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A fight out of the tentacles of the crime kraken

Latin America is under the control of drug cartels. With a new strategy, the continent wants to free itself from the stranglehold of the mafia

Drugs are usually an uncomfortable topic that Latin American leaders steer clear of. Too many economic and security policy interests are connected to the issue; many potential blunders await those who go too far out on a limb. During the weekend, however, Presidents Gustavo Petro of Colombia and Andrés Manuel López Obrador of Mexico made their contribution at a regional meeting in the Colombian city of Calí. There, a policy paper was adopted that Latin America wants to present at the international drug summit in 2025. Delegates from 19 countries of Latin America and the Caribbean signed the final declaration, which above all places greater responsibility on the consumer countries – not only financially, but also for example through stricter controls to stop the arms trade from the global North.

Instead of repression, the structural causes of the problem should be given greater political focus through measures such as combatting poverty, demanded Petro and López Obrador, both seeing themselves as advocates for the disadvantaged. 'We must put an end to this disastrous policy where the culprits are the coca farmers. The developed countries should ask themselves why their societies use drugs until they drop dead,' Petro said. López Obrador used the international platform to promote his controversial policy of cosying up with criminals at home. He demanded that the social causes be addressed and young people be offered desirable opportunities for education and job training.

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Despite the rebellion in their backyard, the US hardliners in the Department of Defence, the anti-drug agency DEA, and the Republican Party are adamantly sticking to the failed drug war. The solidarity between Petro and López Obrador also has to do with the fact that recently these US governmental groups have

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been blatantly threatening military intervention in Mexico if the government there does not get the drug problem under control.

By the way, these hardliners are not internationally isolated. They can count on the support of numerous Arab and Asian states that still carry bad memories of the British colonial power's opium wars and therefore pursue a heavy-handed policy. In 2025, these countries are unlikely to be convinced by 'kissing instead of shooting'. Therefore, Latin America must now get down to business and present a coherent anti-drug strategy.

The current policy is not working

In the ten years that have passed since the Summit of the Americas in Cartagena, not much has happened. The Organization of American States (OAS) developed a strategy in which, in addition to the familiar proposals (including strengthening police cooperation, fighting corruption and money laundering, as well as implementing social programmes for young people and farmers), it struck a blow for the legalisation of marijuana – an approach that Canada and an increasing number of US states have been pursuing since then. In Latin America, eight countries have either decriminalised marijuana or legalised it for medicinal purposes. However, only in Mexico and Uruguay marijuana is legal to use as a recreational drug.

The deregulation of marijuana spares many users harsh prison sentences and a slide into the world of crime. But it has not solved the problem of organised crime infiltrating the states. Mexico and Uruguay are the best examples of this, as both countries are caught in a spiral of violence. In Mexico, 25 out of 100,000 people died a violent death in 2022; in Uruguay it was 'only' eleven, but this is still an all-time high. Other hitherto peaceful countries in the region (where marijuana is illegal or permitted only for medicinal purposes), such as Ecuador and Costa Rica, are also struggling with a sharp increase in violent crime.

Not only did legalisation prove to be inadequate – so did the crop substitution policy, the second pillar of an alternative drug policy that has been propagated by European and US development aid organisations for 20 years. The aim is to promote the cultivation and processing of alternative agricultural products in drug areas in order to encourage coca farmers to switch to legal crops. The Colombian peace agreement of 2016 also includes this component. The substitution policy has not been successful. Colombia is currently the country with the largest area under coca cultivation (230,000 hectares) and the highest production of cocaine (1,700 tonnes in 2022).

There are economic reasons behind this failure: the selling price for coca, on historical average, is far higher than that of other agricultural products. On coca plantations, harvest workers earn as much per week as they do per month in the coffee harvest. The coca bush is undemanding and its leaves can be harvested several times a year. Moreover, the criminal supply chain functions smoothly, with the dealers coming to the farms. In contrast, the transport and further processing of legal products has many obstacles to overcome: a lack of infrastructure, low market prices, and political planning horizons that are far too short.

The difficulty of finding solutions to changing circumstances

At the summit, what exactly is to be changed remained largely unclear. Petro's Justice Minister Nestor Osuna presented the new national drug policy, which was conceived with a ten-year time horizon in mind, but hardly contains any new ideas – apart from international climate protection funds that are intended to encourage farmers to invest in reforestation and forest protection. However, it is unclear whether this will pay off and whether it will work as a prevention policy. What is certain is that much tougher legal, political and economic weapons will need to be brought out in order to get the criminal octopus in Latin America under control.

