

## A Profile of Mexico's Major Organized Crime Groups

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### **The Context:**

The daily drumbeat of bad news about crime and violence in Mexico is both terrifying and overwhelming. The numbers are themselves stunning – nearly 35,000 killed in drug-related violence since 2007, more than 15,000 in 2010 alone.<sup>2</sup> While the vast majority of these deaths (maybe as many as 85%) are believed to involve persons connected in some fashion to criminal organizations, the increasing gruesomeness and senseless nature of the violence is particularly disturbing. And there is little comfort in the fact that the most extreme violence is concentrated in seven of Mexico's thirty-two states. Regardless of the geographic concentration of the violence, all Mexicans have felt the economic, social, political and even cultural impact resulting from the violence. Furthermore, the violence has created new tensions and fissures in vital U.S. - Mexico relations.

The question that emerges most often is who is behind the violence and what is driving it? The answers are many and complex. To better understand the underlying causes, both in Mexico and the U.S., we invite you to read the numerous research papers and analysis compiled in [Shared Responsibility: U.S.-Mexico Policy Options for Confronting Organized Crime](#). This volume is the product of work conducted by the Mexico Institute and the Trans-Border Institute that can be found on our Security Cooperation portal [here](#).

The purpose of this fact sheet is to shed light on the structure of the criminal organizations operating in Mexico and the United States, as well as to provide background information and analysis on the rapidly evolving nature of organized crime. The following builds on a chapter by David Shirk and Luis Astorga in [Shared Responsibility](#), a joint publication by the Mexico Institute and the Trans-Border Institute. The chapter entitled, "Drug Trafficking Organizations and Counter-Drug Strategies in the U.S. Mexico Context" can be found [here](#).

### **Organized Criminal Groups:**

In an effort to provide background information about Mexican organized crime groups primarily responsible for the increase in violence, we have developed the following resources. We recognize from the outset that it is extraordinarily difficult to provide exact, even verifiable information about organized crime groups who, because of the

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<sup>1</sup> The authors wish to thank the invaluable research assistance of Dana Deaton, Mexico Institute intern.

<sup>2</sup> For a regular tally and analysis of the violence in Mexico see the work of the Trans-Border Institute at the University of San Diego at <http://justiceinmexico.org/resources-2/drug-violence/>

nature of their illicit activities, operate secretly. Nevertheless, while acknowledging these limitations, we felt it would be useful to provide some of the most credible information and research available on organized crime in Mexico and to update it from time to time as the situation changes.

In this context, we make the following general assumptions about the criminal organizations operating in Mexico:

- 1) While it is common to refer to the criminal groups as “cartels” or “drug trafficking organizations (DTOs)”<sup>3</sup> we prefer to talk about organized criminal groups (OCG). The OCGs operating in Mexico are similar to the DTOs described by the U.S. government, but their activities are not limited to trafficking in illicit drugs and extend to smuggling and trafficking in humans; kidnapping, extortion, and trafficking in stolen and pirated goods, as well as natural resources, amongst many others.
- 2) OCGs are primarily trafficking businesses that are motivated by profits. They seek to move illicit products to the consumer market, principally, but not exclusively, in the United States. In most cases, the OCGs operating in Mexico are well organized, well financed and operate trans-nationally. However, they are generally not vertically integrated organizations, but horizontally integrated, allowing them to “subcontract” with local criminal organizations or youth gangs to move product through a particular port of entry, or over a particular land or sea route.
- 3) While they use violence to protect their products and defend territory, OCGs are not armed groups or insurgencies driven by an ideological agenda to seize control of a government. They have used arms, most of which come from the United States illegally, to protect and/or gain control of routes and territory, as well as intimidate rivals, law enforcement, and the public.
- 4) They are not static but opportunistic (or pragmatic) organizations with constantly changing alliances. Former “enforcers” break off from their masters to form “independent” groups. As leaders or bosses are killed or captured, underlings compete for control of the organization and seek to form new alliances. At times, once bitter rivals are known to form alliances against a common enemy, or they use their alliance to reduce the cost of doing business.

**Current Analysis (Updated February 2011):** 2010 was an extraordinary difficult year for organized crime related violence in Mexico. The year was characterized by rapidly changing alliances between organized crime groups that contributed to making 2010 the

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<sup>3</sup> According to the U.S. Department of Justice National Drug Intelligence Center, *National Drug Threat Assessment 2010*, Drug Trafficking Organizations are “complex organizations with highly defined command-and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.” Within the same assessment the NDIC classifies Drug Cartels as “large, highly sophisticated organizations composed of multiple DTO’s and cells with specific assignments such as drug transportation, security/enforcement, or money laundering.” For these reasons, throughout this publication the term Organized Criminal Groups (OCG) will be used rather than Drug Cartels or DTO’s, as these criminal organizations conduct a multitude of illicit activities and traffic in commodities other than narcotics.

most violent year yet, especially in terms of homicides connected to organized crime. The historic relationship between the *Gulf* organization and its enforcer wing – the *Zetas* – finally broke down resulting in open armed conflict. This development, in turn, resulted in new and renewed alliances, sometimes between former enemies. For example, the *Gulf* organization found itself working with its former rivals, the *Familia Michoacana* and the *Sinaloa* organization, against its former enforcer wing, the *Zetas*.

