International Journal of Drug Policy 89 (2021) 103091

Contents lists available at ScienceDirect

International Journal of Drug Policy

journal homepage: www.elsevier.com/locate/drugpo

Research paper

Criminal entrepreneurs as pioneers, intermediaries, and arbitrageurs in borderland economies

Eric Dante Gutierrez

Erasmus University Rotterdam International Institute of Social Studies, Kortenaerkade 12, 2518 AX The Hague, Netherlands

ARTICLE INFO

Keywords:
Criminal entrepreneurs
Coca and cocaine
Interdependency
State formation
Colombia
Bolivia
Violence and conflict

ABSTRACT

Many discussions of mafia and criminal entrepreneurs typically focus on violence and illegality, and less on their possible roles in rural transformation, even when they are located in borderland economies linking the subsistence cultivators of illicit crops to regional and global markets. This paper assesses the life stories of drug lords, the Castaño brothers of Colombia and Roberto Suárez Gomez of Bolivia, to draw inferences into how such rural elites in the illicit drugs trade are not only specialists in crime but are also actors who regulate and manipulate, often coercively, access to land and resources, mobilise labour and shape its divisions, and promote certain forms of capital accumulation. This paper contends that a better understanding of the roles of these rural elites as pioneers for capital, intermediaries in commodity chains, and arbitrageurs between state and borderlands may provide ways of unpacking key challenges to peacebuilding and economic transformation in borderlands where illicit economies thrive.

Introduction

This paper argues that because illicit crops are commodities produced mainly in marginalised borderlands (UNODC, 2019: 62–74), it is necessary to locate and analyse its criminal entrepreneurs in their rural contexts. How do they shape and are in turn shaped by conflict and contestation over the control of territory, the regulation and manipulation of access to land and resources, the reordering of the agrarian labour supply, and the outcomes of state formation?

Such emphasis is often lost because key publications that shape policy, like the Systematic Country Diagnostics produced by the World Bank, and the World Drug Reports published by the UN Office on Drugs and Crime, often ignore the politico-economic roles of criminal actors, especially in agrarian settings (Gutierrez, 2020). These sustain assumptions that 'war is development in reverse' or economic growth is the best solution for tackling and preventing conflict and criminality (Collier et al., 2003); or that since the central actor in conflicts is the state, investing in state capacity and presence in borderland areas necessarily leads to conflict prevention (United Nations & World Bank, 2018). These assumptions not only create blind spots on the role of illicit actors, but also, as some scholars have pointed out, preclude how licit 'economic growth and development' can itself 'be violent and be the source of criminality and conflict' (Thomson, 2011: 322), and distort the understanding of spaces depicted as 'ungovernable' or 'stateless' when really these are territories 'wracked by extra-legal regimes of rule in which the state is simply one actor amongst others' (Ballve, 2019: 211).

In addition, there is a paucity of literature on illicit crop enterprise and its main actors. Key works on organised crime, for example, are typically focused on violence and illegality, with little or no emphasis on agrarian spaces. Gambetta's classic work on the mafia analyses a privatised industry of providing protection (Gambetta, 1993 and Diego 2011: 2). Varese's study elaborates on the migration of criminal enterprise in a globalising world (Federico 2011). Volkov's 'violent entrepreneur' remaking Russian capitalism explains crime 'as a result of the failure of different social institutions to ensure the proper social integration of individuals and groups' (Volkov, 2002: 17). Lessing's well-argued study unpacks how drug cartel violence is used to constrain the state's behaviour and influence policy outcomes (Lessing, 2015: 1486). In critical agrarian studies, there are few materials, even when a focus on illicit economies can contribute to the approaches and lacunae enumerated by Bernstein and Byres in their inaugural essay in the *Journal of Agrarian Change* (Bernstein and Byres, 2001); and to the perspectives, frameworks and methodologies listed by Borras in the 2009 relaunch of the *Journal of Peasant Studies* (Borras, 2009). Examining rural illicit entrepreneurs can contribute to the 'new directions in agrarian political economy' discussed by Fairbairn et al. on 'the variegated trajectories of agrarian change across space and time' (Fairbairn et al., 2014: 653). In the same way that McMichael presented food regime analysis, illicit crop enterprise analysis may also 'explain the strategic role of agriculture … in the construction of the world capitalist economy' (McMichael, 2019: 139).

E-mail address: ericdantegutierrez@gmail.com

https://doi.org/10.1016/j.drugpo.2020.103091

Classifying entrepreneurs of the illicit crops trade as rural actors

Placing criminal actors within contexts of rural transformation, therefore, would usefully complement the policy and broader literature, and may also provide ways of unpacking key challenges to peacebuilding and transitions from war economies to peace economies in typically conflict-affected borderlands where illicit economies thrive. Indeed, a growing number of studies have demonstrated the need for this approach. A key contribution from McSweeney, et.al. on drug trafficking-related agrarian change asks, 'why do narcos invest in rural land?', 'why now?' and 'why there?', and conclude that drug traffickers 'hasten the transformation of landscapes of smallholder production into the "rentier-agribusiness" nexus of land speculation, cattle, and export monocrops' (2017: 5–6, 16). Richani used the label *narcobourgeoisie* to differentiate drug traffickers from other bourgeois factions (2013: 196–215). Ballve's conclusion on 'narco-frontiers', that the illicit drugs trade is inducing violent agrarian change all over the world, is particularly relevant (Ballve, 2019: 211).

This article is an attempt to examine violent agrarian change of narcobourgeoisies and narco-frontiers within contexts of rural transformation. Its argument – drawn from Blok (1974) and key literature on bandit studies (Hobsbawm, 2000 [1959]; Gallant, 1999) – is that criminal entrepreneurs of illicit crops are not just predatory actors, or exceptional criminals as commonly depicted. They can be categorised as opposites of Hobsbawm's *social bandits;* or as Gallant's predator-merchants who perform important but curiously unacknowledged roles 'in the spread and global triumph of capitalism'. They also shape state formation, because put simply, 'bandits helped make states, and states made bandits' (Gallant, 1999: 25–26).

In the *Mafia of a Sicilian Village* (Blok, 1974), Blok contends that criminal actors are essentially embedded in society, the economy, and state institutions, and are therefore necessarily engaged or locked in interdependent relationships, whether friend or foe, with other actors. Because they make decisions that affect the public, they are not just plain gangsters or racketeers. Blok showed how mafiosos became the 'force for change' that shaped the effective distribution of land, patterns of land use, and the consequent division of labour resulting from shifts into livestock raising, thus principally re-organising peasant society into more commercial forms of agriculture (Blok, 1974: 6; and tables on 245–252). In other words, they were not only criminals but arguably, also Polanyian change agents who used their coercive capacity to break up the bonds and institutions that held peasant society together, in the process enabling the introduction of more capitalist forms of development into the local areas they inhabited (Polanyi (2001 [1944]: 171–172).

A note on methods

To develop its argument, this paper examines the life stories of the Castaño brothers of Colombia and Roberto Suárez Gomez of Bolivia. A *life story,* as Ojermark explains, is an account of a person's story of his or her life, or a segment of it, as told to another; while *life histories* is the account of a life based on interviews and conversations (Ojermark, 2007: 4). The use of life stories as a unit of analysis has been shown to offer meaningful insights (see for example McCoy, ed. 1994: 1–11) and can be linked to Historical Institutionalism, the approach to studying politics and social change elaborated by Thelen and Steinmo, who posited that social outcomes are ultimately shaped and mediated, constrained and refracted, though never solely, by institutions designed and chosen by people. Hence, political evolution is influenced by the intentions of its subjects (Thelen and Steinmo, 1992: 1–3). Thus, using life stories can illuminate on 'branching processes', particularly points of departure from established patterns that lead to outcomes like the mediation of state control or resilience to drug prohibition.

