

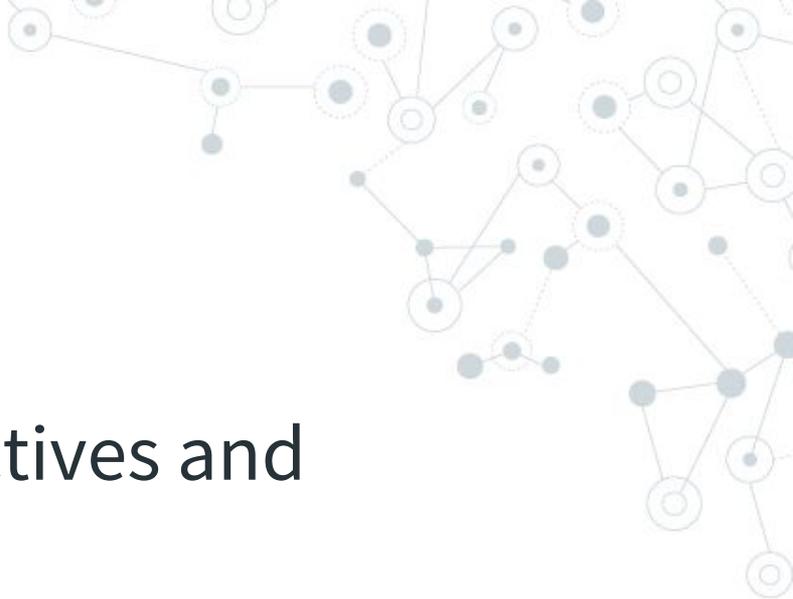


# The Elites and Economic Development in Colombia 1990-2014

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## Content

- ◎ Research Question, Objectives and Hypothesis
