Parallel Governance by Non-State Actors: The Case of La Familia Michoacána/ Knights Templar Cartel in Michoacán

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Introduction

Since Mexico's political regime has transit from a single-party state to a democracy, much drug-related violence has erupted. Especially when president Calderón took office in 2006, violence amounted to an exceptionally high ratio. The extent of corruption and drug violence have led many to believe that Mexico is becoming more and more a failed state. Although authors differ in opinion about this question, it is evidently that the Mexican state has weak legitimacy. It is said that state, federal and local armed forces are embedded with local drug cartels. Amongst the local drug cartels that have caused quite some controversy in the state of Michoacán are *La Familia Michoacána* and *Los Caballeros Templarios* (LFM/KT). That is, in 2006 the LFM cartel emerged from *Los Zetas* cartel which sought control of the region in Michoacán. However, *Los Zetas* cartel failed in doing so and were subsequently expelled from the region but their remnants formed a new cartel currently known as *La Familia Michoacána*. However, after the leaders of LFM disputed over power, the cartel was disbanded from which a new cartel emerged in 2011; *Los Caballeros Templarios* or Knights Templar (Aranda 2014: 161) (Flanigan 2014:66). Albeit the slight distinction between the two cartels, we will here refer to them as one organization due to the high amount of similarities between the two organizations and the fact that KT is a relatively new organization. The main distinctive feature of LFM/KT, which subsequently causes controversy, is the widespread social services they provide to their local community and the extent of their political agenda. This development has several consequences of which one is the domination of these drug cartels over the region of Michoacán and subsequently the weakening of state legitimacy. Thus, when a country has weak state institutions, the government can expect a decrease in legitimacy because it fails to adhere by its duties to civil society. Therefore, I will argue that Mexico's drug cartels, and in particular LFM/KT, can be seen as parallel governments because they substitute the state's duties to civil society by providing social services.

The methodological approach taken in this thesis will be through transnationalism. That is, transgovernmentalism addresses the notion of non-state actors creating transnational networks in which these networks can either derive power away from the state, or presuppose the state's existence (Weiss 2000: 8). In particular, we will be using transgovernmentalism as a methodology in order to be able to analyze drug cartels as non-state, non-national actors and their distribution of social services. Therefore, the main concepts that will be used to analyze the phenomenon of drug cartels functioning as parallel governments will be respectively, state-building theory according to Max Weber and legitimacy according to Gramsci. That is, taken together with the methodology of transnationalism it allows us to view the ways in which LFM/KT presupposes the state of Mexico

or derives power away from it. Therefore, the following paragraph will provide an overview of the theoretical framework that will be used.

First of all, to understand how drug cartels in Michoacán could provide governance in the first place, we must investigate how they gained dominance over Michoacán. In order to do so, we will make an analogy between state-building theory and how drug cartels gain dominance over certain territories. Hence, we will investigate Max Weber's state-building theory. His theory is based on the notion that state-making is related to war-making to a great degree (Davis 2009: 225). Furthermore, Charles Tilly, one of the most well-known contemporary interpreters of Weber's work, has identified four developments in the process of state-making (Thies 2005: 452). The first one is war making in order to defend or establish a state's sovereignty (Davis 2009: 225). The second development is state-making, which includes the elimination of potential threats from within the sovereignty of the state. The third development is the protection of supporters of the state. And finally, in order to safeguard the previous three developments, the state must engage in the extraction of resources from the population that exist in their territory (Thies 2005: 452). Moreover, the state creates new institutions, new revenue sources and new ways of securing legitimacy in order to gain more funds (to fuel war-making) and increase the state-society relationship. Thus, these three aspects of the state form the basic building blocks of the modern nation-state. Furthermore, in order to strengthen and to endure, the modern state must rest on its capacity of its coercive forces (armed actors) to monopolize the means of violence (Davis 2009: 226). Hence, in order to maintain their sovereignty, states rely mainly on resource extraction and the monopoly of violence.

Another concept that will be used to analyze the phenomenon of drug cartels providing social services is the concept of cultural hegemony, or legitimacy. Cultural hegemony, a term coined by Antonio Gramsci, is generally defined as the 'spontaneous' consent given by the mass population to the dominant group and the way this group imposes the direction of social life (Jackson Lears 1985: 568). However, noted is that although it is generally defined in this way, it is better to not rely on a single definition because there are many aspects to this concept. However, the investigation regarding the multiple definitions of this concept is beyond the scope of this thesis. Furthermore, this definition includes the notion that in a civil society there are multiple groups of which one is dominant and the other inferior. In this case, the supremacy of a dominant group is manifested in two ways: as 'domination' and as 'intellectual and moral leadership'. That is, a group can be considered hegemonic when on the one hand it exercises intellectual and moral leadership, and on the other, it exercises coercion or 'armed force' on inferior or subaltern groups (Fontana 2006: 55). Thus, according to Gramsci, consent and force almost always coexists (Jackson Lears 1985: 568). Moreover, the subaltern groups can on the one hand be related to the consensus, cohesion and

common purpose they hold towards the dominant group and will thus rule through hegemony. On the other hand, when subaltern groups are deemed antagonistic, the dominant group will rule through the exercise and depend on coercion through armed force (Fontana 2006: 55; Jackson Lears 1985: 568). Thus, the concept of cultural hegemony will eventually help us in determining whether LFM/KT rule through consent and therefore also gain a certain amount of legitimacy. Subsequently, state-building theory will help us to examine the ways in which LFM/KT are establishing a state-like apparatus. Taken together, these two concepts include the theoretical framework necessary to investigate parallel governance by LFM/KT.

