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The silencing forces of CSR
Social policy, Violence and Agrarian Inequalities in Colombia's
Banana Plantations

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The silencing forces of CSR

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Abstract

In the banana producing regions of Colombia, rural communities are beneficiaries of social policies of health care, education, housing, etc. designed and implemented by the CSR programs of banana trading companies. Banana agribusinesses have developed CSR schemes as a way to legitimise their operations. These schemes exist despite the wrongdoings of the business in countries like Colombia, where the banana agribusiness has been actively involved in the armed conflict of the country, boosting violence and agrarian inequalities in the regions where they operate. In this paper, I analyse the persistence over time of CSR, from a political economy perspective, and the way it has become ingrained in our society. Through an archival review and in-depth interviews, I show that CSR is a social system that has diverted what we understand by the social and environmental concerns that surround the market. This paper is an effort to understand the political economy of CSR, highlighting how the cultural and social structures that compose this system interplay to result in contingent realities on the ground. It is also an effort to understand the complex realities of agribusinesses, social policies, violence and inequalities that exist in rural areas of Colombia and Latin America.

Key words: CSR, realist theory, armed conflict, violence, agrarian inequalities, global value chain

Contribution to the Development Studies field

This paper intends to contribute to the development studies field by shedding light to the political economy of one of the current faces of capitalism: the global value chain of commodities and its CSR. Gillian Hart (2009) defines development not just as projects and interventions that emerged throughout the second half of the XX century, but as the evolution of capitalism as a geographically uneven and spatially interconnected processes of creation and destruction (Hart, 2009, p. 119), following a Polanyi's double movement. CSR in the banana value chain is, precisely, one of the contemporary faces of capitalism where those processes of creation and destruction converge. An analysis from a political economy perspective draws attention to the various ways in which political and economic processes at the national level, such as violence and agrarian inequalities, interrelate with international (that is, global, transnational and multilateral) relations, such as the global movement of CSR.

Acknowledgements

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Este trabajo está dedicado a mi mamá, por darme alas para volar y un nicho en el que siempre puedo aterrizar This paper is dedicated to my mother, for giving me wings to fly and a niche in which I can always land.

Finally, I want to thank all those whom I have shared a special bond with in this MA, the ones who have taught me about resilience, solidarity, and care. A special recognition to Ayesha and Ernesto, who are now part of my life.

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1. Introduction

Thandika Mkandawire (2001) defined social policies as “collective interventions directly affecting transformation in social welfare, social relations and social institutions” (Mkandawire, 2001, p. 11). Social welfare refers to the adequate access to secure livelihoods and income; social relations to the broader social arrangements of class, community, ethnicity, gender, etc.; and social institutions the “humanly devised constraints that shape human inter-action□ or □the rules of the game□ in a society” (North 1991 cited in Mkandawire, 2001, p.11). Those collective interventions are not necessarily limited to the state. As Gough (2013) recalls, in the Global South, “a wider range of institutions and actors are involved in modifying livelihood structures and their outcomes” (Gough, 2013, p. 211). The family, the community, international NGOs, local state, transnational corporations, international aid bodies (Gough, 2013, p. 211), are all actors that intervene and transform social welfare, social institutions and social relations -to a different extent- in the context they operate.

In Colombia, banana trading companies are one of the actors that directly transform the social welfare, relations and institutions in the rural areas of the country. The social foundations of the banana trading companies provide social assistance to the communities where the agribusiness operates, through social programs in education, housing, healthcare or entrepreneurship. In addition, banana trading companies engage with international codes of conduct and certifications that regulate their operations internally. These codes set guidelines to manage labour relations, including topics such as prevention of child labour, discriminatory practices or sexual harassment, relation with trading unions, and so forth. Both strategies -social foundations are and codes of conduct- are part of what we came to know as Corporate Social Responsibility (hereafter CSR).

CSR is “a process whereby enterprises integrate social, environmental, ethical and human rights concerns into their core strategy, operations and integrated performance, in close collaboration with their stakeholders” (European Commission, 2015, p. 2). CSR has its origins in the early years the Industrial Revolution and evolved throughout the XX century taking different forms such as paternalism and philanthropy (Carroll, 2008). Nowadays, CSR constitutes a complex set of programs, institutions, standards, and certifications that regulate the overall performance of businesses in terms of human rights, environmental sustainability, and welfare. Moreover, CSR is

considered to be an important part of the company's gearing and of the manager's tasks, impacting positively the company's performance. "Whether a company decides to develop one area of CSR, or multiple, the end result is a more profitable company experiencing a higher level of employee engagement" (Gaurangkumar C., 2015, p. 11).

CSR as we know it today is the response of companies to pressures from different sectors of the society (NGO's, activists, local communities, scholars, etc.) to legitimate their business and practices. Its characteristics can vary from one economic sector to another, but at its core remains the need from companies to gain acceptance from its stakeholders when the business is threatened. This is, when scandals of finance malfeasance, environmental harm and human rights violations undermine the business activities (Dolan and Rajak, 2016). "Many companies engage in CSR because they have been under pressure from their various stakeholders for their social and environmental harm to which they are connected to" (Baur, Palazzo and Rochat-Monnier, 2015, p. 114). CSR came to be the crisis management *par excellence* that global value chain corporations use to legitimise their economic practices and secure their global market.

The banana business in Colombia is not an exemption. The industry that today contributes to the 0.4% of the GDP and employs approximately 168.781 people, according to national figures, has faced throughout the history several scandals that today still stain the market: the banana massacre in the early XIX, the accusation of bribery to public officials in the 90's and the admission before a US Court that the "banana business had pay extortion money to two of the major players of the Colombian conflict" (Baur, Palazzo and Rochat-Monnier, 2015, p. 43).

CSR has proven to be effective in showing the best practices of banana companies, despite their misconduct. What, then, has allowed CSR in the banana business to persist over time? In this paper, I analyse the existence of CSR, as a social system that was formed out of social interactions in a particular moment in time, and that now has evolved to have its own properties. I particularly analyse the two types of CSR strategies that the banana trading companies have implemented in Colombia: i) social programs implemented by the three main social foundations in the country, and ii) the two main certifications - Fair Trade and Rain Forest Alliance- that the main banana companies in Colombia adhere to.

I suggest that CSR in the banana industry of Colombia is a social reality that has re-defined what social and environmental concerns are. CSR is a mechanism that controls the visibility of the market contradiction, and mitigates/contains the impacts of such contradictions. This mechanism is sustained by a social and economic infrastructure of the banana trading companies at the global and local level that is capable of enforcing the ideas, values and principles of CSR. Or better, that is capable of enforcing the ideas of what social and environmental concerns ought to be.

For this analysis I conducted an archival review of: i) academic literature of CSR, ii) documents of Voluntary Sustainable Standards (VSS) such as Fairtrade and Rainforest Alliance, iii) sustainability reports of global corporations, iv) social foundations reports of the main traders in Colombia, v) legal documents from tribunals and courts in Colombia, vi) press review of the violence in Colombia since 1980 until 2021 in the two main banana-producing regions, and vi) press releases of the activities of the social foundations in Colombia since 2016. Finally, I conducted in-depth interviews with decision makers and members of the CSR field in Colombia and the Netherlands (as one of the main countries where bananas are exported to).

This paper is divided as follows. After this introduction, I explain the theoretical and methodological lenses that guided this analysis. In the third chapter, I describe the emergence of CSR as both a practice and a concept, how it has developed in the global value chain of banana and the way it has been implemented in Colombia. In the fourth chapter, I explain the violence and agrarian inequalities that have surrounded the banana business in Colombia. In the fifth one, I analyse the ideational and material powers that have sustained CSR and how they have resulted in a managerial way of solving social problems. I conclude the paper with some reflections on the role of social policies in rural contexts, and particularly agrarian studies.

2. A systemic approach to CSR: understanding the persistence over time and its possibilities of transformation and reproduction

In this section, I discuss the theoretical lenses that guide this paper. I propose to understand CSR as social system, following Margaret Archer's (1989, 1995) contributions to social theory, particularly the interplay between agency and structure/culture. CSR and all the body of organisations, manuals, and principles that allude to it are, foremost, a human constitution, and as any other human constitution such as gender relations or religion, it entails both an individual

reflexivity and a social constrain. Individual reflexivity because every human being has the ability to think and act upon that human constitution, and a social constrain because that thinking and those actions are, inextricably, mediated by the cohesion of the society as a whole, the bans and permits that it has constructed over generations.

Methodologically speaking, understanding CSR from this perspective entails two things. First, that social reality is composed by both i) social and cultural structures (institutions, social forces and accumulated stock of knowledge), and ii) by people who work on, promote and challenge those structures (at the individual and collective level). Archer (1989, 1995) acknowledges the interplay between the societal (daily actions) and the systemic (social and cultural forces that predates us), but distinguishes the distinct emergent properties of each of them. This separation is what Archer (1988,1989, 1995) calls *analytical dualism*.

Second, it entails recognising that both of them interplay at a given time. If we acknowledge that a social reality is composed of both entities, then we assume that the two of them relate to each other. This interplay, however, does not happen at the same time, but there is an order in which structure/culture and agency collide. That interaction in time of those entities is what Archer (1988,1989, 1995) calls *morphogenetic approach*, and, this, accounts precisely for the capacity of a social system to be transformed or sustained.

Such a definition is not to be taken lightly because it influences how we study and approach this subject; it affects how we explain it. For that purpose, I will first explain the properties that each dimension of the social system has: the structure/culture and agency, which consist of the *analytical dualism*, and later I will explain their interplay, this is, the *morphogenetic approach*.

2.1 The systemic

The explanation of a social system “depends upon an account of how the properties and powers of the “parts” causally intertwine with those of the ‘people’” (Archer, 1988). The parts of the society, hereafter the *systemic*, refer to all the components (organisational and ideational) that have been accumulated in a society over generations. In this point, Archer (1988) makes a parallelism of the way to approaching structure and culture. Indeed, the material and the ideational are not the same thing, but their properties do follow the same principle: “that ideas are forces in social conflict and

that the socially forceful are also culturally influential” (Archer, 1988, pp. 25–26). Thus, structure and culture belong to the *systemic*, and both of them are composed by particles: social relations grounded on material conditions (institutional patterns, social organisations and socio-economic classes, etc.) and shared beliefs, theories, thoughts and ideas that exist in parallel to those material relations.

The primary distinguishing feature of the *systemic level* is the degree of internal relation between its components. The nature of that internal relation varies depending on the type of system we are dealing with: feudalistic economic and social relations are different from the catholic church ones. Thus, the primary relation of the *structural system* “is one of dependency upon material resources, both human and physical. The internal and necessary relations between its constituents are fundamentally material ones: these make it what it is and without them it could neither exist as such nor possess the causal powers which characterize it” (Archer, 1995, p. 175). According to Archer (1995), that dependency on material resources lies on three conditions: i) they have autonomy: rules and meanings are often unintelligible without reference to them; ii) they are anterior: their prior existence frequently constrains the meanings which can be imposed or made to stick; iii) they have causal influence: their effects are always independent of the interpretations placed on them (p.176).