2010 was also characterized by a number of significant government-inflicted blows against major cartel leadership. The *Beltrán Leyva Organization* suffered the most serious setbacks with the death of its principle leader, Arturo Beltrán Leyva, in December 2009 and the subsequent arrest of two other leaders including Carlos Beltrán Leyva in January and U.S.-born Edgar “La Barbie” Valdez Villarreal in August. Government operations variously led by the Mexican Marines, Army, and Federal Police resulted in the deaths of organized crime leaders from the *Gulf* – Antonio Ezequiel Cárdenas Guillén AKA *Tony Tormenta*; *Sinaloa* – Igancio “Nacho” Colonel; *La Familia Michoacana* – Nazario Moreno; and the arrest of Eduardo Teodoro “El Teo” García Simental amongst others.

While these were positive developments, homicide levels were also at an all time peak by the end of 2010 reaching an annual rate of just over 15,000, a 60% increase over 2009 rates. Nevertheless, there is also evidence offered by the Mexican government that homicide rates actually declined towards the end of the year. The Mexican Office of the Presidency has reported that a dramatic increase in homicide rates took place in the first two quarters of 2010, but this rate actually stabilized in the third quarter and declined by nearly 11% in the 4<sup>th</sup> quarter of the year according to government statistics.

There are several questions that emerge from this report. Is this a sustainable trend or simply a temporary, albeit welcome, reprieve. Second, is the decline in homicide rates the result of governmental policy or a reflection of one criminal organization gaining control over a disputed territory or rival organization? These are important questions that we will continue to analyze throughout 2011.

Below are links to interesting maps and data bases that help shed light on the evolving relationships between Mexican organized crime groups as well as data about the extent and geographic concentration of organized crime related homicides in 2010.

- [Mexico Under Siege](#), *The Los Angeles Times*
- [Mexico Drug Cartel Territory](#), *National Public Radio*
- [Executions and Organized Crime During Calderon's Administration](#), *Milenio.com*
- [Trans-Border Institute Releases Report on Drug Violence in Mexico](#)  
Trans-Border Institute, February 7, 2011
- [Mexico's drug wars: interactive map](#) *Guardian.co.uk*
- [Drugs in Mexico: Kicking the Hornets' Nest](#) *The Economist*

## **The Evolution of Organized Criminal Groups in Mexico**<sup>4</sup>

### **The Felix Gallardo organization (Guadalajara OCG)**

Historically, Mexican organized criminal groups operated in distinct regions of the country building their enterprises through a variety of illicit activities. They did not come into conflict with one another, and were even known to act cooperatively at times with one group paying for safe passage through another's territory.

In the 1980s a criminal group rooted in the state of Sinaloa evolved into the first large-scale drug trafficking organization and became the precursor of most of Mexico's current major criminal organizations.<sup>5</sup> Headed by Miguel Angel Felix Gallardo, the group was known as the *Felix Gallardo* organization, (later known as the *Guadalajara OCG*). The *Felix Gallardo* organization became extremely powerful due to their connections to powerful Colombian OCGs and the lack of internal rivalries or competition within Mexico.

The emergence of OCGs during this time is believed to be rooted in the boom in U.S. marijuana and cocaine consumption during the 1960s and '70s. In 1977, the Drug Enforcement Administration (DEA) and Mexican army began a bilateral antidrug campaign called "Operación Cóndor." Although the operation was unsuccessful in slowing the spread of the drug trade, it did push the *Felix Gallardo* organization from Sinaloa into Guadalajara. However, the relocation of the *Felix Gallardo* OCG did not hinder business; in fact it extended it further south.<sup>6</sup>

The organization began to split apart in the late 1980s, due in part to the 1985 murder of U.S. DEA agent Enrique (Kiki) Camarena. Camarena's death led to increased U.S. pressure on the Government of Mexico to combat narcotics trafficking leading Mexico to begin to re-organize and expand its federal police forces. Mexico's renewed law enforcement efforts, in turn, contributed to the decline of Guadalajara organization leading to numerous internal divisions. One notable division occurred when Héctor Luis "El Güero" Palma Salazar broke from the *Félix Gallardo* organization.

Adding to the fracturing of the *Guadalajara* organization was the arrest of Félix Gallardo, who, while imprisoned, sought to retaliate against "El Güero" for abandoning the organization, by targeting members of Palma Salazar's family. The two men became bitter enemies and engaged in open battle, which ultimately left both "El Güero" and Félix Gallardo in jail, permanently dividing the once grand *Guadalajara* OCG in two. Control of what remained of the organization was assumed by two groups: 1), Joaquín "El Chapo" Guzmán Loera, Ismael "El Mayo" Zambada, and the Beltran Leyva family, a group which would eventually form the Sinaloa OCG; and 2), the nephews of Félix

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<sup>4</sup> For a fuller review of the evolution of drug trafficking organizations and organized crime in Mexico, see Luis Astorga and David A. Shirk, "Drug Trafficking Organizations and Counter-Drug Strategies in the U.S.-Mexican Context." Shared Responsibility: U.S.-Mexico Policy Options for Confronting Organized Crime. Woodrow Wilson Center's Mexico Institute and Trans-Border Institute at the University of San Diego. 2010.

