

# Central America's Northern Triangle: A Time for turmoil and Transitions

By Douglas Farah

Over the past decade the Northern Triangle of Central America (Guatemala, Honduras and El Salvador) has earned the unenviable position as one of the world's most violent and lawless regions.

The growing importance of the region as a multifaceted transshipment corridor for transnational organized crime (TOC) groups—primarily Mexican drug trafficking syndicates—has brought a new and dangerous alignment in the region's power structures. The result has been that the three governments have moved beyond being weak, somewhat corrupt and unresponsive to almost non-functional in much of their national territories.

While none of the issues driving the collapse are new, they now appear to have driven the governments past a tipping point in the correlation of forces between the state and TOC organizations.

Flush with increasing resources, political protection and access to law enforcement entities, the criminal organizations are ascendant.

The states, with shrinking resources and hollowed out structures, are in retreat and positive state presence<sup>1</sup> is ever less accessible to the citizens. The states are currently incapable of solving most of the serious national issues in ways that strengthen the democratic process, rule of law and citizen security. With the benefit of hindsight these tipping points are identifiable.

This shift has significant though little studied consequences for the United States. It heralds the real possibility that a region in close proximity

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to the porous southern border of the United States and abutting Mexico will be increasingly under the sway of hostile TOC groups, some of whom are closely aligned with state actors such as Venezuela and Iran that are overtly antagonistic to U.S. interests and goals. U.S. policy makers have fewer and fewer viable, trusted interlocutors in the law enforcement, intelligence and political communities. Significant funding to these governments in recognition of their importance in counter narcotics, trade and immigration is not achieving the stated goals of strengthening democracy, the rule of law, economic growth and enhanced interdiction.

The U.S. government estimates that approximately 95 percent of the cocaine leaving South America for the United States moves through the Mexico and Central America corridor. Of this, an increasing amount – nearly 80 percent – stops first in a Central American country before onward shipment to Mexico.<sup>2</sup>

This fact alone is a major contributor to the growing chaos in Central America and the Northern Triangle and is largely blamed for the historically high rates of homicide, kidnapping, extortion and government dysfunctionality. It is also a major reason why the United States, despite resource constraints, continues to spend hundreds of millions of dollars a year in the region.

Yet regional problems are far more complex and dangerous than just the expansion of TOC groups in new and more violent ways, and the U.S. policy response appears to be rooted in unrealistic expectations of what can be accomplished through existing, traditional aid and trade platforms. A profound rethinking of policy priorities and the allocation of resources is required in light of the current power alignment.

### **The Rise of TOC Power**

With each of the relatively small countries playing a specific role as a node for different types of illicit activities,<sup>3</sup> the Northern Triangle is emerging as a region where the state is often no longer the main

power center or has become so entwined with a complex and inter-related web of illicit activities and actors that the state itself at times becomes a part of the criminal enterprise.<sup>4</sup> There are virtually no “ungoverned spaces” in the region. Some power group exercises real political and military control in almost every corner of every country. What has changed is that the authority is less and less often the state.

Cooptation, corruption and intimidation by TOC actors, many controlled by the Mexican drug trafficking organizations establishing expanding beach heads in the region, have left the debilitated governments facing a crisis of authority, legitimacy and democratic governance while undermining the fragile licit economies.

This is not to say that all state actors are corrupt, but that the balance of power across the region has shifted markedly in favor of the TOC groups. While some analysts have written of two states in each nation state – the formal and the informal – the reality is that each of the three countries contains multiple states within their borders. This often manifests itself in physical territory controlled by TOC groups where the state is either entirely absent or serving at the will of the TOC leaders, carrying out errands and providing armed protection and hit men services.

At this critical juncture the countries of the Northern Triangle and the United States, long allies and financial partners, have sharply divergent views of the crisis and its possible solutions. The United States, albeit with tightly restricted resources, continues to focus on the rule of law, the interdiction of illicit commodities and financial flows, dismantling TOC structures and enhancing trade.

Many leaders in the region (as in Mexico) are now focusing on the reduction of violence, with a strong sense that the U.S. policy has largely failed and that accommodation of different sorts with TOC groups is both desirable and politically acceptable. This includes discussions of legalization, decriminalization and a strategy of

significantly less confrontation with non-state actors in the hopes of reducing the violence surrounding trafficking in illicit goods.

It is unclear whether these changing attitudes are driven by the growing power of the TOCs within the governments or whether, conversely, the political process is simply recognizing and adapting to political reality. What is clear is that, while the internal conditions of each country are significantly different and somewhat fluid, all have seen a significant decline in the rule of law and governability in recent years.

Even where statistics such as homicide rates show improvement, the explanation often has less to do with positive government actions than the ebbing and flowing of internal TOC dynamics. As a recent U.N. study on Central America noted, “The key driver of violence is not cocaine, but change: change in the negotiated power relations between and within groups, and with the state.”<sup>5</sup>

Thus, consolidation of the control of *Los Zetas* in certain areas of Guatemala leads to a sharp drop in killings – an indication of TOC power rather than law enforcement success. The same is true in El Salvador, where the homicide rate has plummeted over the past years as transnational criminal gangs have negotiated a truce among themselves and government in exchange for economic and political benefits and power. Thus, the drop in homicides is not a matter of combatting crime, but of the gangs’ success in renegotiating their power relations with the state.

### The Transactional Paradigm and New Actors

As the Mexican-based and regional TOCs have gained both territorial control and political power across the region, the rule of law has largely been replaced by transactional relationships built on the exchange of goods and services among state and non-state actors. These exchanges include the right of passage for a cocaine load in exchange for cash; the support for a local political campaign in exchange for political protection of criminal

activities; shifting party loyalties in the legislature on specific issues of TOC concern in exchange for luxury beach properties; court decisions not to prosecute cases or to deliberately let them languish in exchange for economic benefits; access to prisons to assassinate key witnesses in exchange for thousands of dollars; or payments to policemen to carry out executions in exchange for a share of criminal proceeds.<sup>6</sup>

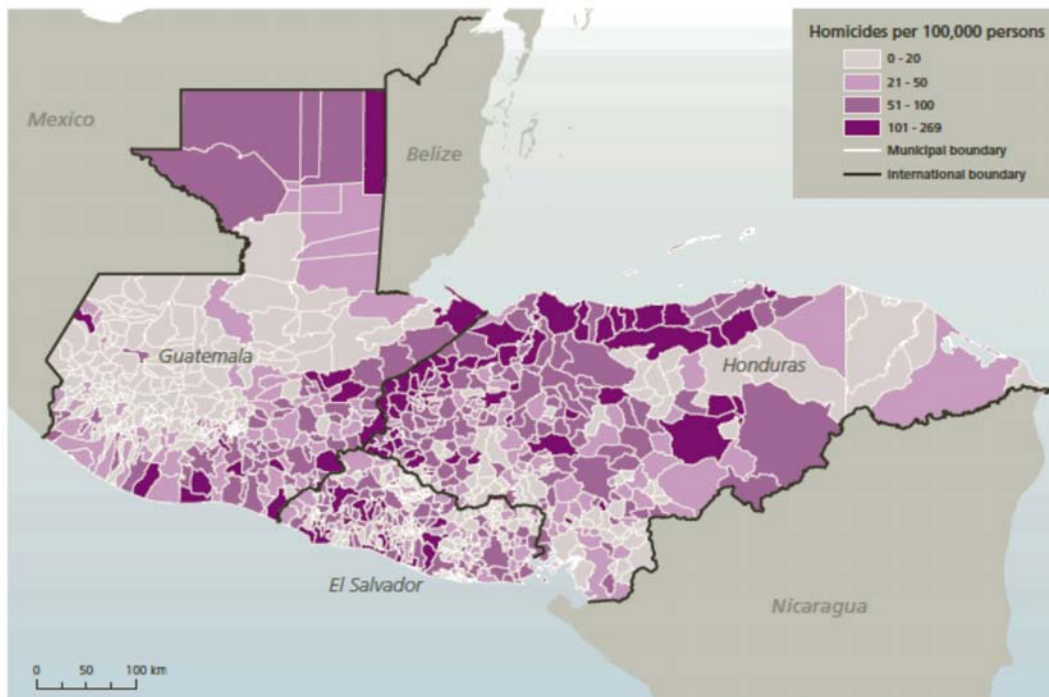
This transactional paradigm explains some of the anomalies in the region: prisons are overcrowded on a massive scale,<sup>7</sup> yet homicide rates are the highest in the world and the impunity rate for homicides is above 90 percent in the region. Only in Guatemala does the office of the attorney general, who enjoys significant international support, function at all.