Whereas the primary relation in the *cultural system* is one of logical consistency: the degree of consistency between the component’s parts of the system. The cultural system is made up of “the corpus of existing intelligibilia -by all things capable of being grasped, deciphered, understood or known by someone” (Archer, 1988, p. 104). This intelligibilia refers to theories, beliefs, values, arguments and concepts that can be elaborated by human beings and transmitted by generation through a language that is shared by a population. We can encounter those theories, values and beliefs in every aspect of our social life; the values of the catholic church, the Big Bang theory, the notions of femineity and masculinity, are all components of the *cultural system*. They are ideas elaborated by human beings that over the years have constituted the stock of knowledge available to the society as a whole and each individual.

As Archer (1989, 1995) recall, we live in complex societies, where different material institutions and organizational schemes overlap with each other and are supported or challenged by the ideas

and meanings that we allocate to them. That coexistence of both material and ideational institutions and the relations that derive from them, is what the author calls *system integration*, and the main relation among the elements the systemic level (culture and structure) can be either of contradiction or complementarity (Archer, 1988; 1995). The former refers to “a systemic fault line running throughout the structures” (Archer, 1995, p. 215), and the latter means that there is a degree of coherence among the parts of the system. “The incidence of complementarities serves to identify the potential loci of systemic reproduction and the occurrence of incompatibilities the potential loci of systemic transformation” (Archer, 1995, p. 215).

2.2. The agential

Now that I have already explained the properties of the system, is time to turn to the properties of people. What differentiates our social system from mechanical or organic ones is our capacity to transform our structures, and this is due to the capacity of people to reflect and act upon those structures. “The one factor which guarantees that social systems remain open is that they are necessarily peopled. People, in turn, are capable of resisting, repudiating, suspending or circumventing structural and cultural tendencies, in ways which are unpredictable because of their creative powers as human beings” (Archer, 1995, p. 195). This ability to reflect and act upon the structures/culture is only possible because of the mediation property of the individual. Both structural and cultural influences are mediated to people by shaping the situations in which they find themselves, in turn agents stand as mediators as they re-interpret, challenge, reject or accept those structures.

Mediation is key to understanding the properties that the agential element of social reality has. According to Archer (1989), the *systemic* has a two-fold relationship with human agency: the effect upon us and our effects in it (how people form and transform its logical properties). The cultural and structural system situates people (groups and individuals) according to the distribution of material resources and interests. This is what Archer (1995) calls the objective distribution of costs and benefits that condition interests and decision-making. “The key to explaining independent sociocultural variations lies in how the social (or sectional) distribution of interests and of power gel with the situational logic of the cultural [or structural] system (or subsystem) at any given time” (Archer, 1988, p. 188).

By placing people (individuals or groups) in certain material and ideational positions, before we are even aware of that, the sociocultural system has a major effect on the interests and motivations in the course of action and thinking that we develop. For instance, the interests, motives or reasons to act and think of a middle-class man born and raised in a city varies considerably than those of a peasant in a rural-remote are. “These are the vested interests which are embedded in all socially structured positions” (Archer, 1995, p. 203). Thus, the power of the people, which accounts for its own properties, is their intentionality “their capacity to entertain projects and design strategies to accomplish them (which may or may not be successful)” (Archer, 1995, p. 198).

The outcome of that situational logic is, however, unpredictable. The way in which people develop can think and act upon those past structures is not predetermined, but they are irrefutably dependent on the daily interaction of human beings, their practices and encounters. “The circumstances confronted by each new generation were not of their making, but they do affect what these contemporary agents can make of them (structural and cultural elaboration) and how they reconstitute themselves in the process (agential elaboration)” (Archer, 1995, p. 196). Thus, structures can guide our course of action, but the result of the human interaction may be unintended and unexpected.

2.3 The interplay

Now that I have explained the properties of the *systemic* and how the decision-making of the people occurs, I will now explain how the interplay between the two constitute social cycles. The fact that people are conditioned from previous structures, but they can act upon the ones that follow is precisely the order in which structure/culture and agency interplay. The “endorsement of analytical dualism', namely, the idea that the two elements have to be teased out over time” (Archer, 1995, p. 247) is precisely what constitutes *the morphogenetic cycle*. This is a theoretical approach that explains sociocultural change and stability. “Morphogenesis refers to the complex interchanges that produce change in a System’s given form, structure or state (morphostasis) is the reverse, the end-product being termed elaboration” (Archer, 1988, p. 12).

It is clear that the transformation of a *system* implies a drastic change of both the material distribution of resources and the theories and ideas that support or challenge it. However, even with stability of the system, this elaboration will always be different from previous ones, precisely because there is no a predetermined path. The elaboration of a new structure (even if it reproduces

or changes its material and ideological relations) is always the result of what agents do and think in relation to those previous structure. Therefore, there's an infinite possibility of elaborations; some can be foreseen, but some other no.

“Hence the morphogenetic perspective is not only dualistic [separation between the systemic and the people] but sequential, dealing in endless three-part cycles of structural/cultural conditioning → social interaction → cultural/social elaboration.” (Archer, 1988, p. 22). Figure 1 graphically represents this morphogenetic cycle, including the analytical dualism of agency and structure and the parallel with culture and structural system. Structural and cultural conditioning refers to the culture/structure system that predates every human interaction and that situates all human beings on material and ideational logics. Social and cultural interaction refers to the human interaction itself and the interests of people. Structural and cultural elaboration is thus the outcome of the previous interaction, which can be of either transformation or stability.

Figure 1: Morphogenetic cycle and analytical dualism

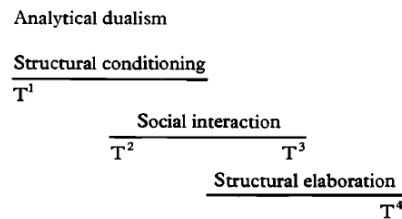


Figure 10 The morphogenesis of structure.

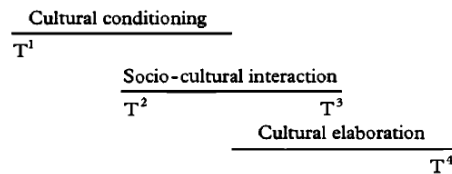


Figure 11 The morphogenesis of culture.

Here, temporality is determinant to understanding how the systemic and the agential interact with each other and form a following new cycle. Time is incorporated as a theoretical and methodological variable rather than simply as a medium in which events take place. Morphogenetic approach “accords full significance to the timescale through which structure and

agency themselves emerge, intertwine and redefine one another” (Archer, 1995, p. 76). Hence, both analytical dualism and morphogenetic approach provided a lens through which understand how human constitutions are conformed, what effects they have on people and how people can act upon them. CSR is one of those constitutions that I will explain in the following pages.

3. CSR on the ground: history, evolution and current trends in the banana market

CSR as we know it today has its origins in the 1800’s, as factories started investing in welfare schemes to address the social problems that the Industrial Revolution brought up (Carroll, 2008). As the idea of bringing producers together in the same physical place progressively imposed itself -with a view of increasing productivity and exploiting technological developments-, modern social problems became to appear (Djelic and Etchanchu, 2017, p. 646). “The break-up of families and rural communities associated with mass migration towards the industrial centres where factories were located, child labour, alcohol consumption and violence, out-of-wedlock pregnancies, poor hygiene, exhaustion from overwork but also work-related accidents and sicknesses with no protection or compensation pointed to the dark side of increased productivity” (Djelic and Etchanchu, 2017, p. 647).

In such a context, factories -that belonged to firms under control and oversight of individuals or small groups, invested in welfare schemes that included the construction of hospitals, lunch-rooms and recreational facilities, with the aim of improving productivity (Carroll, 2008; Djelic and Etchanchu, 2017). During the XIX century and the early years of the XX -until well into the 1950’s- those welfare schemes took the form of philanthropy, expenditure in community practices, paternalism and trusteeship. All of which can be considered the ancestors of today’s CSR, the past ideational and material structures that predated the contemporary wave of it.

Philanthropy is best defined as strategic charitable contribution. The term became increasingly employed in reference to new charitable societies dedicated to social and political reform and to generous benefactions made by the wealthy industrialists that followed the American Revolution and the Industrial Revolution in England (Sulek, 2010, p. 198). Perhaps the most salient cases of this type of company-society relationship were Cornelius Vanderbilt and John D. Rockefeller, who invested in foundations that had a major effect on medicine, education, and scientific research.

Although it is not clear whether philanthropy is an individual practice or a corporate one, this type of business-society relationship has deeply engrained in our societies up to date.

Another example of early social responsibility initiatives was the expenditure in community practices. Companies invested in and got involved with social organisations that the owners of the firm had political and ideological affinity with. The Young Men's Christian Associations is a salient case. As Carroll (2008) recalls, the movement was born in London in 1844, and quickly spread all over the world, especially in the US. "The YMCAs were supported not only by individuals, but by companies as well. Just before World War I, there appeared growth of company giving for community-related welfare and social programs became closely associated with the YMCAs, especially linked to the railroad companies" (Carroll, 2008, p. 23).

In contrast, paternalism is most commonly associated with the constructions of villages and towns for the workers of a firm and their families, with all facilities -housing, electricity, hospitals, churches, playgrounds etc. Paternalism entailed a "certain form of responsibility to the members/employees/children of the firm that went well beyond the provision of a salary" (Djelic and Etchanchu, 2017, p. 647). It became a common practice in the early years of the XX century, and spread throughout the world: Philips in Eindhoven, Netherlands, the Pullman Palace Car Company in Chicago, USA, Michelin in Clermont-Ferrand, France, and even the United Fruit Company in Colombia, are examples of how paternal employers took on social responsibilities towards their workers. The ideology behind this practice was one of father/child relationship, and a "civilisation project". "The firm—and the factory—was understood to be an extension of the owners and their families. Ownership was a source of uncontested power—just like fatherhood at the time. Workers were like children who needed the authority but also at times the guidance and benevolence of the owner/father"(Djelic and Etchanchu, 2017, p. 647).

Finally, "managerial trusteeship emerged and co-evolved together with corporate and managerial capitalism, during the first half of the twentieth century in the United States" (Djelic and Etchanchu, 2017, p. 650). Djelic and Etchanchu (2017) suggest that trusteeship was linked to the evolution of the capitalist industry in the United States, which was characterised by large-size and capital-intensive firms, oligopolistic competition, corporate ownership and managerialisation of decision-making. This American type of capitalism, which gave rise to the profession of manager,

was accompanied by legal figures such as the joint-stock company and an antitrust regulation (p.650). This period “saw corporate managers taking on the responsibility for both maximising stockholder wealth and creating and maintaining an equitable balance among other competing claims, such as claims from customers, employees, and the community” (Carroll, 2008, p. 23). The manager started to be viewed as the person responsible for the various groups of interests of the company, the trustee. Thus, social problems became to be solved through managerial and technocratic terms (Djelic and Etchanchu, 2017, p. 650).

