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The Downside of Decentralization: Armed Clientelism in Colombia

KENT EATON

In recent years, decentralization and regional autonomy measures have figured prominently in negotiations designed to end some of the world's most important conflicts, including in Afghanistan, Iraq, and Sudan. Reforms that shift powers to subnational units deserve the attention of those who are trying to promote security via institutional design, but the risks associated with these territorial reforms are considerable. When political and economic resources are transferred to subnational governments in the attempt to create meaningful access to the political system for former combatants, the great risk is that these same resources can be used to finance a continuation of the armed struggle instead. In response to the popularity of territorial reforms in many post-conflict settings, this paper sounds a cautionary note by evaluating the negative impact of decentralization on security in Colombia, site of Latin America's longest and deadliest armed conflict. After analyzing the design decisions of reformers who hoped that decentralization would help end the conflict, I argue that decentralization in fact financed the expansion of armed clientelism by illegal groups on both the left and right. Thanks to the weakness of the police in much of the national territory, guerrillas and paramilitaries have been able to use decentralized resources to destabilize the state, limiting even further its monopoly over the use of force and creating what are in effect parallel states on the left and right.

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Agreements that are designed to end armed conflict and rebuild societies torn apart by civil war must resolve a broad array of questions, ranging from the treatment of past human rights abuses to the adoption of new electoral rules. One of the most important questions to be decided is whether to adopt territorial reforms that redistribute authority between national and subnational governments. Participants in peace negotiations, together with the scholars who study their efforts, have used a variety of names for the institutional reforms that shift power to subnational governments, including decentralization, devolution, territorial autonomy, and federalism. Common to all of these mechanisms is the search for institutional arrangements that both redress the role that overly centralist patterns of governance may have played in stoking violence in the past and, in a more forward looking mode, expand governing opportunities at the subnational level for those who previously waged war. In each case, the hope is that territorial reforms will enhance security by giving combatants a significant stake in the country's post-conflict political system.

In recent years, how to divide authority between different levels of government has been a major concern in the world's most serious conflicts. In Afghanistan, constitutional framers in the *loya jirga* in 2004 denied provinces the right to elect their own governors in an attempt to limit the influence of regional warlords but introduced an upper chamber to ensure the representation of provincial interests in the central government. In Sudan, the granting of significant regional autonomy to the Sudanese People's Liberation Movement in January 2005 brought an end to decades of conflict between the Christian south and the Muslim north. In Iraq, the distribution of authority over natural resources and fiscal revenues between the country's three subnational regions, together with the related question of autonomy for the Kurdish north, has dominated politics in the period before, during, and after the writing of the new constitution. Decentralization and regional autonomy measures have also figured prominently in the conflict-reduction efforts of reformers in such distinct countries as Angola, Bosnia, Cyprus, Mozambique, Nigeria, South Africa, and Sri Lanka.

While reforms that shift various powers to subnational units deserve the attention of those who are trying to promote security via institutional design, the risks associated with them are considerable. When political and economic resources are transferred to subnational governments in the attempt to create meaningful access to the political system for former combatants, the great risk is that these same resources can be used instead to finance a continuation of the armed struggle. Decentralization in the pursuit of security can be a particularly dangerous option where the state's most important identifying feature—its monopoly over the use of force—is absent. Precisely in those countries that are emerging from armed conflict, such a monopoly is at best shaky and at worst severely challenged in much of the state's territory. When the state's ability to monitor and prevent the illicit use of decentralized resources is limited, the territorial reforms that are adopted to help bring violence to an end can actually promote renewed conflict. Iraq is a case in point,

where the strengthening of regional, sectarian militias and the weakening of central state institutions mean that the latter would be hard pressed to limit the financing of illegal activities with decentralized revenues. Though Iraq is perhaps an extreme example, most countries that have suffered from internal armed conflict share the underlying conditions that make decentralization so risky, namely a central state that does not completely monopolize the use of force and that cannot effectively monitor or penalize the illegal use of decentralized resources.

In response to the popularity of territorial reforms as a solution to armed conflict, this article sounds a cautionary note by analyzing in-depth the experience of Colombia, site of Latin America's longest and deadliest armed conflict. Two decades after this conflict began in the mid-1960s, Colombia adopted a series of decentralizing reforms in the context of a concerted attempt to achieve a negotiated settlement with armed insurgents. These reforms in the 1980s and 1990s were designed both to end attacks on the central government by multiple guerrilla groups and to open up new spaces for meaningful participation in what had been a centralized and exclusionary—though formally democratic—political system. To date, the Colombian experience has not figured prominently in the literature on armed conflict and decentralization, in part because scholars have focused on cases in which decentralization has been incorporated into formal peace agreements at the end of conflict. Colombian authorities decentralized during the conflict in the hope of ending hostilities but before a peace agreement had been reached with all combatants. As discussed below, there are reasons to believe that decentralization could have worked if it had been adopted in the 1960s before the strengthening of the insurgency, and it may have worked if adopted subsequent to the successful negotiation of a peace agreement. But decentralization in the midst of the armed conflict, a strategy that one advocate called “pacification through decentralization,” has had a clearly negative impact on security in the country.¹

The decentralization of political authority in the form of subnational elections, combined with the decentralization of economic authority over revenues and expenditures, has complicated security in a number of dimensions. Most importantly, it has played into the hands of illicit armed groups who have used their control of decentralized resources to reinforce and expand their domination of vast stretches of the national territory. Decentralization has fed the problematic rise of armed clientelism, the private appropriation of public goods through violence or the threat of violence.² For several reasons, the continued centralization of economic and political authority would have provided a less hospitable environment for armed clientelism. With respect

¹ I borrow this phrase from the title of former Interior Minister Jaime Castro's book in defense of decentralization, *Descentralizar para pacificar* (Bogotá: Editorial Ariel, 1998).

² Alfredo Rangel, “El poder local: objetivo de la guerrilla,” in *Descentralización y orden público*, ed. Fundación Friedrich Ebert (Bogotá: Centro de Pensamiento Político Milenio, 1997), 56.

to influencing how public monies are spent, it is much harder—though not impossible—for armed actors spread unevenly throughout the national territory to control the expenditure and implementation decisions of national legislators and bureaucrats than it is to coerce locally situated elected officials. Even when armed groups in a given subnational region control the legislators who represent that region in the national Congress, those legislators do not have access to public revenues outside the appropriations process, unlike the governors and mayors who—thanks to fiscal decentralization—now enjoy constitutionally protected and automatic revenue transfers direct from Bogotá. With respect to the decentralization of political authority, armed groups can just as easily seek to coerce appointed subnational politicians as elected ones, but the introduction of subnational elections gives these groups the ability to run their own candidates for subnational offices and to win these races outright in regions where they are popular.

One of the most distinctive features of decentralization in Colombia is that it has not discriminated between the left and the right in its tendency to expand the war-making capabilities of armed groups at the subnational level. On the left, in the wake of decentralization, the country's two main guerrilla groups quickly came to understand the new strategic importance of controlling subnational offices. Decentralization helps explain the stunning gains made by the guerrillas in the mid- to late-1990s, as well as their successful transition from the Cold War-era "fight for land reform" (*lucha por la tierra*) to the current and much less ideological "fight for territory" (*lucha por el territorio*).³ In the former period, guerrillas sought to take over the central state and to use it as an instrument in the pursuit of a variety of Marxist-Leninist and Maoist-inspired socio-economic changes. Decentralization, however, altered this strategy by making control of the national government less important than when all power was centralized and by making control of subnational governments more desirable and useful than they had ever been in the centralist era. On the right, paramilitary groups have responded to decentralization by penetrating deep into the structures of both municipal and departmental governments, often in informal and illegal alliances with military and police officials. In broad swathes of the country, paramilitary groups have used their control of subnational offices to appropriate fiscal transfers and to escalate the armed struggle against the guerrillas.⁴

According to my analysis of the rise of armed clientelism in Colombia, decentralization has generated two particularly unsettling paradoxes that may

³ Fernando Cubides, "Los paramilitares y su estrategia," in *Reconocer la guerra para construir la paz*, ed. Malcolm Deas and María Victoria Llorente (Bogotá: Editorial Norma, 1999), 162.

⁴ While armed groups on the left and right have benefited from decentralization, views differ starkly within Colombia on which is the greatest threat to the state—the guerrillas or the paramilitaries. Rather than enter into this debate, I purport to show that, by facilitating the armed clientelism of both sets of actors, decentralization has challenged the interests of the state that it was designed and adopted to benefit.

be of interest to institutional engineers in other countries beset by violence. First, thanks to decentralization, the state now funds its own destabilization because armed groups on the left and right have been able to appropriate decentralized public revenues and to use these funds to further reduce the state's already limited monopoly over the use of force. Thus, contemporary Colombia is witness to a bizarre dynamic by which part of the central state (the Finance Ministry) issues automatic revenue transfers to local governments that are controlled by armed groups at war with other parts of the central state (the military and the police). According to the second paradox, the same measures intended to help bring the armed conflict to an end have in fact sharply complicated the security situation. Rather than bolster allegiance to the state, as was the hope of institutional designers in the 1980s and 1990s, decentralization has instead facilitated the establishment of what are in effect parallel states on both the left and right.

