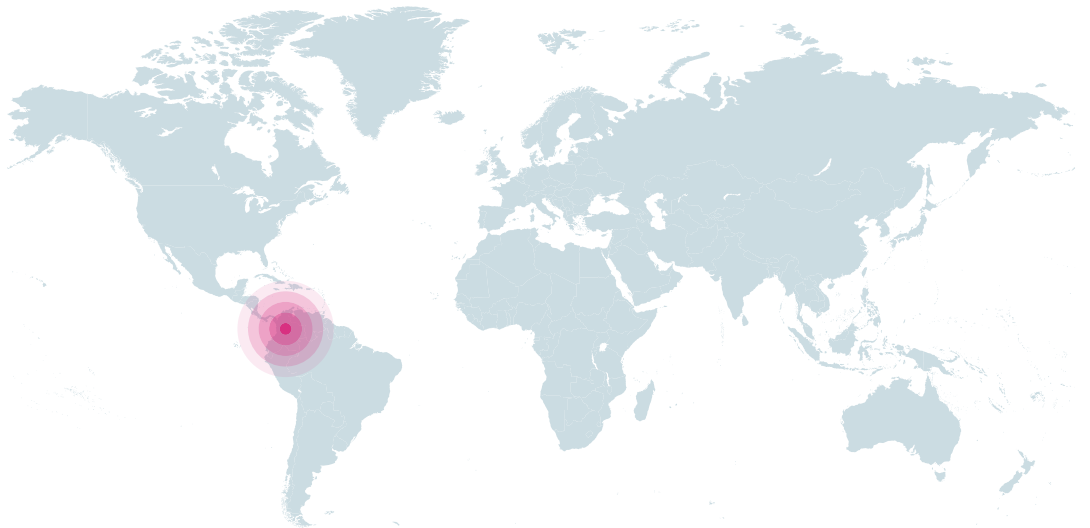


# On the Path from Failed State to OECD Member?

Colombia's Way towards a Brighter Future

Hubert Gehring / Maria Christina Koch



Colombia is currently in the world's attention because of the peace agreement between the government and the FARC guerrilla. However, it is not only progress in addressing this decades-old conflict which makes prospects for the Andean country pretty bright at the moment.

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In November 2014, Colombian President Juan Manuel Santos acknowledged that a good 20 years ago Colombia was well on the way to becoming a failed state. During his speech at the *El Futuro de las Américas* forum held by the Clinton Foundation in Miami, however, he painted a completely different picture of the country's present and future, namely that the country was now in the midst of a peace process, that it was seeing economic growth and that it was generally being perceived quite differently at the international level – that is to say, positively.<sup>1</sup> Santos was proven right. By late September 2015, a major breakthrough had occurred in the peace negotiations between the Colombian government and the FARC guerrillas when Santos concluded a preliminary agreement with the supreme leader of FARC, “Timochenko”, in Havana, Cuba.<sup>2</sup>

And even if by 23 March the original long-awaited agreement between the Government and the oldest guerrilla in the world was not signed, it is expected that by the end of 2016, the so-called “armed conflict” will be at least formally over. Now it is up to the international community not to reduce Colombia to its internal armed conflict and drug trafficking problems. The country's efforts must also be appreciated.

After all, important political and economic progress has been made in many areas over the last decade, even beyond the peace negotiations. Colombia's international image is increasingly shifting from bad to good. The country is ready to assume a more prominent role in the international community both now and in the future. In this context, it is the will of Colombia to become a member of the “elite club” that is the OECD.

This paper will begin by illustrating Colombia's recent development before dealing with the political challenges the country is facing. Overcoming these challenges is directly related to the requirements of OECD accession. The paper concludes with a realistic assessment of whether and how quickly Colombia could achieve its goal of OECD membership.

