Criminal Governance and Insurgency

The Rio de Janeiro Experience

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The issue of governance by non-state armed groups has been gaining increasing attention from a range of social scientists. This study considers the territorial governance and authority of armed gangs in the favelas of Rio de Janeiro, applying a notion of insurgency as competition for the support of the population, as proposed by David Kilcullen. According to this theory, insurgents establish a resilient system of control through which they subsequently gain legitimacy. Although organised crime groups in the favelas are not ideologically motivated to oppose the state in the way that other insurgent groups are, their engagement in illegal activities and control of the population based on "their" territory makes them armed opponents of the state and de facto insurgents. I argue that the authority of these groups among favela citizens can be traced to the inability of Brazilian state institutions to ensure security and social order, which is a crucial aspect of state "output legitimacy," (making this de facto state failure). Criminal groups, on the other hand, are viewed by many favela inhabitants as more capable of fulfilling at least the most basic community needs. They are therefore able to "outgovern" the state, presenting an effective and, in some sense, legitimate alternative to its institutions.

Keywords: Insurgency, organised crime, non-state armed actors, counter-insurgency, drug trade, Brazil, Rio de Janeiro

Introduction

The phenomena of advanced organised crime groups and so-called criminal insurgency have recently gained attention in a number of scholarly publications.[1] From the still escalating conflict between var-

ious narco-cartels and the state in Mexico through to Jamaican posses, Central American street gangs and the infamous Colombian cartels, we can identify the emergence of a new kind of challenge, empowered by a transnational illicit market, to the traditional understanding of organised crime, its nature and its relationship to national security.[2] These "criminal insurgents" are able to hold territory and defend it against state police or military forces. In some cases, they have even managed to establish themselves as the main authorities in "their" territories and to impose their own rules on local communities. The result is the emergence of so-called criminal enclaves, ungoverned spaces and no-go areas, which, according to some experts, accounted for about 25% of the area of the most important urban agglomerations in Latin America in 2009.[3]

Criminal Governance

The slums (*favelas*) of various Brazilian cities – especially Rio de Janeiro – are famous for this kind of criminal rule and, as such, have been in the spotlight for both Brazilian and international scholars for some time.[4] All these studies present a similarly unhappy picture of everyday violence and the failure of state authorities to fulfil citizens' basic needs. It is precisely this failure, particularly evident in the way that police and authorities view and treat the favelas and their inhabitants, which has cleared the way for the drug-dealing groups who have been able to gain a firm foothold in impoverished favela communities.

This study looks at this issue mainly by discussing the role of "criminal insurgency." It sets out to show how organised crime groups in Rio de Janeiro have evolved and been able to exploit the state's lack of authority and its unwillingness to govern the favelas. I argue that the contest between the Brazilian state and criminal gangs for effective territorial control can be seen as a competition for governance – defined as 'institutionalized modes of social coordination to produce and implement collectively binding rules, or to provide public goods and services'[5] – and for the trust of favela communities. Therefore, even though this criminal insurgency differs in many ways from traditionally understood ideological insurgency, a focus on the population is still crucial for the success of any campaign to regain state authority over these gang-ruled territories. At the same time, I aim to show that at least in the Brazilian case, criminal insurgency cannot be separated from the failure of state institutions.

In the sections that follow, I present the concept of criminal insurgency and apply it to the development of organised crime groups in the favelas of Rio de Janeiro. I then briefly review the historical context

of the Brazilian state's failure to establish legitimacy in these areas and show how this opened up a space for the rise of criminal insurgents. I also consider the governance practices of criminal groups and their relations with favela communities. The final part of this work comments briefly on the plan to reclaim some of the favelas through Pacifying Police Units (*Unidade de Policia Pacificadora*, UPP) and considers how this fits into the overall paradigm of criminal insurgency.

