

"It is hard enough to report the facts of Mexico's crazy death spiral of drug violence. Ioan Grillo goes much, much deeper. He explains why El Narco threatens the soul of this beautiful country. He tells us how we got here."

—William Booth, bureau chief for Mexico,  
Central America, and the Caribbean, *Washington Post*

"Not since Elaine Shannon's *Desperados* has a book shown us the lawless horrors of the drug war with the kind of gripping human detail that confronts us in *El Narco*. Ioan Grillo explores that world as deeply as few journalists have dared, but he also examines it artfully and broadly: he puts the tragedy in a rich historical context that indicts not only Mexican and Latin American politicians but U.S. policymakers as well."

—Tim Padgett, Miami and Latin America bureau chief, *Time*

"Mexico's drug mafias have become too dangerous for Americans to ignore. In limpid prose and penetrating analysis, Ioan Grillo puts a human face on the violence caused by U.S. drug demand and Mexican cartel criminality. I strongly recommend this timely and troubling book."

—Howard Campbell, professor of anthropology,  
University of Texas at El Paso

"Ioan Grillo, the most intrepid and knowledgeable foreign journalist covering the drug war in Mexico today, provides us with access to the soul and mind of El Narco, as well as deftly explaining and providing new insight into this hemispheric war on drugs."

—Malcolm Beith, author of *The Last Narco*

"Ioan Grillo really gets Mexico's drug war. His gripping and informative *El Narco* masterfully intersperses personal accounts from the front lines with fascinating and crucial historical details to help the reader understand why this violence is happening, and how it is impacting people on both sides of the border. *El Narco* is a must-read for anyone who wants the bottom line on the situation in Mexico."

—Sylvia Longmire, author of *Cartel:  
The Coming Invasion of Mexico's Drug Wars*

"A propulsive account of the blood-soaked machinery of 'El Narco'... Grillo argues that America's hard-line rhetoric has failed—and that if a game-changing alternative is not implemented, the Mexican state could also fail... His arguments are as perceptive as his high-octane reportage."

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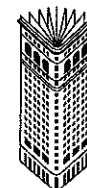
"Accomplished, chilling account of the murderous growth of Mexican drug cartels... A valuable contribution to the literature of the Drug War."

—*Kirkus*

# El Narco

## *Inside Mexico's Criminal Insurgency*

IOAN GRILLO



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## CHAPTER 3

## Hippies

You know, it's a funny thing. Every one of the bastards that are out for legalizing marijuana is Jewish. What the Christ is the matter with the Jews, Bob? What is the matter with them? I suppose it is because most of them are psychiatrists.

—PRESIDENT RICHARD NIXON, MAY 26, 1971,  
WHITE HOUSE TAPES, RELEASED MARCH 2002

The Summer of Love is said to have kicked off on June 1, 1967, when the Beatles released their landmark album *Sgt. Pepper's Lonely Hearts Club Band*, with its iconic cover of the Liverpool lads in orange, blue, pink, and yellow suits. The album stayed at the top of the Billboard 200 for fifteen weeks straight, in part because American record buyers were so excited by its references to drugs. Looking back, the references were laughably tame. The nearest the album comes to even mentioning the name of a drug is in code in "Lucy in the Sky with Diamonds" (LSD for the few stragglers who were never told). Then the closing song says those oh-so-rebellious words "I'd love to turn you on," which was enough to get it banned on the BBC on the grounds it could "encourage a permissive attitude toward drug-taking." But drugs seemed so exciting that summer you only needed to hint at them and kids would come running. Suddenly,

intoxicating herbs represented youth, revolution, and a brave new world. That same month, thousands puffed joints in front of TV cameras as Jimi Hendrix and Janis Joplin played weird new blends of rock at the Monterey festival in California. The world was turning on its head.

But not up in the Sierra Madre. In the summer of 1967, a teenager called Efrain Bautista was sleeping on the same dirt floor he had shared with eight brothers and sisters for all sixteen years of his life. In his village of mud and bamboo shacks, nobody had ever heard of *Sgt. Pepper*, the Beatles, LSD, Liverpool, or Monterey because nobody had a transistor radio or a record player, let alone a television set, and newspapers didn't get that far into Mexico's jagged highlands.