This transactional activity is necessary because powerful TOC groups function much like large multinational firms that produce and ship commercial goods along transnational supply chains that must either co-opt or evade the state. Critical social networks within these organizations coordinate to move products from the production zone to market, aiming to do so in as little time, and at as low a cost as possible. Organizational leaders concern themselves with rate and return, just like commercial CEOs, managing the flow of profits that accrue from retail sales, and outsourcing the risk where possible.

However, TOC groups oversee logistical networks that are more complex and sophisticated than their commercial counterparts, because they must move both product and profits undercover, constantly maneuvering to avoid interdiction. The need to maneuver in, through, and around the state and rival organizations has led to each side seeking the maximum benefit from the other, and transacting with each other in order to achieve that maximum benefit.

In addition to the growing power of Mexican organizations such as *Los Zetas* and the *Sinaloa Federation*, the region is facing a wave of violence generated by tens of thousands of transnational

**Figure 1: Homicide rates per 100,000 by municipal area. The illicit corridors largely run through the areas of highest violence, indicating an almost total lack of state control of those regions. Source: UNODC, elaborated from data from national police (Guatemala, El Salvador) and Observatorio de la Violencia (Honduras).**



gang members, primarily the *Mara Salvatrucha* (*MS-13*) and *Calle 18*. Some 300,000 of these gang members have been deported from the United States to the region over the past two decades, importing a violent army of criminals to countries that were ill prepared to deal with them.<sup>8</sup>

In El Salvador these highly criminalized groups have also entered into the transactional dynamic, negotiating a truce with the government, exchanging a sharp drop in inter-gang violence for better prison conditions, economic benefits and real political power in a series of “peace” villages where they exercise real political power.<sup>9</sup>

New extra-regional actors such as Russian and Ukrainian organized crime groups, Chinese Triads, and drug trafficking and money laundering structures tied to the government of Venezuela are competing for power, influence and resources.<sup>10</sup> These

actors, sensing the faltering ability and/or political will by the states, are negotiating their way into the market and introducing new illicit products into the network of recombinant supply chains or pipelines through the region. These include precursor chemicals for methamphetamines, methamphetamines, smuggled gasoline and more advanced weapons.

Para-state actors such as Hezbollah, the premier hybrid terrorist-TOC organization in the world, have been active in carrying out criminal activities in Central America, as documented by ongoing field research and multiple cases now in U.S. courts. The Revolutionary Armed Forces of Colombia (FARC), the separatist Basque ETA organization and multiple other terrorist-TOC groups are also active in the region.

The result of the convergence of the growing Mexican and international TOC presence and

the growing power of local criminal groups is a dramatically changed landscape. Vast swaths of national territory, the legal economy and government infrastructure now fall under the control of non-state actors whose budgets often rival or surpass those of the governments. This has enabled the TOC groups to fulfill state roles in ever growing regions where the state cannot or will not act. This is particularly true in more isolated regions where major drug trafficking leaders have acquired massive land holdings<sup>11</sup> and provide employment, occasional medical care, educational services and other economic benefits to those on their land or in adjacent villages. This, in turn, builds a solid social network that protects the traffickers from surprise raids or other state activities.

### **U.S. TOC Strategy and Changing Attitudes**

The United States has recognized the enormous power of TOC groups and the burgeoning threat they represent to U.S. national security interests. In its 2011 “Strategy to Combat Transnational Organized Crime: Addressing Converging Threats to National Security,” the Obama administration correctly noted that TOC networks “are proliferating, striking new and powerful alliances, and engaging in a range of illicit activities as never before. The result is a convergence of threats that have evolved to become more complex, volatile and destabilizing.”

The Strategy further noted that:

- TOC penetration of states is deepening and leading to co-optation in some states and weakening of governance in many others. TOC networks insinuate themselves into the political process through bribery and in some cases have become alternate providers of governance, security, and livelihoods to win popular support.
- TOC threatens U.S. economic interests and can cause significant damage to world financial system by subverting legitimate markets.

- Terrorists and insurgents increasingly are turning to crime and criminal networks for funding and logistics. In 2010, 29 of the 63 top drug trafficking organizations identified by the Department of Justice had links to terrorist organizations. While many terrorist links to TOC are opportunistic, this nexus is dangerous, especially if it leads a TOC network to facilitate the transfer of weapons of mass destruction material to terrorists.<sup>12</sup>

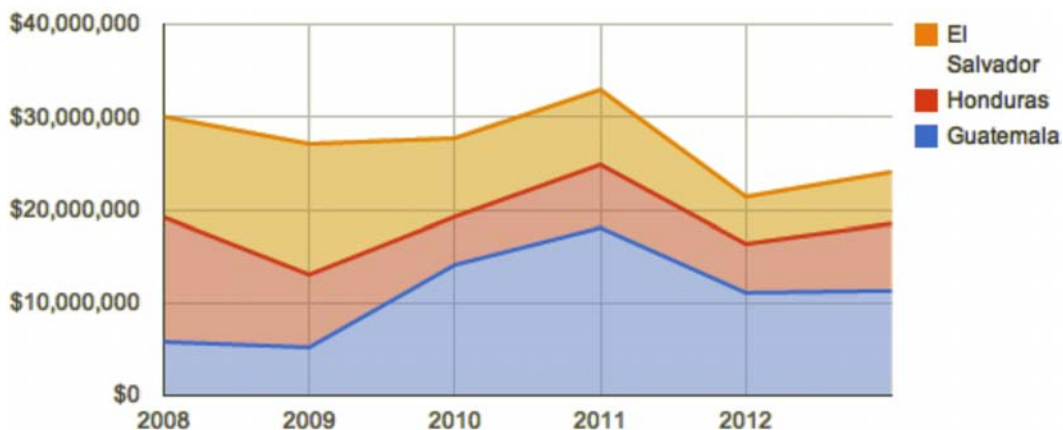
There are few places in the world that illustrate these trends more clearly than the Northern Triangle of Central America. The dangers outlined in the strategy are intensified by the Northern Triangle’s geographic proximity to the United States. TOC dominance in the region could threaten vital U.S. sea-lanes and transportation routes such as the Panama Canal, as well as significant business interests and vital fuel supply routes.

The Northern Triangle is also in immediate proximity to Mexico, engaged in a significant effort with the United States to halt the flow of cocaine and other illicit products into the homeland. In recognition that progress in Mexico will be difficult if the “back door” of trafficking and violence in Central America isn’t addressed, the United States over the past five years has approved US\$ 466.5 million for the Central American Regional Security Initiative (CARSI), and has requested an additional US\$ 107.5 million in 2013.<sup>13</sup>

The threat is further exacerbated by the fact that Central American smuggling organizations have for decades successfully moved millions of illegal aliens across the southern border of the United States with a high rate of success. A recent U.N. report called Central America “a global pathway to the United States.”<sup>14</sup>

Given the growing activities of Iran – a state sponsor of terrorism – in the region, the demonstrated presence of Hezbollah, the growing power of Venezuelan state investments and money laundering activities there, and the increasing number

**Figure 2: Military and Police aid to Northern Triangle**



of “irregular” immigrants moving through Central America from Asia, Africa, the Middle East and elsewhere, the region constitutes a significant vulnerability.<sup>15</sup> The growing levels of criminality greatly increased that vulnerability.

The consequence of this series of crises has worsened long-standing governance issues and led to “inadequate public security forces, dysfunctional judicial systems, inadequate jails which become training grounds for criminals and deficiencies in other dimensions of state structure such as the maintenance of infrastructure.”<sup>16</sup>

One must add to this list several other key elements such as weak government intelligence systems that are often far less effective than the multiple parallel intelligence structures mounted by TOC organizations, rogue security agents and corrupt and unrepresentative political parties.

The push by criminal organizations to place their illicit funds into the licit economies by buying businesses and huge tracts of land, not only opens new money laundering activities. It allows these entities the opportunity to fulfill social and economic functions such as providing security. Private security companies have more members, are better financed and more mobile than the national law enforcement structures.