Criminal Insurgency, State Failure and Competing for Governance

Criminal Insurgency

The traditional understanding of insurgency owes a lot to experiences of anti-colonial struggles and wars with Maoist or Leninist guerrillas in "Third World" countries. As such, insurgency has mainly been understood as a political struggle between an incumbent (usually state) actor and a non-state entity that is ideologically motivated to oppose the state – in pursuit of either regime change or national liberation.[6] Generally, insurgents seek through various politico-military strategies (i.e. political violence and propaganda activities) to weaken the control and legitimacy of the government or other political authority within the population while increasing their own control.[7]

While the main driver of insurgents' actions has been perceived as ideological and therefore population-focused (given their effort to win support for their ideological cause), the actions of organised crime groups have traditionally been understood as economically motivated. The primary goal of organised crime is to secure profits (mostly gained from some sort of illegal business) and not to change the regime as such. For this reason, the focus is typically not on fighting state authorities overtly or trying to dominate particular territory. Rather, while they use violence selectively as a supplementary method, organised crime groups set out to infiltrate and undermine state authority by more covert means – such as corruption, blackmail and forceful intimidation – which do not draw attention to their actions.[8]

In his discussion of the nature of contemporary Mexican drug cartels, Richard Carter associates this view of organised crime groups with a 'modern' or 'realist' security paradigm, which mainly operates

with state-based and ideological challengers to national security.[9] According to this model, organised crime occurs "outside" the state sphere and in the illicit goods market, and it targets the state and state functions only insofar as they interfere with economic profits. Given the nature of this threat, the state should respond by enlisting law enforcement authorities and trying to reduce the crime rate to a manageable level.

In contrast, Bunker argues that the type of challenge posed by organised crime groups has changed, and thus, in some cases it is more accurate to speak about criminal insurgency than organised crime as it was once perceived. He connects this shift with the rising influence of various non-state actors, who are empowered by globalisation and access to worldwide networks; in the post-Cold War era, these entities are increasingly able to present direct threats to states and may even potentially create 'functional alternatives' in some environments.[10] On the other hand, various states are seen to be failing more and more to perform their basic roles and so enabling the emergence of "ungoverned spaces."

State failure is a notoriously ambiguous concept that is used by many authors in many different ways.[11] Following Jennifer Milliken and Keith Krause,[12] I identify three main broadly defined narratives about the state functions which are limited or completely missing in failing states[13]: these concern the provision of security, a legitimate government and representation of all citizens, and finally, public goods and services (such as infrastructure, healthcare, education etc.).[14] As the term "ungoverned spaces" suggests, state failure need not occur across all of a state's territory and may only affect some part of it. Brazil is by no means a failed state in the sense that Somalia is a failed state, but there are some areas where the state has failed in one or more of the above-mentioned dimensions of its functions.

The nature of criminal insurgency is closely related to the inability of states to effectively maintain security and the rule of law and provide basic public services and goods – functions which are bound up with state legitimacy – in these places. While the origins of criminal insurgent groups (like those of traditionally understood organised crime groups) lie in the illicit economy, they are also willing and able to control territory directly and, in some cases, to defend it against the state. According to some authors, this means that these criminal groups may be at a very rudimentary stage of the Tillyan war- and state-making

process.[15] Although these entities do not approach anywhere near the level of organisation of official authorities, they do create new networks of loyalties and new modes of controlling space.[16]

Enjoying direct control over a territory does not conflict with criminal insurgents' primary focus on profit. On the contrary, it enables them to carve out a space for their illegal business activities and operate free of state influence, which is necessary in the drug trade for safe storage and dealing. However, by challenging the state's domination of part of its territory and population and through their own political manoeuvering and governance of the territory, these insurgents become *de facto* politicised.[17]

It is important to note that while some criminal insurgent groups do occasionally try to advance ideological positions and present themselves as ideological opponents to the state – either as "social bandits" or as voices of egalitarian social movements – virtually none of them aims to create their own secessionist state and nor do they seek to significantly enlarge the area under their control beyond the territories important for their business.[18] It is also key to mention that even if we accept the notion of criminal insurgency, most affected states do not face a single "insurgency" because criminal insurgent groups usually have no united agenda or interests.[19]