<sup>5</sup> Larry Rother, "In Mexico, Drug Roots Run Deep," *The New York Times*, April 16, 1989.

<sup>6</sup> Peter Lupsha, "Under the Volcano: Narco Investment in Mexico," *PBS – Frontline*, Spring 1995.

Gallardo and the Arellano Félix family, which operated primarily out of Tijuana and became known as the *Arellano Félix Organization* (AFO).<sup>7</sup>

### **Sinaloa OCG/Organización del Pacífico**

The *Sinaloa* OCG headed by Joaquín “El Chapo” Guzmán Loera and Ismael “El Mayo” Zambada, operates in about 17 Mexican states and approximately 40 countries. It is considered the largest and most powerful in Mexico, and amongst the most powerful around the world.<sup>8</sup> Additionally, the organization has expanded operations throughout Latin America and is believed to be the largest purchaser of Peruvian cocaine. In the mid 2000s the *Sinaloa* organization was a dominant member of an alliance, known as “*La Federación*,” which included the *Juárez* and *Valencia* organizations.

In 2005 and 2006, the Sinaloa organization began developing armed enforcer groups to counteract an armed enforcer group (the *Zetas*) connected to the rival Gulf Cartel. The armed groups connected to Sinaloa were originally known as the *Negros* and *Pelones*, and were used to carry out paramilitary style operations. The *Negros* was led by U.S. born operative Edgar “La Barbie” Valdéz Villarreal.<sup>9</sup>

In late 2007, Sandra Avila Beltrán, also known as “La Reina del Pacífico” or “Queen of the Pacific”, was arrested and charged with money laundering, conspiracy to traffic drugs and organized crime.<sup>10</sup> Avila had been vital to developing and maintaining relationships with Colombian drug trafficking organizations allowing the Sinaloa DTO to sell cocaine in the U.S. market. Due to increased pressure on its operations, the Sinaloa’s expanded into other illicit activities and now control sizable percentage of human smuggling routes into Arizona.<sup>11</sup>

By 2008 the *Federación* began to splinter into separate groups including the *Vicente Carrillo Fuentes* (or *Juárez*) organization, the *Arrellano Felix Organization*, and the *Beltran Leyva Organization* which included elements of the *Negros* (with *La Barbie*) and the *Pelones*.<sup>12</sup> In the breakup, the Sinaloa organization managed to maintain its cocaine smuggling routes from South America to the United States and emerged as Mexico’s single most powerful trafficking organization believed to control as much as 45% of Mexico’s drug trade.<sup>13</sup>

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<sup>7</sup> Luis Astorga and David A. Shirk, *Drug Trafficking Organizations and Counter-Drug Strategies in the U.S.-Mexican Context*, 6

<sup>8</sup> Doris Gómora, “Sólo mafias china y rusa superan al narco,” *El Universal*, July 28, 2010,

<sup>9</sup> CRS Report for Congress, *Mexico’s Drug Cartels*, (Washington, DC: Congressional Research Service, 2007), 1, 8, 9.

<sup>10</sup> Mark Stevenson, “Accused Female Drug Lord Ordered Held Over for Trial in Mexico,” *The Associated Press*, October 5, 2007

<sup>11</sup> CRS Report for Congress, *Mexico’s Drug Cartels* (Washington, DC: Congressional Research Service, 2008), 7, 8.

<sup>12</sup> CRS Report for Congress, *Mexico’s Drug-Related Violence*, Collin W. Cook, (Washington, DC: Congressional Research Service, 2009), 4.

<sup>13</sup> CRS Report for Congress, *Mexico Drug Trafficking organizations: Source and Scope of the Rising Violence*. June S. Beittel, (Washington, DC: Congressional Research Service, 2011), 8.

Since 2008 the Sinaloa organization has been locked in a deadly battle for control of the Ciudad Juárez *plaza*, or territory, traditionally a stronghold for the Juárez organizations also known as the *Vicente Carrillo Fuentes* (VCF) cartel. The conflict between the two organizations is centered in Ciudad Juárez, which has become the most deadly city in the world by most estimates. While the conflict is largely about access to the U.S. market via the Juárez-El Paso corridor, there are also elements of personal rivalry and vendetta between the organizations that help explain the sustained and brutal nature of the killings.