Real power, then, increasingly rests with a host of autonomous TOC groups, their allied political

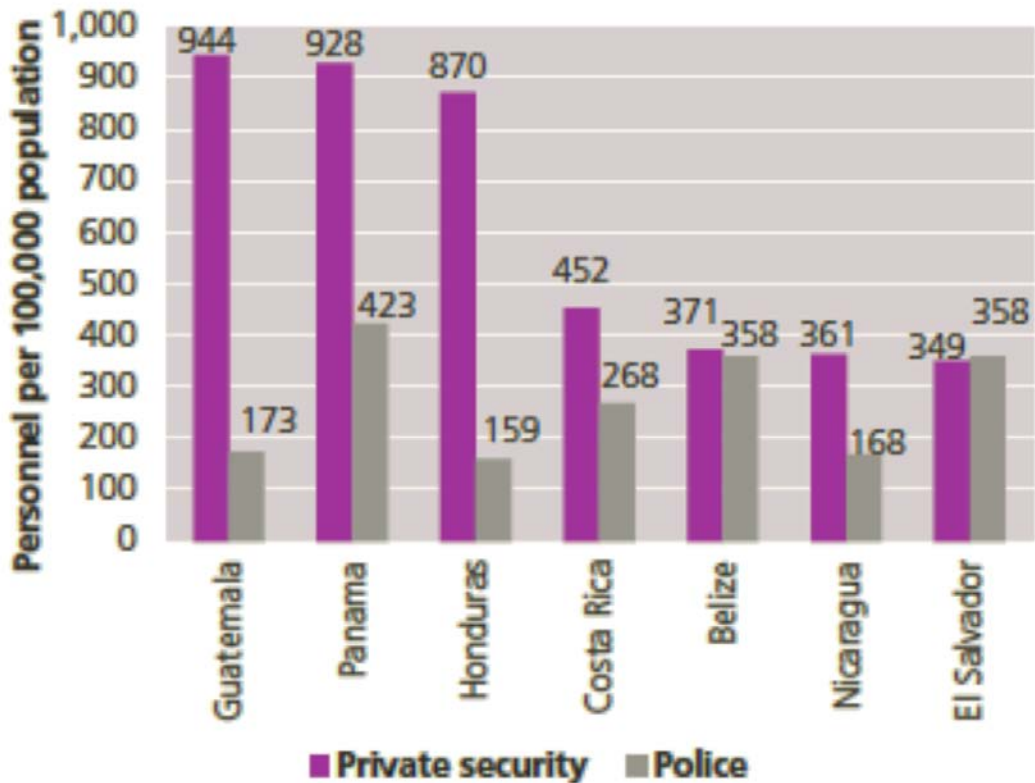
actors, and private armies equipped with their own resource base that makes the re-imposition of state control as a positive influence difficult if not impossible.<sup>17</sup>

As Phil Williams correctly notes, “more security challenges will likely fall into the category of wicked problems that are not amenable to easy or readily available solutions.” This leads to the cycle now underway in the Northern Triangle where;

“States face two fundamental and interconnected challenges: they are often unable to meet the economic needs and expectations of their citizens, and they are unable to elicit the loyalty and allegiance of significant portions of these same citizens.”<sup>18</sup>

By the middle of the 2000s, the northern tier countries of Central America had three of the five highest homicide rates in the world, far higher than during their civil wars. El Salvador, Guatemala and Honduras measure consistently among the highest five murder rates globally, ranging from 50 to 71 homicides per 100,000 citizens. This compares to about five murders per 100,000 in the United States and 1.7 in Canada. The murder rate for people aged 15 to 24 in El Salvador was recently an almost unimaginable 94 per 100,000, the highest in the world.<sup>19</sup>



**Figure 3: UNODC statistics on private security forces compared to police forces.**

Source: Orozco 2012<sup>8</sup>

<sup>8</sup>Orozco, R., *¿Un cambio de actores en el tráfico ilegal de armas en Centroamérica?* Nicaragua: Instituto de Estudios Estratégicos y Políticas Públicas (forthcoming).

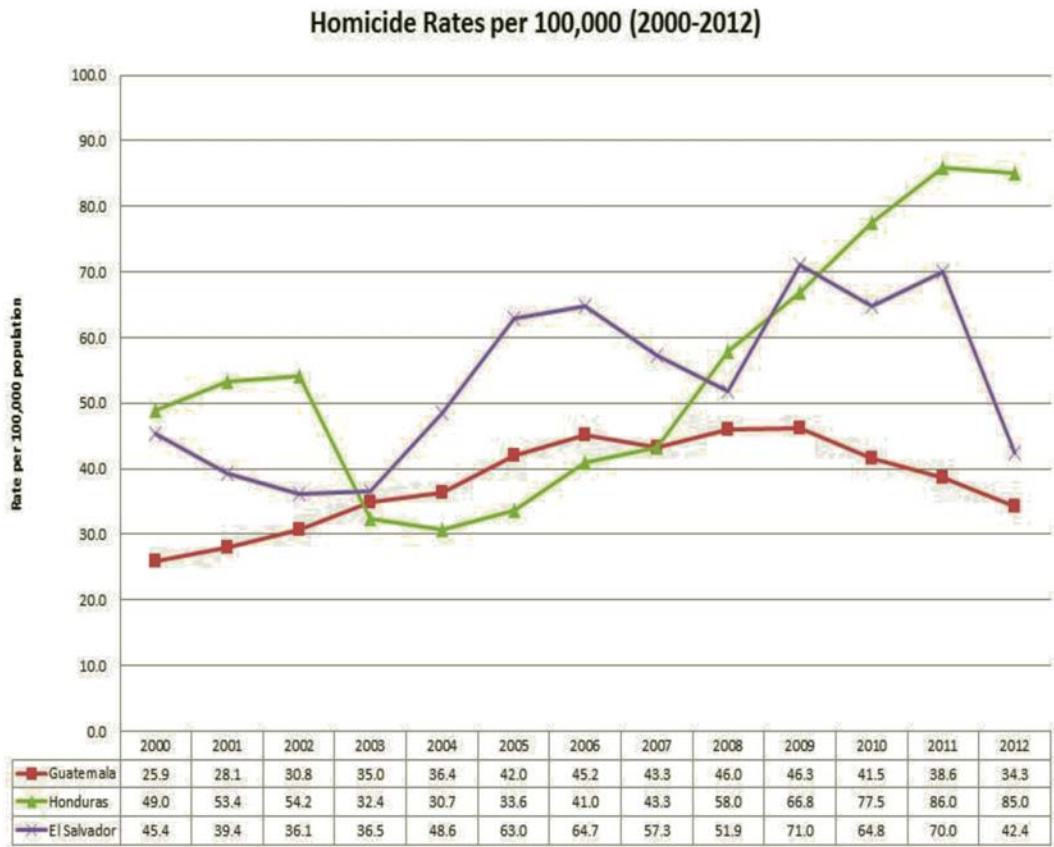
### Searching for a New Model

Faced with growing fragmentation of power, territorial gains by TOC groups and the collapse of state institutions, the governments of the region are searching for a new paradigm outside the U.S.-led “war on drugs,” including some calls for decriminalization. At the same time, there is a growing perception among the population that the violence generated by TOC activity is their primary concern, and that some sort of accommodation with those groups to end the bloodshed is the best and perhaps only way out of the current crisis.

“Are we going to be responsible to put up a war against the cartels if we don’t produce the drugs or consume the drugs? We’re just a corridor of illegality,” said Eduardo Stein, a former Guatemalan vice president who headed President Otto Perez’s presidential transition team. “The issue of drug trafficking and consumption is not on the North American political agenda. The issue of drugs in the U.S. is very marginalized, while for Guatemala and the rest of Central America it’s very central,” he added.<sup>20</sup>

Salvadoran President Mauricio Funes has moved from publicly identifying combatting TOC groups, particularly Mexican organizations, as a

**Figure 4: Homicide rates in the Northern Triangle as tabulated by the United Nations.**



national security imperative to dismissing their importance. General David Munguía Payes, his recently resigned minister of public security, has gone so far as to deny drug trafficking is a problem in El Salvador.

As InSight Crime, a respected website monitoring organized crime in Latin America noted;

“Recently, in Washington, D.C, Munguía said that El Salvador did not have a serious drug trafficking problem and insisted that the only issue was micro trafficking, or small-scale drug dealing. The newspapers and police investigations tell another story: that of drug traffickers who move tons of cocaine, and members of Congress who use their constitutional power to launder money

with the protection of authorities who do not investigate them.”<sup>21</sup>

There are other psychological factors that play into the changing perceptions in the region, such as the growing belief that the U.S.-led interdiction efforts are not only part of the problem, but that they cannot succeed. “There are two dynamics at work,” said one regional analyst who monitors polling data and political trends. “One is the feeling that the governments can or will do little or nothing to solve people’s basic needs. The second is the feeling that people want to be on the winning side in any conflict, and the perception now is that the Narcos have won, so they will adapt to that. Crossing that threshold to acceptance of the narco-state is huge, but already underway.”