### **Plan Colombia – Despite Criticism, First Steps to Improving the Economic and Security Situation**

With his security policy, former President Andrés Pastrana Arango (1998-2002) paved the way for the rise of Colombia and for his successors to carry out further reforms. In 1999, the Colombian government developed Plan Colombia as a strategy to meet the country's key challenges: the peace process, the drug trade, economic growth and the consolidation of democracy. The plan incorporated 7.5 billion U.S. dollars. The Colombian government put up four billion U.S. dollars and urged the international community to contribute the remaining 3.5 billion U.S. dollars. The U.S. contributed 1.6 billion U.S. dollars in additional aid tied to five points:<sup>3</sup>

1. Strengthening the State and respect for human rights: Financing of programs by the United States Agency for International Development (USAID) and other institutions in order to strengthen human rights and the judicial institutions in the country;
2. Expanding the operations to combat drugs in southern Colombia;
3. Alternative economic development: Financial resources allowing small farmers who previously cultivated coca and poppy plants to switch to legal farming activities;





Hope for peace: The planned peace agreement with FARC would not only put an end to decades of bloody conflict, it would constitute a crucial step towards the international community. Source: © John Vizcaino, Reuters.

4. Increasing monitoring mechanisms, particularly in terms of combating drug trafficking in a more efficient manner;
5. Reinforced co-operation with the “National Police” in Colombia.<sup>4</sup>

Although it enjoyed broad public support, *Plan Colombia* has been heavily criticised by the political left, trade unions and human rights organisations. They accused the United States of taking a neo-colonial stance since the plan would solely serve to promote the strategic interests of the United States. The U.S. military would pre-judge Colombian citizens as potential terrorists and control many areas of strategic importance in Colombia with respect to its natural resources, biodiversity, and mining and oil production. In

addition, Plan Colombia would worsen the risk of violence and endanger the peace process along the way. Colombia’s neighbouring countries have also raised concerns that the military presence in the border areas would be greatly increased.<sup>5</sup>

When President Álvaro Uribe entered into office in 2002, he launched a security model that combined the military and economic components of *Plan Colombia* in order to reduce drug trafficking and defeat the guerrillas. To this end, the Colombian armed forces engaged in an ideological and military struggle. First, a media campaign was launched on television and in national newspapers to secure the sympathy and support of the civilian population. Civilian and military campaigns were also held in remote areas of the



Presidents: As his country maintains close relations with the U.S. as it has traditionally done, Colombia's President intends to boost relations with other countries. Source: © Joshua Roberts, Reuters.

country to provide medical treatment and raise money for infrastructure. Second, the armed forces underwent restructuring and modernisation, and investments were made to equip forces with U.S. technologies for espionage and intelligence activities. The rationale behind the restructuring and modernisation process was to enhance military operations.

What did *Plan Colombia* achieve? The most important points are as follows:

- The government of Álvaro Uribe succeeded in significantly weakening FARC militarily.
- The goal of cutting cocaine production in half has not been reached: Colombia remains one of the main exporters of cocaine into the United States.
- The so-called “alternative development” programs have not succeeded in modifying the production schemes of large companies,

such as the palm oil industry and other export products. Smaller cocaine producers were not provided with any adequate alternatives to earn their livelihoods, for example, in the form of cocoa or other fruits.

- The justice programs have indeed shown success, but there are still problems in terms of efficiency and effectiveness in investigation and trying paramilitary groups, criminal army units and corrupt officials.

Despite criticism and the fact that some goals have yet to be met, the overall results were encouraging for the Colombian state: It has achieved greater control of its territory, secured its industry and reduced the influence of the guerrillas. These achievements were the first steps towards improving the country's economic and security situation, and some of Colombia's current successes would not have been possible without them.

## The Santos Presidency – Internationalising Colombia and Improving Relations with Neighbouring Countries

The foreign policy of incumbent Colombian President Juan Manuel Santos, who has been in office since 2010, is distinctly different from that of his predecessors. The most significant difference is the fact that Santos has marked the diversification of Colombia's international relations as indispensable for democratic prosperity.

Whilst Colombian foreign policy has been dominated for decades by its very close relations with the U.S. to the detriment of its relations with other countries and regions, Santos is making efforts to address this deficit. He considers it a priority to strengthen bilateral relations with previously neglected countries. He hopes to establish new mechanisms for political rapprochement and more opportunities for trade and technological exchanges. The aim is to specifically strengthen economic, social, political and trade relations with Latin America and the Caribbean. Another aim is to engage in comprehensive dialogue to normalise the country's relationship with its neighbours, Venezuela and Ecuador. On a related note, this should allow for improvements in terms of social and economic development along the border regions. Colombia's participation in the *Unión de Naciones Suramericanas* (UNASUR), the Andean Community, the *Mesoamérica* project, *el ARCO del Pacífico* and the *Comunidad de Estados Latinoamericanos y Caribeños* (CELAC) is to be expanded.