Competition in State-building

State weakness and failure are important not only for the formation and growth of criminal insurgent groups, but also for their relations with the populations in their territories. When states fail to provide security for their citizens (or they are perceived as failing to do so), the affected communities are highly vulnerable to the violence and exploits of various non-state armed actors. In many of these cases, the rule of armed criminal groups brings at least some level of (albeit very selective) security and social order.[20] Some "advanced" criminal groups also take part (often for purely utilitarian reasons) in other governance activities – for example, they may provide money for some social and development projects which the state is not willing or able to run.[21] Additionally, in many places, organised crime groups are also important "employers" and players in the local economy, bringing jobs and revenue to places suffering from poverty and high unemployment.[22] For these reasons, in at least some communities, criminal groups may

in fact "deliver" more security and public goods than the official state government and therefore *de facto* "outgovern" the (failing) state. At the same time, they may be able to coerce other non-armed actors – such as NGOs or community organisations, which could perform some governance functions – into acknowledging their authority.[23]

The provision of public goods and ensuring of security (that is, the "governance" of these areas) are crucial parts of the "output legitimacy" of state institutions and of any other formal or informal authority.[24] As David Kilcullen puts it in his theory of competitive control, in the context of an irregular conflict (in this case, a conflict between a territorially-based criminal group and the state),'the local armed actor that is by given population perceived as more capable to establish a normative system for control over violence, economic activity and human security is likely to prevail within that population's residential area.'[25] Given that "criminal insurgents" can control a territory and population in a similar manner to "ideological insurgents," this theory may well be extended to these groups; it might also explain their authority in the communities which they rule through the same combination of output legitimacy, personal trust[26] and direct and violent force.[27]

This also means that if the state wants to fight criminal insurgents, its representatives cannot do this in the same way that that they combat normal criminals. State authorities must instead engage in "state-building" and take back the areas affected by criminal insurgency where they previously failed.[28] In sum, the state must persuade the population that it represents a better alternative than the criminals. This is, however, complicated by the fact that the members of poor communities often have a deep mistrust of state authorities, whom they have long perceived as a source of insecurity rather than as fair and legitimate rulers.

The Uneasy Relations between the Favelas and the State

A Brief History of the Favelas in Rio de Janeiro

Favelas have existed as a form of illegal informal settlement in Rio de Janeiro since the last decade of the 19th century. The first favela was founded by freed slaves and war veterans for whom the state was not able to secure land and appropriate rent. In the first decades of the

20th century, the number of favela inhabitants slowly increased, owing mainly to the arrival of immigrants from rural communities. Even as the number of people living in these informal settlements rose, they continued to exist "outside" the Brazilian state, lacking state support, official access to public services and legal recognition. It is important to note that the state authorities took a largely negative view of the favelas and repeatedly tried to evict their populations.[29]

The provision of public goods and services and some other governance activities (like dispute resolution) fell, thus, to residents' associations (*Associaçoes de Moradores*, AM) and various community (often church-based) organisations. State and local politicians began to pay attention to the situation in the favelas in the late '1970s during the democratisation of the Brazilian regime. Nevertheless, various social and development projects were drastically cut during the severe recession of the mid-'1980s and they were not reinstated until the late '1990s.[30]

In 2010, when the last official census was conducted by the Brazilian Institute of Geography and Statistics, Rio contained 763 favelas and irregular communities, located mainly in the north, east and south parts of the city. In total, there were close to 1,400,000 people living in these neighbourhoods, which represented over 20% of Rio's overall population.[31] More recent data on the number of favelas, their area and the number of households they host, seem to be conflicting. Rio officials claim that there has been a 2.13% reduction in the area with favela housing since 2008, but researchers working in the favelas point to the rapid growth of both the occupied area and the number of inhabitants in many favelas .[32] In general, the favelas of Rio de Janeiro house primarily low-income communities, whose average monthly earnings ranged from 361 to 437 reais (approx. US$164 to US$198) according to the official census conducted in 2000. This was significantly lower than the average earnings in non-favela (*asfalto*) neighbourhoods in the same zones, which ranged from 153% of favela incomes in western areas to 566% of the favela amount in the southern areas of the city.[33]

The sizes of the favelas vary greatly – from neighbourhoods with just a few hundred residents to ones (such as Rocinha) where there are tens of thousands of inhabitants. The favelas also differ vastly in their social structure and geography,[34] which means that the statements in this study must be great generalisations in many instances. My goal

is not, however, to detail the situation in any specific neighbourhood, but rather to describe the wider phenomenon of the authority of drug gangs.[35]

The Failure of State Authorities in the Favelas

If we accept the above definition of the main state functions, we can identify the failure of the Brazilian state in the favelas in at least two regards. First, most of the favelas were (and many, in fact, continue to be) built illegally on occupied land, which has determined the partly repressive and partly apathetic attitude of state authorities towards them.[36] The state was unable to provide security for the people in these settlements (since police only rarely patrolled these areas) and the public authorities themselves (mainly the *policia military,* the state police and the Special Police Operations Battalion, or BOPE) were frequently seen as sources of insecurity rather than as guarantors of law and order.