### Understanding Regional Structures

It is indisputable that Central America's geographic location between the world's leading producers of cocaine to the south and the largest consuming nation to the north makes it a major transit hub. But there are multiple other factors that have led to the region's growing role not just in the cocaine trade, but in the illicit movement of money, guns, weapons, people, stolen cars and multiple other products.

The emergence of the Northern Triangle as a major node for TOC activity did not happen overnight, although, given the decade-long U.S. focus on two hot wars in other parts of the world, it is often viewed as a new trend. There are three main stages over the past 25 years that have shaped the current disastrous situation.

Illicit networks often develop in times of conflict or in the absence of a positive state presence, where multiple porous borders and disdain for the often predatory and/or corrupt state have led to smuggling routes that have endured for generations. These historic routes, in turn, engender the accompanying "cultures of contraband"<sup>22</sup>—particularly border regions—that often leads to the acceptance of smuggling activities as a legitimate livelihood.

For example, one of the primary routes to move cocaine across Honduras and into El Salvador for onward movement to Mexico is controlled by the *Cartel de Taxis*, named for the town of Taxispeque, where some of its leaders come from. Its operational territory along the Honduran border includes the once famous "*ruta del queso*" or "cheese route" used to smuggle Honduran cheese into El Salvador at the turn of the 20<sup>th</sup> century, a smuggling route that has endured at least a century.<sup>23</sup>

### The Early Years

The first stage of the current TOC activity in the Northern Triangle began with the end of the armed conflicts in Guatemala, El Salvador and parts of Honduras that lasted from the 1960s through the mid-1990s.

The conflicts, in which U.S. proxy forces battled Soviet and Cuban proxy forces, that cost billions of dollars and tens of thousands of lives, laid the foundations for the weapons trafficking, money laundering and contraband traffic today. Peace accords in Guatemala and El Salvador, and police and military reform, only partially resolved deep-seeded socio-economic and security issues. In some cases they may have accelerated a process by which drug traffickers could penetrate relatively new, untested government institutions.

One of the major shortcomings of the peace processes in El Salvador and Guatemala (as well as Nicaragua) was a failure to appreciate the depth of key clandestine networks that supplied all sides of the conflicts with weapons, intelligence and broad international support networks. Despite the general demobilization when the peace accords were implemented, many of these clandestine structures remained largely intact and almost immediately morphed into heavily armed and well-trained criminal organizations.

A major investigation of post-conflict armed groups in El Salvador in 1994—just two years after the peace agreements were signed—found that the "illegal armed groups" operating after the war had "morphed" into more sophisticated, complex organizations than had existed during the war, and that, as self-financing entities they had a strong economic component, as well as political aspect, to their operations.<sup>24</sup>

The first phase coincided with the dismantling of the *Medellin* and *Cali* cartels in Colombia, opening the way for growing Mexican dominance in all phases of the transporting of cocaine from producing nations to consumers. This shift from the preeminence of Colombian trafficking structures to Mexican organizations had profound impacts on Central America.<sup>25</sup>

### The Next Steps

The second significant phase began around the year 2000, as U.S. drug interdiction pressure in the Caribbean drove the Colombian and Mexican

DTOs to seek to exploit the growing vulnerabilities in Central America. This led to a significant increase in cocaine flows through Central America, particularly Honduras and Guatemala, the gateways to Mexico, where a variety of TOC groups operated with relative impunity.

At this point there were few indications of direct Mexican involvement in what became known as *Transportistas*, or transport networks, those groups specializing in moving illicit products from Point A to Point B. The *Transportista* groups became more specialized, but generally continued to act as independent brokers for whatever organization was willing to pay them. Many of the primary *Transportistas* had been involved in cross border smuggling long before cocaine began to flow, and adding the white powder to their product list, while lucrative, was essentially a continuation of past activities.

The third phase began in 2006, when *Los Zetas*, the most violent Mexican TOC group, began its rapid expansion into Guatemala while the *Sinaloa Federation* and other smaller Mexican groups migrated more visibly to Honduras. Both found El Salvador relatively hospitable territory. This migration was driven largely by the decision of Mexican President Felipe Calderón to begin waging a more aggressive campaign against the drug cartels with strong U.S. support. As Mexican and U.S. pressure on the TOC groups increased inside Mexico the organizations saw increasing opportunities to operate more securely in the relatively accessible Northern Triangle.<sup>26</sup>

While the *Sinaloa Federation* and other established Mexican groups continued to use the more traditional model of allying with local *Transportista* networks in the region to acquire and move product, *Los Zetas* introduced a new methodology that has significantly altered TOC operations in the region – that of widespread territorial control.<sup>27</sup>

Rather than focusing on cocaine trafficking nodes and specific points of penetration to move their product, *Los Zetas* sought territorial dominion in which they could then tax all illicit activities that

operated in or moved through that territory. This diversified the revenue stream of the organization because the group taxes prostitution, human smuggling, and all illicit activities in its areas of control.

In some cases in Guatemala, it is estimated that *Los Zetas* derive only about 40 percent of their revenues from taxing cocaine trafficking, while the rest comes from levies on other activities.

In one new innovation, the group has been stealing tanker trucks full of gasoline in Mexico from the state-run Pemex oil company to sell at discounted rates along the major highways heading out from the Mexico-Guatemala border. One recent intelligence analysis in Guatemala estimated that 30 percent of the gasoline sold in Guatemala came from these *Zeta* thefts, yielding the groups millions of dollars a month unrelated to the drug trade.

The new routes carved out by *Los Zetas* put them in direct conflict with both *Transportista* networks and traditional family trafficking structures, particularly in Guatemala. And it was the confrontation among these groups—largely won by *Los Zetas* and their allies because of their superior firepower, ruthlessness and military training—that led to the series of massacres and assassinations in the Guatemalan drug trafficking world. The UNODC’s Antonio Mazzitelli notes;

“The confrontation between two different criminal cultures—the first, business oriented; the second one, territorial oriented—constitutes a serious threat not only to the security of citizens, but also to the very consolidation of balanced democratic rule in the region.”<sup>28</sup>

The shift also brought a significant “Mexicanization” of the TOC groups in the region, meaning an imitation of the habits and culture of the Mexican drug lords. This includes the significant rise in the importation of expensive horses and horse shows on properties owned by drug traffickers and their allies; the production of “narco corridos” or songs lauding the specific exploits of a

particular drug trafficker or drug trafficking organization; the importation of cars used to race on specially constructed race tracks in isolated areas (Maserati, Ferrari and other luxury vehicles); carrying gold plated weapons; and importing exotic animals from Africa and elsewhere to roam the narco-ranches in Guatemala and Honduras.

But perhaps the most important and least studied shift has been in the massive acquisition of land by TOC organizations, as well as their incursions into the licit economies as a means of laundering their illicit proceeds. The overall effect is to further weaken the legal economies and further undermine state sovereignty. While there are no comprehensive studies available on land acquisition by TOC groups, knowledgeable sources in each of the three countries estimate that these groups now own anywhere from 25 percent to 50 percent of land in each country. A state cannot exercise sovereignty, even if it wants to, when that much of the land mass is beyond its reach.

### Breaking Down the Region by Country

The countries in the Northern Triangle face a common set of problems in different ways and to different degrees. One regional analyst explained the differences by outlining what happens to journalists who investigate illicit activities. In El Salvador, the journalist will be harassed, smeared, offered bribes and threatened, but will likely not be injured. In Guatemala, the threats are more explicit and, the journalist could be killed if the political cost is deemed to not be too high. In Honduras, the journalist is killed without discussion and no investigation is even considered.