By most estimates, the *Sinaloa* cartel appears to have the upper hand in the conflict over the Ciudad Juárez *plaza*. Sinaloa has spread its influence and control into small towns along the Rio Grande formerly under Juárez control. Despite increased efforts by the *Sinaloa* organization to encircle the Juárez organization, Juárez continues to have strength in the city itself where its base of operations have allowed it to develop a strong local presence and become deeply imbedded in local government and law enforcement.<sup>14</sup>

In early 2010, the *Sinaloa* organization began forming a strategic, possibly short-term, alliance with its former rival, the *Gulf* OCG, as well as with “*La Familia Michoacana*,” in an effort to wrest control of certain *plazas* from the *Zetas*, who recently broke off from the *Gulf* cartel.<sup>15</sup> This new pact came as the *Sinaloa* organization began to expand its presence in Baja California, as well as in the region known as “El Triángulo Dorado” composed of the states of Sinaloa, Durango and Chihuahua.<sup>16</sup>

On July 29, 2010 the *Sinaloa* organization was dealt a major blow to its leadership when Ignacio “Nacho” Coronel, the number three figure behind “El Chapo” and “El Mayo”, was killed in a shootout with the Mexican military in Jalisco.<sup>17</sup>

### **Juárez OCG**

The Juárez OCG, often referred to as the *Vicente Carrillo Fuentes* organization after its current leader, is one of several complex criminal groups, in addition to the *Sinaloa* organization, whose high ranking members were originally connected to the *Guadalajara* OCG. Ernesto Fonseca Carrillo was the uncle of the Carrillo Fuentes brothers who helped introduce them to the business and prune them for the organization. Vicente Carrillo Fuentes eventually went to work with Pablo Acosta Villarreal, a trafficker with ties to many in the Guadalajara organization and a knack for using aircraft to smuggle drugs. The murder of U.S. DEA agent Enrique “Kiki” Camarena contributed to the break up of the *Guadalajara* OCG and left Amado Carrillo Fuentes and many other mid-level traffickers without a strict hierarchy to follow. When Rafael Aguilar Guajardo was killed in 1993, Amado took control of operations in Ciudad Juárez and positioned the Carrillo Fuentes family at the head of the emerging organization.<sup>18</sup> During this period, the Carrillo Fuentes developed their principal area of operations along the junction between

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<sup>14</sup> Caldwell and Stevenson, *AP exclusive*, April 9, 2010.

<sup>15</sup> Olga R. Rodriguez, “Mexico: Cartels team up to destroy hit men gang,” *The Associated Press*, April 12, 2010.

<sup>16</sup> Jorge Fernández Menéndez, “Viejos Cáteles con nuevos nombres,” *Excelsior*, April 12, 2010.

<sup>17</sup> Olga R. Rodriguez, “Troops Kill Senior ‘Capo’ of mighty Mexico Cartel,” *The Associated Press*, July 30, 2010.

<sup>18</sup> Jamie Dettmer, “U.S. drug warriors knock on heaven’s door,” *Insight on the News*, April 21, 1997.

El Paso and Ciudad Juárez. The group was considerably weakened by the death of its original leader, Amado Carrillo Fuentes, who died mysteriously while undergoing an operation in 1997.

In the early 2000s, the *Juárez* organization, now headed by Amado's brother Vicente Carrillo Fuentes, formed a loose alliance with the *Sinaloa* and *Valencia* OCG known as "*La Federación*". The *Federación* began to breakdown in 2008 resulting in renewed conflicts between the *Sinaloa* and *Juárez* organizations for control of the Juárez-El Paso corridor.<sup>19</sup>

The *Juárez* OCG had a longstanding alliance with the *Beltran Leyva Organization*, and has recently allied itself with the *Zetas* in an effort to hold off the aggressive challenge from the *Sinaloa* organization throughout the country, and especially in Ciudad Juárez.<sup>20</sup> For many years, members of the *Beltran Leyva* OCG worked as hitmen and transporters for the Juárez organization. In Ciudad Juarez, the *Juárez* organization is increasingly relying on the *Azteca Asesino* youth gang and *La Linea* gangs as part of their ongoing efforts to retain control the vital Ciudad Juárez trafficking corridor.<sup>21</sup>

It is believed that *La Linea* originated as a gang of corrupt state police officers from Juárez and Chihuahua. Small drug gangs such as *La Linea* serve as the enforcement arm for the larger cartel they are associated with. The hotly contested battle over territory has become increasingly bloody, as *La Linea* continues to carry out vicious attacks on behalf of the *Juárez* OCG.<sup>22</sup>

### **Arellano Félix Organization or Tijuana OCG**

Another organization tracing its origins back to the *Guadalajara* OCG is the Arellano Félix organization (AFO) also known as the *Tijuana* OCG. The group is named after the Arellano Félix brothers (seven in all, five involved in drug trafficking) who are the nephews of the *Guadalajara* OCGs founder Miguel Angel Félix Gallardo. A rival to the *Sinaloa* organization when the *Guadalajara* organization broke up, the AFO was at one time allied with the *Gulf* OCG.

Since 2002, the AFO leadership has suffered serious losses including the death the group's leader, Ramon Arellano-Felix, killed in a shootout with police forces. Shortly thereafter, Ramon's older brother, Benjamin Arellano-Felix, was arrested.<sup>23</sup>

On August 16, 2006, the U.S. DEA and Coast Guard arrested AFO member Francisco Javier Arellano Felix off the coast of Mexico. He was charged with money laundering and running a criminal enterprise. After pleading guilty, he was sentenced to life in prison without the possibility of parole in the United States. Additionally,

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<sup>19</sup> CRS Report for Congress, *Mexico's Drug Cartels*, (2007), 4.