From the 1950’s until late 1990’s, CSR was developed intellectually. Indeed, companies and corporations continued to be socially involved through the different forms described above, especially trusteeship, but it is during this period that scholars from business schools, economics, and organisations such as Organisation for Economic Co-operation and Development (OECD) began to give content to his social reality. As Carroll (2008) describes it, the period 1953–67 was classified as the ‘awareness’ era. Academia became to give more recognition to the overall responsibility of business and its involvement in community affairs. From 1968–73 companies began focusing on specific issues such as urban decay, racial discrimination, and pollution problems -this period was termed the ‘issue’ era-. Finally, in the ‘responsiveness’ era, 1974–8, and, continuing beyond, companies began taking serious management and organizational actions to address CSR issues (Carroll, 2008, p. 26).

Table 1 “Evolution of the concept of CSR (1950s-1990-s)” resumes the evolution of the concept of CSR throughout the second half of the twentieth century. In this table I organised the main definitions and characteristics attributed to the role of businesses in society, according to the literature reviewed by Carroll (2008). The table includes the propositions of CSR, following Archer’s (1989) suggestion that only with them is possible to grasp the contradictions and complementarities of the cultural system, as they cannot be ambiguous.

Table 1. Evolution of the concept of CSR (1950s-1990-s)

| Year | CSR definition | Reference |
|------|--|--|
| 1953 | (SR) refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of | Bowen, Howard R. 1953. Social Responsibilities of the Businessman. New |

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| | action which are desirable in terms of the objectives and values of our society. (p. 25) | York: Harper & Row. |
| 1960 | ‘Businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest’. Davis argued that <u>social responsibility was a nebulous idea but should be seen in a managerial context</u> . Further, he asserted that some socially responsible business decisions can be justified by a long, complicated process of reasoning as having a good chance of bringing long-run economic gain to the firm, thus paying it back for its socially responsible viewpoint. (p.27) | Davies, Keith. 1960. ‘Can Business Afford to Ignore Social Responsibilities?’ California Management Review, 2, spring: 70–6. |
| 1967 | The new concept of social responsibility recognizes the intimacy of the <u>relationships between the corporation and society and realizes that such relationships must be kept in mind by top managers</u> as the corporation and the related groups pursue their respective goals. The essential ingredients of the corporation's social responsibilities include a degree of <u>voluntarism, as opposed to coercion</u> , an indirect linkage of certain other voluntary organizations to the corporation. (p.27) | Walton, Clarence C. 1967. Corporate Social Responsibilities. Belmont, Calif.: Wadsworth Publishing Co, Inc. |
| 1971 | <u>A socially responsible firm is one whose managerial staff balances a multiplicity of interests</u> . Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities, and the nation. (p.28) | Johnson, Harold L. 1971. Business in Contemporary Society: Framework and Issues. Belmont, Calif.: Wadsworth Publishing Co., Inc. |
| 1971 | Inasmuch as business exists to serve society, its future will depend on the quality of <u>management's response to the changing expectations of the public</u> : The inner circle includes the clear-cut basic responsibilities for the efficient execution of the economic function—products, jobs and economic growth. The intermediate circle encompasses responsibility to exercise this economic function with a sensitive awareness of <u>changing social values and priorities</u> : for example, with respect to environmental conservation; hiring and relations with employees; and more rigorous expectations of customers for information, fair treatment, and protection from injury. The outer circle outlines newly emerging and still amorphous responsibilities that business should assume to become more | Committee for Economic Development (CED). 1971. Social Responsibilities of Business Corporations. New York: CED. |

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|------|--|---|
| | broadly involved in actively improving the social environment. (p.29) | |
| 1974 | In its broadest sense, corporate social responsibility represents a concern with the needs and goals of society which goes beyond the merely economic. Insofar as the business system as it exists today can only survive in an effectively functioning free society, the corporate social responsibility movement represents a broad concern with business's role in supporting and improving that social order. (p.30) | Eels, R. and Walton, C. 1974. Conceptual Foundations of Business, 3rd edn. Homewood, Ill.: Richard D. Irwin, Inc. |
| 1975 | In the face of the large number of different, and not always consistent, usages, we restrict our own use of the term social responsibility to refer only to a vague and highly generalized sense of social concern that appears to underlie a wide variety of ad hoc managerial policies and practices. Most of these attitudes and activities are well-intentioned and even beneficent; few are patently harmful. They lack, however, <u>any coherent relationship to the managerial unit's internal activities or to its fundamental linkage with its host environment.</u> (p.32) | Preston, Lee E and Post, James E. 1975. Private Management and Public Policy: The Principle of Public Responsibility. Englewood Cliffs, NJ: Prentice-Hall |
| 1979 | The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time. (p.33) | Carroll, Archie B. 1979. 'A Three-Dimensional Conceptual Model of Corporate Social Performance'. Academy of Management Review, 4: 497–505. |
| 1980 | Corporate social responsibility is the notion that corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law and union contract. Two facets of this definition are critical. First, <u>the obligation must be voluntarily adopted; behavior influenced by the coercive forces of law or union contract is not voluntary.</u> Second, the obligation is a broad one, extending beyond the traditional duty to shareholders to other societal groups such as customers, employees, suppliers, and neighboring communities. (p.34) | Jones, Thomas M. 1980. 'Corporate Social Responsibility Revisited, Redefined'. California Management Review, spring: 59–67. |
| 1987 | <u>Corporate social responsibility relates primarily to achieving outcomes from organizational decisions concerning specific issues or problems which</u> (by some normative standard) have beneficial rather than adverse effects upon pertinent corporate stakeholders. The normative correctness of the products of | Epstein, E. M. (1987) 'The Corporate Social Policy Process: Beyond Business Ethics, Corporate Social |

| | | |
|------|---|---|
| | corporate action have been the main focus of corporate social responsibility. (p.37) | Responsibility, and Corporate Social Responsiveness', California Management Review, 29(3), pp. 99–114. doi: 10.2307/41165254. |
| 1992 | 'CSR is viewed as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes through the company' (p.38). | Business for Social Responsibility (2006). "Website 1992: Business for Social Responsibility" |

Source: Own elaboration based on Carroll (2008)

CSR's scholarly work has continued to develop over the past 20 years. Nowadays, the main theories around the topic are: corporate social performance, shareholder value theory, stakeholder theory and corporate citizenship theory (Melé, 2008). The first one argues that businesses are also responsible for the social and environmental problems they create. This approach “means altering corporate behaviour to produce less harm and more beneficial outcomes for society and their people” (Wood, 1991a, p. 68 in Melé, 2008, p. 49). Shareholder theory, “underlies neoclassical economic theory, primarily concerned with shareholder utility maximization” (Melé, 2008, p. 55). This theory states that the only responsibility of business is making profits and furthering economic growth.

In contrast, stakeholder theory suggests that “corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law or union contact” (Jones, 1980, p. 59–60, Melé, 2008, p.62). This approach acknowledges the individuals, groups or populations that at the stake of a company. Finally, corporate citizenship views a manager or corporation as ‘good citizen’ as long as they are involved in the promotion of human welfare and goodwill. The theory suggests that corporate citizenship is a metaphor for business participation in society (Melé, 2008, pp. 69–70).

3.1 The banana industry

CSR's contemporary wave came into focus in the 1990s when corporations faced scandals that surrounded their businesses and operations, ranging from human rights abuses, malfeasance and financial wrongdoings that made visible the moral failings of business to public scrutiny (Dolan and Rajak, 2016). "As media exposés and non-governmental organization (NGO) campaigns highlighted the sweatshop conditions, ecological disasters and human rights abuses wrought by global multinationals, many companies sought to recoup credibility and avert brand-damaging attacks by incorporating social and environmental concerns in business operations" (Dolan and Rajak, 2016, p. 4).

Thus, CSR as we know it today is a result from the pressures from different sectors of the society (NGO's, activists, local communities, scholars, etc.) to legitimate their business and practices. CSR can vary from economic sector to another, but at its core remains the need from companies to gain acceptance from its stakeholders when they feel threatened. "Many companies engage in CSR because they have been under pressure from their various stakeholders for their social and environmental harm to which they are connected" (Baur, Palazzo and Rochat-Monnier, 2015, p. 114). CSR came to be the crisis management *par excellence* that multinationals and corporations use to legitimise their business, their economic practices and secure their global market.

The banana supply chain is not an exception to this *way of doing business*. "Bananas are cultivated in about 120 countries, primarily in the developing world, and are the fourth most important agricultural crop in the world after wheat, rice and corn" (Gonzalez-Perez and McDonough, 2005, p. 2). Asia is the largest banana-producing region, while Latin America and the Caribbean is the largest exporting region, responsible for approximately 80% of global exports (Voora, Larrea and Bermudez, 2020, p. 1). The banana market is controlled by a few large multinationals – Chiquita, Dole, Del Monte, Noboa and Fyffes –, "who control entire supply chains and have little need for advertising, making price the main competitive factor for capturing market share" (Voora, Larrea and Bermudez, 2020, p. 3). The European Union, UK and North America import about a third of all traded bananas, Japan and Russia, the third and fourth biggest importers" (Fairtrade International, 2009, p. 4).

The history of CSR in this value chain was initiated by Chiquita Brands, the second largest producer/marketer of bananas in the world and the largest distributor of fresh fruit. -apart from Dole Foods and Del Monte-, who inherited the business of United Fruit Company and United Brands Company (Werre, 2003). Chiquita came to be one of the pioneers of CSR due to, precisely, pressures by social and environmental activists that severely questioned its license to operate in the early 1990's. Chiquita started the 'template' of social responsibility due to three major scandals that the company had to face at the end of the century.

The first one was the strike of nearly five thousand Panamanian workers in early 1998 against a Chiquita subsidiary in the country, rejecting low payment, and demanding an improvement of housing and latrines (Taylor and Scharlin, 2004, p. 19). The second came soon after, in May of 1998, when the *Cincinnati Enquirer*, a newspaper of that US city, "allegedly in breach of confidentiality agreements, published articles about Chiquita Brands, Inc. that amounted to a scathing indictment of its environmental and human rights record, especially in the fruit-growing areas of Latin America, and particularly Costa Rica" (Maurer, 2009, p. 596).

