

Political (Dis)Order and Drug Violence in Mexico

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Abstract

Starting in 2007, Mexico underwent a dramatic wave of drug related homicides. What are the historical roots of this sudden escalation violence in Mexico? This research argues that the historical roots of drug violence can be traced to the collapse of the political structures that regulated criminal behavior under authoritarian rule. The gradual process of democratization dismantled the mechanisms that allowed a peaceful coexistence between politicians and criminals during the single-party hegemony in Mexico. In this sense, violence is the result of the collapse of order. To support his claim, the historical analysis reviews the process of state formation in Mexico through its different stages of emergence, consolidation, erosion and collapse of order.

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Introduction

By the early years of the twenty-first century, the waves of violence that marked Mexican history in the previous century had dissipated. The long revolutionary war was settled in the 1920s, state repression of the radical left in the 1960s and 1970s had calmed and, in the early 1990s, the resonating words of the Zapatista movement abated. Political violence in Mexico seemed a figure of the past. However, since the turn of the century, Mexico underwent a massive escalation of violence of unprecedented characteristics. Instead of *caudillos*, agrarian revolutionaries, or ideological insurgents, the central actors of this wave of violence are criminals fighting for drug-related turf. Reversing a downward trend of homicides, the Mexican war on drugs generated a dramatic eruption of violence. What are the historical roots of the recent escalation of drug violence in Mexico?

Located within the Hobbesian tradition, this research argues that the wave of criminal violence is the result of the collapse of order. Under authoritarian rule, political–criminal agreements promote peace based on corruption and the stability of the political regime. In contrast, as democratization erodes the authoritarian regime, incentives no longer favor peaceful configurations between drug trafficking organizations (DTOs) and political actors. As a result, the previous order collapses and unleashes a multi-polar conflict characterized by the state fighting crime, DTOs attacking authorities and, most importantly, violence between rival DTOs. Violence thus emerges from the collapse of the preexisting order.

This article contributes to other studies analyzing the historical relationship between drug trafficking and the political sphere in Mexico.¹ To do so, it proposes a new periodicity and analyzes it through a neo-institutional framework.² The study examines the historical roots of drug violence in Mexico into four segments. The first analyzes the emergence of political

¹Alan Knight. “Narco-Violence and the State in Modern Mexico”. In: *Violence, Coercion, and State-Making in Twentieth-Century Mexico: The Other Half of the Centaur*. Ed. by Wil G Pansters. Stanford, CA: Stanford University Press, 2012, pp. 115–134; Luis Astorga. *El siglo de las drogas: el narcotráfico, del porfiriato al nuevo milenio*. Mexico City: Plaza y Janés, 2005; Luis Astorga. *Seguridad, Traficantes y Militares. El Poder y la Sombra*. México D.F.: Tusquest, 2007.

²Douglass North. *Institutions, Institutional Change and Economic Performance*. Cambridge: Cambridge University Press, 1990.

order out of the Mexican Revolution. The second analyzes the consolidation of authoritarian order in the context of Cold War politics, and reviews the mechanisms that allowed state control over DTOs. The third section analyzes how a sequence of electoral reforms favored democracy, and reshaped political–criminal relationships. The final part discusses how the precarious equilibrium collapsed as authorities intensified law enforcement, thus triggering a wave of violence of all-against-all.

Analytical framework

This study analyzes the historical roots of drug violence in Mexico from a neo-institutional perspective. According to North,³ institutions can be both formal or informal constraints that structure human interaction. Formal institutions refer to constitutions, laws, and explicit norms, while informal institutions relate to traditions, norms of conduct, and customs. Both formal and informal institutions determine the rules of the game and shape the set of options and systems of incentives in the social, economic, and political spheres. In addition to providing guidance, institutions also draw the lines that should not be crossed, and lay out the sanctions for violators.

Institutions are more effective in instilling cooperation when they provide a framework (formal or informal) that regulates a small number of actors, favors repeated interactions, and provide information about other actor’s past performance.⁴ A major role of institutions is to reduce uncertainty by structuring exchange and interactions. In contexts of pervasive transaction costs that prevent cooperation, stable institutions reduce uncertainty by providing information about who are the actors and how they usually behave; defining and limiting the set of actions available to them; constraining individual choices by designing systems of incentives; allowing actors to make decisions to achieve their goals while monitoring their behavior and sanctions transgressions; and allowing learning of past behavior to inform strategic decisions about future interactions.

³North, *Institutions, Institutional Change and Economic Performance*.

⁴Douglass North. “Institutions”. In: *Journal of Economic Perspectives* 5.1 (1991), pp. 97–112.

The central form of cooperation analyzed in this study relates to peace and order in the drug sector, as well as its opposite: violence and disorder. If institutions favor cooperation, criminals will find it in their self interest to refrain from conducting violence against authorities, rival criminals, and the population. Similarly, if institutions favor cooperation, government actions will be conducive to maintaining peace and order. In contrast, if institutions do not provide stability and certainty about the rules of the game and the behavior of actors, uncertainty becomes insurmountable and the lack of cooperation might lead into violence and disorder in the criminal world.

As human artifacts, institutions are malleable and subject to change over time. In this way, the study tracks the evolution of formal and informal rules that shaped the interactions between drug traffickers and authorities through four different stages: their emergence, consolidation, erosion and collapse.

Emergence of order

This section analyzes the process that gave rise to political order after the revolutionary war. The Mexican Revolution involved several groups fighting for different goals. Starting in 1910 with the uprising of Francisco I. Madero against the dictator Porfirio Díaz, the Revolution soon combined several insurrections advancing democratic, socialist, anarchist, liberal, populist and agrarian claims.⁵ During the Revolution, the primary way to access power was through the use of arms. A sequence of assassinations, coups, and reactionary movements marked the turmoil of politics in which presidents and strongmen rose and fell. Due to the instability in the central government, strongmen in the periphery enjoyed a substantial degree of autonomy from the center.

These volatile conditions in Mexico coincided with U.S. efforts to regulate drugs and alcohol. Under these circumstances, some Mexican governors in the North of the country

⁵Alan Knight. *The Mexican Revolution. Volume 1: Porfirians, Liberals, and Peasants*. Lincoln NE: University of Nebraska Press, 1990; Alan Knight. *The Mexican Revolution. Volume 2: Counter-revolution and Reconstruction*. Lincoln NE: University of Nebraska Press, 1990.

profited from illicit markets opened by U.S. prohibition laws. Governing with the violent skills acquired during the revolution, these governors imposed local political order and jealously controlled smuggling networks on the Mexican side.

Concerned with the recurrent fratricidal struggles, the political elite decided to create a party to regulate the access and use of power by peaceful means. The party created a set of political rules that ended the prolonged era of bloodshed, and become the corner-stone for the Mexican state.

Colonel Cantú in Northern Baja California

After the Mexican Revolution broke out in 1910, the Flores Magón brothers led an insurrection in the Northern Territory of Baja California. In reaction, president Francisco I. Madero sent Colonel Esteban Cantú to suppress them. Cantú secured the peninsula in 1911 and remained there as military commander. Two years later, Victoriano Huerta led a successful coup and assassinated president Madero. Colonel Cantú promptly recognized the authority of Huerta, who declared him governor of Baja California.

In December, 1914, the U.S. passed the Harrison Narcotics Tax Act that imposed a tariff on opiates, thus creating favorable conditions for drug trafficking from Mexico; an opportunity that Colonel Cantú did not miss. Taking advantage of his power position, Cantú used his leverage with the Chinese community in Mexicali, Baja California to build a network of opium producers and traffickers.⁶

After Madero's assassination, General Venustiano Carranza aimed to oust Huerta by creating the Constitutional Army with the support of prominent leaders such as Emiliano Zapata, Francisco Villa and Álvaro Obregón. When the Constitutional Army defeated Huerta in 1914, Colonel Cantú quickly recognized Carranza as the new president, thus gaining his favor and maintaining his position of governor of Baja California.

The prospects of economic prosperity for Colonel Cantú broadened in January, 1920

⁶Luis Astorga. *Drogas Sin Frontera*. Mexico City: Grijalbo, 2003; Knight, "Narco-Violence and the State in Modern Mexico".

when the U.S. passed the Eighteenth Amendment and the Volstead Act to ban alcohol. However, Colonel Cantú did not benefit from the prohibition. After the assassination of President Venustiano Carranza in May of the same year, the incoming president, General Álvaro Obregón, discovered that Cantú was part of a conspiracy to make Baja California independent. Obregón sent a military expedition led by General Abelardo L. Rodríguez to repress the secessionist attempt.⁷ After sending Cantú to exile, General Rodríguez expelled the Chinese community from Mexicali.