<sup>20</sup> CRS Report for Congress, *Mexico's Drug-Related Violence*, 5.

<sup>21</sup> Caldwell and Stevenson, *AP exclusive*, April 9, 2010. 2.

<sup>22</sup> STRATFOR, "Security Weekly," *Mexico's Juarez Cartel Gets Desperate*, [http://www.stratfor.com/weekly/20100804\\_mexicos\\_juarez\\_cartel\\_gets\\_desperate](http://www.stratfor.com/weekly/20100804_mexicos_juarez_cartel_gets_desperate) (Accessed January 13, 2011).

<sup>23</sup> Astorga and Shirk, *Drug Trafficking Organizations and Counter-Drug Strategies*, 7, 9.

Javier's brother, Francisco Rafael Arellano Felix, was extradited to the U.S. in September 2006, and sentenced to six years imprisonment in late 2007. Mexico also sentenced Benjamin Arellano Felix to 22 years in prison for a myriad of charges related to organized crime and illicit activities.<sup>24</sup> The last brother, Eduardo "El Doctor" Arellano Felix, wanted by the U.S. on charges of narcotics smuggling and money laundering, was arrested in Oct 2008.<sup>25</sup>

The AFO was responsible for supplying an estimated 40 percent of the cocaine consumed within the United States during its heyday.<sup>26</sup> In 2008, it was reported that the AFO continued to operate in 15 Mexican states with its principal base of operations located in Tijuana.<sup>27</sup>

After the arrest of Eduardo Arellano Felix in 2007, a power struggle emerged within the cartel between Fernando "El Ingeniero" Sanchez Arellano and Eduardo Teodoro "El Teo" Garcia Simental. As a result, Teodoro Garcia left the organization and created his own gang, which is rumored to be aligned with the *Sinaloa* OCG. Teodoro Garcia and his faction became rivals of Fernando Sanchez Arellano and the remnants of the *Tijuana* OCG. The increase in violence in Baja California has been attributed in large part to the rivalry between "El Teo" and his former associates.

The atrocities committed by "El Teo" made him one of Mexico's most-wanted, with a \$2.1 million USD reward for information leading to his arrest. On January 12, 2010, Mexican authorities were successful in capturing the drug kingpin.

### **Gulf OCG**

The *Gulf* organization emerged in the northern state of Tamaulipas and has been the dominant OCG in the region until recently. Its roots are in prohibition-era bootlegging operations. During the 1980s the organization leader, Juan García Abrego, partnered with Colombia's Cali cartel to traffic cocaine into the United States via the Gulf of Mexico.<sup>28</sup>

Following internal competition and reorganizations, Osiel Cárdenas Guillén, took over leadership of the Gulf organizations and developed a close relationship with former members of Mexican Special Forces known as the *Grupo Aeromovil de Fuerzas Especiales* (GAFES). Cárdenas Guillén helped to organize these ex-soldiers into his own enforcers force.<sup>29</sup> Eventually, the *Zetas* became increasingly powerful and developed their own autonomy within the Gulf organization, breaking away in 2009.

Initially the *Zetas* were used as specially trained hit men, but they also helped ensure that the Gulf OCG retained control of territory along the U.S.-Mexico border including the key border-crossings in Nuevo Laredo and Reynosa. The *Zetas* helped to control areas of

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<sup>24</sup> CRS Report for Congress, *Mexico's Drug Cartels* (2008), 3, 8.

<sup>25</sup> *Ibid.*, 4.

<sup>26</sup> *Ibid.*, 8.

<sup>27</sup> *Ibid.*, 1.

<sup>28</sup> CRS Report for Congress, *Source and Scope of the Rising Violence*, 9.

<sup>29</sup> Astorga and Shirk, *Drug Trafficking Organizations and Counter-Drug Strategies*, 9.



the country such as Matamoros and Nuevo Laredo on behalf of the *Gulf* organization, especially following the 2003 arrest of Osiel Cardenas and increasingly bold challenges by the *Sinaloa* OCG to wrest control away from the *Gulf* organization.<sup>30</sup>

To strengthen its defenses against *Sinaloa*, the *Gulf* organization originally joined forces with the AFO, who was already caught up in a battle with the *Sinaloa* OCG over interior transshipment points in states such as Guerrero and Michoacán.<sup>31</sup>

One of the major developments of 2010 was the breakdown in relations between the *Gulf* and the *Zetas*. The break has resulted in a serious spike in violence in the Northeastern corridor of Mexico, and has led to changing alliances between the *Gulf* organization and a former rival, *La Familia Michoacana*, who broke with *Los Zetas* and the *Gulf* OCG in 2006, and the *Sinaloa* OCG. All three organizations now appear to be working together to eliminate *Los Zetas*.