The examination of these life stories enables inferences to be drawn into how drug lords act as rural elites promoting, whether intentionally or otherwise, specific forms of local and economic order. In addition, the systematic selection of life stories can be used to harnesses rich, localised knowledge. Comparing life stories can expand the 'political imagination' and develop conceptual models, and as explained by Mollinga and Gondhalekar, bring into view new possibilities (Mollinga and Gondhalekar, 2014: 183).

But like other methods, there are of course limitations. Often, information about criminal actors is hidden or may remain incomplete, uneven, or piecemeal when verified. Hence, the stories presented necessarily privileges one set over others, and reflects the agenda of the researcher. Often, the material gathered may not constitute grounds for making or disproving generalisations. Nevertheless, life stories, especially when compared with others, can still be useful sources especially since, as Hospers elaborated, in ordinary life we claim knowledge not only from observation but from inference: when we see bear tracks in the mud, we can infer that a bear has been there, even if we didn't see one (Hospers, 1990: 72).

The next two sections elaborate on the life stories and criminal careers of the Castaños and Suárez. The main sources for the Castaños are the biography (of Carlos) by Aranguren; court case records and decisions; and varied news reports. Aranguren's book is sometimes referred to as Carlos' autobiography. The main source for Suárez is his biography written by wife Ayda Levy, supplemented by family records from the MyHeritage.com website, memoirs of Michael Levine (a former agent of the US Drug Enforcement Administration), and news reports. To mitigate the obvious bias of these sources, the information has been carefully cross-referenced with other sources and treated critically.

Deciphering the Castaños of Colombia: 1979 to 2007

The Castaño-Gils were a brood of 12 children from a ranching family with roots in Antioquia (Verdad Abierta, December 2008a). From 1980, three brothers – Fidel (born in 1950), Vicente (1957) and Carlos (1965) (McDermott, 2008; Verdad Abierta, 2008b; Philip 2009) – shot to infamy as fearsome paramilitary leaders who used extreme levels of violence and coercion to fight a growing leftist insurgency, and in the process, appear to have contributed significantly to the transformation of northern Colombia into a supply chain for transnational agriculture.

In 1995 after the Medellin and Cali 'cartels' were eliminated following a US-led war on drugs, Colombia's then-scattered illicit drug business did not crumble. Instead, it was picked up by orphaned criminals and the proletariat of the illicit trade who had the knowledge, skills, and connections to carry on with the business (Crandall, 2002: 160). In the middle of this transformation were the Castaños. After Fidel, the eldest, was killed in 1994, it fell upon Carlos and Vicente to consolidate their influence and power. But they did more than just rebuild the illicit business: they sourced new allies and built an important political platform for it – the paramilitary network *Autodefensas Unidas de Colombia* or AUC (United Self-Defence Forces of Colombia), which prides itself as a self-created 'movement' of its members, and not a tool made or instigated by the state (Aranguren, 2001: Chapter 5).

The rise of the Castaños

The eight boys and four girls of the Castaño-Gil brood were raised in La Blanquita, an estate in Amalfi, a municipality 143 km northeast of Medellin. Amalfi lies adjacent to the sub-region known as Uraba, which covers northern portions of the provinces of Antioquia and Choco (including the entire land border with Panama), and western portions of Cordoba. Uraba retains its identity, not only because of its long history of racialised colonial violence as the site of Spain's first colonial settlement where enslaved Africans were sent to mine for gold along the Atrato River (Ballve, 2020: 49), but also because it became a 'drug-trafficking real estate' sitting astride the key drug movement corridors from the centre of Colombia towards departure points in both the Pacific and Atlantic seaboards (McDermott 2014).

Carlos' biography states that sometime in July 1979, the family's patriarch, Jesus Antonio, was kidnapped by the left-wing rebel group FARC (*Fuerzas Armadas Revolucionarias de Colombia* or Revolutionary Armed Forces of Colombia*)*. This came as a bitter disappointment to the family, since two brothers, Ramiro and Manuel, socialised with the guerrillas, and their father also let the rebels camp on their El Hundidor farm. Three ransom notes were sent, and the first two were paid. The third ransom note for 50 million pesos (about $20,000) came in February 1980, but it appears the father was dead by then. Apparently, Jesus rebelled in captivity, did not eat, and became ill. After a surprise skirmish, the guerrillas suspected a military rescue was afoot and became convinced their hostage was valuable to the military, hence he was shot. A peasant who saw the body before it was removed by the guerrillas confirmed the death to the brothers. The body was never recovered (Aranguren, 2001: 38–40).

'Our revenge lasted two years,' said Carlos, who at the time was 14, while eldest brother Fidel was 29. First found was Conrado Ramirez, one of four seen taking their father from La Blanquita. The information was relayed to the Army, who promptly arrested Ramirez, but a magistrate thought to be sympathetic to the FARC said Fidel's evidence was hearsay, hence, ordered Ramirez's release. Three days later as Ramirez emerged from the Fujiyama residences, Fidel shot him dead. It was the 'first extra-judicial execution of the Autodefensas in the name of a genuine justice that does not yet exist in Colombia', claimed Carlos (Aranguren, 2001: 44). The Castaños killed in total seven FARC members linked to their father's kidnapping.

The kidnapping is 'where it all began', explains Carlos. Soon, the brothers set up the vigilante group '*Las Tangas*', named after Fidel's ranch. Before long, *Los Tangueros* enjoyed the backing of local ranchers, businessmen and the army who found them a useful force checking guerrilla activity (McDermott, 2008; Verdad Abierta, 2012). The *Tangueros*, however, were more than just simple providers of protection, and the context in which they emerged offers clues into the logic and purpose of their violence. A number of cases heard at the Inter-American Court on Human Rights (CorteIDH), which acts alongside the Inter-American Commission on Human Rights (IACHR), provide details. The court's 178-page judgement on the Pueblo Bello massacre heard expert testimonies that the location of Fidel's ranches, including Las Tangas, served as a strategic deterrent to guerrilla expansion. Not only did the ranches and its vigilantes sit in a cattle-raising region where guerrillas collected war taxes from businessmen and livestock owners, they were also linked to the road networks that comprised the extremely profitable *Eje Bananero* (banana axle), the centre of which was the highway from Medellin to the port city of Turbo (CorteIDH, 2006: 46–47).

The development of the highway, the Court heard, changed the economic structure and demographics of the region and consequently created rising social and political tensions. In the 1950s, forested areas were thinned out by logging operations that extended south, opening land to more unplanned smallholder peasant settlements. In the 1960s, however, the largely subsistence peasant agriculture was displaced by the arrival of *Frutera Sevilla,* the renamed United Fruit Company. The company introduced a banana contract-growing scheme to Uraba landowners, most of whom were raising cattle. The transition was aided by generous loans provided by the *Corporacion Financiera Colombiana de Desarrollo Industrial,* which received US bank credits under the Alliance for Progress, a US $20-billion initiative to provide a 'peaceful, democratic, capitalist alternative to the Cuban Revolution'. Under the new scheme, *Frutera Sevilla* did not grow its bananas, but bought it from contract growers with an assured minimum price. The company then invested in road, canal- and drainage-building, deepened several streams, and acquired barges and tugs that carried the bananas to its ocean-going ships (CorteIDH, 2006: 25–47; New York Times, 1971; US Congressional Record, 1964).

This period of 'development', however, created a chain of intended and unintended consequences. With land values increasing rapidly, predatory speculators displaced and dispossessed the smallholder peasant population. Eventually, many survived by becoming wage workers for the banana contract-growers, typically without the benefit of labour standards and legal protection. Meanwhile, cattle ranching served further to hold and control land while waiting for expected huge rises in property values. Thus, the conversion of peripheral areas to the north and east of the highway for cattle farming created further land conflicts and peasant displacements. Eventually, social and political forces emerged to confront each other: two rebel groups, the FARC and the EPL (*Ejercito Popular de Liberacion* or Popular Liberation Army) that declared support for the peasants; and government-authorised and often Army-armed civilian forces that supported the cattle ranchers, banana growers and plantation owners. This became the central element of confrontation in the region (CorteIDH, 2006: 24–26 and 45–47). According to a 1988 report from DAS (Administrative Department of Security), it led 'to the polarization of positions, transformed the area into a war zone, and generated a power vacuum that encouraged all manner of atrocities' (IACHR, 1994: 3–4).