The Mexican government banned marijuana in 1920 and opium in 1926. However, Abelardo L. Rodríguez was not concerned about this prohibition. His loyalty to the central government secured him as Military Commander of Northern Baja California in 1921 and as governor in 1923. From this position, he consolidated a monopoly of opium and alcohol smuggling.⁸ Abelardo L. Rodríguez was later ratified as governor by President Calles, and served as Minister of Industry, Trade and Labor, as well as Minister of War for President Ortíz Rubio. The combination of wealth, political cunning, military service, and experience in local and federal offices led him to become president of Mexico between 1932 and 1934. Abelardo L. Rodríguez is considered the first Mexican president directly engaged in drug trafficking.⁹

General Quevedo in Chihuahua

In 1932, General Rodrigo M. Quevedo Moreno, a close friend of President Abelardo L. Rodríguez, became governor of Chihuahua, a position that he held until 1936. During the Revolution, General Quevedo fought alongside Francisco I. Madero, but later he participated

⁷Noel Maurer. “Criminal Organizations and Enterprise”. In: *Revista. Harvard Review of Latin America* (2012). URL: <http://www.drclas.harvard.edu/publications/revistaonline/winter-2012/criminal-organizations-and-enterprise>; Paul Kenny and Mónica Serrano. “The Mexican State and Organized Crime: An Unending Story”. In: *Mexico’s Security Failure. Collapse into Criminal Violence*. Ed. by Paul Kenny, Mónica Serrano, and Arturo Sotomayor. New York: Routledge, 2012. Chap. 1, pp. 29–53.

⁸Kenny and Serrano, “The Mexican State and Organized Crime: An Unending Story”.

⁹Marcos Muedano. *El presidente que aprendió el negocio de las drogas*. Mexico City, 2011. URL: <http://www.eluniversal.com.mx/nacion/186543.html>; Francisco Cruz. *El Cártel de Juárez*. Mexico City: Planeta, 2008.

in the coup that killed Madero. Quevedo skillfully navigated revolutionary politics and became Chihuahua's *cacique* (strongman) and the founder of the Quevedo political clique.

As governor of Chihuahua, General Quevedo appointed Francisco Rodríguez as Minister of the Interior, who also served as interim governor in 1932 and 1933. Before his appointment, Francisco Rodríguez was the mayor of the border town Ciudad Juárez (1921-1922), but he was forced to resign after a dispute over the dispersal of funds from the city's gambling concession between the governor at the time and the president.¹⁰ During his administration, General Rodrigo Quevedo imposed his brother, Jesús Quevedo, as mayor of Ciudad Juárez in 1932. The family took control of customs revenues, car theft, prostitution, and gambling rings on the Mexican side, and drug and alcohol trafficking into the U.S. Later, in 1936, General Quevedo installed another member of his family, José Quevedo Jr., as mayor of Ciudad Juárez.

After leaving the governor's office, General Rodrigo Quevedo kept a firm hand on his nepotistic network from several high-level military positions for more than twenty years (1936-1958). As part of his extended control over Chihuahua, General Quevedo imposed Carlos Villareal as mayor of Juárez in 1947. Villareal was married to the daughter of former mayor José Quevedo. Using his experience as a federal policeman, Villareal continued the Quevedo rule and businesses by using the municipal police for trafficking drugs into the U.S. autociteKenny2012a,Cruz2008

The Post Revolutionary Era

Colonel Cantú, General Quevedo, and President Rodríguez show how *caudillos* consolidated political power and profited from illicit markets. However, their different skills for building alliances determined their diverging trajectories. Colonel Cantú failed to adapt to the rapidly changing conditions. In contrast, General Quevedo coped with instability and recognized a

¹⁰Mark Wasserman. *Persistent Oligarchs. Elites and Politics in Chihuahua, Mexico. 1910-1940*. Durham: Duke University Press, 1993, p. 134.

trend towards power centralization. President Rodríguez was perhaps the most skillful by identifying the centralization trend and actively contributing to the process of state building.

After the Revolution, *caudillos* continuously engaged in factional fights. The establishment of a new political order came in 1929 with the creation of the National Revolutionary Party. The PNR's main goal was to unify all members of the "revolutionary family," and to regulate the peaceful access to power. The first proponent of this idea was President Álvaro Obregón (1920-1924), who was killed in 1928. His successor, General Plutarco Elías Calles, pursued the idea. Using his stature as "maximum boss of the Revolution," Calles convinced all political leaders that their ambitions would be better served within a party capable of preventing factious struggles. To achieve this goal, the PNR followed the vertical and centralized model of communist parties, which was more effective for instilling unity and discipline.¹¹

The PNR statutes gave states autonomy "in every issue related to local affairs"¹² while concentrating authority under the National Executive Committee, which served "as harmonizer and arbitrator of the controversies and difficulties occurring among the organs of the Party".¹³ This conflict resolution mechanism granted local autonomy but demanded strong discipline and loyalty towards the center. The main guarantee of stability relied on the president as supreme arbitrator capable of dampening dissent or imposing consent. The president became the *de facto* authority, and the party the cornerstone for state-building.

In 1938, President Lázaro Cárdenas incorporated the labor and peasant sectors into the PNR and changed its name to Party of the Mexican Revolution (*Partido de la Revolución Mexicana*, PRM). A few years later, in 1946, President Manuel Ávila Camacho, gave the party its current name of Institutional Revolutionary Party (PRI). Between the 1930s and the 1950s, the "revolutionary family" ruled with absolute hegemony while running a fairly

¹¹Luis Medina Peña. *Hacia el nuevo Estado. México, 1920-1993*. Mexico City: Fondo de Cultura Económica, 1994.

¹²Ibid., p. 72.

¹³Partido Nacional Revolucionario. *Estatutos del Partido Nacional Revolucionario*. Mexico, 1929. URL: http://www.biblioteca.tv/artman2/publish/1929{_}216/Proyecto{_}de{_}Estatutos{_}del{_}Partido{_}Nacional{_}Revoluc{_}393.shtml, Article 45.

stable and predictable political system. The inclusiveness and encompassing character of the party did not tolerate opposition. If there was any, it was labeled as subversive and contrary to the party's unifying purpose, which justified its elimination.

Ten long years of revolutionary war and the Great Depression of 1929 devastated Mexico's economy. In this context, post-revolutionary *caciques* were allowed to extract rents from all sorts of legal businesses (e.g. oil, mines, unions). Illicit trades like drugs, alcohol, prostitution, and gambling were simply another form of speculation, especially in border towns.¹⁴ Strongmen used these rents as "cash cows" for financing electoral campaigns,¹⁵ which increased their personal leverage within the party, and deterred prominent leaders from splintering away from the PRI.¹⁶ The end of Prohibition in 1933 reduced the profitability of contraband in Mexico. However, the U.S. Marijuana Tax Act in 1937 gave another boost to drug trafficking networks.

Although violence was ubiquitous during the Revolution, drug trafficking was not a violent activity. According to Astorga, "in small towns, it was more difficult, although not impossible, to resort to violence because almost all the inhabitants were related. There was room for everybody in the drug business, so it was not necessary to fight to death to get a share."¹⁷ Moreover, in the post-revolutionary era, preventing violence was a priority. *Caciques* strongly enforced the *pax PRIísta* upon local criminals and traffickers to prevent violence. Law enforcement was limited and selective, yet exemplary, employed merely to remind criminals who was in charge.¹⁸ *Caciques* thus imposed discipline on drug traffickers in the same way the party imposed political discipline on them through. Every member of the "revolutionary family" had its place in the new political order.

The creation of the PRN put to an end a long era of violence and uncertainty between key

¹⁴Knight, "Narco-Violence and the State in Modern Mexico".

¹⁵Peter A. Lupsha. "Transnational Narco-Corruption and Narco Investment: A Focus on Mexico". In: *Transnational Organized Crime* 1.1 (1995), pp. 84–101.

¹⁶Beatriz Magaloni. *Voting for Autocracy*. Cambridge: Cambridge University Press, 2006.

¹⁷Luis Astorga. "Drug Trafficking in Mexico: A First General Assessment". Paris, 1999. URL: <http://www.unesco.org/most/astorga.htm>.