It would also be hard to have a summer of love because the folk in his part of the mountains were locked into a number of deadly feuds. His own extended family was at war with another clan because of some half-forgotten dispute his uncle had got into over a girl. His uncle had ended up killing a rival suitor, and the aggrieved clan had taken revenge by murdering another of Efrain's uncles as well as his cousin. Both clans sat tensely waiting for more bloodshed. These feuds had habits of annihilating whole generations of certain families.

But despite that Efrain and his village were a world apart from American hippies waving their long hair to Ravi Shankar, they became intrinsically connected by a light-green plant with sticky buds and an unforgettable bittersweet smell. As American lust for marijuana shot through the roof, the psychedelic herb roared through the Mexican countryside. Seasoned drug growers in Sinaloa couldn't begin to meet the demand, so farmers started raising it in neighboring Durango, then over in Jalisco, then in the southern-Sierra Madre states of Oaxaca and Guerrero, where Efrain lived. Efrain and his family went through a sudden conversion from being small farmers to producers on the bottom rung of the drug chain.

The meteoric rise of American drug taking in the 1960s and 1970s had dramatic impacts on a number of countries beyond Mexico, including Colombia, Morocco, Turkey, and Afghanistan. Within a decade, recreational drugs went from being a niche vice to a global commodity. In Mexico, the surge in demand transformed drug producers from a few Sinaloan peasants to a national industry in a dozen states. The government had to respond to a much more widespread flouting of the law. But the industry began to pull in billions of dollars and politicians wanted

to be in on the game. The raise in stakes led to Mexico's first kingpins and unleashed the first significant wave of drug-related bloodshed. El Narco went through a sudden and astounding adolescence.

Efrain's family became aware of the marijuana boom searing through the Mexican mountains when a cousin began growing it in a nearby village. Efrain's father and grandfather had always known about cannabis, with the enticing star-shaped leaves cropping up sporadically all over the Sierra Madre. Unlike opium poppies, which were imported in the late-nineteenth century, marijuana had been used in Mexico since at least the days of Spanish rule, with some people arguing that Aztecs consumed the psychedelic weed. During the bloody campaigns of the Mexican Revolution, marijuana helped many soldiers forget their sorrows in clouds of smoke. Ganja also inspired the most famous verse of the folk song "La Cucaracha," with the memorable lyrics "The cockroach, the cockroach, now he can't walk. Because he doesn't have, because he lacks, marijuana to smoke." In peacetime, cannabis was popular in Mexican prisons while enjoyed by cultural icons such as muralist Diego Rivera.<sup>1</sup>

When Efrain's father saw his cousin making good profits from marijuana, he asked him about growing weed himself. His cousin happily gave him seeds and introduced him to his buyer. Efrain explains the decision to step into the drug business:

"My father had four fields so we were a well-off family by the standards of those mountains. We had some cows and grew corn and limes and some other crops. But it was still hard to get enough money to feed everyone. We were nine brothers and sisters, and my dad also looked after the children of his brother, who had been killed in a feud. My dad was lazy, but clever. He would look for ways to make money that took less effort and brought in better rewards. So we tried marijuana."

Efrain smiles as he remembers his youth while we eat chili-laced eggs in a Mexico City diner. He has lived in the capital for decades now but still carries the mountain way: coarse but open and frank. He has weather-beaten skin with light eyes that he attributes to some French descendants way back over the centuries. But despite some European ancestry, he is proud of being a son of Guerrero—a state whose very name means "warrior" and has the reputation as one of the most violent regions of Mexico.

"First we grew marijuana in just half a field where we had been raising corn. Marijuana is an easy plant to grow—our mountains are perfect

for it. We just left it out in the sun and the rain, and the earth did the work. In a few months, we had big plants shooting up. They were about one and half meters tall. My brothers and I harvested it, using our machetes. It was an easy plant to cut up. We filled a couple of sacks full of it. It smelled like crazy, so I guess it was good stuff. We took it down to the town to sell."