  - ◎ A review of the literature
  - ◎ A proposal for a theoretical framework
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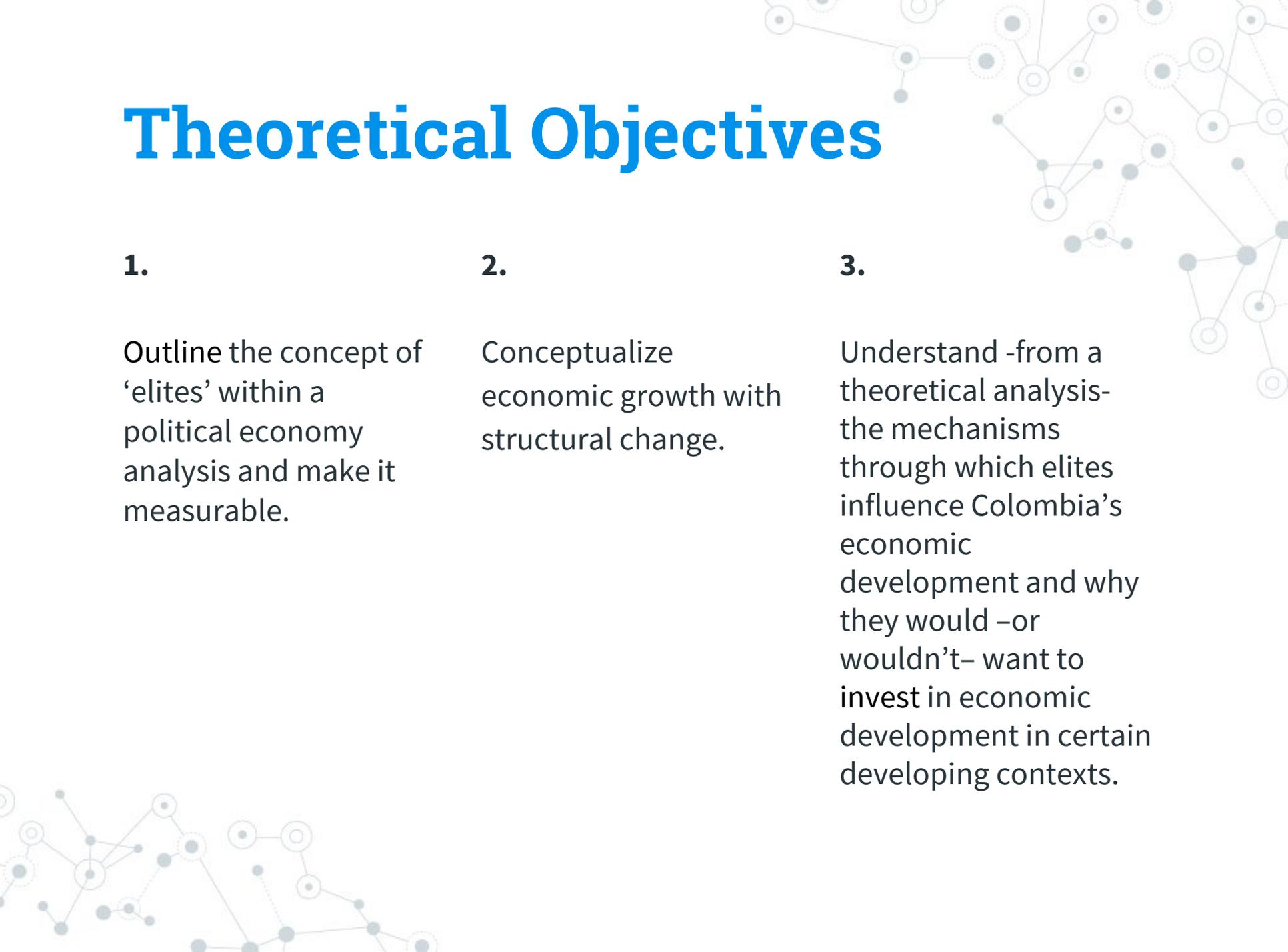
# Research Question