It was within such context that the Castaño brothers emerged. After their father's death and due to the rising tensions with the guerrillas, the brothers sought a new area in which to regroup. Led by Fidel, Carlos stressed they wanted a strategic location near the banana plantations that was equidistant to the three departments of Cordoba, Antioquia, and Choco, and which had access to the sea and border areas. They tried San Juan, on the coast, but abandoned the effort after guerrillas killed 'some of our boys'. Instead, they moved closer to Cordoba where they could better endure guerrilla retaliation, and where many ranches had been abandoned. Eventually they found the 2100-hectare estate Las Tangas, near Monteria, the provincial capital. Fidel purchased the property in 1983, but the prosecutor in a case against him said Fidel only paid the first instalment, and later kidnapped the son of the rancher, 'recovered' his payment, and then murdered the original owners (*Verdad Abierta,* 14 September 2012). Las Tangas, said Carlos, was the first area they 'liberated', which became a refuge and training ground for the paramilitaries thereafter (Aranguren, 2001: 70 and 110).

An expert witness in the cases against Fidel told the court that the Castaños' paramilitary army was financed by drug profits (CorteIDH, 2006, 25–26). As the Castaños expanded to adjacent municipalities until the Gulf of Morrosquillo, expelling EPL guerrillas in the process, ranchers started returning, claimed Carlos. 'If it is a business for the guerrillas to impoverish the regions', he added, 'Fidel considered it a thriving business to enrich those regions'. Fidel, said Carlos, was essentially a capitalist (Aranguren, 2001: 113). Whether intended or unintended, the Tangueros effectively contributed to the transformation of the smallholder-led agrarian economy into a supply chain for capitalist, commercial agriculture on one hand, and illicit coca production, on the other. Violence and terror were their tools in destroying opposition.

Between 1988 and 1990, the paramilitaries committed more than 20 massacres, all linked to social tensions arising from the region's agricultural commercialisation. Carlos claimed not all these were their doing: some were committed by paramilitaries outside the Castaño network; and some took place even before they established presence in central Uraba (ibid., 109). The main atrocities were:

- Currulao (Turbo), March 4, 1988: 17 people, all active members of SINTAGRO (the Union of Agrarian Workers of Antioquia) were murdered to intimidate voters from voting for the Union Patriotica, considered the legal party of the FARC (IACHR, 1994).
- Buenavista (Cordoba), April 3, 1988: 28 people executed as the Tangueros looked for an EPL leader involved in kidnapping.
- Punta Coquitos (Turbo), April 11, 1988: 27 banana workers murdered, apparently by killers under contract from ACDEGAM or Association of Farmers and Cattlemen of Magdalena Medio (El Espectador, 2018).
- Canalete (Cordoba), August 30, 1988: 16 victims killed.

- Pueblo Bello (Cordoba), December 1989 – 43 peasants were kidnapped, brought to Las Tangas, interrogated and tortured. Thirty-seven disappeared and only six bodies were found (CorteIDH, 2006: 26; 47–52).

The mutation of the Castaños

Fidel was the family's main entrepreneur who made money from mining, land speculation, art trading, and drugs trafficking, subsequently investing his profits in Las Tangas (Verdad Abierta, 2008a). His business network brought him into contact with Pablo Escobar. As the relationship expanded, Fidel was given charge of maintaining a supply chain in Bolivia for what was then the largest cocaine processing network in the world. Carlos, meanwhile, rose to become a prolific *sicario* (assassin) of the Medellin cartel and the family's chief enforcer. Vicente was deployed to Los Angeles where he handled the distribution end of the drug business (McDermott, 2008).

When Escobar brought the Medellin cartel into war with the Colombian state in 1989, Fidel was amongst those who disagreed. In early 1992 when Escobar was in prison under a negotiated surrender, he summoned Fidel, Fernando Galeano and Gerardo Moncada to a meeting. Only Galeano and Moncada turned up and ended up dead, believed killed by Escobar himself. It was then that Fidel set up PEPES or People Persecuted by Pablo Escobar (Aranguren, 2001: 97–99). Fidel's rebellion was critical to the downfall of Escobar because as McDermott explains, 'Fidel set about proving he could be even more brutal than Escobar'. With support from Colombia's security forces, and allegedly the DEA itself, Fidel typically set off two bombs for every bomb Escobar set off, targeting the Medellin chief's properties. Fidel also attacked Escobar's accountants, lawyers, and supporters. After his escape from prison, Escobar was finally tracked and shot dead by a police sniper in December 1993 (McDermott, 2008).

The emergence of the Castaños as criminal entrepreneurs who were at the same time fearsome paramilitary forces gave them connections and a powerful ally providing strategic protection – the military. By becoming a credible force against leftist guerrillas, they transformed from hunted gangsters to criminal entrepreneurs serving a useful political purpose. This change is demonstrated in a case in which businessmen eyeing palm oil plantations approached Vicente and his paramilitaries in the late 1990s to be partners in a project. According to Bernal-Bermudez, the businessmen found the Curbarado and Jiguamiando river basins in Choco to be ideal for palm oil plantations – it had the right climate, soil, a supply of cheap land and labour, and was close to Pacific trading ports. Vicente's role was to ensure that land and labour would remain available throughout the project. This was significant, explains Bernal-Bermudez, because it was the first case of business taking the initiative to approach the paramilitaries for a partnership, when previously it was always the other way around when paramilitaries approached businesses offering security in exchange for financial contributions (Bernal-Bermudez, 2017: 228–229).

On January 6, 1994, just a month after Escobar was killed, Fidel was himself shot dead in an accidental clash with EPL guerrillas (not the FARC as widely reported), which according to Carlos, were already nearly defeated. But Carlos kept Fidel's death a secret, fearing demoralisation amongst their ranks. He even answered a questionnaire sent by a reporter in May 1994 pretending to be Fidel. Only after that 'interview's' publication did the family realise Fidel was dead. A twist in this story is that when the identity of Fidel's killer was found, the man had abandoned the EPL and was already fighting for Carlos against the FARC. He was identified as Commander Sarley (Francisco Morelo Peñata), who never knew the man he shot. Fidel the founder of the *Autodefensas* died in anonymity. Carlos forgave Sarley, who rose to become his second in command (Aranguren, 2001: Chapter 1).

After burying Fidel, Carlos took the reins of Los Tangueros, and launched sustained attacks on FARC strongholds in Uraba. Carlos then established, along with Vicente, the *Autodefensas Campesinas de Córdoba y Urabá* or ACCU (Peasant Self-Defence Forces of Cordoba and Uraba), incorporating into their ranks former EPL members and FARC deserters. By terrifying the local population into denying FARC even a glass of water, ACCU expanded and by the end of 1996, 'had done the impossible – it drove FARC rebels out of Uraba' (McDermott, 2008). FARC's setback in Uraba had far-reaching implications – processes of peasant displacement, land dispossession, and land speculation were now enabled without significant opposition.

The multi-purpose franchise of a paramilitary brand

The creation of ACCU marked a turning point, notes Grajales, because for the first time in Colombia's long history of armed conflict, 'a paramilitary group was endowed with the image of a politico-military organisation, with internal hierarchies, subdivisions and military ranks'. The ACCU defined itself as 'a counter-subversive armed organisation' and a 'civil resistance movement'. Carlos then started pushing for closer coordination between the country's paramilitary groups. In 1997, the national network AUC was established, with Carlos as its spokesman (Grajales, 2015: 7).