Another specific example of Colombia's shifting external relations lies in customs. The Pacific Alliance, founded in 2012, has strengthened the country's relationship with Mexico, Peru and Chile. These countries are ideologically aligned with Colombia in terms of international trade and strategies of internationalising business. Membership of the Pacific Alliance forces the Colombian state to invest in infrastructure, particularly in its ports. If this challenge is successfully met, Colombia will be able to benefit greatly from the Pacific Alliance in future. Moreover, Colombia can now be distinguished as

a "bridge country" that mediates between different regions and political viewpoints through the Pacific Alliance. Furthermore, the Pacific Alliance can be used to develop relations with China, which enjoys an observer status.

However, this reorientation is not intended to neglect traditional partners. On the contrary, it aims to continue to strengthen relations with Colombia's strategic partners: the U.S., Europe and Canada. Relations with these countries are regarded as fundamental, not least as they are the country's main trading partners. However, in addition to these economic components, political dialogue is of great relevance.

The goal is obviously to include Colombia in the international community to a greater extent in a more positive light/manner. So, for example, Colombia intends to contribute to peace and international security via the UN. Colombia also aims to project its foreign policy guidelines through regional and sub-regional forums. In addition, Colombia hopes to expand its representation in other states and international organisations to increase its participation in decision-making at the international level.

Colombia has concluded free trade agreements with numerous (groups of) countries, from the Andean Community (1993) to Canada (2011) to the U.S. (2012). In August 2013, the free trade agreement between Colombia and the EU also came into effect. After the U.S., the EU is Colombia's main trading partner. The accord would mean significant growth in bilateral trade with EU countries, particularly with Germany, which is already considered Colombia's most important trading partner within the EU.

This development co-operation is an increasingly important aspect of Colombia's foreign policy. This complements national efforts in terms of economic, social and environmental issues and allows the country to position itself as an international player.

Accordingly, the Colombian government considers it a success that its international agenda,





Roses from Colombia: Upon finalizing the free trade treaty, trade with the U.S. and the EU is expected to rise sharply. [Source © John Vizcaino, Reuters](#)

which has long been dominated by the fight against terrorism and drug trafficking, has become more versatile. It now includes issues like social development, the environment, science and technology. Whilst Colombia previously found itself in the position of asking for aid and assistance, the country is now able to join other states in providing assistance, for example, in the case of abductions or natural disasters. In doing so, Colombia is able to benefit from its own experience. One example here is the earthquake in Nepal in April 2015. Santos immediately announced that Colombia would be ready to send 45 experts to the earthquake region. Many European States, which were much more highly developed economically speaking, did not demonstrate this same willingness. For Colombia, this obviously represents a significant step from being considered

a country requesting aid to one considered an equal partner able to share its experience with other countries, thereby gaining more recognition.

In September 2014, Santos received an invitation from UN Secretary General Ban Ki-moon and U.S. Vice President Joe Biden to attend a summit on global peace missions. Peace missions can be supported either financially or by sending troops. Colombia evidently pursued the objective by contributing armed forces. A necessary prerequisite of participation in peace missions is the end of the guerrilla conflict. As a result of decades of armed conflict, Colombia's army is considered particularly well-formed. Santos wants the army to increasingly turn its attention to peace-building in the post-conflict era whilst at the same time maintaining the

knowledge and experience it gained during the Colombian conflict. Another reason is sure to be the continued employment of personnel beyond the end of the armed conflict. The *fuerza pública* in Colombia has some 455,750 personnel enlisted in its ranks (as of 2013).<sup>6</sup> The armed forces are currently still deployed for fighting against the guerrillas. However, once the conflict ends, there will no longer be a need to maintain such a large number of armed forces.

**For Colombia, this obviously represents a significant step from being considered a country requesting aid to one considered an equal partner able to share its experience with other countries, thereby gaining more recognition.**

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In June 2013, Santos also announced that Colombia was seeking accession to NATO. The Colombian army has already begun participating in several NATO military training programs. However, it is doubtful at the moment whether this desire of Colombia's is realistic. What is certain, though, is that Colombia is piquing interest due to its geostrategic location: The country has access to both the Atlantic and the Pacific, connects Central and South America and borders five countries: Brazil, Venezuela, Peru, Ecuador and Panama.