How have elites shaped Colombia's development\* (understood as growth with structural change) during the 1990-2014 period?



**\*The object of Study:** Colombia's agricultural and stockbreeder sector

# Theoretical Objectives



**1.**

Outline the concept of 'elites' within a political economy analysis and make it measurable.

**2.**

Conceptualize economic growth with structural change.

**3.**

Understand -from a theoretical analysis- the mechanisms through which elites influence Colombia's economic development and why they would -or wouldn't- want to invest in economic development in certain developing contexts.



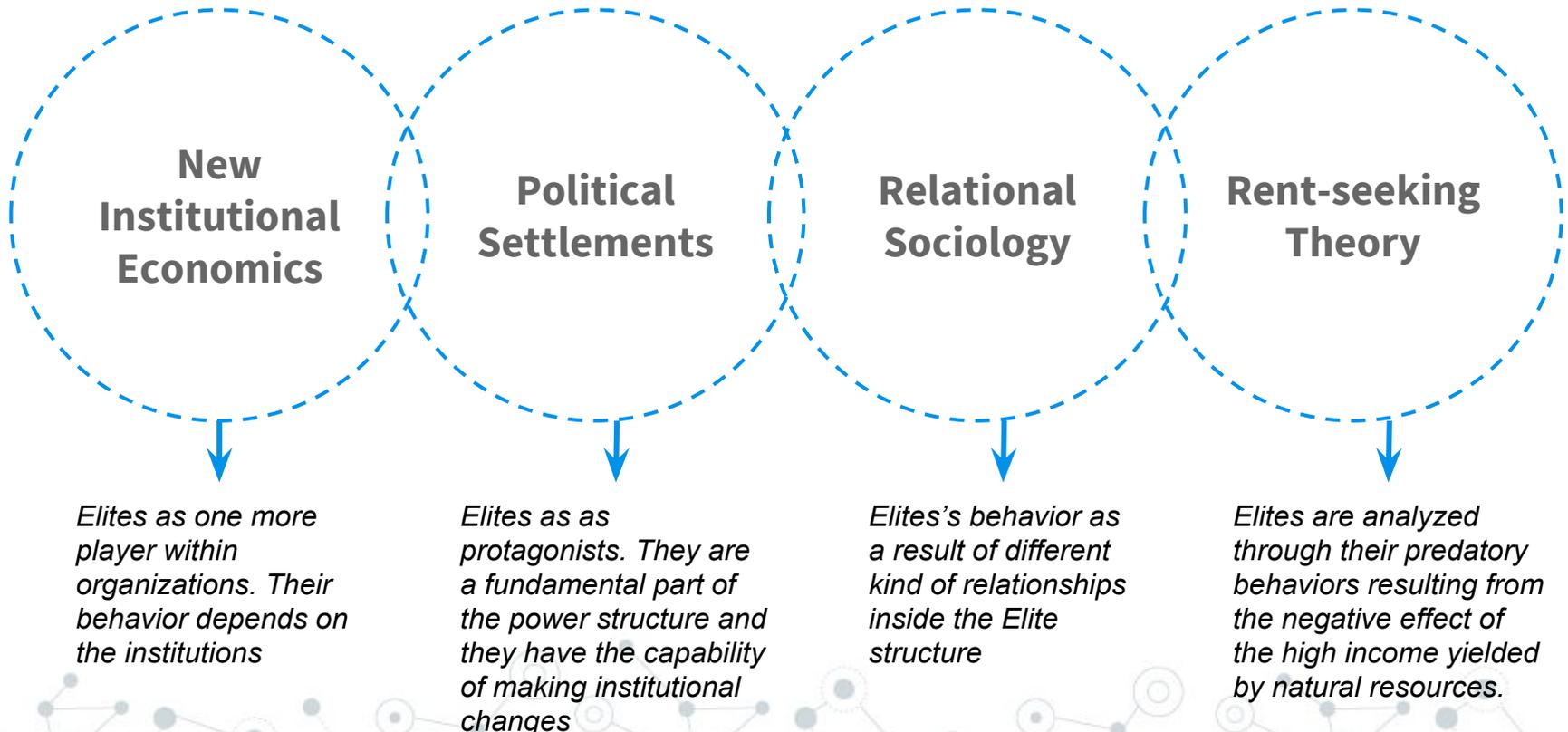
# Hypothesis

*Elites play a key role in **determining and explaining** the absence of growth with structural change in Colombia*

