Endogenous State Weakness:
Paramilitaries and Electoral Politics in Rio de Janeiro

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Abstract

State weakness can be self-reinforcing. Paramilitaries flourish where states are incapable of eliminating insurgencies or drug cartels; paramilitaries might also, we argue, penetrate the state via elections and further weaken it from within. The state may tolerate paramilitaries initially, but find itself unable to eliminate them later. Rio de Janeiro’s police-linked milícias provide a proof-of-concept of these mechanisms. Their domination of hundreds of slums bore political fruit in 2006, when paramilitary leaders and allies were elected state legislators. We exploit the timing of paramilitary expansion, identifying—through difference-in-difference analysis of polling-station voting—a substantial positive effect of territorial domination on paramilitary-allied candidates’ vote share. Qualitative evidence and analysis of legislative data reveal that winning allied legislators consistently acted to weaken state repressive actions against paramilitaries. This may have contributed to, paramilitaries’ retention if not expansion of territorial control, even after an exogenous increase in state repression since 2008.

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1 Introduction

Can state weakness breed further state weakening? One obvious pathway is civil war: low state capacity creates incentives for insurgency (Fearon and Laitin 2003), producing frontal conflicts that can further weaken the state. This article documents a more nuanced vector of self-reinforcing state weakness: paramilitaries. These pro-government but nonetheless illegal armed groups often arise when states are unable or unwilling to wipe out some oppositional foe, such as an insurgency. Paramilitaries, by positioning themselves as ‘the lesser evil’, often enjoy less confrontational, if not downright collusive, relationships with states (Staniland 2015). They also, we argue, have both means and motives for penetrating the state via elections and potentially weakening it from within.

Explanatory accounts of paramilitaries—which are rare compared with insurgency—focus on a quid pro quo with states. Within prolonged subnational conflicts, paramilitaries can combine military capacity, local knowledge, and recourse to extra-legal violence to make swift territorial advances where states cannot. States, in turn, frequently tolerate or even encourage paramilitaries (e.g. Dube and Naidu 2015; Lyall 2010), effectively outsourcing core functions in a kind of Faustian bargain that “dissolves the monopoly on violence in order to preserve it.” (Kalyvas and Arjona 2005, 35). Ahram, focusing on state-sponsored militias, characterizes such “violence devolution” as a deliberate and useful state-formation strategy, “an alternative to central control over the use of force” (Ahram 2015, 8). Scholars have identified many key benefits that paramilitaries provide, including “plausible deniability” (e.g. Carey et al. 2011), a critical firewall against insurgency (Dasgupta 2009), and coercive electoral influence (e.g. Acemoglu et al. 2013), as driving states’ tolerance or encouragement, and hence predictors of paramilitary presence and persistence.

Enumerating the benefits that paramilitaries provide to states is a critical first step in crafting causal accounts. Taken too far, though, such explanations can verge into functionalism: paramilitaries exist because they perform needed functions for states. In practice, the potential usefulness of paramilitaries does not conjure them into existence; indeed, even deliberate state efforts to fos-
ter them are less decisive than internal dynamics of recruitment and retention (Staniland 2012). Demand does not necessarily create supply.

This article explores the converse point: just because a state comes to find paramilitaries undesirable does not mean it can eliminate them. Paramilitaries’ rise and especially persistence reflect, in large part, the state’s (in)capacity to combat them. This specific dimension of state capacity is likely to be endogenous, since paramilitaries can improve their chance of survival by eroding it. Consequently, and *pace* a more functionalist view, we cannot infer state strategies and preferences from the presence of paramilitaries. Even if a state tolerates or fosters paramilitaries initially, it may do so myopically, underestimating these state-weakening effects and hence the long-run resilience of paramilitaries; this is one reason the bargain seems Faustian.

Our contribution is to document a set of micro-mechanisms linking territorial control to state weakening. Of course, virtually all armed groups have incentives to degrade the state’s capacity to wipe them out; paramilitaries are distinct in both the specific aspect of state capacity they seek to weaken and in the role that territorial control plays in weakening it. For oppositional groups like insurgencies and drug syndicates, territorial control is likely to yield military, defensive benefits as well as economic rents from illicit markets and extortion; state weakening occurs through direct confrontation, competitive state-building and public goods provision, and (possibly) entrenched criminal activity and corruption of state enforcers. Paramilitaries may also engage in such activities, and can certainly derive similar economic rents and defensive benefits from territorial control. However, they often have a comparative advantage in extracting *political* benefits from their coercive power over voters. Paramilitaries’ edge in penetrating the state via electoral politics derives from their perceived legitimacy—fruit of their cultivated image as ‘the lesser evil’ and, frequently, links to the official security sector. This facilitates navigation of the political world, whether negotiating with politicians or directly entering the electoral arena themselves.

Once paramilitaries obtain political power, they may be especially good at using it to weaken the state along key dimensions due to their natural association with security-related issues. To be
clear, paramilitaries need not seek political power solely for state-weakening purposes: electoral influence can yield many benefits, including salary, prestige, and control over distributable goods that can be exchanged for favors or loyalty. However, paramilitaries’ illegal nature makes state-weakening an end in itself. We conceptualize state-weakening rents as a subset of the benefits of political office, namely the use by an armed group of its political power to reduce the state’s capacity to destroy it, or otherwise interfere with its illegal activities. Such weakening increases paramilitaries’ chance of survival, and thus has a multiplier effect on economic and other benefits of territorial control.

Our core claim has two pieces. First, paramilitaries can extract electoral, and hence political, power from territorial dominion; second, paramilitaries can extract state-weakening rents from political power. We provide a ‘proof of concept’ of these propositions through a novel empirical analysis of an under-studied case: Rio de Janeiro’s milícias. These police-linked paramilitary groups came to prominence in the early 2000s, after two decades of militarized state repression failed to roll back the territorial dominion of Rio de Janeiro’s drug syndicates. Milícias rapidly expanded from a few isolated favelas (slums) to dominate hundreds of communities throughout the city, frequently expelling drug traffickers in the process. Milícia leaders, we show, leveraged this territorial control to gain political power, which they then exploited as part of a larger effort to weaken the state from within; this, in turn, may have contributed to their surprising resilience when political winds shifted against them.

To test the first claim—milícias transformed territorial dominion into political power—we use a difference-in-differences approach to estimate the effect of milícia control on voting behavior in state legislative elections. While far from the only sphere of milícias’ political activity, these elections are substantively important, since Brazilian policing policy is a state, not municipal or federal, issue. State elections also facilitate causal inference since a major milícia expansion occurred between the 2002 and 2006 elections, allowing our research design to control for political
preferences before territorial control occurred. We show that vote shares for milícia-allied candidates followed similar trends in dominated and non-milícia areas prior to milícia takeover, but diverged substantially after, indicating that milícia takeover influenced electoral outcomes.

We then explore the effects of milícia political power on the state’s ability to combat them. Here, data is scarcer and the causal pathways more difficult to parse. Political power was not only legislative but also included hard-to-measure influence on the executive branch. Moreover, state-weakening was not a wholesale “hollowing out” but rather occurred along very specific dimensions—internal control over police forces and the capacity to combat organized crime groups with links to both police and political leaders—while the security apparatus writ large likely grew stronger. Indeed, milícias are so tightly linked to police forces that they can often divert and benefit from traditional capacity-increasing measures—such as military training and equipment for police officers. As we discuss below, factors that might otherwise increase state capacity, e.g. increased police resources, become theoretically ambiguous in the context of weak or corrupted command-and-control. Nonetheless, the substantive importance of state weakening merits our best efforts with the available data.