TERRITORIAL ACCOMMODATION AS A CONFLICT-REDUCING MEASURE

Within the political science literature on institutional design and conflict reduction, scholars are divided on the merits of territorial accommodation. Much of the literature is optimistic about territorial reforms. Nearly thirty years ago, in his advocacy of consociational arrangements, Arend Lijphart argued for the delegation of rule-making and rule-application powers to subnational units in those cases where segmental and territorial cleavages coincide.⁵ Even where these cleavages do not coincide, and subnational units are instead heterogeneous, Donald Horowitz argues that giving these units substantial governing responsibilities "may help scale down to the state level some divisive issues that might otherwise engulf the entire country."⁶ More recently, the "peace-preserving" qualities of federalism have received attention from the work of Alfred Stepan and Nancy Bermeo. Stepan reminds us that all long-standing multinational and multilingual democracies are federal, and Bermeo notes that "no violent separatist movement has ever succeeded in a federal democracy."⁷

In addition to this institutional design literature, scholars who study the question of how to bring civil wars to a close have also emphasized the utility of territorial reforms. For example, one attempt to uncover the conditions that explain the durability of peace in thirty-eight civil war settlements finds that the inclusion of territorial autonomy in a post-conflict settlement dramatically

⁵ Arend Lijphart, *Democracy in Plural Societies: A Comparative Exploration* (New Haven: Yale University Press, 1977), 41.

⁶ Donald Horowitz, *Ethnic Groups in Conflict* (Berkeley: University of California Press, 1985), 618.

⁷ Alfred Stepan, *Arguing Comparative Politics* (Oxford: Oxford University Press, 2001), 315; Nancy Bermeo, "The Import of Institutions," *Journal of Democracy* 13, no. 2 (2002): 108.

reduced the hazard of its failure.⁸ According to these scholars, "By increasing the influence of policymakers at the subnational level while diminishing the powers of policymakers at the center, groups should gain an increased sense that they possess a means of protecting themselves from the exercise of central authority."⁹ Likewise, in her study of forty-one civil wars between 1940 and 1990, Barbara Walter argues that "allowing factions to maintain some regional autonomy offers them an important fallback position if they do lose control of the central government."¹⁰ In addition to highlighting the advantage of limits placed on central authority, David Lake and Donald Rothchild find that decentralization, regional autonomy and federalism "provided insurgent militias with an important incentive for responding positively to the government or third-party mediator's proposals for settling the conflict."¹¹

Other scholars, however, are much more pessimistic about the impact of territorial reforms like decentralization and federalism on conflict. For example, Rogers Brubaker, Valerie Bunce, and Jack Snyder all emphasize the negative role of federalism in the conflicts that flared in the former Yugoslavia and in the former Soviet Union in the 1990s. Brubaker maintains that ethnofederalism heightened and politicized ethnic consciousness, and Snyder argues that because ethnofederalism can "lock in mutually exclusive, inimical national identities," it should be considered only as a "last resort" by institutional reformers.¹² In her survey of post-communist Europe, Bunce finds that "secessionist demands, contestation over state boundaries, and violent confrontations along national lines have all been more frequent in the national federal setting than its unitary counterpart."¹³ For Dawn Brancati, the impact of decentralizing reforms on conflict depends on the party system as an intervening variable: conflict results from decentralization when it facilitates the growth of regional parties that reinforce regional identities, mobilize populations along regional lines, and seek legislation that causes

⁸ Caroline Hartzell, Matthew Hoddie, and Donald Rothchild, "Stabilizing the Peace After Civil War: An Investigation of Some Key Variables," *International Organization* 55, no. 1 (2001): 199.

⁹ *Ibid.*, 192.

¹⁰ Barbara Walter, "Designing Transitions from Civil War: Demobilization, Democratization and Commitments to Peace," *International Security* 24, no. 1 (1999): 142.

¹¹ David Lake and Donald Rothchild, "Containing Fear: The Origins and Management of Ethnic Conflict," *International Security* 21, no. 2 (1996): 61.

¹² Rogers Brubaker, *Nationalism Reframed: Nationhood and the National Question in the New Europe* (New York: Cambridge University Press, 1996), 31; Jack Snyder, *From Voting to Violence: Democratization and Nationalist Conflict* (New York: W. W. Norton, 2000), 36–37, 327.

¹³ Valerie Bunce, "Federalism, Nationalism and Secession: The Communist and Postcommunist Experience," in *Federalism and Territorial Cleavages*, ed. Ugo Amoretti and Nancy Bermeo (Baltimore: Johns Hopkins University Press, 2004), 422. Thus, while the introduction of federal institutions by democratic means may not facilitate separatist movements, as Bermeo argues, Bunce finds that the non-democratic imposition of these institutions may indeed have such an effect. Will Kymlicka also argues that federalism gives groups at the subnational level the resources they need to push for secessionism. See Will Kymlicka, "Is Federalism a Viable Alternative to Secessionism?" in *Theories of Secessionism*, ed. Percy Lehning (New York: Routledge, 1998).

groups elsewhere in the country to feel threatened.¹⁴ Finally, although Lake and Rothchild generally emphasize the positive role territorial reforms can play, they also note that such reforms can lead to the renewal of violence when measures that give certain regions special treatment are revoked due to the absence of majority support for these measures.¹⁵

The Colombian case supports this second, more pessimistic view of decentralization but not for the reasons that have been highlighted by these authors. First, contra Lake and Rothchild, it is not backtracking on decentralization and regional autonomy that has worsened Colombia's conflict but the fact that these reforms have succeeded so dramatically in shifting political and economic resources to subnational jurisdictions controlled by armed groups. Second, contra Brancati, decentralization has had the negative impact on conflict that I posit in this article even though it has not facilitated the emergence of regional parties. Indeed, one of the most salient characteristics of Colombian decentralization is that candidates affiliated with the country's two traditional parties—and not candidates from either regional or new national parties—have dominated in subnational elections, often in alliance with or under the control of illicit armed groups. Third, and most important, if decentralization has had a negative impact on the conflict in Colombia, it has done so not because it has reinforced the ethnic and nationalist divisions emphasized by Brubaker, Bunce, and Snyder. Colombia is certainly an ethnically diverse country: Afro-Colombians represent between 14 percent and 30 percent of the population, and indigenous groups constitute at least 3 percent.¹⁶ To a certain extent, ethnicity and territoriality even coincide, with Afro-Colombian populations concentrated on the Pacific and Atlantic coasts and with many indigenous communities located in the sparsely populated eastern half of the country.¹⁷ Yet ethnicity has not formed a central cleavage in the war between the central government and illegal armed groups, and it is impossible to identify clear ethnic differences between guerrillas, paramilitaries, and members of the police and military forces.

Scholars at one time could integrate Colombia into the literature on ethnicity and territorial accommodation by arguing that the country's deep-seated partisan identities in fact functioned in ways that were analogous to ethnic, linguistic, and religious identities elsewhere. In Colombia's previous

¹⁴ Dawn Brancati, "Decentralization: Fueling the Fire or Dampening the Flames of Ethnic Conflict and Secessionism," *International Organization* 60, no. 3 (July 2006): 651–85.

¹⁵ Lake and Rothchild, "Containing Fear," 62. Yugoslavia under Milosevic and Sudan under Nimeiry are two instances in which backtracking on earlier guarantees of regional autonomy led to the worsening of political violence.

¹⁶ Donna Van Cott, *The Friendly Liquidation of the Past: The Politics of Diversity in Latin America* (Pittsburgh: University of Pittsburgh Press, 2000), 43–44.

¹⁷ Furthermore, ethnicity became much more politicized in recent years with the prolonged struggle to incorporate into the constitution specific rights for indigenous and Afro-Colombian communities. *Ibid.*, 83–88.

civil war in the 1940s and 1950s—the period of the so-called *Violencia*—armed conflict between the Conservative and Liberal parties resulted in the deaths of upwards of 200,000 Colombians. The slaughter ended only when party leaders agreed to create a National Front government giving the two parties equal shares in the spoils of the state, an arrangement that Lijphart saw as a type of “grand coalition” and that Jonathan Hartlyn explored in greater depth as a form of consociationalism.¹⁸ Since the end of the National Front institutions in the 1980s, however, traditional party identities have weakened considerably, in part because decentralization has increased the independence of politicians at the subnational level from national party leaders. While party identity is no longer a factor that motivates different armed groups in Colombia today, it is simply not the case that ethnicity now plays the role that party identity played in the previous war. That the current Colombian conflict is characterized by a fair amount of switching between sides, as in the many instances of demobilized guerrilla fighters who subsequently join the paramilitaries, demonstrates the relative insignificance of ethnicity in the conflict. The insignificant role played by ethnic divisions puts Colombia in a distinct analytical category compared to most of the world’s civil wars. It also underscores the importance of a central lesson to be derived from the Colombian case: decentralization can worsen conflict between subnational armed groups even when these groups are not divided by ethnic lines.

COLOMBIA’S ATTEMPT AT PACIFICATION THROUGH DECENTRALIZATION

Understanding why national politicians came to believe in the 1980s and 1990s that they could pacify the country by decentralizing it requires some attention to the profoundly centralized political system in which they operated. One hundred years earlier, after a brief but turbulent experience with federalism, President Rafael Núñez was able to impose a constitution on Colombia in 1886 that wrested away from the states (henceforth called departments) the authority to set their own fiscal policies, print their own money, and maintain their own militias.¹⁹ In what is one of Latin America’s most regionally diverse countries, politicians built institutions that centralized virtually all significant decisions in Bogotá, denying subnational governments the ability to take independent actions and forcing them to rely heavily on the brokering roles played by national legislators elected in their jurisdictions. Against this backdrop, the highly exclusionary logic of the National Front period after 1957—which divided executive and legislative power equally and exclusively

¹⁸ Lijphart, *Democracy in Plural Societies*, 33; Jonathan Hartlyn, *The Politics of Coalition Rule in Colombia* (New York: Cambridge University Press, 1988).