Having discussed some of the terms useful for analyzing the parallel government established by LFM/KT, it is similarly important to give an overview of literature concerning several other aspects regarding drug cartels, governance and politics. First of all, in order to understand the parallel governance of Mexican drug cartels we will analyse academic literature on three concepts which are relevant to discuss for the remainder of this thesis . These concepts are respectively clientelism, the drug cartel problem in Mexico, and the role of international non-state actors in providing governance. Hence, we will start with an analysis of academic literature on clientelism. The research focus for this particular part will be the development of perspectives on clientelism throughout the academic literature on this topic. There has been a shift in thinking about the nature of clientelism because although scholars first regarded it as a fixed entity, they currently view clientelism as a dynamic entity. First of all, Simona Piattoni defines clientelism as '*the trade of votes and other types of partisan support in exchange for public decisions with divisible benefits*' (2001: 4). Accordingly, patronage and clientelism are often used interchangeably, yet there is a slight difference in the connotation of these terms. Clientelism is often referred to as more all-encompassing whereas patronage is generally seen as part of clientelism (Piattoni 2001: 7). Critique on the literature on clientelism has been that the culturalist and developmentalist approach, emerging in the 1970s and 1980s, have derived their research largely from ethnographic research and attributed clientelism mainly to traditional agrarian societies (Piattoni 2001: 9). Therefore, most researchers argued that clientelism would eventually disappear through development or democratization (Roniger 2004: 355). However, this was not the case as there are cases of contemporary developed societies which still practice clientelism (Piattoni 2001: 10). However, researchers studying clientelism in the late 1980s and early 1990s started to implement historical works to systemize the field (Roniger 2004: 356). For example, Sharon Kettering in her article '*The Historical Development of Political Clientelism*' argues that the authors writing on the observation that clientelism changes when the structure of state or society changes is mainly attributed to a European historical model but not to European reality (1988: 420). Following these historical works on clientelism, throughout the 1990s and 2000s, scholars began to view clientelism as something

that needed to be viewed not according to ideals and formal principles, but rather toward the real workings of democracy and civil society (also non-Western ones). Therefore, there has been an increase in the acceptance that clientelism is something that is a changing rather than a fixed mechanism (Roniger 2004: 357). However, although on the one hand the ad hoc characteristic has brought with it difficulties in its research methods, on the other hand there have been created new one's including public opinion surveys and comparative analyses on the provision of public employment or selective benefits (Remmer 2007: 365). Thus, clientelism can be practiced and appear in various sorts of societies and communities including in cultures of organized crime and adherents. Consequently, drug cartels sometimes establish links with local communities by providing services in a clientelistic way as a form of governance. However, such a form of governance is beyond liberal democratic government practices yet relevant in the state of Michoacán due to the absence of a fully liberal democratic government.

Likewise, a literary overview on organized crime and, in particular, drug cartels can reveal some of the issues scholars have had to deal with regarding these actors. Moreover, drug cartels are also related to clientelism because of their attempted inroads to the state and to what extent the state is vulnerable to these attempts and vice versa (Piattoni 2001: 8).Having said that, one particular aspect of drug cartels stressed in the literature is on the drug-related violence they produce. Due to the high numbers of homicides and violence related to drug cartels in Mexico, debate has been about to what extent these drug cartels can be termed narco-terrorism or criminal insurgencies (Williams 2012: 260). Williams dismisses these terms to refer to the excessive drug-related violence in Mexico because he claims that these cartels are killing selectively rather than by virtue of political motivation (Williams 2012: 261). Furthermore, he discusses that it is not a form of criminal insurgency because in that case the state will be the price, yet for Mexican drug cartels the state is the obstacle to their economic goals rather than the price of their struggle (Williams 2012: 262). However, although the key part of defining terrorism is the use of violence to accomplish their politically motivated goals, there are authors who outline some similarities between Mexican drug cartels and terrorist groups. Resemblance points to both actors being territorially specific groups, they have sophisticated relationships with the state and they are often technologically advanced (Flanigan 2012: 280:285). Yet, the emphasis in the literature on differences between terrorism and drug cartel violence is always put on the use of violence to maximize profit rather than to achieve political goals. Moreover, while terrorist groups can be involved in criminal activities, this is not the case vice versa (Flanigan 2012: 291). In contrast, some authors do refer to drug cartels in Mexico as criminal insurgencies. Bunker and Sullivan have created a model for the 'Cartel Evolution' and argue that the third phase of their model, the 'criminal state successor', would ultimately entail cartels positioning themselves in transnational criminal organizations and possibly gain legitimacy

and political influence within the network of state actors, posing as a serious challenger to the modern nation-state and its institutions (Bunker and Sullivan 2010: 32: 34). Although there are authors in the field against labelling cartels in Mexico as terrorist groups, there are also authors who propose that the violence pertaining Mexico's drug cartels indeed can be characterized as terrorism or termed 'narco-terrorism' (Campbell and Hansen 2014: 160). For instance, Campbell and Hansen argue that violence used by cartels, in addition to solidifying lucrative narco-trade, is aligned with terrorism in three ways: (1) it is also a fight for local and regional politics through intimidation, destroying and terrorizing opponents (2) their violence is planned and conducted by cartel leaders as a tactic in power struggles, and (3) the violence used to secure trade routes, although primarily for economic reasons, become impunity zones which unintentionally makes cartel leaders political bosses of these zones (Campbell and Hansen 2014: 162:163). Thus, according to them, narco-violence is a form of politics utilized to instil fear and to establish political and economic dominance in particular regions (Campbell and Hansen 2014: 170). Taken together, scholars seem to have different and contradictory notions of how to label these cartels due to the complicated nature of their actions and objectives. However, what is relevant for the argument here is that besides utilizing violence to create dominance, the LFM/KT drug cartel in particular uses non-coercive methods to establish dominance, which is a relatively new development.

    Lastly, complementary to drug cartels and their objectives is that they are international non-state actors. Therefore, the next sections focuses on international non-state actor literature and in particular on the role of organized crime in international organization and governance theory. What is salient about the literature on international non-state actors providing governance, is that focus is usually put on hierarchical structures of top-down governance which allows more legitimacy in IR theory than non-state actors providing governance (Lea and Stenson 2007:9). Thus far, little has been written on non-state actors providing global governance and only recently more research on the matter has been conducted. Peter Willets even emphasizes that the word 'non-state actor' already creates some ambiguities because it implies these actors are secondary to state actors and lacks a notification on whether or not these actors are intergovernmental organizations or non-state organizations (Willets 2014: 321). Another notable issue in literature on non-state actors is that non-state actors, like criminal organizations i.e. drug cartels, are often left out of the definition on purpose and therefore are not incorporated in the literature on non-state actors as a whole (Börzel and Risse 2010: 115). Authors have tried to call attention to the prime focus on benign non-state actors in the literature and have suggested that terms like NGOs should get a more widened definition to include other non-state actors like organized crime (Weenink 2001: 279) Moreover, according to Stanislawski, transnational organized crime does have major impacts on states and these groups do represent non-state actors and are defined as highly organized and transnational

(Stanislawski 2004: 156). In addition, these actors are most influential in politics because of their extensive transnational network and financial flows. Furthermore, these criminal groups do provide a challenge for the orthodox state-centric approach in IR theory because although they might be considered illegitimate they still pursue governing territories and their transnational nature creates a shift from national to international policy (Willets 2014: 327-28). Overall, few scholars have written about non-state actors providing governance because of the established state-centric approach. However, Mexican drug cartels providing parallel governance and the possible legitimacy because of that might encourage scholars to evaluate this stance towards malign non-state actors. In short, these three bodies of literature have provided us with an overview on the topics of clientelism, drug cartels and non-state actors which will allow us to gain better insight in the way drug cartels can be considered parallel governments. This thesis will draw further on these discussions and theories in order to analyze the case of Michoacán and LFM/KT drug cartel. Therefore, the first section will provide a historical background chapter on Mexico's historical political situation in order to provide a setting that will allow the reader to understand the context in which Mexico is currently situated. The second section will analyze the ways in which LFM/KT functions in its structure as parallel government and will discuss in depth the means of revenue extraction and the development of militarization of the LFM/KT cartel. Finally, the last section will give an overview on the scope of social service provision by LFM/KT and the preconditions that led to these activities.