The nearest market town was Teloloapan, a mountain enclave of stone streets famous for its dishes of mole (chocolate and chili) and festivals where locals dress up in devil masks. Efrain and his father found his cousin's buyer, and he gave them a thousand pesos for the sacks stuffed with some twenty-five kilos of green. That was only worth about \$5 per kilo and was a fraction of the price it would fetch on the quads of Berkeley. But to Efrain and his family, it seemed as if they had struck gold.

"It was the best crop we had sold, much better money than we got for corn or limes or anything. We had some great feasts with meat and all got new clothes and shoes. So we started growing marijuana in two of our fields, and then we sold harvests of marijuana every few months with up to a hundred kilos each. We were still not rich. But we didn't go hungry like before."

After Efrain and his family had been raising marijuana for two years, soldiers came through his mountain to destroy crops. Fortunately, their buyer warned about the troop maneuvers a week in advance—showing the organization moving the weed had some useful connections. As Efrain remembers:

"We cut up all the marijuana in a hurry. Some of it was ready, so we could hide it in sacks up in the mountains. Other crops were only half-grown and we had to throw them away. The soldiers came through our village but they didn't even check our fields. Then my dad was annoyed that we had wasted so much marijuana."

"At first we didn't even know where all our marijuana was going. All we knew is that we could go down to the town and sell it. But after we had been doing it for a while, we learned that it was going to El Norte [the United States]. Around the same time, some people from our mountains started heading up to El Norte to look for work. But I didn't want to go there. I loved the mountains too much."

Efrain and his family just called their product marijuana or by the Mexican slang *mota*. But in the United States, it was almost certainly sold by the attractive brand name Acapulco Gold. Teloloapan is in the same Guerrero state as Acapulco, where Elvis Presley and Tarzan actor

Johnny Weissmuller were sipping margaritas out of coconut shells in the 1960s. Over the years, tons of marijuana passed from the southern Sierra Madre into the beach resort, from where it could be shipped north on fishing boats. Years later, I would go to a federal police office in Acapulco to find a gold-chain-wearing officer sitting casually in front of a huge stack of three hundred kilos of seized Acapulco Gold pressed into compact bricks. The marijuana unleashed an odor so overpowering that it could be smelled right through the police station door. Up close, I could see it had a distinct brown-green color that is the source of its *gold* name.

Back in the 1960s, Acapulco Gold was a sought-after marijuana for American smokers, considered better quality than the weed growing in California or Texas. In any case, the U.S. marijuana market exploded so fast, dealers imported grass from wherever they could get it. By all accounts, Americans created the demand themselves and took to Mexico to supply it. Stoners rolled over the border to Tijuana in droves, buying ganja from anywhere they could. One group of students and their teacher from Coronado High School, San Diego, began sneaking marijuana into the United States off the Tijuana beach on surfboards. The so-called Coronado Company later graduated to yachts, before federal agents busted them.<sup>2</sup> Along the border in Texas, buyers would go down to the Rio Grande and wait for Mexicans to toss bags of marijuana over the river. Others would head down to seedy bars in El Paso or Laredo looking for any suspicious-looking Mexican who might be selling.

Marijuana on the border sold for about \$60 per kilo compared to some \$300 per kilo in East Coast universities. Some American entrepreneurs went deep into Mexico to get the product even cheaper. Among them was George Jung—a Boston stoner who began flying ganja across the country. Boston George later graduated to cocaine, had the hit movie *Blow* made about him, and has grown into a trafficker superstar with his own Web site, fan club, and T-shirt collection (Smuggler Wear).

A hippie with long blond hair, a big nose, and a thick Boston accent, George describes his exploits in numerous videos and memoirs written in his cell of La Tuna prison in Anthony, Texas, while serving a fifteen-year sentence. When he first looked for marijuana in Mexico, he says, he was inspired by the movie *Night of the Iguana* to go to the Pacific resort of Puerto Vallarta. Speaking only pidgin Spanish, he wandered round for two weeks before he scored. Soon he was making \$100,000 a month,

flying up ganja in light aircraft. Boston George bought from middlemen, who picked up the grass from thousands of peasant farmers like Efrain. These middlemen, he says, had connections with the Mexican military.