¹⁸Knight, "Narco-Violence and the State in Modern Mexico".

political actors. The new institutional framework provided a set of formal and informal rules that instilled cooperation while promoting individual's political and economic ambitions. A key function of the party was to draw the line of permissible behavior and to provide incentives to maximize the goals of those who complied. In addition, the party made it clear that violence would not be tolerated. The party thus became the cornerstone of the state building process and marked the tone of criminal–political relationships for decades.

Consolidation of order

After the end of the Revolution, local *caciques* engaged in drug trafficking as a source of personal enrichment, yet this activity did not represent a security concern. In contrast, the Cold War created new threats to the state, particularly from left-wing challengers. The regime reacted by deploying brutal repression against ideological dissidents. In contrast, drug traffickers enjoyed the complicity of politicians and security agents. The difference in treatment lays in the distinct political nature of subversive groups and criminal organizations.

Cold War politics and its repressive instrumentation

In 1944, during World War II, the Mexican Coast Guard stopped a U.S. private yacht transporting opium and morphine, and took the drugs and crew to the military port of the state of Veracruz. A few hours later, the former governor, Miguel Alemán, demanded the boat and its crew to be released.¹⁹ During his administration as governor, Alemán appointed Carlos Serrano as his chief of police, who had a long criminal career smuggling Cuban rum. Often relying on violence, Serrano used his position as police chief to traffic opium and morphine to New York. Two years after the yacht incident, in 1946, Miguel Alemán became president of Mexico, appointed Serrano as leader of the Senate, and gave him the title of Colonel despite he never served in the military. Serrano's violent reputation gave him the nickname of “The President's gunman.”²⁰

¹⁹ Astorga, *Drogas Sin Frontera*, p. 58.

²⁰ Juan Alberto Cedillo. *La Cosa Nostra en México (1938-1950)*. Mexico City: Grijalbo, 2011.

By the time Miguel Alemán became president, the U.S. government already had reports of his participation in drug trafficking. However, with the beginning of the Cold War, the U.S. was more concerned about communism than about drugs. Mexico was of paramount importance for containing a communist threat and the country was quickly drawn into the global Cold War politics.

In 1947, President Alemán created the Federal Security Directorate (*Dirección Federal de Seguridad, DFS*) and transferred the responsibility for drug issues from the Ministry of Health to the Office of the General Attorney (*Procuraduría General de la República, PGR*), which had the Federal Judicial Police (*Policía Judicial Federal, PJF*) as its enforcement agency. The DFS reported directly to the president and served as a political police for neutralizing political threats. Its first formal director was Marcelino Inurreta, yet Colonel Serrano was the real man in charge. Upon its creation, the DFS received support, training and collaboration from the U.S. to suppress subversive organizations.

There is compelling evidence about DFS involvement in illicit activities. In 1947, the U.S. Embassy identified Colonel Serrano, the DFS head Marcelino Inurreta, and his subordinate Lieutenant Colonel Manuel Mayoral in drug trafficking.²¹ Serrano also controlled a high-level brothel where DFS agents took pictures of clients, which gave Serrano firm control over political actors.²² Later, in 1951, the CIA reported that DFS abused its power to control drug networks.²³

The close association of DFS agents with the highest levels of political power enabled them to forge connections with criminals all over the country. The DFS established a pyramidal structure concentrating control at the top but preserving the local criminal base.²⁴ In doing so, DFS replicated PRI's hierarchical and centralized framework in the criminal underworld. Just as PRI concentrated power while allowing local autonomy in exchange for loyalty and

²¹Peter D. Scott. *American War Machine. Deep politics, the CIA, Global Drug Connection, and the Road to Afghanistan*. Maryland: Rowman & Littlefield Publishers, 2010.

²²Cedillo, *La Cosa Nostra en México (1938-1950)*; Astorga, *Drogas Sin Frontera*.

²³Scott, *American War Machine. Deep politics, the CIA, Global Drug Connection, and the Road to Afghanistan*, p. 51.

²⁴Kenny and Serrano, "The Mexican State and Organized Crime: An Unending Story".

compliance, DFS controlled local criminal networks and concentrated their management at the top. In this way, DFS set the tone for the relationships between political power, law enforcement and criminal activities.

Political protection gave DFS agents absolute impunity. In addition, the DFS recruited the most violent police officers to the extent that “their brutality was a service ready to be hired out.”²⁵ The combination of extreme coercion and political connections gave DFS the upper hand over common criminals and ensured compliance from local authorities. In 1947, the Assistant Military Attaché of the U.S. in Mexico indicated that DFS agents “were a GESTAPO by other name.”²⁶

Economic benefits clearly motivated DFS engagement in drug trafficking.²⁷ However, extant accounts overlooked the influence of Cold War politics in DFS criminal behavior. At the time, the central concern for the government was to neutralize political threats. DFS gave government authorities the ability to infiltrate and operate in the social and political underworld, a realm certainly populated by criminals, but also likely to cultivate subversive groups.

Dissidents trying to organize an armed struggle were likely to approach criminals in the underworld to obtain weapons. Moreover, drug trafficking could serve as a tempting source of funding. However, DFS created a system of incentives that motivated criminals to inform their political bosses about any subversive activities they might detect. DFS presence in the underworld also allowed infiltrating subversive organizations using covert agents. DFS criminal activities were supported by corrupt and greedy politicians but, most importantly, they were justified and encouraged for political reasons. Moreover, since the economic goals of criminal groups did not represent a political threat, they were largely tolerated. In contrast, the government did not spare efforts to repress any political threat.

During the Dirty War (*La Guerra Sucia*) in Mexico, the brutality of repression against po-

²⁵Kenny and Serrano, “The Mexican State and Organized Crime: An Unending Story”, p. 34.

²⁶Astorga, *Drogas Sin Frontera*, p. 286.

²⁷Astorga, *Drogas Sin Frontera*; Astorga, *El siglo de las drogas: el narcotráfico, del porfiriato al nuevo milenio*; Knight, “Narco-Violence and the State in Modern Mexico”; Cruz, *El Cártel de Juárez*.

evaded them for several months. In December of 1974, thanks to information provided by José Isabel Ramos Ruiz, a local marijuana producer and an agrarian leader, the Army found the hidden camp of Lucio Cabañas and killed him.²⁹

Counter narcotic efforts during the Dirty War

In contrast to the harsh repression conducted against subversive groups, efforts against drugs were modest. Mexican authorities conducted a few anti-drug operations, mostly under U.S. pressure, but drug traffickers were by no means hunted down as political dissidents were.

Between the 1960s and 1970s, opium and marijuana boomed in Mexico due to the rising consumption of U.S. Vietnam veterans, and the dismantling of the “French Connection.” However, despite the increment of drugs, Mexican efforts against cultivation and trafficking were frail. In 1969, President Nixon singled out Mexico as the primary supplier of marijuana and heroin to the U.S. Nixon launched “Operation Intercept” along the U.S.-Mexico border to meticulously inspect incoming vehicles and people. The operation seized a minimum amount of drugs. However, Intercept’s main objective was not to stop drugs but to disrupt the Mexican economy in border states as a way to force Mexican authorities to intensify anti-narcotic efforts.³⁰ Intercept was replaced a few weeks by a bi-national effort named “Operation Cooperation,” that included the U.S. giving Mexico air crafts, helicopters, remote sensing equipment, financial assistance, and counter-narcotics intelligence.

In the mid 1970s, a time when guerrilla fighting reached its peak, Mexican authorities launched “Operation Condor,” an unprecedented anti-narcotic effort. Brigade General José Hernández Toledo led ten thousand soldiers to eradicate illicit crops in Sinaloa, Durango

²⁹Redacción de El Universal. *¿Habrá un nuevo Lucio Cabañas?* Mexico City, 2009. URL: http://blogs.eluniversal.com.mx/weblogs/{_}detalle.php?p{_}fecha=2009-12-02{\&}p{_}id{_}blog=63{\&}p{_}id{_}tema=9354; Rubén Rivera and Jesús Alberto Valdez. “Lucio Cabañas Barrientos: Las cuentas siguen pendientes”. In: *Militante* (2007). URL: <http://www.militante.org/node/6>; José Guadalupe Guerrero Robledo. “Mis sexenios (13)”. In: *El Periódico de Saltillo* (2009). URL: <http://www.elperiodicodesaltillo.com/2009abril/abril09ms.html>; Laura Castellanos. *México Armado. 1943-1981*. Mexico City: Era, 2007.

