of World Banana Exports</th>
<th>Value in U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ecuador</td>
<td>24.6</td>
<td>3 billion</td>
</tr>
<tr>
<td>2</td>
<td>Belgium</td>
<td>8.5</td>
<td>1.1 billion</td>
</tr>
<tr>
<td>3</td>
<td>Costa Rica</td>
<td>8.4</td>
<td>1 billion</td>
</tr>
<tr>
<td>4</td>
<td><strong>Colombia</strong></td>
<td><strong>7.4</strong></td>
<td><strong>918.1 million</strong></td>
</tr>
<tr>
<td>5</td>
<td>Guatemala</td>
<td>7.1</td>
<td>882.3 million</td>
</tr>
<tr>
<td>6</td>
<td>Philippines</td>
<td>5.6</td>
<td>687.4 million</td>
</tr>
<tr>
<td>7</td>
<td>Netherlands</td>
<td>4.7</td>
<td>579.9 million</td>
</tr>
<tr>
<td>8</td>
<td>United States</td>
<td>3.6</td>
<td>445 million</td>
</tr>
<tr>
<td>9</td>
<td>Dominican Republic</td>
<td>3.2</td>
<td>393.3 million</td>
</tr>
<tr>
<td>10</td>
<td>Côte d’Ivoire</td>
<td>2.8</td>
<td>350.1 million</td>
</tr>
</tbody>
</table>


Table 2: Recorded and Unrecorded Interviews

<table>
<thead>
<tr>
<th>Interviews</th>
<th>Recorded</th>
<th>Number</th>
<th>Unrecorded</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.I. Uniban S.A. and Fundauniban Executives</td>
<td>20</td>
<td></td>
<td>C.I. Uniban S.A. and Fundauniban Executives</td>
<td>3</td>
</tr>
<tr>
<td>Agrícola Sara Palma S.A. Farm Managers</td>
<td>14</td>
<td></td>
<td>Agrícola Sara Palma S.A. Farm Managers</td>
<td>0</td>
</tr>
<tr>
<td>Banana Workers in Urabá</td>
<td>21</td>
<td></td>
<td>Banana Workers in Urabá</td>
<td>15</td>
</tr>
<tr>
<td>Local Residents about CSR and CSR Projects</td>
<td>22</td>
<td></td>
<td>Local Residents about CSR and CSR Projects</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td></td>
<td>Total</td>
<td>40</td>
</tr>
</tbody>
</table>

Summary:
Total: 95 interviews  
Duration: 10 to 75 minutes  
Time: August 2012  
Location: Medellín and Urabá, Colombia, South America

Source: Author.
Table 3: Domestic Banana Exports and Market Shares for C.I. Uniban S.A., 1998-2012

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>24,813,556</td>
<td>31.35%</td>
</tr>
<tr>
<td>1999</td>
<td>28,218,692</td>
<td>31.03%</td>
</tr>
<tr>
<td>2000</td>
<td>26,598,914</td>
<td>31.66%</td>
</tr>
<tr>
<td>2001</td>
<td>24,345,508</td>
<td>32.11%</td>
</tr>
<tr>
<td>2002</td>
<td>24,606,857</td>
<td>31.34%</td>
</tr>
<tr>
<td>2003</td>
<td>24,950,649</td>
<td>32.34%</td>
</tr>
<tr>
<td>2004</td>
<td>25,590,335</td>
<td>33.26%</td>
</tr>
<tr>
<td>2005</td>
<td>28,893,734</td>
<td>34.87%</td>
</tr>
<tr>
<td>2006</td>
<td>28,071,519</td>
<td>33.51%</td>
</tr>
<tr>
<td>2007</td>
<td>23,292,433</td>
<td>36.31%</td>
</tr>
<tr>
<td>2008</td>
<td>31,229,408</td>
<td>41.44%</td>
</tr>
<tr>
<td>2009</td>
<td>35,688,554</td>
<td>49.74%</td>
</tr>
<tr>
<td>2010</td>
<td>40,156,806</td>
<td>42.37%</td>
</tr>
<tr>
<td>2011</td>
<td>39,505,822</td>
<td>41.93%</td>
</tr>
<tr>
<td>2012</td>
<td>38,513,066</td>
<td>42.51%</td>
</tr>
</tbody>
</table>

Source: Adapted and compiled by the author based on yearly AUGURA reports, 2000-2013. Exports are based on 18.14 kg boxes.

Table 4: Subsidiaries and their Functions in C.I. Uniban S.A.’s Value Chain (as of 2012)