¹⁹ Rodrigo Rivera, *Hacia un nuevo federalismo para Colombia* (Bogotá: Editorial Oveja Negra, 2001), 102.

between the two existing parties—worsened the effects of centralism by preventing the emergence of new parties that could have represented distinct regional interests. According to many Colombian scholars, the centralizing, exclusionary, and rigid logic of the National Front helps explain the adoption of violent tactics by groups outside the two established parties who were effectively denied the possibility of participating in the legal political system.²⁰ The causes of such an extensive and intractable armed conflict are certainly multiple, but what is clear is that those who were in decision-making positions as the conflict worsened in the 1980s, in particular President Belisario Betancur (1982–86) and his top officials, viewed the rise of subversion and the decline of security as the by-products of an overly centralized system.²¹

Given the diagnosis that blamed centralism for the country's guerrilla problem, it is not surprising that decentralization gained support as a plausible way to reduce political violence. During the presidency of Julio Turbay (1978–82), Colombia's largest guerrilla group, the Revolutionary Armed Forces of Colombia (FARC), demanded the inclusion of decentralization as a topic in any peace negotiations with the government. Specifically, the FARC proposed the direct election of mayors and the transfer of 40 percent of central government revenues to municipalities.²² Turbay declined, but in the subsequent Betancur administration, decentralizing measures were publicly justified as a way of creating the conditions for the insertion of armed movements into the institutional life of the country.²³ Although the peace agreement that Betancur tried to negotiate with the FARC in 1984 and 1985 ultimately failed, the president succeeded in legislating the decentralizing reforms that are discussed in the next section. Other causal factors besides the war help explain the historic decision to decentralize, including the long-standing desire by technocrats in the financial bureaucracy to enhance efficiency and the constant recommendations in favor of decentralization by visiting officials from the IMF.²⁴ But the worsening security situation best explains why decentralizing proposals were adopted under Betancur where they had been

²⁰ See, for example, Ana María Bejarano, "Estrategias de Paz y Apertura Democrática," in *Al Filo del Caos*, ed. Francisco Leal and León Zamosc (Bogotá: Tercer Mundo, 1990); Francisco Leal, *Estado y Política en Colombia* (Bogotá: Siglo Veintiuno, 1984); Rivera, *Hacia un nuevo federalismo*. For a review of arguments that dispute the causal role of National Front institutions in Colombia's armed conflict, see Marc Chernick, "Negotiating Peace amid Multiple Forms of Violence: The Protracted Search for a Settlement to the Armed Conflicts in Colombia," in *Comparative Peace Processes in Latin America*, ed. Cynthia Arnsen (Washington, DC: Woodrow Wilson Center Press, 1999).

²¹ Alberto Abello, "Reflexiones y evidencias a los diez años de la descentralización en Colombia," *Revista Deslinde*, no. 17 (1995): 99.

²² Castro, *Descentralizar para pacificar*, 29.

²³ Darío Restrepo and Ernesto Cárdenas, "Descentralización, desarrollo e integración: Crisis del centralismo y nuevos retos para las entidades territoriales," in *Ordenamiento Territorial*, ed. Alejandro Becker, Carolina Chica, and Miguel Eduardo Cárdenas (Bogotá: FESCOL, 2003), 87.

²⁴ Darío Restrepo, "El mito de sísifo o veinte años de descentralización en Colombia," *Reforma y Democracia*, no. 17 (June 2000): 77–126.

rejected under earlier administrations, including, most importantly, that of Alfonso López Michelson in the 1970s.²⁵

Political Decentralization: Creating Access for Former Combatants

Colombia's attempt at pacification through decentralization did not occur in one fell swoop but rather in the course of a decade of legal and constitutional changes that began in 1983 and that can be disaggregated into political, fiscal, and administrative reforms. By the 1980s, Colombia had amassed one of the region's most impressive records with holding elections, interrupted only by a short period of military rule in the 1950s. At the subnational level, however, voters only elected municipal councilors and members of departmental assemblies. The most important subnational offices—mayors and governors—were controlled by the national government, with the president appointing all governors and the governors in turn appointing mayors in their respective departments. These appointment powers played a critical role in the practice of Colombian clientelism, according to which presidents routinely gave legislators the right to name mayors and governors in exchange for agreeing to support the policy initiatives of the executive branch in Congress.²⁶

President Betancur's proposal to allow direct mayoral elections was thus a frontal threat to established political practices and succeeded only because he linked it directly to the peace process that came to define his administration. Betancur faced particularly strong opposition from legislators in his own Conservative Party who worried that leftist parties, guerrillas, and narco-traffickers would gain local offices and put an end to Colombia's system of two-party rule (*bipartidismo*).²⁷ In the end, Congress approved Betancur's proposal for mayoral elections but only after pushing back the start date for elections to 1988.²⁸ Three years later, in 1991, members of Colombia's

²⁵ The dominance of the security rationale distinguishes Colombia's experience with decentralization from other countries in the region where other motives dominated, including the attempt to bolster liberal economic models (Argentina and Chile) and the attempt by authoritarian governments to control the transition to democracy (Brazil and Mexico). See Kent Eaton, *Politics beyond the Capital: The Design of Subnational Institutions in South America* (Stanford: Stanford University Press, 2004).

²⁶ Castro, *Descentralizar para pacificar*, 47. The role subnational appointments played in equilibrating executive-legislative relations is reflected in the fact that appointed mayors served on average only three months in their posts and in the fact that mayors were often not from the municipality they happened to govern. See Pilar Gaitán and Carlos Moreno, *Poder local: Realidad y utopía de la descentralización en Colombia* (Bogotá: Tercer Mundo Editores, 1991), 18.

²⁷ John Dugas, Angelica Ocampo, Luis Javier Orjuela, and Germán Ruiz, *Los caminos de la descentralización* (Bogotá: Universidad de los Andes, 1992), 60.

²⁸ For the argument that Conservative Party legislators eventually agreed to decentralize in the expectation they would lose the presidency in 1986, see Kathleen O'Neill, "Decentralization as an Electoral Strategy," *Comparative Political Studies* 36, no. 9 (2003): 1068–91. For a more general discussion of legislators' support for decentralization, see Maria Escobar-Lemmon, "Political Support for Decentralization: An Analysis of the Colombian and Venezuelan Legislatures," *American Journal of Political Science* 47, no. 4 (2003): 683–97.

constituent assembly altered the constitution to allow the election of governors as well.

To a certain extent, political decentralization worked as reformers had hoped. Over one hundred of the mayors who were elected in 1988 (14.1 percent of the total) belonged to parties other than Liberal and Conservative, and fourteen of these non-traditional mayors were former guerrillas.²⁹ More people voted in the 1990 mayoral elections than in national elections that same year, a sign that decentralization did in fact improve participation in the political system.³⁰ Perhaps more importantly, in the late 1980s and early 1990s, those smaller insurgent groups that negotiated peace agreements with the central government did indeed opt to seek local offices, including the April 19 Movement (M-19), the Workers' Revolutionary Party (PRT), the Socialist Current for Renewal (CRS), and a faction of the National Liberation Army (ELN).³¹ Despite these positive signs, however, the hope that political decentralization could end the armed conflict was dashed by two related factors. First, Colombia's most important guerrilla group, the FARC, did create a new party (*Unión Patriótica* or UP) to contest elections, but the UP only renounced the armed struggle in 1989, and many FARC leaders clearly had no intention of laying down their arms.³² Second, paramilitary groups who were adamantly opposed to any negotiated settlement with the guerrillas used the UP's connection to the FARC as a pretext to exterminate the party, which included murdering party members who had severed ties with the FARC. In the end, over one thousand UP candidates and activists were killed, a major blow to the pacification through decentralization strategy.³³ As I demonstrate below, the FARC's response to the virtual extermination of the UP was not to give up on local office but rather to seek subnational control via the intimidation of local elected officials.

Fiscal Decentralization: Giving Subnational Governments Greater Resources

In order to understand why armed groups now place such importance on controlling subnational governments in Colombia, one must appreciate the significance of the fiscal decentralization measures that accompanied political

²⁹ Gaitán and Moreno, *Poder local*, 115.

³⁰ Ibid., 89.

³¹ Darío Restrepo, "El futuro de la descentralización en Colombia," in *El futuro de la descentralización*, ed. Darío Restrepo and Jean-Pierre Gontard (Bogotá: Fundación para la Participación Comunitaria, 2003), 34. For a discussion of the successful mayoral performance of Antonio Navarro, former head of the April 19 movement, see Alan Angell, Pamela Lowden, and Rosemary Thorp, *Decentralizing Development: The Political Economy of Institutional Change in Colombia and Chile* (Oxford: Oxford University Press, 2001), 65–66.

³² Steven Dudley, *Walking Ghosts: Murder and Guerrilla Politics in Colombia* (New York: Routledge, 2006).

³³ Gaitán and Moreno, *Poder local*, 132.

decentralization. Fiscal decentralization began under Betancur in the mid-1980s, but the most important and generous measures were adopted in the course of an historic reform of Colombia's constitution in 1991.³⁴ Due to the decision not to use the country's regular legislative electoral rules in electing members of the constituent assembly, the body that wrote the new constitution did not merely replicate the same set of traditional party interests that dominated the national congress.³⁵ Instead, the new constitution was heavily influenced by the participation of non-traditional actors, including demobilized guerrillas, who were much less interested in defending the fiscal authority of the national government.³⁶

Two sets of constitutional changes in the rules governing royalties and transfers were particularly important for the armed groups that would later come to exert influence over subnational governments. First, the new constitution created a National Royalties Commission and instructed it to share royalties more equitably with all subnational governments, whereas before 1991, royalties from natural resource exports were shared only with producing regions.³⁷ Second, constitutional framers relied heavily on the use of automatic transfers of centrally-collected tax revenues rather than decentralize tax bases in a way that would require subnational governments to increase their own tax collection.³⁸ Thus the constitution (art. 375) incorporated a new schedule according to which municipal transfers as a share of central government revenues would be gradually increased from 14 percent in 1991 to 22 percent in 2002.³⁹ Combined with the increase in transfers to departments, total transfers to subnational governments increased from 2.8 percent of GDP in 1990 to 4.9 percent in 2000.⁴⁰

³⁴ Like the earlier decision to introduce mayoral elections, the decision to reform the constitution responded to the same belief that Colombian institutions were exceedingly centralized and exclusionary and, therefore, partly to blame for political violence.