But Vicente and Carlos appear to have had different views on AUC's purpose. While Carlos built the AUC into a politico-military force, Vicente used it as a network for drugs trafficking. Vicente started selling 'franchises' to drug traffickers and other armed groups by highlighting a key 'benefit': an AUC affiliation could change a drug trafficking organisation's status from criminal to political actor. Because a 'franchise' allowed the buyer the right to use the AUC name and logo, and get an official rank within the organisation, it potentially offers immunity from prosecution or extradition to the US. It turned common mobsters, following payment of a franchise fee, into armed political actors (Grajales, 2015). These differences between the brothers have been suggested in *Verdad Abierta* accounts but could not be confirmed or denied in Aranguren's book which, strangely, has no mention of Vicente at all in its 242 pages. This, in itself, may be an indication of the brothers' estrangement. Carlos apparently struggled with the dilemma of taking drug money to fund 'the cause'. For example, in Chapter 14, he claims losing sleep over using drug money to buy 4500 rifles from Central America, but went ahead because he didn't want to be 'the idealistic commander who lost the war'.

For some criminals, the franchise not only gave some form of legitimacy but also provided cover and protection. amongst the franchisees were 'the Twins' (Los Mellizos) – enterprising cocaine traffickers from Cali caught in conflict between competing groups who sought the protection of the Castaños. In 2001, a police raid on one of their apartments in Bogota yielded $35 million in cash. By 2004, they had been named in the list of 12 most-wanted traffickers by the US. By establishing the paramilitary group *Bloque Vencedores de Arauca* and buying a franchise from the AUC, they effectively avoided extradition (Verdad Abierta, 2008c).

Thus, a type of fuzzy actor emerged who could claim to be a political activist but at the same time was neither exclusively a paramilitary nor exclusively a narco. Effectively, they continue the 17th century tradition identified by Gallant about bandits who became patriots, and vice versa, depending on their relationships with the state (Gallant, 1999). Some franchisees calling themselves 'transitional armed group' further blurred boundaries. Grajales (2015) importantly argues that contrary to their common image as 'outlaws' operating outside the state and formal economy, these actors operate very much like politicians and businessmen who invest time and effort in building the legitimacy that enables survival and expansion. amongst their various mechanisms, the most useful has been the AUC franchise, which shapes the social construction of what constitutes illicit business and criminality in quite unexpected ways.

The death of the brothers

By the end of 2002, Carlos was negotiating with the national government for the demobilisation of the paramilitary structures that he helped create, thereby increasingly straining his relationship with Vicente. AUC paramilitaries, many of them wanted for extradition to the US, worried about what Carlos might tell the Americans. On April 16, 2004, Carlos was reported killed. Vicente's right-hand man, Jesus Ignacio Roldan or Monoleche later confessed to carrying out the assassination under orders from Vicente himself (McDermott, 2008).

By November 2006, over 30,000 paramilitaries had demobilised. Vicente himself applied to demobilise but in early 2007 went into hiding with Hernan Hernandez to organise a retaliation against the government. He canvassed support, asking AUC commanders to donate $250,000 each for a war chest, but only received two responses (Verdad Abierta, 2008b). Hernandez himself was hesitant. On March 11, 2007 four men reportedly killed Vicente. Many believed Hernandez orchestrated the killing, but he denies it, triggering rumours that Vicente deliberately organised his own disappearance (McDermott, 2008). However, proof that he was indeed dead was the scramble that ensued amongst various paramilitaries under Vicente's influence to take possession of the Castaños' houses and accumulated landholdings, including Las Tangas.

Carlos wanted a political paramilitary as an anti-thesis to the FARC, with whom they battled bitterly. Vicente created the infrastructure for a decentralised capitalist enterprise in illicit drugs. Despite differences in intentions, the Castaños can be collectively credited for consolidating a particular form of local economic order in the territories they inhabited.

Suárez and Bolivia's upper-class drug barons: 1970–1988

'The drugs industry,' according to *The Economist*, 'is simple and profitable. Its simplicity makes it easy to organise; its profitability makes it hard to stop' (The Economist 2018). But profitability alone is insufficient in explaining its remarkable resilience. Without protection, profitability will not last. Profitability is not automatic in many contexts – it needs to be carefully constructed and maintained. A business that acts as a useful intermediator and keeps the right partners will continue to be needed. These are the beliefs and ideas of Roberto Suárez Gomez, Bolivia's 'King of Cocaine' in the 1980s, as documented by his biographer, wife Ayda Levy (Levy:, 2012).

Roberto was a member of the elite who moved socially at the top of Bolivia's high society. He was an heir of *Casa Suárez,* a firm founded by his great grandfather Pedro Federico Suárez Callaú (1837–1908), who moved from Santa Cruz to Bolivia's northeast frontier in the 1850s and started the family's exports of quinine (Levy, 2012: Chapter 1). In 1880, Pedro's younger brother Nicolas (1851–1940) explored and mapped the river network further downstream and built barracks for rubber tappers on a strategic location that came to be known as Cachuela Esperanza, from where Casa Suárez established a monopoly on the transportation of rubber during its worldwide boom in the 1880s. In 1883, Casa Suárez expanded to London, where another brother, Francisco, registered the publicly-listed firm *Suárez Hermanos Ltd* (later renamed *Suárez & Co. Ltd*), and took charge of raising capital, purchasing property, and organising the delivery of cargo to and from Cachuela Esperanza. By 1890, the firm had become the world's biggest rubber firm, supplying up to 70% of global demand. Operating in an isolated border area that could not be secured by the state, Casa Suárez won favourable concession agreements with a national government that effectively delegated many of its roles to the company. By the turn of the century, the firm owned or controlled up to 6.5 million hectares of tropical forests, grasslands and farms in Beni, Pando, and Santa Cruz, as well as in Cochabamba (Fifer, 1970; Lehman, 2018; Levy, 2012; and family records of Nicolas Suárez Callaú in www.myheritage.com).

Casa Suárez functioned as a para-state in remote areas with a history of chronic economic and social restructuring (Lehman, 2018). Faced with constant labour shortages on account of its isolation, it weathered many crises over the years: (a) the 1899–1903 Acre border war with Brazil; (b) the 1920–1940 economic dislocation triggered by the fall of global rubber prices; (c) the 1932–1935 Chaco border war with Paraguay; (d) the subsequent series of coup d'etats following the humiliation of defeat in the border wars; and (d) the rise of various political groups, including the *Movimiento Nacionalista Revolucionario* (MNR), which came to power in 1952 and implemented sweeping agrarian reform policies, including reverting six million hectares of Suárez-controlled land back to government. Though reduced by these crises, the Casa Suárez empire weathered through because, as Lehman argues, amidst such uncertainties the firm learned to prioritise food production and living conditions, cancelled debts, and relied on alternatives such as cattle raising in order to avoid the depopulation of the region. In other words, Lehman continues, Casa Suárez developed the view that the rural workforce is in itself a resource and key asset to be preserved in order to survive harsh and uncertain borderland conditions (Fifer, 1970; Lehman, 2018).

Cattle farming, therefore, encouraged settlement and the consolidation of rural towns. It also benefitted from still-existing Casa Suárez infrastructure, since live cattle, like rubber, were exported via the firm's fleet of barges and port stations into Brazil. In 1939, Roberto spent a summer holiday with great granduncle Nicolas at Cachuela Esperanza, who at 88 remained active and strong and thus saved the young Roberto from drowning by pulling him from the swirling Beni river back into the boat (Levy, 2012: Chapter 2). Roberto would go on to expand the family's cattle business. After his marriage to Ayda Levy in 1958, he inherited Hacienda San Vicente in Santa Ana del Yacuma, with 5000 heads of cattle, and started exporting cattle to Brazil, using steamboats rented from relatives in journeys that typically took 3 days downstream. With business growing, Roberto went on to purchase more haciendas for his cattle stocks like San Manuel from his brothers, El Chavius from the Montejos family, and El Carmen from the Castedos, amongst others. By the 1970s, the couple owned about 250,000 hectares of grazing land and 50,000 cattle heads (ibid., Chapter 7).