George eventually got arrested with a trunk full of marijuana at the Playboy Club in Chicago. Luckily (or unluckily) he shared a prison cell with Colombian Carlos Lehder, who introduced him to the Medellín Cartel and set him up to make millions in cocaine.

Shutting down George's Mexico operation had little effect on marijuana flowing north. The market just kept growing until, by 1978, a White House survey found that 37.8 percent of high school seniors admitted to having smoked weed. During the same period, use of heroin and later cocaine also shot up. Drug warriors jumped on this as evidence that ganja leads people down a slippery slope to darker vices. Maybe they're right. Or perhaps the bigger shifts in core social and economic factors triggered supply and demand in all three mind-bending substances.

Whatever the reasons, the period saw a radical change in America's drugs-taking habits. In 1966, the Federal Bureau of Narcotics said the most profitable drug in the United States was heroin and estimated its black market moved \$600 million a year.<sup>3</sup> By 1980, reports said the American drug market was worth over \$100 billion a year. This was a truly seismic shift that reshaped America from its universities to its inner cities; and Mexico from its mountains to its government palaces.

During America's drug-taking explosion, the president with the biggest impact on narcotics policy was unquestionably Richard Nixon. The feisty Californian declared the War on Drugs; browbeat foreign governments on drug production; and created the Drug Enforcement Administration. His thunderous actions defined American policy for the next forty years—and had a colossal impact on Mexico. However, as Nixon was so discredited by Watergate, later drug warriors prefer to downplay his titanic contributions. Meanwhile, drug-policy critics concede that while Nixon was confrontational, he gave more funding to rehab programs than some of his liberal successors.

Born in 1913, Nixon came to manhood during the antimarijuana drive of FBN director Harry Anslinger, who alleged that smoking weed caused repugnant, immoral behavior and drove people to kill. Such ideas are depicted in the classic 1936 exploitation film *Reefer Madness* (aka *Tell Your Children*), made at the height of Anslinger's fervent campaign. The movie

follows a group of clean-living high school students who are lured by a drug pusher to smoke marijuana and go on to rape, murder, and descend into insanity. It has some fantastic moments, such as when a suited student puffs on a reefer and unleashes an evil Hollywood cackle.

The idea that marijuana drove people to rape and murder was discredited by the 1960s. But Nixon did still believe that weed made people immoral, alleging it was driving youth astray and causing the counter-cultural revolution he found so abhorrent. His ideas were revealed most clearly in the White House tapes that were declassified in 2002. Drugs, he said, were part of a communist conspiracy to destroy the United States. As he said in one recording:

"You see, homosexuality, dope, immorality in general. These are the enemies of strong societies. That's why the communists and the left-wingers are pushing the stuff. They're trying to destroy us."<sup>4</sup>

Nixon was also concerned about heroin, which he blamed for rising crime from Washington to Los Angeles. In his election campaign, he promised law and order. And when he took office in 1969, he wanted to take action that showed he was putting his money where his mouth was. His first sledgehammer move was to shut down the Mexican border.

Operation Intercept was born after Nixon's officials went to Mexico City in June 1969 to persuade Mexico to spray poison on marijuana and opium crops. Mexican officials refused, citing how Agent Orange sprayings in Vietnam were causing frightening side effects. As G. Gordon Liddy described the visit in his memoir, "The Mexicans, using diplomatic language of course, told us to go piss up a rope. The Nixon administration didn't believe in the United States taking crap from any foreign government. Its reply was Operation Intercept."<sup>5</sup>

Under Operation Intercept, customs inspectors thoroughly searched—or in agent talk *tossed*—every vehicle and pedestrian trying to enter the United States along the entire southern border. In between posts, the U.S. army set up mobile radar units, while drug agents patrolled in rented planes. The operation wreaked havoc, backing queues of cars deep into Tijuana and Ciudad Juárez. Mexicans with green cards couldn't get to their jobs; avocados rotted in gridlocked trucks; and Mexican expenditure plummeted in American cities. However, agents seized few actual drugs, with the smugglers waiting out the siege. After seventeen painful days and a barrage of complaints, Nixon called off the dogs. The

United States and Mexico agreed they would work together in a new Operation Cooperation.

