



# THE CRIMINAL DIASPORA: The Spread of Transnational Organized Crime and How to Contain its Expansion

## AUTHORS

Juan Carlos Garzón  
Marianna Olinger  
Daniel M. Rico  
Gema Santamaría

## EDITORS

Juan Carlos Garzón  
Eric L. Olson



[WWW.WILSONCENTER.ORG/LAP](http://WWW.WILSONCENTER.ORG/LAP)



Available from :

Latin American Program  
Woodrow Wilson International Center for Scholars  
One Woodrow Wilson Plaza  
1300 Pennsylvania Avenue NW  
Washington, DC 20004-3027

[www.wilsoncenter.org/lap](http://www.wilsoncenter.org/lap)

© 2013, Woodrow Wilson International Center for Scholars

ISBN: 978-1-938027-23-9

**THE WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS**, established by Congress in 1968 and headquartered in Washington, D.C., is a living national memorial to President Wilson. The Center's mission is to commemorate the ideals and concerns of Woodrow Wilson by providing a link between the worlds of ideas and policy, while fostering research, study, discussion, and collaboration among a broad spectrum of individuals concerned with policy and scholarship in national and international affairs. Supported by public and private funds, the Center is a nonpartisan institution engaged in the study of national and world affairs. It establishes and maintains a neutral forum for free, open, and informed dialogue. Conclusions or opinions expressed in Center publications and programs are those of the authors and speakers and do not necessarily reflect the views of the Center staff, fellows, trustees, advisory groups, or any individuals or organizations that provide financial support to the Center.

The Center is the publisher of *The Wilson Quarterly* and home of Woodrow Wilson Center Press, *Dialogue* radio and television. For more information about the Center's activities and publications, please visit us on the web at [www.wilsoncenter.org](http://www.wilsoncenter.org).

## **BOARD OF TRUSTEES**

Joseph B. Gildenhorn, *Chairman of the Board*

Sander R. Gerber, *Vice Chairman*

Jane Harman, *Director, President and CEO*

**Public members:** James H. Billington, Librarian of Congress; John F. Kerry, Secretary, U.S. Department of State; G. Wayne Clough, Secretary, Smithsonian Institution; Arne Duncan, Secretary, U.S. Department of Education; David Ferriero, Archivist of the United States; Fred P. Hochberg, Chairman and President, Export-Import Bank; James Leach, Chairman, National Endowment for the Humanities; Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services

**Private Citizen Members:** Timothy Broas, John T. Casteen III, Charles Cobb, Jr., Thelma Duggin, Carlos M. Gutierrez, Susan Hutchison, Barry S. Jackson

**Wilson National Cabinet:** Eddie & Sylvia Brown, Melva Bucksbaum & Raymond Learsy, Ambassadors Sue & Chuck Cobb, Lester Crown, Thelma Duggin, Judi Flom, Sander R. Gerber, Ambassador Joseph B. Gildenhorn & Alma Gildenhorn, Harman Family Foundation, Susan Hutchison, Frank F. Islam, Willem Kooyker, Linda B. & Tobia G. Mercurio, Dr. Alexander V. Mirtchev, Wayne Rogers, Leo Zickler



# Acknowledgments

This publication is the culmination of a multi-year project examining the changing dynamics of organized crime in Latin America and its effects on democratic governance. Over the course of the project, we have sought to foster collaboration among Latin American and U.S. researchers to develop a comprehensive understanding of how criminal networks in different sub-regions interact and affect regional as well as global trends. We have also explored the policy implications of these dynamics, including the consequences of organized crime for civic and political participation and democratic citizenship overall. Previous publications of the project, by Tani Marilena Adams, Cynthia J. Arnson, Bruce M. Bagley, Juan Carlos Garzón, and Eric L. Olson, can be found at: <http://www.wilsoncenter.org/publication-series/citizen-security>.

The basis for this publication is a series of commissioned research papers and public meetings organized by the Latin American Program, to examine the factors contributing to the spread of organized crime beyond national borders. The research also seeks to analyze the various policy consequences of these dynamics and the ways governments in the Western Hemisphere have tried to address the challenges posed by organized crime both domestically and jointly in a transnational and multilateral context.

The Latin American Program expresses its gratitude to the Open Society Foundations for its generous support of this project. We are also grateful to Juan Carlos Garzón Vergara for his leadership in the project's final stages. His deep knowledge of the dynamic nature of organized crime in the Americas helped guide and refine the work of the various authors who contributed to this publication. We also thank Latin American Program Assistant Verónica Colón-Rosario for her invaluable assistance with the administrative aspects of this project, for shepherding the design and publication process, and for her timely interventions along the way, and Lianne Hepler for the design of this publication. Additionally, we would like to thank Latin American Program Associate, Christine Zaino and intern Rita Kerbj for her editorial assistance.

*Cynthia J. Arnson and Eric L. Olson*

July 2013

**JUAN CARLOS GARZÓN** is a consultant with the Wilson Center and a researcher for the United Nation Development Programme's "Human Development Report for Latin America 2013." Recently he worked as part of the research team for the "Report on the Drug Problem in the Americas" at the Organization of American States (OAS), where he previously worked as a specialist and served as the director of the Analysis Unit for the OAS Mission to Support the Peace Process in Colombia. Prior to joining the OAS, he worked as a researcher at the Human Rights and International Humanitarian Law Observatory in the Office of the Vice Presidency, and as the Security and Armed Conflict Analysis Unit Coordinator at the Security and Democracy Foundation. The English version of his most recent book, *Mafia&Co: The Criminal Networks in Brazil, Mexico and Colombia*, was published by the Woodrow Wilson Center. Garzón has also authored numerous newspaper and academic articles related to the armed conflict in Colombia, the peace process, drug trafficking, urban violence and organized crime. He received his B.A. in Political Science from the Pontificia Universidad Javeriana and is completing his M.A. in Latin American Studies with focus on Security from Georgetown University.