In the early years, the police were more often associated with forced evictions than with ongoing presence and provision of security, which was supplied mainly by local informal authorities and community militias. The violent practices of police and their indiscriminate approach to civilians and suspects grew even worse with heightened clashes between drug gangs and police in the late 1980s and during the 1990s.[37] In a study conducted by Janice Perlman, favela inhabitants perceived that the police were more violent towards the community than towards drug gangs.[38] While state policies on security and public order in the favelas have undergone some reforms since the early '80s and there have been a few attempts to turn them into somehow "softer" policing approaches, the overall image of the police has remained negative.[39]

Police have had a low level of credibility not only because of the high level of violence towards favela residents, but because of corrupt police practices, which have often brought them close to the drug gangs. For many people, it has therefore made no sense to ask police to resolve the crimes of gang members, and because of their perceived ineffectiveness and lack of professionalism, they have not been called to the scene of crimes in the favelas at all. This has not only applied to police, but also to some lower level courts and other state authorities which are viewed as ineffective and corrupt.[40] In sum, for a long time now,

people in the favelas have not seen state authorities as the primary actors who can guarantee security and order. On the contrary, these authorities have often been perceived as the source of insecurity and a possible threat.

As has already been hinted, these state institutions have also failed in the provision of public goods and services.[41] Both before and during the years of the Brazilian military regime, the favelas were more or less excluded from national public and social policies, and the main visible presence of the authorities in the favelas was during the mentioned brief police invasions. This situation changed during the '80s and particularly the '90s when the state launched large social projects aimed at improving the living conditions in the favelas, which were in many cases quite successful. (Examples include projects related to public electricity, healthcare, drinking water access and the building of other basic infrastructure.)[42]

On the other hand, Marcelo Lopez de Souza argues that the state continued to fail to perform its main functions and was therefore not able to tap into the potential to present itself as the residents' benefactor. In many places, this was because of the presence of criminal gangs who were only interested in promoting projects that might support their own position and status in the community. Any other projects and programmes were simply denied "permission" to launch or else they were sabotaged in various ways.[43] In other cases, state projects were carried out inefficiently and plagued by corruption and mismanagement, which greatly reduced their potentially positive impact.[44] The state was therefore not viewed as the dominant provider of public goods and services, and it had limited ability to improve the harsh living conditions in many of the favelas.

The question of whether the Brazilian state failed in the favelas when it came to its legitimacy and representation of citizens is more difficult to answer. The legitimacy of the idea of the Brazilian state remains quite strong among inhabitants (unlike the situation in some truly collapsed or failing states), however the legitimacy of some of its institutions (state police, judiciary, some local representatives) is weak. Especially in the case of the police, an almost universal distrust prevails. As a result of some vote-rigging incidents in the favelas, the representativeness of Brazilian state institutions may also be in doubt. There are known cases where local politicians cooperated with drug gangs or paramilitary militias during their campaigns.[45] However, it

remains the case that only the legitimacy of specific institutions and trust placed in particular individuals are called into question – and not the representativeness and legitimacy of the Brazilian state as such.

Rio's Criminal Insurgents

Criminal Governance

The Emergence and Rise of Criminal Insurgents

Wider networks of organised crime emerged in the favelas during the late 1950s with the rise of the cannabis trade and *jogo de bicho* (an illegal betting game). A fundamental shift came in the early 1980s with the arrival of the cocaine trade as Colombian producers searched for new markets and shipping routes. Brazil soon became an important point on the route from Colombia to the U.S. and Europe and subsequently also one of the biggest consumers of the drug.[46]