#### Honduras

Honduras is the mouth of the illicit pipeline funnel, with most of the cocaine arriving by air from Venezuela and Colombia into remote areas. Some cocaine also arrives by sea from Panama and Nicaragua. While Honduras has a significant gang presence, the groups are less tied to TOC activity (with the exception of the *Calle 18* groups in San

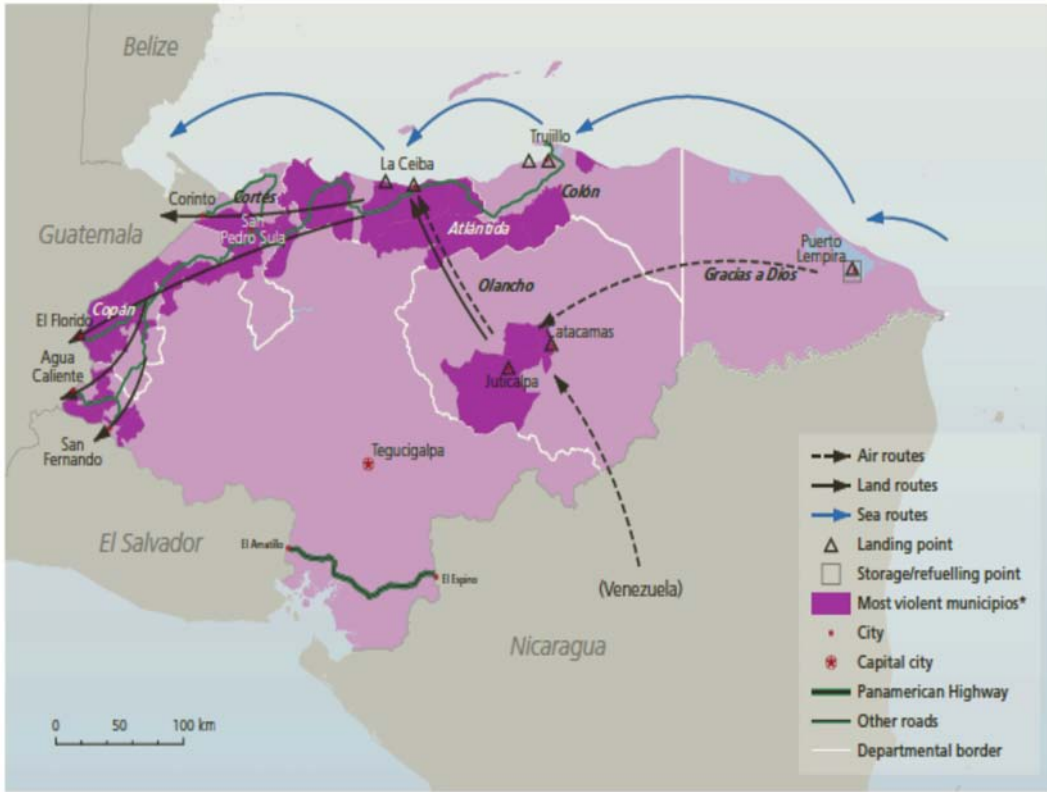
Pedro Sula) than in the other countries. This is primarily because the areas used by the drug traffickers are a significant distance from the territory under gang control.

Yet Honduras has the highest murder rate in the region, and perhaps the world, at about 85 per 100,00 inhabitants. As the map above indicates, the violence is heavily concentrated along the main drug trafficking routes. This shows those areas have homicide rates significantly above the national average and the state is largely absent. Honduras' level of impunity (based on convictions in homicide cases) is close to 95 percent. Across the region and in Honduras itself there is broad consensus that among the three Northern Triangle countries it is the one closest to being a true narco state.

The tipping point came with the 2009 ouster of President Mel Zelaya by the military. The move, described by many as a coup, had immediate and disastrous effects on the already weak governmental institutions. Most virtually ceased to function as the interim government careened toward bankruptcy, the international community cut off most assistance and refused to recognize the new government, and the U.S. cut off its counter-narcotics assistance. The TOC organizations, already well positioned in the region, simply filled the vacuum with money, cocaine and other illicit products, and a growing power to corrupt. The result was a "kind of cocaine gold rush," where "flights from the Venezuelan and Colombian borders to airstrips in Honduras skyrocketed, and a violent struggle began for control of this revived drug artery."<sup>29</sup>

Even following elections (which were not broadly recognized, but were supported by the United States), the internal chaos has continued. The government, which mortgaged its financial future by taking out high interest loans from banks when cut off from international lenders, has faced numerous strikes by policemen and an atrophying of the already weak state. Knowledgeable sources in Honduras describe different police units, short on resources and leadership, as beholden

**Figure 5: Main drug trafficking routes in Honduras.**



Source: UNODC, elaborated from interviews in the region and national police data  
 \*Selected among the municipalities with highest homicide rates (<100 homicides per 100,000 population)

to ever-present TOC groups for everything from extra income to supplementing the meager salaries, to money to buy parts for the ramshackle police vehicle fleet.

The *Sinaloa Federation* is the dominant TOC group operating in Honduras today and has the tightest control over the “Atlantic Route” where product enters over water or via air. However, Honduran authorities acknowledged that *Los Zetas* have also begun to establish a footprint in Honduras, possibly presaging even more violence between the two groups.<sup>30</sup>

**Guatemala**

Guatemala is the only country of the three that directly borders Mexico, making it the key

transportation node in the region where the funnel narrows. Almost all illicit commodities entering Mexico overland—cocaine, humans, weapons, cash, stolen cars and other products—have to pass through Guatemala, with a trickle through Belize.

This explains in part not only the violence among the traditional contraband handlers who operate in family units and *Los Zetas* taking over great swaths of national territory, but the number of important sub-groups that operate there and the wide variety of routes.

Guatemala has long had an important role in organized crime in the region. The traditionally weak central government, tumultuous history and geographic location have made it ripe for criminals to use the territory for the storage and transport

**Figure 6: Cocaine trafficking routes in Guatemala**

Source: UNODC, elaborated from interviews in the region and national police data  
 \*Selected among the municipalities with highest homicide rates (<100 homicides per 100,000 population)

of illicit drugs moving north, as well as a host of other criminal activities from human smuggling to kidnapping.

The most prominent criminal groups originated in two principal sectors: 1) official circles such as the military or the police; and, 2) along border areas where contraband was a way of life.

Factions of the country's infamous military intelligence branch split from the government in the 1990s during a reconfiguration of the state and became some of the most important criminal groups, trafficking in fake passports, weapons and other illicit goods. As in El Salvador in 1992, the 1996 peace process that ended the nation's long civil war dramatically downsized the military and left thousands of highly skilled military personnel suddenly looking for employment.

Portions of the police have formed their own extortion, kidnapping and theft rackets.

Traditional contraband families have developed trafficking routes and a means to move virtually any product north or south, and have offered their services to larger, multinational criminal organizations from Colombia and Mexico. Some of these *Transportistas* have become powerful drug traffickers in their own right. The result was the emergence of several criminal groups, some of which took on the names of their former military working groups. The most famous of these groups was known as the *Cofradía*, or the "brotherhood," but there were numerous others.

Here the transactional paradigm is clear. The state is effectively split into pieces, each piece serving the highest bidder, or developing regular customers from amongst the myriad organizations that need its services. Local governments and congressional representatives have been equally willing to accommodate these underworld figures,



facilitating the movement of property titles and opening avenues to public works projects in order to facilitate the financial end of these projects. For the most part, the judicial sector has cowered or capitulated to these criminal interests. The prisons have become a respite—a place to regroup, recruit and/or develop new alliances.

*the Zetas, largely former Special Forces troops in Mexico, began recruiting ex-military experts from Guatemala*

In an unusual recognition of the collapse and corruption of its own judicial structures, the Guatemalan government in 2006 agreed to the formation of the United Nations-mandated International Commission Against Impunity in Guatemala (*Comisión Internacional contra la Impunidad en Guatemala* – CICIG). CICIG is charged with investigating the most serious crimes, and is largely focused on TOC groups that have penetrated state institutions. After several early high profile successes, the CICIG has become less visible over the past two years.

*The Arrival of Los Zetas*

The *Zetas*' connection to Guatemala stretches back at least to the mid-2000s. The organization was then part of the *Gulf Cartel*. The first push toward expansion came via personnel, not geographic movement. The *Zetas*, largely former Special Forces troops in Mexico, began recruiting ex-military experts from Guatemala. The news reports from that time period focus on the *Kaibiles*, Guatemala's vaunted Special Forces, although they also recruited from other units as well.<sup>31</sup>

Their first target in taking over territory is usually the local drug trafficking industry, normally the most important and lucrative of underworld activities. After discovering the distribution point of one of the main traffickers, they often kidnap and torture the proprietor for further information on the network, repeating

the process until the entire distribution structure of a given geographic location is under their control.<sup>32</sup> The *Zetas* began operating more regularly in Guatemala around 2007.<sup>33</sup> Guatemala had become a dangerous bottleneck in the journey north.<sup>34</sup>

The consolidation of *Los Zetas*, again a significant tipping point, came in March 2008, when they effectively won the war against their main opponent, a drug trafficker named Juancho León. León, operating in the traditional Guatemalan way of using a family based organization in alliance with other family based trafficking groups, had come to dominate the Guatemalan cocaine trade. León, who had married into the Lorenzana family, another powerful trafficking clan, was the key entrée for almost all illicit trafficking activities in the government of Álvaro Colom (2008-2012).

