

# Cocaine's Blowback North: A Pre-History of Mexican Drug Violence

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Behind the sensational headlines, national security panic, and grim statistics from four years of horrific drug violence along the Mexican-U.S. border, lies a blowback-swept history of U.S. drug policy entanglements across the hemisphere.

Under rising U.S. pressures, cocaine, once a benign legal commodity from a distant corner of the Andes, became illicit by the 1950s. This fueled the dramatic rise of the Colombian "cartels" of the 1980s. By the mid-1990s, further U.S. pressures pushed the drug's profitable wholesaling north to Mexico, prelude to the showdown between drug lords and the Mexican state.

Half of world usage of recreational cocaine is still in the United States, where outlays for the pricey drug make for half the annual \$80 billion U.S. consumers spend on illegal drugs. Given the ten-fold growth in the drug's supply during the 1980s boom, as smugglers outwitted the rising risks of interdiction, it is hardly surprising that cocaine's retail price has plummeted almost continuously since the 1970s. This fall contradicts the stated aim of the U.S. Drug Enforcement Agency (DEA), to drive drug prices up and out of the range of casual users or addicts at home.

## Legal to Illicit Trade

The Andean cocaine boom of the late twentieth century was founded on the vestiges of a legal economy of cocaine, which bequeathed the techniques and first illicit networks.<sup>1</sup> Andean cocaine production, for anesthesia and other medicinal uses, passed through two phases: its construction as an export commodity (1885-1910), and its steep contraction from 1910-48, due to Asian colonial competition, shrinking medicinal usage, and the impact of initial U.S. and League of Nation drives to restrict "narcotics." But until the 1940s, despite rising

informal sway in the Andean region, the United States, which had turned radically against the drug, was not able to convince or cajole producer nations of the evils of cocaine. The Peruvian industry (processing coca leaf into crude cocaine, akin to *Pasta Básica de Cocaína*, PBC) shrank to an east-central Andean regional hub in Huánuco near the Upper Huallaga valley.

Legal cocaine was a largely peaceful enterprise. Legal cocaine economies like Peru's did not spawn a black market or border-crossing contraband networks, even though the recreational pleasures of "coke" were widely known. A multi-polar cocaine world prevailed between 1910-45, when some nations like the United States banned and dried up non-medicinal cocaine use, and others openly produced or tolerated the drug.

Following the war, the United States emerged as the uncontested power in world drug affairs, its eradication ideals magnified through new UN drug agencies such as the Commission on Narcotic Drugs. Helped by a wave of compliant cold-war regimes in Latin America, the Federal Bureau of Narcotics (FBN) and State Department were finally able to achieve their long-standing goal of criminalizing cocaine (and on paper, even Andean coca leaf): in Peru by 1948 and Bolivia by 1961.

The immediate effect of cocaine's total criminalization—and a secret FBN campaign against Andean cocaine launched in 1947—was the birth and dispersion of an *illicit* circuit of cocaine. Instead of "cartels," modest "chemists," smugglers, and club owners linked up from diverse social worlds to establish a web of new drug scenes and way-stations across South America and the Caribbean. By the early 1960s, these ever-more elusive and experienced smugglers were joined by a hardy new social class of peasants entrenched in illicit coca growing.

Highland campesinos, marginalized during the U.S.-sponsored "development decade" of the 1960s, began migrating en masse to lowland Bolivia and Peru, lured by the mirage of Amazonian road and modernization projects. Combining a smuggling class with a class of peasant suppliers led to cocaine's uncontained expansion in decades ahead.