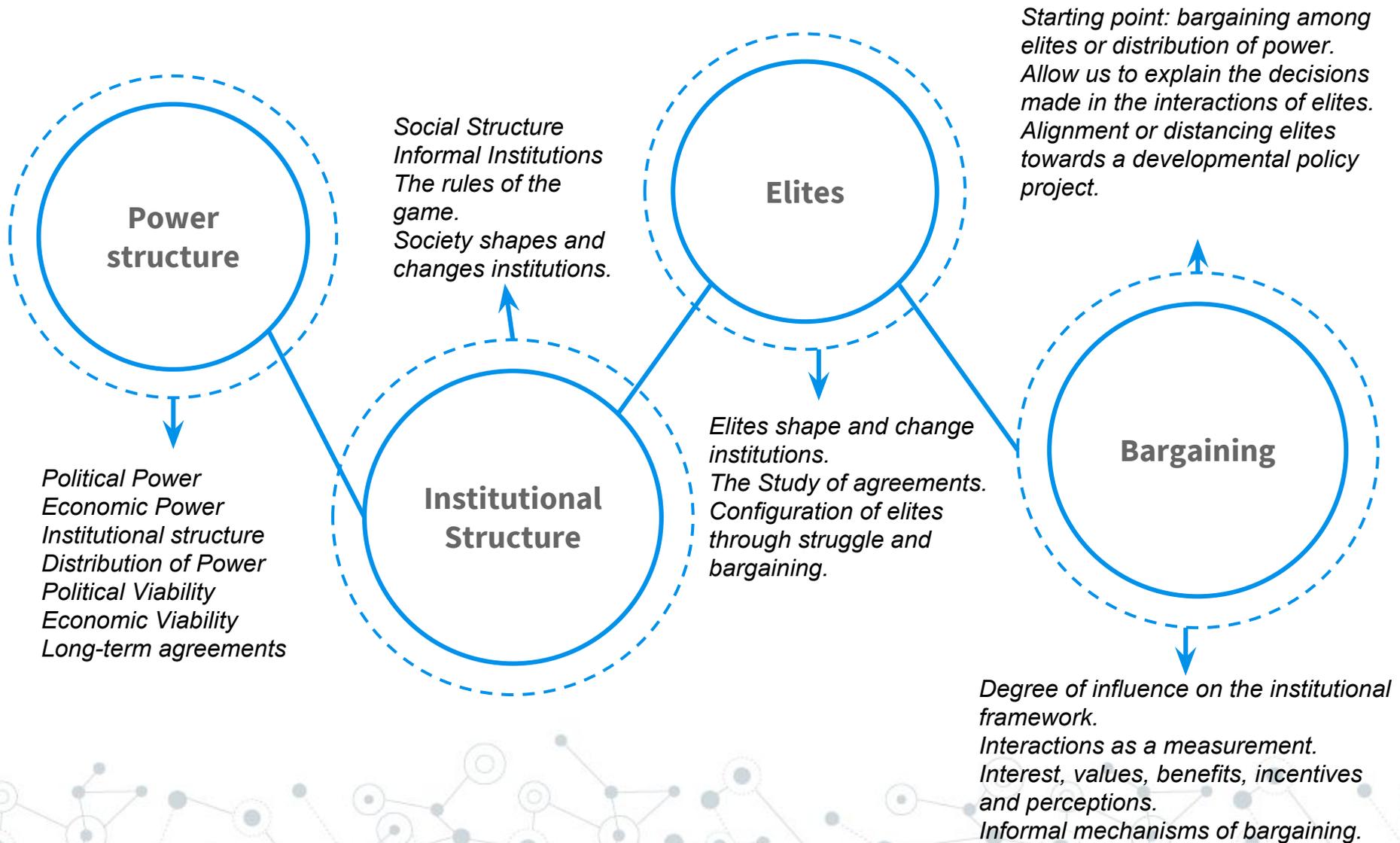
# A review of the literature

Analyzing the main contributions on the relation between the elites and economic development in developing countries

## Bodies of literature covered in the review of the literature



# Main concepts through the literature





# **A proposal for a theoretical framework**

Variables deriving from the capabilities  
through which elites influence  
Colombia's economic development

# Variables

## Independent

### Elites

- Ruling class  
Mannheim, 1946. Mills, 1956. Keller, 1971.  
Cárdenas, 2006. Santos Castrovejo, 2013.
- Fundamental piece in the construction and preservation of the State's organizational capacity  
Bourguignon and Verdier, 2012
- Will be delimited according to their relation with the power structure  
Cárdenas, 2006. Hofmeister, 2007. Waldmann, 2007. Robinson and Acemoglu 2007, 2012, 2015.



# Variables

## Dependent

### Development

The Integrated view definition (CEPAL 2012)

There are two dynamic efficiencies which make development possible:

- ◎ “Schumpeterian”: certain sectors lead the innovation process, boosting productivity both in their own sector and in others.
- ◎ “Keynesian”: specialization pattern in sectors favored by high growth rates resulting in positive effects for production and employment.



# Elites Wealth



Elites' income and assets and its proportion or gap in comparison to economy or society as a whole

## *Income and assets indicators*

*Income share held by the highest 10% in the country between 1990 and 2014*

*Top 1% income share from non-labor activities: income resulting from the ownership of assets, rent, capital gains, financial income*