# THE CRIMINAL DIASPORA: The Spread of Transnational Organized Crime and How to Contain its Expansion

JUAN CARLOS GARZÓN VERGARA<sup>1</sup>

The spread of transnational organized crime—fed by drug-trafficking and a growing number of other illegal economies—is the most significant security challenge for Latin American and Caribbean countries today. Criminal groups have expanded beyond their countries of origin to seek safe haven, open new corridors to meet the demand for a wide range of illegal products, launder money, and create commercial exchange “zones” in which local criminal factions participate in the international market, exploiting the advantages of a globalized world. In each case, organized crime is taking violence and corruption to new heights and new places. Meanwhile, nations continue to respond to these challenges with rigid schemes that often prioritize national sovereignty, failing to pivot to strategies designed to limit the spread of transnational crime and prevent negative consequences for citizen security.

In the last decade, trafficking routes have changed, products have diversified, and criminal organizations themselves have undergone transformations. In spite of the efforts made by states, illegal economies not only continue to be profitable, they have also found new high-growth corridors and markets. The decline in U.S. cocaine consumption is being compensated for with greater demand in Europe and a shift towards other types of drugs—especially synthetic ones and the non-medical use of prescription drugs. Countries that used to be transshipment routes are

witnessing the emergence of retail drug markets. Some new ventures, such as illegal mining, contraband fuel, pirated goods, and human trafficking, are proving enormously profitable and rival income from retail drug sales in some instances.

Government responses, especially those favoring the use of force—like the so-called “war on drugs”—have managed to push organized crime into new territories rather than contain it. The “invisible hand” of the market is winning out over the “iron fist” policies of the state, demonstrating that repressive measures are not a sufficient response to the complex phenomenon of organized crime. At best, government offensives against organized crime have led to the fragmentation of criminal structures without necessarily decreasing the flows and resources generated by the illegal economies. Today, we have a more diversified illegal market where linkages exist between a wide range of criminal organizations that require corruption and impunity to function.

The transnational dimension of organized crime is a subject that dominates newspaper headlines; it is discussed as a significant threat in multilateral meetings; and government representatives frequently refer to it to explain the deteriorating security situation of their countries. But we know very little about how criminal networks migrate and even less about the strategies to employ that might effectively contain or limit them. While criminal groups are spreading out and linking up with criminal networks in other countries, states continue to have enormous difficulties moving beyond formal declarations about international cooperation to build proactive and strategic bilateral and multilateral cooperation mechanisms.

In order to better understand the transnational dynamics of organized crime and how changes in regional trends impact the national and local context, and vice-versa, the Woodrow Wilson Center’s Latin America Program convened a group of scholars to examine three “clusters” of criminal activity. Gema Santamaría<sup>2</sup> studied what has been called the Mexican cluster (with links to the United States, Central America, and South America); Marianna Olinger<sup>3</sup> focused on the Brazilian cluster (with links to the Southern Cone and Africa); and Daniel Rico<sup>4</sup> studied the Colombian cluster (with links to the Andean region, the Caribbean,

and the Southern Cone).

Using the same conceptual framework<sup>5</sup>, the authors sought to respond to the following questions in an exploratory exercise: Why do criminal organizations decide—or why are they forced—to move from one country to another? What is the purpose of a criminal organization’s incursion into a new territory, and how is it done? What is their actual reach? What factors facilitate the expansion of criminal groups? What factors contribute to containing the transnational spread of organized crime? The ideas and recommendations contained in this document are based on the primary findings and conclusions of these studies.

## RECENT CHANGES IN TRANSNATIONAL ORGANIZED CRIME

### The Reorganization of Routes and the Search for “New” Markets

In the last decade, significant changes have occurred in the international drug-trafficking economy. The criminal structures that once operated in Colombia—known then as “cartels”—were weakened by government offensives and internal disputes. The fragmentation of Colombian groups gave Mexican factions more leverage to negotiate better terms from the Colombian producers and helped them gain strength as distributors of cocaine in the United States. At the same time, Central American groups were able to increase their commissions for providing transshipment and storage services. Meanwhile, the Caribbean route was weakened as interdiction efforts were substantially increased and making it more difficult, though not impossible, to ship cocaine produced in the Andean region through the Caribbean to the United States.<sup>6</sup>

As Daniel Rico’s study points out, this favorable turn of events for Mexican organizations in the drug-trafficking chain reinforced the tendency for most profits to remain with those organizations specialized in trafficking and distribution to the final consumer. In the production and processing phases—stages in which Colombian criminal organizations

## MAIN FINDINGS

**The international drug trade has experienced substantial changes during the last decade, maintaining profits via new illicit markets.** With the weakening of the Colombian drug cartels, Mexican criminal organizations have gained control over the drug trafficking routes into the United States. In response, Colombia's "emerging criminal bands" turned to European markets and focused on developing local markets in South America for cocaine and its by-products, especially in its smokeable forms. Central America, previously a mere transit zone, has now taken on a more active role for drug providing, processing, and money laundering services. After a sharp decline in drug trafficking activity, the Caribbean is emerging again as a major trafficking corridor. Meanwhile, West Africa is becoming one of the main global connection points between drug and gun markets. In the next years, Europe could experience a higher presence of criminal organizations from Latin America in its territories.

**The process of fragmentation of criminal organizations has intensified. However, this has not translated into less illegality and violence.** Fragmentation of criminal structures has been accompanied by a new generation of criminals, younger and more willing to break with the discipline maintained by traditional structures. Moreover, influence from criminal organizations on juvenile gangs and criminal bands for all sorts of illegal activities is having a profound effect on citizen security.

**Government offensives against criminal organizations have created criminal diasporas as a collateral effect, bringing violence to new territories.** Partial “victories” against structures dedicated primarily to drug trafficking have resulted in the spread of criminal activities to other countries with more limited response capacities and “favorable” conditions (such as high levels of corruption and impunity) for illegal activities. Colombian and Mexican criminal organizations have expanded their presence throughout the region, seeking safe places for their criminal activities and bringing criminal enterprises to new territories. Brazil, for example, has also gone from homicides concentrated in a limited number of large metropolitan regions (which resulted in greater investment in security institutions and police focus there) to increased criminal presence and homicide rates in new areas where government presence is less robust, due in part to these policies.