### **Colombia's New Self-Confidence – Hopes to Accede to the OECD**

Likely the best example of Colombia's new self-image is its desire to join the OECD. The OECD currently comprises 34 countries and maintains working relationships with more than 70 others. Since the organisation combines the world's most major economic players, it is often referred to as an elite club. Accession to this club is considered by experts to be a distinction of the economic efforts of a state.

For Santos, joining the OECD is an important step towards Colombia establishing a new image in the political world. After Mexico (accession: 1994) and Chile (accession: 2010), Colombia would be only the third Latin American country to join the OECD. The decision as to whether a country is accepted is up to the Member States, which also set out the conditions for accession.

Membership in the OECD would encompass numerous advantages for Colombia: First, it would allow Colombia to acquire mechanisms to monitor the quality of public policies, which would strengthen efforts in various areas. Santos has commented that the OECD is not only a club you join, but one in which you must maintain a certain standard, thereby gaining the opportunity to tackle the necessary structural tasks. And the consequences? Growth could be promoted and poverty reduced. In addition, OECD membership is seen as a "seal of quality" and a sign of confidence in a country's economic policies, as well as recognition of its role as a rising economic power. In addition, OECD member status would attract investment and strengthen relations with OECD countries and other states as well. In the medium term, membership would therefore have a positive impact on economic growth. Overall, Colombia's image throughout the world would significantly change.<sup>7</sup>

On 30 May 2013, OECD member countries voted in Paris to begin accession negotiations with Colombia. In September, the conditions of accession were then set before Ángel Gurría, OECD Secretary General, officially setting the accession negotiations on 25 October 2013 in motion.

The negotiations are characterised by close co-operation between the OECD and Colombia. During the accession process, Colombia must demonstrate that it is committed to aligning its policies and economic performance to OECD standards. The OECD has not set any deadlines for Colombia. Instead, the date of accession depends on Colombia's ability to fulfil the required conditions.



Illegal mining: The high proportion of informal labor makes workers more liable to exploitation and does away with their pension entitlements. [Source © John Vizcaino, Reuters.](#)

Colombia has experienced some success since accession negotiations were opened. As a result, the country was invited by the OECD to sign two major conventions: the “Convention Against Corruption in International Trade Transactions”, which adds greater transparency to trade and recognises Colombia as a relevant actor in the fight against corruption, as well as the “Convention on Tax Matters”, the primary tool used to combat tax havens. Colombia has already signed the “Declaration on International Investment and Multinational Enterprises”, has joined the directive on responsible mining, the “Declaration on Green Growth”, as well as the “Principles of Internet Policy”. At the invitation of the OECD, Colombia is now also a member of four committees: the Investment Committee,

the Anti-corruption Committee, the Competition Committee and the Consumer Protection Committee. Colombia has therefore already achieved considerable progress in these areas.

#### **OECD Recommendations – Despite Initial Success, a Long Way to Go**

Despite all these achievements, the fact that Colombia still has a difficult road to travel to meet the requirements of the OECD must not be overlooked. In many areas, such as environmental protection, the instability of the labour market and the weakness of its public institutions, Colombia lags far behind OECD countries. Despite its successes in combating violence – for example, reducing the number of



murders from 69 per 100,000 inhabitants in 2002 to 31 in 2012<sup>8</sup> – acts of violence still present a major challenge for Colombia.

OECD experts have fully investigated and evaluated different political and economic aspects of Colombia and have made recommendations to help Colombia meet the requirements. Here are some examples:<sup>9</sup>

#### *Social Security and Pensions – Need for Improvement*

Compared to OECD countries, income insecurity in old age in Colombia is very high. Half of elderly people there live below the poverty line and fewer than 40 per cent receive pensions. Women and low-skilled workers are particularly affected by this. The pension system's low population coverage primarily reflects the high share of the informal work. Only workers who are formally employed may enrol into a pension scheme. Access to a public pension requires 25 years of contributions.