The cocaine trade brought a significant rise in drug groups' profits. They were able to obtain better weapons and secure their relations with local authorities through corrupt practices. Another important contributor to these criminal gangs' power was the improved organisation and strategy which came from an interesting fusion with the strategies of political insurgents inspired by the "urban guerrilla" theories of Carlos Marighella. During the early 1970s, the founders of *Comando Vermelho* ("The Red Command," known as CV) had been imprisoned together with militant opponents of the Brazilian authoritarian regime. As a result, these CV representatives had managed to pick up some of the militants' basic strategies and tactics. Incarceration also forged a specific sort of identity and high level of group loyalty (*o coletivo*) among CV members.[47]

During the late 1970s, CV members who had been released from prison spread out across the favelas (from which many of them had originated). Thanks to their superior arms and organisation, they were able to take over the emerging trade in cocaine, driving out their rivals from the most important dealing places. The rise of the CV in the favelas was made easier by the effects of the Brazilian economic recession. Organised crime groups and the drug trade, thus, became important sources of revenue for some favela residents and even for some AMs and their community programmes.[48]Through these means and using violent and coercive tactics (often targeting community leaders) in

many cases, the CV was able to incorporate or crush earlier informal authorities and become the dominant ruler of some favelas.[49] This authority was also strengthened by the fact that many gang members already had close (often familial) ties with people living in the favelas and were more trusted than the corrupt and violent police.[50] From the second half of the 1980s, we may, thus, speak of the rise of criminal insurgency as the CV managed by various means to keep the police out of its territory and control the main drug-dealing locations most of the time.

The CV's domination of the favelas did not last for long. In the early 1990s, the organised crime groups associated under the CV banner splintered into various smaller factions. By the mid-'90s, two new main factions had emerged – the Friends of Friends (*Amigos Dos Amigos*, ADA) and the Third Command (*Terceiro Comando*, TC) – along with a few smaller ones.[51] Numerous clashes over the most lucrative trading points brought more violence and weakened the main gangs. This resulted in the launch of the UPP programme in the late 2000s. However, there was also an earlier consequence: the emergence of a new type of non-state group – the paramilitary militia.

Militias – which often consist of retired policemen, firemen, soldiers and other off-duty public officers – originated in the western parts of city where they were able to drive criminal gangs out from some of the favelas and impose their own authority. These actors are, in fact, only a different manifestation of the failure of state institutions. They also serve as providers of security and "defenders" of the community in areas where the state is not able to perform its functions.[52] The number of favelas controlled by militias has been rising rapidly in recent years; by 2012, nearly half of them fell in this category. [53] However, because of their close ties with local politicians and police, these favelas are only seldom targeted in police actions, and it is, thus, difficult to characterise them as criminal insurgents in the same manner that this study seeks to portray the Rio drug gangs.

The Nature and Form of Criminal Gangs in Rio

While we may speak about the CV or ADA as some of the broader drug factions, it would be incorrect to depict them as anything like centralised organisations. The nature of Rio's drug gangs and criminal insurgency is strictly local (this is why, as I have noted above, it is more

correct to refer to multiple criminal insurgencies than to a single insurgency). They are each based in "their" favela and the whole faction functions only as a sort of a loose alliance or network of personal relationships, trade and cooperation. Each leader (*dono*) of the gang dominating the favela is therefore the *de facto* "supreme" authority over that territory.[54]

The structure of command in each favela is organised in the shape of a pyramid. Each *dono* has a deputy beneath him, while in the middle, there are various "managers" entrusted with tasks such as ensuring security and enabling drug deals. The lower levels are occupied by ordinary dealers and "soldiers," and in the lowest positions, we usually find children, who work as messengers, informants or scouts.[55] It is estimated that by the end of the 2000s, there were between 10,000 and 15,000 members of various gang factions in Rio de Janeiro.[56] As I have pointed out, these gangs are important players in the local economy; for young people especially (but also for many others members of the whole favela community), they serve as an important source of "easy" money and personal status.[57]

The territorial authority of a given favela is more or less recognised (even if it is contested at times) by all of the gangs. Each dono is responsible for "his" favela and its inhabitants' compliance with the rules of the favela (*lei de favela*) – a specific code of conduct that ensures the basic social order and authority of the criminal gang.[58] The creation and enforcement of these rules for the population in a given territory together with other governance activities may well be understood as political actions even though criminal gangs do not usually advocate for any explicit ideological vision.[59] However, these rules provide at least some means for resolving personal disputes and guaranteeing a level of security (though this is definitely not universal and depends on the position in the favela community).[60]