*Los Zetas* allied with Walther Overdick and other trafficking families to get rid of León and the need to pay him as a middleman. On March 25, 2008, armed men from several organizations, including the *Zetas*, met with León in a restaurant in the state of Zacapa. The meeting was supposed to be a place to settle differences and arrange a price they would pay León to move illicit product through Guatemala. But on the way out León was caught in an ambush by assailants using rocket propelled grenades and automatic weapons. All that was left was a smoldering wreckage of his convoy of armored cars.

With León out of the way, *Los Zetas* and Overdick worked together to tremendous mutual benefit. Overdick provided the political, judicial and military contacts that gave the organization political top-cover, legal protection, and access to weapons, training and recruits. He also gave them the infrastructure to obtain and move cocaine or simply purchase it from him. This boosted the presence of *Los Zetas* in Guatemala and allowed them to take new territory to expand their routes and implant their structures in a more permanent manner.



For their part, the *Zetas* provided the Overdick organization with muscle so he could expand operations as cocaine middleman. Together the two organizations pushed other family organizations out of business. Some, like the senior members of the Lorenzana clan, ended up extradited to the United States, while others were forced to cut deals. The growth of the Overdick-*Los Zetas* alliance continued unabated until April 2012, when Overdick was arrested with the help of the U.S. Drug Enforcement Administration (DEA). He was extradited to the United States in December 2012.<sup>35</sup>

However, by then *Los Zetas* were a consolidated group, recruiting local military and ex-military members and integrating them into a tight operation that works in cells of 8 to 10 men.<sup>36</sup> These “soldiers” move in smaller teams of 4 or 5, a function of how many men they could put in the SUVs and *Suburbans*, the vehicles the organization favors.

The *Zetas* concentrated their efforts on Cobán, Alta Verapaz. Cobán is strategically located in the heart of Guatemala. It gives relatively easy access to the northern, more remote province of Petén, the capital and country’s banking center, Guatemala City, and the eastern and western border provinces.

The move north into Petén was the most violent and revealing of the way the *Zetas* have chosen to operate in Guatemala. This included the widely reported massacre of 27 farm workers, as a way of sending a message to a rival who had reportedly stolen cocaine from them. But the incursion into northern Petén actually began several months earlier with a violent spree during which they killed a rival from a large transportation network and attacked a farm owned by the *Mendoza* clan.<sup>37</sup>

### El Salvador

El Salvador remains a key player in the TOC structures in the region, despite its small size and dense population, and despite government protestations to the contrary. Its criminal structures are largely local and regional rather than transnational and cocaine flows are significantly less than those of Guatemala and Honduras.<sup>38</sup> However, the local

*Transportista* structures are deeply tied to local and national political structures, the judiciary, and the police, while Mexican TOC groups are gaining in influence.

*in El Salvador organized crime grew by using structures created by the far right paramilitary and leftist guerrillas during the war*

One respected analyst at the Jesuit-run University of Central America recently explained the strength of these networks as follows;

“In El Salvador organized crime has ties to all aspects of politics, both on the left and on the right . . . While these types of ties exist in many places, in El Salvador the ties are structural, as organized crime grew by using structures created by the far right paramilitary and military groups and leftist guerrillas during the war. In both camps after the peace agreement there were those who knew how put to use the skills they learned in war and put them at the service of organized crime. They took all they had learned of corrupt structures and clandestine networks and turned them to criminal enterprises.”<sup>39</sup>

Among the most notable of the corrupt structures these groups continue to operate are a series of parallel intelligence structures that are more powerful and efficient than the government’s intelligence services. These are maintained by remnants of the far right, recalcitrant groups of the Communist Party and wealthy businessmen.

Using their political clout local drug trafficking organizations such as *El Cartel de Taxis* and *Los Perrones* are increasingly pushing into legitimate business enterprises such as the importation of basic grains, hotel construction, transportation, professional soccer teams and gasoline station

ownership – all cash intensive business well suited to money laundering while undercutting and eliminating legitimate business.

The deep ties of the *Transportista* networks to the local and national governments are seen in the recent reports that a vehicle of Herbert Saca, a senior Presidential adviser, has been used for cocaine trafficking by a major drug trafficker;<sup>40</sup> the ties of multiple mayors and elected representatives to the *Perrones* and *Texis* groups;<sup>41</sup> and the profiteering of another close adviser of President Funes, Miguel Menéndez, through a private security business that has won more than \$14 million in no bid government contracts while creating an armed unit outside of normal chains of command.<sup>42</sup>

*the negotiations that led to the gang truce are again a significant tipping point, where the government chose to negotiate directly with criminal elements*

Because neither the *Sinaloa Federation* nor *Los Zetas* have established a significant permanent presence in the country, all sides of different TOC organizations can meet there to resolve differences. The northern coast of the country near the Guatemalan border is dotted with luxury homes where regional TOC leaders can meet with impunity to discuss their operations, grievances and plans.

A second anomaly is that transnational gangs have a significant presence in virtually every corner of the country, meaning that the regional *Transportista* networks must cut deals with the local gang leaders to move their product. In recent years this has led to some of the *MS-13* and *Calle 18* groups becoming much more directly tied to drug trafficking and weapons trafficking activities in ways their counterparts in other countries are not.<sup>43</sup> This is true even as the gang truce moves forward despite a lack of transparency and multiple contradictions in the Salvadoran government statements on the nature and commitments in the pact.

*MS-13* cliques such as *Fulton Locos Salvatruchas* (*FLS*) and *Hollywood Locos Salvatruchos* (*HLS*), the most violent of the identified gang cliques, operate in close conjunction with *Transportista* networks. The reported leader of the *FLS*, José Misael Cisneros Rodríguez, aka “*Medio Millon*” (Half Million), was arrested in May, but has been arrested in the past and subsequently freed under mysterious circumstances. Salvadoran police officials say he and his gangs are among the most closely linked to the cocaine trade.<sup>44</sup>

Another *MS-13* leader linked more directly to the cocaine trade is Moris Alexander Bercián Manchón, aka *El Barney*, one of the few gang leaders to control multi-kilo cocaine loads. The son of a Guatemalan colonel who was a commander in the border zone, *El Barney* controls the *Normandie Locos Salvatruchos* clique and is linked by police to more than 50 homicides.<sup>45</sup>

The *FLS* and *HLS* work directly with and for the *Cartel de Texis*, which in turn constitutes a major transport network of the *Sinaloa* cartel operatives running their Central American operations from Honduras. *Texis*, and by proxy the *FLS* and *HLS* wield tremendous local political power along the routes where *Texis* operates.<sup>46</sup> The negotiations that led to the gang truce are again a significant tipping point, where the government chose to negotiate directly with criminal elements under opaque circumstances that have greatly strengthened the power of TOC groups in El Salvador.

The *Texis* group controls the northwest corridor of the border with Honduras through Metapán to the Guatemalan border.<sup>47</sup> Another major *Transportista* network known as *Los Perrones Orientales*, (Big Dogs of the East) operates in and around the eastern cities of San Miguel, Usulután and La Unión.

These groups take custody of the cocaine that arrives on El Salvador’s Pacific coast from Colombia and Ecuador, or overland from Honduras. The sea transfers of illicit products often take place in the Bajo Lempa region, long a smuggling center, and particularly used by the

former guerrillas as a weapons transshipment point during El Salvador's civil war. The area is still a center of black market for weapons movements.<sup>48</sup> Many of the leaders of both groups have been involved in running contraband and stolen goods through the region for many years, and in some cases, for generations, showing how the "culture of contraband" has taken root.

A third unique trait of El Salvador is the nation's dollarized economy and lax to non-existent anti-money laundering efforts. This enables TOCs, with a minimum of presence and expenditure, to move money through El Salvador from the United States and Europe into the international banking system without ever having to convert the wealth to another currency.

### Conclusions

The real power structures (as opposed to the formal power structures) in the Northern Triangle of Central America are increasingly tied to regional TOC structures in which the Mexican drug cartels predominate. This provides multiple challenges to U.S. policies in the region, particularly given the Northern Triangle's geographic proximity to the United States and its historic economic, cultural and immigration ties there. Current U.S. policy, as reflected in the recent trip of President Obama to Mexico and Costa Rica, is focusing more on trade and economic issues and less on counter drug and interdiction efforts than in the past. This mirrors the changing priorities within the Northern Triangle governments, who view mitigating violence as the priority, rather than interdicting cocaine.