³⁰Kate Doyle. “Operation Intercept. The perils of unilateralism”. In: *The National Security Archive Electronic Briefing* (2003). URL: <http://www.gwu.edu/{~}nsarchiv/NSAEBB/NSAEBB86/>.

and Chihuahua. Hernández was an experienced general who led the Parachute Battalion that perpetrated the Tlatelolco massacre in 1968 and other repressive operations.³¹ Carlos Aguilar Garza, a PGR representative, also participated in Operation Condor in cooperation with the PJJF. Aguilar Garza eventually became a drug trafficker and ended up assassinated in 1993.³²

The Army employed Paraquat for aerial eradication, a non-selective defoliant already declared by the U.S. to be harmful to humans. Although the number of troops deployed in Operation Condor seems impressive, their role was laborious rather than repressive. After the aerial spraying, soldiers went into the fields to cut down opium and marijuana plants with machetes, a task that required significant personnel. Although DEA agents discovered that the Army occasionally used fertilizer instead of defoliants to spray over drug plantations,³³ authorities declared Operation Condor a success.³⁴

Operation Condor led to several arrests, mostly of peasants. However, not a single drug boss was captured.³⁵ The prominent drug lord Pablo Acosta Villareal controlled heroin and marijuana from Ojinaga, Chihuahua, and would later become the leader of the Juarez Cartel. Another prominent drug lord, Miguel Ángel Félix Gallardo, known as “The Godfather,” moved from Sinaloa to Jalisco, and consolidated the Pacific Cartel. Félix Gallardo was a former police officer in Sinaloa and served as bodyguard for the son of governor Leopoldo Sánchez Celis, who had a well-known links with drug traffickers.³⁶ Another important actor, Juan García Ábrego, began his career under the command of his uncle Juan Nepomuceno Guerra, leader of the Gulf Cartel, in Tamaulipas. None of these actors were directly affected by Operation Condor.

³¹Department of Defense. *DIA Intelligence Information Report, Status of Brig. Gen. Jose Hernandez Toledo*. Washington, D.C., 1968. URL: <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB10/docs/doc24.pdf>; Astorga, *Drogas Sin Frontera*.

³²Astorga, “Drug Trafficking in Mexico: A First General Assessment”.

³³M C Toro. “The internationalization of police: the DEA in Mexico.” In: *Journal of American History* 86.2 (1999), pp. 623–40. ISSN: 0021-8723.

³⁴Astorga, *El siglo de las drogas: el narcotráfico, del porfiriato al nuevo milenio*.

³⁵Astorga, “Drug Trafficking in Mexico: A First General Assessment”.

³⁶Héctor Aguilar Camín. “Narco Historias Extraordinarias”. In: *Nexos* (2009). URL: <http://www.nexos.com.mx/?P=leerarticulo{\&}Article=73>.

Maintaining peace in drug markets

Operation Condor illustrates how authorities occasionally enforced the law. However, even such large operation did not trigger retaliations against the state or violence between DTOs. The lack of drug violence in this period is puzzling. Extant explanations about the quietness of Mexican drug market emphasize state coercive capabilities as an effective deterrent.³⁷ In this account, the certainty and severity of selective enforcement allowed authorities to impose order and peace in illicit markets. However, over-emphasizing the role of coercion obscures the complexities of the political system and neglects historical characteristics of drug enforcement in Mexico.

In contrast, an alternative explanation rests on the conflict resolution mechanisms and systems of incentives characteristic of the PRI political structure. As discussed earlier, the Mexican state grew as a political network reinforced by formal and informal arrangements that allowed the peaceful access to and use of power. Rather than submission under force, the nature of state–criminal relations was better characterized by a symbiotic coexistence. Authorities and criminals were often not distinct; policemen regularly became traffickers and kept political connections. Peace and order were kept through political means in illicit sectors just as they were instilled in other power spheres. Contrary to ideological dissenters, there was no need for repressing drug traffickers since they were close to the political system.

Several political mechanisms enabled peace and order in state–criminal relations. The informal appointment procedure known as “*el dedazo*,” was key for managing political rewards and sanctions across government levels.³⁸ In this way, the president designated governors, senators, representatives, and mayors, as well as his own successor. With the presidential approval, those below him were allowed to use this prerogative to appoint their lower ranks.

³⁷Richard Snyder and Angelica Duran-Martinez. “Does illegality breed violence? Drug trafficking and state-sponsored protection rackets”. In: *Crime, Law, and Social Change* 52 (2009), pp. 253–273; Kenny and Serrano, “The Mexican State and Organized Crime: An Unending Story”.

³⁸Joy Langston. “Why rules matter: Changes in candidate selection in Mexico’s PRI”. in: *Journal of Latin American Studies* 33.3 (2001), pp. 485–511; Joy Langston. “The birth and transformation of the Dedazo in Mexico”. In: *Informal institutions and democracy. Lessons from Latin America*. Ed. by Gratchen Henke and Steven Levitsky. Maryland: The Johns Hopkins University Press, 2006, pp. 143–.

In the same manner, the close connection with the president gave DFS a tight control over criminal networks and allowed the use of political incentives rather than the deployment of force.

Communication channels in this dense network of loyalties provided timely and accurate information on individual's behavior. Disobeying commands from the hierarchy carried political sanctions such as elimination of promotions, removal from office, or even expulsion from the bureaucracy or the party. Of course, there was the possibility of being arrested or killed for serious misbehavior. But the use of force within the party was an anomaly. After all, the PRI was an agreement for the peaceful resolution of differences among political actors.

The demand of discipline also extended to state-criminal relations. Drug traffickers needed approval from enforcement and political actors to operate. Obtaining approval – in the form of non-enforcement or proactive support– depended on the bribes criminals could offer as well as on refraining from violence. Since the PRI had low tolerance to violence, an outbreak of conflict could jeopardize the political survival of their protectors. Criminals thus had incentives for abstaining from violence as much as their political sponsors wanted to advance their careers. Ricardo, former governor of Zacatecas, indicated that PRI required criminals to adhere to “The Decalogue”: (1) there should be no bodies on the streets; (2) criminals were not allowed to sell drugs in schools; (3) there should be no media scandals; (4) traffickers should allow periodic drug seizures and arrests of low members; (5) traffickers must generate economic revenues for their communities; (6) there should be no proliferation of gangs; (7) criminals should not pact directly with the police or the judiciary; (8) mistakes are to be punished with imprisonment by the authorities, not with execution by rivals; (9) criminals must respect territorial boundaries; and (10) profits from illicit markets should be reinvested in Mexico.³⁹

For decades, PRI held hegemonic control over the presidency, Senate, Lower Chamber, all governorships, and most municipalities. Electoral fraud, vote buying, and patronage

³⁹Ricardo Monreal. *Narcoterrorismo*. Mexico, 2008. URL: <http://lacolumna.wordpress.com/2008/09/23/narcoterrorismo-ricardo-monreal-avila/>.

were common strategies to perpetrate its rule.⁴⁰ This political hegemony also helped for maintaining order in illicit markets. First, PRI dominance across government levels made corrupt agreements easy to achieve and feasible to implement. To secure protection, criminals only had to pact with a limited number of elite actors. The unified chain of command carried down the agreement to the lower ranks and enforced their compliance. Second, the network provided top-down and bottom-up information flows about all actors. If there was a problem, lower ranks knew whom to notify. Such information was also crucial for applying top-down political sanctions without disrupting other agreements. The DFS was particularly well positioned at the top of the hierarchy to dispense punishment and rewards with infamous mastery. Finally, the PRI dominance also meant extended temporal horizons. Appointment by *dedazo* carried certainty about the election results, thus favoring long-term agreements between criminals and politicians. Extended horizons favored criminal profits and protection.

During this period, the formal and informal rules of Mexican politics provided a clear set of options and system of incentives for political survival and individual enrichment. In addition, the institutional framework provided detailed information and had an effective monitoring system, as well as a feared system for sanctions. Those who defied the state, as radical dissent groups did, faced the certainty of brutal and efficacious repression. Those who complied with the rules of the game, as most political and criminal actors did at the time, had the certainty of enjoying opportunities to advance their political and economic ambitions.

Erosion of order

The PRI's ability to impose order in the political and the criminal spheres began to erode due to the convergence of three processes. First, the strengthening of Mexican DTOs.