*Valuation of rural land in Colombia 1990-2014*

## *Gap indicators*

*Income Gini Coefficient*

*Non-labor income comparing quintile 1 and 5*

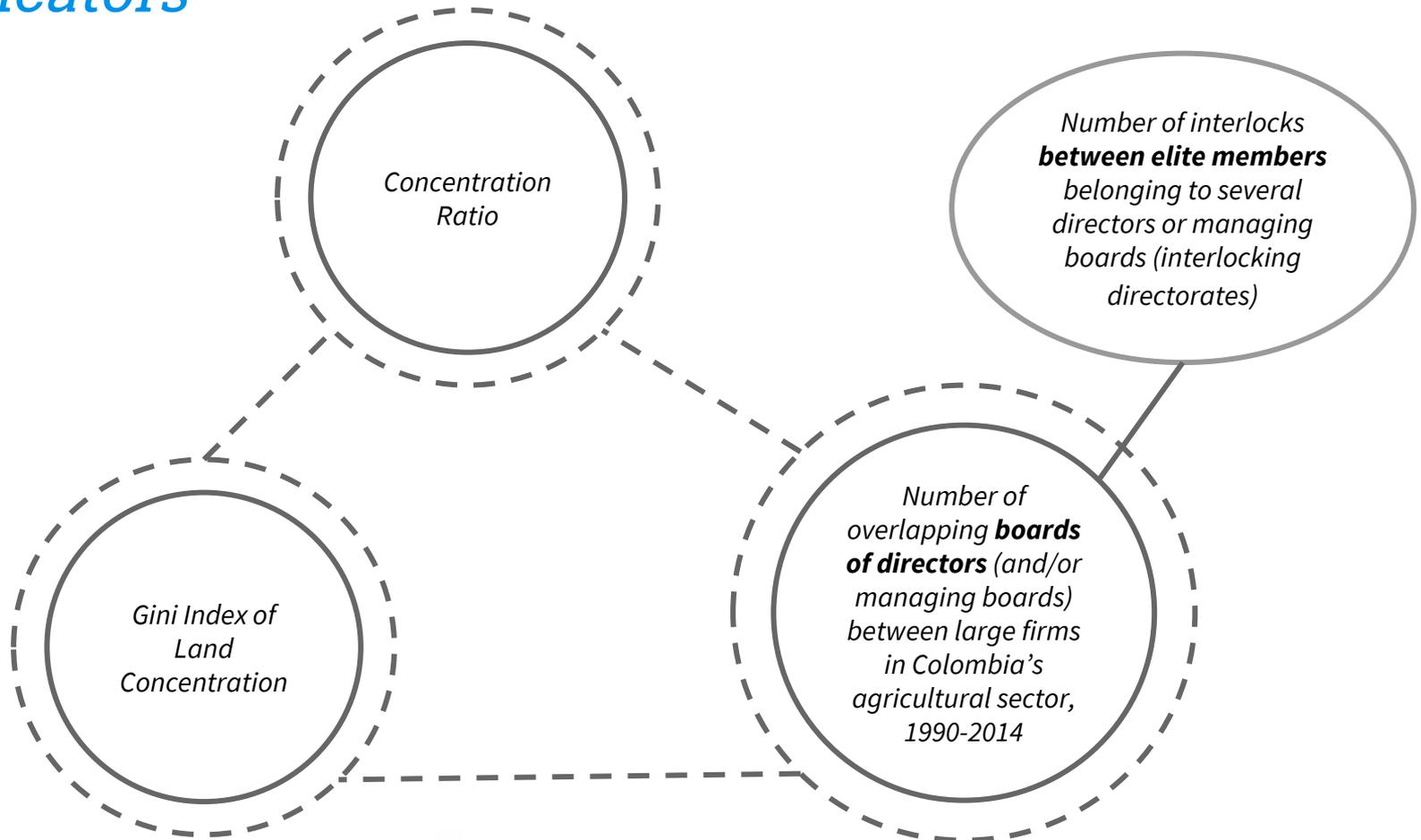
*Income, by income sources and deciles*



# Control over the Market

Collection of evidence showing the elites' ability to take part in and influence Colombia's agricultural sector.