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Location</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expocaribe S.A.</td>
<td>Medellín, Colombia</td>
<td>Intermediation, marketing, and agri-farming</td>
</tr>
<tr>
<td>Polyban International S.A.</td>
<td>Free Trade Industrial Zone, Cartagena de Indias, Colombia</td>
<td>Production, marketing, and export of plastic products and resins to the agro-industrial export markets of Colombia, the Andean region, Central America, and the Caribbean</td>
</tr>
<tr>
<td>The Cardboard Box Factory</td>
<td>Carepa, Urabá, Colombia</td>
<td>Production and assembly of corrugated cardboard boxes for the banana industry and packaging containers for other export products such as flowers, oil, soap, cookies, and ceramics</td>
</tr>
<tr>
<td>Agrícola Sara Palma S.A.</td>
<td>Medellín, Colombia</td>
<td>Administration of farms in Urabá that produce bananas exclusively for C.I. Uniban S.A.</td>
</tr>
<tr>
<td>Company Name</td>
<td>Location</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>---------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Uniban Costa Rica S.A.</td>
<td>San José, Costa Rica</td>
<td>Production and marketing of bananas and other products</td>
</tr>
<tr>
<td>Isabella Shipping Company Ltd.</td>
<td>Miami, Florida</td>
<td>Maritime transportation, logistics, and industrial import/export services between the United States, Costa Rica, and Colombia</td>
</tr>
<tr>
<td>Uniban International Ltd.</td>
<td>Tortola, Virgin Islands</td>
<td>International investment and business management holding company</td>
</tr>
<tr>
<td>Turbana Corporation</td>
<td>Coral Gables, Florida</td>
<td>Marketing, distribution, and importation of bananas, plantains (Turbana Chips), fresh fruit, and tropical products like aloe vera, batata, calabaza, chayote, coconut, eddoes, malanga, íñame, yellow yams, and cassava from Colombia to North America</td>
</tr>
<tr>
<td>Tropical Marketing Association (TMA)</td>
<td>Antwerpen, Belgium</td>
<td>European trading company responsible for branding and distribution, under the private label Tropy, of bananas plantains, and fresh fruits in the European Union</td>
</tr>
<tr>
<td>Turbana Marketing</td>
<td>British Virgin Islands</td>
<td>International trading company involved in the marketing and intermediation of fruit</td>
</tr>
<tr>
<td>Interoceanica Agency, Inc.</td>
<td>Coral Gables, Florida</td>
<td>Shipping and port agent</td>
</tr>
<tr>
<td>Agrícola Uberaba S.A.</td>
<td>Medellín, Colombia</td>
<td>Production and maritime/fluvial transport of agricultural products (supplies, tools, raw materials) for farming</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Development, research, and improvements of experimental farms (livestock, banana, plantain and palm oil)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Construction and rental of naval products and structures (barges, tugboats, etc.)</td>
</tr>
<tr>
<td>Institution</td>
<td>Purpose</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>Proban S.A.</strong></td>
<td>Santa Marta, Colombia</td>
<td></td>
</tr>
<tr>
<td><strong>Turbana Europa B.V.</strong></td>
<td>Rotterdam, Holland</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Discontinued operations as of 2005 due to joint venture with Fyffes, an Irish multinational banana firm</td>
<td></td>
</tr>
</tbody>
</table>


Table 5: Support Institutions in the Colombian Banana Industry in Urabá

<table>
<thead>
<tr>
<th>Institution</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SINTRAINAGRO</strong></td>
<td>The banana industry’s labor union created in 1998 representing 98% of industrial workers in Urabá. It supports banana workers and producers and is actively involved in labor, social, and environmental upgrading efforts for its associated members.</td>
</tr>
<tr>
<td><strong>AUGURA</strong> (Colombia Banana Growers Association)</td>
<td>The national banana association created in 1963 representing 160 companies and 340 banana farms in the Colombian banana industry. 100% of banana producers in Urabá are associated with AUGURA. It actively seeks ways to ensure that the entire industry remains competitive in global banana markets.</td>
</tr>
<tr>
<td><strong>CENIBANANO</strong> (Banana Research Center)</td>
<td>Provides research, development, and technical support for banana producers.</td>
</tr>
<tr>
<td><strong>BANATURA</strong></td>
<td>Social and environmental management program for the banana sector.</td>
</tr>
<tr>
<td><strong>FINAGRO (The Fund for the Financing of the Agricultural Sector)</strong></td>
<td>Extends credit lines, working capital, venture capital, and insurance products to hedge risks, and provides technical assistance to banana producers.</td>
</tr>
<tr>
<td><strong>SENA (The National Training Service)</strong></td>
<td>Provides training and professional development opportunities for workers in all sectors of the Colombian economy.</td>
</tr>
<tr>
<td><strong>ACORBAT (The Association for Cooperation in Research and)</strong></td>
<td>Focuses on research and development. It provides a forum for discussions about technical, phytosanitary, and other issues related to banana production, and political, economic, social, and environmental factors affecting the industry.</td>
</tr>
<tr>
<td>Integral Development of Bananas and Plantains</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td><strong>ICA (The Colombian Agricultural Institute)</strong></td>
<td>Provides phytosanitary and technical expertise for the agricultural sector of the Colombian economy.</td>
</tr>
<tr>
<td><strong>CORPOICA (The Colombian Agricultural Research Corporation)</strong></td>
<td>Provides technical and scientific research and support for the agricultural sector of the Colombian economy.</td>
</tr>
<tr>
<td><strong>COLCIENCIAS</strong></td>
<td>Science, technology, and innovation research institution.</td>
</tr>
<tr>
<td><strong>Social Foundations and Programs</strong></td>
<td>Concentrate on the social, economic, and cultural development of local communities in the banana sector. A sampling of institutions handling these issues include Fundauniban, Corbanacol, and Augura.</td>
</tr>
<tr>
<td><strong>CORPOURABA (Corporation for the Sustainable Development of Urabá)</strong></td>
<td>Provides services related to sustainable development in Urabá.</td>
</tr>
<tr>
<td><strong>NGOs and (Inter)national development and aid agencies</strong></td>
<td>Functions vary.</td>
</tr>
<tr>
<td><strong>Other national, departmental, and municipal associations and institutions</strong></td>
<td>Functions vary.</td>
</tr>
</tbody>
</table>