Drawing on qualitative and quantitative evidence, we show that elected milícia members and allies consistently acted to weaken the state’s anti-milícia repressive capacity, including blocking of legislative investigations and protection of milícia allies. While we cannot precisely estimate the causal impact of these efforts, the very resilience of milícias over time suggests that some state-weakening occurred. Ordinarily, this resilience might be attributable to either the state’s willful tolerance or its incapacity. However, an abrupt, largely exogenous shift in public opinion provides some leverage. In May 2008, widespread approval turned to repudiation after milícia members tortured a group of journalists, triggering an increase in anti-milícia repression. Despite hundreds of arrests, including numerous elected officials, milícias continue to operate and in some cases

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1Rio city council elections, in which milícias were also very active, occurred in 2004, in the midst of expansion, complicating a causal analysis.
thrive. Meanwhile, a major state initiative to wrest territorial control from armed groups has, since 2008, recaptured some 200 favelas from drug traffickers, while occupying only three milícia areas; total milícia territory has expanded since 2008. This resilience and intractability, we argue, is likely to be in part driven by the state-weakening rents that led paramilitaries to enter politics in the first place.

The following section lays theoretical and conceptual groundwork for our analysis. The third section provides theoretical background on Rio’s milícias. The fourth section presents our findings on the effects of milícia domination on voting behavior, while the fifth section explores the actions of milícia-allied politicians once in office. The sixth section concludes.

2 Theory

This section grounds our study conceptually with respect to scholarship on paramilitaries and armed groups more generally, as well as the literature on state-building and state-weakening; we also develop our concept of state-weakening rents.

Recent scholarship on paramilitaries generally focuses on armed groups allied with states or governments, rather than the party-specific militias associated with 20th century fascist and communist parties. Carey et al. (2011) define ‘pro-government militias’ as organized armed groups apart from the regular security forces but sponsored by a national or sub-national government, and catalog over 300 cases over the last 30 years. Kalyvas and Arjona (2005) define paramilitaries as “armed groups directly or indirectly allied with the state and its local agents”, developing a typology running from local vigilantes through death squads to full-blown paramilitary armies. Paramilitaries often arise, and are most frequently studied, in contexts of civil war. Where they are not simply lumped together with insurgencies as “armed combatants”, scholars have—rightly, in our view—distinguished paramilitaries by their lack of revolutionary or secessionist intentions, with important theoretical and empirical implications (Saab and Taylor 2009).

Our case, by virtue of not being a civil war, suggests a more general formulation of this defining
trait: paramilitaries’ status as the ‘lesser evil’, at least at the time of their inception. Establishing this status requires differentiating themselves from an oppositional group—a greater evil—along some salient dimension, and this dimension differs from context to context. In the face of a viable insurgency, lack of revolutionary aspirations suffice to make paramilitaries the lesser evil. In contrast, Rio’s milícias, like Mexico’s recently ascendant autodefensas in Michoacán (Althaus and Dudley 2014), arose to counter drug cartels that pose no existential threat to the state; thus for these groups, simply lacking revolutionary aspirations is insufficient. Instead, paramilitaries in Rio and Mexico publicly and vehemently eschew drug trafficking. Conversely, Colombia’s paramilitaries have engaged openly in drug trafficking with few political consequences (Saab and Taylor 2009).

The question arises: if paramilitaries are in fact a lesser evil, can their presence strengthen—not weaken—the state? Might the Faustian bargain be a good one? In some sense, a state that survives thanks to paramilitary proliferation is by definition ‘stronger’ than one that is vanquished by rebels. Yet a state dependent on rogue armed groups for survival is clearly weak in important ways. Moreover, not all ‘greater evils’ pose existential threats: does replacing drug cartels with rogue police officers count as state consolidation? Under these circumstances, a unidimensional accounting of state weakness is less helpful than a nuanced assessment of armed groups’ impacts along various dimensions of state capacity.

Milícias draw on both the strength of the state’s coercive apparatus—in the form of the military training and equipment available to police officers—and the state’s lack of control over that very apparatus. When command and control over the security apparatus is weak or corrupted, typical state-strengthening measures like increased police pay and better weaponry can have the opposite of the intended effect. Milícias’ deep connections within the police corps allow them to not only nullify repressive capacity (because police do not like to combat police) but sometimes harness it to their own ends, to expand, defend territory, and become even more politically autonomous. At a minimum, then, we must distinguish the resources for repressive capacity from effective and
non-corrupt control over those resources.\textsuperscript{2}

This distinction echoes the conceptual disaggregation of state power common in macro-historical scholarship on state-building. In particular, an important tradition running from Weber through Gershenkron, Hirschman, to \textit{Evans (1989)}, distinguishes “capacity” from “autonomy”. Though these writers are focused on economic development, not public security or conflict, the key insight travels: increases in the physical, bureaucratic, and logistical capacity of the state is insufficient, and possibly counter-productive, if the state is too vulnerable to capture by private interests.

This article focuses on a specific dimension of state-weakening, the capacity to combat paramilitaries, and a particular channel by which that weakening occurs: through electoral power derived from territorial control.\textsuperscript{3} We conceptualize the state-weakening rents of electoral power as distinct from other, more typical ‘political benefits’, such as prestige and distributable clientelistic goods. In pursuing the latter benefits through the election of allies, paramilitaries are no different from many other interest groups such as unions or industry lobbies. Illegal groups, however, can also extract state-weakening rents by, for example, introducing legislation to make repression more difficult; blocking investigatory efforts; and influencing security-related appointments, budgets, and directives to ensure lax enforcement.

Of course, paramilitaries’ primary motivation for territorial expansion may not be political at all: there are important economic rents to dominion that can include direct appropriation of land and assets, taxation of residents, and control over illicit markets. Nonetheless, state-weakening political rents are complementary to both economic and clientelistic political rents: improving the chances that an armed group will continue to be able to operate over time raises the expected return

\textsuperscript{2}Another important dimension involves juridical factors, including the status of incriminating evidence and whether \textit{milícia} activity itself is explicitly defined as a crime.

\textsuperscript{3}Another important channel of state-weakening occurs through direct \textit{milícia} contacts within the police corps; while this is independent of political power, the two are clearly complementary, since elected officials can act to increase police remuneration, impunity, and other benefits.
to all other rent-extracting activities, producing a multiplier effect on the overall appeal of illegal armed dominion.

To sketch this in more formal terms, let $E_i$ be the expected economic rents that group $i$ can extract from territorial control conditional on surviving state repression, which occurs with probability $p_i$. Say that by entering politics, $i$ gets a ‘standard’ bundle of expected political benefits—salary, prestige, privileged legal status, and clientelistic benefits $C_i$. On the other hand, becoming overt political actors exposes paramilitaries to shifts in public and official opinion, which can turn negative quickly (Bruce 1992). Elected paramilitary leaders and their allies can make easy targets. That said, the risk from political overexposure is probably distinct from and narrower than the risk of territorial displacement by the state—at least it has proven so in Colombia and Brazil, where investigation and occasional incarceration of paramilitary-linked politicians has rarely translated directly into territorial loss for paramilitary organizations. Therefore, define $R_i$ as the expected sanction resulting from the risk of political overexposure apart from any effect on the probability of surviving (territorial) state repression.