Colombia has introduced various social security and pension programs to improve the situation. Among them is *Beneficios Económicos Periódicos* (BEPS), which aims at reducing old-age poverty amongst those in unofficial work. The *Colombia Mayor* program sees the government providing an income for older people living in poverty.

#### *Economy and Trade – Improvements, but Still Volatile*

Since the early 2000s, Colombia has achieved significant progress in improving living conditions. Sound macroeconomic reforms – an inflation-targeting regime, flexible exchange rates, sound financial regulations – have created growth and macroeconomic stability. Colombia has gradually opened up trade and investment and improved the security situation. Investments in the oil and mining sectors saw industrial and export booms, at least until oil prices collapsed in 2015, and have also had an impact on national demand. The proportion of people living below the poverty line has been reduced

from one-half to one-third. The steady reduction in unemployment has created investment and brought higher household incomes.

However, the decline following the boom in raw materials requires political action: Investment outside the resources sector is necessary to provide official employment. Productivity is still at a low level, which reflects weak infrastructure conditions – for example, informality, a poor educational system, skills shortages and low investment in research and development.

#### *Infrastructure, Tax System and Education – Key Issues for Future Development*

There is one area in which expenditure is sorely needed in Colombia: Investments in infrastructure are essential for economic growth. Poor transportation constitutes a barrier to competitiveness and should therefore be improved. In addition, the planned expansion of social policy as well as peace with armed groups that finally seems attainable after the preliminary agreement in September 2015 and the further expected final outcome in 2016 represent important expenditure items. Increasing government revenue is therefore essential. Deficits are caused by widespread tax evasion, a high rate of informal employment, a high number of tax exemptions and an inefficient tax administration. The armed conflict previously contributed to this as well, as it was difficult to tax land and agricultural activities.

The most efficient way forward would be a major reform of the tax system. Corporation tax should be extended, the rate lowered and the tax system simplified. VAT will also play a particularly important role here as it could generate additional leeway. Environmental taxes should be increased as well. The high rate of tax evasion should be combated systematically and penalties should be increased based on the model of OECD countries. The bilateral and multilateral agreements recently concluded regarding the exchange of information on tax evasion are an important step in this direction.

The increased budget for education and early childhood education is a step in the right direction. In Colombia, the percentage of children in kindergarten is only 50 per cent, compared to the OECD average of 90 per cent. Although access to tertiary education has tripled in the last 20 years, only 45 per cent of the population take advantage of it (OECD: 70 per cent). Furthermore, the quality of education must be improved and investment must be made in professional development for teachers.

Colombia follows a good governance framework that includes regular budget processes and significant improvements in the institutionalisation of the civil service. Nevertheless, systematic evaluations are recommended as, in spite of the positive developments seen in transparency and government accountability, corruption still presents a major obstacle to business in the country. Along with the ratification of the OECD Anti-Bribery Convention in 2013, the National Public Procurement Agency was established in 2011. However, even more capacity and resources must be applied to achieve a significant reduction in corruption.

#### *The Labour Market - Too Much Informality*

Despite improvements, the labour market is still lacking efficiency and thereby reinforces inequality. Since 2011, employment has hovered around 64 per cent (women: 48 per cent, men: 73 per cent). Since 2001, the unemployment rate has fallen from 15 to approximately nine per cent. Nevertheless, this is still high compared to other Latin American and OECD countries. The fact that protection against unemployment has recently been strengthened is considered an initial step in the right direction, even if it is still too early for its effectiveness to be analysed. However, enforcing workers' rights still faces a number of challenges in Colombia. There are too few inspectors, they are too poorly trained and they lack authority.

Colombia has one of the highest rates of labour informality in Latin America. This creates inequality as the informal sector has limited access

to financial and public benefits. Depending on the definition, informal employment comprises 50 to 70 per cent of total employment. Young people, women, poorly qualified and displaced persons are particularly affected by this. Non-wage labour costs also contribute to informality. After the 2012 tax reforms, which reduced social security contributions, more formal jobs have been created.

Colombia's market regulations, in particular its trade barriers, are still slightly more restrictive





Under heavy criticism: Student protesters in Bogotá calling for a better education system in 2011. The OECD sees a need for improvement here as well. [Source: © John Vizcaino, Reuters.](#)

than the OECD average. Productivity is hindered by the lack of competition in areas such as telecommunications, food and clothing.

