Chapter 13
From Coca Leaf to Cocoa Bean Growers:
Impact of an Innovative Entrepreneurial Associative Initiative on Colombia’s Rural Areas

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ABSTRACT

Entrepreneurial associative initiatives (EAI) have been suggested to be a useful way for vulnerable, especially rural, communities to improve their life conditions. Although these organisations initially do get involved in product, process, organisational and marketing innovations, it is important for them to find ways of innovating permanently in order to stay ahead in such a competitive market. This chapter presents a theoretical background on the topics of relevance such as vulnerable communities, entrepreneurship and innovation which it is followed by the case of Distrito Chocolate, an EAI with a background marked by the armed conflict in Colombia, which has taken a step forward on all of their innovations activities, and furthermore has also achieved social innovation. Following the case, the authors presents some recommendations, future research avenues and conclusions, with the aim to be of assistance to practitioners, academic and policy makers interested in the EAI phenomenon.

INTRODUCTION

This book chapter is centred on Distrito Chocolate (DC), an entrepreneurial associative initiative (EAI) which has its roots on historical violent events occurred in Colombia in past years. Nowadays, DC is an organisation that has won national and international recognition for the positive impact on the life conditions of rural communities within the Boyacá Region, by helping them to find a way out of its vulnerable

condition. In a general manner, it describes how the 50-year long Colombian armed conflict has left thousands of people, specifically rural communities, in vulnerable conditions. These communities have faced violence and poverty and they have got involved -either by enforcement or by choice- in illegal activities such emerald mining and coca leaf growing. Yet, by deciding on working together through an entrepreneurial associative initiative –which has adopted a very innovative view of the business-, they are changing their lives and stepping out of their vulnerable condition.

Therefore, the chapter starts by providing an overview of the theoretical background needed to understand the case study herein presented. It discusses several aspects of vulnerability including the relationship between Colombia´s armed-conflict and its rural communities. Then, it presents a number of concepts related to entrepreneurship and innovation. These concepts will be used throughout the second section of this chapter, when the case of Distrito Chocolate will be presented and analysed. This section provides the specific conflict context in which the community became vulnerable, how they decided to work on an entrepreneurial associative initiative, and what is the crucial role of innovation on the business growth. Following sections presents issues, solutions and recommendations for DC to enhance their impact on their business, which in return will improve the living conditions of the communities they embrace. These sections also provide suggestions for future research; it is important to continue exploring the relevance of innovative EAI in overcoming armed conflicts and other socio-economic problems faced by vulnerable communities all around the globe.

THEORETICAL BACKGROUND

Vulnerability

Vulnerability is a concept that has received attention from different disciplines including economics, sociology, anthropology, disaster management, environmental science, health and nutrition (Alwang, Siegel and Jorgensen, 2001); hence there is no surprise to encounter different definitions as well as measurement problems for it.

This book chapter will follow a sociology/anthropology view of vulnerability because it captures a socioeconomic status (Alwang, Siegel and Jorgensen, 2001) and it is concerned with livelihood, survival and being safe (Moser and Holland, 1997). Vulnerability may emerge from and has been expanded towards different approaches enclosing susceptibility, exposure, coping capacity and adaptive capacity. It has also been considered to be physical, social, economic, environmental and institutional (Vélez, Narváez, Cortés and Cohen, 2001; Birkmann, 2007); and it has been related to poverty (Alwang, Siegel and Jorgensen, 2001) as poor people, households and communities are considered the most vulnerable (Moser and Holland, 1997).

Furthermore, it is far from uncommon that all around the world rural and minority communities are subject to human right abuses, becoming vulnerable communities. This is often the case as third parties identify their lands as valuable ones either for exploitation or for control of territory (Burnyeat, 2013). The latter is specially the case within armed conflicts, which has desolating effects on a community by affecting directly its individuals who result killed, injured or disabled (Guha-Sapir and van Panhuis, 2002). An armed conflict also attacks the community´s infrastructure on agriculture, destroys