³⁵ Ronald Archer and Matthew Shugart, "The Unrealized Potential of Presidential Dominance in Colombia," in *Presidentialism and Democracy in Latin America*, ed. Scott Mainwaring, and Matthew Shugart (New York: Cambridge University Press, 1997), 147.

³⁶ In addition to the unusual composition of this constituent body, one can trace the generosity of fiscal decentralization to the fact that the Constitution was re-written in a particularly buoyant economic period for Colombia. Juan Gonzalo Zapata, analyst for Fedesarrollo, interview with author, 2 February 2005, Bogotá.

³⁷ See Luis Jorge Garay, *Descentralización, bonanza petrolera y estabilización: La economía colombiana en los años 90* (Bogotá: Editorial Presencia, 1994), 83–86.

³⁸ Regionalists proposed assigning the Value-Added Tax to the departments, but this proposal was rebuffed by Finance Minister Rudolf Hommes. Carlos Rodado, governor of the Department of Atlántico, interview with author, 7 February 2005, Barranquilla.

³⁹ In addition, the new constitution obliges the central government to share a set percentage of all "current revenues" rather than the "ordinary revenues" that can more easily be manipulated by the Finance Ministry in the attempt to reduce the size of transfers. See Castro, *Descentralizar para pacificar*, 84.

⁴⁰ Restrepo and Cárdenas, "Descentralización, desarrollo e integración," 61. Congress passed several fiscal stabilization laws between 1997 and 2002 that revised aspects of the relationship between the national and subnational governments. While these changes on balance favor the national government, they

Administrative Decentralization: Transferring Governmental Functions

Dominating subnational governments appeals to armed groups not just because of the fiscal resources now at their disposal but because of the new governing roles that these governments have been assigned by laws that radically decentralized the administration of public services. Beginning with a 1986 law that delegated to the president the right to unilaterally transfer expenditures to municipalities and ending with a comprehensive law in 1993 that spelled out all subnational responsibilities, the importance of subnational governments in Colombia increased tremendously.⁴¹ While the national government has retained the right to “define and coordinate policy,” subnational governments now have primary responsibility to provide such important services as education, health care, irrigation, public housing, water treatment, and sewage.⁴² Despite attempts by central government bureaucrats to control the spending decisions of subnational officials, mayors and governors have considerable discretion when it comes to specific daily decisions about where to build schools and hospitals, which projects to fund, and whom to name to local offices.

The study of administrative or functional decentralization in Colombia has focused largely on social policy (education, health care, social welfare), but the decision to decentralize the functions of the comptroller has been equally fateful. Before Colombia's new constitution recognized municipalities and departments as separate “territorial entities,” the national office of the comptroller (*Contraloría*) was able to exercise extensive oversight and control of all spending conducted at the subnational level. According to Francisco Leal, the comptroller's office was nearly as powerful as the office of the president, and its power was essential for the traditional practice of clientelism, which demanded that national politicians have the ability to audit all governmental actions in their home districts.⁴³ Subsequent to decentralization, the central government can no longer unilaterally annul acts of the municipalities and the departments, and the comptrollers who work in subnational governments are no longer under the hierarchical control of the national comptroller's office.⁴⁴ Budgetary authority over these comptrollers has passed to subnational elected officials, in effect giving mayors and

have not reversed the positive effect that the constitution has on the fiscal importance of subnational governments. Gilberto Toro, executive director of the Colombian Federation of Municipalities, interview with author, 4 February 2005, Bogotá. See also Carlos Cabrera and Rodrigo Naranjo, “Las leyes de saneamiento fiscal y su efecto sobre la descentralización,” in *Ordenamiento Territorial*, ed. Alejandro Becker, Carolina Chica, and Miguel Eduardo Cárdenas (Bogotá: FESCOL, 2003), 27–41.

⁴¹ Dugas et al., *Los caminos de la descentralización*, 54.

⁴² Alberto Abello, “Mas cargas para los gobiernos territoriales y la población,” *Revista Deslinde*, no. 19 (1996): 39.

⁴³ Francisco Leal, professor at Universidad Nacional, interview with author, 3 February 2005, Bogotá.

⁴⁴ Rodrigo Lara, “La Necesidad de un reordenamiento del control al gasto de las entidades territoriales,” in *Ordenamiento Territorial*, 198–200.

governors control over those whose job it is to audit municipal and departmental spending practices. As a result, it is now much more difficult to ensure that automatic revenue transfers to subnational governments are not being appropriated by illicit actors.

The Continued Centralization of Security Policy

The significance of this simultaneous decentralization of political, fiscal, and administrative authority worried even some of decentralization's most aggressive advocates with its possibly negative impact on public order.⁴⁵ Jaime Castro, for example, acknowledged that subversives might "pressure mayors to direct public investments toward those specific neighborhoods where they have followers" and that "once these investments were made, the guerrillas could then claim responsibility for associated benefits."⁴⁶ According to Parmenio Cuéllar, governor of the Department of Nariño, national politicians worried that the direct election of mayors and governors would undermine the ability of the central government to adopt and implement a single security policy because "it could not depend on the support of subnational politicians who had been captured by local guerrilla groups."⁴⁷ As discussed below, these fears proved to be well-grounded.

The response to these concerns was to keep formal control over security policy and public order heavily centralized. For example, though mayors and governors are now independently elected, the constitution continues to reserve for the president the authority to demand their collaboration with centrally defined security policy.⁴⁸ Regarding public order, the constitution sees subnational officials as mere agents of the president, forbidding them to take any actions in the sphere of public order that run counter to presidential directives.⁴⁹ In other words, according to the design of the pacification through decentralization strategy, not everything could be decentralized.

⁴⁵ See, for example, Jaime Castro, speech in *Gaceta Constitucional*, no. 42 (10 April 1992): 18–19. According to Mauricio Romero, landowners throughout the department of Córdoba worried that the guerrillas, in alliance with leftist electoral groups, would easily win direct elections for mayor and displace the traditional parties from municipal governments. See Mauricio Romero, "Identidades políticas y conflicto armado en Colombia: El caso del departamento de Córdoba," in *Conflictos regionales: Atlántico y Pacífico*, ed. Fundación Friedrich Ebert (Bogotá: Giro Editores, 1998), 81.

⁴⁶ Castro, *Descentralizar para Pacificar*, 31.

⁴⁷ Parmenio Cuéllar, "La descentralización en Colombia: una vision desde el nivel local," in *El futuro de la descentralización*, 198.

⁴⁸ Jairo Libreros, "Descentralización y orden público: Divide y vencerás?," in *Desarrollo de las regiones y autonomía territorial*, ed. Alejandro Becker, Sandra Castro, and Miguel Eduardo Cárdenas (Bogotá: FESCOL, 2004), 140.

⁴⁹ Restrepo and Cárdenas, "Descentralización, desarrollo e integración," 66. According to Eduardo Pizarro, the 1991 constituent assembly opted not to introduce security reforms due to military lobbying and the unwillingness of many assembly members who had formerly been guerrillas to push this sensitive issue. See Eduardo Pizarro, "La reforma militar en un contexto de democratización política," in *En busca de la estabilidad perdida*, ed. Francisco Leal (Bogotá: Tercer Mundo, 1995).

Security policy would have to remain centralized so that the president could effectively prosecute the war against those who refuse to lay down their arms and run for local office.⁵⁰

Subsequent events demonstrate that centralizing control over public order has failed to counter the cumulative, and highly negative, impact that political, fiscal, and administrative decentralization has on security. The critical problem here is the ineffective or non-existent provision of policing services in large parts of the national territory. Though the territorial presence of the police has expanded under President Alvaro Uribe (2002–06), as many as two hundred or approximately 20 percent of all municipalities were without police protection in the ten years that followed the drafting of the new constitution.⁵¹ Indeed, one of the most successful tactics of the guerrillas in the 1990s was to force the withdrawal of police officers as the first step toward consolidating control over a given municipality.⁵² I argue that when the central government is at war with territorially based groups and when the police are absent from hundreds of municipalities, decentralizing fiscal revenues and administrative responsibilities cannot help but have consequences for public order.⁵³ In the Colombian context, thinking of public order as a discrete sphere, one that could be kept centralized while authority in virtually every other dimension was decentralized, has proved to be a dangerous fiction.

Political Economy Changes that Benefited Subnational Governments

The preceding analysis focused on reformers' decisions about what to decentralize and what not to decentralize in the search for an end to Colombia's civil war. In addition to these legal and constitutional changes, another more or less simultaneous change in the structure of the national export economy is also critical in understanding why subnational governments became so important for armed groups. Traditionally, coffee was Colombia's most significant export, and the salience of small-scale growers in the industry, who identified as proprietors rather than as a rural proletariat, served to bolster

⁵⁰ Tentative attempts in 1991 to deconcentrate responsibility for public order by creating department-level security councils were effectively abandoned in the second half of the Gaviria administration (1990–1994) with the worsening of the armed conflict. See Gaitán and Moreno, *Poder local*, 77–78.

⁵¹ Marco Palacios, "Algunos aspectos de la 'regionalización del conflicto colombiano,'" in *El futuro de la descentralización*, 119.

⁵² Rangel, "El poder local," 58.