Table 6: The Development of the Banana Sector in Urabá, 1960s – 2017

<table>
<thead>
<tr>
<th>Period</th>
<th>Characteristics</th>
</tr>
</thead>
</table>
| 1960s to 1980s “coercive domination” | -Capitalists, elites and the Colombian State control labor through coercive practices and extract surplus at the point of production.  
- The ‘race to the bottom’ emerges and develops due to years of toxic capital, state, and labor relations.  
- Banana capitalists and elites staunchly oppose worker organizational efforts. The formation of banana unions and labor unrest are violently suppressed. These ‘coercive’ relations lead to the formation of underground leftist guerrilla groups. |
| Mid- to late-1980s “crisis of control” | - A ‘crisis’ emerges for banana capitalists and elites in Urabá due to transformations in the Colombian political system which opens up a space for banana working classes for greater political visibility.  
- Worker militancy increases and trade unions gain traction. Sintrainagro emerges as one of the most powerful trade unions in Colombia.  
- Capitalists and elites struggle to maintain their hegemony.  
- Economic, social, and political problems affecting workers, producers and the environment in the banana zone are discussed among major industry stakeholders. |
| Late 1980s to 2000 “domination without hegemony” | - Social responsibility, social foundations, and CSR become strategic interventions to resolve the crisis of the race to the bottom.  
- Neoliberalism is adopted as the new socio-economic and political model in Colombia.  
- Competitiveness, upgrading, and CSR become fundamental pillars for developing the banana sector.  
- Democratization, pacification, and demobilization efforts attempt to build social cohesion and collaborative forms of participation in Urabá. |
| 2000 to present “The new age of domestic-based transnational banana” | - Neoliberalism is deepened by the Colombian State.  
- Banana capitalists fully deploy CSR as a competitive strategy and enforce policies and standards to control labor at the point of production and throughout the banana value chain. |
capitalism based on upgrading to compete"

-As a consequence of new certification standards banana producers and workers have to align themselves with these new governance mechanisms to avoid being ejected from the value chain.

-Banana capitalists deepen their links with paramilitary groups to re-establish and maintain their hegemony.

-Pacification and demobilization efforts promote democratization, social cohesion, and collaborative forms of participation in Urabá.

-The banana industry in Urabá is dubbed a success story by banana capitalists.

-CSR along with peace negotiations drive social and economic upgrading efforts flexibly incorporating elements of shared value, inclusive business, and peacebuilding which contribute to a `post-conflict’ society in the banana zone in Urabá.


Table 7: Inclusive Business in Colombia

<table>
<thead>
<tr>
<th>Actors</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Inter-American Development Bank (IDB)</td>
<td><a href="http://www.iadb.org">www.iadb.org</a>&lt;br&gt;The IDB works to improve lives in Latin America and the Caribbean. Through financial and technical support for countries working to reduce poverty and inequality, it helps improve health and education, and advance infrastructure. Its aim is to achieve development in a sustainable, climate-friendly way. With a history dating back to 1959, today it is a leading source of development financing for Latin America and the Caribbean. It provides loans, grants, and technical assistance; and conducts extensive research. It maintains a strong commitment to achieving measurable results and the highest standards of increased integrity, transparency, and accountability.&lt;br&gt;The current focus areas of the IDB include three development challenges – social inclusion and inequality, productivity and innovation, and economic integration – and three cross-cutting issues – gender equality and diversity, climate change and environmental sustainability; and institutional capacity and the rule of law.</td>
</tr>
<tr>
<td>El Consejo Empresarial Colombiano para</td>
<td><a href="http://cecodes.org.co">http://cecodes.org.co</a></td>
</tr>
</tbody>
</table>
### El Desarrollo Sostenible (CECODES)

- El Consejo Empresarial Colombiano para el Desarrollo Sostenible (CECODES), or the Colombian Business Council of Sustainable Development, is a think-tank comprised of a network of firms from the most important sectors of the Colombian economy (i.e. energy, mining, agroindustry, manufacturing, construction, and finance) that are convinced that sustainable development is the path to greater profitability, to improved livelihoods, and to a more rational utilization of natural resources.

- CECODES guides companies in the development and implementation of high-impact practices that achieve a balance among economic, social, and environmental objectives that are aligned with the sustainable development of the country. It also serves as a conduit of social interactions for the business community to get to know other businesses, learn from other corporate experiences, and be at the cutting-edge knowledge and practices supportive of sustainable development. CECODES is the Colombian chapter of the World Business Council for Sustainable Development (WBCSD), which brings together 200 leading companies from around the world united around three pillars: 1) economic growth, 2) ecological balance, and 3) social progress.

- The following (trans)national companies are associated with CECODES: ABB, Argos, Asocolflores, BASF, Banco de Occidente, Celsia, Cemex, Cerrejón, Colsubsidio, Construcciones Planificadas, Corona, Coviandes, Ecopetrol, EPM, Café de Colombia, Fedepalma, Holcim, ISA, Isagen, KPMG, Mansarovar Energy, Grupo Nutresa, Pavco, Postobón, Seguros Bolívar, Grupo Sura, Syngenta, Grupo Sura, Syngenta, Team, Telefónica, Tecnoquímicas, and Unilever.

### El Comité Nacional de Negocios Inclusivos (CONNIC)

El Comité Nacional de Negocios Inclusivos (CONNIC), or the National Committee on Inclusive Business, grew out of an event sponsored by CECODES in 2007 called ‘Colombia Responsable’ where the concept of ‘inclusive business’ was coined, adopted, developed and institutionalized via CECODES and CONNIC. The purpose of creating CONNIC was to bring diverse representatives from the private, public, social, and academic sectors to create a space for continued dialogue and promotion of ‘inclusive business’ under the mantras of ‘trabajo en alianza’ and ‘aprender compartiendo’. The following institutions, organizations, and businesses attended the inaugural unveiling of CONNIC:

- Acción Social
- Ashoka
- Corona
- Fundación Carvajal
- Ministerio de Agricultura y Desarrollo Rural