Historians are mixed on the merits and failures of Nixon's aggressive experiment. On one side, it showed the United States could not afford the economic consequences of shutting down its southern border. Four decades later, with far greater trade between the two nations and the volatility of global markets, such a move is unthinkable. Customs agents have to contend with the reality that they can only search a fraction of cars and people coming from Mexico. However much they seize, a percentage of drugs will invariably slip through.

However, Nixon claimed it was a victory. He had shown his base that he meant business and strong-armed Mexico into fighting the drug trade. As part of Operation Cooperation, Mexico promised to crack down on drug crops, and American agents were allowed to work south of border. A new *modus operandi* was being developed for the drug war abroad—coercing countries to destroy narcotics at the source.

In 1971, Nixon extended the tactic to Turkey, where he pressured the government to clamp down on opium production under threat of cutting U.S. military and economic aid. He also worked with France to attack the so-called French connection of heroin labs. These actions had a serious impact on the Turkish product. But this was a blessing for Sinaloan producers, who expanded their own operations to fill the gap. Mexican mud and black tar were propelled from being a last resort for American junkies to a staple of their diet.

As he went into his 1972 election, Nixon focused on his fight against heroin as a cornerstone of his campaign. It was an easy target. Heroin was an evil, foreign enemy and it didn't answer back. Plus it diverted attention from the lost, real war in Vietnam and let him claim that he was helping inner-city blacks as well as his white base. Nixon defined the war in absolute terms, predicting the adversary would be completely annihilated:

"Our goal is the unconditional surrender of the merchants of death who traffic in heroin. Our goal is the total banishment of drug abuse from the American life. Our children's lives are what we are fighting for. Our children's future is the reason we must succeed."<sup>6</sup>

Nixon won the election with a stunning 60 percent of the vote. Of course, many other factors, such as a strong economy, helped his victory. But strategists the world over learned a valuable lesson: a drug war is good politics.

Nixon's 1973 creation of the DEA left an even bigger legacy. He set up the agency through an executive order, with a mission to "establish a single unified command to combat an all-out global war on the drug menace."<sup>7</sup> Now you had an entire agency whose very reason to exist was the war on drugs. Once installed in Washington, the DEA would successfully lobby for greater and greater funds over the decades. At its outset, it had 1,470 special agents and an annual budget of less than \$75 million. Today, it has 5,235 special agents, offices in sixty-three countries, and a whopping budget of more than \$2.3 billion.

In the optimistic early days, DEA agents thought they could really achieve Nixon's goal of the "total banishment" of drug traffickers. The mistake before, agents argued, was that they had gone after nickel-and-dime street busts. But the new outfit could go after the big conspiracies—and bring down the devil. Agents quickly opened such a case in Mexico. They stumbled into one of the most bizarre probes in DEA history—a case with the complexity of a John Le Carré spy novel and cast of characters including Cuban guerrillas, a lover of the Mexican president, and the Cosa Nostra.

The probe opened when San Diego DEA worked up through seizures to find who was moving major loads of drugs through Tijuana into California.<sup>8</sup> Using paid informants, they got to a palatial Tijuana residence known as the Roundhouse. Spying on the mansion, they saw well-tailored guests in expensive sports cars and an endless stream of call girls—and call boys. The wealth and extravagance suggested this was no simple street-level operation. Trailing the Roundhouse owner, they found he wasn't even Mexican but was a Cuban American named Alberto Sicilia Falcon.

A photo shows the young Falcon with slick black hair and film-star looks. He had been born in Matanzas, Cuba, in 1944 and fled to Miami with his family following the 1959 revolution of Fidel Castro. After a stint in the U.S. army, an arrest for sodomy, and a brief marriage and divorce, he was last seen in San Diego in 1968. Now just turning thirty years old, he had cropped up at the head of a Mexican trafficking organization. How on earth had he managed it?