Coca's rise in eastern Bolivia

Though the post-1952 agrarian reform became the final blow that led to the official dissolution of Suárez and Co. Ltd in London, the family seems to have secured some form of settlement with the government of Victor Paz Estenssoro. By 1962, Roberto was elected subprefect of Yacuma province in Beni, while older brother Hugo was appointed Minister of State for Agriculture (Levy, 2012: Chapter 14). The Suárez family's economic and political presence in Beni, Santa Cruz, and Cochabamba continued. They were seen by a national government based in the more densely-populated western highland regions not only as partners in forging stronger political and economic links with the sparsely-populated eastern lowlands, they were also regarded as key actors for strengthening food security (Painter, 1994: 3).

The reasons for Roberto's entry into the drugs business remain unclear, but it appears to have started in the mid-1970s, enabled it seems by the expansion of coca farming into Cochabamba. Until the 1940s, up to 97% of coca fields were in the mountainous Yungas area (Painter, 1994: 3). By the 1950s, however, the flat eastern lowlands of the Chapare in Cochabamba started growing coca. By 1967, Chapare had more hectares under coca cultivation than Yungas. A key reason for the shift, explains Painter, was that roads started to penetrate the low-lying areas of Cochabamba as part of government efforts to encourage settlement into eastern Bolivia, deemed necessary to avoid a repeat of the loss of territory in the Acre and Chaco wars. When a paved highway funded by international aid was finished in the 1970s, which coincided with the rapid expansion of international demand for cocaine, Chapare's vast flat lands had become criss-crossed by a myriad of small paths and roads running off a main artery. This was unlike Yungas, where no airplane could land (Painter, 1994: 3–4; Laserna, 1995).

Roberto's extensive grazing lands and cattle business are essential to an understanding not only of the infrastructure upon which he built his drugs business, but also of the relationships of accommodation and patronage he established and maintained with coca farmers in the eastern lowlands. Roberto was not simply an impersonal drug trafficker or gangster buying and selling coca in the conventional sense: he was also the *patrón* or godfather who had direct and indirect personal relationships with many of these farmers, some of whom were likely to be tenants allowed to grow crops, rather than just raise cattle, on the land.

In the same way that cattle farming benefitted from the foundations built by rubber, Roberto's drug business benefitted from his cattle infrastructure. Roberto trained as a pilot and modernised the cattle business by building airstrips on his ranches and investing in what became Bolivia's largest private fleet of small aircraft. With the aircraft, Roberto was able to transport meat quickly to Bolivian and Brazilian cities, and gained considerable value added. The same fleet would later run the supply chains that brought coca base to Pablo Escobar and the Medellin cartel in Colombia, as well as cocaine to French partners in Marseille (Levy, 2012: Chapter 12). In 1982, the Reagan administration estimated Roberto's drugs turnover at $400 million a year (The Economist, 2000).

On 26 December 1982, Roberto hosted a party in San Vicente, which has a 2.2-km airstrip, ostensibly to celebrate eldest son Roby's birthday, but which was also a meeting of families from Antioquia that banded together under MAS (*Muerte a Secuestadores* or Death to Kidnappers). MAS, formed for self-protection after the kidnapping of Martha Nieves Ochoa by the left-wing M-19 guerrillas, would later become the Medellin Cartel. For the party, airplanes were dispatched to Sao Paolo and Rio de Janeiro to pick up celebrity chefs; to Panama to collect boxes of whisky, champagne, and other spirits; and to Colombia to bring in Escobar and Gonzalo Rodríguez Gacha. When Escobar disembarked, a group of fourth-generation mariachis from Tecalitlán (Mexico) descended from a second plane playing ranchera music. As the party started, a prized Thoroughbred horse named *Piropo* arrived on a Super DC-3 plane, a gift of the Ochoas to Roberto, who in return impressed the Colombians when he showed off his fully-grown pet jaguar named *Kayan* (Levy, 2012: Chapter 10). It was evident that these were no ordinary mobsters driving fancy cars.

The geopolitics of Roberto's cocaine business

Important parts of Roberto's biography are the stories Levy tells about the geopolitics of the cocaine business. Apparently, these accounts were pieced together not just from what she personally knew, but also from an unpublished 500-page 'Coca-Cocaine Thesis' in which Roberto provided details about his criminal exploits (Levy, 2012: Chapter 18).

Because the Cuban government played a decisive role in the liberation of Martha Nieves Ochoa from the M-19 kidnapping, Escobar accepted an invitation to visit Havana in January 1983 and brought Roberto along. In Havana, they were told about the Castro brothers' strong interest in using drug trafficking as a weapon against US imperialism. A deal was therefore stuck, in which the cartel would pay $1-million a day for access to Cuban territorial waters and airspace. In return, the Cuban navy would not only allow cartel ships and planes smuggling cocaine to Florida to replenish, the drug traffickers will also be provided with intelligence drawn from Russian-supplied radars on the precise location of American Coast Guard ships and aircraft (Levy, 2012: Chapter 11).

The deal went smoothly for 16 months, enabling hundreds of tons of cocaine to be smuggled into the US, while Cuba earned a windfall. In June 1984, however, it ended after Cuban intelligence found that Roberto and Escobar were also playing with the CIA and Lt. Col. Oliver North, in a deal brokered by Panama's Manuel Antonio Noriega. Apparently, North and the CIA sought ways to circumvent the Boland amendments in the US Congress, which not only limited the amount but also set conditions on the aid that the US government could provide to the *Contras* fighting the Sandinistas, Cuba's allies in Nicaragua. Roberto was to take charge of production; the CIA will organise delivery to US territory, via Limon Province in Costa Rica; and US-based Medellin cartel operatives will do distribution and sales. Each then takes a 30% share of the profit, with the CIA share used exclusively for funding the Contras (Levy, 2012: Chapter 12).

In order not to mix things up, Roberto set up a new drug lab, called *Villa Mosquito,* in the most swampy and inhospitable part of Ballivian Province in Beni. The complex was built so that the laboratory, warehouses, houses, hangars and other outbuildings for electric generators and pumps would not be seen from the air; the only thing visible was a small house, a corral and a small herd of five hundred cattle. A catering company supplied fuel, food and other needs, including Brazilian prostitutes. The lab produced a thousand kilos of cocaine each day. Two Hercules C-130 aircraft owned by the CIA but registered under the US air company Southern Air Transport, which the Bolivians called *Aerococa,* departed each week from Villa Mosquito to transport seven tons of cocaine to Puerto Limon (ibid., Chapter 12).

The Cubans, angered at how their Sandinista allies were being undermined, urgently invited Roberto and Escobar for consultations in Havana. The plan was to arrest the pair in order to scuttle the operation. However, officials who negotiated the deal – General Arnaldo Ochoa and Colonel Antonio de la Guardia – warned the pair, allowing them to leave before the arresting party arrived. Both officials, bemedaled heroes of the Cuban Revolution, were later executed in Havana by firing squad (Levy, 2012: Chapter 11; Chapter 12; and New York Times, 1989).

Cocaine, Inc

Levy took pains to highlight that her husband was different from the criminals and warlords with whom he partnered. He was the mild-mannered but cunning *patrón*, she emphasises, who had 'the touch for the common people' and 'helped the poor get out of their misery'. Levy lamented the betrayal by General Luis Garcia Meza, who came became president via a July 1980 coup that Roberto funded, only to cave in to US pressure by publishing a list of wanted drug lords with Roberto and son Roby on top. The publication caused damage, because Roberto's known properties and assets were frozen, prompting Levy to start the tedious task of legally dissociating the family's assets from those acquired through her husband's illicit business. This also led to the separation of the couple, although they remained friends, states Levy, and were seen together in parties they hosted (Levy, 2012: Chapter 5; Chapter 18).

Roberto had a particular hatred for the US, citing how two American companies, tobacco giant Philip Morris and firearms manufacturer Smith and Wesson, kill more people than cocaine (Levy, 2012, Chapter 5). More importantly, Roberto belittled the US-led 'war on drugs' because he believed that 'no one can eliminate the largest business in the world'. The most that anti-drug operations can achieve, he said, is to change the brokers or intermediaries who organise and profit from the business, pointing out that when special police and the DEA established bases in Bolivia's coca-producing areas, coca leaf growing increased rather than diminished (Levy, 2012: Prologue).

