

CAF Podcast

ep.2/2023

Daniel Rojas

Daniel Rojas Medellín is the president of the SAE, the Special Assets Society, a ministerial post responsible for administering assets seized from organized crime, thus one deeply linked to the peace strategy and land redistribution. An economist by background, he was the programmatic coordinator of Colombia's Pacto Histórico and led the so-called "splicing process" between the outgoing and the incoming governments.

On August 7, 2022, Colombia took a historic turn in its political and state trajectory.

Last February 10, the Colombian Attorney General's Office temporarily suspended Minister Rojas while he was investigating the transfer of 82% of the shares of Triple-A, a public utility company seized in 2018 under embezzlement charges. Rojas' team tried to stop the execution of the acquisition, closed by the outgoing administration, and to review the process after determining that the value of the shares tripled that contemplated in the contract: around \$500 million, compared to just \$120. The lifting of this suspension would arrive days later when SAE's leadership desisted from stopping a transaction that was observably at odds with the public interest.

In the words of President Petro himself, "The one who found corruption in SAE and Triple-A was suspended by the same oversight bodies that should have discovered it a long time ago."

Today Minister Rojas and his team are still faced with a disciplinary investigation. One could argue that "disciplinary" is an appropriate term for how reactionary backlash is waved against transformational policies. Reactions we usually associate with the upheaval of socioeconomic and military elites but rarely with the state apparatus itself. Structural correctives to movements of change are one of the primary defense mechanisms of large power structures and one of the significant obstacles to true democratization in Latin America, but also in the rest of the world.

Minister, you played a leadership role as campaign coordinator of the Pacto Histórico coalition. As head of the transition between governments, you have been a very technical witness to the conditions under which the outgoing administration operated. Gustavo Petro's is the first progressive government in the history of Colombia, one with a mandate born of hope and with a unique opportunity for a country traditionally inclined to the right. But for that very reason, it also faces particular challenges and is burdened with a symbolic responsibility. In your opinion, what are the most urgent changes and the essential goals for Petro's administration?

In four years of government, it is impossible to change almost a century of domination by elites who, rather than having developed capitalism in Colombia, developed a sort of tropical feudalism. One based not only on land tenure but also on drug trafficking.

The lands that at some point belonged to drug traffickers as "petty cash" to launder criminal assets should move towards an agricultural and food model. A model in which farmer production is prioritized.

Their message is clear: they will not allow us to develop the government program that won at the polls. They will not allow us to change power structures in Colombia. They will not allow us to build democracy in Colombia.

2

DR: We are fully aware that in four years of government, it is impossible to reverse almost a century of domination by elites who, rather than having developed capitalism in Colombia, developed a tropical feudalism of sorts. One based not only on land tenure and large estates but also on drug trafficking. Therefore, the first and most crucial challenge of this government is to lay the foundations for the transformation of this model that has only left us with war and inequality. And laying the foundations for this implies implementing an agrarian reform to democratize the land. Colombia is one of the countries with the highest concentration of farmland. The Gini coefficient of land concentration here is close to 0.9 points. That is almost absolute concentration. But it is not only concentrated in the hands of a few; it is also unproductive. Colombia is a country with an agricultural orientation, and yet it imports approximately 15 million tons of food per year. And with that, it imports global inflation and brings it to the table of Colombian families. Therefore, agrarian reform is a priority to lay the foundations for this transformation. And not only in economic terms but also in social terms; since the great conflicts, the war in this country have been based particularly on land distribution. So this reform also involves achieving what we have called Total Peace. To take the provision of fundamental rights such as health, education, and the right to work out of the domain of the markets. And that is why the health reform, the labor reform, and the pension reform become three other priorities that, together with the agrarian reform, we could say, are the pillars of a change that will have to be extended in Colombia in the long term.

As president of the Special Assets Society and a trusted person of the president, you have in your hands a critical institution. Can you provide our listeners with a brief overview of the challenges faced by the SAE and its relevance in the fight against corruption?

DR: The Special Assets Society (SAE) administers those assets that at some point belonged to illicit economies to this model I just described. A model based on the income from drug trafficking and corruption. And these assets that we could call productive (assets that can generate wealth under the, let's say, legal logic of capitalism) were used at the time to establish the drug trafficking structures and to generate income for them and the State. And therefore, that is where the violence in this country derived from. Now, being seized and administered by the State, the natural thing in our government is that these assets serve as a production base for the new economic model. The lands that once belonged to drug traffickers as "petty cash" to launder criminal assets should move towards an agricultural and food model. A model in which farmer production is prioritized to be the initial quota of the agrarian reform. And that is what we are doing. We have determined that the majority of the lands that we administer, therefore, can be handed over: either titled when possible or, if not, ensuring land use rights to the landless farmer communities in Colombia for agri-food production. But not only land. We also administer companies and urban real estate that must also move towards this new model, towards popular peasant and youth development. That is why we wanted the youth that manifested themselves in the social outburst in 2020 and 2021 in Colombia, to be able to join as popular administrators of the goods that we seize. And to introduce them to these productive circuits that are being designed by the government plan, we coordinate with other government entities. Ultimately, these assets would not have to remain under our administration or run the risk of returning to their former owners but should be linked to these productive circuits.

Many are already talking about a cycle shift at the regional level with the more or less widespread return of progressivism. However, it is a fragile trend: many of these new governments are facing severe erosion and



Daniel Rojas Medellín is a Colombian official of ministerial degree. He is the current president of the Special Assets Society (SAE). A young economist, he was the programmatic coordinator of the Pacto Histórico coalition. He also coordinated the power transfer between the incoming and the outgoing government.

strategies of political violence, often physical but also legal. Lawfare, political persecution through judicial means, threatens not only to undermine the independence of institutions but also to void the fight against corruption of its meaning, something that only favors corruption itself. And this is a phenomenon that has become particularly relevant in Latin America, with cases ranging from Ecuador to Brazil to Argentina. You were suspended from your position for stopping an action that was going to bring detriment to the patrimony of the Colombian State. Would you say it was lawfare? What are the possible strategies for Colombia to avoid what has happened in other countries?

DR: What is evident, at least from our experience in Colombia, is that those who have dominated not only the political scene, but also the media and the judiciary allowed us to win the elections. And they allowed us to do so because the country was amid a social outburst. And the outrage in the streets was such that the transfer to the ballot box was obvious. Preventing our victory at the ballot boxes would have unleashed unmanageable instability. But letting us win the elections did not mean they would let us govern. Their message is clear: they will not allow us to develop the government program that prevailed at the polls. They will not allow us to change power structures in Colombia. They will not allow us to develop democracy in Colombia. And they are even willing to use the institutions and the rule of law for that purpose. This represents an enormous risk because of the instability they perhaps wanted to avoid when they allowed us to win the elections... And I say it in an unequivocal way: in Colombia, electoral fraud has happened before. The fact that Gustavo Petro won the elections was a concession of the elites that dominated the country and a gesture to the majority who expressed their mandate. Still, there was a calculation that is just beginning to be understood. And that is that we are not allowed to develop the government program under the threat of lawfare. And it is, let's say, not only proven in the rest of the region, but in my particular case, I feel that same threat. And I hope that our contenders will come to their senses and that together we can at least reach a consensus to protect the institutions of the Rule of Law, to protect democracy in Colombia and Latin America.