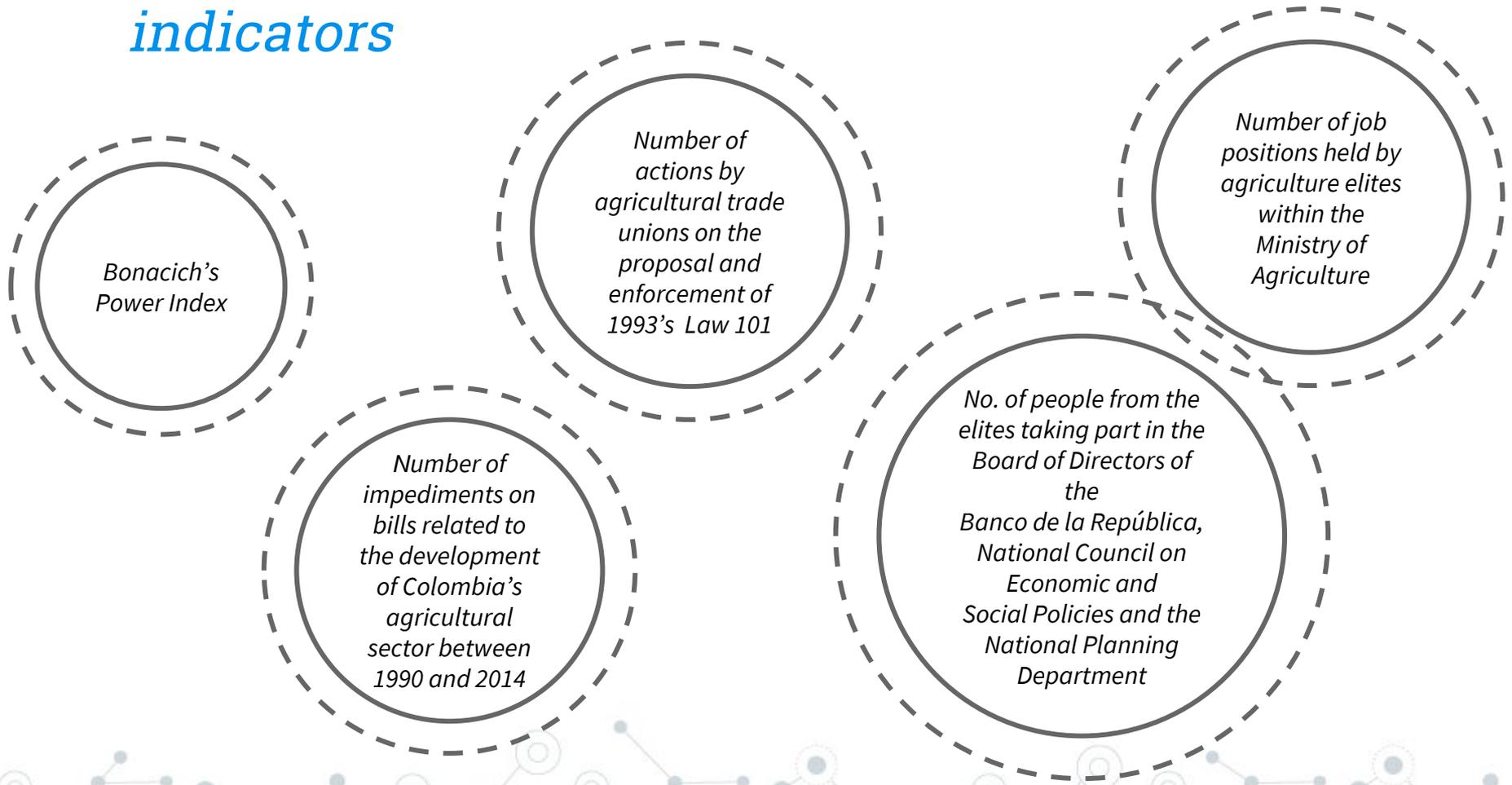
## *indicators*



# Control over Political Power

Control over the group of elements within the institutional structure which grants the elites the concentration of power within Colombia's political structure