Cold-war politics stamped the emergence of illicit cocaine.<sup>2</sup> It was born in 1948-49 in the Huallaga of eastern Peru, as a rightist pro-U.S. military regime cracked down on the country's last factories, jailing manufacturers (branded as subversives) and sending others into clandestine outlets. The technique that passed into illicit hands was jungle "crude cocaine," which peasants easily adopted with cheap developmental chemicals like kerosene and cement. By the early 1950s, smugglers ferried PBC out to refiners of powder cocaine (HC1) along two main transshipment chains: a Caribbean passage via Havana, and a route through northern Chile, where Valparaíso clans moved coke up the west coast via Panama and Mexican hideouts. Meanwhile, the U.S.-backed cocaine crackdown in Peru, and the weak U.S. sway in the chaos of revolutionary Bolivia, meant that PBC swiftly spread to Bolivia, the drug's key incubation site during the 1950s, in dozens of small, scattered "labs." By the early 1960s, coke was found throughout the hemisphere, with thriving scenes and routes across Argentina and Brazil, and even distant new users in New York. Two cold-war events consolidated the trade. First, in 1959, Cuba's revolutionary government expelled Havana's traffickers, who took their skills and connections with them to South America, Mexico, and Miami. These exiles formed the first professional cocaine trafficking class. Second, by 1961, U.S. efforts to gain control over the shaky MNR in Bolivia led to a joint anti-narcotics campaign that drove thousands of peasants into remote coca frontiers in lowland Chapare, Santa Cruz, and Beni.

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Meanwhile, worried U.S. authorities sponsored a slew of secret hemispheric policing summits, UN drug missions, and INTERPOL cocaine raids. All such repressive measures further dispersed the drug and hardened smugglers. By the late 1960s, however, the rise of U.S.-backed "bureaucratic authoritarian" regimes in nations like Brazil and Argentina drove long-distance cocaine routing through one site: the continent's most vibrant democracy, Chile. Here, the breakup of the 1950s clans gave rise to many competing exporters linked to ample supplies of Bolivian, and once again, Peruvian coca paste.

#### Rise and Demise of Colombian Cartels, 1973-95

Before the 1970s, Colombia played no systematic role in the South American cocaine trade, though the country had a tradition of entrepreneurs, regional smugglers, marijuana exports from the Caribbean coast, and a legacy of everyday violence from the 1950s. Cocaine's politics-driven shift to Colombians came during the Nixon era (1969-74). Two more cold-war events propelled cocaine's geography north. The first, related to Nixon's anticommunism, was Augusto Pinochet's September 1973 military coup in Chile. Pinochet, to win favor with Washington and the newly formed DEA, launched a late 1973 campaign against Chilean traffickers, jailing or expelling most of them. The impact—by 1970 low-level Colombians were serving as mules for Chileans—was to swiftly push the routing of peasant coca paste from the Huallaga and Bolivia north to Colombia. Pioneering Medellín smugglers like Pablo Escobar and the Ochoa brothers restructured the trade and dramatically expanded its scale and reach. The second political event was Nixon's 1969 declaration of war against drugs, aimed primarily against marijuana (linked to the anti-war youth culture), and

heroin (feared among Vietnam vets and linked to the "black" crime wave sweeping U.S. cities).<sup>3</sup> Crackdowns on these drugs created a perfect market opening for Andean cocaine, which hit 1970s U.S. culture as a glamorous, pricey "soft-drug." Cocaine was more lucrative, safer, and easier to conceal; weed suppliers from Colombia to Mexico quickly switched product lines.

Once propelled to Colombia, cocaine thrived in places like Medellín, the nation's declining entrepreneurial city.<sup>4</sup> *Empresarios* like Escobar, Ochoa, and Carlos Ledher took advantage of Caribbean island-hopping wholesale transport routes, Colombian workers in places like Miami and Queens, and the 1970s lag in DEA attention. In 1975, the Colombian trade passed the four-tons mark and by 1980 some 100 tons of cocaine from Colombia annually entered the United States. Exporters congregated in three regional groups: Medellín, Central (Bogotá), and Cali (del Valle), the latter a bustling new city near the Pacific port of Buenaventura, promoted by clans like the Rodríguez-Orejuela's and Herrera's. However until the early 1990s, Medellín, under Escobar's charismatic lead, handled some 80 percent of the trade, mostly from coca paste made in Peru's Huallaga.