The break between *Los Zetas* and *Gulf* organizations was allegedly precipitated by the killing of a *Gulf* leader by *Zeta* henchmen, and the refusal of *Los Zetas* to pay penances by turning over to the *Gulf* the person responsible for the murder. But these events were also preceded by the fact that *Los Zetas* had been developing their own power base by expanding their activities into trafficking and smuggling in persons, extortion, drug smuggling, and expanding their presence in Central America..<sup>32</sup>

Antonio Ezequiel Cárdenas Guillén, also known as “Tony Tormenta”, became the leader of the *Gulf* OCG along with Jorge Eduardo Costilla Sanchez, after the arrest of his brother Osiel Cárdenas Guillén in 2003. Tony Tormenta was listed as a Most-Wanted fugitive by both the United States and Mexico. The escalating violence between Mexican federal forces and the *Gulf* OCG peaked during a bloody shootout in Matamoros, Tamaulipas on November 5, 2010. The federal operation was the result of six months of intelligence work and involved more than 150 Mexican Marines. Tony Tormenta, along with four other members of the cartel, two marines, and a journalist were killed during the operation.<sup>33</sup>

### **La Familia Michoacána**

*La Familia Michoacána* emerged in the wake of a battle for control of Michoacán between the *Gulf* organization and a group known as “El Milenio.” The *Gulf* organization had used its armed wing, the *Zetas*, to oust rivals from the state, and the *Zetas* had trained members of *La Familia* to assist them in this endeavor. Eventually the increase in the amount of methamphetamine distribution within the state, as well as, growing frustration with *Los Zetas*, who oversaw the *Gulf* organization’s operations in Michoacán, created a tense atmosphere. *La Familia* chose to challenge the *Zetas*’ control in 2006, succeeding in pushing both the *Gulf* and the *Zetas* organizations from the state, establishing

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<sup>30</sup> CRS Report for Congress, *Mexico’s Drug Cartels*, (2007), 7, 12.

<sup>31</sup> CRS Report for Congress, *Mexico’s Drug Cartels* (2008), 13, 14.

<sup>32</sup> Rodriguez, *Mexico: Cartels Team Up*, April 12, 2010.

<sup>33</sup> Olga R. Rodriguez, “Reputed Gulf Cartel Leader Killed in Shootout,” *The Associated Press*, November 6<sup>th</sup>, 2010.

themselves as bitter rivals.<sup>34</sup> In the aftermath of this fracture, *La Familia* formed an alliance with the *Sinaloa* organization.<sup>35</sup>

The violence became gruesome and public when in a brazen show of force, *La Familia* threw several decapitated heads into the middle of a crowded club called Sol y Sombra. These events, along with other violent acts which occurred as the battle raged between various OCGs, prompted newly inaugurated President Felipe Calderon to deploy army and federal police forces into the state of Michoacán to confront the criminal organizations.<sup>36</sup>

*La Familia* is also known for its cultish mystique based on a quasi-Christian fundamentalist ideology, which was mandated for all members by the highest levels of the organization's leadership, including the now-defunct Nazario Moreno González, also known as "El Chayo" or "El Mas Loco".<sup>37</sup> Moreno González is reported to have written several religious volumes, and required foot soldiers in *La Familia* to carry bibles and conduct prayer sessions before work.<sup>38</sup>

*La Familia* first emerged in the 1980s gained as an anti-crime and vigilante group. They were eventually absorbed into the *Gulf* and *Zeta* partnership when the *Gulf* organization used the *Zetas* to push a rival organization (the *Milenio*) out of Michoacán.<sup>39</sup> Although *La Familia* is now Mexico's largest producer and exporter of methamphetamines, in its early days it unwaveringly opposed the use of narcotics. Yet over time, *La Familia* deepened its roots in the fertile mountainous region of the Sierra Madre del Sur, where they have developed the infrastructure and capacity to produce crystal meth, marijuana, cocaine, and opium poppy plants.<sup>40</sup>

*La Familia*'s shift in business model from vigilante group to trafficking organization occurred after a series of domestic U.S. law enforcement efforts to combat the production and sale of methamphetamines. Chief among these was the United States Congress' decision to crack down on over-the-counter sales of pseudoephedrine, an essential component in the production of methamphetamines. According to the National Methamphetamine Threat Assessment, released by the National Drug Intelligence Center in 2008, meth is most pervasive in the Midwest where it is a challenge to local law enforcement and public health.<sup>41</sup> Meth can be sold in the U.S. for around \$100 per gram.<sup>42</sup>

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<sup>34</sup> William Finnegan, "Silver or Lead," *The New Yorker*, May 2010, 45-46.

<sup>35</sup> CRS Report for Congress, *Mexico's Drug-Related Violence*, 5, 6.

<sup>36</sup> Finnegan, *Silver or Lead*, 39, 40.

<sup>37</sup> *Ibid.*

<sup>38</sup> Tim Padgett and Ioan Grillo, "Mexico's Meth Warriors" *Time*, June 2010, 30.

<sup>39</sup> *Ibid.*, 32.

<sup>40</sup> Finnegan, *Silver or Lead*, 40-43.