From Single-Party State to Democracy

Having outlined several theoretical concepts relevant to this thesis, this chapter will provide some background information and context to better understand Mexico's current situation relating to clientelism and drug cartels. That is, clientelism and drug cartels are one of the two main elements that characterize Mexico's political sphere. This part will focus on the question to what extent economic and political liberalization in the 1980s have had profound impact on respectively clientelism and the rise of drug cartels in Mexico. In order to explore this development, we will begin with a historical background on clientelism in Mexico. Second, we will provide an outline of the more contemporary situation pertaining clientelism. And lastly, we will discuss the rise of drug cartels and its development and briefly provide a contemporary context.

Historically, the Mexican state has had a dominant position over its society and infiltrated practically all activities in political life. The paternalist nature of Mexico's politics already originated during colonial times and was further institutionalized by the Institutional Revolutionary Party (PRI) which came to power in the 1920s (Hilgers 2005: 1). Through a highly bureaucratized state structure, it was inevitable for civil society to get forced into the state system and engage in clientelist practices. In turn, this structure created a weak civil society and left them with little institutional means to counter the state from abusing its power (Morris 1999: 626). Moreover, the characteristic patron-client relation in Mexico's political system is widespread and manifests itself either through networks of local autonomous patrons or a chain of vertical personalistic ties (Casar 1995: 190). Thus, clientelism is widely incorporated in the Mexican political and cultural system and there has been extensive relations between organized labour movements, corporatism and clientelism in Mexico's history. Another characteristic of Mexico is its drug cartels and the subsequent problems they produce. Violence especially erupted since 2006 when Felipe Calderón implemented a militaristic policy to combat drug trafficking in Mexico. Amongst others, this 'fighting fire with fire' approach resulted in an extreme increase in the numbers of casualties by drug-related violence (Rosas 2013: 234). Moreover, Mexico's clientelstic single-party rule functioned as mediator between the various cartels, but ceased to exist when Calderón assumed office. Where the state was weak and power vacuums arose, drug cartels engaged in turf wars in order to gain territory and influence in particular regions (Rios 2013: 141). Hence, drug cartels and its related violence are part of everyday life for Mexican citizens and politics and significant in understanding Mexico's current situation.

Thus, how did Mexico arrive at its current situation? First of all, crucial to understanding the nature of clientelism in Mexico, is the relation between organized labour and political leadership which originated during and after the Mexican Revolution (1910-1920). The Mexican revolution

was initiated with the overthrow of Porfirio Diaz' personalistic and authoritarian regime (Middlebrook 1995: 14). Prior to the revolution, Mexican peasantry had endured a prolonged period of economic hardship due to increased overtaking of land by bourgeoisie members which eventually resulted in such discontent that revolution was inevitable (Powell 1970: 421). The revolution produced significant socioeconomic reform and led to a change in worker-employer relations which occurred as a result of the growing political consciousness among peasants and workers (Middlebrook 1995: 15). Furthermore, inherent to the Mexican revolution is the ideology of nationalism, participation, economic redistribution and social justice and these ideas have since endured in Mexican politics (Middlebrook 1995: 15). However, although these principles formed post-revolutionary agendas, they were often in contrast with the policies conducted. Hence, although the relationship between organized labour and the political leadership was formed in order to create cooperation and representation of the masses, this eventually resulted in the formation of clientelist practices. The formation of these clientelist practices became apparent during the aftermath of the revolution. The principal issue for the new political leadership was to gain national control. This was done through a strategy of increasing state capacity and developing coercive, administrative and extractive capabilities which made the state the centre of national political power and socioeconomic change. In this state-central strategy, direct linkages were created between political mass organizations and the state to establish a base of support (Middlebrook 1995: 15). The political leaders relied on these linkages and presenting themselves as being the heir to the Revolution to control education, media and carrying out its goals (Schefner 2001: 595).

In addition, as Kevin Middlebrook argues in his book '*The Paradox of Revolution; Labor, The State and Authoritarianism in Mexico*', essential to understanding the political control and the character of mass politics in Mexico, and subsequently Mexico's history with clientelism, is the two-fold approach which is state-centred and society-centred. On the one hand, the state-centred approach is based on the assumption by the political elite that an alliance between organized labour movements and the state would provide greater legitimacy for the political leaders (Middlebrook 1995: 30). On the other hand, the society-centred approach is grounded in the argument that the labour movements maintained alliances with the political elite because they were highly dependent on a range of state-provided legal, financial and political subsidies (Middlebrook 1995:30). These factors help explain why the organized labour movements have always been loyal to Mexico's political leaders despite their limitations on economic and political demands. Hence, the monopoly on social service provision gave the state significant power to dominate the organized labour movement despite their dependence on popular support for legitimacy. Thus, the relationship between organized labour movements and the political leadership is ingrained through a trade-off that allows a certain extent of legitimacy in exchange for social services.

Following the relation between organized labour and political leadership, we need to get a grasp of the way in which legitimacy was established despite the use of clientelism. First of all, the legitimacy derived from the acquisition of votes was institutionalized through the establishment of an official party. Through this official party post-revolutionary leaders could mobilize support on a frequent basis (Middlebrook 1995:15). This official party eventually mounted into what is known as the Institutional Revolutionary Party (PRI). Throughout its reign the PRI enjoyed little popular challenges to its regime and almost no opposition. Secondly, they maintained a policy of 'inclusionary' authoritarianism in which the opposition that existed was channelled through the PRI and those that could not be co-opted into the system were eliminated or left out of beneficiaries (Knight 1992: 137). Moreover, their longevity endured through tactical concession and pre-emptive reform of popular demands synchronized with their corporatist model of linking government and mass organizations (Knight 1992: 138). Thus, through the establishment of an official party, the PRI managed to maintain control over its masses for decades. Moreover, Mexico's long history of obscure politics can be said to have enabled the rise of its current situation in which drug cartels are taking over governance from the state.