A naive accounting would separate out economic and political benefits, thus: $E_i + (C_i - R_i)$, and view the decision to enter politics as depending on whether the expression in parentheses is positive. For illegal groups, however, this expression does not exhaust the benefits to political office if they can use political power to weaken state repression of their own illegal activities. To capture these additional benefits, say that political involvement increases the probability of survival by some increment $\Delta_{SW_i}$. Two related points emerge. First, the net benefits of entering politics can be decomposed into ‘baseline’ political benefits and state-weakening rents:

\[
\begin{align*}
\text{Payoff: Enter Politics} & \quad (p_i + \Delta_{SW_i})(E_i + C_i - R_i) - p_iE_i = p_i(C_i - R_i) + \Delta_{SW_i}(E_i + C_i - R_i) \\
\text{Payoff: Not Enter Politics} & \quad \text{‘Baseline’ Political Benefits} \quad \Delta_{SW_i}\text{State-Weakening Rents}
\end{align*}
\]

$\Delta_{SW_i}$ can be thought of as net of any decrease in the possibility of survival due to risks of political overexposure.

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This formulation makes it clear that state-weakening has a multiplier effect on other rents, especially economic ones. Second, this multiplier effect can be decisive. To see this, note that, as above, politics is trivially worthwhile if the net ‘baseline’ benefits are positive ($R_i < C_i$). Here, however, even if the risks of exposure are serious enough to outweigh the clientelistic benefits of office (but not economic rents as well), they may be worth bearing if the state-weakening effects of electoral power are large enough. Formally, if $C_i < R_i < E_i + C_i$ then entering politics is worth it as long as:

$$
\Delta_{SW_i} \geq p_i \frac{R_i - C_i}{E_i + C_i - R_i}
$$

(1)

Thus the expectation of state-weakening rents could be decisive in the decision to enter politics.

None of the foregoing is exclusively true of paramilitaries: all illegal armed groups can benefit from state-weakening political rents. However, we conjecture that these rents are more important for paramilitaries ($i = P$) than oppositional groups ($i = O$), for several related reasons. First, paramilitaries are more likely to obtain political power through elections than insurgencies or criminal organizations, so we would expect $C_P > C_O$.

Second, paramilitaries are more likely to successfully employ political power, once achieved, to weaken the state’s repression of their activities, so we expect $\Delta_{SW_P} > \Delta_{SW_O}$. Concretely, a typical paramilitary leader is more likely to be someone a politician could publicly meet with, or even win office him or herself, than an insurgent or a drug lord. Similarly, promoting policies that reduce state repression of crypto-paramilitary categories like ‘private security’ and ‘self-defense groups’ is far more politically viable than pushing for negotiations with rebels or traffickers. Finally, in places like Mexico and Brazil where the key to ‘lesser evil’ status involves eschewing the drug trade, economic rents are likely to be significantly larger for oppositional groups than paramilitaries, so that $E_O > E_P$. All of these factors mean that Equation 1 is more likely to hold, i.e. electoral politics is more likely to be ‘worth it’,

5The overexposure risks ($R_i$) could go either way: association with paramilitary groups is usually more likely to be detected, but association with oppositional groups more harshly sanctioned.
for paramilitaries than oppositional groups.

This framework can also address different electoral strategies paramilitary leaders might take: indirectly electing allied politicians, or running for election themselves. Direct election avoids potential principal-agent problems and secures legislative immunity for the leader in question, so that $C_{P_{IND}} < C_{P_{DIR}}$, but at greater risk of exposure: $R_{IND} < R_{DIR}$. In Rio, milícia leaders engaged in both approaches in 2006, suggesting that Equation 1 held for both $P_{IND}$ and $P_{DIR}$. After political winds shifted in 2008, most elected milicianos were removed from office, and in subsequent elections, milícias have focused almost exclusively on the indirect approach. Whether this is interpreted as updating on the true value of $R_{DIR}$, or an exogenous increase due to unforeseeable events, it seems that at present Equation 1 only holds for the indirect approach.

3 Milícias in Rio de Janeiro

The rise of Rio’s milícias is intertwined with the larger history of the city’s favelas (slums) and the drug syndicates that came to dominate them, a history characterized by self-reinforcing state weakness. Since their inception, favelas have been informal, self-organizing communities with limited state penetration. This made them attractive to Rio’s prison-based criminal syndicates, principally the Comando Vermelho (CV), which began to expand beyond the prison walls in the early 1980s. By 1990, the CV held territorial control over the majority of the city’s favelas and the retail drug trade that operated out of them (Amorim 1993). Traffickers established a form of ‘parallel power’, providing public goods and security while enforcing codes of silence and cooperation, further eroding state power and legitimacy (Leeds 1996; Arias 2006). The state took measures to increase its capacity, militarizing police repression of the drug trade and occasionally

\[ \text{6Here, we formalize legal immunity of elected leaders as part of } C, \text{ not } \Delta_{SW}. \text{ This is because in our case, when milícia leaders were removed from office, stripped of immunity, and sometimes imprisoned, it had little impact on their territorial control and the economic rents they extracted from it. Other settings might require a different formulation and analysis.} \]
calling in the army to occupy key favelas. Between 2002 and 2008, state forces killed an average of 1,091 criminals in armed confrontation per year; nonetheless, the territorial dominion of the drug syndicates remained virtually unchanged. This is the context in which milícias’ rapid expansion occurred.

The roots of the milícia phenomenon, however, go back at least to the 1980s, when a group of police officers from the Rio das Pedras favela in the then sparsely populated Western Zone (Zona Oeste) of Rio de Janeiro, apparently at the behest of local businessmen, banded together to expel drug dealers from the community. For the next twenty years, their rule was seen as a rare and largely positive exception to the drug syndicates’ dominance of Rio’s favelas (Burgos 2002). Since at least the early 1990s, Campo Grande, another region in the Western Zone, has been under the control of similar, police-linked groups. In the late 1990s and early 2000s, paramilitary leaders from these regions began to seek electoral and political power, running for municipal and state office, and organizing voter registration drives. Yet the phenomenon was restricted to the Western Zone, and drew very little attention from the media or officials.

The period 2003-2006, especially after 2004, saw a rapid expansion of milícias not only within the Western Zone but into areas of the city and the greater metropolitan region with no tradition of such groups. The revelation in 2006 that some 92 favelas in Rio had been taken over by milícias laid bare the most significant reconfiguration of power in these communities since the rise of the CV. Milícia leaders replicated the legitimizing discourse of the earlier groups, crafting a positive
public image of a “Comando Azul” to oppose the Comando Vermelho (Blue and Red Command, respectively). Composed of active duty, reserve, and retired police officers, firemen,\(^7\) and sometimes military officers, *milícias* supposedly ‘liberated’ and protected communities from tyrannical drug traffickers (Cano and Duarte 2012). In classic paramilitary fashion, *milícias* thus presented themselves as righteous vigilantes, protecting vulnerable (and thankful) citizens; indeed, Rio’s then mayor César Maia publicly termed them “ADCs”, or Community Auto-Defense forces, reminiscent of Colombia’s AUC. For *milícia* supporters, the state’s apparent inability to permanently re-take favela territory from the drug trade made *milícias*—with their strong links to the state and their respect for law and order—a viable second-best solution, or as Mayor Maia put it, “a much smaller problem” (Bottari and Ramalho 2006).

This wave of expansion and largely positive perception began to change in 2007, when Governor Sérgio Cabral took office and adopted a harder line on *milícia* activity. However, attempts to convocate a congressional commission (*Comissão Parlamentar de Inquérito*, CPI) to investigate the *milícias* were systematically blocked by sympathetic legislators. A more significant retrenchment began in May 2008, after a team of reporters from the *O Dia* newspaper were captured and tortured by a *milícia* linked to state legislator Coronel Jairo. The horrific details and ensuing media firestorm abruptly shifted public and political opinion from acceptance to skepticism and alarm. One important result was the opening of the CPI investigation, providing the first systematic assessment of *milícia* activity and territorial control.