By the mid-1980s, cocaine had some twenty-two million U.S. users. Sliding prices and racially tagged discount markets (such as "crack"), and the drug's growing aura of violence, transformed cocaine into the principal drug evil of U.S. drug warriors. Under Republicans Reagan and Bush I, this long drug hysteria around cocaine led to a sharp militarization of the overseas campaign against the Andean coca bush. Reliable state allies were difficult to find in the tolerant regimes of Peru, Colombia, and flagrantly in early 1980s Bolivia. The 1980s escalation of hemispheric interdiction efforts in Peru (direct military aid, Huallaga adviser bases), in

Bolivia (Operation Blast Furnace, U.S.-trained UMOPAR forces), Colombia (a late 1980s forced extradition pact), and Panama (climaxing in the 1989 invasion to oust ex-ally Manuel Noriega), failed to slow cocaine. Just the opposite: U.S. pressures led to enhanced trafficker concealment and business expertise, to a doubling of Amazonian coca between 1982-86 (as crop insurance against captured lots), and a nosedive in the drug's wholesale price from \$60,000 to \$15,000 per kilo across the decade as a whole.

As competition and monetary stakes rose to millions of dollars per shipment, Colombians drew on strategic violence, in contrast to precursor trades. Colombians deployed hit men against remnant Cuban rivals, and early 1980s Miami was beset by gang turf battles among various "cocaine cowboys." In Colombia, violence remained a defensive impunity tool against the police and informers, though bribes usually sufficed. The business-like trafficker class at first sought broader legitimacy: running for office (Escobar briefly a Liberal senator), financing elections, offering truces and support to the state and local services. But a mix of U.S. pressure and Colombian anxieties about narco "infiltration" of the state led to a breakdown in the mid-1980s. After 1984, the impunity of drug traffickers faded (starting with Justice Minister Lara Bonilla's ouster of the politician Escobar) and traffickers retaliated with a barrage of symbolic and real attacks against the state: terror bombings, kidnappings, assassinations of judges, candidates, journalists, including the audacious killing of Lara Bonilla himself. Between 1980 and 1990, Medellín homicides spiked from 730 to 5,300 yearly, foreshadowing Mexico's tragedy of Ciudad Juárez.

If any lesson exists for Mexico today, it's that the early 1990s war against the Medellín

cartel did not really work. It mainly shifted cocaine's center of gravity from Medellín to Cali; many observers read the campaign as a tacit alliance between the Colombian state and rival Cali's low-key dealers against the riskier Escobar. As shown by criminologist Michael Kenney, U.S. intervention in 1990s Colombia ultimately led to more effective drug trafficking organizations.<sup>5</sup> Colombia now hosts some 600 camouflaged export webs, and so-called cellular "boutique" *cartelitos*, which have diversified with global sales strategies (Brazil, Africa, Europe), branched into complementary drugs, and gone high-tech in counter-intelligence and genetically altered coca.

Two other repressive measures moved cocaine's trail. First, during the early-mid 1980s, alarmed by the intensity of trafficking, money laundering, and gang violence in Dade County, Florida—the main U.S. entry-point for Colombian cocaine—the DEA and feds focused interdiction on south Florida coasts. The military-style Joint Florida Task Force and offensives like "Operation Swordfish" integrated more than 2,000 agents under the nominal command of vice-president Bush. By the late 1980s, Colombians were actively withdrawing from the Caribbean corridor, and turning to alternative transshipment via Panama, Central America, and soon northern Mexico.<sup>6</sup> Caribbean drugs trickled only through Haiti, the closest "failed state" to U.S. borders, handled by a surviving Duvalier-era military and 1980s inroads against Florida's Colombian cocaine lent a powerful blowback boost to nascent Mexican drug lords.

