



Colombian beer – better than guns?

by Andrew Thompson

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What happened?

A small Colombian start-up company has launched a craft beer called La Roja; the unusual feature is that the whole operation is run by demobilised former left-wing guerrillas.

The details

The 2016 peace agreement between the Colombian government and the Marxist guerrilla group Fuerzas Armadas Revolucionarias de Colombia (FARC) is still controversial. Violence continues in various parts of Colombia and the debate on whether promises of protection, land reform, drug-crop substitution, and economic development have or have not been met is ongoing. But there is at least some evidence backing a central idea of the peace agreement – that former guerrilla fighters might find ways to re-train and re-enter society through peaceful employment.

One of them is La Roja ('Red') beer. The small start-up company is run by various former FARC fighters including Rubén Darío Jaramillo who was a guerrilla for 32 years. He says the idea of launching a small brewery started in one of the 26 guerrilla demobilisation centres dotted round the country. FARC, now re-branded as Comunes, a left-wing political party, says 2,599 former fighters are now involved in a range of start-ups, including activities in livestock, fisheries, honey, coffee, tourism and supermarkets. The National Reincorporation Centre (CNR) has supported them with approximately US\$7.1mn in grants.

Jaramillo says he and his colleagues started by borrowing US\$29,000 and setting up a makeshift gas-fired aluminium brewery in the department of Tolima, with capacity to produce 25 litres at a time. They have since moved to Bogotá



and scaled up their equipment to achieve monthly production of 4,000 litres, sold at around US\$1.26 a bottle. They are targeting niche consumers who want to support the peace process, and selected bars around the city. Revenues go to pay wages and help other former combatants. Over the last four years they have experimented with different brews, under brand names like Tirofijo ('Shureshot' named after FARC leader Manuel Marulanda). To gain wider distribution they hope to get regulatory approval from Invima, Colombia's food and medicines regulator.

Jaramillo says the peace agreement has left a "bitter-sweet" taste. He and other have benefited from government funded retraining, but he feels the government has failed to distribute land and improve rural services, or indeed to protect former guerrillas from assassination (more than 250 have been killed, allegedly by paramilitary groups, since the peace agreement was signed).

What does it mean?

Governments of different political colours in Latin America have sought to support innovation and start-up companies: as a case study La Roja suggests that even in the most difficult circumstances they may be able to deliver real social, as well as economic benefits.

About the Author

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As well as being a Canning House Associate Fellow, Andrew is a former foreign correspondent (Buenos Aires, Mexico City, Rio de Janeiro) and a broadcaster for the BBC's Latin American Service. Working through La Rambla Research Ltd., he writes about economics, political risk, and business in Latin America.



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