The authority and control of criminal insurgents over the favelas are the result first of all of their finances and arms, and thus, their ability to dominate the communities by material means. In many cases, these drug gangs are better armed than ordinary police, and they have better knowledge of the local situation. Combined with the hilly and dense urban terrain (and the effective support of the community), the gangs' arms – usually handguns, hand grenades and assault rifles, but sometimes even submachine guns and rocket-propelled grenades (RPGs) – generally ensure they are able to defend their territory effectively

against standard police, or at least retreat quickly and hide.[61] Nevertheless, the long-term sustainability of this kind of criminal insurgency depends heavily on population support (or at least compliance) and, as I have noted, an underlying context of the state's inability to focus its efforts on the favelas.

Criminal Governance and the Authority of Drug Gangs

The rise of criminal gangs in Rio has, thus, happened as a consequence of two main trends. On the one hand, we find the long-term failure of state institutions, which favela residents do not view as capable of providing them with security and/or other public goods, and, on the other hand, there is the ability of criminal gangs to exploit this security vacuum for their own goals and to gain trust and some sort of legitimacy among affected favela communities. Their authority, then, stems mainly from their material dominance and governance activities, which contribute greatly to their output legitimacy.[62]

Although there are many cases of drug gang violence towards the favela inhabitants, security and the regulation of violence remain the most important public goods which the gangs provide. The often brutal punishments dispensed (even for small-scale criminality), the nature of the close-knit community and the control gangs have over daily life in the favela usually deter potential offenders from perpetrating a crime in their own neighbourhood or offending the generally respected community "moral code."[63]

In the absence of public authorities' legitimacy and because of the readily available coercive power of gangs, they also often act as arbiters in various personal disputes. Although the available evidence suggests that gangs are often biased towards their members and residents of high social status, thanks to their long-term experience, they are still considered more reliable and effective than official public institutions.[64] At the same time, it is important to note that the communities themselves are not just passive recipients; they may, in fact, turn against an unjust dono and, for example, provide information about him to the police or other drug-dealing factions.[65] This shows the fragile equilibrium that exists between the gangs and civilians and also supports the thesis that criminal insurgency is a kind of competition of and over governance.

A second dimension of drug gangs' governance activities is the provision of material support for various development, public, social and more general welfare projects (for example, financing transportation to and from hospitals and clinics and providing resources for day care centres and recreational facilities). Drug gangs also often fund highly popular *baile funk* parties, which are one of the most important social and leisure events, at least for young people. Typically, the gangs do not provide all these activities by themselves but support diverse community organisations, or at least influence them through their control of the territory or *de facto* control of the AMS.[66] In sum, the drug gangs are deeply rooted in a network of governance in the favelas, which helps them to penetrate and control the community and also gain legitimacy through the positive public impact of some of their activities. In this way, they are able to "outgovern" the state in the areas where it fails to be present.

The penetration of communities occurs, however, not only through governance activities, but also simply through a close network of trust and personal ties. Gang members often originate from the same favela that they "rule" and tend to have family there. There is therefore a certain feeling of collective identity, which is only strengthened by the fact that some favelas have been ruled by drug gangs for nearly two decades and many young adults have virtually grown up with them. This also contributes to the higher level of trust in at least certain gang members and their authority.[67] On the other hand, it is important to note that the drug gangs have never really been seen as "normal" and "natural" rulers in the same manner as the state, whose (lack of) failure in Brazil has already been discussed from the standpoint of legitimacy.

Counterinsurgency and Reclaiming the State

Before I venture a conclusion, at least a few words must be said about the pacification programme which started in 2008 and marked a significant shift in the fight against drug gangs in Rio. To date (May 2015), there have been 41 UPP units operating within more than 60 favelas, including the biggest one, Rocinha. Hailed by many as a major success story, the UPPs have a very different policing style to the one previously utilised by state police.[68] The main goal of this strategy is not to arrest ordinary low-level gang members during brief crackdowns (the re-

sponse to "traditional" organised crime, as Robert Bunker has labelled it[69]), but to "reclaim" the favelas and so reduce the violence and impose a long-term state presence there.