The CPI report (Freixo 2008), together with qualitative evidence from interviews with residents (Cano and Iooty 2008), show that in practice many *milícias* are extortionate and violent. Most areas taken over by *milícias* were not previously controlled by drug syndicates, suggesting that *milícias*’ primary motivation is not expelling traffickers, but rather extracting illicit rents. Many of these rents are monetary: taxes on Rio’s informal transportation networks, cooking gas, and

\(^7\)In Brazil, firefighters and civil defense corps (*bombeiros*) have military status, giving them special rights and privileges, including access to military-grade firearms.
Milícia Characteristic | % of Milícia-Dominated Communities (n=119)
--- | ---
Charges Tax on Households | 90% (Average Tax 14.3 BRL)
Charges Tax on Businesses | 85%
Forced Monopoly on Butane Gas | 76%
Forced Monopoly on Illegal Cable | 76%
Involves Military Police | 86%
Involves Civil Police | 52%
Involves Military Firemen | 25%

Table 1: Milícia Characteristics and Behavior. Data from CPI report (Freixo 2008).

pirated cable TV seem to be particularly lucrative (Table 1). While traffickers have been known to tax residents under their control, this is thought to be supplemental to drug profits in times of low sales. For milícias, excise taxes are the primary source of revenue, and hence key to determining their actions: as one milícia leader explained, ”It’s [while planning an invasion] that it’s decided who will exploit what. One group gets to tax transportation, another gets to tax gas, pirated cable, and so on” (Ramalho 2007). In some cases, milícias have abandoned favelas after finding the extractable rents insufficient (Ramalho and Bottari 2006).

While such economic rents are probably the primary factor driving the milícias’ expansion, their involvement in electoral politics strongly suggest that territorial dominion also yields political benefits. The 2006 election in particular suggested that milícias had successfully turned their territories into electoral bailiwicks (currais eleitorais). Wiretaps revealed “contracts” between politicians and milícia groups, who delivered votes in exchange for policy favors and access to confidential information (Bottari and Ramalho 2007a). Path-breaking analyses by journalists (Bottari and Ramalho 2007b) and CPI investigators revealed that the numerous suspected milícia leaders elected to the state legislature enjoyed extremely high votes shares in areas under their control.8

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8The state legislature has 70 deputies, elected via open-list proportional representation. The district is the entire state, producing very fragmented polling-station vote shares: in 2006, with 1,321 candidates, the average polling-station vote share was just 0.44%. We restrict attention to the municipality of Rio, home to 40% of the state’s electorate.
While these studies suggest that *milícias* affected voting within their dominion, they lack a research design strong enough to infer causality. In the following section, we develop a more robust identification strategy for overcoming potential confounders and estimating the causal effect of *milícia* takeover on voting behavior.

4 Estimating the Effect of *Milícia* Domination

The main alternative explanation of the observed correlation between *milícia* control and support for *milícias*-linked candidates—often made by candidates themselves—is that preferences among residents simultaneously favor the election of police-linked candidates and the presence of *milícias* in their neighborhoods. Voters, according to this view, begin to care more about security for reasons other than *milícia* takeover. This exogenous shift in preferences makes them both more likely to vote for police-linked politicians, perhaps because a law-enforcement career background makes security-related campaign promises more credible, and tolerate or even support the armed dominion of *milícias*. Under this hypothesis, *milícia* takeover has no causal effect on electoral outcomes, and electoral institutions are functioning correctly: politicians more responsive to a particular need of the electorate win more votes.

Under our hypothesis, by contrast, voters do not disproportionately favor police candidates in these communities prior to *milícia* takeover. Instead, *milícia* domination causes voters to shift their support to police-backed (and hence *miliceta*-friendly) candidates. Our difference-in-difference approach allows us to distinguish the two hypotheses and directly estimate the causal effect of takeover. Because domination produces support, candidates are more accountable to the *milícias* than the voters. This would be true even if the causal effect is entirely due to citizens coming to like the *milícias' rule and retrospectively rewarding them with votes. There is strong evidence, however, that less savory channels operate as well: *milícias* restrict unfriendly candidates from campaigning in dominated areas, and practice outright voter intimidation.
4.1 Data

We study the 1998, 2002, and 2006 state legislative assembly elections. Our analytic strategy required linking polling-station-level electoral data to information on *milícia* zones of control. We obtained voting-table-level (seccão eleitoral) results from the Brazilian election authorities (*Tribunal Superior Eleitoral*, TSE) and data linking voting tables to polling-station addresses from Professor Argelina Figueiredo. Polling stations were geo-referenced with data from the Pereira Passos Institute (for polling stations in schools) and the Google Maps Geocoding API (for non-school locations). The geographic locations of polling stations are mapped in the supplementary appendix.

To link polling stations to favelas, we computed the pairwise distance between them. Under the assumption that most voters are assigned to a polling station near their place of residence, we classify a polling station as dominated if it is within 1km of a *milícia*-controlled favela. This yields 244 polling stations ‘treated’ with *milícia* domination and 1012 ‘control’. Our results are robust to alternative distances ranging from .5km to 2km, as we show in the appendix.

To determine which favelas were under *milícia* control, we relied on two distinct sources. For our primary source, graciously provided by Alba Zaluar of the Núcleo de Pesquisa das Violências (NUPEVI), field researchers visited each of 965 officially recognized favelas, asking residents and key informants in structured interviews what drug gangs or *milícias* held territorial dominion in each year between 2005 and 2010. NUPEVI’s data shows that in 2005 and 2006, 187 or about 19% of all favelas were controlled by *milícias*. For robustness, we built a secondary dataset based on the congressional CPI report. This report draws on police intelligence and citizen complaints to

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9Voters are usually, but not always, assigned to the polling station closest to their home by default. However, individuals can request assignment to any polling station within their “electoral zone”, which typically comprises several dozen nearby polling stations (TSE Resolution 21.407/2003), nor are voters automatically reassigned when they move.
produce a list of all known milícia-dominated neighborhoods (Freixo 2008), which we manually geocoded. Neither dataset identifies the dates of initial milícia takeovers prior to 2005; indeed, dating the original rise of milícias in the Western Zone is difficult. However, milícia expansion beyond the Western Zone is known to have occurred after 2002. Therefore, our main analysis focuses on non-Western Zone polling stations; in the appendix we discuss the timing of milícia expansion and include results for the Western Zone.

Our main dependent variable is the share of votes received by ‘police candidates’—those whose self-declared occupation is ‘Civil Police’, ‘Military Police’, ‘fireman’, or ’general military’ (In the appendix, we show our results are robust to the exclusion of the latter category). This is a good proxy for milícia influence since milícias have deep ties to the security apparatus, and many known milícia-linked candidates self-identified as police. The police-candidate proxy has several advantages: first, focusing on vote shares of known milícia candidates could bias our results if losing milícia candidates receive less media scrutiny and their links are thus less likely to be known. Second, individual candidates’ vote shares are not observed over multiple elections, ruling out a difference-in-differences design. For robustness, though, we examine known milícia-candidate vote shares in a cross-sectional context and find similar results.

For specifications with covariate adjustment, we used census data compiled by the Pereira Passos Institute on the socio-economic status of residents of the closest favela. We also include data from the 2000 census, mapping polling stations to tracts and calculating the average years of education and monthly income for heads of households.

10 ‘General military’ includes both those Military Police and firemen who self-report as such (these professions enjoy military status in Brazil) and some candidates associated with other parts of the military, introducing inevitable measurement error in our outcome variable.