Yet the road ahead is fraught with complex problems and tensions. Much of the U.S. aid and policy agendas remain rooted in the traditional assumptions that the states receiving the aid can and will tackle organized crime as a serious issue, while seeking to build the rule of law and more transparent economic systems that will lessen corruption. The current shift in priorities could only bear fruit under those circumstances. However, as

TOC groups gain ascendancy these basic assumptions no longer appear to hold true.

Because of the TOC influence at all levels, U.S. law enforcement officials are finding fewer interlocutors with whom to build relations of trust. The TOC penetration at the senior levels of each government means the same holds true across the spectrum of diplomatic and intelligence interests.

*much of the U.S. aid and policy agendas remain rooted in the traditional assumptions that the states receiving the aid can and will tackle organized crime as a serious issue*

The minority of uncorrupted law enforcement agents within each country have no mechanism to work with trusted counterparts in other countries – an urgent issue given that almost no major crime in the region is "local." Most of the TOC groups work across the region and most of the criminal enterprises span the three countries, meaning the lack of government cooperation greatly increases the levels of impunity.

It will be hard to increase trade with the Northern Triangle if TOC groups are managing more of that trade with strong economic interests that will only be strengthened through that trade. There is little incentive to create a more transparent system in economies ever more dependent on money laundering structures and illicit products rather than legitimate commerce.

One would be hard-pressed to find one major political party that does not have multiple members of its senior leadership directly tied to one TOC group or regional *Transportista* syndicate or another, rendering the electoral process increasingly less relevant in the creation of sustainable democratic structures with functioning judiciaries or manageable prisons.<sup>49</sup>

The situation will likely worsen considerably in coming months as the effects of reduced



Walking the Tracks on Flickr

#### Mara Salvatrucha graffiti

interdiction efforts due to sequestration begin to be felt. With fewer U.S. assets deployed on the sea, in the air and on the ground the flow of cocaine will likely grow as the chances of being caught drop, thus leaving the region even more awash in illicit commodities than it already is. In this environment the United States must choose its partners carefully and reassess the assumptions underlying current programs of aid and security.

For example, rather than focusing on broad police reform in an era of scarcity and uncertainty over who one can work with, priority should be given to creating small vetted units in each country that have the capacity to talk to each other and share data. This felt need is repeated in almost

every meeting with law enforcement officials across the region. Another priority should be training for these small units in investigating complex, multi-jurisdictional crimes in order to develop the skill sets necessary to truly tackle TOC organizations on multiple fronts.

A further priority should be gaining an understanding of the economic implications of the new TOC-controlled companies and structures, including massive land purchases. While increasing trade with the region is a priority, one must understand the nature of the trade and the beneficiaries. This should be a future priority research area.

Ultimately the people and governments of the Northern Triangle will have to determine



their own destinies and the United States, as a long-timer partner with important security and economic interests, must support them in efforts to combat TOC, fortify their democratic structures and construct the rule of law. However, in the current alignment of forces this requires additional care and a rethinking of how to achieve those goals. **PRISM**

## Notes

<sup>1</sup> The descriptions of “positive” and “negative” sovereignty are drawn from Robert H. Jackson, *Quasi-states: Sovereignty, International Relations and the Third World*, (Cambridge: Cambridge University Press, 1990), 29. Jackson defines negative sovereignty as freedom from outside interference, the ability of a sovereign state to act independently, both in its external relations and internally, towards its people. Positive sovereignty is the acquisition and enjoyment of capacities, not merely immunities. In Jackson’s definition, it presupposes “capabilities which enable governments to be their own masters”. The absence of either type of sovereignty can lead to the collapse of or absence of state control.

<sup>2</sup> U.S. Department of State, “2012 International Narcotics Control Strategy,” Volume 1.

<sup>3</sup> The use of the node model is based on Patrick Radden Keefe’s study: Patrick Radden Keefe, “The Geography of Badness: Mapping the Hubs of the Illicit Global Economy,” *Convergence: Illicit Networks and National Security in the Age of Globalization*, edited by Michael Miklaucic and Jaqueline Brewer, Center for Complex Operations, (Washington DC: National Defense University Press, 2013), 97-109.

<sup>4</sup> For a broader definition and look at how “criminalized states” in Latin America operate, see; Douglas Farah, “Transnational Organized Crime, Terrorism and Criminalized States: An Emerging Tier-One Security Priority,” *U.S. Army War College, Strategic Studies Institute*, (August 2012).

<sup>5</sup> United Nations Office on Drugs and Crime, “Transnational Organized Crime in Central America and the Caribbean: A Threat Assessment,” (September 2012), 13.

<sup>6</sup> There are significant cases falling under each of these typologies that will be examined in the next phase.

<sup>7</sup> According to the International Centre for Prison Studies of the University of Essex (<http://www.prison-studies.org/info/worldbrief/>) Guatemala’s prisons have a capacity for 6,974 people but a prison population of 12,835, an overcrowding of 184 percent, with 54 percent

of that population awaiting trial. In Honduras the official prison capacity is 8,625 and the prison population is 12,336, an overcrowding of 143 percent, with 50 percent of the inmates awaiting trial. In El Salvador the prison capacity is 9,060 and the prison population is 26, 639, an overcrowding of 254 percent, with 27 percent of the prisoners awaiting trial.

<sup>8</sup> Clare Ribando Seelke, (Washington DC: Congressional Research Service, 3 January 2011), 9, available at <http://www.fas.org/spp/crs/row/RL34112.pdf>

<sup>9</sup> For details of the gangs and the truce see: Douglas Farah and Pamela Phillips Lum, “Central American Gangs and Transnational Criminal Organizations: Changing Relationships in a Time of Turmoil,” February 2013, accessed at [http://www.ibiconsultants.net/\\_pdf/central-american-gangs-and-transnational-criminal-organizations-update-for-publication.pdf](http://www.ibiconsultants.net/_pdf/central-american-gangs-and-transnational-criminal-organizations-update-for-publication.pdf). The “Violence Free” municipalities where the government’s security forces are withdrawn and gang members can leave without interference in exchange for promises of non-violence, are highly reminiscent of the “Distention Zone” the Colombian government granted the FARC during peace negotiations in 2000, which ended in disaster. The FARC used the time and territory to solidify its drug trafficking structures and to rest and rearm its troops.

<sup>10</sup> For example, one recent study found significant ownership changes in the Petén region of Guatemala between 2005-2010, including 90 percent of land changing hands in municipalities of San José and La Libertad. See: Miguel L. Castillo-Giron, (Western Hemisphere Security Analysis Center: Florida International University, February 2011), accessed at <http://digitalcommons.fiu.edu/whemsac/20>

<sup>11</sup> National Security Council, “Strategy to Combat Transnational Organized Crime: Addressing Converging Threats to National Security,” July 2011. The Strategy grew out of a National Intelligence Estimate initiated by the Bush administration and completed in Dec 2008, and is a comprehensive government review of transnational organized crime, the first since 1995.

<sup>12</sup> Congressional Research Service, “Central America Regional Security Initiative: Background and Policy Issues for Congress,” (21 February 2012).

<sup>13</sup> United Nations Office on Drugs and Crime, “Transnational Organized Crime in Central America and the Caribbean: A Threat Assessment,” (September 2012), 49.

<sup>14</sup> *Ibid.*

<sup>15</sup> Gabriel Marcella, “American Grand Strategy for Latin America in the Age of Resentment”, Monograph No. 10, (September 2007).

<sup>16</sup> For a robust discussion of this dynamic see: Phil Williams, “Lawlessness and Disorder: An Emerging Paradigm for the 21<sup>st</sup> Century,” edited by Michael Miklaucic and Jaqueline

Brewer, Center for Complex Operations, (Washington DC: National Defense University Press, 2013), 15-37.

<sup>17</sup> Williams, *Op Cit*.

<sup>18</sup> There are multiple studies on the number of homicides in the region, which vary slightly in the exact numbers put arrive at the same general number. These studies show the homicide rate in El Salvador almost doubling from about 37 per 100,000 to about 71 per 100,000 in 2009. For official National Police statistics see: "Número de Víctimas y Tasas de Homicidios Dolosos en El Salvador (1999-2006)," accessed at [http://www.ocavi.com/docs\\_files/file\\_386.pdf](http://www.ocavi.com/docs_files/file_386.pdf), September 3, 2010. Also see: Edith Portillo, "Gestión de Saca Acumula 16 mil homicidios," December 29, 2008; and "Crime and Instability: Case Studies of Transnational Threats," February 2010. The figure on homicides among young people was taken from: "Latin America Has the Highest Homicide Rate for Young Adults in the World," November 26, 2008.