The *Cincinnati Enquirer* opened its daily newspaper with stories about the company executives bribing government officials in Colombia; poisoning their workers with the careless use of pesticides, including aerial spraying; and secretly controlling scores of ostensibly independent companies to avoid taxes and subvert union contracts (Taylor and Scharlin, 2004, pp. 19–20). A third pressure came in the same month of the *Cincinnati Papers*. In a conference in Brussels, organisations such as the Latin American banana workers' unions (COLSIBA) and a newly formed workers' rights umbrella group (EUROBAN), endured their campaign against Chiquita (Taylor and Scharlin, 2004, p. 21). The "*antibanana forces*" in Europe leveraged from the media exposure of the *Cincinnati Papers* to claim accountability for Chiquita Brands.

Those three events, especially *Cincinnati Papers*, posed a major challenge to Chiquita, obliging the company to undertake major revisions in their values and operations. In the years that followed, Chiquita Brands made an alliance with independent actors and adjusted the organisation of the company to include a social department. The first step was participating in the Better Banana Project with the NGO Rainforest Alliance, which consisted in a third-party environmental audit of Chiquita. As Taylor and Scharlin (2004) mentioned, in 1992, Chiquita Brands undertook the pilot

certifications of an environmental and independent NGO. The Rainforest Alliance's Better Banana Program (BBP) certification was the first in the agriculture business, and virtually unheard of in any industry. Chiquita Brands spent more than \$20 million in the eight years that followed to certify the environmental performance of its own farms in Central America, Colombia and Ecuador (Taylor and Scharlin, 2004, p. 25). Since that initial certification, Rainforest Alliance and Chiquita Brands have had a longstanding relationship and they both encompass a comprehensive program of social and environmental responsibility in the company and the banana business at large.

The second step was undertaken in 1998, when Chiquita followed a four-step path in order to incorporate a social responsibility strategy in the long-run. This steps included: i) raising top management awareness, ii) formulating CSR-vision and corporate values, iii) changing organizational behaviour, iv) anchoring change (Werre, 2003). Progressively, Chiquita installed a CR office, assigning an executive to manage that department; it selected an external measurement standard and created a code of conduct within the organisation. Later on, Chiquita started training their employees in the core values and objectives of the company in terms of social responsibility (Werre, 2003, p. 254).

Key to this process was Steve Warshaw, President and CEO of Chiquita Brands in 1998, who personally pushed for the incorporation of a 'social' vision in the core values of the company, and worked for the materialisation of that vision. "According to Chiquita-managers the CEO's personal drive probably was the single most important factor in energising the company for CR. Warshaw initiated much of the rethinking after Chiquita received bad publicity, personally led the Senior Management Group for CR established in October 1998" (Werre, 2003, pp. 251–252). As Werre (2003) mentions, since its creation the Senior Management Group for CR, consisting of eight top executives and managers of Chiquita's worldwide businesses, gather every two months specifically to discuss the CR-strategy and performance of the company (p. 253).

Chiquita Brands was indeed the first company in the banana business to introduce a whole social and environmental program in its operations, but is not the only one. "Because of the importance of brands and private labels within a very competitive market, banana companies are becoming more sensitive to consumers' opinions and concerns and more responsive to shareholders'

demands” (Gonzalez-Perez and McDonough, 2005, p. 3). According to the International Institute for Sustainable Development (Voora, Larrea and Bermudez, 2020), by 2016 about 7% of total banana production was certified with voluntary sustainable standards. Although the percentage seems small, this is rather a major phenomenon that is taking place in the market, given that “these standards were almost non-existent in the sector about a decade ago” (Voora, Larrea and Bermudez, 2020).

In addition, Fresh Del Monte, Dole Foods, and Fyffes have developed their own CSR strategies for their employees and stakeholders. Graph 1 summarises the main CSR thematic areas of these four multinationals, according to their most recent sustainability report: environment, social development and management culture. These companies also develop their own strategies. Fresh Del Monte (2021) highlights that they have more than “300 local sustainability programs in access to healthcare, education, infrastructure and disaster relief” (Fresh Del Monte, 2021, p. 3). Dole Foods is using the Multidimensional Poverty Index to assess the living conditions of its workers and partner with national stakeholders to improve their livelihoods (Dole Foods, 2020, p. 13). Whereas, Fyffes also is developing a Human Rights Impact Assessment in five countries of Latin America—Belize, Colombia, Costa Rica, the Dominican Republic, and Honduras- to assess the conditions of the stakeholders, including its workers (Fyffes, 2021, p. 27).

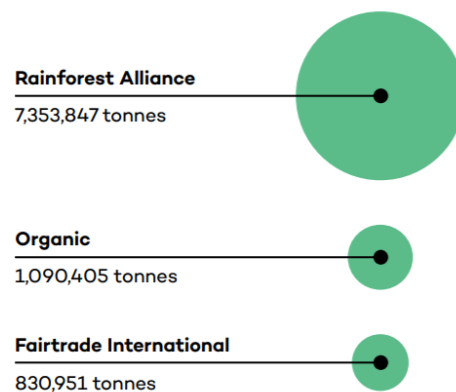
Graph 1. Key thematic areas of CSR in the banana market



In addition, those multinationals and other corporations like Compagnie Fruitière (French), Agroamérica (Guatemalan) or Uniban, and Banasan in Colombia have also voluntarily adhered to

certifications, including Good Agricultural Practices, Fair Trade and Rainforest Alliance, which are the most popular ones among producers and retailers (see graph 2). Fairtrade emerged in the late twentieth century in Britain as a social movement claiming justice and sustainable development in the global food system. Two years after the creation of the Fairtrade foundation, in 1992, Fairtrade launched its the first certified product: Green & Black's Maya Gold Chocolate made with cocoa from Belize. In 1997 it founded the Fairtrade Labelling Organisations International (then known as FLO), known today as Fairtrade International. "The Fairtrade model offers farmers and agricultural workers in the global South better prices, stable market links and resources for social and environmental projects. In the global North, Fair Trade provides consumers with product options that uphold high social and environmental standards and supports advocacy campaigns fostering responsible consumption practices" (Reynolds, 2009, p. 1083).

Graph 2. Distribution of banana stamps (by tonnes)



* Production data for Global G.A.P certification was not available when writing the report. The scheme reported a total of 252,602 hectares of land harvested certified globally in 2016, which represented the largest VSS-certified banana area in 2016.

Fairtrade has three standards for primary producers: standard for small scale producers, for contract production, and for hired labour organisations. The last one applies to organisations which employ hired labour to supply Fairtrade certified products, such as the banana trading companies. The document contains four chapters dedicated to: i) social development, which intends to lay the foundations for empowerment and development, ii) labour conditions are intended to ensure decent working conditions, iii) environmental development chapter requirements intend to make certain that agricultural and environmental practices contribute to a more sustainable production system,

and iv) the trade chapter defines the production and the sale of that product (Fairtrade International, 2019, p. 3).

On the other hand, Rainforest Alliance is an international organisation, founded in 1986 to promote environmental, social and sustainable just practices in the global food system. As mentioned earlier, in 1998 Chiquita Brands started an association with Rainforest Alliance to certify good environmental practices in all the farms that the company had in Latin America. Nowadays “RA certification is a customer demand, it is a customer requirement; in this case our certificate holders are not paid more for certified bananas today, they are not paid a peso, it is simply the entry key to certain markets because it is precisely an integral certification with a social focus that allows us to demonstrate certain good practices associated with economic, environmental and social issues” (Member Rainforest Alliance Bogotá, September 2021).

The Rainforest Alliance Sustainable Agriculture Standard (2020) has five chapters. The first one is concerned with good and sustainable practices in the management of the corporations. The second one focuses on the conditions of a transparent traceability of the product throughout the whole supply chain. The third chapter, income and shared responsibility, sets the conditions to add value and pay fair prices for sustainable agricultural production as a material service. The social chapter sets the programs for working and living conditions, strengthen human and labour rights, promote equality and special attention to vulnerable groups such as migrants, children, youth and women. Finally, the environmental chapter outlines pathways for certified organizations to have a positive impact on the planet (Rainforest Alliance, 2020).

3.2 The Colombian characteristics

In Colombia, the banana production and commercialization in Colombia is distributed among 8 companies (see graph 4) and is located in two main departments: Urabá and Magdalena¹. “The United Fruit Company disappeared in the sixties and banana-production operations were handed to national landholders” (Ostertag *et al.*, 2014, p. 22), who created their own businesses. Local elites invested in trading companies that were later supported by foreign capital and small-scale producers, both peasants and rural proletariats arose. Graph 3 shows the percentage of exports that

¹ La Guajira is another department where the bananas are produced, but as meaningfully as the others two.

each company has, by 2019: UNIBAN with 34.5%, TECBACO with 17.4%, BANASAN with 12%, and BANACOL with 11% of the country's exports (see graph 3). UNIBAN controls the business in Urabá, whereas in Magdalena the banana agribusiness is made up of seven marketing companies that in turn group together the producing farms (Comisión Colombiana de Juristas, 2018, p. 126). TECBACO and BANASAN are the ones who have a major participation in the Magdalenian-banana-market.

Graph 3: Banana trading companies in Colombia

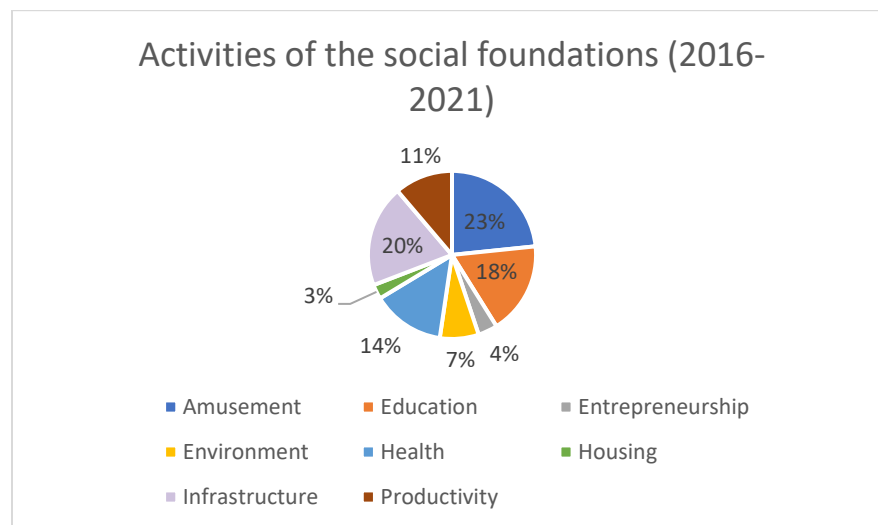


Source: Website Asabama, available at <http://asbama.com/home/sector>

Trading companies often engage with similar -not to say the same- social and environmental strategies that dominate the economic sector. Social foundations are one of the key distinguishing elements of CSR in Colombia. Most of the banana trading companies have one foundation that is part of the organisation chart of the company. Fundauniban, the social foundation of Uniban -the main company in the Uraba region, was created in 1987², and has its own high school. In 1988, Tecbaco established its social foundation Fundeban, and in 2011 Banasan created Fundación Banasan. The activities and social programs that the social foundations carry on can vary depending on the companies' goals and the region where they operate. However, all social foundations have programs on: education, recreation, sports, health, environment, entrepreneurship and infrastructure (Fundación Banasan, 2019; Fundaunibán, 2020).