Roberto wanted to end the tendency to create a monopoly in the drugs trade, halt a slide to deadly competition, and smoothen relationships with government. He did this by setting up *La Corporacion,* which the Americans eventually called the 'General Motors of Cocaine'. It functioned more like a loose partnership in an industry where entry is not difficult. Its incorporators, drawn from the Bolivian elite, essentially remained autonomous but pooled their resources together to reduce mutual costs, sold materials and services to each other, shared information, distributed orders, and coordinated where necessary (Levy, 2012: Chapter 7)

Perhaps its most important innovation was to attach the illicit drugs trade to the infrastructure and business links of licit enterprise. For Roberto, it meant not just using the assets of his ranches, but also the family's river infrastructure. Steam barges operating from ports on the Mamore River to Guayaramerin, for example, were used to trans-

port bulk coca leaves for processing. La Corporacion relied on already-existing business infrastructure – letters of credit, bank accounts, procurement lines, warehouses, insurance premia, legal and accounting firms, and so on. Roberto explicitly wanted to transform the 'ant' traffic in coca into a centrally-coordinated corporate enterprise. At its height when millions of dollars in cash arrived on planes from Colombia each day, the couple and their associates joked that 'it was easier to drain the Mamore River than to end the flow of money' (ibid., Chapter 7).

As key investment, La Corporacion bought properties on the outskirts of the Madidi National Park near the Yata River to set up a network of laboratories for coca processing that its partners could use. A fleet of 30 Cessna STOL206 (short take-off and landing) aircraft – typically with license numbers muddied to avoid identification and flown by pilots who paid bribes of $10,000 to obtain landing rights – were used to bring in the crude coca base from the Chapare. The processed cocaine paste sulfate was then transported to Colombia using longer-range turboprop DC-3 aircraft. The pilots (*maruchos)* typically earned $15,000 per flight. A key change Roberto introduced was to increase the sale price of cocaine base sulfate from $1800 per kilo to $9000 per kilo (ibid., Chapter 7).

Political connections

Roberto had many political involvements and was even faulted by wife Ayda and brother Hugo for squandering money by playing politics. According to Painter, then the BBC's correspondent in Bolivia, Roberto was widely believed to have financed the 1978 campaign of General Juan Pereda. Strong evidence also suggests that Roberto financed the brutal 'Cocaine Coup' of 1980 which put into power General Luis Garcia Meza, and ushered in what was perhaps the most violent period in contemporary Bolivia when the country saw extra-judicial killings, disappearances, and torture, particularly of union leaders and left-wing figures opposing the coup (Painter, 1994: 58–59). On assuming power, Garcia Meza quickly appointed Colonel Luis Arce Gomez as Interior Minister, whose first act was to authorise the release of key drug traffickers from jail (Levine, 1993). Arce is a cousin of Roberto (Levy, 2012: Chapter 2).

However, Roberto deplored the violence and 'useless murders'. There were over 500 murders and disappearances, and thousands of tortures and imprisonment. Behind it was the mafia-like organisation *Novios dela Muerte (*Lovers of Death) led by the infamous Nazi war criminal Klaus Barbie and Argentine military advisers. The *Novios* were a group of about 600 mercenaries contracted by Arce to hunt down 140 small and mid-level drug traffickers, apparently to show to the US that on the contrary, Bolivia's new rulers were also 'tough' against drugs. In reality, the *Novios* simply cleared the field of lower-level competitors (Levine, 1993: loc. 1156).

Levy confirms the *Novios* also worked for Roberto, mainly to provide protection for the drug shipments to Colombia by ensuring that the Colombians paid first, before off-loading the cargoes. The *Novios,* she said, were known locally as the *Aguilas Negras* (Black Eagles)*,* on account of the images of those birds on the wings of Roberto's planes. Levy, who has Jewish roots, listed names of the most prominent *Novios* and called them 'a diverse sample of the international extreme right' (Levy, 2012: Chapter 6).

Political connections to the CIA also came in handy for the drug traffickers. In May 1980, La Corporacion was targeted by a joint US-Bolivia sting operation, a deception or a ruse intended to catch criminals actually committing a crime to mount a successful prosecution. It was led by DEA special agent Michael Levine. The sting operation – in which a trial 500 kgs of cocaine was picked up by plane and $9 million in cash paid inside the vault of a Bolivian bank – resulted in the arrest of two La Corporacion partners, Jose Roberto Gasser and Alfredo 'Cutuchi' Gutierrez, who were extradited to the US and indicted. However, Gasser was soon quietly released from jail, and subsequently, the US Attorney's Office in Miami dropped all charges. Gutierrez's bail requirement was lowered from $1-million to $10,000, which he quickly posted (Levine, 1993: loc. 683). Levine later found the reason for the release – Gasser and Gutierrez were assets of the CIA. The 1980s were also the period of *La Guerra Sucia* or the 'dirty war' against communism in Latin America, and the CIA was protecting its allies. To Levine's dismay, the targets of the war on drugs were deemed by the CIA as the allies the US needed in its war against communism (ibid., loc. 1429).

The end of the king

Roberto broke off with the Medellin cartel in mid-1984. His-declared reason was that Medellin operators were undermining his business, but Levy says it was because Roberto deplored his partners' violence and regretted enriching Escobar. The timing was significant for two reasons. First, in March that year, the Medellin cartel suffered a serious blow when the DEA and Colombian police destroyed Tranquilandia, the sprawling rural complex with 19 laboratories and 8 airstrips that produced cocaine exports to the US. This left Roberto with the only sizeable jungle laboratory facilities in Madidi, Yata, and Villa Mosquito. Second, the Cuban and CIA smuggling deals ended. But Roberto by then, without the knowledge of Escobar, had already established ties with a jovial Colombian, Cesár Cano, who had good connections in the Bahamas and knew the coasts and beaches of southern Florida. Over the next few months, business with Cano flourished, earning Roberto net profits of about $250 million. But the Antioqueños caught up with Cano: 12 hitmen killed him and his bodyguards in August 1985 on the doorsteps of his mother's home in Bogota. Cano's death unnerved Roberto, who promptly abandoned his illegal drugs business, and attempted to go legal by reviving his proposal to government of a new multinational corporation, modelled after Casa Suárez, capable of processing Bolivia's excess coca leaf production into medicinal and other products for a mass market (Levy, 2012: Chapter 13; Painter, 1994: 1). By that time however, Roberto was already too tainted for his proposal to be considered seriously.

In July 1988, at the end of Bolivia's coca boom, Roberto was arrested in a raid in El Sujo, one of his ranches in Beni (Painter, 1994: 27–28). He was convicted to 15 years and put in a prison near La Paz that, according to Levy, was more like a paradise without freedom, rather than a purgatory. Roberto was however released in 1996 because his health deteriorated in the highland environment. Put under house arrest in the lowlands, he spent time working with a journalist and ghost writer to produce his memoirs, entitled *Siempre Rey* (Always King), which was turned down by publishers and filmmakers because it barely mentioned his criminal exploits. Levy later discovered that Roberto had also written a longer *Tesis Coca-Cocaina* that provided many of the details published in *El Rey de la Cocaina* in which Levy elaborated on Roberto's criminal background, but more in the mould of an upper-class Robin Hood (Levy, 2012: Chapter 18 and Epilogue).

Before he died in July 2000, a terminally-ill Roberto attempted suicide by barricading himself in his room, brandishing a gun. But an ambulance arrived with doctors that succeeded in convincing him to be brought to a private clinic, where he died five days later. Thousands of people, narrates Levy, attended his wake in Santa Cruz. He was buried in Cochabamba alongside eldest son Roby, who was killed in police custody in 1990 (ibid.)