Yet, besides national politics, there were other, transnational, factors involved that have led to Mexico's current situation. The debt crisis in the 1980s evidently encouraged political and economic liberalization in the form of neoliberal reform (Dion 2010: 152). The same political liberalization during the 1980s and 1990s fuelled competition for electoral support, something that was previously a foreign concept the PRI. This competition translated into a centre-left coalition, namely the Party of the Democratic Revolution (PRD) established in 1989 (Klesner 2007: 327). These liberalizations shifted power away from the organized labour workers and expanded the ranks of rural and urban poor which had never before encountered social insurance institutions because they were never co-opted by the PRI. However, through the new arisen competition they could finally enjoy these kind of benefits (Dion 2010: 193). These events marked a significant change in the traditional corporatist organization of the PRI because renewing popular support through congressional and presidential elections was now no longer enough to secure their popular support (Dion 2010: 193). Thus, the neoliberal reform as a consequence of the debt crisis had initiated a regime with slightly more political freedom.

Even more so, the development of economic and political liberalization throughout the 1990s became more evidently when in 1997 the PAN and PRD prevented the PRI from gaining its congressional majority and when in 2000 Vincente Fox won presidency (Kelsner 2007: 328). However, although a positive turn in the democratization of Mexico, the PRI as a party was still very much alive and the only factor that prevented Fox' office from being a total disaster was his macroeconomic policy (Grayson 2007: 343). Even though his presidency might not have been a

great success, Felipe Calderón, another PAN member was consecutively elected president. Moreover, within less than a decade, Mexico effectively remodelled its electoral institutions (Schedler 2014: 341). In sum, the interplay between increased electoral competition and democratizing reform has resulted in a continuous erosion of Mexico's authentic corporatist model (Schedler 2014: 341). However, the recent elections of 2012 and the subsequent presidency of PRI candidate Enrique Pena Nieto, shows that the PRI is still engaged in Mexican politics. Yet, the process of democratization through economic and political liberalization emerging in the 1980s has caused a gradual decline in its traditional inclusionary politics.

Having outlined Mexico's clientelist history, we will now continue with providing a context on the rise of Mexican drug cartels and their association with violence. Although seemingly different topics, the PRI, as with any aspect of social and political life, inescapably maintained close relations with drug cartels. These ties already emerged in the first half of the 20th century and were solidified by the end of the World War II (O'Neil 2009: 65). During the 1960s and 1970s, a rapid growth of the drug industry produced a vast expansion of the market and cartels exported their illegal businesses mainly to the US. This trade was enabled through bribes, or what are called *mordidas*, i.e. cartels paid a particular amount to state officials because during that period state power still prevailed over cartels and this business was similarly lucrative for state officials (Grayson 2011: 29; Lupsha 1991: 44). Even more so, cartels sought protection from local police or regional military commanders and sometimes even from governors. During this time, the state was superior in such a way that cartels played by the rules of the game according to the state (Grayson 2011: 29). Moreover, the relations between rival cartels was generally a policy of 'live and let live'. That is, they stuck to their own territory and when necessity called for crossing another cartel's territory, they would first request permission and subsequently pay a fee to cross (Grayson 2011: 30). Thus, the PRI and drug cartels both invested in maintaining the status quo.

However, this policy changed during the 1980s and 1990s as a consequence of underlying economic and political change. The liberation that gave rise to the PAN and PRD described earlier, also caused PAN governors and mayors to reorganize law-enforcement resulting in a rupture of the *pax narcotica* designed by the PRI (Morris 2012: 1631). Consequently, this led to a distortion of the local corruption network and increased the probability of imposing new rules of the game according to drug cartels (Grayson 2011: 30). Hence, when a new generation of narco-traffickers arose and developed a rather violent character, the PAN executives and other officials realized it was safer to cooperate with these traffickers than to defy them (Grayson 2011: 31). As a result, the current situation in Mexico with regards to drug cartels and drug-related violence can be said to be rampant. Civil society has come under serious threat and public officials often face *plata o plomo* (silver or lead) i.e. take money or face murder (Felab-Brown 2009: 1). There are even arguments to mark

Mexico as a 'failed' state (Morton 2012: 1632). Moreover, not only did these neoliberal reforms increase violence but they also expanded the drug industry. An upsurge in trade due to the North American Free Trade Agreement (NAFTA) (and drugs demand) between the US and Mexico facilitated and increased drug smuggle along the border as a side effect (Mercille 2011: 1642). In short, political and economic developments have generated an increase drug cartel's power which resulted in an increase in drug-related violence. Generally, there are two trends that can explain the recent eruption of violence; the emergence of turf wars due to heightened competition amongst cartels and the emergence of a quite militaristic government prosecution strategy initiated during the Calderón presidency in 2006 (Rios 2013: 142; Rosas 2013: 234). This vicious circle is also known as a security trap in which a government tries to solve the security problem by exercising force, but this produces resistance and backlash by drug cartels and ultimately leaves Mexico more violent than it was before (Ikenberry 2006). Still, one should bear in mind the extensive US foreign policy and their 'war on drugs' is a huge influential factor in creating national and international policies against drug trafficking for Mexico. Even though US-Mexican relations were always imbalanced, NAFTA has increased US voice in the Mexican hemisphere especially with concern to drug policy issues (Mercille 2011: 1638). However, recently elected PRI member Enrique Peña Nieto, shifted the drug policy from militaristic approach to greater emphasis on the human rights aspect and decreasing levels of violence (Randall 2013: 4) In sum, economic and political liberalization during the neoliberal reforms in the 1980s and 1990s as a consequence of the debt crisis have had profound impact on Mexico's organizational structure. The unintended democratization process initiated by these reforms eventually led to the demise of the inclusionary politics of the PRI. However, leading to democratization on the one hand, these reforms led to an increase of drug cartels, drug industry and related violence on the other. Left in a constant state of war with drug cartels and inter-cartel rivalry since the 2000s, corruption and *plata o plomo* tactics cause difficulties in addressing this issue because civilian and officials are all co-opted in the trafficking network.

LFM/KT's Sovereignty, Revenue and Military

Whereas the previous section has given us some context of Mexican political developments, this section continues with the focus on LFM/KT as parallel government. LFM/KT can be seen as a parallel government because similarities can be drawn from state-building theory and the actions of this cartel. In this chapter, I would like to argue that the practices, activities and the subsequent structure of LFM/KT is similar to state-building theory according to Max Weber. Therefore, we will look at certain activities in which LFM/KT are involved: the collection of tax (*plaza y piso*) and the growing militarization of the drug cartels. Subsequently, we will analyze the way in which these cartels profile themselves according to a certain identity and ideology.