**Criminals deported from the United States to Mexico and countries in Central-America have been an important factor in the dynamic growth of violence and crime in the region.** Evidence shows that criminals returning from the U.S. to Mexico and countries in Central-America have been a major catalyst for violence and crime in the region. The sustained growth of deportations in the last decade has coincided with deteriorating security in the region, showing criminal diffusion patterns only comparable to those in the 90’s when Salvadoran street gangs (Maras) were deported from Los Angeles to the region. In 2010 alone, more than 195,000 people with criminal backgrounds were deported back to Mexico; more than the 130,000 Central Americans deported between 2001 and 2010<sup>7</sup>.

and the FARC maintain control—profits per kilogram of cocaine have decreased from an estimated US\$16,000, which the Cali and Norte del Valle cartels were getting in the late 90s, to US\$5,500, which is what recent profit margins have been for the so-called “emerging criminal bands” in Colombia (known by their Spanish acronym BACRIM).

In this context, criminal organizations operating in Colombia began to seek new markets by shifting and expanding their trafficking business toward Europe, while also investing in developing local markets in South American countries. Europe not only offers greater profit margins for the BACRIM<sup>8</sup> but also better access to retail distribution—something that Colombian organizations lost in the United States when they were displaced by Mexican and Caribbean organizations. At the same time, increased consumption in South American countries—especially in Brazil and the Southern Cone—where prevalence rates for drug use are similar to those of European countries, opened up a new source of revenue for Colombian organizations with faster rates of return on investment.<sup>9</sup>

While the fragmentation of Colombian criminal structures made it easier for Mexican organizations to acquire cocaine in the Andes, it also created new challenges to ensure access to quality merchandise. In addition, as Gema Santamaría points out in her study, the Mexican government’s anti-drug offensive and internal conflicts between crime organizations over the control of trafficking corridors, also contributed to the fragmentation of Mexico’s trafficking groups. As a result, a more complicated illicit market was created with multiple producers and multiple buyers, but it did not necessarily translate into a loss of profitability.

There is evidence that Mexican crime groups have provided economic and logistical support to emerging criminal bands (BACRIM) in Colombia who are competing for control of the business. In one case, the Sinaloa Cartel sided with the Rastrojos groups in their competition with the Urabeños. In other cases, Mexican cartels have increased their business dealing in areas of Colombia where the BACRIM exert influence.<sup>10</sup>

Mexican criminal structures have also been spreading into Central America. Santamaría writes that the most active groups have been the Sinaloa Cartel, the Gulf Cartel, and the Zetas. The later has used a number of different methods of expansion and developed various ways of relating

to local criminal structures. Drug trafficking has been a catalyzing force for extortion, kidnapping, and other crimes at the local level in Central America where evidence suggests that in some instances youth gangs and individual “cliques” have been recruited by transnational organized crime groups as hired killers and protection for drug shipments.<sup>11</sup>

While the media, analysts, and authorities have focused their attention on the northern border of Mexico, its southern border with Guatemala has been increasingly important in the spread of transnational organized crime. As Santamaría explains, various illegal markets converge in this “no-man’s land,” mobilized by state and non-state actors who come together in a complex system of interactions. And while the presence of drug traffickers has been less evident in Nicaragua and Costa Rica thus far, these countries are now taking on a larger role along the strategic corridor stretching from Colombia to the United States.

The smuggling and trafficking of human beings, especially migrants, deserves special mention. Mexican criminal organizations are the biggest players in this arena. According to Santamaría, the Zetas are particularly involved in human trafficking in Mexico and Guatemala, and increasingly in Honduras and El Salvador. As the United States has taken a harder line on immigration and has put more pressure on Mexico to do the same, migrants have taken more dangerous and clandestine routes, exposing them to extortion and recruitment by criminal organizations, and, increasingly, death. Additionally, an ever-growing black market in firearms along the U.S.-Mexico border has resulted in thousands of guns entering Mexico every year. This has increased the firepower of criminal organizations, especially Mexican cartels. A recent study by the Trans-Border Institute from the University of San Diego and the Igarapé Institute estimates that around 252,000 guns cross the border every year, and less than 15% of them are seized.<sup>12</sup>

In contrast, Olinger describes Brazil as a “full cycle” country that produces, sells, and consumes illegal drugs, as well as being a transit country for drugs from the Andean region to Europe and the United States. Brazil is the second largest consumer of drugs in the world in per capita by volume and is also a large producer of chemical precursors, which are essential to the production of cocaine. Its internal consumption market has been described as a crack epidemic because of increasing demand for “base paste”

(over refined cocaine) that is mixed with a variety of products in order to facilitate the sale of a low-cost drug to lower income sectors. The majority of marijuana used in Brazil comes from Paraguay, a country that is rarely mentioned as a player in the international traffic of illegal substances but has a significant place in the Brazilian market.

One substantial change in the re-organization of routes and the search for new markets in the last decade is that West African countries are now playing a much larger role in the international drug market. According to the United Nation Office on Drugs and Crime (UNODC), a significant percentage of cocaine exported to Africa passes through Brazil, transported by criminal groups from Nigeria.<sup>13</sup> Recent information shows that the flow of cocaine from Venezuela to Africa has decreased and been replaced by transshipment through Brazil and Argentina. One notable development uncovered by Rico is that Colombian organizations seem to be taking drugs to Africa before introducing them into the United States as a way to by-pass the high costs of transporting drugs through Mexico and Central America.

These recent changes paint a new picture of the geography of drug trafficking, with a renewed importance of the European market, a more active role of West African countries, and the incorporation of new territories in transnational crime circuits. The United States continues to be the primary destination for all kinds of illegal products and services, with the reduction of cocaine consumption overshadowed by a greater demand for synthetic drugs, especially methamphetamines.

## The Fragmentation of Organized Crime and the Emergence of a New Generation of Criminals

In the last decade, fragmentation of criminal organizations has intensified and a new generation of criminals has emerged. The new generation is younger and more willing to break with the discipline maintained by the traditional structures. These criminal groups have received what Rico calls a “criminal inheritance” including contacts, reputation, capacity to negotiate, and networks of corruption and fire power, among other things. In other words, current criminal organizations are taking advantage of the availability of clandestine networks that have been established and re-organized in

Latin American countries for decades.