⁵³ I emphasize the failure of the police rather than the military because, while the weakness of Colombia's military would be central to any explanation of how the guerrillas have avoided defeat on the battlefield, the police were responsible for preventing illegal uses of decentralized resources in subnational governments and investigating those cases of abuses that did occur. The inability of the police to monitor how illicit armed groups were abusing decentralization has a number of causes, including the U.S.-funded war on drugs which re-oriented police work in the 1990s to focus overwhelmingly on narco-trafficking. See Russell Crandall, *Driven by Drugs: U.S. Policy Toward Colombia* (Boulder: Lynne Rienner, 2002).

both the capitalist economic order and the Liberal-Conservative political order.⁵⁴ Recent developments in the country's political economy have been less positive for political stability. Specifically, a number of factors have led to a profound crisis in the coffee sector, including stagnating demand for Colombian coffee in its traditional export markets, the emergence of competitors like Vietnam, and, most importantly, lower prices following the 1989 break-up of the international coffee cartel.⁵⁵ Roughly concomitant with coffee's decline is the discovery and exploitation of significant new natural resources. Most attention has focused on the Cusiana and Cupiagua oil deposits in the conflict-ridden department of Arauca, but important deposits of nickel and coal have also been discovered in the departments of Córdoba and La Guajira respectively. Consequently, natural resource rents have taken on a more significant role in Colombia's export profile, just as the rules governing the distribution of royalties from these resources were changed to more widely benefit subnational governments.

NEGATIVE IMPLICATIONS FOR SECURITY: THREE ILLEGAL ARMED GROUPS

According to my argument so far, Colombia's attempt at pacification through decentralization in fact created a series of new opportunities for those armed actors who refused to accept the terms of the government's decentralizing offer. In this section, I shift the focus from an analysis of the reforms introduced by institutional engineers in Bogotá to a discussion of how different armed groups actually responded to these new opportunities. To do this, I analyze the experience of the three groups that have most successfully challenged the state's monopoly on the use of force: the FARC, the ELN, and the paramilitary umbrella organization, *Autodefensas Unidas de Colombia* (AUC).

Many differences can be identified in these groups' responses to the same decentralizing changes. For example, the FARC responded to decentralization by initiating subnational peace negotiations with municipal authorities in various regions.⁵⁶ The ELN focused on taking advantage of new rules governing the distribution of oil royalties, given its base in areas that had significant oil deposits. The paramilitaries set their sights on penetrating departmental offices, not just municipal governments. At a deeper level, however, what is more striking is the fact that all three groups have adroitly used

⁵⁴ David Bushnell, *The Making of Modern Colombia* (Berkeley: University of California, 1993), 173–74.

⁵⁵ Gonzalo Sánchez, "El eje cafetero: Crisis social y desafíos a la democracia," in *Conflictos regionales: La crisis del eje cafetero*, ed. Fundación Friedrich Ebert (Bogotá: Giro Editores, 1999), 13.

⁵⁶ On the experience with these negotiations in Antioquia, see Humberto Restrepo, "Conflicto y descentralización en el oriente antioqueño," in *El futuro de la descentralización*, 221–27. On the experience in Urabá, see Clara Inés García, "Urabá: cruce o articulación de conflictos," in *Conflictos regionales: Atlántico y Pacífico*, 111.

decentralization to reinforce the practice of armed clientelism. Irrespective of otherwise important differences in ideological orientation and organizational structure, decentralization has given each group expanded authority over state-financed goods and services, all of which can be exchanged for political and electoral support. With respect to the three forms of decentralization that took place in Colombia, the resources and responsibilities devolved by fiscal and administrative decentralization have made it easier for armed groups to exercise influence in the elections introduced by political decentralization.

As I noted above, decentralization has undermined many of the key pillars that sustained traditional clientelism in Colombia, including a powerful national comptroller, the use of mayoral and gubernatorial appointments as a unit of political exchange, and the ability of national legislators to broker all government-funded projects. But decentralization has undermined traditional clientelism only to give life to a new form of clientelism, one that is much less mediated by national politicians and much more directly inflected by the threat and the practice of violence. Since few would dispute the severity of the problem that armed clientelism poses for Colombia, the following paragraphs focus instead on what is a less understood point, namely that decentralization must be considered a major contributing factor behind the worsening of this particularly virulent form of clientelism.

The Revolutionary Armed Forces of Colombia (FARC)

The FARC has adopted numerous changes in strategy since its inception in 1964; this flexibility helps explain how it has survived attempts by ten presidents over the course of four decades either to defeat it militarily or to integrate it into the legal political system. Scholars and policy makers disagree over why the most important integration attempt, which began with the introduction of mayoral elections in 1986 and ended with the reform of the constitution in 1991, failed in the case of the FARC. While some emphasize the political violence unleashed against the party that the FARC created, others focus on economic motivations that may have kept the FARC in the battlefield, an ideological commitment to the defeat of the central state, and an interest in socio-economic reforms that went beyond merely opening up the political system.⁵⁷ No matter where one puts the blame, the reality is that after the failure of this attempt to integrate what was then and is still now Colombia's

⁵⁷ On the political violence, see, for example, Rodolfo Escobedo, "Magdalena Medio y departamento del Cesar: 1980–1998," in *Conflictos regionales: Atlántico y Pacífico*. On economic motivations, see Daniel Pécaut, *Violencia y política en Colombia: Elementos de reflexión* (Bogotá: Hombro Nuevo Editores, 2003), 82–84. On the ideological commitment, see, for example, Dudley, *Walking Ghosts*. On socio-economic reforms, see Camilo Echandía, "Expansión territorial de las guerrillas colombianas: geografía, economía y violencia," in *Reconocer la guerra para construir la paz* (Bogotá: Editorial Norma, 1999).

most important guerrilla group, none of the decentralizing changes that were introduced to promote integration were actually reversed.⁵⁸

In response, the FARC wasted little time reorienting its strategy in order to take advantage of the combined effects of political, fiscal, and administrative decentralization. Particularly after the collapse of the Berlin wall and the reduction in external support—both of which challenged the FARC's continued pursuit of a Marxist take-over of the central state—decentralization allowed the FARC to embrace a new strategy: the consolidation and expansion of control over municipal governments. Decentralization created both military and political opportunities for the FARC in its attempt to wage a prolonged popular war against the central government. Militarily, decentralization literally encouraged the FARC to come down from the mountains, ending its rural hibernation in the attempt to take control of municipalities. Before decentralization in the mid-1980s, the FARC's dominant strategy was to provoke engagements with the Colombian armed forces in those remote and isolated rural areas in which the FARC had successfully entrenched itself.⁵⁹ After decentralization, the FARC determined that controlling the urban center (*casco urbano*) of a municipality, where decentralized resources were now concentrated, could help it hold territory.⁶⁰

Automatic transfers of centrally collected tax revenues meant that, so long as the guerrilla group could take control and hold a municipality militarily, the FARC would be able to spend revenues without paying the political cost of extracting these revenues from society. Given the ill will generated by the introduction of forced, extra-legal taxes on local populations, the ability to appropriate revenues collected elsewhere was a boon to the FARC. Furthermore, because population size is an important determinant of the size of transfers, decentralization encouraged the FARC to set its sights on larger and more densely populated municipalities. Military control of a given municipality became critical not only because direct revenue transfers could finance the expansion of the FARC into neighboring municipalities but because denial of these resources to the FARC's adversaries (paramilitary groups) and competitors (other guerrilla groups such as the ELN) was important. For these reasons, as Borja argues, decentralization is partly responsible for the fact that Colombia's armed conflict began to affect central regions and cities in the 1990s and to no longer operate as a phenomenon that was regionally

⁵⁸ Only in a handful of localities have municipal elections not been held due to the armed conflict. See Walter Aldana, "Una expedición por el Macizo y los conflictos regionales del Cauca," in *Conflictos regionales: Atlántico y Pacífico*, 150. In a few other cases, military mayors have been imposed on a temporary basis. See "Alcaldes en la mira," *Cambio*, 10 June 2002.

⁵⁹ Andrés Villamizar, *Fuerzas militares para la guerra: La agenda pendiente de la reforma militar* (Bogotá: Fundación Seguridad y Democracia, 2003), 17.

⁶⁰ Rangel, "El poder local," 54–55.

isolated from major population centers.⁶¹ In turn, this transformation in the nature of the conflict helps explain increased public support for the more aggressive counterinsurgency stance that President Alvaro Uribe offered when he became President in 2002 and that facilitated his historic reelection in 2006.⁶²

Decentralization also expanded the political options critical to the FARC considering its decision to embrace all forms of struggle, not simply armed struggle alone. The decision to use elections rather than appointments to determine who could serve as mayor in Colombia opened up hundreds of new political spaces in which the FARC was able to compete for support. In the pre-decentralization period, political control of municipalities was central to the traditional functioning of clientelism. Even though municipalities had few resources and responsibilities in this period, they were integral to efforts by Conservative and Liberal party candidates to deliver the voting blocs that determined victory in national races. Because municipalities have long served as the “transmission belts” through which the traditional parties have sought to remain hegemonic at the center, the introduction of elections for municipal authorities presented the FARC with a golden opportunity to interrupt these transmission belts.⁶³ The fact that mayors no longer serve at the pleasure of Bogotá also means the FARC has been able to selectively pursue peace negotiations with municipal authorities from which the national government is excluded and to use these fora to advance its claims.⁶⁴

If decentralization elevated the importance of the municipalities in the FARC’s strategic thinking, how was the group then able to penetrate this level of government? Here too, the distinction between the military and political aspects of FARC strategy makes sense. Militarily, the FARC exploited to great effect the generally poor relations between local communities and local police forces in much of Colombia. In the short term, FARC attacks on municipal police outposts would typically lead to a marked deterioration in the security environment.⁶⁵ But in those municipalities where these attacks were successful in causing the withdrawal of the police, the FARC was then in a

⁶¹ Miguel Borja, “El papel del ordenamiento territorial en la búsqueda de la paz y en la consolidación de la sociedad posbélica,” in *El futuro de la descentralización*, 121.