² One of the particularities of Fundauniban is that it manages a primary and high school called Instituto Uniban.

Figure 2. Number of activities that the social foundations implement



Source: Own elaboration based on the social foundations blog news

Figure 3 compiles the activities that the three social foundations report in their websites, in both Urabá and Magdalena³. The figure is based on a database of 107 blog entries of the foundations publish, the oldest one being from 2016 and the most recent is 2021. Amusement is the category with more registries, which refers to any type of activities related to sports and arts, such as football tournaments or dancing contests. These activities are mainly directed to children of the schools of the villages where the companies have crops. Education, the second category with more blog entries, includes workshops to teach productive skills for improving the banana business to prevention of domestic violence and sexual education.

All initiatives are particularly important for an industry that has developed over a century “a reputation for objectionable working conditions, low wages, long hours, unacceptable living conditions, suppression of trade unions, poor prices for local producers, damage to health and environmental devastation due pesticides, agrochemicals and mono-crop cultivation” (Gonzalez-Perez and McDonough, 2005, p. 3). Companies of this industry have been under public scrutiny by NGO’s, media and the society in general who demand greater transparency, corporate

³ Some registries include La Guajira, which is another region where bananas are cultivated.

governance, fair trade initiatives, the protection of human rights and sustainable environmental practices (Gonzalez-Perez and McDonough, 2005).

4. A dangerous encounter: agrarian inequalities and violence in rural Colombia

In Colombia, the two regions where banana is produced, has also been a place of massive human rights violations. It is recognised now that the macroeconomic project of banana agribusiness “has been imposed through violence, dispossession and exclusion of peasant and ethnic populations in a region historically impacted by the armed conflict and land disputes” (Comisión Intereclesial de Justicia y Paz *et al.*, 2019, p. 6). In this chapter I will explain the context of violence and resource dispossession of Urabá and Magdalena, and the participation of banana companies in deepening these processes.

4.1 Urabá

Banana plantings were promoted by Chiquita Brands in the early 1960s (Ramírez and Henao, 1987), and nowadays the production is located mainly in four towns: Chigorodó, Carepa, Apartadó and Turbo. This business generates 24,000 direct and 72,000 indirect jobs, mostly in agricultural and other support services and trading logistics. Particularly men that live in those four towns are hired -largely by UNIBAN- for permanent or temporary jobs to perform agricultural and packing tasks (Ostertag *et al.*, 2014, p. 19). Plus, another 3,000 jobs are generated in factories producing boxes, seals, plastic, shipyards, air fumigation services, and other agro-industrial goods and services. The production is conducted in 350 medium- and large-scale commercial farms (Ostertag *et al.*, 2014, p. 19).

Given that in Urabá workers are directly employed, there is a significant presence of unions, the most important one is called the National Union of Agricultural Industry Workers (Sintrainagro in Spanish). The union was created in 1988 and affiliates 98% of the banana workers in the Urabá sector. It also supports other commodities such as oil palm, coconut and sugarcane in various regions of the country (Cooper and Quesada, 2019, p. 30). Since its creation, workers and employers have held Concertation Forums in which they discuss the transfer of funds to workers' administration for housing, education and recreation projects, the improvement of their livelihoods, as well as an institutional strengthening of the union (Cooper and Quesada, 2019).

Banana workers have been able to reach agreements on minimum wage and working conditions through the unions, which have been determinant for this industry (Ramírez and Henao, 1987; Ostertag *et al.*, 2014). The labour agreements that today constitute an example of good practices in the industry (Ostertag *et al.*, 2014; Cooper and Quesada, 2019), occurred nonetheless in a context of violence and repression.

Since the 1960s, guerrilla groups such as FARC-EP, EPL, and ELN have been present in the region. In 1990s, the dynamics of the armed conflict changed when the paramilitary groups arrived to the region, particularly the United Self-defence Groups of Colombia (AUC in Spanish), and its banana block led by the United Self-Defence Forces of Cordoba and Urabá (ACCU in Spanish). The violence spread rapidly throughout the region leaving, between 1991 and 2003, 614 unionized banana workers murdered (Cooper and Quesada, 2019, p. 34), 98 massacres and 509 individual murders between January 14, 1990 and December 26, 2005 (Comisión Intereclesial de Justicia y Paz *et al.*, 2019).

Table 2 shows a timeline of the violence in the region. The timeline is an overview of the violent events and showcases the deployment of the armed conflict, specifically in the four villages where the banana production is located. It is possible to see an upsurge of violence, due to the arrival of the paramilitary groups. The table shows that the 1990s were a decade of terror in this region. Every year, month or even day, there aggressions to the population. The news of the 2000s showcase the ravages of the violence. This is, the cases of land restitution and return of the displaced families to their villages. It also shows to see that one of the main victims of this violence were the banana unionists, who were besieged.

Table 2. Timeline of violence in Urabá (1990-2010)

| Year | Violent events described in press |
|------|---|
| 1992 | Once again, armed subversion is choking the region, despite the mission carried out by the Armed Forces, which many recognize has been almost heroic in its daily battle against the guerrillas, represented there by different fronts of the FARC, the ELN and the Caraballo faction, a dissident of the EPL. A delinquency born in the shadow of the guerrilla subversion and fed and fattened by the growing unemployment (17% in Apartadó) and uncontrolled migration. (<i>Urabá, ¿hasta cuándo?</i> , El Mundo, 1992) |

| | |
|------|--|
| | <p>The health situation, especially among the child population, which presents pulmonary and dermatological diseases, was trying to be controlled by the health units of the affected localities. On the other hand, the municipality of Dabeiba reported that the blockade on the road from Medellín to the banana-growing region of Urabá, which forced more than a hundred travelers and dozens of cargo vehicles to remain for more than 48 hours on both sides of the road, due to the fact that the guerrilla blocked the road with a huge trunk of wood, was overcome.</p> <p>The civic protest was the result of the poor living conditions reported by the peasants dedicated to banana cultivation and demanding technical agricultural assistance (<i>"Levantado paro bananero"</i>, El Espectador, 1992)</p> |
| 1993 | <p>Days after the murder of at least ten people and the announcement of a paralysis in the area, yesterday the mobilisation of peasants and banana workers from Urabá resumed towards the municipal capital of Apartadó, where they will be concentrated for the duration of the cessation of activities in the production and marketing of the fruit [...] <u>"We are fundamentally seeking guarantees; as far as possible the right to life, the workers concentrating while permanent security mechanisms are established in their workplaces"</u> (<i>"Paro Urabá"</i>, El Nuevo Siglo, 1993)</p> <p>Some 200 families from the urban and rural areas of the village of San José, in the jurisdiction of Apartadó, Urabá region, abandoned their homes to flee the intense fighting in the area between guerrillas of the Revolutionary Armed Forces of Colombia (FARC) and troops of the Army's Operational Command No. 1. (<i>"Campesinos huyen del fuego cruzado"</i>, El Colombiano, 1993)</p> |
| 1995 | <p>The climate of violence in Urabá is so serious and alarming that between November 1994 and May 1994, more than 20,000 people have been displaced, leaving their homes for fear of being targets of the fire promoted by guerrilla, paramilitary and common crime groups. It is the same fire that has killed, so far this year, some 500 people in the municipalities that make up the country's banana-growing region (<i>"En Urabá: 20.000 desplazados en 7 meses"</i>, El Colombiano, 1995).</p> <p><u>"Nine people massacred, among them three leaders of the National Union of Agricultural Workers, ten packing houses incinerated, a warehouse destroyed and a cooperative razed to the ground, left the unstoppable wave of terror that has shaken the banana block, the scene of the war waged for several months by different illegal organizations with the aim of maintaining or gaining territory with the power of their weapons. The acts of terror occurred 48 hours after the President of the Republic, Ernesto Samper, visited the area to show solidarity with the families of the victims of the Chigorodó genocide and to announce new programs for peace and social justice"</u> (<i>"Nueva noche de terror en Urabá"</i>, El Colombiano, 1995).</p> |
| 1996 | <p>"At least one thousand peasants began an exodus yesterday towards the urban center of the municipality of Turbo, after the incursion of a group of heavily armed men into the villages of Las Flores and Rodosalid, located in the vicinity of the Nueva Antioquia district of that locality. According to versions that circulated among the inhabitants of those villages, the alleged paramilitary group killed two</p> |

| | |
|------|--|
| | peasants, kidnapped two others and burned a house" (<i>"Nuevo éxodo campesino en Urabá"</i> , El Mundo, 1996). |
| 2006 | "About 150 people were displaced in the last hours of yesterday towards the urban area of Pueblo Nuevo, in the municipality of Turbo, Urabá Antioquia, after yesterday at noon a group of 12 to 15 armed men who identified themselves as members of the FARC made presence in the villages of San Andrés and San Pablo de Tupula, located on the border between Turbo and Necoclí." (<i>"Huyen de la guerrilla"</i> , El Mundo, 2006) |
| 2009 | The folders that 105 victims put up to show that they finally had the property titles that accredited them as owners of the lands taken from them by the self-defense groups were the reward for years of struggle and sacrifice that even cost them many lives [...]. The 105 families are the first beneficiaries in the country of a pilot program to speed up the claim and delivery of property to the displaced, whose starting point was the creation in Antioquia of the first of 12 Regional Commissions for the Restitution of Property. (<i>"Con víctimas de Turbo empezó restitución de tierras"</i> , El Colombiano, 2009) |

Source: Own elaboration based on press review

Banana entrepreneurs have been key actors in the development of the violence in the region in two ways. First, the explicit support to, the financing of and the alliances with the paramilitary groups in the region since the 1990s. Second, the leverage from the massive displacements, massacres and murders of thousands of rural families in Turbo, Carepa, Chigorodó, and Apartadó, that resulted in the dispossession and subsequent grabbing of land dedicated for the expansion of the banana industry. Regarding the first scenario, the Peace and Justice Tribunal⁴ of Medellín states, in a sentence against one of the commanders of the ACC, that the banana businessmen used the services of the ACCU for their own purposes. They facilitated the expansion of the armed group to the villages of Turbo, Carepa, Chigorodó, and Apartadó in 1995, consolidating a *banana block* -an armed front that operated in those villages:

"The banana businessmen turned to the ACCU to reactivate the banana economy. Carlos Castaño Gil sent Hebert Veloza García to that region with a group of 20 men, who settled in the village of El Dos de Turbo, from where they prohibited the workers from carrying out strikes, using terror as a tactic (...) which included,

⁴ This was a Tribunal created by the Law 975 of 2005, which intended the demobilisation of the paramilitary groups in Colombia.

among other methods, the decapitation and dismemberment of the victims” (Pinilla Cogollo, 2014, p. 150).