⁴⁰Magaloni, *Voting for Autocracy*; Kenneth F Greene. "Ousting Autocrats: The Political Economy of Competitive Authoritarianism". 2010; Andreas Schedler. "The Menu of Manipulation". In: *Journal of Democracy* 13.2 (2002), pp. 36–50. ISSN: 1086-3214.

Second, the dismantlement of the security apparatus after the Cold War. Third, and most importantly, the advent of democracy after thirty years of gradual electoral reforms.

Increasing strength of DTOs

The U.S. “crack epidemic” in the mid-1980s boosted drug trafficking from Colombian cartels, but the demand was so large that Mexican DTOs also benefited. The wave of agricultural workers participating in drug cultivation illustrates the production boom in Mexico. In 1983, Sinaloan peasants were recruited for the so-called “apple picking” with a salary of Mx\$4000-5000 per day, substantially higher than the usual Mx\$600 offered in legal agriculture..⁴¹ The exodus of workers generated scarcity of labor and landowners had to hire peasants from other states. In November 1984, authorities discovered an enormous marijuana plantation known as “*Rancho el Búfalo*,” property of Rafael Caro Quintero, co-founder of the Guadalajara Cartel. The ranch covered about 12 square kilometers, and more than 12,000 peasants were forced to work on 1,000 hectares of marijuana. The size of El Búfalo indicates the operative scale of Mexican cartels at the time.

During this period, Mexican DTOs increased their production and transportation capabilities. Amado Carrillo Fuentes, a former police officer and leader of the Juárez Cartel known as “*El Señor de los Cielos* (Lord of the Skies), operated an aerial bridge into the U.S. comprising a fleet of jets and 727 airplanes.⁴² This period also favored the consolidation of the Guadalajara Cartel founded by Miguel Ángel Félix Gallardo, Rafael Caro Quintero (owner of *El Búfalo*), and Ernesto Fonseca Carrillo. The Tijuana Cartel led by the Arellano Félix brothers emerged in Baja California, a state with long drug trafficking roots. Finally, the Gulf Cartel gained strength in the Northeast under the leadership of Juan García Ábrego.

The collapse of Colombian cartels invigorated Mexican DTOs in the 1990s. After a sharp escalation of violence in Colombia, authorities dismantled the Medellín Cartel by killing its

⁴¹ Astorga, *El siglo de las drogas: el narcotráfico, del porfiriato al nuevo milenio*, p. 138.

⁴² Drug Enforcement Administration. *DEA Congressional Testimony*. Thomas A. Constantine, Administrator Drug Enforcement Administration United States Department of Justice. Washington, D.C., 1995. URL: http://www.justice.gov/dea/_old/pubs/cngrtest/ct950808.htm.

legendary leader Pablo Escobar. By the mid-1990s, most of the Cali Cartel leaders were also arrested. In this period, U.S. efforts also focused on monitoring drug smuggling in the Caribbean, which forced routes away from the sea onto land passages through Mexico. This shift improved the position of Mexican DTOs in the international market.

The first display of force conducted by Mexican DTOs came in 1985, when the Guadalajara Cartel kidnapped, tortured and killed a DEA special agent Enrique Camarena Salazar in retaliation for dismantling “*El Búfalo*”.⁴³ After the event, the DEA launched the largest homicide investigation the agency had ever undertaken abroad, and arrested prominent drug lords including Rafael Caro Quintero, Ruebén Zuno Arce, Humberto Álvarez Machaín, Mario Verdugo and Ernesto Fonseca Carrillo.⁴⁴ However, Miguel Ángel Félix Gallardo, the most important leader of the Guadalajara Cartel remained at large.

Dismantling the political security apparatus

After the Dirty War, the government had crushed most dissident organizations. By the end of the 1970s, radical groups no longer represented a security threat. The state coercive apparatus had prevailed. Contrary to the repression against dissidents, criminals enjoyed the protection and support of security agencies and the political elite. The demise of domestic political threats was accompanied by the end of the Cold War in the late 1980s, thus relaxing U.S. pressures on Mexico for neutralizing the communist threat. These international and domestic factors converged to alleviate concerns about radical organizations.

In this context, President Miguel de la Madrid disbanded the DFS in 1985 by dismissing 427 DFS agents.⁴⁵ The deep involvement of DFS agents in the murder of Camarena was a

⁴³ Astorga, *Drogas Sin Frontera*; Astorga, *El siglo de las drogas: el narcotráfico, del porfiriato al nuevo milenio*; Knight, “Narco-Violence and the State in Modern Mexico”.

⁴⁴ Drug Enforcement Administration. *DEA History in Depth. 1985-1990*. Tech. rep. Washington, D.C., 2013. URL: <http://www.justice.gov/dea/about/history/1985-1990.pdf>; Drug Enforcement Administration. *Wall of Honor. Enrique S. Camarena*. 2013. URL: http://www.justice.gov/dea/about/wall-honor/wall-of-honor{_}bios.shtml (visited on 06/02/2013).

⁴⁵ Juan M. Vasquez. *Mexico Accuses 2 Former Security Chiefs Over Amassed Wealth; 427 Agents Fired*. Mexico City, 1985. URL: http://articles.latimes.com/1985-06-07/news/mn-16013{_}1{_}camarena-case.

central cause for its dismantling.⁴⁶ Also, the last DFS director, José Antonio Zorrilla Pérez, was arrested for assassinating Manuel Buendía, a prominent journalist investigating drug traffickers. Disbanding Mexico's most feared police initiated the crumbling of the security apparatus. The purge rapidly extended to the PJJ and the PGR by discharging 7,000 agents.⁴⁷ Later on, 1,200 PJJ officers and about 30 percent of PGR agents were fired between 1994 and 2000. The PJJ was effectively dismantled in 1998 and replaced by the Federal Preventive Police. A few years after the closure of the DFS, in 1989, President Carlos Salinas created a new intelligence agency, the Center of Investigations and National Security. At the time, the dearth of intelligence capabilities made the DEA the most valuable source about DTO activities. The lack of competent civilian security forces motivated president Zedillo (1994-2000) to use the military to fight drugs, a trend that his successors expanded.⁴⁸

Dismantling the security forces had two main consequences. First, a large proportion of discharged agents joined existing DTOs, while others enrolled in state police agencies and kept doing business as usual. Those who joined criminal groups became a valuable asset by taking with them detailed know-how of the structure, operations, and tactics of security agencies. Second, the state lost a crucial instrument for controlling the criminal network. For decades, the DFS held a strong grip on a complex system of criminal-political relations. The DFS undoubtedly abused its power position, yet it provided authorities with valuable information about criminals. Purging the security sector might have reduced endemic corruption, but also eroded the state ability to monitor and control criminal groups.

⁴⁶Samuel González Ruiz, Ernesto López Portillo, and José Arturo Yáñez. *Seguridad Pública en México*. Mexico: Universidad Nacional Autónoma de México, 1994; José J. Borjón Nieto. "La lucha contra el crimen organizado y las sombras de la militarización". In: *Primer Congreso Nacional y Segundo Internacional de Derecho Administrativo*. Boca del Río, Veracruz, 2008. URL: <http://biblio.juridicas.unam.mx/libros/7/3005/4.pdf>; Mónica Serrano. "México: narcotráfico y gobernabilidad". In: *Pensamiento Iberoamericano* 1 (2007), pp. 251-278. URL: <http://www.pensamientoiberoamericano.org/xnumeros/1/pdf/pensamientoIberoamericano-49.pdf>.

⁴⁷Serrano, "México: narcotráfico y gobernabilidad", p. 272.

⁴⁸Astorga, *Seguridad, Traficantes y Militares. El Poder y la Sombra*.

The process of democratization

Contrary to democratic transitions based on elite pacts, democratization in Mexico is characterized by a gradual liberalization derived from the interaction between the party system and the electoral system.⁴⁹ Despite restricted contestation conditions imposed by PRI dominance, opposition parties pushed for small electoral reforms that granted some political spaces, which in turn allowed them to push for further electoral reforms.

After repeated accusations of the PRI rigging elections, the 1936 electoral reform introduced the party–deputy system and gave a few seats to the opposition. During the 1970s, the electoral boycott from the Party of National Action (*Partido Acción Nacional*, PAN) forced the PRI to make further concessions. The 1977 electoral reform introduced proportional representation (PR) in Congress, created 100 new PR seats, and reduced the party registration threshold. The reform promoted cultivating local constituencies so the opposition could access PR seats, which gradually increased its strength in the periphery Merino2003.