Rico argues that criminal bands operating in Colombia have entered into a phase of fragmentation and dispersion in the last three years—which does not mean they are any less violent or dangerous. The process is occurring because of rivalries between criminal networks and pressure from Colombian authorities to locate and capture the heads of these organizations. According to Rico's statistics, all the leaders of the BACRIM were neutralized in some fashion in the past three years with 45% captured by the Colombian National Police, 3% by the Army, and 12% turned over to U.S. authorities. An additional 30% were murdered as a result of internal conflicts within the crime organization, and 10% were killed in operations led by government forces. This dynamic has meant that the leadership of criminal groups has been very unstable and has contributed to repeated cycles of violence.

In this context, the BACRIM were faced with a dilemma: their alliance with the FARC and their participation in illegal mining were helping them to expand and to generate steady streams of income, but they were unable to ensure their own safety in Colombia. This led to a diaspora of first and second tier criminals to other parts of South America in search of safe havens. Younger criminals, with less experience and a greater propensity towards the use of violence, took over the leadership of local criminal groups in Colombia, explaining, in part, the reemergence of massacres and violence against the civilian population that had been more common in the 1990s and 2000s.

Amongst Mexican groups, Santamaría argues that fragmentation has also increased due to both the government's offensive and disputes between and rifts within criminal networks. Unlike Colombia, however, where levels of violence were significantly reduced, the war against criminal organizations in Mexico has led to increased violence and its dispersion into new areas. Santamaría emphasizes that while President Calderón's strategy made drug trafficking more costly on Mexico's northern border, it was also one factor leading to the shift in trafficking routes southward towards Central America contributing to the diaspora of Mexican organizations and to the forging of new connections between Mexican and Central American groups.

Santamaría also highlights what she calls a "third transition"<sup>14</sup> in the phenomenon of *maras* (or youth gangs) in the Northern Triangle of

Central America (El Salvador, Honduras, and Guatemala), a transition that could lead to the disappearance of the *maras* as we know them today. According to Santamaría, the *maras* have been gradually moving towards criminal activity that differs from traditional gang activity and is more like that of organized crime.<sup>15</sup> In this new context, there is evidence that some gang units (*clicas* in Spanish) are attempting to form alliances with the larger criminal groups to make profits from extortion, retail drug sales, and weapons trafficking.

For the moment, it is not possible to establish whether this transition has happened collectively and by consensus or whether it is limited to certain cells and members. Evidence points to the likelihood that it is not the entire *marra* that participates but rather individual *maras* and former *maras* that are subcontracted to supply certain services—especially that of murder-for-hire and access to firearms. In this sense, it is also not possible to say whether this last transition will lead to a sustainable connection between the *maras* as a whole and the Mexican crime organizations.

In Brazil, organized crime is characterized by fragmentation. Unlike in other places, Olinger finds that in Brazil it is not possible to identify “the” big capo or a big cartel that brings criminal organizations in the country together. Rather, organized crime is, in general, a set of organizations that lack cohesion. Furthermore, while well known groups dedicated to selling narcotics are active and well known in urban areas, criminal groups that operate at the international level are not well known.

Dynamics among criminal groups began to change in Rio de Janeiro with the deployment of the so-called Pacifying Police Units (UPP) in high-crime areas. UPP deployments have brought about a transition from the traditional sedentary criminal structures—where control over specific territories for the sale of illegal goods and services, especially drugs, was the *modus operandi*—to a more diffuse and nomadic structure that has abandoned the defense of territory that was previously impenetrable by the state. This transition suggests a new scenario in which the illegal drug trade would prevail despite no longer maintaining armed control of specific territories. Olinger warns, however, that state gains in urban criminal territories may simply result in criminal displacement to new areas where there is less state presence. This would help explain the increase in homicides in other

areas of the country.

In terms of São Paulo, the *Primer Comando de la Capital* (PCC) is the dominant criminal group. It is an organization with a horizontal leadership structure distributed throughout its territory. It appears that this group has a presence outside of the state of São Paulo, as well, and even operates beyond Brazil's borders. According to reports from the National Secretary of Public Security, this group handles US\$32 million a year from drug sales and is in the process of expanding its operations into the states of Mato Grosso do Sur and Paraná, due to their proximity to Bolivia and Paraguay where they are also likely to have a presence.<sup>16</sup> Evidence of their increasing importance include a jump in homicides in São Paulo in a wave of violence where the PCC has been the main actor.

Brazil is also impacted by the presence of paramilitary groups known as “militias” that are primarily made up of off-duty and former police officers. They have an active presence in dozens of *favelas* in the city of Rio de Janeiro and have made incursions into other parts of the country including the state of Bahia. Olinger writes that after a series of repressive measures against these groups—such as the arrest of more than 300 people, including some elected politicians—the militias have continued to operate with a lower profile while maintaining control over territory in various parts of Rio de Janeiro.

## THE CRIMINAL DIASPORA AND THE TRANSNATIONAL SPREAD OF ORGANIZED CRIME

### Partial “Victories” and Hard-line Policies as Push Factors

Government offensives against criminal organizations in Colombia and Mexico are identified as one of the main push factors leading to the diaspora of criminals in the region. Partial “victories” by state forces against criminal structures primarily dedicated to drug trafficking have aided the spread of criminal activities to other countries where limited response capacities by state entities and “favorable” conditions (such as high levels of corruption and impunity) for illegal activities exist.

The “balloon” effect, where production simply moves from one place to

another when pressure is applied—in this case, coca cultivation increases in Peru and Bolivia as a result of stagnating production in Colombia—has been accompanied by what Bruce Bagley calls the “cockroach effect.” The cockroach effect occurs when, in order to avoid detection after having the light shone on them, criminal groups move from one municipality to another, and from one country to another, in search of safer places and weaker government capacity.<sup>17</sup>

Rico documents this phenomenon in Colombia, where criminal groups have sought to avoid confrontation and moved instead to new territories when faced with pressure from the government. This strategy has not stopped arrests completely, but it has allowed the heads of these organizations to buy time. Capturing crime bosses who migrated to other countries took authorities an average of 16 months longer than capturing those who sought to evade authorities without leaving Colombia.

Santamaría finds that Colombia, Mexico, and Central America are part of a circuit in which a “victory” in one country becomes a problem for another. Thus, the strategy for combating crime in Colombia contributed to increased violence associated with drug-trafficking in Mexico, and the strategy for fighting crime in Mexico became one push factor in Mexican organizations seeking new alliances in the Northern Triangle of Central America.