<sup>41</sup> National Drug Intelligence Center, *National Methamphetamine Threat Assessment 2009, Organized Crime Drug Enforcement Task Force Region Methamphetamine Summaries* (Washington, DC: U.S. Department of Justice, 2009), West Central OCDETF Region, <http://www.justice.gov/ndic/pubs32/32166/westcen.htm#Top>

<sup>42</sup> Padgett and Grillo, *Mexico's Meth Warriors*, 32.

As a result of U.S. efforts, the numbers of meth labs in the U.S. were significantly reduced, allowing organized criminal groups like *La Familia* to expand their money making enterprises into a relatively unchallenged market.<sup>43</sup> Time magazine cited a Justice Department report which noted that Mexican criminal organizations had increased their supply of meth into the United States to around 200 tons a year, an amount equal to \$20 billion in product. *La Familia* was credited with the production of half of the supply entering the U.S.<sup>44</sup>

In 2009, U.S. President Barack Obama designated *La Familia* as “Significant Foreign Narcotics Traffickers” under the Foreign Narcotics Kingpin Designation Act, part of the Department of the Treasury’s Office of Foreign Assets Control (OFAC).<sup>45</sup> In 2010, OFAC targeted key leaders within *La Familia*, and designated them as “Kingpins” prohibiting economic interactions between U.S. persons and freezing their assets within the United States.

The extent to which *La Familia* effectively dominates the economic activity in Michoacán is reported to be widespread. It is believed that *La Familia* controls around 30 percent<sup>46</sup> of official commerce and that 85 percent of legitimate businesses are in some way or another connected to the organization.<sup>47</sup>

*La Familia*’s economic success has allowed them to expand their organization and strengthen their ability to push back against the Federal police and armed forces. It is one of Mexico’s many organized criminal groups that have begun targeting authorities in order to intimidate and disrupt the operational structure of law enforcement institutions. In April 2010, forty men ambushed the armored convoy of public safety chief, Minerva Bautista, killing four people and injuring nine.<sup>48</sup> In early August, Bautista resigned, though it is unclear if she was forced out or voluntarily left due to safety concerns.

Recently, *La Familia* and its former ally-turned-rival, the *Gulf* organization, are once again working together, this time joining forces to combat *Los Zetas*, with who both previously shared alliances. It is believed that *La Familia* has pledged to send some of its members into the northeastern border state of Tamaulipas, formerly the uncontested territory of the *Gulf* organization, to assist in the fight to exterminate the *Zetas*.<sup>49</sup>

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<sup>43</sup> Finnegan, *Silver or Lead*, 41.

<sup>44</sup> Padgett and Grillo, *Mexico’s Meth Warriors*, 32.

<sup>45</sup> CRS Report for Congress, *Mexico’s Drug-Related Violence*, 6.

<sup>46</sup> Padgett and Grillo, *Mexico’s Meth Warriors*, 33.

<sup>47</sup> Finnegan, *Silver or Lead*, 39.

<sup>48</sup> William Booth, “Mexico’s Crime syndicates increasingly target authorities in drug war’s new phase,” *Washington Post Foreign Service*, May 2, 2010.

<sup>49</sup> Rodriguez, *Mexico: Cartels Team Up*, 2.

On December 10, 2010 it was reported that Nazario Moreno González had been killed by federal police in Michoacán.<sup>50</sup> Followers of his religious ideology responded to his death by staging “peace” marches in his home town of Apatzingán.

The U.S. Department of Justice fact sheet on *La Familia*, please click [here](#).

### **Beltran Leyva Organization (BLO)**

The *Beltran Leyva Organization* was founded by four brothers: Marcos Arturo, Carlos, Alfredo, and Héctor. The brothers got their start as poppy farmers in the state of Sinaloa. Along the way they also became the security force and enforcers for the *Sinaloa* OCG and Joaquín “El Chapo” Guzmán Loera. In order to counter the power of their rivals in the *Gulf* Cartel, which had created an armed wing (*Los Zetas*) made up of former Mexican special forces officers, the *BLO* recruited U.S. born Edgar Valdez Villarreal AKA “La Barbie” as a lieutenant in its armed wing that served as the *Sinaloa* organization’s enforcers.<sup>51</sup>

The death of Arturo Beltran Leyva in December 2009 following an intelligence operation carried out by the Mexican Marines began a year-long decline for the organization. Throughout 2010 several key family members were captured, along with the capture of “La Barbie.” These major blows have sparked tensions within the organization, a dramatic increase in violence on their home turf of Cuernavaca, and growing speculation about the organization’s disintegration and abandonment of their traditional alliances.