DEA agents busted traffickers working for Falcon and, in agency speak, *flipped them*—or turned them into protected witnesses to rat out their boss. Based on their evidence, they said Falcon was buying heroin and marijuana by order from the producers in the Sinaloa mountains

and flying it in light aircraft to the Tijuana area. He then moved it over the border with an army of so-called burros or donkeys—narco talk for paid smugglers—to a house in the luxury Coronado Cays neighborhood of San Diego. He was also pioneering the traffic of cocaine from South America. In total his operation was pulling in \$3.6 million a week, the DEA estimated, making it the biggest trafficking organization they had ever seen out of Mexico.

DEA took their evidence to the Mexican federal police, who appeared surprisingly happy to get on the case. In July 1975, Falcon was busted in a Mexico City mansion. That was when things got really weird.

Police searched Falcon's house and found Cuban, American, and Mexican passports and Swiss bankbooks showing accounts of \$260 million. It emerged the flamboyant bisexual moved in Mexican high society, hobnobbing with celebrities and politicians. He was particularly close to a glamorous film star named Irma Serrano, nicknamed the Tigress, known as the lover of a former Mexican president. But that was only the beginning. After Mexican police battered him and shoved electric shocks through his body, Falcon said he was an operative for the CIA, using his drug money to supply guns to rebels in Central America. Such a tale could be dismissed as the rantings of a villain under torture. However, he later repeated the claims in a jailhouse book that offers some substantiation.<sup>9</sup>

Falcon wrote he had been trained by the CIA at Fort Jackson, Florida, as a potential anti-Castro recruit. Furthermore, a man arrested with him was a fellow Cuban called José Egozi Bejar, who was in the 1961 Bay of Pigs attempt to topple Castro.<sup>10</sup> American officials also confirmed that Falcon indeed had his hand in weapons smuggling. ATF agents alleged an arms dealer in Brownsville, Texas, sold the Sicilia organization millions of rounds of ammunition.

Mexican police uncovered another curious connection. Fingerprints in a house that Sicilia visited matched those of Chicago mobster Sam Giancana. However, Giancana was shot dead thirteen days before Falcon's arrest. Later, declassified documents confirm that Giancana had himself worked with the CIA in a plot to assassinate Castro. A picture was being painted of Falcon living in a surreal twilight zone of mafias, politicians, and guerrillas.

The story took a last strange twist when Falcon and Egozi escaped from Mexican prison together through a tunnel complete with an electric light in 1976. They were nabbed three days later after Mexican police received an anonymous tip from the U.S. embassy. Falcon was convicted



of racketeering, drug trafficking, arms trafficking, and fraud and rotted in a Mexican jail. The alleged CIA links were never followed up, and many grueling questions remain unanswered.

So what can the bizarre case of Alberto Sicilia Falcon tell us about the development of the Mexican drug trade? Who really was this mysterious character—a mastermind or just a fall guy? Conspiracy theorists claim it shows the drug trade was secretly controlled by American spooks—a recurring theme through the growth of El Narco. However, this lacks any concrete evidence. Even if the CIA had once funded Falcon and Egozi to fight Castro, that does not mean they were still operatives by the 1970s.

It is interesting though that the first major kingpin to be arrested in Mexico was a foreigner, whether he worked with spooks or not. Both Cuban and American gangsters had long experience in organized crime and knowledge of cross-border networks and money laundering needed for the expansive drug trade of the 1970s. If they had links to intelligence services at some point, all the better. The mountain bandits of Sinaloa were only beginning to understand the billion-dollar industry. Foreigners taught them how to make it work. Mexican newspapers depicted Falcon as an evil, alien crime boss who was sexually degenerate. But they also noted his immense fortune, a fact not lost on the Mexican public.

In Sinaloa, the influx of American dollars had transformed gummers into a richer and noisier clan. Since the 1950s, successful opium growers had moved down from the mountains to the outskirts of Culiacán. By the 1970s, they had created an entire neighborhood called Tierra Blanca, building ostentatious homes with brand-new pickup trucks on unpaved roads. The Sinaloa press began to increasingly call them *narcotraficantes* or *narcos* for short, as opposed to just gummers. The change in language implies a shift in status from mere poppy growers to international smugglers. Old Culiacán families looked with disdain at the uncouth *narcos* with their gold chains, mountain accents, and sandals. But they also eyed their stacks of dollar bills with interest.