<table>
<thead>
<tr>
<th>Organization</th>
<th>URL</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The World Business Council of Sustainable Development (WBCSD)</td>
<td><a href="http://wbcsd.org">http://wbcsd.org</a></td>
<td>The WBCSD is a CEO-led organization of forward-thinking companies that galvanizes the global business community to create a sustainable future for business, society and the environment. Together with its members, the council applies its respected thought leadership and effective advocacy to generate constructive solutions and take shared action.</td>
</tr>
<tr>
<td>La Red Empresarial en Negocios Inclusivos (RENI)</td>
<td><a href="http://www.reni-wbcsd.org">http://www.reni-wbcsd.org</a></td>
<td>La Red Empresarial en Negocios Inclusivos (RENI), or the Business Network of Inclusive Businesses, is a virtual business platform that brings together visionary business leaders, from local and foreign companies, in Latin America with the common purpose of debating theories and practices related to ‘inclusive business’.</td>
</tr>
<tr>
<td>Bavaria</td>
<td><a href="http://www.bavaria.com.co/">http://www.bavaria.com.co/</a></td>
<td>Bavaria is the largest drink company in Colombia, the largest operation of SABMiller in Latin America, and one of the most important financial contributors (in terms of profits) to this transnational beer conglomerate in the world. It has latched on to the national ‘inclusive business’ agenda to help shape its corporate policies and interactions with communities in Colombia.</td>
</tr>
<tr>
<td>Inversor</td>
<td><a href="http://inversor.org.co/">http://inversor.org.co/</a></td>
<td>Inversor, is an Impact Investment Fund that believes in, supports, and strengthens businesses via its approaches, models, and strategies anchored in social and environmental impact in Colombia.</td>
</tr>
<tr>
<td>ANDI- Caja de Herramientas RSE</td>
<td><a href="http://www.andi.com.co/cajadeherramientasrse/">http://www.andi.com.co/cajadeherramientasrse/</a></td>
<td>La Asociación Nacional de Empresarios de Colombia (ANDI), or the National Business Association of Colombia, is a non-profit organization whose main purpose is to expand and promote economic, social and political principles within a free enterprise system, based upon beliefs that include human dignity, political democracy, social justice, private property and liberty.</td>
</tr>
</tbody>
</table>
- ANDI was created Medellin on September 11, 1944, and represents the most important association for the private sector in Colombia. It groups together more than 1100 companies in different sectors of the economy, i.e. manufacturing, financial, food, mining, health, agriculture, services, among others. Therefore, it represents a high percentage of Colombia's GDP and total employment.

- Its headquarters is in Medellin, but it maintains branches in Bogotá, Barranquilla, Bucaramanga, Cali, Cartagena, Pereira, Manizales, Ibagué, Santander, and Villavicencio.

- As a representative of private sector interests, the ANDI represents its members before national and international institutions, dealing with economic, legal, social, environmental, and business issues. It is a crucial ‘path-shaping’ institution in the national ‘inclusive business’ agenda.

<table>
<thead>
<tr>
<th>El Centro Internacional de Responsabilidad Social &amp; Sostenibilidad (CIRSS)</th>
<th><a href="http://www.rsnoticias.com/">http://www.rsnoticias.com/</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>- El Centro Internacional de Responsabilidad Social &amp; Sostenibilidad (CIRSS), or the International Center of Social Responsibility and Sustainability, is a non-profit organization created to facilitate alliances, synergies, and opportunities around the production and management of knowledge about social responsibility and sustainability.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fundación Arquidiocesana Banco de Alimentos de Medellín (FUBAM)</th>
<th><a href="http://www.bancodealimentos.net/">http://www.bancodealimentos.net/</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Fundación Arquidiocesana Banco de Alimentos de Medellín (FUBAM), or the Archdiocesan Foundation Food Bank of Medellín, is a non-profit organization that was created within the Archdiocese of Medellín in 1999. Its focuses on food and nutritional improvement and the well-being of people in vulnerable situations; especially children, adolescents, the elderly and the sick, and families served by social institutions and parish programs in the department of Antioquia.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>La Asociación de Fundaciones Empresariales (AFE)</th>
<th><a href="http://www.afecolombia.org">http://www.afecolombia.org</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>- La Asociación de Fundaciones Empresariales (AFE), or the Association of Corporate Foundations, is an association of 54 Colombian business foundations that work collectively to influence public policies to achieve the greatest impact for their operations.</td>
<td></td>
</tr>
</tbody>
</table>

Appendix B: Field Interview Questionnaires

Oral Consent Form: C.I. Uniban S.A. Executives

Contact Information:
David H. Uzzell Jr., ABD Ph.D. Candidate
Latin American, Caribbean, and U.S. Latino Studies
University at Albany-SUNY
1400 Washington Avenue, Albany, NY 12222, United States
Tel: (518) 442-4890
du728979@albany.edu

Professor Fernando I. Leiva, Ph.D.
Latin American, Caribbean, and U.S. Latino Studies
University at Albany-SUNY
1400 Washington Avenue, Albany, NY 12222, United States
Tel: (518) 442-4891
fleiva@albany.edu

I would like to thank you for taking time to meet with me today. I understand that you are very busy and that your time is valuable. I am writing my dissertation about C.I. Uniban S.A. and how it has changed as a banana company over the last 20 years. Today, I would like to interview you since you work for this company and can provide valuable input for my academic research project. Although you may not receive direct benefit from your participation, others may ultimately benefit from the knowledge obtained from this research.

I plan to audio record the interview which should take between 45 to 60 minutes. If we cannot complete the interview within this time, I would like to respectfully request a follow-up interview. If you decide to be recorded, please make sure to speak slowly and clearly. Also, please avoid mentioning the names of or identifying information about third parties. You may still participate in this study if you are not willing to have the interview recorded. In this case, I will conduct it with the same questionnaire taking notes based on what you say.

I do not anticipate any risk in your participation other than a time commitment. Your participation in this project is voluntary. Even after you agree to participate in the research, you may decide to leave the study at any time without penalty. I will retain and analyze the information you have provided up until the point you have left the study unless you request that your data be excluded from any analysis and/or destroyed.