As was already mentioned earlier, preliminary to state-making is war-making. Therefore, the increase in turf wars in Mexico between various drug cartels in their struggle to gain territory where a power vacuum exists and their increased concern with the local population's support in some cases, can be seen as similar to the state-building theory. However, in this case, the state would be substituted by the cartel and their rivalry would be with other cartels that want to dominate their piece of sovereignty. In that manner, when state institutions and influence is weak, the drug cartels can be said to have a monopoly of violence due to their increased militarization. Moreover, due to their increased control over a piece of territory, they have to finance their monopoly of force in order to stay in control. Therefore, they have established a tax system alongside their usual source of revenue, which is of course the trafficking and selling of drugs. Thus, similar to state-building theory, drug cartels have built tax systems as a source of revenue, in order, amongst others, to sustain their monopoly of violence. Hence, central to state-building theory are armed actors and the struggle over sovereignty and allegiance of a state's domain. Similarly, drug cartels in Mexico fight over the control of certain territories where the state is almost non-existent and a power vacuum exists, which allows them in turn to exercise a certain degree of power. Consequently, in order to govern, the drug cartels first had to establish a territory, through inter-cartel wars, in which they had to maintain sovereignty. The ways in which they sustained their sovereignty will be discussed in the next two sections which will deal with a more in-depth analysis of the tax accumulation and the increased militarization of drug cartels.

Accordingly, in the same manner that states levy tax in order to fund their armed actors, drug cartels have established a similar system based on the taxation of certain things and activities. Despite the fact that taxation on these things and activities by drug cartels are not new phenomena, the increase in inter-cartel drug wars have expanded its development and scope. *Plazas* are the areas and corridors allocated or taken by drug cartels where they produce, store or ship narcotics (Grayson 2011: 29). *Piso* would be the subsequent tax that would be levied when making use of the *plaza* or passing through it. As was said, *plaza y piso* are not new phenomena because this

construction was already established during the rule of the PRI. That is, the PRI would act as a intermediator in the allocation of *plazas*. In turn, the drug dealers and cartels would behave discretely and would refrain from certain activities like kidnappings and other forms of violence. Additionally, they would not interfere with competitor's *plazas* and aid the PRI by discrediting opponents by linking them to narco–trafficking. Furthermore, there existed a mutual understanding between cartels that if one drug lord needed to pass the territory of another, he would ask permission and pay a fee, i.e. *piso* (Grayson 2011: 29). However, although *plaza y piso* are not new phenomena, the newer cartels like LFM/KT, increasingly rely on this project because they want to install a deep exclusive control over their territory(Cantor 2014: 43). This is a consequence of the political and economic changes that occurred during the 1980s and 1990s which led to democratization, but also to the increase of competition between drug cartels when the PRI could no longer function as a mediator (Grayson 2011: 30). Therefore, the drug cartels had to invest in a more radical procedure to maintain control over their territory. Over time they would increase their interest in other sorts of local criminal activities on which they would as well levy *piso*. Examples in the state of Michoacán are lime and avocado growers, livestock farmers, factory's and retailers which frequently have to make a payment to LFM/KT in order to maintain their production. Moreover, generally taxes are placed on food including bread, tortillas and other kinds of daily needs. Thus, similar to state taxation, the drug cartel has infiltrated in local and regional economies and has been extracting revenue from these sources (Aranda 2014: 162). In short, although the practice of levying taxes is not a direct result of the recently increased competition between drug cartels, LFM/KT have broadened their interest in other sources of *piso* accumulation like goods and services from a desire to establish wider and deeper control over their territory. Thus, similar to state-building theory, the inter-cartel war for the control over certain zones, have caused LFM/KT to install a system of tax which creates revenue to fund their organization in order to preserve and protect their rule in Michoacán, and possibly to extent it later on.

Even more so, besides the accumulation of tax, there has been a development of growing militarization amongst drug cartels in Michoacán and other states in Mexico which have had impact on the way cartels conduct and produce violence to retain a certain amount of influence in their territories. Due to the recruitment of (ex-)military men, infiltration in the state and federal police and Mexican army by drug cartels, and the perpetuation of illegal weapon trade with the US, it can be argued that there is a process of paramilitarization of drug cartels which in turn can create a monopoly of violence for drug cartels in their territory. As was said, in order for a state to strengthen and sustain its sovereignty, it must maintain coercive forces (police, army) in order to establish its monopoly of power. Likewise, over the last two decades, a development can be seen amongst drug cartels that have engaged in certain 'tactical' forms which have great similarity to

conventional military tactics that can be deemed 'narco-militant attack forms' (Turbiville 2010: 125). First of all, according to Turbiville there are three sorts of narco-militant attack forms in particular that depict the paramilitary nature of drug cartels. The first one is firefights, which include the more sudden armed urban or rural encounters and is similar to military meeting engagements. An example of such a firefight happened in Michoacán when an 'armed commando' unit of LFM/KT engaged in a firefight with Federal Police in the middle of a business and tourist district in Veracruz in 2009. This firefight included the use of automatic weapons, hand grenades and a vehicle chase (Turbiville 2010: 125-126). The second narco-militant attack form are assassinations. These assassinations include careful target identification and surveillance, together with the selection of timing, transport, effective attack means, approach and exit strategy (Turbiville 2010: 125). Although assassinations have existed prior to the paramilitarization of drug cartels, they have recently been able to do more careful planning and accumulate better target intelligence (Turbiville 2010: 127). A last narco-militant attack form is the 'raid' which constitute the liberation of imprisoned comrades, elimination of opponents, destruction of facilities or goods or revenge and intimidation. Also in 2009, LFM/KT dispatched heavily armed teams to attack police, other security forces and the Federal law enforcement assets. They went to five Federal police stations and the assaults were closely timed, perfectly coordinated and planned. The armed teams of LFM/KT used armed SUVs, automatic weapons and hand grenades (Turbiville 2010: 126). However, although these armed teams are not entirely static organizations due to the change in composition and membership as a result of the short lifespan these fights can bring with them, there is a continuing demand for recruits and these cartels keep developing themselves, their weapons and armor (Turbiville 2010: 131).