The streets of Tierra Blanca echoed with the sound of gunfire as the sombrero-clad hillbillies blasted at each other, often in broad daylight. Throughout 1975, Sinaloan newspapers were packed with quotes from local politicians complaining about the rising narco threat, saying shoot-outs had become daily affairs and gangsters were driving in cars with no plates and blacked-out windows. SINALOA UNDER THE POWER OF

THE CRIMINAL MAFIA rattled one headline.<sup>11</sup> Officials were also concerned about reports of drug growers in the mountains “bearing enough firepower for a small revolution.” Pressure mounted on Mexico’s federal government.

The hammer finally came down in 1976, when Mexico launched its Operation Condor. Ten thousand soldiers stormed the Golden Triangle, new, hard-nosed police commanders arrived in Culiacán, and planes sprayed drug crops. The government’s stated aim was to completely annihilate the *narcos*.

Operation Condor was the biggest government offensive against El Narco in the entire seventy-one history of the PRI. By all accounts it genuinely hit traffickers hard. DEA supplied planes for the crop spraying—they used 2,4-D acid on opium and the toxic herbicide paraquat on marijuana, and DEA agents were allowed verification flights to check the damage. One of these agents, Jerry Kelley, described missions over Sinaloa to *Time* correspondent Elaine Shannon:

“We flew every inch of the country and we knew what they were doing and what was there. It didn’t matter who was corrupt. There was no way they could hide what was going on.”<sup>12</sup>

This was the first American-backed spraying operation in the war on drugs and pioneered a tactic that would be replicated across the world, from Colombia to Afghanistan. History has now shown that spraying by itself cannot destroy a drug industry. But some Mexican traffickers apparently made a fatal mistake—they harvested poisoned marijuana and sent it to El Norte. Lab tests by the U.S. government found Mexican ganja with signs of paraquat. Who knows how much venomous weed was ever on the market. But mere talk of it was enough to rattle U.S. lawmakers, who were concerned their children at college could be shoving toxic salt into their system. The Health Department issued a public warning to marijuana smokers about poisonous weed, advising that it could cause irreversible lung damage.

The bad publicity pushed dealers to look for a new source of weed for millions of hungry hippies. It didn’t take long to find a country with the land, laborers, and lawlessness to fill the gap—Colombia. Farmers had been growing weed in Colombia’s Sierra Nevada since the early 1970s. As Mexico cracked down, the Colombians stepped up, creating a boom in their own marijuana industry known by local historians as the Bonanza Marimbera.<sup>13</sup> Soon DEA agents were uncovering Santa Marta Gold everywhere from Midwest rock festivals to Ivy League universities. This

geographical movement of drugs production has become known as the balloon effect. In this analogy, when you grab one corner of the narco balloon, the air just rushes to bulge out the other side.

Back in Sinaloa, troops hammered narcos on the ground as well as from the air. Residents across the Sierra Madre still have painful memories of soldiers marauding through their villages, kicking down doors, and dragging hundreds of young men away. Reports came back of such ugly treatment of suspects that the Culiacán lawyers' association sent a team to investigate. They interviewed 457 prisoners locked up on drug charges and found that every single one complained of being beaten and tortured. The abuses against them included electric shocks, burns, and chili-laced water shot up the nasal passages. Other prisoners said they were raped by police. No officers were reprimanded.

The tactics may have been rough, but they were effective in slamming the narcos. The onslaught of soldiers in the mountains pushed many growers and other peasant farmers to flee their villages for city slums. Federal police also shot dead several key suspects including kingpin Pedro Avilés in 1978. Avilés's lieutenants ran from the heat in Sinaloa to reestablish themselves in Guadalajara. The poison of El Narco had spread. Now the Sinaloan narco tribe stretched from the mountains to Mexico's second-largest city.

So why did Mexico's government unleash Operation Condor? Had politicians suddenly seen the light that the drug trade was evil and dangerous?