In the case of Brazil, Olinger points out that over the past decade repressive policies based on armed confrontation with organized crime created a cascade of conflict with dramatic consequences for Brazilian society. This strategy exacerbated social differences already present in Brazil as the use of force was employed against low-income populations without having any demonstrable effect on decreasing illegal drug consumption or reducing organized crime operations. In addition, actions aimed at preventing the shipment of drugs to the United States and Europe has probably had the predictable effect of pushing drug-traffickers deeper into other areas of the country.

The “iron fist” policies used in Central America deserve special scrutiny since Santamaría identifies them as one of the main push factors for the criminal diaspora in the region. Massive deportations of undocumented youth contributed to the spread of youth gangs from the United States into the Northern Triangle of Central America, but that does not explain the vertical and transnational linkages of these groups. Santamaría believes

that, paradoxically, these criminal networks were actually an unexpected by-product of “iron fist” policies in Central America. In particular, the jailing of large numbers of youth and the undifferentiated assault on different types of gang cells produced a great connectivity between the cells. This strategy subsequently led to the gangs’s need to diversify their sources of income as state action disrupted the criminal markets and, thus gangs expanded to the retail market for illicit drugs, extortion, kidnapping, and to a lesser extent, weapons trafficking.

Finally, one challenge all the researchers encountered was to disaggregate the extent to which the spread of criminal activity is the consequence of state interventions, such as the “iron fist” approach, and how much is due the criminal organization’s own initiative to diversify. If the response is that the criminal diaspora is a direct –though unintended—result of institutional pressure exercised in certain countries, states will need to work collaboratively and share in the responsibility of confronting expanding criminal networks by developing strong mechanisms of cooperation to better limit the criminal diaspora. Failure to do so would mean that “progress” in one country could be undermined by the same criminal group operating from another country.

### Differentiated Modalities in the Spread of Criminal Structures

When criminal structures spread across borders, they utilize different modalities that do not always reflect the same logic. In some cases, they may cross borders in response to particular circumstances or state actions, such as an offensive against a particular criminal group or leader. In other cases, it is the result of structural changes, such as the emergence of new economic success stories that open up new markets. The variability of each transnational expansion forces us to examine each instance differently. The section below describes what the authors believe to be the central factors contributing to the propagation of criminal groups throughout the region.

#### ***The Emerging Criminal Bands (BACRIM), their routes, and their safe havens***

Daniel Rico explains the spread of the Colombia’s emerging criminal

bands (BACRIM) with an analytical framework used by Federico Varese to describe the expansion of the Russian mafia into northern Italy. He uses the terms “expansion” and “transplantation,”<sup>18</sup> which complement what he calls “criminal representation.”

This analytical framework shows the versatility of criminal factions who adopt different forms of propagation according to their objectives, the institutional capacity to respond in the territories or cities they are entering, and their relationships with local criminal organizations.

***The Impact of Migration, Deportation, and Porous Borders: the Expansion of Organized Crime in Mexico and Central America***

Santamaría identifies the migratory flows that circulate through the borders of Mexico and Central America as a factor that contributes to the spread of organized crime. These flows cannot be understood without including the United States, which continues to be the main destination for migrants. What is particularly notable is the dramatic increase in the number of people with criminal backgrounds being deported due to the tightening of migration policy in the United States. Santamaría highlights that in the case of Mexico more than 195,000 people with criminal backgrounds were deported back to Mexico in 2010 alone<sup>19</sup>, and some 130,000 were deported to Central America between 2001 and 2010.<sup>20</sup>

Santamaría notes that the most paradigmatic case of criminal expansion linked to deportation from the United States occurred when gangs, originally from Los Angeles, were deported to the Northern Triangle countries. At first, the deportations were massive and disorderly, and they happened without adequate information or cooperation mechanisms between the US and the receiving countries. There were fewer deportations to Nicaragua, since their migrant population was more likely to be in Miami where gangs were less prevalent than in Los Angeles—something that has been noted as an important variable for understanding why Nicaragua is the exception when it comes to the spread of gangs, and why it has lower rates of homicide as compared to the Northern Triangle countries.

In the case of Mexico, Santamaría emphasizes that the spread of Central American *maras* into Mexico has been largely contained by social and cultural factors, but that the links to organized crime among non-Central

## THE VARIED PROPAGATION MODALITIES OF COLOMBIA'S CRIMINAL BANDS (BACRIM)

**Expansion:** In Ecuador and Venezuela, the BACRIM expanded their networks in a limited way, (for example refraining from coca cultivation) in order to avoid detection by the authorities, and by mobilizing part of their operational and leadership structure. In so doing the BACRIM have been able to branch out and generate new sources of income, such as trafficking in contraband petroleum (which they control in partnership with the FARC), informal gold mining, and trafficking contraband in mass consumption items. In these territories, the BACRIM limit but do not renounce violent actions.

**Transplantation:** With this mode, the BACRIM only partially reproduce their criminal activities by focusing on three operational lines: 1) trafficking and partnerships for retail cocaine sales; 2) asset laundering; and 3) safe haven for its leaders. Transplantation has occurred primarily in the major urban centers of countries like Bolivia, Argentina, Brazil, and Spain where BACRIM leaders have blended into society as prosperous businessmen. A case in Bolivia stands out involving Martin Llanos—a seasoned drug trafficker—who moved most of his criminal structure to Santa Cruz de la Sierra where he maintained money-laundering businesses, security schemes, entertainment enterprises, and an aerial bridge for trafficking with Argentina.

**Criminal representation:** This is the mode used by the BACRIM in Central America and Mexico. The primary function of criminal representation is to provide transactional guarantees for illegal trafficking in situations where mistrust predominates and there are no legal arbitration options. These “representations” offer different forms of intermediation such as insurance against drug seizures that the purchaser and/or seller acquires as a guarantee against the possible disaster of having their cocaine confiscated. In this case, the representative assumes the loss and provides the capital for the criminal client to continue the illicit transaction. Criminal representation implies a mutually dissuasive condition of non-confrontation in which the criminal structures respect their partners' territories.

American gangs in Mexico has expanded in recent years. For example, the *Los Aztecas* gang in Ciudad Juarez has positioned itself in the last decade as a group of hitmen and retail drug distributors for the cartels. *Los Aztecas* began in El Paso, Texas but several of its members were deported from the United States in the 1990s. In this case, deportation reproduced similar dynamics of expansion as those observed in the deportation of Central America maras to the Northern Triangle countries.