⁶² In 2005, the success of Uribe’s “democratic security” policy in returning a modicum of stability to urban centers bolstered support for the removal of Colombia’s constitutional ban on presidential reelection.

⁶³ Alfredo Rangel, *Guerreros y políticos: Diálogo y conflicto en Colombia, 1998–2002* (Bogotá: Intermedio, 2003), 128.

⁶⁴ In several cases, guerrillas have used regional dialogues in ways that are likely to reduce the options available to the national government. See Jesus Antonio Bejarano, *Una agenda para la paz: Aproximaciones desde la teoría de resolución de conflictos* (Bogotá: Tercer Mundo, 1995). After initially advocating these dialogues, the Colombian Federation of Municipalities ultimately withdrew its support after several such overtures ended in violence by guerrilla groups against its municipal interlocutors. Toro, interview.

⁶⁵ Rangel, “El poder local,” 59.

position to claim credit among the local population for the subsequent improvement in security.⁶⁶ Due to this dynamic, aggregate data on violence cannot tell us much about the incidence of armed clientelism; violence tends to decrease when municipalities come under the firm command of either the guerrillas or the paramilitaries, but this decrease does not mean that armed clientelism is not taking place—quite the contrary.⁶⁷ Beginning in the early 1990s, the importance of removing the police from the municipal level led the FARC to withdraw from combat with the military and to attack the police in the attempt to neutralize it in as many municipalities as possible. As a result, as many police officers as soldiers have been killed in the war against the insurgents.⁶⁸ In a clear sign of this strategy's success, the number of municipalities with substantial guerrilla presence increased from 173 in 1985 to 622 in 1995, well over half of all municipalities.⁶⁹ The departure from so many municipalities of police officers, who in Colombia are under the control of the national government and not subnational ones, made it difficult for the center to monitor—let alone prevent or investigate—the abuses that are discussed below.

Politically, with the exception of the boycott of municipal elections in 1997, the dominant FARC strategy has been to participate in these elections or to seek to influence their outcome. FARC strategy, however, has not been uniform across Colombia. In many municipalities, traditional political elites have been loathe to cooperate with the FARC and have steadfastly defended their ancestral claims to authority over the municipality.⁷⁰ In others, local elites have used the greater independence from national party leaders that decentralization has given them to form alliances with the guerrillas.⁷¹ In some municipalities, the FARC is able to get its preferred candidates elected; in others, its candidates lose, leading the guerrillas to rely on intimidation, threats, and murder in order to control municipal authorities. In 2002, mayors in over half of Colombia's departments resigned after the FARC identified them as military targets.⁷²

⁶⁶ Successful crackdowns on common criminals by the FARC loom large in the analysis of those who have sought to explain support for the FARC in certain municipalities. On the department of Antioquia, see Manuel López, "Implicaciones del conflicto armado en el model de la economía cafetera," in *Conflictos regionales: La crisis del eje cafetero*, 184. On Nariño, see Alfonso Pardo, "Nariño: un departamento en conflicto," in *Conflictos regionales: Atlántico y Pacífico*, 166.

⁶⁷ On the department of Cesar, see Escobedo, "Magdalena Medio," 58.

⁶⁸ María Victoria Llorente, "Perfil de la policía colombiana," in *Reconocer la guerra para construir la paz* (Bogotá: Editorial Norma, 1999), 458.

⁶⁹ Echandía, "Expansión territorial de las guerrillas," 123.

⁷⁰ Gaitán and Moreno, *Poder local*, 67.

⁷¹ Rangel, "El poder local," 57.

⁷² "Hundreds of Local Officials Resign in Fear of FARC," *Latin American Weekly Report*, 2 July 2002. Between 1987 and 1995, twenty-nine mayors and sixty-five municipal councilors were murdered in Colombia, and 102 mayors and fifty-eight municipal councilors were kidnapped. Rangel, "El poder local," 57.

Once it secures leverage over municipal authorities through the threat and practice of violence, the FARC is then in a position to influence the much more important set of decisions that are now made by municipal governments.⁷³ Thanks to administrative decentralization, the same patronage practices that used to bolster the traditional parties alone now benefit the FARC as well. The FARC has been able to force mayors to name individuals to positions in the municipal government as the number of these positions increases with the devolution of governmental services from the national government. The FARC also imposes retentions on municipal workers' salaries and demands kickbacks from those public contractors toward whom it steers toward public investment projects.⁷⁴ As Camilo Echandía concludes from his study of Colombian municipalities under guerrilla control, the FARC "decides who should receive governmental contracts, where public investments should be located, and who will benefit from social programs, all of which it backs up by threats of assassination and kidnapping."⁷⁵ In 2004, for example, the FARC killed the mayor of Chámeza, Luis Alberto Zorro, after he refused to turn over budget revenues to the guerrillas.⁷⁶ According to Orlando Hoyos, mayor of the municipality of Bolívar, "In those municipalities where every single action by the municipal government is put under the magnifying glass by guerrillas, making decisions is very difficult."⁷⁷

Dominating Colombian municipalities through the practice of armed clientelism has emboldened the FARC in two additional ways. First, the FARC has successfully pressured departmental assemblies to elevate to municipal status several of the towns in which it has influence.⁷⁸ This change in status automatically makes these municipalities eligible for revenue transfers direct from the central government, in addition to the many benefits derived from administrative decentralization. Second, and more famously, the success of the FARC's municipal strategy paved the way in 1998 for the decision by President Andrés Pastrana (1998–2002) to withdraw police and military forces from five municipalities in two southern departments, the so-called *zona de despeje* (demilitarized zone). Pastrana calculated that officially recognizing

⁷³ FARC attempts to use public resources did not begin with fiscal and administrative decentralization in the mid-1980s. In the late 1970s and early 1980s, the FARC issued death threats against locally based officials of the national Agrarian Reform Institute (*Instituto de la Reforma Agraria* or INCORA) in the attempt to influence where the institute spent its funds. See Andrés Peñate, "El sendero estratégico del ELN: del idealismo guevarista al clientelismo armado," in *Reconocer la guerra para construir la paz*, ed. Malcolm Deas and María Victoria Llorente (Bogotá: Editorial Norma, 1999), 86. Decentralization, however, has significantly expanded the amount of public resources that are effectively subject to this type of FARC pressure.

⁷⁴ Rangel, "El poder local," 56.

⁷⁵ Echandía, "Expansión territorial de las guerrillas colombianas," 148.

⁷⁶ "Acusan a alcalde de desviar fondos de salud pública hacia los paras," *Miami Herald*, 5 September 2004.

⁷⁷ Orlando Hoyos, "Descentralización, orden público y municipios pobres," in *El futuro de la descentralización*, 218.

⁷⁸ Rangel, "El poder local," 57.

the success of the FARC's municipal strategy over the previous decade would convince the group of his willingness to grant significant concessions in order to bring the conflict to a close.⁷⁹ Designed as a way of restarting peace negotiations, Pastrana's decision to rescind the central government's responsibility for public order instead enabled the FARC to proceed in its construction of a parallel state over the course of the nearly four years the demilitarized zone was in place.

The National Liberation Army (ELN)

Decentralization is even more critical in explaining how Colombia's second most important guerrilla group, the National Liberation Army (ELN), was able to survive its near elimination by the military in the late 1970s and early 1980s and to reemerge as a much stronger force in the 1990s. True to its origin as a group that sought to replicate the Cuban revolution in Colombia, the ELN initially pursued an exclusively militarized strategy, financed by peasant contributions and led by the group's vanguard in the Andean department of Santander.⁸⁰ When the ELN tried to expand into the neighboring department of Antioquia in 1974, it was dealt a major military defeat by the Colombian armed forces and subsequently suffered severe internal divisions. By 1982, the ELN needed contributions from a separate guerrilla group, the April 19 movement, in order to survive.⁸¹ In response to this crisis, however, the ELN learned three critical lessons: (1) it could no longer depend exclusively on the local population for its financing; (2) it would need to focus on political and not just military options; and (3) it would have to work harder to gain the support of the local population.⁸²

In the 1980s and 1990s, decentralization enabled the ELN to act successfully on each of these three lessons as it set about shifting its focus from the Andes to the more recently colonized department of Arauca in Colombia's eastern plains. First, with respect to finances, over a decade after its military defeat in Antioquia encouraged the shift into Arauca, major new oil reserves were discovered in 1986 in Arauca's Caño Limon oil fields. The ELN understood that revenues derived from oil would be controlled disproportionately by municipal governments in this oil-rich department. Five years after the Caño Limon discovery, the 1991 Constitution increased royalty payments to all departments and municipalities but directed the bulk of royalty payments toward subnational governments in producing regions. Specifically, 60 percent of royalties are sent directly to producing departments and

⁷⁹ For an analysis of Pastrana's approach, see Fernán González, Ingrid Bolívar and Teófilo Vázquez, *Violencia Política en Colombia* (Bogotá: CINEP, 2003), 75–82.

⁸⁰ This section draws on Peñate's analysis of the ELN's origins. See Peñate, "El sendero estratégico del ELN."

⁸¹ Marta Harnecker, *Unidad que multiplicara* (Quito: Ediciones Quimera, 1988), 40.