Secondly, besides the way they conduct their attacks, the drug cartels frequently recruit and tempt (ex-) police and army men. *Los Zetas*, before its defeat and its remnants became LFM/KT, hung a banner down a bridge calling for military and ex-military men (Davis 2009: 228). In this way, professionally trained men were recruited to join the drug cartels adding a military quality that had hitherto not existed (Williams 2012: 268). This development has its origins in Mexico's military transformation during the 1980s and 1990s. Due to the increase in Mexican drug cartels, as successors of the Colombian cartels, and increase of guerilla threats in 1994, special armed forces to combat these cartels were set-up. However, the grow of special forces, disappointing performance, or early discharge of particular units together with a low wage, have led many of these former federal recruits to join drug cartels who promised better pay and a romanticized image of the narco-trafficking industry (Turbiville 2010: 129). Thus, with recruiting (ex-) military and police men, the drug cartels collected significant military knowledge that they now use for their own objectives.

Finally, illegal weapon trade from the US and infiltration of drug cartels in the state's coercive powers contribute to the paramilitarization of drug cartels. For instance, the proximity of the US border facilitates the continuation of illegal trades (besides drugs) and particularly that of weapons. It is said that 87 per cent of weapons used by drug cartels in Mexico originated in the US (Mercille 2011: 1643). The rapid process of paramilitarization of drug cartels can be derived in part from the enormous and sophisticated weapon industry in the US and the relatively easy way in which these can come into the hands of drug cartels through the same routes as narcotics. Also, although drug traffickers and leaders already gained a sufficient amount of influence within the national government during the 1980s and 1990s, and thousands of law enforcement personnel have been dismissed for criminal offenses over the last fifteen years, the extent to which serving or ex-military officers and soldiers are recruited or provide intel nowadays is unprecedented (Shelley 2001: 216) (Turbiville 2010: 131). Thus, the recruitment of (ex)-military personnel, the infiltration of coercive forces of the state and the illegal weapon trade with the US all benefit the paramilitarization of drug cartels. Although drug cartel's armed teams are far from static organizations, their assaults and defense correspond greatly to that of conventional military tactics. Moreover, the way they defy the state's coercive forces and have similar techniques, or even better ones at times than the Mexican military, clarifies the way in which the drug cartels establish a monopoly of force similar to that of the state in their territory. Accordingly, not only have drug cartels installed a tax system in a state-like manner, they also have invested in the militarization of their organization in order to maintain sovereignty over their domain.

Having discussed some of the state-like activities of LFM/KT, the following paragraphs will focus more in detail on the ways in which LFM/KT have organized themselves to become an identity-based group and subsequently preach a certain ideology. In particular, we are trying to make an analogy between state-building theory and drug cartels who can be said to become equivalents of states by contesting Mexican state legitimacy through providing alternative governance. Remember that according to Weber states seek to secure legitimacy in order to facilitate resource extraction, amongst others, and to increase state-civil society relations in order to maintain their sovereignty. The extent to which LFM/KT have established their organization according to an fanatical religious ideology strengthens the way they manifest themselves as legitimate governing non-state actors. In order to analyze this manner, we will compare the way in which the state creates nations and in what ways LFM/KT does so in a similar fashion. First of all, in order to analyze the ways in which state-building requires a certain amount of legitimacy we need to make a distinction between the nation and the state. As the term already indicates a nation-state is divided into two sections: the state and the nation. In this case, the nation is often preceding the state because the nation is inscribed into the cultural-historical context: consequently,

the nationalists' goal is to create a state. In turn, the state claims sovereignty over a certain territory, as identified by the nationalist, and is the unified administrative body over this territory (Bekus 2010: 27). However, nationalism does not necessarily have to predetermine the state. That is, existing states play a large role in the formation of nationalism and can create a level of symbolic culture through implementing a common language, history or ideology by utilizing various media to create social cohesion amongst their citizens (Bekus 2010: 28). Although there exist a wide range of theories pertaining the creation of nations and states, we will not go into detail about them in this thesis. However, what is of importance here, is the way in which states tend to create and strengthen nationhood. The most common way to do so is through the distribution of media, as noted above, which will contribute to the 'imagined community' of citizens (Davis 2009: 226). That is, they will feel connected with people who have the same information at their disposal, due to the same media institutions, and therefore have the same cultural identity. The reason behind this creation of social cohesion is that it facilitates power-holders to establish legitimacy for themselves in which legitimate authority is the less-costly form of authority (Matheson 1987: 200). Thus, the maintenance of sovereignty not only comes from war-making as such, but also consists of gaining consent from the subjects it governs because it is the most effective and inexpensive form of governing.

Likewise, in order to strengthen their claim as legitimate non-state actors providing governance, the LFM/KT cartel has sought various ways to do so. First of all, as the sole cartel in Mexico with a political project, LFM/KT have established themselves as an organization with religious fanaticism at its base and 'a localist ideology of spatial appropriation of the territory of Michoacán' (Aranda 2014: 162;163). That is, they present themselves as representatives and protectors of the local people in Michoacán. They have even claimed they will disband if the government adequately addressed the needs of the people in Michoacán (Flanigan 2014: 74). Moreover, the name '*La Familia Michoacana*' was not randomly selected. In fact, the native population holds a deeply rooted value towards the word 'family' because it refers to the embedded drug trade in the region. Moreover, the word demarcates distinctly between 'they' the government, and 'us', the family in the way that the word 'family' also refers to a group of people who takes care of each other and has the same norms and values to which they will attend. In terms of their religious orientation, *Los Caballeros Templarios* in itself has a religious connotation with the Knights Templars in the 12th century which was a charitable organization yet simultaneously vicious warriors during Crusades. Moreover, it is said that members are going to church regularly, carry bibles and distribute bibles at government offices (Flanigan 2014: 75). Furthermore, they also use native regional symbols in order to achieve greater social acceptance from the local population (Aranda 2014: 164). Lastly, LMF/KT have frequently distributed notes, flyers, banners and