11 These candidates include Álvaro Lins, Girão Matias, and Jairo Souza Santos.
4.2 Research Design

Our quantity of interest is the “average treatment effect on the treated” (ATT): the causal effect of milícia domination on those communities that were eventually dominated. To estimate the ATT, we employ a regression of the following form:

\[ V_{i,t} = \mu_i + \delta_t + \alpha D_{i,t} + \epsilon_{i,t} \]

where \( V_{i,t} \) is police candidate vote shares in precinct \( i \) at time \( t \), \( \mu_i \) is a polling station fixed effect, \( \delta_t \) is a period fixed effect, \( \alpha \) is the ATT, \( D_{i,t} \) is a treatment dummy, and \( \epsilon_{i,t} \) is the disturbance term. The ATT, in potential outcome notation, is given by \( \text{E}[V_{i,1}^{1} - V_{i,1}^{0} | D_{i,1} = 1] \), that is, the expected difference between the observed vote share for a dominated polling station \( i \) and the counterfactual share if \( i \) had not been dominated.

To estimate the counterfactual, our difference-in-differences (DID) approach looks at changes over time in vote share across dominated and undominated polling stations. This overcomes any potential bias from paramilitaries occupying communities that were consistently favorable to police candidates. DID, though, relies on a ”parallel paths” identifying assumption: average outcomes for polling stations eventually dominated by milícias would have changed at the same rate as undominated stations if domination had never occurred (Abadie 2005).\textsuperscript{12} Our estimates are thus vulnerable to bias if paramilitaries dominated communities that were becoming more pro-police for reasons other than domination. Evidence on the trajectory of milícia expansion suggests that this was not the case.

As we show below, support for police candidates in areas eventually dominated and areas never dominated by milícias evolved almost identically between 1998 and 2002, before domination occurred. If communities eventually dominated were not disproportionately evolving in a pro-police

\textsuperscript{12}Formally, \( \text{E}[V_{i,1}^{0} - V_{i,0}^{0} | X_i, D_{i,1} = 1] = \text{E}[V_{i,1}^{0} - V_{i,0}^{0} | X_i, D_{i,1} = 0] \). \( X_i \) is a set of pre-treatment covariates used in some specifications, with expectations taken over the distribution of \( X_i \) amongst the treated units, and \( 0 < \Pr(D_{i,1}|X_i) < 1 \) for all \( i \).
candidate direction between 1998 and 2002, it seems unlikely that they would have done so between 2002 and 2006 on their own. Furthermore, qualitative accounts of milícias’ reasons for targeting certain communities overwhelmingly emphasize economic, geographic, and opportunistic factors. Expansion flowed from their original home base in the Western Zone eastward toward the city center, targeting communities near police stations with sympathetic officers and those without strong drug traffickers (Soares 2013). Extensive interviews with residents of dominated favelas (Cano and Iooty 2008; Cano and Duarte 2012) make no mention of political factors in explaining milícia takeover.

The geographic logic of milícia expansion is manifested in covariate imbalance between our treatment and control groups: milícias tended to dominate poorer and less central neighborhoods,
which systematically differ on socio-economic variables from the average of non-dominated communities (Figure 2a). In contrast, 1998 vote shares for police candidates were very similar across groups, suggesting that prior support for police candidates did not drive milícia expansion.

Covariate imbalance raises a concern: weighting all control-group communities equally—including wealthy coastal areas or downtown business districts—might make the parallel trends assumption less plausible. Our preferred specification thus employs inverse propensity score weighting (IPW) to increase comparability between control-group and treated (i.e. dominated) communities (Abadie 2005). The IPW procedure weights each control polling station based on how similar its covariates are to those of treated polling stations under milícia influence. The weighted control-group data, as Figure 2a shows, has vastly improved covariate balance. Moreover, the distributions of pre-treatment values of the outcome variable (2002 vote share, excluded from the IPW process) also prove very similar across treatment and control groups after weighting (Figure 2b).

While we believe that IPW provides the most credible estimates of the ATT, our conclusions do not depend on it. As we report below, non-weighted results without covariate adjustment are significant and broadly similar. So too are the results of a range of alternate covariate adjustment strategies, like genetic matching and inclusion of covariate-by-year interactions, reported in the appendix.

Our preferred IPW procedure employs a non-parametric “random forests” algorithm common in the statistical learning literature (Breiman 2001). A key virtue is that it flexibly models the relationship between the treatment variable and confounders without having to commit to any particular functional form (Lee et al. 2009). Thus, rather than having to pre-specify non-linearities and covariate interactions in a logit or probit model, the random forests model learns from the data whether or not such interactions or higher order terms (or even the main effects) are useful predictors of treatment.

For our main IPW result, we model the relationship between milícia domination as a function of 1998 electoral, geographic, and polling-station and favela socio-demographic variables that cap-
(a) Evolution of Police-Linked Candidate Vote Shares  
(b) Difference-in-Differences Point Estimates

Figure 3: The effect of milícia domination on 2006 vote share of police candidates for the Rio de Janeiro state legislature. The left plot shows the evolution of police candidates in milícia and non-milícia (inverse propensity score weighted and unweighted) polling stations. The right plot shows difference-in-differences point estimates and 95% confidence intervals for propensity score weighted (circles) and unweighted data (triangles). Bootstrapped standard errors are clustered at the polling station-level.

ture important differences across neighborhoods, as well as strategic factors that might influence the milícias’ decision-making. In the appendix, we report the full list and show that our results are not highly dependent on the precise choice of covariates: we randomly sample 2 to 20 out of 24 potential covariates for inclusion in our IPW model and show that, in 1000 replications, the estimated ATT is broadly similar.
4.3 Results

Figure 3a presents our main results: both unweighted and inverse propensity score weighted (IPW) estimates of the effect of milícia domination on police-candidate vote share. In 2002, before treatment, vote share was similar across treatment (milícia) and control (non-milícias) groups. More importantly, the change in vote share from 1998 to 2002, prior to milícia expansion, is nearly identical, with or without covariate adjustment. This ‘placebo-test’ point estimate is essentially zero in both specifications (Figure 3b), providing strong support for our parallel-trends assumption, that changes from 2002 to 2006 would have been equal across groups in the absence of milícia takeover. For this assumption to be violated, the parallel trends observed in the pre-treatment, placebo period (1998-2002) would have had to diverge over the treatment period (2002-2006) for reasons unrelated to treatment (i.e. milícia activity).

This divergence in trends is substantial: while police candidates did better in both types of neighborhoods, the vote-share growth in milícia-occupied communities was much higher than in weighted and unweighted control groups. Figure 3b shows DID estimates of the average effect of milícia control; these differential increases ($3 - 0.7 = 2.3$ percent and $2.2 - 0.9 = 1.3$ percent in the weighted and unweighted cases) are positive and statistically significant with or without weighting.\footnote{Standard errors are derived from a block bootstrap where clusters are the polling stations. The bootstrap algorithm includes the propensity score estimation step, thus these standard errors include the uncertainty generated from estimating the inverse propensity score weights. The number of bootstrap replications is 1000.}

This estimated effect is substantively large. The median vote share of security-forces candidates in 2002 was about 3.5%. Our weighted estimate corresponds to roughly a 60% increase in the number of votes received by security force candidates in a dominated community. Furthermore, the median vote share of a winning candidate to the state legislature was 0.56%; the treatment effect
Table 2: Estimated effects of milícia domination on vote share of known milícia-linked candidates in 2006. Column 1 shows raw difference-in-means, with no covariate adjustment; column 2 shows a weighted regression using the IPW procedure from our main results; and column 3 adds controls for police vote shares in 1998 and 2002. Coefficients on control variables are omitted.

is about 4 times larger and big enough to be decisive. These estimates indicate that for milícias, territorial control can yield electoral power in the form of electoral bailiwicks and a pathway to public office.