Human trafficking is also impacted by migratory flows and border porosity, and Santamaría calls attention to these as phenomena closely linked to migrant smuggling and forced displacement. Migrants are among the groups most vulnerable to the violence exercised by organized crime. Extortion, forced recruitment, kidnapping, and sexual exploitation are just some of the expressions of that violence. Criminal organizations have taken advantage of migratory flows to extort resources from people who are traveling through their territories and to recruit them into their ranks. They use migrants to transport drugs and weapons and to spread the organization into new territories.

***Structural factors also matter: the spread of organized crime in Brazil***

In the case of Brazil, Olinger points to two structural factors that contribute to understanding the spread of organized crime: the restructuring of production and changes in demographic composition. In the first of these cases, a country such as Brazil may experience new economic growth in emerging areas of the country. As these zones experience increased investments and expanding employment, criminal activity also follows. Government institutions in these territories have not always had the capacity to respond to this new criminal challenge. Olinger also emphasizes that Brazil is experiencing accelerated demographic change.<sup>21</sup>

In this context, while murder rates gradually declined in Rio de Janeiro and São Paulo, they have risen in other areas of the country. The country has gone from having homicides concentrated in a limited number of large metropolitan regions (which resulted in a period of greater investment in security institutions and policies there) to seeing increasing rates of homicide in less protected regions where there is less investment in governmental institutions. In these cases, the local gov-

ernments' inability to guarantee public security is a powerful explanation for the rise of criminal violence in the interior of the country, in states with traditionally low crime rates.

Brazil's policy for confronting organized crime was developed in response to the concentration of criminal activity in certain parts of the country, especially the large cities. But the criminal landscape appears to be changing, with a shift towards more rural and non-traditional areas for criminal activity. This can help explain recent events in Santa Catarina—a state once considered one of the least violent in the country—where in early 2013 there was a wave of attacks on busses and police forces in actions that are presumably linked to the PCC.

### Silence, Complicity, and Grey Areas

One necessary condition for the spread of criminal organizations is the corruption of government institutions. It is impossible for a criminal group to enter a new territory without a network of protection and impunity for its actions ensured by state actors. Criminal expansion requires a complex organization that can include customs and migration officials, police, members of the justice system, and elected authorities. The most visible faces in this structure are the armed groups and the organizational leaders. However, some “legitimate” businessmen and politicians also form part of the network by participating in illegal economies and receiving benefits from the expansion of crime.

In order for Mexican *capos* to move into Central America undetected; in order for the heads of criminal bands in Colombia to circulate freely through the streets of Buenos Aires or to appear as prosperous land owners and businessmen in Peru or Venezuela; and in order for the heads of transnational criminal organizations to operate anonymously in Brazil; they must enjoy the complicity of public officials. It is, thus, noteworthy that after the capture of a criminal boss or *capo*, government actions are not aimed at dismantling that person's support network. Most investigations and operations are limited to apprehending the most visible leader of the organization, while his accomplices go undetected.

The silence about these matters in the region is great. Meanwhile, criminal organizations take advantage of institutional weak points, legal loopholes,

and existing networks of corruption to expand their activities.

Furthermore, it is unusual for security officials from one country to map the criminal organizations operating transnationally throughout the region, much less undertake operations that go beyond the capture of a group of foreign traffickers operating in a single country. As Francesco Forgione says in his book, *Mafia Export*, which studies the colonization process of the Italian mafia, “the international dimension of the mafias, especially their financial involvements, has not yet become clear enough to offer concrete ideas of what to investigate, what to analyze, what to attack.”<sup>22</sup> Judicial investigations rarely address the international dimension of organized crime, and unless they are particularly broad investigations, journalistic coverage tends to be superficial, academic approximations are limited, and political responsibilities remain diffuse.

## RECOMMENDATIONS FOR HOW TO CONTAIN THE TRANSNATIONAL EXPANSION OF ORGANIZED CRIME

**Move from discourse and reflection to decision-making and action.** Widespread consensus exists about the challenge posed by the expansion of transnational organized crime in the region. A dozen statements have been signed by countries recognizing the need to respond jointly to this threat and the urgency of strengthening cooperation between countries. However, this discourse has rarely been accompanied by concrete measures or actions. Some progress has been made on the bilateral level, but disagreements and distrust seem to predominate at the regional level. Responsibilities acquired tend to be delegated to officials or entities that do not have sufficient resources and capacity to act. The current situation demands urgent action.

**Create specialized prosecution units and appoint judges who are specialized in organized crime.** Some of the countries of the region do not have specialized units to combat organized crime or judges who specialize in this area, which makes it difficult to undertake investigations and obtain sentences. The prosecutors’ offices that focus on specific crimes (homicides, kidnappings, extortion, among others), rather than criminal structures,

have difficulties undertaking complex investigations involving an entire criminal enterprise. Their investigations are fragmented and their processes are disconnected. Joint work among prosecutors' offices is a key element in the development of complex cases involving criminal networks. Judges must also be trained as specialists in the area of organized crime so they will have the information and the tools necessary to oversee these cases, as well as the necessary knowledge of the law to fulfill their responsibilities.

**Strengthen migration, tax, banking oversight, and customs agencies of government.** The battle to contain organized crime does not only take place with effective police action and judicial procedures. It should also involve institutions in the areas of migration, taxes, banking, and customs. Gaps in legislation, the lack of specialized units, the absence of mechanisms for establishing joint task forces, and weak financial and operational capacity are vulnerabilities of which organized crime is taking advantage. Strategies for containing the spread of crime should become part of these agencies' missions, implementing a monitoring and control system that makes it possible to identify unusual and suspicious activities and to generate alerts that lead to timely responses.

**Develop "all included" transnational operations.** Operations should not only be aimed at capturing and extraditing the heads of criminal organizations. The goal must also be to dismantle the criminal network including corrupt public officials, businessmen, politicians, and members of the support network linked to the expansion of criminal organizations. Containing the spread of criminal organization requires overcoming a narrow focus on capturing the most visible criminals and must include efforts to purge institutions of corrupt officials, greater accountability for corruption, and sanctions for those involved in assets laundering.