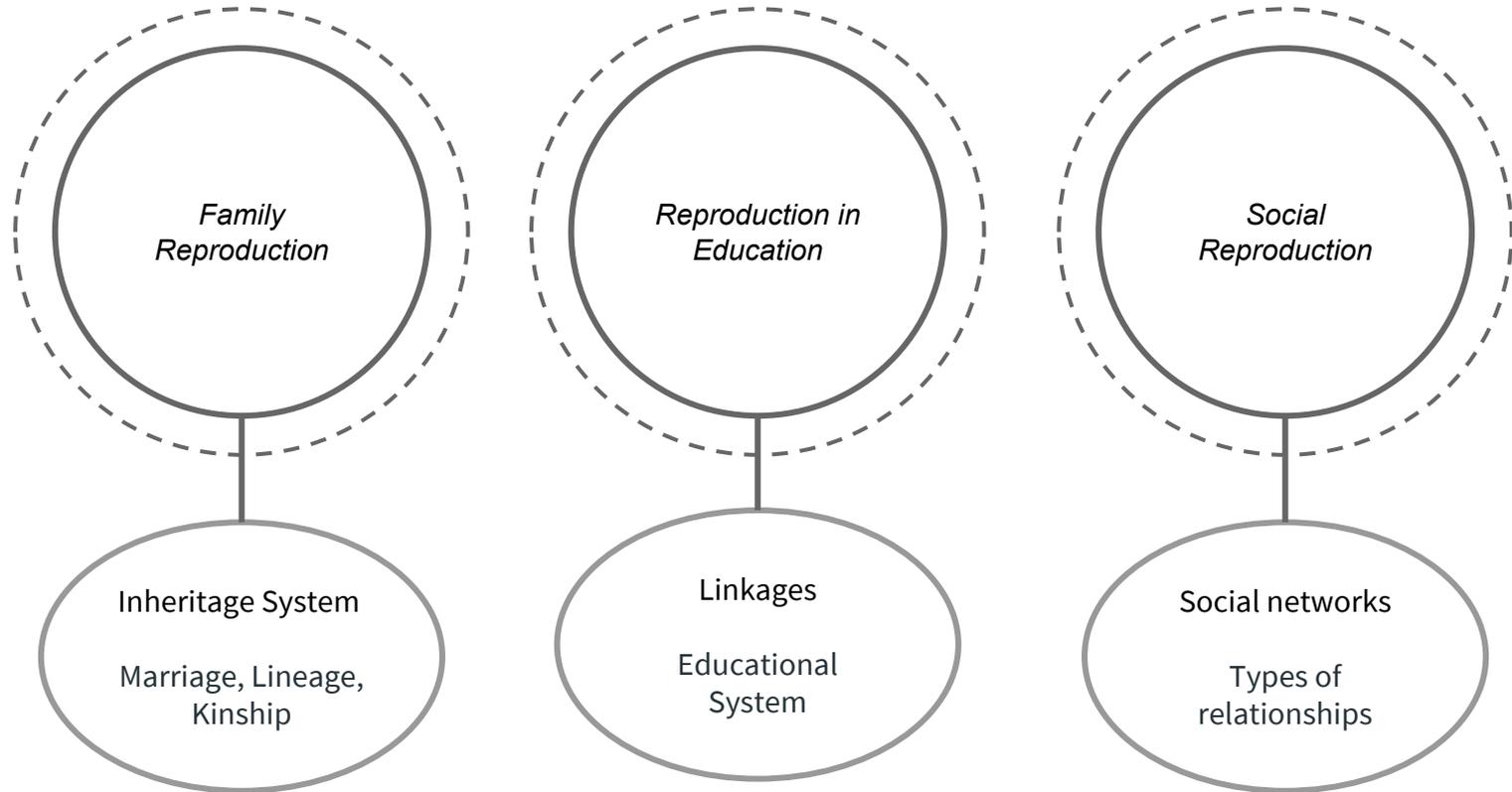
## *indicators*



# Perpetuation of Elites as a Class



Reduced social spheres embedded in society which allow for the transfer of some 'types of capital' favoring the elites' continuity in a position of privilege  
*indicators*



# Thanks!

## Any questions?

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