In the appendix, we show that our results are robust to multiple specifications of the treatment variable, alternative dependent variables, and a host of covariate adjustment methods. Here we present one key robustness check, replacing our police-candidate proxy approach with the vote shares in 2006 of candidates with known milícia ties. This list includes seven candidates identified by the CPI report, plus three legislators who publicly voted in a pro-milícia fashion, as discussed in section 5.1.2. Table 2 presents estimates from a series of cross-sectional regressions. As expected, these candidates did systematically better in polling stations dominated by milícias, even when controlling for the political, geographic, and socio-demographic variables listed in Figure 2a and police-candidate vote share in 1998 and 2002. This further supports our claim that milícia leaders used territorial control to help elect themselves and their allies.

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14 We cannot employ DID here because most of these candidates did not run in 2002.
4.4 Causal Mechanisms

Our DID strategy establishes that territorial control increases electoral support for police candidates, but it does not tell us how. A relatively benign possible mechanism is persuasion or retrospective voting. Dominated voters may feel that milícia governance brings benefits, such as reduced armed conflict or street crime. If voters view milícia domination as an improvement over the status quo ante, they might willingly vote for milícia-linked candidates at increased rates. In other words, voters may come to like, and vote to entrench, milícia domination.

Even in this benign scenario, our larger point stands: milícias extract political power from territorial dominion. Yet while we cannot rule out retrospective approval, indeed it probably occurs among some voters, there is substantial evidence that more troubling mechanisms—particularly control of candidate access and outright voter intimidation—play a role.

News accounts provide ample examples of voter coercion: one police investigation in the favelas of Batan, Carobinha, and Barbante found that the local milícia group threatened to eject residents from the community if they did not support a favored candidate for city council (Mathias 2008). Another investigation of a different group found that they achieved political success via the “diffusion of terror” (Jornal do Brasil 2009) in their dominated neighborhoods. Given milícias’ capacity for violence and its successful extraction of poll and excise taxes on all residents, electoral coercion seems quite plausible. As with any coercive or vote-buying strategy, the secret ballot raises problems. These, however, have hardly proven insurmountable for clientelist politicians in general, and are even less likely to bind under physical coercion: even if the probability of milícias observing one’s vote is small, the punishment for disobedience if detected is likely to be extreme, making voters more compliant.

Another unsavory mechanism by which territorial control could affect voting behavior is through control of information voters are exposed to during electoral campaigns. In Brazilian legislative elections, face-to-face campaigning is an important means by which candidates win support. Because television and radio time is allocated to parties via a legal formula and there are typically
dozens, if not hundreds, of candidates that must share the same block of time, candidates often rely on rallies, canvassing, and other forms of retail politics to raise awareness of their candidacies. Milícias and drug traffickers (Arias 2006, 437) have been known to use their informal zones of control to prevent unaligned candidates from campaigning within their communities via threats of violence against rival candidates and their supporters, thus preventing voters from being exposed to information about politicians that have not curried favor with the locally-dominant armed group. Reports of this phenomenon were so widespread that it spurred the formation of a special task force of state and federal police forces with the specific goal of increasing the ability of candidates to enter these communities.

Finally, another reason to doubt the substantive importance of the retrospective voting mechanism is the suprising finding from the CPI that most favelas conquered by milícias were never controlled by the drug traffickers. Instead, milícias tended to expand in peripheral favelas largely ignored by drug gangs because of their poor profit potential. In such communities, it is not clear how the advent of milícia armed dominion and the associated taxation would be seen as an improvement, making the retrospective voting story far less plausible.

5 Milícia Political Power and State-Weakening

The quantitative analysis above establishes that milícias are able to convert territorial dominion into political power. But what do they do with that power? In this section we review, qualitatively and quantitatively, the milícias’ political activity and larger trajectory in Rio; we find that 1) milícia legislators and allies directed their political power toward weakening the state’s capacity to repress their activities, 2) were for a time able to effectively block legislative investigation of their activities and pass pro-milícia legislation, and 3) won informal powers that likely also weakened the state’s ability to combat them. While we cannot reliably estimate the causal impact of these efforts on long-term outcomes, we note that even after political winds shifted strongly against the milícias, halting their expansion and reducing their direct political power, milícias suffered almost
no territorial losses and continue to use territorial control to elect friendly candidates.

5.1 The Milícias in Politics: 2006–2008

5.1.1 Case-Study Evidence

Taking advantage of the permissive policies of governor Rosinha Matheus, milícias expanded from the periphery of the city in the period between 2002 and 2006. During this period of expansion, elected milícia members and allies—many with background in the security forces—sought out political alliances with these emerging groups (Freixo 2008). These alliances could be quite overt: written “contracts” formalized political alliances between emerging milícia groups in Campo Grande and Nadinho, a milícia leader elected to the city council in the 2006 election. Similarly, police wiretaps uncovered conversations between members of the armed groups discussing an arrangement with Álvaro Lins, a military policeman turned politician, to deliver votes to favored candidates in the city council elections (Bottari and Ramalho 2007a).

Meanwhile, in the state legislature and city council, milícia-backed legislators took up positions that were central to the milícias’ interests, including committees charged with overseeing the security apparatus. For example, three known milícia leaders were members of the state legislature’s Committee on Public Security and Police Matters. In the city council, Nadinho served on the committee overseeing public servants (including the police) and continued to formally serve on the committee even after imprisonment. In addition, former Security Secretary Marcelo Itagiba, elected to federal office with support of milícias in the Western Zone, took a key post on the Justice Committee in the national legislature, and Milícia leader Cristiano Girão, eventually sentenced to 14 years for extortion and money laundering, was appointed Special Advisor to Governor Matheus (Freixo 2008, 62).

Elected office also conferred critical informal power. According to police officials, politicians

15Milícia-linked politicians with such backgrounds include Josinaldo Francisco da Cruz (“Nadinho”), Jorge Babu, and Coronel Jairo Souza Santos.
were given the prerogative of suggesting police commanders for posts in their electoral bailiwick, allowing these officials to select personnel supportive of milícia expansion. Milícia leaders themselves stated that controlling the appointment of police commanders near their zones of control was a “priority” for when they achieved power via elections (Bottari and Ramalho 2007a). These appointments were not only critical to weakening police repression of milícias, but in some cases aiding their expansion: frequently, police operations against incumbent drug traffickers would “soften them up” or even expel them, facilitating milícia takeover once police withdrew.17

The state government’s policy of benign neglect towards the milícias was partially reversed in 2007 when Sérgio Cabral became governor of Rio de Janeiro. Cabral appointed José Mariano Beltrame to be state secretary of security, a career Federal Police officer with no milícia ties. Beltrame promised to combat milícia expansion and acted quickly to reassign milícia-linked police commanders.

In response, milícia allies in the legislature acted to weaken the state’s repressive response against milícias, in varied ways. Perhaps most critically, sympathetic legislators repeatedly blocked attempts to open a parliamentary inquiry (CPI) with subpoena powers. After these defeats, anti-milícia proponents of the CPI saw little hope of legislative action as long as milícia power in the legislature remained strong.18 The wealth of information and indictments produced by the CPI once it was finally conducted speaks to the substantive importance of this blocking capacity. In addition, a separate legislative committee, created to investigate police-related issues including the milícias, ended up being headed by a known milícia ally. In the national legislature, Marcelo Itagiba introduced a December 2007 bill eliminating federal prosecutors’ legal authority to prosecute police.