All information obtained in this study is strictly confidential unless disclosure is required by law. I will be the only person with access to your information after the interview. The recording will be stored in multiple files on password protected computers. I plan to use parts of the information I obtain in my dissertation; however, I will eliminate all potential identifying information through the use of pseudonyms. I will keep your recorded interview after the
completion of my dissertation because I plan to turn it into an academic book. I can make any article(s) or my completed dissertation available to you upon your request. One copy of this document will be kept together with the research records of this study. Also, you will be given a copy to keep. In addition, the Institutional Review Board (IRB), which oversees research involving human subjects, and university officials responsible for monitoring this study may inspect these records.

If you have any questions concerning your rights as a research participant that have not been answered by the investigator or if you wish to report any concerns about the study, you may contact the University of Albany’s Office of Regulatory Research Compliance at 1-800-365-9139 or orrc@uamail.albany.edu.

Now that you have been informed about this study, do you consent to participate?

Yes _______ No _______

Would you consent to be audio recorded?

Yes _______ No _______
Executive Questionnaire

Date of interview

Time at C.I. Uniban S.A.

Time at current position

I. Upgrading and Competitiveness

1. Please talk about major improvements that C.I. Uniban S.A. may have made in its value chain from 1990 to 2012 regarding:

   a) economic upgrades: moving from low to high-value activities such as entering new sectors/chains, undertaking new productive/service functions, raising product quality, introducing new products, improving technology, and/or boosting production.

   b) environmental upgrades: use of renewable resources, waste management, energy conservation and efficiency, quantity and/or quality of chemicals used, and/or environmental risk management and reporting.

   c) social upgrades: occupational health and safety, labor issues related to banana workers and/or communities in Urabá.

2. Please describe any major economic constraints in C.I. Uniban S.A.’s value chain from 1990 to 2012. How did the company deal with them?

3. Please describe any major environmental constraints in C.I. Uniban S.A.’s value chain from 1990 to 2012. How did the company deal with them?

4. Please describe any major social constraints in C.I. Uniban S.A.’s value chain from 1990 to 2012. How did the company deal with them?

5. Please read the following options and choose the one(s) that you feel best describe(s) the economic performance of C.I. Uniban S.A. from 1990 to 2012. Please explain your choice(s).

   a) revenue was low which produced large losses
   b) revenue did not cover costs
   c) revenue allowed us to break even
   d) revenue was in excess of costs
   e) other (please describe)

6. Please discuss how C.I. Uniban S.A. has dealt with the following issues from 1990 to 2012.

   a) rivalry among national and transnational banana companies
   b) the threat of new entrants and/or substitute products and services
   c) the bargaining power of suppliers and/or buyers, such as retailers and wholesalers
II. Governance

This section focuses on C.I. Uniban S.A.’s relationships with its suppliers and producers. I am going to read you a brief definition of each term. Please keep them in mind as you answer questions #7 thru #16.

- A supplier refers to any domestic and/or international company that provides inputs, products, and/or services other than bananas to C.I. Uniban S.A.
- A producer refers to the owners, operators, and/or farmers of banana plantations and farms in Urabá that provide bananas for export to C.I. Uniban S.A.

7. Who have been C.I. Uniban S.A.’s primary suppliers from 1990 to 2012? Mention at least two.

8. Who have been C.I. Uniban S.A.’s primary producers from 1990 to 2012? Mention at least two.

9. Please discuss the most important factors that have led you to choose each of your primary suppliers from 1990 to 2012.

10. Please discuss the most important factors that have led you to choose each of your primary producers from 1990 to 2012.

11. Who decides each of the following between C.I. Uniban S.A. and its primary suppliers? If both participate in making a decision, explain how this takes place.

   - a) what is produced
   - b) how it is to be produced
   - c) how much is to be produced
   - d) when it needs to be produced

12. Who decides each of the following between C.I. Uniban S.A. and its primary producers? If both participate in making a decision, explain how this takes place.

   - a) what is produced
   - b) how it is to be produced
   - c) how much is to be produced
   - d) when it needs to be produced

13. How did a concern about certification standards emerge within the Colombian banana industry and within C.I. Uniban S.A.?
14. Please discuss the impact of the following certification standards on C.I. Uniban S.A.’s primary suppliers, producers, and banana workers in Urabá. In your answers, mention who implemented them and when this occurred.
   a) ISO 9000
   b) SA 8000
   c) ISO 14000
   d) Fair Trade
   e) Global GAP
   f) Other (please explain)

15. Describe how compliance with certification standards is ensured in C.I. Uniban S.A.’s value chain. Is this done internally or does the company rely on independent, third party auditing? Has this process changed from 1990 to 2012? Explain.

16. Please talk about C.I. Uniban S.A.’s involvement in helping its primary suppliers/ producers to upgrade their capabilities with regards to:
   a) entering new sectors/chains
   b) undertaking new productive/service functions
   c) introducing new products
   d) moving into design, research and development, marketing, branding

III. Corporate Social Responsibility (CSR)

17. How did CSR emerge within C.I. Uniban S.A.? Please explain if this is the same path followed in the rest of Colombia’s banana industry.

18. What have been C.I. Uniban S.A.’s top CSR objectives from 1990 to 2012? Please explain why the company focused on these objectives.

19. Which stakeholders have C.I. Uniban S.A.’s CSR strategies targeted from 1990 to 2012? Why did the company focus on these groups?

20. Please talk about any major constraints that have hindered C.I. Uniban S.A.’s ability to carry out its CSR strategies from 1990-2012. What were the reasons for these constraints? How has the company dealt with them?