That same sentence specifically states that in a meeting with the region's banana growers, the paramilitaries of ACCU “reached an agreement that they would contribute 3 cents on the dollar per box of bananas exported to finance the functioning and operation of the paramilitary groups, that the contributions were voluntary and that the Convivir Papagayo was used to legalize them” (Pinilla Cogollo, 2014, p. 154). In total, 194 banana companies made contributions to the Convivir Papago and/or the Association of Special Surveillance and Private Security Services of Urabá. Among these is the marketing company Banadex, a subsidiary of Chiquita Brands, which made contributions between 2001 and 2001 to US\$ 1.7 million dollars. Augura, Uniban, Proban, and Bananera Aristizabal also participated (Pinilla Cogollo, 2014, p. 154). Lastly, the sentence says that the companies not only financed their actions, but also collaborated in the functioning and operation of the paramilitary group:

“On November 5, 2001, 14 containers with 3,400 AK 47 rifles and 7 million cartridges for rifles destined for the paramilitary groups entered the port of the Chiquita Brands company, brought on the ship Otterloo. The containers were unloaded at the Chiquita Brands warehouse and Chiquita Brands sent a sophisticated crane to move them. The 14 containers, which were declared to the Dian as a shipment of rubber balls, were then moved to the La Rinconada and La Maporita farms” (Pinilla Cogollo, 2014, p. 155).

Regarding the second scenario, between 1996 and 1997, the afro-Colombian communities of Curbaradó and Jiguamiandó were displaced in a military operation of the armed forces. While they were in a situation of forced displacement, banana and palm agro-industrial projects were implemented in their collective territories, as well as extensive cattle ranching (Comisión Interclesial de Justicia y Paz, 2016). According to the Comisión Interclesial de Justicia y Paz (2016), in Jiguamiandó, 2.830 hectares were mis-occupied, whereas in Curbaradó 3.671 hectares were used illegally by third parties, -40 hectares of which are used to harvest bananas for exportation in natural protected areas. “Banana washing facilities had recently been built on those usurped plots. It was found that Unibán and Banacol are the companies that provide the inputs for

the development of banana cultivation in this area and purchase the fruit for international marketing” (Comisión Interclesial de Justicia y Paz, 2016, p. 26).

In addition, the Land Restitution Tribunal of Antioquia documented the case of 11 tenants of a plot in Turbo that were forcibly displaced and whose land was acquired by the banana companies. In 2001, the petitioners were summoned by recognized paramilitary leaders of the Banana Block of the United Self-Defense Forces of Colombia, accompanied by an armed squad, seeking to intimidate the petitioners to pay \$4,000,000 per hectare in order to obtain the property of the plot where they lived (Correa Beltrán, 2020, p. 4). The plot was located in an area of influence of the Convivir Papagayo and the payments had to be done in instalments by the petitioners to Banacol.

“The farmers were required to pay in instalments through BANACOL, a company with which the peasants sold the bananas they grew on their plots of land; BANACOL made monthly deductions and this money went to the accounts of the family of paramilitary commander Raúl Emilio Hasbún. As a result of these deductions, the claimants suffered a notorious decrease in their income, affecting their subsistence and that of their families, and at the end they could no longer continue making the established payment. Faced with this impossibility and under the pressure exerted by the paramilitary groups, they were forced to sell the improvements and leave the land” (Correa Beltrán, 2020, p. 4).

In this environment of violence, UNIBAN, the main exporter of banana in Colombia and the one who has major presence in Urabá, implements programs related aimed to increase the productivity of the banana. Uniban was created by a group of rural elites in 1966. In 1976, Uniban purchased an educational institution founded by a religious community in 1970. Eleven years later, the Social Foundation created by the same conglomerate – FUNDAUNIBAN- acquired the guardianship of the Unibán Institute, which currently has a student coverage in the municipalities of Turbo, Chigorodó, Carepa and Apartadó. “The school is 50 years old. It was a strategy created by the company itself to improve the quality of life of the workers' families. So, they created this foundation, sorry, this school, next to where the headquarters were located” (Decision-maker, Uniban, interview September 2021).

4.2 Magdalena

The history of banana production in this region dates back to the 1900's when the United Fruit Company arrived (LeGrand, 2016). The banana production declined in this area after 1960s and in 1990s the production re-emerged. In that last year, the production increased fourfold, reaching more than 270,000 tons of bananas, and in 1991 the sector employed more than 9,000 people (Grajales, 2017). "The recovery of banana production was mainly due to the violence that affected the Urabá region at the time, which led to many investors to move their capital to the Magdalena region" (Grajales, 2017, p. 43).

Magdalena nowadays produces approximately 40% of the bananas for export (Asabama, 2019). The banana production is located in five main villages: Santa Marta (capital of the department), Zona Bananera, Ciénaga, El Retén, Fundación and Aracataca, where 8,000 direct and 22,000 indirect jobs are generated (Ostertag et al., 2014, p. 20). "The banana production in Magdalena is conducted in 1,000 large and small farms. Large farms are profit-driven and their areas range from 50 to 100 hectares, whereas small farms combine subsistence farming (peasant) and profit-driven production, and their area ranges from 0.5 to 8 hectares, with an average of 3.2 hectares" (Ostertag et al., 2014, p. 20). Bananas represent the 43,7% of the agricultural GDP of the department, and the economy of this villages highly depends on the economic performance of the banana.

Similar to Urabá, the expansion of the banana market in Magdalena was accompanied by an upsurge of violence. Guerrilla groups such as FARC-EP and ELN first entered the region in 1980s, and not long after the paramilitaries consolidated in the five villages of banana production in the 1990s. According to the Observatory of Land Restitution, throughout the first five years of the 1990s, death squads and official security cooperatives were created under the umbrella of the Private Security and Surveillance Cooperatives (CONVIVIR). Among the most recognized were: the Convivir "Conservar", of Hernán Giraldo; and the "7 Cueros" and "Los Guayacanes", of José María "Chepe" Barrera (Quinche Roa, Perdomo Vaca and Vargas Reina, 2018, p. 16). In addition, from 1997 onwards the AUC consolidated and became part of the Northern Block, the armed group responsible for most of the criminal acts and the displacement and victimization of the peasant and rural population (Valencia and Martínez, 2018).

Table 3 shows an overview of the violence during the last decade of the XX century and the early 2000's. Similar to Urabá, this timeline shows that the 90's decade was the one with the most violent events, and was also affected banana workers. "With the progress of banana production, violence against the unions was deployed. It was not only a series of violent acts against union leaders. The violence also affected workers who were members or sympathizers of the unions, as a way of discouraging membership" (Grajales, 2017, p. 44).

Table 3. Timeline of violence in Magdalena (1990-2010)

| Year | Violent events described in press |
|------|--|
| 1996 | "Seven peasants were killed in an alleged retaliation by paramilitaries for the national guerrilla offensive on the Atlantic Coast. The massacre took place in a mountainous area of Fundación. [...] Several regions of the North Coast were hit by the national offensive launched last week by the FARC, which so far has left close to a hundred dead" (<i>"Asesinados 7 campesinos en Magdalena"</i> , El Nuevo Siglo, 1996). |
| 1997 | "Ombudsman's Office listens to the clamor of the inhabitants of the region. Paramilitaries gave them 48 hours to leave the region. Frightened by paramilitary harassment and by the siege of dark forces in the region, 70% of the families of Santa Rosalía, jurisdiction of Ciénaga, Magdalena - some 500 - have abandoned the town. Their most entrenched enemies have given them 48 hours to abandon the land" (<i>"500 familias abandonaron Santa Rosalía"</i> , El Herald, 1997). |
| 2000 | "The ombudsman in Magdalena, Lizette Peñaranda Peña, based on the surveys carried out by the Attorney General's Office, confirmed yesterday that the number of fishermen massacred by the United Self-Defense Forces of Colombia, AUC, in the Ciénaga Grande, amounts to 46, but warned that it could exceed 60, given that more than 30 people are still missing" (<i>"Masacre en Ciénaga: ya van 46 muertos"</i> , El Colombiano, 2000). |
| 2012 | <u>"The Federación Nacional Sindical Unitaria Agropecuaria, Fensuagro, reported that on June 10, a black motorcycle without license plates was driving around the farms: Giselle. Beatriz, where the president of Sintragrancol, Fernando Herrera Ariza, works, and Villa Grande, where the general secretary Carlos Rocha, of the same union, works. These farms are located in the banana-growing area of Ciénaga, Magdalena. Similar events occurred two days before in the night hours, a black van with dark glasses and no license plate was prowling around the company Inversiones Villa Grande, and the aforementioned farms. The union organization demands the National Government to take the necessary measures in order to guarantee and protect the fundamental rights of union leaders Carlos Rocha and Fernando Herrera Ariza"</u> (<i>"En Ciénaga, Magdalena, hostigan dirigentes agrarios"</i> , Voz, 2012). |

Source: Own elaboration based on press review

According to Cinep (2018), the different victimizing events intensified from 1997 onwards and began to decrease partially from 2009 onwards, which coincided fully with the arrival, peak and dismantling of the paramilitary units. By 1994, 24 murders were attributed to the paramilitaries. In 1996 there were 32, 87 in 1998 and 167 in 2007. In 1998, 7,129 people were registered as having been expelled in Magdalena. Two years later, 36,106 people were registered (Grajales, 2017, p. 46). The first violent events were directed to workers who decided to unionize in the early years of the 1990s (Valencia and Martínez, 2018). The following case describes this situation:

“On July 22, 1991, a group of paramilitaries, identifying themselves as belonging to the Rojas group, murdered three banana workers, two men and a woman. The paramilitaries had been circulating threats for several months, mainly leaflets, accusing the unions of being "guerrillas in civilian clothes". (...) Some documents from the time, produced by the army intelligence service, document the ties between the Rojas and the agro-industrial businessmen. According to them, the group of businessmen in the banana zone financially supported the Rojas family and commissioned them to kill a member of the leadership of Sintrainagro and five members of the union in February 1994” (Grajales, 2017, p. 44).

The participation of the banana companies with the armed groups of the zone, particularly paramilitaries was twofold. On the one hand, banana entrepreneurs supported the operations of the paramilitary groups and were complicit with their actions. On the second, they leveraged from the situation of violence, displacement and dispossession to expand the business:

“The agro-industrial crops in the banana zone were a strategic point for Jorge Cuarenta. He entrusted control of the area to Jose Gregorio Mangones Lugo, alias "Carlos Tijeras," one of his most trusted men. He formed a network of informants among the administrators of the banana farms, who communicated with the paramilitaries through a radio system. According to the declarations that Tijeras provided to his judges, in exchange for this "protection", the growers paid monthly payments of 100 million pesos to the paramilitaries” (Grajales, 2017, p. 50).