newspaper messages, also known as narco-messages, to the local population, police but also rivals, in order to distribute their ideology which indicate a political premise (Flanigan 2014: 74). Moreover, it could be argued that their messages are used to spread their ideology throughout a particular region in order to establish social cohesion which could eventually yield legitimacy. Thus, similar to states, LFM/KT uses ideology to strengthen their own legitimacy, claiming to be representatives and protectors of the people of Michoacán. Furthermore, on the one hand they seek to strengthen social acceptance toward the cartel and perhaps bolster a local cultural identity that contributes to their legitimacy as parallel government. On the other hand, by situating themselves as such, they present themselves as a legitimate challenger of the Mexican government's legitimacy Hence, not only does LFM/KT operate similarly to the state in terms of resource extraction and enforce a monopoly of violence in their territory, their religious ideology might spur a regional form of nationalism in their territory which in turn strengthens their legitimacy as parallel governance actor. In short, this chapter has looked to state-building theory according to Max Weber and subsequently have applied a set of similar characteristics to the LFM/KT drug cartel. We have seen how drug cartels have installed tax systems in order to finance their increased militarization, or paramilitarization. Moreover, an ideology and utilization of media sources has contributed to what might become a regional cultural identity which LFM/KT need to secure legitimacy. Consequently, legitimate authority is the most cost effective form of government because on the one hand, they do not have to utilize their coercive forces, and on the other hand, people will comply more easily with resource institutions when they feel their rulers are legitimate. Thus, the active spread of ideology to connect the local communities facilitates LFM/KT to imprint a claim of legitimacy on the population which is similar to the ways in which states are said to fabricate nationhood. However, the next section will go more into detail on to what extent LFM/KT and the local community respectively receive and give consent through the examination of collective good provision by LFM/KT.

Social Service Provision and Legitimacy

Having outlined the similarities between state-building theory and LFM/KT as parallel government, this section will focus more in depth on the scope of social service provision by LFM/KT and to what extent this generates cultural hegemony for this non-state organization. Furthermore, we will analyze in what ways these activities might manifest themselves into not only establishing the cartel as a parallel government through the monopoly of violence, but into an non-state actor which rules through consent as noted by Gramsci. Therefore, I will argue in this chapter that LFM/KT's governance in Michoacán gives them legitimacy to a certain extent because of their widespread public goods provision. However, although their legitimacy is not as straightforward, it does have significant impact on the region. Therefore, we will first analyze the preconditions for these cartels to gain substantial control over the region. Second, we will analyze the scope of service provision of LFM/KT in Michoacán. Lastly, we will see how these preconditions and social service provision led to the extensive control of the drug cartels in Michoacán.

In order for LFM/KT to distribute governance in Michoacán to the extent that the legitimacy of the state is questioned by civil society, it is necessary to understand how this development took place in the first place. Geographical conditions, corruption, violence and clientelism are some of the major factors that have contributed to the development of LFM/KT as an armed non-state organization distributing collective goods. First of all, the state of Michoacán located close to the sea level and is characterized by its internal diversity. The Nahua region, along the coastal lines and home of one of Mexico's largest seaports, is known for its ore extraction but also for the clandestine production of poppy and marijuana. Furthermore, the high lands, where most of the drugs is processed, are characterized by nuclear family households and alternate between farmed products and drug production. In addition, the Tierra Caliente is the most important agro-industrial zone in Michoacán as this is where the cultivation and export of citrus fruits, livestock, avocado and a variety of fruits take place, mostly destined for the US and European markets (Aranda 2014: 156-157). However, parallel to these legal economic activities exist illegal activities that were established through violence and corruption. Due to the beneficial climate for drugs cultivation in the region, drug cartels had established control of these drug markets through the kidnapping and extortion of local agricultural producers and through corruption (Aranda 2014: 156:157). That is, they would dominate the economic sphere through violence such as kidnapping and extortion, and the political sphere through the organization of their cells around regional political leaders in order to control the black market and the design and implementation of public policies (Aguirre and Herrera 2013: 224; Aranda 2014: 158;159). Lastly, the control that amounted from these practices led to a considerable amount of power for the drug cartels. Even more so, it can be argued that they

maintain this control through clientelist practices in the way that they provide social services in exchange farmers to allocate part of their production to drugs cultivation (Flanigan 2014: 67). In short, this booming agricultural region with its significant transnational and drug related traits generated enormous interest in the regions by both legal and illegal actors. Through means of violence and corruption drug cartels would take control over a large amount of power both in the economic and political sphere. Therefore, this power would enable them to distribute social services to the local population but also to sustain a grip on state governance through the means of corruption. Consequently, violence and corruption gave way to install control over political and economic centers in Michoacán and are moreover methods that they use in order to design and dictate public policies and paralyze the state in order for them to practice social services.

The preconditions through which LFM/KT could establish significant control over the region allowed them to engage in the provision of social services. There are high levels of poverty documented in the state of Michoacán as a consequence of the state and Church's inability to provide social services. In turn, the LFM/KT cartel has filled this vacuum and provides social services on such a wide scale that it exceeds the services of all other cartels in Mexico (Flanigan 2014: 72). However, it is argued that drug cartels provide social services merely because cartels impede the state from providing basic services and security functions through disruption caused by violence (Flanigan 2014: 71). Moreover, although it is said that cartels engage in these activities to generate good-will amongst the local community (in order to reconcile with their criminal activities), the motivations of LFM/KT are more ambiguous. Yet, known for being one of the most politically engaged drug cartel in Mexico, LMF/KT has provided social services on a larger scale than any other drug cartel. Albeit other drug cartels do provide some social services on low-intensity, ad hoc basis, LFM/KT provided services ranging from extralegal law enforcement, price regulation to agricultural finance and the provision of loans (Aguirre and Herrera 2013: 225; Flanigan 2014: 68). Table 1 outlines the scope of service provision by Mexican drug cartels in more detail, including that of LFM/KT according to Flanigan:

Category	Social service provision
Short term relief	Emergency food aid, housing, medication
Health services	Operation of drug rehabilitation clinics (Only LFM/KT) purchasing of health service/medications for individuals on ad hoc basis
Infrastructure	Building and repairing churches, homes, roads, schools
Provision of Utilities	One-time payments/improvements enabling provision of water and electricity
Education	Provision of books and supplies for students
Agricultural Assistance	Agricultural loans Assistance in applying for federal agricultural

	assistance from Mexican government
Loans	Low-interest personal and business loans
Justice administration	Justice administration and dispute adjudication

Table 1. Scope of Service Provision Mexican Drug Cartels (Flanigan 2014: 66-67)

