

Mexico's Drug War: The Growing Crisis on Our Southern Border

As the Obama administration surveys possible national security threats confronting the United States, policymakers need to recognize that an especially lethal one is brewing close to home: the increasing drug-related violence in Mexico. Since January 2007 there have been more than 6,800 drug-war-related deaths in Mexico, and Mexican drug cartels continue to expand their operations in American cities. Washington's response has been to expand its prohibitionist efforts with the Mérida Initiative, a U.S.-Mexico anti-drug-trafficking program. Historically, however, prohibitionist policies have had little success in reducing the flow of drugs. Instead, as Ted Galen Carpenter, vice president for defense and foreign policy studies at the Cato Institute, argued at a February 19, 2009 Cato Policy Forum, those policies have led to increased turmoil and corruption.

TED GALEN CARPENTER: I've been writing on the topic of drug corruption and violence in Mexico for more than six years now. At times, I feel like Bill Murray in the movie *Groundhog Day*: every time I write on this issue, the situation becomes worse than it was the previous time. And indeed, even since the time of completing my latest study in early December, there has been a significant escalation in drug violence.

What we have seen in Mexico is a very sobering trend. In 2008, more than 5,300 people were killed in drug-related violence, and at the current pace for 2009, a project-

ed 8,000 will die. In one two-day period in late January, 18 people were found dead of gunshot wounds in the northern Mexican state of Chihuahua, and another 4 in a neighboring state—on the property of the state-run oil company Pemex. In just one city, Ciudad Juárez, more than 200 people have been killed so far this year. Violence in another border city, Tijuana, is so bad that the commander at Camp Pendleton has barred the Marines from spending their leave time there.

While the border cities are seeing the worst violence, that violence is spreading

quickly throughout the country. In one recent incident, a retired Mexican Army general tasked with heading anti-drug efforts in Cancún was assassinated within weeks of assuming his post. All too typically for Mexico, the police chief and a number of his subordinates were later arrested, having been implicated in the crime.

As bad as it is in Mexico, the violence is no longer affecting just Mexicans. U.S. tourism, particularly in the border cities, is dropping rapidly. The State Department warned American travelers in May 2008 that battles between drug-trafficking gangs (and between those gangs and the Mexican military and police) in portions of northern Mexico were so severe that they constituted "small unit combat operations."

The violence is spilling across the border into the United States. American citizens, including law enforcement personnel, have been targeted by the drug cartels for assassination. There was an ABC television news segment recently about the more than 300 kidnappings in Phoenix last year, the majority of those involving Mexican drug cartels. Mexican drug cartels now operate in most of the large cities in the United States.

Alarm in the United States is rising. That has generated, I believe, some extreme analysis, including the thesis that Mexico might become a full-blown failed state. Texas and other southwestern states are developing contingency plans in case that happens. It is unlikely that the violence will reach such a level, yet that possibility cannot be ruled out. At the beginning of the decade I estimate that Mexico had perhaps a 1 in 100 chance of becoming a failed state. Today, the odds are more like 1 in 20.

In response to the violence in Mexico, policymakers and pundits have come up with a variety of solutions. One that is increasingly popular is to dramatically increase U.S. border security in an attempt to quarantine the violence in Mexico. It is

unlikely that such an effort would prove successful, given that such attempts in the past have been unable to stem the traffic of humans, let alone a commodity like illicit drugs. Another proposed solution is to tighten U.S. gun laws. The theory goes that the cartels are getting the vast majority of their weapons from the United States due to lax gun laws, particularly in the southwestern states. If we would simply tighten those gun laws, violence in Mexico would drop dramatically. That panacea is even less likely to work than “sealing” the border. We are dealing with people who make a living dealing in a black market commodity. Do we really believe that these people would have trouble getting another black market good on the global market?

We need to face some troubling realities. There is no way to suppress the drug trade now dominated by the Mexican cartels. The \$1.6 billion Mérida Initiative will undoubtedly have little effect. The precedent is Plan Colombia, which in the past 9 years has cost more than \$5 billion with little to show for it. A recent GAO report noted that cocaine exports from Colombia are up, not down.

The global drug trade is a \$300–\$350 billion per year enterprise; Mexico’s share is estimated to be \$25–\$35 billion per year of that total. Moreover, global demand for drugs is growing—not shrinking—so the drug suppliers are in a very enviable position. Meanwhile, the aspect of the drug trade that enriches the cartels is its illegality, which creates a black market premium. About 90 percent of the retail price of most drugs is estimated to be due to that premium. This gives the cartels enormous resources to bribe government officials—or to hire hit men to deal with those who are not so cooperative.

Let me provide one particularly telling instance of the magnitude of the resources the drug cartels have at their command: in the past few months there has been a major bribery scandal in Mexico’s Attorney General’s office involving the drug cartels. Informants received payments of \$150,000 to \$450,000 per month for information regarding surveillance targets and potential raids. Those sums are more than even high-level law enforcement personnel can make

in several years and lower-level personnel can make in several decades. With such resources at their disposal, and with the U.S. and global demand for illegal drugs remaining robust, it is no wonder that the cartels are winning.



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Because drugs are illegal, the most criminal, the most violence-prone organizations will dominate the trade. The U.S. experience with alcohol prohibition demonstrated this. During that period the trade in alcohol was dominated by the likes of Al Capone and Dutch Schultz. Now it is dominated by the likes of Anheuser-Busch, E. & J. Gallo Winery, and Jack Daniel’s Distillery. To the drug warriors, I ask, which situation is better?

Ending drug prohibition is the only lasting way to dampen the drug violence in Mexico. Without doing that, we may still

get a temporary decline in violence, if one of two things happens: once the two leading cartels—the Sinoloa and Gulf cartels—sort out the market and end their bloody turf fights, we should expect a temporary but significant decline. We’ve seen similar developments before on a smaller scale in a number of American cities. (Though when a new competitor enters the market, violence rises again.) Another development that might temporarily cause a lull in the violence would be if President Felipe Calderón would back off from confronting the cartels so directly. After all, it was his policy of using the Mexican military that began the cycle of violence. Such a step would certainly provoke wrath from Washington, but it might cause a temporary decline in carnage.

But the only long-term solution is to de-fund the cartels. And the only way to do that is to end drug prohibition. It’s not enough to simply have harm reduction—as good as those reforms might be. It means legalizing the production and sale of drugs—not just decriminalizing the possession and use of drugs. If one doesn’t fully legalize, the black market premium remains intact, leaving the most violent criminal elements to continue to dominate the trade.

Drug legalization is no panacea. One would still have a lot of social and public health problems under a regime of legalization. After all, we experienced such problems and continue to experience problems such as following prohibition drunk driving. But, on balance, ending prohibition results in a far superior situation than not doing so. We’ve waged a vigorous war on drugs now for nearly four decades, ever since President Richard Nixon declared that war, with little to show for our efforts. The intensification of the drug war in recent decades has produced horrific consequences both domestically and internationally, such as in our southern neighbor Mexico. I know there are policymakers out there, particularly with career or budgetary interests in the current strategy, who are determined to perpetuate the drug war. But, I’m sorry, after four decades of a strategy not working, it is time to try something new.