#### *Environmental Protection in Colombia – Still Much to Be Done*

Colombia is facing a number of challenges in terms of environmental protection as well: The rapid expansion in the mining, energy and agriculture sectors and the high emissions associate with this (especially due to transportation)

must be mentioned here. The OECD considers strengthening the role of the Ministry of Environment and Sustainable Development to be of great importance, as the main body for environmental protection along with stronger inter-ministerial cooperation and the creation of environmental units in the various ministries. Laws and standards must be aligned to create a coherent and congruent framework for an effective environmental policy. At the same time, popular involvement must increase.



The sheer wealth of resources, species and biodiversity in the country is one of the areas of greatest potential for Colombia. However, renewed efforts are needed if this wealth is to be maintained and used optimally.

### **The 2014-2018 Development Plan: Santos' Ambitious Project Involving OECD Demands**

The “National Development Plans” (*Planes Nacionales de Desarrollo*) form the basis for the president’s governmental work in Colombia and span a period of four years, the same as the president’s term of office. The current plan covers the years 2014-2018 and is based on three pillars: peace, equality and education.

Peace is considered one of the goals – if not the most important goal – in Colombian history since the armed conflict is perceived both as a cause and consequence of a lack of development. The successful conclusion of the peace negotiations, which is expected by 2016, is therefore one of the government’s priorities. Nevertheless, the development plan makes it clear that even after any peace agreements have been signed, a number of challenges will remain: the demobilisation and reintegration of combatants and a reduction in the general propensity to violence. A peace agreement would therefore not automatically bring an end to all the country’s problems, though it would make an important contribution towards de-legitimising violence and consolidating democracy.



Back and forth: In one of the poorest neighborhoods in Medellín, an outdoor escalator was installed to help people get around. Still, plenty of work remains to be done in the fight against poverty. [Source: © Fredy Builes, Reuters.](#)



The second pillar, equality, is also of fundamental importance. A lack of equality is diametrically opposed to potential development and deprives many people of suitable living conditions. The most important tool for greater equality is education, which also represents the third pillar of the development plan. Along with reducing inequality, education is important for progress and improving the overall quality of democracy.

The development plan defines five interdisciplinary strategies: 1. infrastructure and strategic competitiveness; 2. social mobility (health, education, work); 3. rural areas and green growth (reduce inequities between urban and rural areas, sustainability); 4. consolidating the social rule of law (democracy, human rights, justice); and 5. good governance.<sup>10</sup>

These goals are ambitious as there are still so many problems to overcome. Yet the “National Development Plan” is seen as a way to end the armed conflict and promote the country’s development. The recommendations of the OECD can make an important contribution to its implementation. According to Santos, 44 items on the “National Development Plan” are based directly on the recommendations of the OECD.

### **Colombia in the OECD – How Realistic is that Goal?**

In an interview in January 2015, OECD Secretary General José Ángel Gurría said that it is hoped that Colombia would join the OECD in 2016.<sup>11</sup> But how realistic is that goal?

The mere fact that accession is even being considered for 2016 demonstrates Colombia’s potential to align itself with OECD countries and be inducted into the organisation in the foreseeable future. However, the question remains as to whether this potential can and will be exploited in the near future. A lot has been achieved thus far: Colombia is amongst the countries with the highest average incomes, with high economic growth and low inflation; (informal) unemployment, poverty and vio-

lence have been reduced, not to mention the great progress that has been made in the peace process with FARC. Nevertheless, although so much progress has been made, an enormous amount remains to be done. This is especially true for the fight against inequality. To reduce inequality, the OECD considers a fundamental reform of the pension and tax system in particular to be vital, among other reforms. Yet few economic and social policy topics in Colombia are as sensitive as those of taxes and pensions. Profound reforms have been nearly impossible due to the strong reactions seen in recent years – something the government considers a major challenge.

**Neighbouring countries are lamenting the fact that Colombia seems more interested in richer countries like the United States instead of them.**

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The government’s awareness of the difficulties associated with pension reform have meant, for example, that it has tended towards more minor reforms, which are steps in the right direction but are not nearly enough to tackle the issue at hand. Profound reforms are necessary to meet the OECD’s requirements for membership. Attaching conditions to membership by the OECD may indeed act as an engine for important yet unpopular reforms.