PAN found support from business and catholic sectors in the North of the country. In 1983, PAN won its first municipal election in Ciudad Juárez, Chihuahua, thus ending the protracted PRI hegemony. In 1989, PAN won Baja California, thus becoming the first state governed by the opposition. Those victories benefited local DTOs as they had a looser grip from the central government. There is no clear of the Juárez Cartel being involved in the PAN victory in Chihuahua, nor the Tijuana Cartel in Baja California. However, after the local turnover, these DTOs enjoyed more autonomy from the center.

Allegations of electoral fraud in the north of the country marked the early 1980s. In response, the 1986 electoral reform increased the number of PR seats to 200, and allowed parties run in coalitions, which proved crucial for eroding the PRI dominance. In 1987, a group of *PRIístas* led by Cuauhtémoc Cárdenas splintered from the PRI and coalesced with small leftist parties to create the Democratic Revolutionary Party (*Partido de la Revolución Democrática*, PRD). In a few months, Cárdenas' candidacy provoked vibrant enthusiasm and

⁴⁹Mauricio Merino. *La Transición Votada. Crítica a la Interpretación del Cambio Político en México*. México D.F.: Fondo de Cultura Económica, 2003.

mobilized massive support.⁵⁰ The first results of the 1988 election favored Cárdenas, and panic seized the PRI elite. The government shot down the vote counting system and declared victory for PRI candidate Carlos Salinas. The “collapse of the system” unleashed massive protests and forced Salinas to make further electoral concessions.⁵¹ The 1990 reform created the Federal Electoral Institute (*Instituto Federal Electoral*, IFE), an autonomous body that helped dissipating doubts about electoral results. Later on, the 1993 reform imposed limits on campaign expenditures.

Immediately after taking office, Salinas arrested Joaquín “*La Quina*” Hernández, the corrupt leader of the state oil company. The event became an iconic power move aiming to legitimize Salinas after the electoral fraud. Another legitimizing power move came in 1989 by capturing Miguel Ángel Félix Gallardo, the Guadalajara Cartel leader who ordered the murder of DEA agent Camarena.⁵²

1994 was a violent year marked by the Zapatista rebellion, the assassination of the PRI presidential candidate, and the murder of the president of the PRI. The elite were shocked because no major political figure had been killed since the party creation in 1929.⁵³ The elite reacted by approving a major electoral reform in 1994 that increased IFE’s independence. The definitive step came in 1996 when a new electoral reform gave IFE complete political, administrative and decision-making autonomy. The reform culminated three decades of institutional efforts to guarantee fair elections.⁵⁴

The 1996 reform had profound consequences. The PRI lost the majority in Congress for the first time in 1997 and lost the grip at the sub-national level. By 1998, the opposition

⁵⁰Kathleen Bruhn. *Taking on Goliath: The Emergence of a New Left Party and the Struggle for Democracy in Mexico*. Pennsylvania: Pennsylvania State University Press, 1996.

⁵¹Bruhn, *Taking on Goliath: The Emergence of a New Left Party and the Struggle for Democracy in Mexico*; Soledad Loaeza. “La crisis electoral del 6 de julio de 1988”. In: *Revista Mexicana de Sociología* 61.3 (1999), pp. 163–182.

⁵²Larry Rother. *Mexicans arrest top drug figure and 80 policemen*. New York, 1989. URL: <http://www.nytimes.com/1989/04/11/world/mexicans-arrest-top-drug-figure-and-80-policemen.html>.

⁵³Héctor Aguilar Camín. “Una novela sin ficción”. In: *Nexos* (2004). URL: <http://www.nexos.com.mx/?P=leerarticulo{\&}Article=2102091>; Héctor Aguilar Camín. *La tragedia de Colosio*. Mexico: Alfaguara, 2006.

⁵⁴Ricardo Becerra, Pedro Salazar, and José Woldenberg. *La mecánica del cambio político en México. elecciones, partidos y reformas*. Mexico: Cal y Arena, 2011.

governed more than half of the state capitals and 510 municipalities.⁵⁵ Most importantly, the 1996 reform paved the defeat of the PRI in the presidential election of 2000, thus ending 70 years of hegemony. By the early 2000s, the Mexican political scene was characterized by a plurality of parties with strong sub-national roots and an active role in federal politics. The presidential turnover thus culminated a long democratic transition driven by the interaction between electoral reforms and party competition.

Not all good things come together

The gradual democratization dismantled the PRI hegemony and entailed a fundamental political realignment. However, not all changes had positive consequences. Democracy eroded PRI's control over the political and bureaucratic arenas, and its grip on criminal networks. Three features of democratic regimes help explaining the weakened control over criminals.

First, democratization increased the number of political parties, which hampered the coordination necessary for criminal-political pacts. During the single-party era, creating a state-sponsored protection racket required coordinating only with a few players.⁵⁶ Under democracy, such attempt would require bargaining with a variety of parties across government tiers. Even if such costly agreement was achieved, its implementation would be difficult as a pluri-partisan chain of command would prevent top-down instrumentation.⁵⁷ At best, corrupt politicians could protect criminals only from their own security forces, but could not guarantee compliance from other authorities. The fractured command chain also dislocated bottom-up information flows and top-down control over criminals. This problem became more salient after the dismantling of the DFS. As indicated by Knight, “a call from Los Pinos, the presidential palace, could no longer help settle political disputes or narco turf

⁵⁵Merino, *La Transición Votada. Crítica a la Interpretación del Cambio Político en México*; Todd A. Eisenstadt. *Courting Democracy in Mexico: Party Strategies and Electoral Institutions*. Cambridge: Cambridge University Press, 2003.

⁵⁶Snyder and Duran-Martinez, “Does illegality breed violence? Drug trafficking and state-sponsored protection rackets”.

⁵⁷Angelica Duran-Martinez. *Criminals, Cops, and Politicians: Dynamics of Drug Violence in Colombia and Mexico*. Providence, 2013.

wars; Los Pinos no longer called, or, if it did, there was no answer.”⁵⁸

Second, effective elite circulation through elections eroded the sustainability of corrupt agreements. Democracy demolished the certainty of PRI continuous governance by neutralizing appointment by *dedazo*, and curtailing electoral fraud. In this way, the certainty of electoral rules led to the uncertainty about electoral results, a characteristic of democratic regimes.⁵⁹ Effective elite circulation puts an expiration date on criminal–political agreements as there is no certainty of compliance after the election. Since political protection became ephemeral, DTOs no longer had incentives to “behave well” and found themselves in need of procuring their own security. DTOs started gathering weaponry and men to protect themselves from government crackdowns and other criminals.⁶⁰ This situation led to a security dilemma and motivated an arms race between DTOs,⁶¹ and the sunset of the U.S. Federal Assault Weapons Ban in 2004 made these arsenals available.⁶² This situation generated a precarious equilibrium of several heavily-armed DTOs.

Third, electoral incentives motivated politicians to enforce the law. Under PRI dominance, political survival primarily depended on loyalty and service to those higher up. Authorities refrained from enforcing the law fearing that their actions might upset upper-level pacts and jeopardize their careers. Under democracy, political careers depend on securing the favor of the electorate. Corrupt PRI–criminal agreements fueled fierce accusations and new politicians disavowed corrupt legacies and differentiated themselves from the old and dirty establishment. Aware of the electoral benefits of being “tough on crime,” new political actors grew willing to fight crime in order to gain the electorate. In this way, democratization

⁵⁸Knight, “Narco-Violence and the State in Modern Mexico”, p. 129.

⁵⁹Adam Przeworski. *Democracy and the market. Political and economic reforms in Eastern Europe and Latin America*. Cambridge: Cambridge University Press, 1991.

⁶⁰Snyder and Duran-Martinez, “Does illegality breed violence? Drug trafficking and state-sponsored protection rackets”; Viridiana Rios. *How Government Structure Encourages Criminal Violence. The causes of Mexico’s Drug War*. Cambridge, MA, 2012. URL: http://www.gov.harvard.edu/files/Rios{_}PhDDissertation.pdf.

⁶¹Barry R. Posen. “The security dilemma and ethnic conflict”. In: *Survival: Global Politics and Strategy* 35.1 (1993), pp. 27–47. ISSN: 0039-6338. DOI: 10.1080/00396339308442672. URL: <http://www.informaworld.com/10.1080/00396339308442672>.