The UPP model works in four stages: as a first step, special military and police units (usually from the BOPE) invade the favela and drive out armed gang members. During the second stage, the BOPE units stay for a longer time (days or weeks) and eliminate any remaining resistance. In the third stage, the BOPE units hand control of the favela over to the UPP, who try to impose law and order through a system of community policing. The final step should then be the integration of the favela into the normal life of the city through various social and economic development projects, and above all, the restoration of residents' trust in police and public authorities.[70] The similarity of this strategy to the "clear, hold, build" approach of modern U.S. counterinsurgency, as described in the now famous *Counterinsurgency Field Manual 3-24*, is obvious.[71]

A number of interesting developments may help us understand the nature of the Brazilian criminal insurgency. There have been only a few episodes of intense fighting between the drug gangs and the police; in most of the favelas, gang members have fled and hid in other, as yet unoccupied places lacking a strong police presence.[72] This was not exactly the situation during previous operations like those carried out in favela Complexo do Alemao in June and August 2007. One accepted explanation is that since the introduction of the pacification programme and UPPs, the police have not primarily pursued low-level members of drug gangs, who are prone to desertion; moreover, since police have declared their willingness to stay in the occupied favelas for a long time (which was not the case in 2007), gang members have decided to switch their strategy. In some occupied favelas, criminal insurgency has, thus, been replaced by a sort of "cold war" between police and gangs, who still have a degree of authority in the community.[73] This remains a radical change from the situation of overt conflict with the police, which is, at least to some degree, limited to neighbourhoods where police have turned to violent and militarised methods. In other places, the legitimacy of state institutions has at least partly been renewed, often through various community development projects conducted by the UPPs (or more precisely, through their UPP Social subdivision) although inequality and widespread poverty remain key issues.[74]

Concluding Remarks

In this study, I have tried to show how the failure of specific dimensions of Brazilian state functions in the favelas has cleared the way for the emergence of territorially-based organised crime groups. These groups have been able to exploit the security and governance gap for their own purposes and, thanks to their ability to cater to the specific needs of the community, they have also managed to establish themselves as dominant authorities in the favelas. Although these groups mostly lack an ideological agenda, they impose their own system of rules and regulations upon communities and are able to control a territory and defend it "against" state forces. Outside of cases of pure violent coercion and personal ties with the community, their authority, thus, derives mainly from their output legitimacy – that is, from the positive impact of their governance activities (provision of security and other public goods) on the affected communities.

This fits well within the framework of criminal insurgency – where with the failure of a state authority, organised crime groups violently occupy the "space left by the state" and use it for their own purposes – whether this involves drug dealing, drug trafficking or the cultivation of coca, poppy seeds or something else. As can be seen in the case of Brazil and even more clearly in Mexico, when criminal insurgency reaches a much higher level, criminal insurgents are not limited to violent confrontations with the state, but use various corruption techniques (native to organised crime) to increase their profits and gain some freedom to manoeuvre. The experience with the pacification programme in Rio shows, then, that when a state proves itself willing and able to retake areas "ruled" by criminal insurgents, the latter can switch rapidly to other tactics and abandon the overt "insurgency," a fact that is usually not acknowledged by scholars utilising this concept. Criminal insurgency thus, becomes a reaction by organised crime groups to a specific environment and context rather than a significant change in the very nature of organised crime.

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Notes

1 See, for example, Max Manwaring (2005), *Street Gangs: The New Urban Insurgency*, Carlisle: Strategic Studies Institute, available at: <http://www.strategicstudiesinstitute.army.mil/pubs/download.cfm?q=597> (accessed 20 May 2015); John P. Sullivan (2010), 'Criminal Insurgency in the Americas,'*Small Wars Journal*, 13 February 2010, available at: <http://smallwarsjournal.com/blog/journal/docs-temp/364-sullivan.pdf> (accessed 20 May 2015); Robert Killebrew (2012),'Criminal Insurgency in the Americas and Beyond, '*PRISM* 2(3), pp. 33-52; Vanda Felbab-Brown (2013),'Crime-War Battlefields,' *Survival* 55(3), pp.147–166.

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