21. Discuss C.I. Uniban S.A.’s short and long term goals related to CSR.
Oral Consent Form: Marketing

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I plan to audio record the interview which should take between 30 to 45 minutes. If we cannot complete the interview within this time, I would like to respectfully request a follow-up interview. If you decide to be recorded, please make sure to speak slowly and clearly. Also, please avoid mentioning the names of or identifying information about third parties. You may still participate in this study if you are not willing to have the interview recorded. In this case, I will conduct it with the same questionnaire taking notes based on what you say.

I do not anticipate any risk in your participation other than a time commitment. Your participation in this project is voluntary. Even after you agree to participate in the research, you may decide to leave the study at any time without penalty. I will retain and analyze the information you have provided up until the point you have left the study unless you request that your data be excluded from any analysis and/or destroyed.

All information obtained in this study is strictly confidential unless disclosure is required by law. I will be the only person with access to your information after the interview. The recording will be stored in multiple files on password protected computers. I plan to use parts of the information I obtain in my dissertation; however, I will eliminate all potential identifying information through the use of pseudonyms. I will keep your recorded interview after the completion of my dissertation because I plan to turn it into an academic book. I can make any article(s) or my completed dissertation available to you upon your request. One copy of this
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Now that you have been informed about this study, do you consent to participate?

Yes _______  No _______

Would you consent to be audio recorded?

Yes _______  No _______
Marketing Questionnaire

Date of interview ________________________
Time at C.I. Uniban S.A. ________________________
Time at current position ________________________

1. Please talk about C.I. Uniban S.A.’s major marketing objectives from 1990 to 2012. State whether the company had the same strategy or whether it changed its focus. Explain your response.

2. Discuss C.I. Uniban S.A.’s major marketing successes from 1990 to 2012.

3. Regarding the marketing of bananas, what companies have been C.I. Uniban S.A.’s main competitors from 1990 to 2012?

4. Please discuss C.I. Uniban S.A.’s banana marketing efforts regarding the following points:
   a) product lines
   b) design, brands, and labels
   c) research and development

5. From the options below, which groups best represent the primary buyers of C.I. Uniban S.A.’s banana products? Rank them from largest to smallest.
   a) large firms
   b) small firms
   c) retailers
   d) wholesalers
   e) exporters
   f) individual consumers
   g) other (please specify)

6. Are some international markets and/or products better than others in terms of sales and revenue growth? If so, which ones? Explain your answer.

7. How does C.I. Uniban S.A. promote its banana products? How have its promotional efforts changed from 1990 to the present?

8. Describe C.I. Uniban S.A.’s collaboration with other firms (such as subsidiaries, distributors, retailers, wholesalers, national/transnational companies, etc.) from 1990 to 2012 to market its bananas to global markets.
9. Have C.I. Uniban S.A.’s relationships with the firms mentioned in question #8 remained steady or have they changed? What are the reasons for such stability and/or changes?

10. Talk about how consumer preferences regarding bananas in markets where C.I. Uniban S.A. has a presence have changed from 1990 to 2012. Are the preferences similar or different from region to region? How has the company attempted to meet their needs?

11. Please describe any constraints that may have hindered C.I. Uniban S.A.’s ability to market its bananas to global markets from 1990 to 2012. How has the company confronted these challenges?

12. Talk about future opportunities that exist in marketing for C.I. Uniban S.A.
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Now that you have been informed about this study, do you consent to participate?

Yes _______ No _______

Would you consent to be audio recorded?

Yes _______ No _______
Corporate Social Responsibility (CSR) Questionnaire

Date of interview  
______________________

Time at C.I. Uniban S.A.  
______________________

Time at current job  
______________________

1. How did CSR emerge within C.I. Uniban S.A.? Please explain if this is the same path followed in the rest of Colombia’s banana industry.

2. What have been C.I. Uniban S.A.’s top CSR objectives from 1990 to 2012? Please explain why the company focused on them and whether or not they have changed during this period.

3. What were the major successes of C.I. Uniban S.A.’s CSR strategies from 1990 to 2012?

4. Please talk about any major constraints that may have hindered C.I. Uniban S.A.’s ability to carry out its CSR strategies during this period. What were the reasons for these constraints? When were they most problematic? How has the company dealt with them?

5. What have been the primary areas of responsibility for CSR managers from 1990 to the present? Have they changed or remained the same? Explain your answer.

6. Which stakeholders have C.I. Uniban S.A.’s CSR strategies targeted from 1990 to 2012? Why did the company focus on these groups?

7. Which communities in Urabá has C.I. Uniban S.A.’s social foundation, FUNDAUNIBAN, targeted from 1990 to 2012? What criteria does FUNDAUNIBAN consider before attempting to help these communities?

8. Explain how C.I. Uniban S.A.’s implementation of certification standards is related to the company’s CSR strategy in general.

9. Please discuss the impact of the following certification standards on banana workers in Urabá.

   a) ISO 9000  
   b) SA 8000  
   c) ISO 14000  
   d) Fair Trade  
   e) Global GAP  
   f) Other (please explain)

10. Describe how compliance with certification standards is ensured in C.I. Uniban S.A.’s value chain. Is this done internally or does the company rely on independent, third party auditing? Has this process changed from 1990 to 2012? Explain.

11. Discuss C.I. Uniban S.A.’s short and long term goals related to CSR.
Oral Consent Form: Production

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I plan to audio record the interview which should take between 45 to 60 minutes. If we cannot complete the interview within this time, I would like to respectfully request a follow-up interview. If you decide to be recorded, please make sure to speak slowly and clearly. Also, please avoid mentioning the names of or identifying information about third parties. You may still participate in this study if you are not willing to have the interview recorded. In this case, I will conduct it with the same questionnaire taking notes based on what you say.