However, the Colombian government’s pursuit of OECD membership is also facing criticism. For example, its neighbouring countries are lamenting the fact that Colombia seems more interested in richer countries like the United States instead of them. This would mean that, through accession to the OECD, Colombia is hoping to build an identity as a country increasingly aligned with northern countries – the established powers. As a result, Colombia would be forced to turn its back on the South and its regional regimes. Its critics also accuse



2013 OECD conference in Paris: Membership in the OECD is one of Colombia's top items on its foreign policy agenda. It is hoped that the membership will bring economic revival and an improvement of living standards. Source: © Pool, Reuters.

the Colombian government of wanting to use the OECD as a platform to integrate the country into the TPP or TTIP mega-blocs, which Colombian elites would consider preferable to South-South Cooperation. Within Colombia, criticism has been levied that OECD membership would be considered by the international community to mean that the country has risen to the ranks of the richer countries, and Colombia would therefore lose out on opportunities for development cooperation as this would no longer be considered necessary. At the same time, allegations have also been made that the Colombian government would then be willing to help other countries (as it did after the earthquake in Nepal) whilst rejecting the ongoing needs of its own country.<sup>12</sup>

In addition to Colombia's interests, the question must be raised as to the value the OECD con-

siders in allowing Colombia to gain membership. Colombia's geostrategic location plays an important role here. It is also one of the world's most biodiverse countries and has one of the greatest number of different species of any country. It is rich in natural resources, such as oil, coal, gold and rare earth minerals. Germany and the EU are interested in Colombian membership since the country is an important trading partner.

In addition, although Colombia is a major trading partner for the United States as well, strategic considerations are also particularly crucial here. Latin America is at times referred to as "the backyard of the United States", and the U.S. does not want to lose any control there. The advent of leftist and populist governments in Latin America that are critical of U.S. policy and want to reduce their historical dependence have meant

U.S. influence in Latin America has waned overall. Many countries are instead increasingly turning towards Europe and China. To counteract this loss of influence, the U.S. relies on Colombia as the Colombian government has proved a friendly and reliable partner to the U.S.

**To maintain its significance, the OECD must relinquish its image as a “club of the rich” and engage in enhanced cooperation with “middle-income countries” like Colombia.**

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Another reason, according to some experts, is that the OECD is dealing with a loss of significance. Whilst a few decades ago OECD countries accounted for more than 80 per cent of world trade volume, they currently only make up around 60 per cent. This percentage is likely to fall even further without expansion. In this vein, the emerging BRICS countries earned the status of countries benefiting from “enhanced engagement” in 2007 and have been “Key Partners” since 2012. However, they have yet to display any interest in OECD membership. To maintain its significance, the OECD must therefore relinquish its image as a “club of the rich” and engage in enhanced cooperation with “middle-income countries” like Colombia.<sup>13</sup>

Overall, Colombia is able to see OECD accession as an opportunity to implement long overdue reforms and restructuring and therefore gain more positive international recognition. However, this in-depth analysis should not result in the value of the accession process being underestimated since Colombia would not have had the opportunity to have so many political spheres undergo this kind of analysis by international experts, nor would it have benefited from any of the many specific recommendations offered to it. In terms of implementing the “National Development Plan” it is important to focus not only on the peace process, but also

on equality of opportunity and education. It is now up to the government of Colombia to take advantage of this opportunity. If Colombia continues to trend towards favouring industrialised countries, this must also be taken into account in its policies – not only in its foreign policy but in its domestic policy as well. The emphasis should be on reducing social iniquity.

Despite the fact that the political sphere in Colombia seems willing to undergo these changes, implementation in 2016 seems unrealistic. This should not discourage Colombia, however. For example, it took Chile ten years to become an OECD member. If Colombia makes the effort, accession will take place much faster. Ultimately, the reforms necessary for accession to the OECD may provide the Santos government with a good opportunity to demonstrate that it is dedicated to tackling its people’s fundamental problems, making this government’s success dependent on more than just the success of the peace negotiations. Possible OECD membership can therefore be seen as an incentive to implement urgently needed reforms in Colombia on issues such as improving infrastructure, education and equal opportunities.

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