⁸² Peñate, "El sendero estratégico del ELN," 77–79.

municipalities and 40 percent is divided up among subnational governments in non-producing regions.⁸³ While ELN revenues from kidnapping and from extorting multinational oil companies have received more attention in the international press, this ability to influence how licit oil revenues are spent locally has been especially critical in the resurrection of the ELN. Royalty payments to municipalities in which they are militarily strong excuse the ELN from exacting the direct contributions that limited its popularity in the past. Thus, the ELN has had the good fortune of shifting its operation to a department that subsequently discovered significant oil wealth, in a country that then rewrote its laws to allow producing regions to keep a greater share of this oil wealth. As Alfredo Rangel concludes, fiscal decentralization is critical in understanding how the ELN was able to “rise from the ashes.”⁸⁴

Second, thanks to the introduction of subnational elections, the ELN has been able to supplement its armed struggle with political struggle, in effect “pursuing local power through clientelist alliances with mayoral and gubernatorial candidates.”⁸⁵ The three municipalities that comprise the Sarare region of Arauca are a case in point. In 1988, when Colombia held its first direct elections for mayor, the FARC’s UP triumphed in each of these municipalities. In response, the ELN’s Domingo Laín Front abandoned its traditional reticence in the political field and began to establish alliances with traditional political leaders. In addition to participating in elections, the ELN adopted a number of other high-profile political roles, including participating in civic strikes (*paros cívicos*) and supporting land invasions throughout the department.⁸⁶

Third, as a means of buying the support of the local population, the ELN increasingly mimicked the FARC in embracing the very same tactics of armed clientelism that it formerly eschewed. As the FARC’s presence in Arauca expanded in the wake of the oil boom, the ELN responded by offering to protect local political leaders from physical threats by the FARC. In exchange for protection, these leaders promised to direct some of the significant public investment monies now under the control of Araucan municipalities toward the ELN and to solicit ELN input into local decisions.⁸⁷ Noting the contradictions of a guerrilla group that engages in clientelism in the attempt to destroy the Colombian oligarchy, Andrés Peñate concludes that the ELN has merely become a new local oligarchy in the municipalities it now controls.⁸⁸ Given

⁸³ Garay, *Descentralización, bonanza petrolera y estabilización*, 83–86.

⁸⁴ Rangel, “El poder local,” 55. Only in 2002, with the election of Alvaro Uribe as president, has the central government moved to withhold transfers of oil revenues to subnational governments under the control of armed groups.

⁸⁵ Peñate, “El sendero estratégico del ELN,” 79.

⁸⁶ *Ibid.*, 85. Even as the ELN focused on penetrating Arauca’s local governing structures, it continued to sponsor acts of violence elsewhere in Colombia, including the 1999 hijacking of a commercial jet en route to Bogotá and the taking of 162 hostages in a church in Cali. See González et al., *Violencia Política*, 84.

⁸⁷ Peñate, “El sendero estratégico del ELN,” 88.

⁸⁸ *Ibid.*, 97.

its continued use of such practices as kidnapping and bombing pipelines, however, the ELN is no ordinary oligarchy, and its destabilizing potential is particularly problematic given the importance of Arauca to the national economy.

The United Self-Defense Groups of Colombia (AUC)

Reforms that shifted political and economic authority to subnational governments have also been a boon to armed groups on the extreme right, directly contributing to what some have referred to as the “paramilitarization of Colombia.”⁸⁹ Most analysts trace the origin of paramilitarism in the contemporary period to two phenomena. First is the emergence of widespread opposition by elements of Colombia’s political establishment, including the military, to President Betancur’s attempt to negotiate a political settlement with the guerrillas in the mid-1980s. Once this attempt failed and the government returned to a militarized approach, paramilitary groups continued to expand, interpreting guerrilla victories in the 1990s as evidence of the state’s inability to defend itself militarily. The rise of narco-trafficking in the 1970s and 1980s is the second major cause of paramilitarization, with traffickers establishing armed groups to defend the rural properties they acquired with illicit drug profits. In this sense, the paramilitary phenomenon is cause and effect of a major agrarian counterreform in Colombia, one that has substantially added to the already large numbers of internal refugees displaced by the guerrillas.⁹⁰ Despite being declared illegal in 1989, regional paramilitary groups experienced spectacular growth over the course of the 1990s, culminating in the creation of a new national federation called the United Self-Defense Groups of Colombia (AUC) in 1994. By that same year, paramilitaries had established a presence in over a third of Colombia’s municipalities (373 of 1,098) and in twenty-six of its thirty-two departments.⁹¹

If the drug trade and opposition to negotiations with guerrillas explain the emergence of paramilitaries, the rise of these groups has been furthered in important ways by political, administrative, and fiscal decentralization.⁹² Though paramilitary groups opposed the peace process that gave rise to political decentralization in the mid-1980s, the introduction of subnational elections has proved to be highly advantageous to them. The decision to no longer appoint mayors and governors from Bogotá and to elect these

⁸⁹ For example, see the special investigative report, “La paramilitarización de Colombia,” *El Tiempo*, 26 September 2004.

⁹⁰ Colombia’s internal war has displaced an estimated 2 million people. For more on the agrarian counterreform and its effects, see Darío Farjardo, *Para sembrar la paz, hay que aflorar la tierra* (Bogotá: IDEA, 2002), 48.

⁹¹ Cubides, “Los paramilitares y su estrategia,” 176.

⁹² Thanks to the leniency that characterized President Uribe’s negotiations with paramilitary forces beginning in 2002, demobilized paramilitaries will likely continue to benefit from the networks they built at the subnational level following decentralization.

officials via municipal and departmental elections instead has enabled paramilitary groups to convert the local socio-economic power they have accrued since the 1970s into direct political authority. In what amounts to an armed clientelism of the right, the acquisition of property by narco-traffickers and paramilitary groups has brought with it patronage ties and control over local residents.⁹³ Not unlike armed groups on the extreme left, “paramilitary organizations have gone from controlling regions through terror to the infiltration and management of mayoral and gubernatorial offices.”⁹⁴ Considering the relevant counterfactual here, the continued use of presidential appointments of subnational officials would have made it more difficult—though not impossible—for paramilitary groups to engage in the direct exercise of mayoral and gubernatorial authority. Due to considerable international pressure to bring paramilitary groups to justice, individuals with clear links to these groups would have a harder time securing a presidential appointment, even by presidents who are seen as soft on the paramilitaries, than they would have in winning local elections.

Examples abound of the armed tactics that paramilitary actors have used to dominate subnational elections and thereby secure control of decentralized public resources. As then interior minister Armando Estrada complained in 2004, paramilitary groups in large parts of the country are in effect ordering people to vote for certain candidates.⁹⁵ For example, in the eight departments along Colombia’s Caribbean coast, where the process of paramilitarization is most advanced, only a single candidate ran for mayor in more than two hundred municipalities. In two of these departments, Magdalena and César, only a single candidate ran for governor.⁹⁶ All other candidates withdrew, with many asserting that the AUC had threatened them.⁹⁷ The alleged use of paramilitary resources in his electoral campaign led to the detention of Ramiro Suarez, mayor of the geographically strategic city of Cúcuta, in 2004, along with the director of the local prosecutor’s office who is officially responsible for investigating such abuses.⁹⁸ In Medellín, demobilized paramilitary fighters won seats in thirty of the city’s fifty local governing bodies (*juntas de acción comunal*) in 2003. Though paramilitaries’ integration into the legal political system may be desirable, there are worrying signs of the continued use of violence by officially demobilized paramilitary units throughout

⁹³ Miguel Eduardo Cárdenas, research analyst for Friedrich Ebert Foundation, interview with author, 2 February 2005, Bogotá.

⁹⁴ “Las ocho preguntas,” *Semana*, 29 November 2004.

⁹⁵ “Raponazo de los ‘paras’ al erario público,” *El Espectador*, 26 September–2 October 2004.

⁹⁶ Investigative journalists have also documented cases of violence between rival paramilitary groups that are vying for the same mayoral and gubernatorial offices. “La guerra de oriente,” *Semana*, 20 September 2004.

⁹⁷ “Episodios vuelven a destapar estrecha relación de paramilitarismo con clase política del Magdalena,” *El Tiempo*, 11 March 2005.

⁹⁸ “Se enciende el debate sobre la creciente presencia paramilitar en Colombia,” *El Tiempo*, 27 September 2004.

Colombia.⁹⁹ Finally, a group called *Colombia Vive* (Colombia Lives) was created in 2004 by twenty-seven mayors and 388 municipal councilors, who declared themselves to be in open sympathy with paramilitary actors.¹⁰⁰

That paramilitary groups have expanded their access to subnational decision-making channels is particularly worrisome given that fiscal and administrative decentralization have dramatically increased the number and importance of these decisions. According to the national director of the Liberal Party, Juan José Vives, in the wake of the electoral successes of paramilitary interests, "in some departments, all or almost all mayors now receive their orders from paramilitaries."¹⁰¹ With respect to fiscal decentralization, paramilitary groups have imitated armed groups on the left, seeking to fortify their finances by taking control of the tax revenues and royalties that are shared automatically with subnational governments.¹⁰² Compared to the guerrillas, paramilitary groups have had more success dominating departmental (and not just municipal) governments, which has in turn given them control over the fiscal revenue sources assigned to the departments by the constitution. These include significant revenues from the departments' lucrative monopoly over the production and sale of liquor and proceeds from gambling operations, two legal activities that supplement the revenues paramilitaries already derive from such illegal activities as drug trafficking, prostitution, and contraband.¹⁰³

In recent years, national prosecutors have begun investigating fiscal abuses by paramilitaries at the subnational level, including a regional paramilitary group that is charged with extorting officials in the department of Meta and a mayor who allegedly turned over to the AUC a list of all municipal contracts.¹⁰⁴ One can also cite, however, reports that paramilitaries have used their control over subnational political offices to block or reverse attempts by the national government to investigate their fiscal practices. For instance, a report of the central Finance Ministry in 2004 disclosed an agreement between officials and judges in the department of Sucre to unfreeze resources that the national government identified as having a paramilitary origin.¹⁰⁵ As another example, one departmental-level peace officer (*Consejero de la Paz*) fled Colombia in 1998, arguing that the national government had failed to protect him after he denounced the paramilitary takeover of municipalities in the department of Valle del Cauca.¹⁰⁶

⁹⁹ "Una alianza poco perseguida," *El Espectador*, 26 September-2 October 2004.