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Now that you have been informed about this study, do you consent to participate?

Yes _______ No _______

Would you consent to be audio recorded?

Yes _______ No _______
Production Questionnaire

Date of interview __________________________

Time at C.I. Uniban S.A. __________________________

Time at current job __________________________

I. Production, Upgrading, and Competitiveness

1. Please describe the main activities in the production process on banana plantations in Urabá. Has anything about this process changed since 1990? Explain your answer.

2. Please talk about C.I. Uniban S.A.’s major production objectives from 1990 to 2012 identifying any shifts and/or continuities.

3. Please talk about major improvements that C.I. Uniban S.A. may have made in production from 1990 to 2012 regarding:
   
   a) economic upgrades: moving from low to high-value activities such as entering new sectors/chains, undertaking new productive/service functions, raising product quality, introducing new products, improving technology, and/or boosting production.
   
   b) environmental upgrades: use of renewable resources, waste management, energy conservation and efficiency, quantity and/or quality of chemicals used, and/or environmental risk management and reporting.
   
   c) social upgrades: occupational health and safety, labor issues related to banana workers and/or communities in Urabá.

4. What were the major strengths in production from 1990 to 2012? Were there any shifts? If so, when did they take place?

5. Talk about any major constraints in production from 1990 to 2012. When were they most problematic and why did they exist?

6. Describe any major quality control standards C.I. Uniban S.A. may have implemented between 1990 to 2012 related to the production of bananas.

7. What has the company done to ensure these standards are being consistently met? Who monitors this process?

II. Supplier and Producer Relationships

This part of the interview focuses on C.I. Uniban S.A.’s relationships with its suppliers and producers. I am going to read you a brief definition of each term. Please keep them in mind as you answer questions #8 thru #11.
• A supplier refers to any domestic and/or international company that provides inputs, products, and/or services other than bananas to C.I. Uniban S.A.

• A producer refers to the owners, operators, and/or farmers of banana plantations and farms in Urabá that provide bananas for export to C.I. Uniban S.A.

8. Who have been C.I. Uniban S.A.’s primary suppliers from 1990 to 2012? Mention at least two.

9. Who have been C.I. Uniban S.A.’s primary producers from 1990 to 2012? Mention at least two.

10. I am going to ask you to talk about two of the following factors below. Explain how each one has been negotiated between C.I. Uniban S.A. and its primary suppliers from 1990 to 2012.

   a) prices
   b) payment terms
   c) order volume/frequency
   d) packaging/design
   e) technical specifications
   f) cost reductions
   g) quality
   h) speed
   i) flexibility

11. I am going to ask you to talk about two of the following factors below. Explain how each one has been negotiated between C.I. Uniban S.A. and its primary producers from 1990 to 2012.

   a) prices
   b) payment terms
   c) order volume/frequency
   d) packaging/design
   e) technical specifications
   f) cost reductions
   g) quality
   h) speed
   i) flexibility
Oral Consent Form: Human Resources

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I plan to audio record the interview which should take between 30 to 40 minutes. If we cannot complete the interview within this time, I would like to respectfully request a follow-up interview. If you decide to be recorded, please make sure to speak slowly and clearly. Also, please avoid mentioning the names of or identifying information about third parties. You may still participate in this study if you are not willing to have the interview recorded. In this case, I will conduct it with the same questionnaire taking notes based on what you say.

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Now that you have been informed about this study, do you consent to participate?

Yes _______ No _______

Would you consent to be audio recorded?

Yes _______ No _______
Human Resources Questionnaire

Date of interview

______________________

Time at C.I. Uniban S.A.

______________________

Time at current job

______________________

1. What has been the primary mission of the Human Resources Department at C.I. Uniban S.A.’s from 1990 to the present? Has the company’s mission remained the same or changed? Explain your answer.

2. Discuss how the company has attracted, selected, trained, assessed, and rewarded banana workers in Urabá since 1990.

3. Please talk about the major objectives of the Human Resources Department from 1990 to 2012 identifying any shifts and/or continuities. Please explain why the company focused on these objectives.

4. Discuss any major improvements that C.I. Uniban S.A. may have made in its Human Resources Division from 1990 to 2012. What impact did these improvements have on banana workers in Urabá?

5. Talk about any major constraints in the Human Resources Department from 1990 to 2012. How has the company dealt with them?

6. What has C.I. Uniban S.A. done to promote leadership among managers and banana workers since 1990?

7. Describe how C.I. Uniban S.A. has promoted diversity and inclusion among its banana workers in Urabá since 1990. Have there been shifts regarding the company’s way of dealing with these issues? Explain your answer.

8. Looking to the future, what are C.I. Uniban S.A.’s short and long term human resources goals?
I would like to thank you for taking time to meet with me today. I understand that you are very busy and that your time is valuable. I am writing my dissertation about C.I. Uniban S.A. and how it has changed as a banana company over the last 20 years. Today, I would like to interview you since you work for this company and can provide valuable input for my academic research project. Although you may not receive direct benefit from your participation, others may ultimately benefit from the knowledge obtained from this research.

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Yes _______  No ________

Would you consent to be audio recorded?

Yes _______  No ________
Banana Worker Questionnaire

Date of interview

______________________

Time at C.I. Uniban S.A.

______________________

Time at current job

______________________

1. When did you begin working for Agrícola Sara Palma S.A.?

2. What is your current job with the company? Describe your responsibilities in a typical day.

3. Describe any other jobs that you have had with this company from 1990 to 2012. When did you hold them and what tasks did you perform?