Conclusion: deconstructing arbitrage and intermediation

Details from these preceding life stories affirm that drug lords are more than just gangsters and racketeers, they are also important local political and economic actors who mediate state, society, and market relationships. Though rural elites in the illicit drug trade defy easy classification, it is evident that the Castaños through their tools of violence played key roles in the consolidation of commercial agriculture in Uraba; while Roberto was the main supply chain intermediary, who

provided the business links, transport assets, political connections, including a loose partnership of *gente buena* (upper class) traffickers that transformed coca cultivation and cocaine-base production from household activity to commercialised industry.

The main proposition advanced by this article is that criminal entrepreneurs survive and thrive because they establish interdependencies as *pioneers* for capital, *intermediaries* in commodity chains, and *arbitrageurs* especially in the dangerous places at the margins of state and market.

Roberto emerges as an archetypal *pioneer* for capital – he was a criminal entrepreneur who was also an informal but effective source of credit, employment and investments in territories that have been historically isolated from market networks, have little state presence, and governed differently. Gallant's point applies – bandits and pirates brought cash into typically marginalised areas, thus enabling those territories to be connected directly to outside markets over time (Gallant, 1999: 37–38). And expanding on McSweeney, et.al's. restatement, rather than being anathema to private investment in the rural sector, narco-entrepreneurs 'create the very conditions for such investments – not everywhere, but importantly in the very landscapes most likely to have been closed off to capital investment prior to the drug traffickers' involvement'. Indeed, the narcobourgeoisie use the vast wealth they capture from an illicit commodity chain to act as neoliberal pioneers, spreading circuits of capital into new territories: communal, reserved, and public lands (McSweeney, Richani, Pearson, Devine & Wrathall, 2017: 16).

It was during the height of La Corporacion's operations that the coca-cocaine economy probably prevented a complete collapse of a convulsing Bolivian national economy. Aside from a deep recession marked by unemployment and hyperinflation caused by the plunging prices of its main exports, gas and minerals, Bolivia was in a political crisis that saw three elections and ten changes of government between 1978 and 1982 – four by military coup, three by legitimate processes through Congress, and three by internal disputes in the Armed Forces (Laserna, 1995: 31). During this time, coca cultivation and cocaine production 'clearly acted as a huge social safety net, absorbing labour from the collapsed mining and industrial sectors, and replacing large portions of dollars previously generated by minerals, gas, and other exports' (Painter, 1994: 54). High farmgate coca prices, triggered by the strength of demand from La Corporacion's partners, not only led to the greatest relative increases in coca production volumes recorded, but also accelerated migration into the Chapare. In 1975, population growth rate in the Chapare was only 3.48%. In 1980, it grew dramatically to 29.25% (Laserna, 1995: 19). The impact of the narcobourgeoisie was on full display at this particular historical moment.

As *intermediaries* in commodity chains, criminal entrepreneurs can be 'fixers' who use cunning, innovation, violence and their connections to enable the flow of products, profit and people across these chains that run across borders. This was seen most clearly in Vicente's selling of the AUC franchise, which provided cover, protection, and a political status to enterprising criminals. The Castaños and Suarez can also be regarded as agents who link illicit crop farms to the legions of seasonal or migrating agricultural workers necessary for the processing of coca base and cocaine. The Castaños enabled better access to the highway networks for banana growers and cattle ranchers after they gained the upper hand over EPL and FARC forces. Roberto had his fleet of planes and river barges for the transport of produce and illicit commodities. In Blok's study, the mafia were the gatekeepers and powerbrokers who decide who wins or loses in the contestations and competition in local economies.

Finally, as *arbitrageurs*, criminal entrepreneurs are what Ahram and King, quoting Braudel, described as 'creatures of the borderlands, where states and empires had difficulty extending their own power'. They are,

> … *uniquely gifted boundary-crossers, conducting both violent and non-violent transactions across political, economic, and cultural dividing lines. Despite the popular image of warlords as sword-swinging barbarians ruling despotically from usurped thrones, the most successful ones turned out to have something that everyone else wanted: the ability to serve as middlemen across uncertain boundaries while, in the process, reaping some of the profits for themselves* (Ahram & King, 2012: 170).

Gutierrez-Sanin adds a key attribute of arbitrageurs, arguing in his comprehensive study of Colombian paramilitaries that they were enforcers of indirect rule, i.e. 'non-bureaucratically mediated territorial control and presence of the state'. It is a strategy of rule, especially in borderlands, 'marked by a thin bureaucracy and thick system of partisan networks' (Gutierrez Sanin, 2019: 15).

A key lesson for peacebuilding that emerges from this examination is the need to identify the sources of power of criminal entrepreneurs and address these accordingly. This may be possible by considering two steps. First, recognising and tackling how criminal entrepreneurs control or manipulate access to land and other resources, become gatekeepers for the mobilisation of rural labour, and develop new ways of accumulating capital. Second is acknowledging extra-legal regimes of rule in which they, like the state, are only an actor amongst others (Ballve, 2019); and that they serve a useful political role for those in power and ultimately shape state formation as enforcers of indirect rule (Gutierrez-Sanin, 2019). The recommendation of the UN and the World Bank's *Pathways to Peace* (2018) – that criminal networks are actors, with agency, that should be taken into account in assessing risks to peacebuilding – needs to be taken up seriously.

Ethics

To the best of my knowledge, I have complied with all the prescribed ethical standards in the preparation of this article.

Declarations of Interest

None.

Funding Statement

This work is supported by the ESRC, Drugs and (dis)order: Building sustainable peacetime economies in the aftermath of war, UKRI award no. ES/P011543/1, 2017-2021, as part of the Global Challenges Research Fund.

References

Ahram, A. I., & King, C. (2012). The warlord as arbitrageur. *Theory and Society, 41*(2), 169–186. 10.1007/s11186-011-9162-4.

Aranguren Molina, M. (2001). *Mi confesion: Carlos castaño revela sus secretos*. Bogota: Editorial Oveja Negra.

Ballve, T. (2019). Narco-frontiers: A spatial framework for drug-fuelled accumulation. *Journal of Agrarian Change, 19*(2), 211–224.

Ballve, T. (2020). *The frontier effect: State formation and violence in Colombia*. Ithaca and London: Cornell University Press Ebook version.

Bernal-Bermudez, L. (2017, September 13). *The Power Business and the Power of People: Understanding remedy and Business Accountability for Human Rights Violations – Colombia 1970-2014*. Department of Sociology, University of Oxford.

Bernstein, H., & Byres, T. J. (2001). From peasant studies to Agrarian change. *Journal of Agrarian Change, 1*(1), 1–56. 10.1111/1471-0366.00002.

Blok, A. (1974). *The mafia of a Sicilian village, 1860-1960: A study of violent peasant entrepreneurs*. Illinois: Waveland Press Inc..

Borras, S. M., Jr. (2009). Agrarian change and peasant studies: Changes, continuities and challenges – an introduction. *The Journal of Peasant Studies, 36*(1), 5–31. 10.1080/03066150902820297.

Collier, P., Elliot, L., Hegre, H., Hoeffler, A., Reynal-Querol, M., & Sambanis, N. (2003). *Breaking the conflict trap: Civil war and development policy*. Washington DC: World Bank Policy Research Report. The World Bank and Oxford University Press.

CorteIDH (Inter-American Court of Human Rights) (2006, January 31). Case of the Pueblo Bello Massacre v. Colombia. http://www.corteidh.or.cr/docs/casos/articulos/seriec_140_ing.pdf, last accessed 20 May 2020.

Crandall, R. (2002). Clinton, Bush, and Plan Colombia". In *Survival: 44* (pp. 159–172). Taylor and Francis Publishers Ltd.. 10.1080/00396338.2002.9688545.

ElEspectador (2018, September 11). "Punta Coquitos, una masacre en altamar", by Juan Camilo Gallego. https://www.elespectador.com/colombia2020/justicia/verdad/punta-coquitos-una-masacre-en-altamar-articulo-857132/, accessed 7 December 2020.