As for the expansion of their business, the Land Restitution Tribunal of Cartagena condemned three subsidiaries of Dole Foods in Colombia (Tebaco, Las Franciscas SA and Agropecuaria San Pedro) for its participation in the displacement of a peasant association that inhabited and worked the Las Franciscas' plots. The association was composed by 56 peasants who obtained through a program of the government in 1987 and in 2004 they sold it to Agropecuaria Eufemia, one of the companies of Dole Foods. The purchase, however, was done in a context of extreme violence and in intimidating circumstances, where in 2004 the members of the association were displaced by the threats of the AUC and great number of them were killed.

“Between June and August 2004, farmers from Las Franciscas farms were summoned twice to the farm owned by Agrícola Eufemia to sell their plots. The negotiation process with the farmers took place after many visits to Las Franciscas by Wilson Sotomonte and Humberto Diaz, Tebaco officials.(...) The Tribunal urges the other competent judicial entities to investigate the possible criminal conduct of the legal representatives, statutory auditors, employees, partners and members of the boards of directors of TECBACO, Agrícola Eufemia and Las Franciscas SAS” (Campo Valero, 2018).

The banana business in Colombia has a twofold relation. On the one hand, is a business with a social purpose that addresses key issues in the region such as education and health. On the other, is a multimillion business that, although generates employment and wealth to the country, has leveraged from the violence to expand its market. It is also possible to see that even though the actors and situations are different for both regions, the *modus operandi* is similar: aggressions to unionists, the funding to armed structures and the use of land after the displacements.

5. Managing social and environmental concerns

Contemporary CSR is a social system, and as any other type of social system it has emergent properties. “The primary distinguishing feature of any emergent property is the natural necessity of its internal relations, for what the entity is and its very existence depends upon them” (Archer, 1995, p. 175). The existence of Voluntary Sustainable Standards, the investments of corporations in social and environmental problems and the social foundations of those corporations are constitutive of contemporary CSR. This accounts for the internal and necessary relations within

the it. VSS would not exist without corporations adhering to them and its existence does not depend on the “interpersonal relationships” that can occur between groups of those organisations. This emergent property is grounded in a cultural and social structure that has allowed for its persistence over time. In this chapter, I will outline how the cultural structure of CSR has engrained in the social structure of the banana market in Colombia -in the social organization of it-, which conditions the type of relationships that exist within CSR. My aim is to show how the cultural and the social structures interplay in order to form situational logics for the agents involved, situational logics that led to diverting the meaning of what the social and environmental concerns of the banana industry ought to be.

5.1 Cultural conditioning

What characterises the cultural system is the internal logical relations, which are a property solely of the world of ideas (Archer, 1988). Contemporary CSR is, first, a set of ideas, statements and propositions. CSR is “a process whereby enterprises integrate social, environmental, ethical and human rights concerns into their core strategy, operations and integrated performance, in close collaboration with their stakeholders” (European Commission, 2015, p. 2). This idea of enterprises integrating social and environmental concerns is the result of various years of accumulated knowledge of the role of companies in society’s problems -is the result of previous cycles of business relationships with social causes.

Archer (1988) suggests that no ideas but propositions alone are relevant when asserting the existence of a contradiction or complementarity, as propositions cannot be ambiguous (Archer, 1988, p. 136). The proposition of the European Commission steps on paternalistic and trusteeship practices of the twentieth century, and the result of years of intellectual development of the role of business in society that highlighted and put an emphasis on the manager as the one in charge of dealing with the pressing social and environmental issues. By the early 1960’s scholars in the business field were already pointing to the managers as the leaders in the social and economic transformations of the century (see table 1., chapter 2). In this sense, the Senior Management Group of Chiquita Brands elaborated a new *morphogenetic cycle*, the establishment of CSR and the “audit culture” based on the available *cultural tools* at the moment. Cultural tools that indicated the role of the manager in addressing the social and environmental concerns of society.

We are standing here with the relations between theories. “Holding theories or beliefs which stand in particular logical relationships to other theories or beliefs – that is, relations of contradiction or complementarity” (Archer, 1995, p. 229). I suggest that this proposition of CSR emerges from an ideational contradiction: the current world food system, in which the banana market is embedded, nurtures itself from the social and environmental concerns that it intends to solve through CSR. As I mentioned in the second chapter, contradiction is a property of the *cultural system* level, and it refers to a “systemic fault line running throughout the structures” (Archer, 1995, p. 215). Two propositions are *logically inconsistency*. In this case, (A) the idea of more profitability for the banana industry and the expansion of the market is logically inconsistent with (B) the idea of social and environmental protection of the places where banana is produced. CSR exists due to precisely the need to address those social and environmental concerns, which in turn exist because the market dynamics of the world food system cause them.

The agrarian political economy literature has extensively analysed the relation between the world food system and the processes of accumulation and dispossession that result in land grab, greenhouse emissions, displacement, etc (Janseen, 2004; McMichael, 2009). It is not the aim of this paper to explain how the environmental and social problems that surround the world food system derive from its own dynamics, but to highlight the ideational implications that emerge from this particular situation. Nonetheless, in chapter 4 I have highlighted the other side of coin of the banana market. When a contradiction in the cultural realm happens groups and individuals face a particular situational logic: *constraining contradiction*.

Whenever the advocates of one proposition want to invoke proposition A, ineluctably they will evoke proposition B, and with it their contradiction. B is part and parcel of the theoretical constitution of A, so they have no option but to live with B as well. “B constitutes the hostile environment in which A is embedded and from which it cannot be removed” (Archer, 1988, pp. 148–149). Thus, the survival of A, as an idea, will also depend upon repairing the inconsistency with B (Archer, 1988, p. 149).

“Since the relation between A and B is that of a genuine logical contradiction, which is therefore incapable of direct resolution, then the corrective exercise which aims to repair the inconsistency necessarily involves some redefinition of one of both elements” (Archer, 1988, p. 159). There are

three ways of repairing the inconsistency: i) correcting B so it becomes consistent with A; ii) correcting both A and B; ii) correcting A so it becomes consistent with B (Archer, 1995, p. 233). I suggest that the correction made in this system is the first one. “This success of the method also depends on getting B1 to stick socio culturally (on people accepting B1 in place of B)” (Archer, 1988, p. 160).

This type of contradiction places individuals and groups that defend proposition A, the continuity of banana business, such as the Senior Group Management, to redefine the terms of the propositions so it makes logical sense. They had to come up with a corrective measure. This corrective measure was CSR in itself: The idea of CSR arose from the necessity to “wipe out” the bad image of the corporations that were accused of social and environmental misconduct. Its definition proposes managers as the leaders of administering this social and environmental problems that surround their businesses, through social programs and certifications of good practices. This, in turn, implies a re-interpretation of the social and environmental problems that the industry produces, so that these problems become compatible with the business. The re-interpretation of the inconsistency is possible because both the social foundations and the codes of conduct divert the social and environmental problems of the banana producing regions.

First, social foundations decide and design based on their own diagnoses the type of problems and the solutions that the communities and workers have. For instance, in both regions Urabá and Magdalena, the social foundations carry out programs on sexual education and prevention of domestic violence, which according to them is one of the key social problems in the region:

“we have found, because in our research and diagnoses, that we have two scourges among the youth in the sectors where we are, and that is drug addiction and early pregnancies and sexual relations” (Decision maker, Banasan Social Foundation, September 2021).

“Within the framework of the project "Development of competencies for life through sports and culture", where the lines of music and dance are worked on, a workshop on sexual health and prevention of early pregnancies was held, with the participation of 35 children, young people and parents who are part of the

Departmental Educational Institution Rodrigo Vives de Andres” (Fundación, 2018).

What constitutes a social concern for the social foundations are situations that do not have to do with the market, with the way they run their business and operate in the rural areas. The majority of the investments of the social foundations are directed to amusement activities, which can range from sports tournament to arts contest (see chapter 3 figure 3), or to education which can also mean increasing the productivity of the banana market. Such activities are, thus, portrayed as the compromise of the companies towards their stakeholders.

Another example of this meaning-deviation, are the environmental practices. Both Fairtrade and Rainforest Alliance certify products such as bananas based on the standards that they set, one of which is related to pesticides. For Rainforest Alliance (2020), the standard only mentions the handling of this chemical when talking about the safety of their workers: “workers who regularly handle hazardous agrochemicals receive a medical examination at least once a year. In case of regular exposure to organophosphates or carbamate pesticides, the examination includes cholinesterase testing. Workers have access to the results of their medical examination” (Rainforest Alliance, 2020, p. 29). However, in practice, they know that some of those pesticides cause environmental and health problems:

“In environmental terms, we also have the use of many pesticides and pesticides that have been proven today to have an impact on human health, with very high residual levels in the environment that are undesirable. They are carcinogenic, mutagenic, reprotoxic products... So there has been a very nice evolution in the sector, the sector has made enormous efforts and we have to recognise that. The sector has made efforts like you wouldn't believe, but today we are still applying products that should not be applied. And we are in this process.” (Member Rainforest Alliance, Bogota, September 2021).

Moreover, multinationals such as Dole Foods raise up environmental issues such as climate change, circular economy, waste management and so forth, by publishing in their CSR reports (Dole Foods, 2020). This is what they portray as their commitment to protecting the environment. However, media outlets such as Mongabay Latin America and Rutas del Conflicto (2019) have

documented how the “use of water for the irrigation district in the banana zone has contributed to “the death of the mangrove forest and the reduction of its natural regeneration capacity” (Mongabay Latam, 2019). One of the companies involved in this water grabbing is precisely Dole, through its subsidiary (Rutas del Conflicto, 2019).

Second, grievances and complains of harms *caused by* the corporations have to be solved also *by* them. For instance, VSS states that a “grievance mechanism is in place that enables individuals, workers, communities, and/or civil society, including whistle-blowers to raise their complaints of being negatively affected by specific business activities and/or operations of any nature, including technical, social, or economic nature” (Rainforest Alliance, 2020, p. 12). It establishes a mechanism through which managers respond to the complaints of third parties. The company is portrayed as comprehensive and responsive to stakeholders and companies. In a context such as the Colombian, where the same members of the company are the ones involved massive displacement (see chapter four), such a grievance mechanism silence the wrongdoings of company officials. Moreover, it is mechanism as platform to control and contain the social and environmental concerns caused by the companies.

The same happens with trade unions. Both Fairtrade International and Rainforest Alliance promote the participation of unions in the companies and protects their rights (Fairtrade International, 2019; Rainforest Alliance, 2020). Nonetheless, the same companies that adhere to those codes of conduct, for instance Chiquita Brands, have been involved in the persecution -that has even led to violence- to union leaders and members in both Urabá and Magdalena. Thus, the VSS serve as a platform to “wipe out” the real problems that the companies create or exacerbate, by re-interpreting and ultimately erasing those concerns of their stakeholders regarding the business operations. This is not to say that those social issues are not important nor that the banana industry is Machiavellian, but that in the cultural realm of CSR, the idea of what ‘social and environmental concerns’ is controlled and contained by the companies that, in the case of Colombia, are causing those problems.