4. What are the advantages of your job? Please explain.

5. What are the disadvantages of your job? Please explain.

6. What types of benefits do you receive, if any?

7. Describe the working conditions in your workplace. What do you think can be improved?

8. Talk about the company’s health and safety measures for banana workers in Urabá. What do you think can be improved?

9. What knowledge and/or skills have you acquired while working for Agrícola Sara Palma S.A.?

10. What is the biggest challenge for banana workers in Urabá that work for this company? Please explain.
Oral Consent Form: Community/Social Projects

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The interview should take between 5 to 15 minutes and will not be recorded. Please avoid mentioning the names of or identifying information about third parties. I do not anticipate any risk in your participation other than a time commitment. Your participation in this project is voluntary. Even after you agree to participate in the research, you may decide to leave at any time without penalty. I will retain and analyze the information you have provided up until the point you have left the study unless you request that your data be excluded from any analysis and/or destroyed.

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Now that you have been informed about this study, do you consent to participate?

Yes _______ No _______
Community/Social Projects Questionnaire

Date of interview __________________________
Project __________________________

1. When did this project begin? Is it in progress? Is it finished?

2. What are the goals of this project?

3. Why was it chosen for this area/community?

4. Which stakeholders does this project target?

5. How does it meet stakeholders’ needs?

6. How do you think this project benefits C.I. Uniban S.A.?
Appendix C: Fieldwork: On-site Meetings, Visits, and Interviews

In Medellín

August 1, 2012  On-site meeting with the President of C.I. Uniban S.A.
August 1, 2012  On-site meeting with the Executive Board, C.I. Uniban S.A.
August 2, 2012  On-site orientation meeting with Media Relations, C.I. Uniban S.A.
August 3, 2012  On-site interview with the Coordinator of Labor Relations, C.I. Uniban S.A.
August 3, 2012  On-site interview with the Executive Manager of Human Resources, C.I. Uniban S.A.
August 3, 2012  On-site interview with the Coordinator of Human and Workforce Development, C.I. Uniban S.A.
August 6, 2012  On-site interview the Executive Manager of Marine Logistics and Transport, C.I. Uniban S.A.—Isabella Shipping, Ltd.
August 6, 2012  On-site interview with the CEO of the Turbana Corporation
August 6, 2012  On-site interviews with the Executive Sales and Supply Managers, C.I. Uniban S.A.
August 8, 2012  On-site interview with the Secretary General, C.I. Uniban S.A.
August 8, 2012  On-site interview with the Executive Administrative and Financial Manager, C.I. Uniban S.A.
August 8, 2012  On-site interview with the Executive Treasurer, C.I. Uniban S.A.
August 8, 2012  On-site interview with the Executive Manager of Banana Farms in Urabá, Agrícola Sara Palma, S.A.
August 8, 2012  On-site interview with the Executive Administrative and Financial Manager, Agrícola Sara Palma, S.A.
August 10, 2012 On-site interview with the President of Fundauniban
August 10, 2012 On-site interview with the Social Responsibility Manager of Fundauniban
August 3-10, 2012 On-site meetings with the Corporate Librarian, C.I. Uniban S.A.

In Urabá
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<th>Date</th>
<th>Activity Description</th>
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<td>August 12, 2012</td>
<td>On-site meeting with Regional Director of Fundauniban</td>
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<td>On-site interview with the Production Manager, Agrícola Sara Palma, S.A.</td>
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<tr>
<td>August 13, 2012</td>
<td>On-site interview with Executive Banana Production Manager, Agrícola Sara Palma, S.A.</td>
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<td>August 13, 2012</td>
<td>Direct observation of farm-to-port (ground transport) process, C.I. Uniban S.A.</td>
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<td>On-site meeting with the Regional Manager of Manufacturing, C.I. Uniban S.A.—Industrial Zone</td>
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<td>August 14, 2012</td>
<td>Direct observation of the production process: The Cardboard Box Factory—Industrial Zone</td>
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<tr>
<td>August 14, 2012</td>
<td>On-site meeting with the Regional Manager of Marine Operations in Urabá, C.I. Uniban S.A.—Isabella Shipping, Ltd., Industrial Zone</td>
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<tr>
<td>August 14, 2012</td>
<td>Direct observation of marine operations and logistics, C.I. Uniban S.A.—Isabella Shipping, Ltd., Industrial Zone—León River—Gulf of Urabá</td>
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<td>August 15, 2012</td>
<td>On-site interview with the Coordinator of Integral Management in Urabá, C.I. Uniban S.A.</td>
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<tr>
<td>August 15, 2012</td>
<td>On-site meeting with the Regional Manager of Agroindustry, C.I. Uniban S.A.</td>
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<tr>
<td>August 13-15, 2012</td>
<td>On-site interviews with Managers of Banana Farms, Agrícola Sara Palma, S.A.</td>
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<td>August 16, 2012</td>
<td>On-site visit Instituto Uniban, Fundauniban</td>
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<td>On-site conversation with Director of Instituto Uniban, Fundauniban</td>
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<td>On-site visit Servicio de Cohesión Grupal, Fundauniban</td>
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<td>August 16, 2012</td>
<td>On-site visit Proyecto de Emprendimiento de Mujer Rural, Fundauniban—Turbo</td>
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<tr>
<td>August 16, 2012</td>
<td>On-site conversations, Women with the Proyecto de Emprendimiento de Mujer Rural, Fundauniban—Turbo</td>
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August 16, 2012  On-site visit Institución Educativa Casanova, Fundauniban—Turbo
August 16, 2012  On-site conversation, Teacher at the Institución Educativa Casanova, Fundaunibán—Turbo
August 16, 2012  On-site visit Proyecto Holanda Plataneros, Fundauniban—Turbo
August 16, 2012  On-site visit Urbanización Rosalba Zapata, Fundauniban—Apartadó
August 17-20, 2012  On-site interviews with banana workers on Agricola Sara Palma, S.A. farms
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