According to the United Nations Office on Drugs and Crime (UNODC), more than 296 million people used illicit substances in 2021, a 23 per cent increase over the previous decade. Latin America has become one of the most important hubs of international crime. All internationally relevant actors are active on the continent, from Chinese triads to the Italian 'Ndrangheta to the Albanian mafia. It has long since ceased to exclusively be about cocaine from South America smuggled into the US: the synthetic opioid fentanyl has now also been added. An increasingly large share of cocaine goes to Europe or Asia and Oceania, where the profit margin is higher.

For some time now, drug trafficking has no longer been the mafia's only line of business, and the business model no longer operates in family groups

Those who still associate the business with godfathers like Pablo Escobar of the Medellin Cartel or Chapo Guzmán of the Sinaloa Cartel have fallen behind the times. In the last decade, dozens of new criminal actors have joined the ranks, such as the dreaded Venezuelan crime syndicate 'El Tren de Aragua', which spread to all of South America in the wake of the refugee

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crisis and is active not only in drugs but also prostitution. And the 'Clan del Golfo' in Colombia, which makes money not only from drugs, but at least as much from 'tolls' demanded from migrants crossing the Darien jungle between Colombia and Panama. And the violent Brazilian 'Família do Norte', which in particular has developed the Amazon route for itself, through which cocaine from Peru and Colombia is shipped to the ports of northern Brazil and from there, on to Europe.

For some time now, drug trafficking has no longer been the mafia's only line of business, and the business model no longer operates in family groups with godfathers. Mexico's cartels today are more of a franchise, made up of many different cells that work loosely together. If a cell is removed, it can be replaced in a very short time. For several years now, these cells are not paid with money, but rather with a share of the drug haul. This leads to a strong supply-indexed increase in consumption in transit countries, especially in Mexico.

These cells operate under the 'protection' of a cartel, but in return they have to pay a licence fee – a share of their criminal income. This has led to a rapid expansion of the industries that are now targeted by the criminals: people smuggling (migrants), protection rackets (agribusiness), kidnapping, child prostitution, petrol smuggling, product piracy, organ trafficking, and attacks on trucks and cargo ships. The possibilities are limitless.

The long winding tentacles of organised crime

It is difficult to fight organised crime because it is globally networked and attached to the legal flow of goods. Cocaine, for example, takes the same routes as global trade and travels to Europe by container ship. The chemical precursors used to produce fentanyl in Mexico come by ship from China – often disguised as legal imports from pharmaceutical companies. That is why violent crime has exploded, especially in port cities like Guayaquil in Ecuador, Puerto Limón in Costa Rica, and Amsterdam in the Netherlands.

The illegal funds are laundered in shell companies in Delaware, Panama, and Andorra – or via remittances disguised as cash transfers from migrants to their home countries. The Mexican think tank 'Signos

Vitales' estimates that 7.5 per cent of remittances to Mexico are of criminal origin. The US sanctions policy against countries like Venezuela has fuelled these criminal channels. Corrupt middlemen like Alex Saab, against whom several countries have issued arrest warrants, have set up global networks for the outlawed regimes to conduct import-export business and money laundering. Saab brokered a deal with Turkey, for example, whereby part of the Venezuelan gold is processed in exchange for food. Gold mining in Venezuela is in the hands of Colombian guerrillas and corrupt Venezuelan military officials. Some of the criminal profits are reinvested in other illegal businesses, such as prospecting for gold or precious stones like jade and emeralds, and trading in fine wood and exotic animals from the tropics. Part of the environmental destruction in Latin America derives from criminal activity.

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Politics and the security forces are also increasingly being infiltrated by criminals. Hardly a week goes by without an officer being exposed as an accomplice of the mafia somewhere in Latin America. The most recent case is the Brazilian general and security minister for the state of Amazonas, Carlos Alberto Mansur. In Ecuador just one month ago, drug lords murdered a presidential candidate. In Mexico, Guatemala, Honduras, Peru and Colombia, local politicians who refuse to be corrupted pay a heavy toll in blood. Numerous villages in these countries have been ruled by the mafia, in some cases for years. Black money is invested in political campaigns, meteoric political careers are manufactured, and entire countries are criminally infiltrated. Paraguay, for example, was ruled between 2013 and 2018 by Horacio Cartes, a convicted smuggler whose uncle was a known drug trafficker. In Bolivia as well, the ruling socialist MAS is deeply linked to the drug and gold mafia.

This infiltration by organised crime is one of the greatest and most acute threats to Latin American democracies. Substitution policies, legalisation, or the paying of climate money to poor farmers are not enough. Militarisation would amount to letting the fox guard the henhouse. A concerted, multidisciplinary international anti-crime offensive is needed, and the European Union should contribute to it – out of its own interest.



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