The second shift of the late 1990s came with Pyrrhic successes against peasants and middlemen in eastern Peru and Bolivia: coca's move to Colombia. During the mid-1990s, U.S. pressures, and compliant regimes finally led to visible reductions in Andean coca. In Peru, the authoritarian Fujimori regime,

alarmed by the lucrative alliance of Sendero Luminoso guerrillas with harassed Huallaga *cocaleros*, embraced militarist suppression, including a shoot-down policy that cut cocaine's air bridge north. In Bolivia, U.S.-funded Plan Dignidad finally slashed coca paste exports, leaving in its wake, however, the militant peasant movement that would propel, as political blowback, the coca nationalist Evo Morales to the presidency in 2005. Yet these temporary victories simply drove coca cropping to Colombia, a country with little native coca tradition, concentrating a vertically integrated agro-industrial cocaine industry in Colombia by the late 1990s.

#### Mexican Opportunities Seized, 1985-2000

Since the mid-1990s, the hottest profit site of cocaine's trail to the United States has snaked a thousand kilometers north: to the U.S. borderlands of Mexico, adjacent to the U.S. market.

Drug smuggling activities in border towns like Tijuana, Nogales, and Juárez date to the early twentieth century—patent drugs, alcohol, later opiates and then marijuana. By the 1970s, the city of Culiacán, Sinaloa, was the storied capital of the Mexican drug trade, and *narcotraficantes* still originate in northern rustic under-classes, if aligned and tutored under decades of PRI rule with regional entrepreneurs and politicians. By 1989 a third of the cocaine for the U.S. market entered via Mexico. By 1992, that figure reached half, and by the late 1990s, 75-85 percent.<sup>7</sup> In the mid-1990s, income generated by drug exports in Mexico, led by this cocaine surge, ranged from \$10 billion a year (according to U.S. officials) to \$30 billion (Mexican figures)—surpassing the annual take from Mexico's largest legal commodity export, oil (\$7.4 billion).

This move to Mexico was blowback from the clampdown on the 1980s Medellín cartel by interdiction against Florida air and sea corridors. Cali took the lead, soon traversing Central America in search of partnerships with Pacific Mexican traffickers, who fenced goods across the U.S.-Mexico border on a fee-per-kilo basis. Tough-minded Mexicans, like Sinaloa's pioneer Félix Gallardo, soon won leverage against beleaguered Colombians, including shares in kind, which increased profits five- to ten-fold, as did tapping Mexican gangs as retailers in the United States. By the early 1990s, according to the DEA, the Sinaloa cartel exceeded Medellín's peak profit, and after 2000, moved to fully outflank the Colombians, with direct purchases from faraway peasants in Peru's Huallaga and sales in Argentina. Other forces magnified cocaine's role: Mexico's 1980s "lost decade" economic meltdown, the long death-throws of the PRI, the transformation of frontier towns like Juárez and Tijuana into sprawling metropolises of misery, and the boom of border commerce with the 1994 NAFTA treaty.

After the 1985 "Camerera affair," Sinaloa smugglers dispersed, splintering into a series of regional "cartels" fueled by cocaine super-profits. This geographic proliferation of drug organizations crossed northern Mexico: from Sinaloa to bases in Tijuana, Juárez, Reynosa, and Matamoros, and transit points everywhere.<sup>8</sup> As in Colombia, successive anti-drug sweeps since the 1970s have worked to strengthen innovative firms, insofar as they weeded out weaker and less efficient operators and favored protective vertical structures. The transition to the Juárez cartel (founded by real estate moguls and federal police) began in the mid-1980s with Pablo Acosta's cocaine transshipment base in Ojinaga, Chihuahua, which ferried cargo planes to and from Colombia, amplified by Amado Carrillo Fuentes, who later became Mexico's richest and iconic trafficker of the

1990s Salinas era. As in Colombia and Cali, Juárez groups exploited the government's post-1985 drive against the Sinaloans, moving to the top of the trafficking pyramid. Félix Gallardo dispersed men throughout the northwest, until jailed in 1989, and rival organizations grew out of regional partners who expanded or split from Sinaloa, such as Tijuana's Arrellano Félix brothers. The Matamoros or "Gulf" cartel gained as the Mexican state escalated the conflict and later targeted Juárez, and in a stunning case of blowback, recruited "los Zetas," ruthless former members of elite U.S.-trained anti-drug forces, who branched out on their own across Mexico after 2003.