⁶²Arindrajit Dube, Oeindrila Dube, and Omar Garcia-Ponce. “Cross-Border Spillover: U.S. Gun Laws and Violence in Mexico”. Palo Alto, CA, 2013.

reversed the system of incentives and bred a new generation of politicians signaling their distinctiveness from previous corrupt actors by enforcing the law to.

The different transformations undertaken in this period reshaped the institutional framework that regulated criminal-political relationships. The economic and military strengthening of criminal groups increased the transaction costs for instilling cooperation from criminals. The deterioration of the security apparatus severely undermined state capabilities for monitoring criminal behavior and applying effective sanctions. Most importantly, the advent of democracy eliminated the prospects of long-time horizons, increased the number of actors, and reoriented their political incentives away from the old corrupt pacts. The convergence of these factors substantially increased the levels of uncertainty and rendered the old system of incentives largely inoperable.

The Collapse of Order

The convergence of three processes including the strengthening of DTOs, the weakening of the state repressive apparatus, and the democratic subversion of criminal-political pacts led to a precarious equilibrium. Authorities coexisted with strong DTOs already showing signs of animosity, and the state lacked mechanisms for instilling political discipline or the ability to repress them. This dicey balance broke when authorities intensified law enforcement efforts.

After the PRI lost the presidency in 2000, the newly elected president Vicente Fox ordered the apprehension of drug lords. These arrests destabilized the delicate balance between DTOs. The first blow was against the Juárez Cartel with the arrest of Mario Villanueva, governor of Quintana Roo in 2001. The last PRI president, Ernesto Zedillo, prepared Villanueva's arrest because of insubordination towards the party, and it was left for Fox to terminate it.⁶³ In 2001, Fox went after the Tijuana Cartel. In February 2002, Ramón Arellano Félix, chief enforcer of the Tijuana Cartel, was killed in a shootout with authorities in

⁶³Ricardo Ravelo. *Herencia Maldita. El Reto de Calderón y el Nuevo Mapa del Narcotráfico*. Mexico: Grijalbo, 2007.

Sinaloa. One month later, the Army arrested his brother Benjamín Arellano Félix in Puebla, a PRI stronghold. The third brother, Eduardo Arellano Félix, remained at large. A major blow to the Gulf Cartel came in 2003 with the arrest its leader Osiel Cárdenas Guillén. Before his capture, he recruited an elite group of the Mexican Army initially deployed to capture him, but the group switched allegiances and became the fearful enforcers known as Los Zetas. After the extradition of Cárdenas Guillén, Los Zetas broke away from the Gulf Cartel.⁶⁴

Fox's efforts were obscured by a major scandal. In 2001, Joaquín "*El Chapo*," Guzmán escaped from prison presumably with the assistance of federal authorities.⁶⁵ After escaping, *El Chapo* consolidated his leadership in the Sinaloa Cartel, and began attacking other DTOs. The Sinaloa Cartel intensified incursions into Tijuana Cartel territory, and trespassed the Gulf Cartel territory. The armed branch of the Gulf Cartel, Los Zetas, responded and began operating in Michoacán, south of Sinaloa. Later, *El Chapo* charged against the Juárez Cartel. Due to the increasing violence, president Fox launched "Operation Safe Mexico" (*Operativo México Seguro*) to fight DTOs in 2005.

During the first half of 2006, the presidential race distracted the public's attention away from early signs of violence. The electoral campaign was marked by an overt animosity between the PRD candidate, Andrés Manuel López Obrador, and the PAN candidate, Felipe Calderón, who had the support of the federal government. The PRI candidate was relegated to a marginal third position. On July 2, 2006, Calderón won the election by an unprecedentedly close margin of victory of 0.56 percent. López Obrador launched fierce allegations of election rigging and led mass protests. The ghost of electoral fraud of the PRI era hovered over the 2006 election, and represented the deepest political crisis in Mexico's short democratic history. The crisis peaked in December 1st, 2006, when the PRD occupied the Chamber of Deputies to prevent Calderón from taking the oath of presidential office. The secret service had to punch through the crowd to rush Calderón onto the stage so he could

⁶⁴Ricardo Ravelo. *Osiel. Vida y Tragedia de un Capo*. México D.F.: Grijalbo Mondadori, 2009; Diego E Osorno. *La Guerra de los Zetas*. Mexico: Grijalbo, 2012.

⁶⁵Diego E Osorno. *El Cartel de Sinaloa*. México D.F.: Random House Mondadori, 2011; Anabel Hernández. *Los Señores del Narco*. Mexico: Grijalbo, 2011.

take the oath. There was no inauguration speech, no applause, no celebration; only condemnation and clamor. The 2006 electoral crisis largely damaged Calderón’s legitimacy at the outset of his administration.⁶⁶

Ten days after taking office, Calderón declared a full-scale offensive against DTOs and launched *Operativo Conjunto Michoacán* consisting of 7,000 soldiers. The next day, Calderón launched another operation in Nuevo León and Tamaulipas. There is broad consensus that Calderón started the Mexican war on drugs as a desperate attempt to boost his legitimacy.⁶⁷ This is consistent with the “rally-around-the-flag” effect, in which politicians deploy aggressive policies and display an image of strong leadership to increase their approval ratings.⁶⁸

Calderón’s punitive approach had a massive disturbing effect on the already precarious equilibrium among criminal groups and triggered an unprecedented escalation of violence.⁶⁹ Figure 1 shows the number of homicides between 1938 and 2011. As the time series indicates, homicides increased between the mid-1940s and 1960 and resumed between the mid-1970s until the mid-1990s. However, 2007 marks an unprecedented escalation in the number of homicides. A growing quantitative literature has found robust evidence of the deleterious effect of the Mexican war on drugs in increasing the levels of homicides.⁷⁰

The dramatic escalation of homicides is symptomatic of the collapse of order. In the havoc, it is possible to distinguish six interrelated, yet distinct types of violence: state vi-

⁶⁶Jorge Castañeda and Rubén Aguilar. *El narco: La guerra fallida*. Mexico City: Punto de Lectura, 2010; Istra Pacheco. *Mexico Candidate Claiming Election Fraud*. Washington, D.C., 2006. URL: <http://www.washingtonpost.com/wp-dyn/content/article/2006/07/09/AR2006070900217.html>.

⁶⁷Castañeda and Aguilar, *El narco: La guerra fallida*; Paul Kenny and Mónica Serrano. “Transition to Dystopia. 1994-2008”. In: *Mexico’s Security Failure. Collapse into Criminal Violence*. New York: Routledge, 2012. Chap. 2, pp. 54–88; Osorno, *El Cartel de Sinaloa*; Osorno, *La Guerra de los Zetas*; Eduardo Guerrero. *Los hoyos negros de la estrategia contra el narco*. 2010. URL: <http://www.nexos.com.mx/?P=leerarticulo{\&}Article=248547> (visited on 06/26/2013); Eduardo Guerrero. “La Raíz de la Violencia”. In: *Nexos* (2011). URL: <http://www.nexos.com.mx/?P=leerarticulo{\&}Article=2099328>; Eduardo Guerrero. “Cómo reducir la violencia en México”. In: *Nexos* (2010). URL: <http://www.nexos.com.mx/?P=leerarticulo{\&}Article=1197808>.

⁶⁸John E Muller. “Presidential Popularity from Truman to Johnson”. In: *The American Political Science Review* 64.1 (1970), pp. 18–34.

⁶⁹Javier Osorio. *Hobbes on Drugs: Understanding Drug Violence in Mexico*. 2013. URL: http://media.wix.com/ugd/76b255{_}675f00d2a50ceebfd89750ae3b6969ae.pdf.

⁷⁰For the most comprehensive review see David A. Shirk and Joel Wallman. “Understanding Mexico’s Drug Violence”. In: *Journal of Conflict Resolution* (2015).