**Pay special attention to problem zones where corruption, impunity, and assets laundering prevail.** Containing the spread of organized crime requires progress in three areas—fighting corruption, impunity, and money laundering. Breeding grounds for criminal organizations exist where political systems and institutions allow informal rules to prevail,

## THREE EXISTING MULTILATERAL INITIATIVES THAT REQUIRE GREATER SUPPORT AND CONCRETE ACTION

### **The Hemispheric Plan of Action to Combat Transnational**

**Organized Crime.** Following the Sixth Summit of Heads of State and Government of the Americas, held in Cartagena, Colombia in 2012, the region's leaders agreed to a hemispheric plan to combat organized crime based on two pillars (operational and political) originally contained in the Chapultepec Commitment (Mexico, September 2012). The operational headquarters of this initiative is located in Mexico and is responsible for promoting greater police cooperation, intelligence sharing, and pursuit of justice. Political oversight for the plan is located at the Organization of American States. It is vitally important for Mexico to continue leading the implementation of this mechanism and for it to establish cooperation with Central American countries, especially those in the Northern Triangle, as a priority. It is also necessary for the Plan of Action to become operational with the formation of technical bodies that will further the joint work and collaboration among multiple government institutions.

**The American Police Community (Ameripol).** Ameripol was established to further hemispheric technical cooperation to increase information sharing and judicial cooperation that would allow for a strategic multilateral approach to combating criminal threats and improving public security. Its formation was a good idea that has lacked the resources and capacity to fully develop. We recommend that the agency concentrate its efforts on international investigation and prosecutions, using a stable workforce of career officials rather than relying on short-term appointments and constant rotation of personnel. The agency also needs adequate resources in order to fulfill the commitments that the countries have taken on.

**The Network of Prosecutors Against Organized Crime (REFCO).**

Expanding and strengthening the network of prosecutors included in REFCO would be an important step. The REFCO network has been promoted by the UNODC and has concentrated its efforts so far on the Central American countries. Strengthening this network should be undertaken to develop information exchange mechanisms among prosecutors, to promote transnational investigations, and establish clear areas for joint action. Inclusion of countries in South America and the Caribbean is a priority, as well as the relationship with governments in West Africa and European countries.

where compliance with the law is irregular or discretionary, where levels of criminal autonomy are high, where there are no mechanisms for transparency and accountability, where resources are scarce, or where government agencies are coopted by parallel powers. Making progress in dismantling networks of corruption and impunity should be a priority. The results of the Parliamentary Inquiry Commissions in Brazil, the International Commission Against Impunity in Guatemala (CICIG), and court cases against those involved in so-called “para-politics” in Colombia are important examples of efforts to address these concerns.

**Promote differentiated strategies for different criminal groups who operate based on differing logics.** Measures to contain the spread of crime must take into account the different types of structures involved in its expansion and the different ways in which criminal factions move into other territories. A number of different groups are involved in the expansion of organized crime, and each is organized in different ways (cartels, gangs, murderers-for-hire units, intermediaries, transport groups, and others), which means that different models of intervention are required. Care must be taken to not exaggerate the involvement of local groups in transnational networks since this can lead to a disproportionate response that can, in turn, worsen and radicalize local criminal groups. The recruitment of youth by criminal organizations requires special attention and differentiated strategies for:

- The brokers: Persons who manipulate information, maintain key contacts, and establish connections among illegal factions and also between the legal and illegal worlds. <sup>23</sup>
- Territorial criminal groups: According to UNODC “Territorial groups...focus on maintaining control over a geographic area and tax all criminal activity therein, including drug trafficking.”<sup>24</sup>
- International trafficking groups: According to UNODC trafficking groups “...prefer to fly under the radar, simply moving contraband from place to place, paying tribute to territorial groups

when necessary.”<sup>25</sup>

- Local gangs and young people vulnerable to recruitment by criminal organizations.<sup>26</sup>

**Take preventive measures specifically tailored to the dynamics of local drug markets.** Using hard-line measures to punish consumers is not the best option. Rather than prevent growth in demand it aggravates the problem of prison over-crowding and keeps addicts from getting the treatment they need. Evidence suggests that the financial and social benefits are much greater for communities when they invest in social and healthcare programs than when resources are concentrated on supply reduction and law enforcement activities. Attention to prevention can help limit the spread of organized crime, especially in Brazil and the countries of the Southern Cone.

**Improve the bilateral coordination for deportations violent criminals and implement comprehensive reintegration programs for deportees upon their return home.** While mechanisms to share information about deportations have improved during the last decade, several problems in the implementation of these procedures remain, including gaps in information who is being deported, when and where a deportation is occurring; and what their criminal history might be. This is particularly crucial in cases where people have a criminal record for serious and violent crimes. Evidence shows that criminals returning from the U.S to Mexico and countries in Central America have been a major catalyst for violence and crime in the region. In this context, it is a priority to have tracking mechanisms that prevent deportees from getting involved with local criminal organizations. In cases of minor felonies it is important to develop systems and support groups that help people reintegrate in to their communities.

**Ratify and implement the International Treaty on Arms Trade. Disrupt the flow of firearms through the U.S. black market.** On April 2, 2013, the UN General Assembly overwhelmingly approved the International Treaty on Arms Trade, which now must be ratified by the countries to begin implementation. When ratified by 50 states, the treaty

will regulate international sales of arms, a necessary step to ensure greater transparency of transactions. This important step should be complemented by measures to stop the black market of guns flowing over the U.S. southern border. In this sense, the *Trans-Border Institute* from the University of San Diego and the Igarapé Institute proposed a set of practical measures, including the creation of a public itemized records containing information regarding where and who buys guns, universal criminal background checks before selling firearms and the elimination of cash transactions on sales close to the border.<sup>27</sup>