5.1 Structural conditioning

Of course, this corrective measure of the contradiction cannot be possible without material powers that can enforce and position ideas. “What differentiates a structural emergent property is its

primary dependence upon material resources, both physical and human” (Archer, 1995, p. 175). Contemporary CSR in the banana supply chain was born as an *idea*. An idea that emerged in one of the largest producers of banana in the world, with all the material infrastructure to run and impose CSR. Chiquita Brands’ CEO and the top managers of the company came up with the idea of a Senior Management Group that was later institutionalised, as a response to negative coverage of the press. Warshaw and the Senior Management Group mirror what Archer (1995) calls *corporate agent*. People that are articulated and organised in interest groups who are aware of their positionality and can “engage in concerted action to re-shape or retain the structural or cultural feature in question” (Archer, 1995, p. 258).

In their roles as executives and managers of one of the largest and most important banana producers/traders of the world, the Senior Management Group transformed a whole industry. They were in a ‘privileged’ social and economic position, as the leaders and decision-makers of a multinational, to establish a social responsibility area and create a code of conduct with Rainforest Alliance -an independent NGO that later was transformed into a VSS for the entire industry. The sharing of ideas within this group, their *social integration* in Archer (1995) terms, is what allowed the heirs of the more-than-100 -years-business to elaborate a new *morphogenetic cycle* for Chiquita Brands and for the banana business in the world:

“Because at that time it was very innovative, it was criticized by many NGO’s who said you cannot do business with Chiquita because they have this horrible track record and still these person, these guys, pushed ahead and so there came a sustainability program which involves to become this the code of conduct for Chiquita and they rolled it out in their own operations, and then it was killed up to become a standard which was then kind of outsourced to the sustainable agriculture Network, which was a network of NGO’s for sustainable agriculture (...) it's scaled up to go beyond this original alliance between a business and what NGO to become something for the banana sector and then it became part of the sun portfolio the sun certification program, from there it went to other sectors like coffee, Tea, Cocoa, Etc ” (Rainforest Alliance member, Amsterdam, September 2021).

Their starting position as leaders of a multinational was the result of a stratification of the social order. What they could or not do on that position was only possible because of the existence of the privileged material conditions of Chiquita, which does not depend on their relations as human beings. The “structured distribution of resources pre-groups collectivities into the privileged and under-privileged. Thus, each 'generation' begins life stratified and these different collectivities have vested interests in maintaining their advantages or improving their lot” (Archer, 1995, p.185). The economic infrastructure of both the multinational and the NGO constitutes the material ground in which the idea of a code of conduct and a social responsibility area emerged in the banana business.

This material ground distributes or pre-groups people in positions where they can either enable change or reproduce the structure. Whoever enters in a position of CEO of Chiquita Brands has the power of deciding the direction of the company -a company that is key in the market and has presence in most of the countries of Latin America and that therefore, his/her decisions will have consequences and implications in a whole continent-. In contrast, a person hired to be an operator of the company is bound to obey. The change or stability of a system depends on the role that each person occupies in the distribution of capitals and resources (the material) that already exists. Agency is then activated when that person with a certain position (Senior Management Group) pushes ahead ideas and thoughts that have consequences on others. As the Rainforest Alliance members suggest, they pushed forward until CSR became incorporated in the heart of the operational business.

The application and implementation of such kind of system across the world, requires an infrastructure capable of enforcing the values and principles of CSR. This was possible due to the dominance that Chiquita Brands, Del Monte, Dole Foods and Fyffes, among others, have on the market. Suppliers have to comply with the requirements that the leaders of the market ask for, if small or medium corporations want to do business with them. For instance, Fresh Del Monte is explicit in sustaining that they encourage their suppliers to comply with the VSS:

“At a minimum, all our associate growers are required to meet the Global Good Agricultural Practices (GLOBALG.A.P.) Standard. We also encourage associate growers to meet the GLOBALG.A.P. Risk Assessment on Social Practice

(GRASP) to assess workers' health, safety and welfare, as well as standards set by Rainforest Alliance and SCS Global Services" (Fresh Del Monte, 2021, p. 12).

The interviewees also recognise the role of that these companies play in constraining the whole value to comply with it. CSR was enforced by the economic and social infrastructure of multinationals, that have the power to impose market dynamics to small producers. "This success of the method also depends on getting B1 to stick socio culturally (on people accepting B1 in place of B)" (Archer, 1988, p. 160):

"The big players in the market and others have their own certifications and impose, in a way, on the farms that they have to be certified real. All the supplier farms, right. So they basically impose on them that they have to specify RA yes" (Rainforest Alliance member, Bogota, September 2021).

"the standards committee which is the advisory body that that approves the standard has let's say a more balanced representation of different stakeholders (...) But the main stakeholders are the businesses so the ones buying and interested in sourcing sustainable certified products. So there we would have the coffee roasted, the brands, the manufacturers, the Producers, which range from being small certified as groups to the ones that are commercial and large farmers, some NGO voices and people who have joined or been asked to join the standards committee as part of their expertise in environmental or the social or the economic domains" (Member Rainforest Alliance, Amsterdam, September 2021).

Nonetheless, the fact that these ideas were disseminated and enforced throughout the banana value chain also responds to the objective distribution of costs and benefits that conditioned the decision-makers of the whole sector. This is, a position in which actors can assess the gains and losses of making certain decision or following certain path. This represents a structural situational logic that Archer (1995) calls *necessary complementarities*. When the systemic structure has linkages of necessary and internal complementarity, then institutions are mutually reinforcing, they mutually invoke one another and work in terms of each other (Archer, 1995, p. 219). The situational logic that derives from this type of relationship is one of protection, in which everyone has something to lose from disruption. It was convenient for all banana entrepreneurs to follow the guidelines and

impositions of large corporations, in order to continue their business operations, legitimate their practices and increase their profit. They are in a position in which both retailers and producers gain from this strategy.

5.3 Contingent realities

“Where emergent properties are concerned to talk of natural necessity is not to imply some social deus ex machina which means that such relations have to exist (as the invocation of functional imperatives insists). Whether given relations of this kind do in fact exist is itself contingent” (Archer, 1995, p. 174). The fact that emergent properties exist and are grounded in material and ideational conditionings, doesn’t mean that the relationships that exist within the system are determined by that system, or can be predicted. These unexpected relations in the social interaction realm are what keep the system open for change.

The emergent properties of CSR have also led to contingent interactions in the people level. This is evident in the different interpretations of what CSR is and the shape that it has taken in both Urabá and Magdalena. On the one hand, members of the same VSS, Rainforest Alliance, have different visions of what CSR and what the certification ought to be in a future.

“I hope CSR dies in the sense that it becomes the normal thing to do and not something that you particularly have to focus on. I mean let's face it, if companies would abide to the to the local laws and play by the rules there would be no need for CSR, right? so I would advocate for let's say better laws and better enforcement mechanisms of especially labour laws and environmental laws in the country. So, the moment Guatemala, Ecuador, Colombia start implementing more serious mechanisms for let's say decent or living wages for their workers and also having the labour inspector visit farms more often and sending perpetrators to jail. So that they get hurt economically. I think there would be no need to call something a corporate social responsibility” (Rainforest Alliance member, Amsterdam, September 2021).

“The future of RA, the future of the world, the whole world. We have to take the world in our hands, why? Look at the fact that even though 99% of the bananas

sold are certified bananas, only 18% of the coffee sold is certified coffee, for example. (...) I think we have a huge job to do in other sectors. I believe that today we have a very important recognition worldwide. There is a lot to do, I think this will have to keep growing and we will have to keep evolving” (Rainforest Alliance member, Bogotá, September 2021).

The same happens with the decision makers of Uniban and Banasan, who have a different understanding of what social problems are. “As a foundation, we have, what I say, some business units within the foundation, some social enterprises if you want to call them. And one of them is the Uniban institute, which is a school” (Decision maker. In contrast, a decision maker from Magdalena says that “I believe that we came into the world to serve and I believe that the millennium goals should not only be for companies, they should be for each individual. We must contribute (...) I think my hallmark is social sensitivity. My thing is to be there with the people, my thing is to know that I can give” (Decision maker, Banasan Social Foundation, September 2021).

Both cases show not just the contingencies of the social and cultural system on the ground, but how agencies are activated. The intentions, motives and interests of an individual, within a system and occupying a role in it, has different results on the way people act upon the structure. In this case, even though there are two different visions of CSR, they all reproduce and maintain the structure. As mentioned above, this is a case of a constraining contradiction at the systemic level, but a complementarity in the social realm, where institutions have something to win from the order of the system. Despite having different opinions, at the end, they all work on CSR. The example also shows the different levels of agency. Not every person or social group can have an actual effect in transforming the structure as a whole, primary and corporate agents depend on the material conditions.

6. Conclusion

In this paper, I intended to analyse the persistence of CSR as a legitimising body of the banana market, despite the continues criticisms to its wrongdoings. I argued that this persistence has occurred because of a constraining contradiction in the cultural level, and a necessary

complementarity at the structural one, which have led to the continuation of the system, *morphostasis*, in Archer (1989, 1995) terms.

In order to make sense of such a reality, I used the theoretical and methodological framework that allows to understand how social realities are produced in time and emerge through the interaction between people and cultural/social structures. The contemporary CSR is, thus, a human constitution which emergent property is the redefinition of social and environmental concerns that benefits an idea of the economic system as being profitable. In doing so, the violence and agrarian inequalities that the market cause are silenced and remain invisible, even for the ones that work within the system.

This paper is also insightful to understand and theorise about the relations between the cultural and structural system. In this case, the morphogenetic cycle of contemporary CSR was born as an idea (cultural realm), but an idea that could only emerged in a certain social position (structural realm). How the idea was materialised and further enforced is also a result of the structural realm, which allowed CSR to disseminate throughout the value chain. Does this mean that the social constitutes the framework to understand the cultural? Could it be that the cultural does not have properties of its own but always depends on the social? What happen if we extrapolate this question to the economic or the political? Can we understand them on their own right without attributing it to the social? This are questions that the paper leaves open.

Finally, this paper is also an effort to analyse the complex reality in which rural communities in banana producing regions live. One the one hand, an extreme situation of violence (massacres, displacements, killings and forced disappearances, and agrarian inequalities such as land grabbing and land dispossession. On the other, social policies on education, sexual and reproductive rights, prevention of domestic violence and housing infrastructure. In the intersection of this contrasting realities, which happen all in the same villages, are the banana trading companies. These companies are key actors of the two scenarios. The economic model that they pursue benefits from those human rights violations and unequal land and resource distribution, and they are the ones who design and implement the social programs. In this sense, the theoretical and methodological used in this paper is a useful tool that can contribute to understanding how these situations occur, how do they emerge, and how they persist over time.

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