<sup>19</sup> Romina Ruiz-Goiriena, "Guatemala Weighs Drug Legalization," February 13, 2012, accessed at [http://www.huffingtonpost.com/2012/02/13/guatemala-drug-legalization\\_n\\_1274717.html](http://www.huffingtonpost.com/2012/02/13/guatemala-drug-legalization_n_1274717.html)

<sup>20</sup> <http://www.insightcrime.org/news-analysis/once-again-el-salvador-ignores-narco-congress-links>.

<sup>21</sup> For an examination of the "cultures of contraband" and their implications in the region see: Rebecca B. Galemba, Ph.D. dissertation, (Brown University Department of Anthropology, 2009).

<sup>22</sup> Sergio Arauz, Óscar Martínez, and Efrén Lemus, "El Cartel de Taxis," May 16, 2011, accessed at: <http://www.elfaro.net/es/201105/noticias/4079/>.

<sup>23</sup> The investigation was carried out by a special commission formed in 1992, composed of the nation's human rights ombudsman, a representative of the United Nations Secretary General, and two representatives of the Salvadoran government. The commission was formed by a political agreement among all the major parties due to resurgence in political violence after the signing of the historic peace accords. See: "Informe del Grupo Conjunto Para la Investigación de Grupos Armados Ilegales con Motivación Política en El Salvador," *El Salvador*, July 28, 1994, accessed January 26 at <http://www.uca.edu.sv/publica/idhuca/grupo.html>

<sup>24</sup> For a more comprehensive look at the demise of the Colombian organization and the rise of the Mexican structures see: Steven S. Dudley, "Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels and Maras," (San Diego: Woodrow Wilson International Center for Scholars and University of San Diego Trans-Border Institute, May 2010).

<sup>25</sup> For a more complete look at this phenomenon see: "Transnational Organized Crime in Central America and

the Caribbean: A Threat Assessment," *United Nations Office on Drugs and Crime* (September 2012), 11-13.

<sup>26</sup> For more complete studies of this shift see: Samuel Logan, "The Sinaloa Federation's International Presence," *Combating Terrorism Center, West Point* (April 2013), 6, no 4, and Steven Dudley, "Part I: The Incursion," *InSight Crime*, September 7, 2011, accessed at <http://www.insightcrime.org/the-zetas-in-guatemala/part-1-the-incursion>

<sup>27</sup> Antonio L. Mazzitelli, "Mexican Cartels Influence In Central America," *Western Hemisphere Security Analysis Center*, Paper 45, no. 5 (September 2011), accessed at <http://digitalcommons.fiu.edu/whemsac/45>

<sup>28</sup> Transnational Organized Crime in Central America and the Caribbean: A Threat Assessment, *Op. Cit.*, 23.

<sup>29</sup> Jeremy McDermott, "The Zetas Set Up Shop in Honduras," *InSight Crime*, February 4, 2013.

<sup>30</sup> "Mexico Fears Its Drug Traffickers Get Help from Guatemalans," *The New York Times*, September 30, 2005, available at [http://www.nytimes.com/2005/09/30/international/americas/30mexico.html?\\_r=0](http://www.nytimes.com/2005/09/30/international/americas/30mexico.html?_r=0)

<sup>31</sup> "How the Zetas Took Monterrey," *InSight Crime*, December 16, 2012, available at <http://www.insightcrime.org/zetas-monterrey/how-the-zetas-took-monterrey>.

<sup>32</sup> Author's interviews with Guatemalan intelligence services, Guatemala City, January-February 2010.

<sup>33</sup> For more on the Zetas' incursion, see "Part I: The Incursion," *InSight Crime*, September 7, 2011, available at <http://www.insightcrime.org/the-zetas-in-guatemala/part-1-the-incursion>.

<sup>34</sup> "Guatemala 'Drug Boss' Overdick Faces US Extradition," *BBC News*, June 12, 2012.

<sup>35</sup> For more on Zetas' modus operandi, see "Part II: The Modus Operandi," *InSight Crime*, September 7, 2011, available at <http://www.insightcrime.org/the-zetas-in-guatemala/part-2-the-modus-operandi>

<sup>36</sup> "Part III: A Guatemalan Response," *InSight Crime*, September 7, 2011. <http://www.insightcrime.org/the-zetas-in-guatemala/part-3-a-guatemalan-response>

<sup>37</sup> According to the UNODC some 330 tons a year transit Guatemala and some 280 tons transit Honduras, while only 5 tons go through El Salvador. Yet an analysis of seizure data estimates show El Salvador's traffic is likely significantly under reported. Revised estimates by international narcotics sources but the amount at 10 tons to 15 tons, still far less but more not unimportant.

<sup>38</sup> Rev. Andreu Oliva, "El crimen organizado," *Revista ECA* (El Salvador), 67, no 731, (October-December 2012), 473.

<sup>39</sup> Herbert Saca is the cousin of former president Antonio Saca, accused by his own political party of stealing more than \$400 million during his presidency (2004-2009). For details see: Efrén Lemus and Óscar Martínez, "Camioneta contaminada con cocaína vincula Herbert Saca



con red de narcos,” *El Faro*, April 19, 2013, accessed at <http://www.elfaro.net/es/201304/noticias/11788/>

<sup>40</sup>In May 2011 the online newspaper *El Faro* published an extensive investigative series for the first time publicly identifying the little-known Cartel de Taxis, its leadership and those leaders’ extensive political protection network. The series brought death threats against the authors. See: Sergio Arauz, Óscar Martínez and Efrén Lemus, “El Cartel de Taxis,” *El Faro*, May 16, 2011. See also: Efrén Lemus, Óscar Martínez and Sergio Arauz, “Los extraños negocios del diputado con Ulla Sibrián,” *El Faro*, April 6, 2013, accessed at <http://www.elfaro.net/es/201304/noticias/11613/>

<sup>41</sup>Efrén Lemus, “‘Mecafé’ ha Ganado contratos por \$14.6 millones durante gobierno de Funes,” *El Faro*, February 25, 2012, accessed at <http://www.elfaro.net/es/201302/noticias/11118/>

<sup>42</sup>For a comprehensive assessment of the role of the gangs and TOCs in El Salvador see: Douglas Farah and Pamela Phillips Lum, “Central American Gangs and Transnational Criminal Organizations: The Changing Relationships in a Time of Turmoil,” *International Assessment and Strategy Center*, (February 2013), accessed at [http://www.strategycenter.net/research/pubID.302/pub\\_detail.asp](http://www.strategycenter.net/research/pubID.302/pub_detail.asp)

<sup>43</sup>Arauz, Martínez and Lemus, *Op Cit.*

<sup>44</sup>For an excellent open source overview of these groups, see: Alejandra S. Inzunza and José Luis Pardo, “El Salvador Busca su Redención,” *El Universal* (Mexico), Oct. 7, 2012, accessed at <http://www.domingoeluniversal.mx/historias/detalle/El+Salvador+busca+su+redenci%C3%B3n-971>

<sup>45</sup>In May 2011 the online newspaper *El Faro* published an extensive investigative series for the first time publicly identifying the little-known Cartel de Taxis, its leadership and those leaders’ extensive political protection network. The series brought death threats against the authors. See: Sergio Arauz, Óscar Martínez and Efrén Lemus, “El Cartel de Taxis,” *El Faro*, May 16, 2011.

<sup>46</sup>Author interviews with MS-13 members and Salvadoran National Police experts. Also, see: Elyssa Pacheco, “Salvador Drug Cartel Targeted in Rare Arrest,” *InSight Crime*, 28 May, 2012, accessed at <http://www.insightcrime.org/news-briefs/secretive-el-salvador-drug-cartel-targeted-in-rare-arrest>

<sup>47</sup>Farah and Lum, *Op Cit.*

<sup>48</sup>Underscoring the lack of confidence in the current political class, in one recent poll of presidential candidates in Honduras “none of the above” outpolled the four leading presidential candidates and voters who call themselves undecided. “None of the above” drew 22 percent while the leading candidate drew 20 percent. See: “Xiomara Castro y Salvador Nasralla disputan triunfo en las encuestas,” *El Heraldo* (Honduras), April 21, 2013, accessed at <http://www.elheraldo.hn/Secciones-Principales/Pais/>

Xiomara-Castro-y-Salvador-Nasralla-disputan-triunfo-en-las-encuestas



Displacement and discrimination continue to affect Rohingya