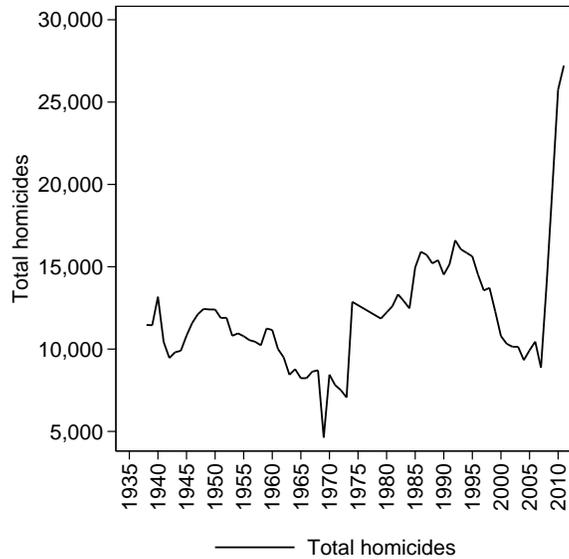


Figure 1: Annual number of homicides in Mexico 1938-2011

olence, criminal retaliation, inter-cartel violence, civilian casualties, and emerging vigilante movements. First, the state deployed an unprecedented amount of force using the Army and Navy, as well as federal and local police agencies. In contrast to meager counter-narcotic operations in the previous decades, the Calderón administration launched dozens of military operations across the country. In addition to the non-lethal use of law enforcement tactics such as surveillance, arrests, and seizures, the repertoire of government tactics did not fall short on the use of lethal force. Involving the military in policing activities opened the door for excessive use of force and human rights violations including torture and extra-judicial killings.⁷¹ Moreover, the punitive approach suggests that authorities lacked the political alternatives that enabled the PRI to control criminals using non-violent means.

Second, law enforcement triggered an aggressive criminal retaliation against authorities including security personnel and political figures. Instead of humble subordination from previous criminal cohorts, authorities faced effective resistance and vicious retribution from organized criminals that often outgunned them. Government authorities including military

⁷¹Catherine Daly, Kimberly Heinle, and David A Shirk. *Armed with Impunity*. Tech. rep. San Diego, CA.: Trans-Border Institute, 2012.

personnel, federal and local police agents and chiefs, majors, justices, and political actors became targets of threats, kidnapping, ambushes, decapitation, and murder.

Third, the most dramatic eruption of violence took place between rival DTOs. Government crackdowns generated military asymmetries between criminal organizations and created opportunities for territorial disputes.⁷² In addition, the discrete *modus operandi* of managing drug conflict was replaced by an overt flaunting of brutal and overt tactics including torture, mutilation, decapitation, public exposure of corpses, and sustained confrontations between criminals using military-grade weaponry.⁷³

In addition, a large amount of innocent bystanders were often killed in the crossfire between authorities and criminals, and in confrontations between rival criminal groups. As government crackdowns affected the income sources of DTOs from international drug trafficking, criminals turned against their host communities and engaged in unprecedented levels of kidnapping and extortion. Finally, as a reaction to the escalation of crime and violence against civilians, and due to the lack of capacity (or willingness) of authorities to protect the population, some civilian groups started organizing armed resistance against DTOs. The emergence of vigilante groups, known as *auto-defensas* opens another battle front in the already convoluted scenario of violent interactions. The highly complex and rapidly changing conflict theater of the Mexican war on drugs resembles a Hobbesian state of war of all-against-all.

Conclusion

The historical roots of the recent escalation of drug related violence in Mexico can be understood through the cycle of emergence, consolidation, erosion, and collapse of order. The process of state building developed a set of formal and informal institutions that regulated interactions between criminals and political actors. This framework provided a system of

⁷²Osorio, *Hobbes on Drugs: Understanding Drug Violence in Mexico*; Javier Osorio. “The Contagion of Drug Violence: Spatiotemporal Dynamics of the Mexican War on Drugs”. In: *Journal of Conflict Resolution* 59.8 (2015), pp. 1403–1432.

⁷³Duran-Martinez, *Criminals, Cops, and Politicians: Dynamics of Drug Violence in Colombia and Mexico*.

incentives that reduced uncertainty about the rules of the game and provided information about actor's previous behavior, which allowed projecting future interactions with a high degree of certainty. Such framework favored cooperation and guaranteed stability. As the effectiveness of these mechanisms and incentives deteriorated, the rules of the game became blurry; defections from cooperation became difficult to monitor and sanction; the number of relevant actors increased and made cooperation more difficult; and individual self-interest of several actors diverted away from cooperating under the old rules of the game. Soon, the certainty and stability of the environment that favored criminal-political cooperation for decades was replaced by an increasingly complex and rapidly changing environment with pervasive uncertainty. As such, the wave of violence rose as the consequence of the collapse of order.

To overcome the volatility of the political sphere and the fratricidal struggles that recurrently decimated the political elite in the aftermath of the Mexican Revolution, political actors agreed in the creation of a party to peacefully regulate the access to and use of power. The party comprised a set of formal and informal rules that granted a substantial degree of autonomy at the periphery in exchange of unbreakable loyalty and compliance to the center. The system of incentives made individual actors realize that refraining from violence and playing by the rules served their self-interests as it allowed them to pursue their political and enrichment ambitions within the party. In this context, U.S. prohibition laws opened opportunities for Mexican strongmen to benefit from illicit markets. The party allowed them to take advantage of such opportunities as long as they remained loyal to the center and their business did not interfere with others' higher up in the hierarchy.

During the peak of party hegemony, the PRI maintained a strong grip on all power spheres. Control over political positions and bureaucratic branches at all levels of government, as well as corporatist arrangements with agricultural and workers sectors gave the PRI plenty resources and mechanisms to instill cooperation. In this context, there was no toleration for political opposition within or outside the party. A highly restrictive electoral system and the

recurrent use of electoral fraud rendered opposition parties too few and weak to represent a meaningful challenge to the PRI dominance. The lack of political alternatives ensured a very small number of relevant actors in the political elite, which facilitated cooperation. In addition, the informal succession mechanisms and the certainty of PRI victory in every election generated a remarkable degree of certainty and stability that favored continuing interactions in a long-term temporal horizon. In this context, U.S. anti-communist pressures and internal threats to the survival of the regime favored the development of a highly repressive apparatus with the sole objective of eliminating of dissent.

In contrast to the harsh repression deployed against dissident groups who dared to challenge the PRI, government authorities developed a symbiotic relationship with criminal groups dedicated to drug trafficking and other illicit activities. The state-sponsored protection racket allowed criminals to conduct their illicit business as long as they refrained from using violence and shared the profits with the political elite. This mutually beneficial economic agreement also generated political advantages for both actors. Criminals enjoyed political protection from authorities in the form of selective or lack of enforcement. Authorities benefited politically by monitoring the criminal underworld in their efforts of detecting and neutralizing any subversive effort from cover dissident groups. In this way, the economic and political incentives favored cooperation in a context of clearly defined rules (formal and informal), a small number of actors with a long and proven reputation, extended time horizons for future interactions, a meticulous and pervasive monitoring system, and the certainty of severe and effective punishment for violations. This institutional framework reduced uncertainty and favored criminal–political cooperation for decades.

The deterioration of this structure of interactions resulted from the convergence of three parallel processes. First, the boom of drug consumption in the US during the 1980s substantially improved the economic and geo-strategic position of Mexican DTOs, thus increasing their leverage vis-a-vis political authorities. Second, the end of international pressures from the Cold War and the extermination of local radical groups reduced the need of a highly

repressive political police. In addition, close linkages of security forces with criminal groups and the involvement of DFS agents in the assassination of a DEA agent in Mexico triggered the rapid dismantlement of the state repressive apparatus. Finally, the process of democratization introduced a variety of new actors to the political scene; crumbled the unitary chain of command that facilitated the implementation of corrupt agreements; and shortened the temporal horizon of pacts. Most importantly, democracy fundamentally redefined the system of incentives for both political and criminal actors. Instead of complying with the old corrupt agreements under an authoritarian regime, a new cohort of politicians decided to subvert criminal pacts in order to gain the favor of the electorate in a democratic setting. In addition, since authorities were no longer willing or capable to protect criminals and instill cooperation, criminal organizations found the need of procuring their own security and protecting their territories by arming themselves.

The precarious equilibrium in the criminal sphere descended into chaos when the government launched a full-fledged military campaign against criminal organizations in 2007, thus triggering a war of all against all. The key factors that, according to the neo-institutional approach, generate adequate conditions for cooperation are absent in the current context. The old formal and informal rules that structured criminal–political interactions are gone. Contrary to a reduced number of actors that facilitate cooperation, democracy introduced several new actors at distinct levels of government, and the country has witnessed the proliferation of criminal groups as large DTOs splinter and new organizations emerge. The rapidly changing situation makes information about other actor’s past behavior quickly irrelevant, and makes it difficult to formulate strategic projections about the future. In sum, the current complexity and volatility of the Mexican war on drugs generates an insurmountable amount of uncertainty. Violence emerges then as the manifestation of the collapse of order.