In its place, a new group has emerged claiming to be the *Pacífico Sur* organization. In all likelihood, this organization was formed out of the remnants of the *Arturo Beltran Leyva* organization headed by Héctor Beltran Leyva (Arturo’s brother). Héctor took over the family business after his brother’s death, and was fighting for control of the organization with “La Barbie” the former head of the *BLO*’s operations in Cuernavaca and Acapulco, and the man in charge of the *BLO*’s hit men.<sup>52</sup> On August 30, 2010 “La Barbie” was arrested by federal police forces in the state of Mexico. For several weeks the Mexican armed forces had conducted several operations in states adjacent to Mexico in an effort to locate safe houses and weapons cache’s linked to Valdez Villarreal.<sup>53</sup>

In order to ensure its survival, Héctor’s rebranded *Pacífico Sur* has adopted a new strategy to fight the larger and better established organizations, by pursuing an alliance with the *Juarez* organization and *Los Zetas*. The *BLO* previously formed part of the *Sinaloa* enterprise and helped manage transshipment points for narcotics along the U.S.-Mexico border. During early 2009, the *BLO* began to encroach on the territory of its

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<sup>50</sup> Gerard Vandenberg, “Mexican forces kill ‘La Familia’ drug cartel boss,” *Associated Foreign Press*, December 10, 2010

<sup>51</sup> STRATFOR, “Security Weekly”, *Mexico: A Cartel Leader’s Death and Violence Ahead*, [http://www.stratfor.com/analysis/20091217\\_mexico\\_cartel\\_leaders\\_death\\_and\\_violence\\_ahead](http://www.stratfor.com/analysis/20091217_mexico_cartel_leaders_death_and_violence_ahead) (Accessed January 26, 2011)

<sup>52</sup> Fernández Menéndez, *Viejos Cáteles*, 1.

<sup>53</sup> “Detienen a ‘La Barbie’,” *Reforma*, August 30, 2010.

former ally in states such as Morelos, Guerrero, Jalisco, Sonora and Durango touching off a series of violent incidents in parts of central and southwestern Mexico<sup>54</sup>

### **Zetas**

The *Zetas* traditionally operated in the state of Tamaulipas, along Mexico's north-east border with Texas, while under the auspices of the *Gulf* organization. Since the breakdown in its relationship with the *Gulf* organization, the organization has continued to battle the *Gulf* for control of Nuevo Laredo, and has also been pushed south into states such as Veracruz, Tabasco, and Nuevo Leon.<sup>55</sup> The *Zetas* were previously the *Gulf* organizations armed enforcer wing. They are believed to have been created by several Mexican officers who deserted from the military's Special Forces division known as the GAFES. The group quickly expanded to include law enforcement personnel and civilians. The *Zetas* helped facilitate the *Gulf* organization's takeover of Michoacán, while in the process helping train *La Familia*, who would eventually turn on the *Gulf* organization.<sup>56</sup>

As the *Zetas* grew more powerful, their relationship with the *Gulf* organization became more flexible allowing them to operate with a considerable degree of autonomy. They have expanded their activities to include training members of other criminal organizations in their specialized and often brutal tactics. In 2004 and 2005, the Laredo and Nuevo Laredo border region was plagued by a wave of violence due, in some part, to *Zeta*- led operations in the area. The *Zetas* have also challenged the Mexican military on several occasions using brazen tactics to assert their dominance in the region.<sup>57</sup> *Narco-bloqueos*, or street blockades, have become common practice for *Los Zetas* in cities such as Monterrey and Reynosa.

The *Zetas* now face a challenge from a new and loosely formed alliance of convenience composed of on-again off-again rivals - the *Gulf* organization and *La Familia* - and their longtime competitors the *Sinaloa* OCG. The *Zetas* are believed to have the upper hand in some areas wresting control from the *Gulf* organization around Tamaulipas, and, according to some, are now believed to control around 70 or 80 percent of the state.<sup>58</sup> Additionally, they have expanded their criminal enterprises to include human smuggling and extortion as U.S. and Mexican law enforcement has cracked down on narcotics smuggling and they have needed new revenue streams.<sup>59</sup> *Los Zetas'* history of brutal violence will undoubtedly continue to manifest itself as the battle rages for control of narcotics trafficking routes along the eastern third of the U.S.-Mexico border.

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<sup>54</sup> CRS Report for Congress, *Mexico's Drug-Related Violence*, 4.

<sup>55</sup> Fernández Menéndez, *Viejos Cártels*, 1.

<sup>56</sup> CRS Report for Congress, *Mexico's Drug Cartels* (2008), 10, 11.

<sup>57</sup> CRS Report for Congress, *Mexico's Drug-Related Violence*, 5.

<sup>58</sup> Rodríguez, *Mexico: Cartels Team Up*, 2.

<sup>59</sup> Rodríguez, *Mexico: Cartels Team Up*, 2.

## Appendix:

### Maps:

- [Mexico Under Siege](#), *The Los Angeles Times*
- [Mexico Drug Cartel Territory](#), *National Public Radio*
- [Executions and Organized Crime During Calderon's Administration](#), *Milenio.com*
- [Mexico's drug wars: interactive map](#) *Guardian.co.uk*
- [Drugs in Mexico: Kicking the Hornets' Nest](#) *The Economist*
- [Drug Violence Dataset & Reports](#) *Justice in Mexico Project, Trans-Border Institute at the University of San Diego*

### Official Documents:

- [Mexico's Drug Trafficking Organizations: Source and Scope of the Rising Violence](#), June S. Beittel, January 7, 2011

### Reports:

- [Trans-Border Institute Releases Report on Drug Violence in Mexico](#)  
Trans-Border Institute, February 7, 2011
- [Special Report: Mexico at War](#), *The Washington Post*