¹⁰⁰ "La paramilitarización de Colombia," *El Tiempo*, 26 September 2004.

¹⁰¹ "Se enciende el debate," *El Tiempo*, 27 September 2004.

¹⁰² Cubides, "Los paramilitares y su estrategia," 188-94.

¹⁰³ Alberto Abello, executive director of Observatorio del Caribe Colombiano, interview with author, 9 February 2005, Cartagena.

¹⁰⁴ "Una alianza poco perseguida," *El Espectador*, 26 September-2 October 2004.

¹⁰⁵ "Raponazo de los para," *El Espectador*, 26 September-2 October 2004.

¹⁰⁶ Adolfo Atehortúa, "Conflictos y violencias en el Valle del Cauca," in *Conflictos regionales: Atlántico y Pacífico*, 136.

It is, however, administrative decentralization, particularly the devolution of health care, that has given rise to some of the most sensational abuses by paramilitary groups in Colombia.¹⁰⁷ In the early 1990s, reformers in Bogotá passed legislation (law one hundred of 1993) enabling subnational governments to contract out services to non-government organizations, a direct response to earlier strikes (*paros cívicos*) that had demanded greater citizen participation in the management of public services.¹⁰⁸ In the last decade, evidence has mounted that paramilitary groups have created fake organizations that pose as health service providers (*Administradoras del Régimen Subsidiado* or ARS) in order to appropriate funds that are meant to subsidize health care for the lowest income groups. Thus one fake ARS that called itself the Association of Indigenous Peoples of Cauca was found to be controlled by Rodrigo Toror Pupo (a.k.a. Jorge 40), one of the AUC chiefs currently negotiating with the central government in the department of Córdoba.¹⁰⁹ According to *Cambio*, the operation consisted of billing fake services and distributing the money received from the central government between the mayor, the owners of the organization, and the paramilitaries who control the region. In 2004, investigative reporters writing for *El Espectador* found sixty-three other cases of ARS fraud.¹¹⁰ Misappropriation of decentralized health funds constitutes a major subversion of the participatory intent that guided reformers. It also generates significant revenues for paramilitary groups, considering health expenditures as a percentage of current income have more than doubled in Colombia between 1990 and 2002.¹¹¹

CONCLUSION: IMPLICATIONS AND LESSONS FOR OTHER COUNTRIES

Guided by a diagnosis that blamed the country's armed conflict on overly centralized institutions, Colombian politicians adopted a series of decentralizing measures in the 1980s and 1990s that were designed to create meaningful new access points in the political system. They succeeded. For the first time in over one hundred years, subnational chief executives were elected to offices that had real fiscal authority and responsibility over some of the most important services that government can provide, including health care, education, and social welfare. To the great chagrin of reformers, however, the success of these reforms in shifting decision-making authority downward from the national government to subnational offices has too often benefited those

¹⁰⁷ See, for example, "Virus peligroso," *Semana*, 26 July 2004; "Olla podrida en la salud," *Cambio*, 6 September 2004; "Capturas por infiltración en ARS," *El Tiempo*, 3 September 2004.

¹⁰⁸ Dugas et al., *Los caminos de la descentralización*, 33.

¹⁰⁹ "Para-Salud," *Cambio*, 6 September 2004.

¹¹⁰ "Raponazo de los para," *El Espectador*, 26 September-2 October 2004.

¹¹¹ Restrepo and Cárdenas, "Descentralización, desarrollo e integración," 62.

who continue to sponsor political violence. Rather than run for local office and renounce the armed struggle, these illicit groups have decided instead to run for local office and continue the armed struggle. In some instances, armed groups have actually gotten their candidates elected to subnational offices, as in the numerous cases of FARC mayors and governors with clear ties to paramilitary groups. In situations where their preferred candidates lose, armed groups have gained political influence over subnational officials by initiating often brutal campaigns of intimidation. Throughout Colombia, decentralization has enabled illicit groups to master the politics of armed clientelism, according to which decentralized goods and services are exchanged for political support under threat of violence.¹¹² Though reformers designed decentralization with leftist guerrillas in mind, in practice their reforms have benefited illicit armed groups across the ideological spectrum. Indeed, a central finding of this paper is the similarly clientelistic nature of the strategies that guerrillas and paramilitaries have used to infiltrate subnational governments.

What accounts for the failure of Colombia's attempt at pacification through decentralization? It is important not to underestimate the political opportunism of armed groups like the FARC, who demanded municipal elections and revenue transfers in the 1980s as a condition of their demobilization and then went on to use enhanced municipal resources to wage an even more aggressive war against the state. Just as important is the duplicity of paramilitary groups, who opposed political decentralization and sought to sabotage it by murdering ex-guerrilla candidates but then proceeded to make great use of subnational elections in attempting to construct their own parallel state.

There is a deeper reason, however, for why decentralization failed as a pacification strategy, one that is both less specific to Colombia and more relevant to would-be reformers in other countries. Decentralization worsened rather than improved the security situation in Colombia because the central government failed to provide one of the few governmental functions—public order—that was not decentralized. Representatives of the central government—including comptrollers, prosecutors, judges, and police officers—were simply too weak to enforce that part of the government's decentralizing offer that required armed groups to disarm. The lack of a sufficient police presence in much of the country is particularly critical in understanding why decentralization had such a negative impact. In municipalities now dominated by armed groups on the extreme left, the withdrawal of police forces enabled guerrillas to gain political control and to misappropriate decentralized resources. In municipalities dominated by paramilitary

¹¹² For the argument that Colombia's conflict is fueled not by decentralization but rather the arbitrariness of subnational borders, see Orlando Fals Borda, "El dilema territorial colombiano ante las nuevas coyunturas," in *El futuro de la descentralización*.

groups, the absence of an effective police presence enabled these groups to step in and win political advantage by providing a measure of security. In neither case could judges, prosecutors, and comptrollers count on police protection in their attempts to investigate and punish the myriad ways in which armed groups have abused decentralization.

Colombia's experience is directly relevant to reformers in other countries who are contemplating how territorial reforms might help end civil wars. The clearest and most important lesson to be derived from Colombia is that, absent an effective police presence in the subnational jurisdictions whose power is to be increased, the certain risks posed by decentralization outweigh its possible benefits. In the absence of simultaneous reforms that strengthen the policing function of government, decentralization violates the "do no harm" norm that should always guide institutional engineers. Given the difficulty reformers have to create effective policing institutions in post-conflict settings like Afghanistan and Iraq, the "no decentralization without police presence" imperative constitutes an especially timely lesson. In Colombia, the harm caused by decentralization can be measured in a number of ways, including death threats against mayors, kickbacks that line the pockets of guerrillas, and bogus health care providers that front for paramilitary groups.

Surely there were costs associated with the option of not decentralizing in the 1980s and 1990s. Continuing to appoint mayors and governors from Bogotá would have bolstered claims by armed groups that they remained locked out of the political system. Furthermore, keeping authority over tax revenues centralized would not have denied armed groups revenues from illegal activities. Due to the sharp increase in drug exports beginning in the 1970s, revenues from narco-trafficking certainly exceed the revenue transfers and royalty payments that armed groups are able to appropriate from those subnational governments they control. Decentralized public revenues are not as monetarily significant as the drug revenues that most scholars emphasize in explaining the longevity of the Colombian conflict, but it is a mistake to understate their importance.¹¹³ Being able to control the licit public revenues that have been decentralized is politically very attractive for armed groups who are seeking to displace the legitimate state. This struggle over legitimacy helps explain why it is so important to armed groups to control decentralized funds, even when these pale in comparison to the much larger revenues to be derived from illicit sources. In broad swathes of the country, decentralization has increased the very dangerous tendency of ordinary Colombians to see armed groups as legitimate substitutes for the Colombian state precisely because it has given guerrilla and paramilitary actors the ability to claim credit for providing badly needed goods and services.

¹¹³ For a review of this literature, see Francisco Thoumi, *Political Economy and Illegal Drugs in Colombia* (Boulder: Lynne Rienner, 1985).

In addition to illustrating the danger of decentralizing when the police are too weak to enforce the terms of the government's decentralizing offer, the Colombian case can be mined for additional lessons about the risks posed by decentralization. First, decentralization in Colombia had a negative impact on security despite the heavy use of earmarking, through which national politicians sought to maintain their control over subnational spending decisions. Subnational officials in Argentina and Brazil are free to spend revenue transfers as they see fit. In contrast, subnational politicians in Colombia must observe nationally defined sectoral requirements; and yet these formal controls were powerless to prevent abuses by armed groups, meaning that even a relatively centralized form of decentralization can be dangerous. Second, Colombia's experience indicates that in other cases characterized by an uneven police presence, reformers ought to consider asymmetry, rejecting reforms that treat subnational jurisdictions in symmetric fashion and decentralizing powers only to those jurisdictions where police are sufficiently strong to prevent abuses.¹¹⁴ Third, where asymmetric reforms are undesirable or unrealistic, the Colombian case suggests that reformers should decouple different forms of decentralization (political, fiscal, and administrative) and adopt them in the sequence that is most appropriate.¹¹⁵ Thinking counterfactually, if Colombian reformers had decentralized either political authority or economic authority but not both at essentially the same time, armed groups would not have been able to derive such significant gains from decentralization. This sequenced approach to decentralization may not be as bold as the simultaneous approach that Colombia adopted, but it certainly poses fewer risks for security.

¹¹⁴ Andrés Villamizar, Fundación Seguridad y Democracia, interview with author, 3 February 2005, Bogotá.

¹¹⁵ For more on the sequential approach to decentralization, see Tulia Faletti, "A Sequential Theory of Decentralization: Latin American Cases in Comparative Perspective," *American Political Science Review* 99, no. 3 (2005): 327–46.