Most glaringly, state legislator and milícia leader Natalino Guimarães introduced bill 18/2007,

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16Fábio de Menezes Leão and Mário Franklin Leite Mustrange de Carvalho


18Interviews, State Deputy Marcelo Freixo and members of his cabinet, July 9, 2007.
effectively legalizing milícias, extending legal protections enjoyed by police to informal “community police” groups of retired and off-duty police officers. The bill then went to the Committee on Legislative Projects for evaluation. Jorge Babu, a milícia-linked politician, was delegated to write the committee report; his favorable recommendation led to a floor vote on the bill, where it passed overwhelmingly.

Other key bills, like 365/2007—prohibiting the arrests of police officers based on evidence collected via anonymous hotlines—and 120/2007—preventing the firing of police or firemen with criminal convictions until all appeals are exhausted—were authored by milícia-aligned legislators, then issued favorable recommendations in committee by other milícia-linked politicians.

Milícia political power blunted state repressive actions again in 2008, after Security Secretary Beltrame increased the pressure on the milícias by arresting and jailing state deputy and known milícia ally Álvaro Lins on charges of money laundering and criminal conspiracy. Within days, the state legislature voted to release Lins from prison and allow him to continue to operate as a state legislator. Out of 70 deputies, 40 voted in favor of Lins’s release, including all known milícia-linked candidates. Even after the May 2008 torture scandal shifted public opinion against the milícias, triggering the CPI investigation and the eventual arrest of many elected milícia members, they retained substantial political power. For example, when intense media pressure to oust milícia leaders led to a motion to remove Natalino Guimarães from office, only 43 out of 70 legislators voted in the affirmative.

5.1.2 The Legislative Behavior of Milícia-Aligned Politicians

Much of milícias’ political activity is not easily quantifiable. Still, our theory of state-weakening rents predicts that milícia-aligned candidates will focus disproportionately on security-related issues, particularly: weakening the state’s anti-milícia capacity; diminishing the accountability of security forces; and cultivating allies within the police rank and file. To test this descriptive claim, we quantitatively characterize their contribution to the legislative output of the 2007-2011 state assembly.
We compiled the complete set of proposed laws (projetos de lei) and “legislative suggestions” ("indicação legislativa"—requests to the executive to enact a policy change), excluding bill types such as motions (moções) that are typically ceremonial in nature. Using the summaries in the bill text, we classified each proposal as ‘public security-related’ (PSR) or not using a set of keywords. For each legislator, we compute the percentage of PSR bills among all bills proposed. The median and mean percentage of PSR bills introduced by each legislator are 3% and 5%, respectively.

We then identify milícia-aligned legislators, relying on the 2008 CPI report on milícias and the few public roll-call votes on milícia-related issues that occurred. We classified legislators as “milícia-aligned” who met at least three out of the four following conditions:

1. Identified as milícia-linked by the CPI legislative investigation (Freixo 2008).
2. Opposed the formation of the CPI investigation of the milícias (Resolution 626/2008).
3. Voted to release milícia-ally Álvaro Lins from prison after his arrest on charges of money laundering and criminal conspiracy (Resolution 663/2008).21
4. Voted against resolution that prevented known milícia leader Natalino Guimarães from being released from prison (Resolution 650/2008).

Items 3 and 4 occurred after the 2008 torture scandal; thus to be coded as milícia-aligned, legislators had to publicly take pro-milícia positions even after public opinion (and many legislators) had turned against them. This procedure coded six legislators, from five parties, as milícia-allied.22

The keywords are “police”, “fireman”, “public security”, “police station”, and “prison”. To check validity, 100 randomly sampled bills were classified by an independent rater; 94 of these were correctly coded by the keyword approach.

We drop legislators with fewer than 10 proposed bills, leaving a sample of 74 legislators; this includes substitutes who replaced legislators that left before finishing their mandate.

The politicians who voted in favor of Lins were labeled the “milícia block” by the press.

Namely: Natalino Guimarães (PFL), Álvaro Lins (PMDB), Anabal Barbosa de Souza (PHS), Jairo de Souza Santos (PSC), Domingos Brazão (PMDB), and Jorge Babu (PT).
### Table 3: Correlation between milícia-ally status and proportion of bills proposed related to public security. Columns 1 and 3 report results from bivariate OLS regressions, while Columns 2 and 4 include party fixed effects and dummy variable indicating membership in legislature leadership. Dependent variable in columns 1 and 2 encompasses all police related bills (including legislative “suggestions”), while dependent variable in columns 3 and 4 includes only proposed laws.

<table>
<thead>
<tr>
<th></th>
<th>All Public Security Bills (%)</th>
<th>Public Security Laws (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>Milícia Ally</td>
<td>9.7***</td>
<td>11.4***</td>
</tr>
<tr>
<td></td>
<td>(2.6)</td>
<td>(2.3)</td>
</tr>
<tr>
<td>Intercept (Other Legislators)</td>
<td>5.8***</td>
<td>3.9**</td>
</tr>
<tr>
<td></td>
<td>(0.9)</td>
<td>(1.9)</td>
</tr>
<tr>
<td>Party and Leadership Controls</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Observations</td>
<td>74</td>
<td>74</td>
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</tbody>
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Note: *p<0.1; **p<0.05; ***p<0.01

Standard errors are heteroskedasticity consistent.

Four were identified as milícia leaders in investigations and press accounts, and all six received a substantially higher proportion of their 2006 votes in milícia-dominated polling stations (average of 23%) than the average for other legislators (7%).

Regressions indicate that milícia-alignment is indeed correlated with a propensity to propose security-related bills (Table 3). In columns 1 and 2, we regress the share of PSR bills among those proposed by each legislator on a milícia-ally dummy. With no covariate adjustment, milícia-ally status is associated with an additional 9.7 percent share of PSR bills. To check robustness to basic covariate adjustment, column 2 includes party and legislative leadership dummies (mesa diretora); the coefficient increases to 11.5 percent. Overall, milícia-allies introduced two to three times as many public security-related bills as non-allies. In columns 3 and 4, we restrict the sample to proposed laws (removing legislative “suggestions”); results are substantively similar.

While consistent with our hypothesis, these results say little about the content of the proposed legislation. Given our theoretical prediction that milícia-aligned legislators favor policies that in-
Proposal Type                      | Milícia-aligned Legislators | Other Legislators |
---                                | 21%                         | 42%              |
1. Creation of a police or fire station in a particular community | 18%                         | 6%               |
2. Increase the remuneration or perks of security forces | 14%                         | 0%               |
3. Increase protections of security forces when accused of criminal activity | 47%                         | 52%              |
4. Alter other aspects of policing policy and regulations

Table 4: Public Security-related Bills Proposed in the 2007-2010 Rio State Assembly.

To increase police resources and protect security forces from state oversight, we read descriptions of the 28 public security-related bills they proposed, as well as 76 bills proposed by 30 other randomly sampled legislators, classifying the bills into the four categories seen in Table 4. Type 1—proposing the creation of police stations in particular neighborhoods—was common across both groups of legislators and is basically clientelistic in nature. However, milícia-linked politicians were substantially more likely to propose legislation of types 2 and 3: providing benefits to the security forces by shielding them from civilian oversight or increasing their remuneration.\(^{23}\)

5.2 Milícia Retrenchment and Resilience: 2008–2014

After the May 2008 torture scandal, anti-milícia repressive efforts greatly slowed milícias’ expansion and cut into their political power. Many previously elected milícia leaders were removed from office and even jailed, along with hundreds of other milicianos, many of them active-duty police. State repression also targeted milícia electioneering: in the 2008 city council elections, officials restricted candidates’ ability to campaign and coordinate with milícia leaders and deployed army troops to dominated favelas during voting. Milícia electoral power, however, proved resilient, with several milícia-backed candidates winning office. Most prominently, Carmen ‘Batgirl’ Guimarães, daughter of arrested milícia leader and city councilor Jerônimo ‘Jerominho’ Guimarães, won handily despite being imprisoned during the campaign for suspected milícia par-

\(^{23}\)Type 4 is more heterogeneous: issues range from advertisements on police cars (proposal 1072/2007) and bathrooms for police posted at toll booths (proposal 1259/2008) to, more significantly, the number of positions per rank (bill 700/2009).
More broadly, imprisonment of milícia members and leaders, while heartening, had little impact on milícias as organizations. Numerous milícia leaders escaped prison, and those that did not have been able to effectively run their protection and taxation rackets from behind bars (Ramalho 2011). This reflects not only weak carceral institutions, but continued legislative inaction to regulate the economic activities that milícias exploit.