## NOTES

1. Juan Carlos Garzón received his B.A. in Political Science with a focus on International Relations from the Pontificia Universidad Javeriana. He holds a specialized degree in the Theory and Experiences of Armed Conflicts Resolution from Universidad de Los Andes, Colombia and will complete an M.A. in Latin American Studies with focus on Security from Georgetown University in Spring, 2013. Garzón is a researcher with the United Nation Development Programme's (UNDP) Human Development Report for Latin America 2013, of. He was the coordinator of the current project on transnational organized crime for the Woodrow Wilson Center. E-mail: jg78@georgetown.edu
2. Gema Santamaría is a doctoral candidate in Sociology and History at the New School for Social Research. She is currently a consultant and researcher on the UNDP Human Development Report on Citizen Security in Latin America (2013).
3. Marianna Olinger is a PhD candidate in Urban and Regional Planning at the Federal University of Rio de Janeiro, and has an MS in Social Policy and Planning from the London School of Economics.
4. Daniel M. Rico is a Colombian economist and political scientist and a doctoral student at the University of Maryland. His experience in anti-drug policy work includes work as a government official and more recently as a consultant for various multi-national organizations.
5. Garzón, Juan Carlos (2012). "La difusión del Crimen Organizado en América Latina y los mecanismos para contener su expansión". Washington D.C: Woodrow Wilson Center. Conceptual Framework Paper. Working Paper. October 2012.
6. There are some indications that the Caribbean corridor is being reactivated as a route to Europe, not only by Colombian traffickers but also by Mexican cartels that are seeking entry into a promising market there. Traffickers will seek to exercise their influence on the island countries, as a determinant factor in their

- quest to respond to demand from Europe.
7. Steven Dudley (2012) "Gangs, Deportation and Violence in Central America," Part II, 26 de noviembre de 2012, *Insight Crime*. Disponible <http://www.insightcrime.org/violence-against-migrants/part-ii-gangs-deportation-and-violence-in-central-america>.
  8. For example, Daniel Rico notes that the Spanish market can be three times more profitable per kilogram for Mexican cartels than its current distribution business in the United States. Spain is also emerging as one of the primary ports of entry to other markets on the old continent and in Asia.
  9. Daniel Rico points out that drug traffickers who export to Europe have to wait several months to turn a profit, while in Brazil, Argentina, and Chile a profit can be realized in a matter of weeks.
  10. As Daniel Rico states, arrest reports from the Colombian police and interviews with "chemical" producers of cocaine show that it is increasingly common for Mexican supervisors and buyers to be present in the cocaine processing laboratories in order to ensure not only the supply of the product but also its quality. In interviews with cocaine processors, Daniel Rico finds that product sold to Central Americans and Mexicans, while billed as pure cocaine by Colombian producers, has included other lower-priced substances including heart medications and veterinary products, among others.
  11. Central American *maras* are still largely a separate phenomenon from transnational organized crime but recent fieldwork suggests a small but growing number of cases where these links have been made.
  12. McDougal, Topher; Shirk, David A.; Muggah, Robert and John H. Patterson (2013). "The Way of the Gun: Estimating Firearms Traffic Across the U.S.-Mexico Border". Trans-Border Institute of the University of San Diego and Igarapé Institute. Available at, [http://pt.igarape.org.br/wp-content/uploads/2013/03/Paper\\_The\\_Way\\_of\\_the\\_Gun\\_web2.pdf](http://pt.igarape.org.br/wp-content/uploads/2013/03/Paper_The_Way_of_the_Gun_web2.pdf)
  13. UNOD (2013). "Transnational Organized Crime in West Africa: A Threat Assessment" Vienna, February 2013.
  14. The "first transition" happened with the arrival of gangs to the Northern Triangle countries. The second was a transition from the traditional, local, and dispersed model of the gang to an organized hierarchical model with a transnational identity. This "second transition" was driven by hard-line government policies along with the expansion of drug trafficking networks.
  15. Some of the marks of this possible transition include: abandoning the use of tattoos, keeping a lower profile in the public space, and entering into anonymous, more-profitable criminal circuits that demand more discipline in the use of violence.
  16. Insight Crime (2012). "Pandilla de Sao Paulo se expande por Brasil". 27 de noviembre de 2012. Available at: <http://es.insightcrime.org/analisis/brasil-al-borde-del-desbordamiento-de-la-violencia-por-pandilla-de-sao-paulo>
  17. Bagley, Bruce (2012). "Drug Trafficking and Organized Crime in the Americas: Major Trends in the Twenty-First Century"- Washington D.C:

- Woodrow Wilson Center.
18. Varese, Federico (2006). "How Mafias Migrate: The Case of the 'Ndrangheta in Northern Italy". EN *Law & Society Review*, VL - 40.co
  19. El Universal. "Con antecedentes penales, la mitad de deportados de EU, afirma el INM". 7 de noviembre de 2011. Disponible en: <http://www.eluniversal.com.mx/nacion/190571.html>
  20. Steven Dudley (2012) "Gangs, Deportation and Violence in Central America," Part II, 26 de noviembre de 2012, *Insight Crime*. Disponible <http://www.insightcrime.org/violence-against-migrants/part-ii-gangs-deportation-and-violence-in-central-america>.
  21. The phenomenon usually has strong effects in political, economic and social dynamics. Previous research suggests, among other things, that it also has impact on crime. Higher crime rates and more youth gangs are among the unintended consequences of the nation's patterns of postindustrial development.
  22. Forgione, Francisco (2010). "Mafia Export. Cómo la 'Ndrangheta, la Cosa Nostra y la Camorra han colonizado el mundo". Barcelona: Crónicas Anagrama. Pag. 240.
  23. See Garzón, Juan Carlos (2012). "The Rebellion of Criminal Networks. Organized Crime in Latin America and the dynamics of Change". Washington D.C.: Woodrow Wilson Center.
  24. See UNDOC (2012) Ibid.
  25. See UNODC (2012) Ibid.
  26. One of the recommendations proposed by Gema Santamaría is not to criminalize the presence of youth gangs in neighborhoods and look these groups and other youth organizations as potential partners to prevent the spread of organized crime.
  27. McDougal, Topher; Shirk, David A.; Muggah, Robert y John H. Patterson (2013). "The Way of the Gun: Estimating Firearms Traffic Across the U.S.-Mexico Border". El Trans-Border Institute de la Universidad de San Diego y el Instituto Igarapé. Disponible en: [http://pt.igarape.org.br/wp-content/uploads/2013/03/Paper\\_The\\_Way\\_of\\_the\\_Gun\\_web2.pdf](http://pt.igarape.org.br/wp-content/uploads/2013/03/Paper_The_Way_of_the_Gun_web2.pdf)