As we can see in Table 1, the provision of social services by LFM/KT is quite extensive. Consequently, we will provide some more thorough examples. First of all, there has been an increase in drug abuse by the local population since the rapid expansion of the drug trade in Michoacán. This is a consequence of the lack of government law enforcement and achieved control over the region by the drug cartels which led to the expansion of local public sale and consumption of drugs (Aranda 2014: 166). Although counterintuitive perhaps, the cartel has established rehabilitation centers for alcohol and drug abuse. However, argued is that these rehabilitation centers function as recruiting areas for new members and drug smugglers (Flanigan 2014: 73). Second, in some urban neighborhoods, the cartels are building non-profit 'subsistence' stores in order to sell foods and goods below the price of the market (Aranda 2014: 160). Moreover, besides the selling of foods and goods according to an artificial market price in stores, they also regulate prices of food in general, agricultural products, establishing harvest periods, give licenses for forestry activities, and hand out permits for festivals and religious events (Flanigan 2014: 68). The final example has to do with one of the most salient-like state qualities; the administration of justice and security provision. LFM/KT's first infamous national appearance occured when members in 2006 appeared in a nightclub in Uruapan and dumbed six severed human heads on the floor claiming these men had been involved in rape and murder and that this was considered 'divine justice' by LFM/KT (Flanigan 2014: 69). They created a clear message that rape, theft and other crimes of such a sort would not be tolerated in their territory. They even have prohibited local sales of certain drugs when the community started to criticize them for doing so. Moreover, they are involved in the protection of citizens from the impact of drug smugglers and government security operatives (Kostelnik and Skarbek 2013: 96; Aranda 2014: 167; James 2012: 241). The amount of law enforcement officers that have been related to corruption is such a large amount that general faith in these federal officials have greatly declined. Yet, this is often a consequence of drug cartels perpetrating police organizations through their '*plata o plomo*' strategy. Thus, difficult is to investigate the real motivations of LFM/KT. That is, on the one hand their motivations might be utilitarian i.e. to generate good-will to reconcile with their criminal activities, although in essence it might be rather a form of clientelism. Or on the other hand, they might be ideological in the sense that they are genuinely interested in advertising their work on behalf of the poor in Michoacán. Even more so, if they are considered indispensable in the view of the local people, they have

established an even greater state-like organization. Either way, although they might not have entirely replaced the Mexican state in providing social services, many have come to rely on their aid which increases their cultural hegemony and might generate greater legitimacy. Therefore, the following paragraph will discuss into more detail the extent of LFM/KT's legitimate character.

Thus, to what extent can these activities by LFM/KT contribute to the presentation of this organization as a parallel government that not only rules through force but also through consent? As was said in the introduction of this thesis, according to Gramsci, a dominant group can derive its legitimacy through exercising domination through force and intellectual and moral leadership. The way LMF/KT has established themselves through ideological practices, as was seen in the previous section, and providing collective goods can be regarded as a way of exercising intellectual and moral leadership. That is, although their domination relies on a paramilitary policy, they seek to establish cultural hegemony through generating ideology on the one hand, and provide social services and administration of justice on the other hand. However, because the motivations of the cartel are rather obscured, the outcome of the legitimacy of their rule is ambiguous. Even more so, similarly obscured is the extent to which the local population actually complies with drug cartel governance due to the fact that extreme measures of force are used. The example, par excellence, is the *plata o plomo* strategy used. Even more so, according to Aranda, the perceived consent from locals is rather a form of forced solidarity. That is, due to the excessive amount and extreme violence that is used to dominate their territory, the locals believe it is better to keep silent than to speak out discontent and respectively no harm might befall them (Aranda 2014: 168). In that respect, it seems more a matter of coercive, authoritarian-like rule rather than rule through consent as theorized by Gramsci. However, because the state lacks governance due to weak institutions it can be argued that there is some genuine gratefulness towards parallel governance by drug cartels from which it derives legitimacy. Yet, the fragility of this legitimacy can in turn be an argument why they rule predominantly through force, in which case, it decreases their legitimacy even further. Thus, although LFM/KT still lacks true cultural hegemony and therefore legitimacy, the building-blocks for generating consent indeed have been established. However, in this case, I would argue that LFM/KT is still far from becoming a legitimate governing non-state actor.

Conclusion

In conclusion, we have investigated several aspects that have to do with the governance of the LFM/KT cartel. The structure of this thesis was twofold in which we have first analyzed the state-building theory according to Weber and applied this to pursuits of LFM/KT in Michoacán and secondly we have analyzed cultural hegemony through their scope of social service provision. In

that sense, the first part focused on the similarities of state-building theory i.e. state-building through war-making, according to Tilly. Firstly, we have reviewed the way in which LMF/KT has created a similar state-like bureaucracy through revenue extraction in the form of a tax-system. Second, we have analyzed the ways in which LFM/KT, similar to state-building, has developed a structure close to that of a paramilitary. Furthermore, also similar to state-building theory, we have seen that through their establishment of a dominant religious ideology through means of various media and affiliating with native cultural practices, they have tried to establish legitimacy for their cause and presented themselves as challengers of Mexican state legitimacy. In the second part of this thesis we have looked at cultural hegemony and to what extent their scope of social service provision has contributed to that. We have examined the preconditions that led to the ways in which the cartel has gained such an amount of control in the region that it would be able to distribute certain social benefits to the local populations. Thereafter, we have examined the vast array of social service provision the cartel is involved with and to what extent this actually generates legitimacy for a non-state armed actor providing parallel governance. Furthermore, we have questioned the legitimacy derived from these activities.

  In sum, the argument of this thesis holds that LFM/KT can be seen as a parallel government because they substitute the state's duties to civil society through the provision of social services. Taken together, the concepts of state-building theory and cultural hegemony have provided us with a framework in which we could analyze the particular policies conducted by LFM/KT. That is, they have established sovereignty and control similar to that of state-building theory. Through challenging the state in a war-like fashion, they have successfully gained sovereignty over the area of Michoacán. Moreover, the extent to which they provide parallel governance is unprecedented. They have installed a tax system, a military-like armed force and lastly they have diffused a substantial ideological policy that builds on and forms cultural identity. However, the last concept, that of cultural hegemony, has proven to be not as straightforward. In other words, their malign character as criminal organization and the excessive use of violence and force is inherently considered illegitimate. However, because their governance is unusually extensive compared to other criminal groups of the same caliber, it was of interest to investigate to what extent they could derive legitimacy from that pursuit. Yet, as was discussed, the obscurity resulting from extreme coercive and violent means directed at antagonists of the cartel and subsequent silence can produce forced solidarity. This, in turn, can be misinterpreted as consent and therefore legitimacy while in fact, it is not perceived as such by the local community. Therefore, I would argue that although they are indeed a parallel government, they lack legitimacy because their form of governance is clientelistic in nature rather than based on the form of consensus. Nevertheless, the magnitude of their domination through political, economic and social channels, is an immense threat to the

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legitimacy of the Mexican state. Therefore, this drug cartel does presupposes the state's existence yet simultaneously derives power away from it, making it a complicated situation for the region of Michoacán, but also for Mexican democracy as a whole.

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