By the 1990s, the spectacular risky billions in cocaine money revealed and undermined the Mexican state's traditional political collusion with regional drug traders. Dating to the aftermath of the Revolution, this compact consolidated after 1940 into a profit-sharing management of violence and competition between the state and Sinaloa mafia. After the fraudulent 1988 elections, the United States revised support of Mexico's authoritarian order to include drug suppression as well as trade opening. The neoliberal regime of Carlos Salinas (1988-94) reflected the double-edged politics of drugs. On the one hand, Salinas, seeking to refurbish Mexico's image for NAFTA, embraced a major national role in U.S.-led drug wars, creating inter-agency policing institutions on the model of the DEA. Mexico's Attorney General office (PGR) became a well-funded anti-drug force. The focus also hardened on the U.S. side of the border, militarized as a "High-Intensity Drug Trafficking Region" within the 1990s South-West Border Initiative. Gone were the easy days of patrolling the Florida seas.<sup>9</sup> On the other hand, most pretense of Mexican "drug control" was undercut by the involvement of Salinas appointees and family in the burgeoning trades and drug-related political

assassinations. Cocaine interdiction and its evasion multiplied opportunities for graft. Total trafficker bribes rose from \$1.5-3.2 million in 1983 to some \$460 million in 1993, larger than the entire PGR budget, and thousands of federal agents jumped into the drug trade. Cocaine destabilization went public during the 1994-2000 Zedillo *sexenio*, when breaking custom, the new president openly condemned Salinas-era corruption. Epitomizing this exposure, in 1997, was the discovery that the military chief of Mexico's "DEA," Gen. Gutiérrez Rebollo, was in with the Juárez cartel, an incident sampled in the Hollywood drama "Traffick." The blowback of the long U.S. war against cocaine, begun in the 1940s, had come home to roost.

#### Endnotes

- <sup>1</sup> This section is from my *Andean Cocaine: The Making of a Global Drug* (Chapel Hill: University of North Carolina Press, 2008).
- <sup>2</sup> Paul Gootenberg, "The 'Pre-Colombian' Era of Drug Trafficking in the Americas: Cocaine, 1947-1965," *The Americas*, 64/2 (2007), 133-76.
- <sup>3</sup> Michael Massing, *The Fix* (New York: Simon and Schuster, 1998) claims Nixon's policies were working: indeed, they worked over the long term to spawn the later U.S. cocaine boom.
- <sup>4</sup> Mary Roldán, "Cocaine and the 'miracle' of modernity in Medellín," ch. 4, in P. Gootenberg, ed., *Cocaine: Global Histories* (London: Routledge, 1999).
- <sup>5</sup> Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptations* (University Park, PA: Penn State University Press, 2007).
- <sup>6</sup> Ron Chepesiuk, *Drug Lords: The Rise and Fall of the Cali Cartel* (Old Weighbridge UK: Milo Books, 2007); Stan Zimmerman, *A History of Smuggling in Florida* (Charleston SC: The History Press, 2006), ch. 8.

<sup>7</sup> Luis Astorga, *Mitología del 'narcotraficante' en México* (Mexico: Plaza y Valdés, 1995); Peter Andreas, *Border Games* (Ithaca: Cornell University Press, 2<sup>nd</sup> ed, 2009), ch 4.

<sup>8</sup> Froylán Enciso helped untangle "cartel" geographies; Howard Campbell, *Drug War Zone: Frontline Dispatches from El Paso and Juárez* (Austin: University of Texas Press, 2009) .

<sup>9</sup> Andreas, *Border Games*, 55-57. ■