Above all, milícias’ territorial dominion remains intact. In fact, NUPEVI data demonstrates an increase in the population of residents living under milícia dominion from 2008 to 2010 (Zaluar and Barcellos 2013, 24), while CPI chairman Marcelo Freixo found that milícias spread from 170 to 300 favelas between 2008 and 2011 (Ramalho 2011). This is particularly striking given that this period brought one of the most important expansions of state capacity and territorial control in Rio’s history. Since 2008, under Cabral and Beltrame’s signature ‘Pacification’ policy, state forces retook some of the largest and most violent favelas of Rio from armed groups, establishing permanent ‘proximity policing’ units known as UPPs in them. Armed violence has fallen dramatically and Pacification is widely seen as successful and even transformative. However, out of 257 favela areas retaken, only one was milícia-dominated prior to pacification.25 In April 2014, when state forces occupied the Maré complex of favelas, commanders deliberately avoided deploying forces to the two areas dominated by milícias (Gomes 2014).

We cannot precisely determine how much of this territorial resilience is due to state weakening, and how much to the state’s ‘demand-side’ reasons for tolerating milícias. The government claims that both trafficker and milícia territories will eventually be pacified, but officials also say they have consciously focused on trafficker-held territories because “the goal of pacification is to reduce

24 Unidades de Policiamento Pacificadora, or Pacifying Police Units.
25 This exception proves the rule: Jardim Batam was the favela where the O Dia journalists were tortured, provoking an impromptu police occupation, later transformed into a UPP without ever having been planned as such.
armed confrontations. Milícias don’t confront the police.”26 If nothing else, this illustrates the value of ‘lesser evil’ status.

Nonetheless, state weakening almost certainly plays a role in the state’s policy choices. Even in theories focused entirely on the benefits that paramilitaries provide, the state weighs the cost of eliminating paramilitaries (Acemoglu et al. 2013); we simply argue that this cost is not exogenous. As Security Secretary Beltrame admitted in 2012, despite the massive increase in physical capacity associated with Pacification, “None of [Rio’s] police forces has acquired the expertise needed to combat [the milícias]” (O Dia 2012). Moreover, the non-confrontational nature of the milícias is itself endogenous to the state’s choice to prioritize other groups: one reason milícias don’t confront police is because police do not actively try to territorially oust milícias. And one plausible reason police do not is because so many milícias are themselves current and former police officers, and use their political power to, among other things, improve the lot of police. It is simply implausible that erosion of the police’s milícia-fighting capacity from within did not influence leaders’ decisions to focus territorial repression on trafficking groups.

Finally, as we have argued throughout, territorial control is both effect and cause of state-weakness; six years into retrenchment, milícias continue to use their dominion to obtain political power. A confidential Security Secretariat report during the 2014 electoral cycle found that milícias were maintaining lists of and coercing voters, and selling exclusive campaigning rights within areas under their control (Ferreira and Araújo 2014). According to candidates, whereas drug traffickers sold access to territory piecemeal and to the highest bidders, milícias offered exclusive access to a few reliably sympathetic candidates, as part of a strategy to recoup political power lost after 2008 (Magalhães and Remigio 2014). This is consistent with our claim that paramilitary groups are relatively well-situated to extract political rents from territorial control. The election authorities, for their part, take the risk of such extraction seriously: based on the confidential report, they again

26Authors’ interview, former Sub-Secretary of Public Security, Rio de Janeiro, March 16, 2014. See also Gomes (2014).
requested federal occupation of dominated favelas to guarantee voters’ safety.

6 Conclusion

Our results confirm what was long suspected by observers and activists: Rio’s milícias use their territorial control to help elect allied candidates. We have also argued that milícias used the resulting political power to weaken the state’s repressive response against them. These ‘state-weakening rents’, we have argued, are a key benefit that paramilitaries receive from political activity, over and above typical clientelistic benefits of office, and with a multiplier effect on the purely economic rents from territorial control. Taken as a whole, our analysis illuminates an important channel of self-reinforcing state weakness: the state’s inability to vanquish an oppositional foe can foster paramilitary formation and territorial expansion, which paramilitaries can then use to penetrate the state and weaken its ability to eliminate them. We conclude by considering some implications of the milícia phenomenon for our understanding of state capacity and weakness in general.

In a classic analysis, O’Donnell (1993) conceives of state weakness and incomplete rule of law geographically, in terms of “brown areas” where the state cannot or does not reach, and where other actors enjoy territorial control, sometimes as rough allies of the state (e.g. colonial Brazil’s coroneis), sometimes as clear adversaries (e.g. insurgent groups). State consolidation requires, at a minimum, turning brown areas blue, i.e. replacing the dominion of local actors with a Weberian monopoly on the use of force, while state weakening consists in the expansion of brown areas.

The initial public debate over milícias fit well into this framework. Defenders of milícias mostly admitted that they were not retaking stateless areas for the state, but saw them as a ‘lesser evil’, a safer and less adversarial custodian of such areas. The 2008 torture scandal challenged this perception, but even more important was the CPI investigation’s finding that most milícia-held areas were not previously dominated by the drug trade, but simply un-dominated, far-flung neighborhoods. Given that most milícia leaders are police officers or have direct ties to the state’s coercive apparatus, the implications of the CPI finding are dire: agents of the state independently
took up arms to transform swathes of the city into stateless areas dominated by non-state armed actors, turning “blue” areas “brown”. In doing so, they relied crucially on resources often seen as constitutive of state capacity: military training and weaponry, intelligence-gathering networks, and the capacity to deploy force across distance. Indeed, police access to these resources is what gives them a comparative advantage as milícia leaders.

This points to the need to distinguish among dimensions of ‘state capacity’. It is not enough to have adequate coercive resources to take and hold territory; the state must also be able to constrain its own agents from using those resources in ways that leave the state weaker. Indeed, it must be able to direct those resources inward, to root out corrupt agents and politicians. In Rio, the state is not ‘weak’ in terms of lacking coercive capacity; rather it lacks control over that capacity. This dimension of state weakness becomes increasingly important as the resource dimensions expands: if Rio’s police had not been transformed by decades of fighting the drug syndicates into a highly militarized, seasoned fighting force, widespread corruption would not have lead to such extreme outcomes. Likewise, when milícia-linked politicians pass legislation increasing police salaries as a quid pro quo with corrupt commanders, they both increase state coercive resources and further weaken state control over them.

This ‘control’ dimension of state weakness is far more difficult to measure than the resource dimension. This is problematic for empirical studies, especially quantitative work, given the potential for corruption to nullify or even invert the capacity-building impact of increased resources. Researchers should continue to search for better measures of paramilitary influence within security forces. More broadly, future work on paramilitaries should address not only the benefits they provide to the state, but the often subtle ways in which they weaken it from within.

References


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