Fairbairn, M., Fox, J., Isakson, S. R., Levien, M., Peluso, N., Razavi, S., et al. (2014). Introduction: New Directions in Agrarian Political Economy. *The Journal of Peasant Studies, 41*(5), 653–666. 10.1080/03066150.2014.953490.

Fifer, J. V. (1970). The empire builders: A history of the Bolivian rubber boom and the rise of the house of Suárez. *Journal of Latin American Studies, 2*(2 November), 113–146.

Gallant, T. W. (1999). Brigandage, piracy, capitalism and state-formations: Transnational crime from a historical world-systems perspective", Chapter 2. In *Heyman* (pp. 25–61). Oxford: States and Illegal Practices, Berg.

Gambetta, D. (1993). *The Sicilian mafia: The business of private protection*. Cambridge: Harvard University Press.

Gambetta, D. (2011). 'The Sicilian mafia: Twenty years after publication. In *Sociologica: Italian Journal of Sociology* (p. 2011). 10.2383/35869.

Grajales, J. (2015). Legalising the illegal in Colombia: criminals as political actors". *Christian Aid Occasional Paper*.

Gutierrez Sanin, F. (2019). *Clientelistic warfare: Paramilitaries and the state in Colombia (1982-2007)*. Oxford: Peter Lang AG.

Gutierrez, E. D. (2020). The paradox of illicit economies: Survival, resilience, and the limites of development and drug policy orthodox". *Globalizations*. 10.1080/14747731.2020.1718825.

Hobsbawm, E. (2000). *Bandits* [1969]. London: Weidenfeld & Nicolson.

IACHR (Inter-American Commission on Human Rights) (1994, February). *Report No. 2/94, Case 10.912. Colombia.*https://www.cidh.oas.org/annualrep/93eng/Colombia.10912.htm accessed 20 May 2020.

Laserna, R. (1995). *Coca Cultivation, Drug Traffic and Regional Development in Cochabamba, Bolivia. PhD Dissertation*. University of California at Berkeley.

Lehman, K. (2018). Etnografia en un fondo historico: La mano de obra y las inquietudes dela Casa Suárez ante la crisis gomera, 1920-1940". *Revista Complutense de Historia de America, 44*, 47–66. http://dx.doi.org/10.5209/RCHA.61079.

Lessing, B. (2015). Logics of Violence in Criminal War. *Journal of Conflict Resolution, 58*(8), 1486–1516.

Levine, M. (1993). *The big white lie: The deep cover operation that exposed the CIA sabotage of the drug war*. Laura Kavanau-Levine (publisher) Kindle edition.

Levy, A. (2012). *El Rey del Cocaina: Mi Vida Con Roberto Suárez Gomez Y El Nacimiento del Primer Narcoestado*. Editorial Debate, primera edicion. Kindle edition.

McCoy, A. W. (1994). *An anarchy of families: State and family in the Philippines*. Quezon City: Ateneo de Manila University Press.

McDermott, J. (2014). The Evolution of the Urabeños. *Insight Crime*, (May). https://www.insightcrime.org/investigations/the-evolution-of-the-urabenos/. last accessed 20 May 2020.

McDermott, J. (2008, November 7). 'Revealed: The Secrets of Colombia's Murderous Castaño Brothers', Daily Telegraph. http://www.telegraph.co.uk/news/worldnews/southamerica/colombia/3391789/Revealed-The-secrets-of-Colombias-murderous-Castano-brothers.html last accessed 20 May 2020.

McMichael, P. (2019). A food regime genealogy. *The Journal of Peasant Studies, 36*(1), 139–169. 10.1080/03066150902820354.

McSweeney, K., Richani, N., Pearson, Z., Devine, J., & Wrathall, D. J. (2017). Why Do Narcos Invest in Rural Land? In *Journal of Latin American Geography: 16* (pp. 3–29). University of Texas Press.

Mollinga, P. P., & Gondhalekar, D. (2014). 'Finding structure in diversity: A stepwise small-N/medium-N qualitative comparative analysis approach for water resources management research. *Water Alternatives, 7*(1), 178–198. http://dlc.dlib.indiana.edu/dlc/bitstream/handle/10535/9282/Art7-1-11.pdf?sequence=1.

New York Times (1971, January 10). "A helpless helping hand to Latin America" by Joseph A. Page. https://www.nytimes.com/1971/01/10/archives/the-alliance-that-lost-its-way-a-critical-report-on-the-alliance.html, last accessed 20 May 2020.

New York Times (1989, July 14). "Cuban General and Three Others Executed for Sending Drugs to the US" by Robert Pear. https://www.nytimes.com/1989/07/14/world/cuban-general-and-three-others-executed-for-sending-drugs-to-us.html, last accessed 1 June 2020

Ojermark, A. (2007, November). "Presenting Life stories: A literature review and annotated bibliography", CPRC Working Paper 101. *Chronic Poverty Research Centre*. http://www.chronicpoverty.org/uploads/publication_files/WP101_Ojermark.pdf

Painter, J. (1994). *Bolivia and coca: A study in dependency*. Boulder, CO and London: Lynne Rienner Publishers.

[1944]foreword by Polanyi, K. (2001). In Joseph E. Stiglitz (Ed.). [1944]. Boston: Beacon Press. foreword bywith a new introduction by Fred Block.

The Economist (2018, August 14). 'Big Business: The Risks are High but so are the Rewards', Special Report: Illegal Drugs. https://www.economist.com/special-report/2018/08/14/big-business last accessed 20 May 2020.

The Economist (2000, August 3). "Roberto Suárez Gomez, Bolivia's King of Cocaine, died on July 20th, aged 68". http://www.economist.com/node/28950 Last accessed 20 May 2020.

Thelen, K., Steinmo, S., & Steinmo, Thelen (1992, January). Historical institutionalism in comparative politics. In Longstreth (Ed.), *Structuring Politics: Historical Institutionalism in Comparative Politics*. 10.1017/CBO9780511528125.

Thomson, F. (2011). The Agrarian question and violence in Colombia: Conflict and development. *Journal of Agrarian Change, 11*(3) July 2011. 10.1111/j.1471-0366.2011.00314.x.

United Nations and World Bank (2018). *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict.*https://openknowledge.worldbank.org/handle/10986/28337, accessed 29 May 2020.

UNODC (2019). *World Drug Report, 2019 (Booklet 2).*https://wdr.unodc.org/wdr2019/prelaunch/WDR19_Booklet_2_DRUG_DEMAND.pdf

US Congressional Record. (1964). Extension of remarks of honorable Hale Boggs, representative of Louisiana on the alliance for progress. *Congressional Record- Appendix, A2208*.

Varese, F. (2011). *Mafias on the move*. Princeton: Princeton University Press.

Verdad Abierta (2008a). Rambo: Fidel Castaño Gil". *Perfiles de Paramilitares*. https://verdadabierta.com/perfil-de-fidel-castano-gil-alias-rambo/. last accessed 28 Feb 2019.

Verdad Abierta (2008c). Los Mellizos: Miguel Angel Mejia Munera and Victor Manuel Mejia Munera. *Perfiles de Paramilitares* https://verdadabierta.com/perfil-de-miguel-angel-mejia-munera-y-victor-manuel-mejia-munera-alias-los-mellizos/ last accessed 20 May 2020.

Verdad Abierta (2008b, December 29). "El Profe: Vicente Castaño Gil", en *Perfiles de Paramilitares.*https://verdadabierta.com/perfil-de-vicente-castano-alias-el-profe/, last accessed 10 May 2020.

Verdad Abierta (2012, September 4). "Cómo Fidel Castaño despojó la finca Las Tangas" in https://verdadabierta.com/la-historia-detras-de-la-finca-las-tangas/, last accessed 20 May 2020.

Verdad Abierta (2009, January 7). "Carlos Castaño Gil", en *Perfiles de Paramilitares.*https://verdadabierta.com/perfil-de-carlos-castano-gil/, last accessed 20 May 2020.

Volkov, V. (2002). *Violent entrepreneurs: The use of force in the making of Russian capitalism*. Ithaca and London: Cornell University Press.