One clear incentive was the American carrot. DEA bosses and the Jimmy Carter White House sang praises of Mexico's antidrug efforts calling it a "model program." More substantially, Mexico got to keep the hardware America supplied for the spraying. Within two years, Mexico had acquired thirty-nine Bell helicopters, twenty-two small aircraft, and one executive jet, giving it the largest police fleet in Latin America. Drug work became a new way for governments to gain aid and airpower from the United States.

The Mexican government also used Operation Condor to crack down on small bands of leftist insurgents. Students and disaffected workers had risen up in the 1960s to protest totalitarian rule. The PRI reacted in a calm and receiving way: in 1968, it ordered snipers to surround a demonstration and fire on the crowd from all sides. Drawings of the corpses

can still be seen today in the somber Tlatelolco Plaza in Mexico City. Unable to challenge the system through protests, leftists formed guerrilla groups that carried out sporadic kidnappings and attacks on government installations. They were becoming quite a bother by the mid-1970s—just as Operation Condor kicked off.

Soldiers on drug operations rounded up suspected guerrillas, who happened to have a substantial presence in the Sierra Madre states of Sinaloa and Chihuahua, where Condor was concentrated. Often leftists would be arrested under the pretense of drug charges. Hundreds of activists were never seen again. Mexicans use the words *the disappeared* to refer to these lost souls. As antidrug operations spread to other states, so did the dirty war on leftists. Yet another *modus operandi* was established in the war on drugs—it could provide effective cover for anti-insurgency ops.

Coincidentally, the CIA had also code-named its own regional operation against communists in the 1970s Operation Condor. Observing Mexico's eradication campaign, the agency was sharply aware the Mexican government was using antidrug equipment for political work. As it said in a declassified memo to the White House:

"The army will also take advantage of the eradication campaign to uncover any arms trafficking and guerrilla activities . . . Army eradication forces may devote as much effort to internal security as eradication. They do not however have their own airlift support capabilities and they may seek helicopters and other equipment from the Attorney General's limited eradication sources."<sup>14</sup>

The rest of the memo is blacked out with a felt pen. We can presume that has the really juicy parts. But don't worry. It is for our safety that we can't see it.

After two years of Operation Condor, it seems that the Mexican government had enough of battering the hell out of the narcos. In March 1978, Mexican officials informed DEA agents they would be making no more verification flights. The eradication campaign would officially continue—and still be praised by the White House—but without a bird's-eye view. President Carter raised no fuss, in line with his less confrontational attitude to drugs. But agents in the field moaned to their bosses there was a cover-up. DEA agents on the U.S. side also noticed that Mexican marijuana was flooding back in, the scare over venomous weed forgotten.

Another posthumous event left a stain on the legacy of Operation



Condor. Prosecutor Carlos Aguilar had led the head-busting in Culiacán and been lionized as a Mexican Eliot Ness. His reward was to head anti-drug operations in the whole of northeastern Mexico. However, after a few years, he left the force and splashed out on a hotel and several other businesses in the border city of Nuevo Laredo. In 1984, he was arrested with six kilos of heroin and cocaine but jumped bail. In 1989, Texas marshals arrested him in Harlingen and handed him to Mexican police, but he managed to maneuver his way out of any prison time. Then in 1993, he was shot in the head in his own house in an apparent drug-related hit.

So what really happened to Operation Condor? Had top Mexican officials been finally tempted by drug dollars? Had Mexico slipped back into an attitude that you can only bust so many dealers and accept that the traffic goes on? Or had the whole operation been an exercise to batter El Narco down to size and show who was boss? Once they had taken a beating, the gangsters went back to trafficking, knowing the politicians really ran the show.

The questions all highlight the complex nature of corruption and drug trafficking in Mexico. It is a delicate dance of bribes, busts, and switching sides. It is widely accepted that during decades of PRI rule, drug money flowed into the system like groundwater into a well. So much is proven by the constant stream of police and officials arrested for taking bribes. But there is still debate as to how far up the rot of corruption spread and how systematic and organized it was.

A popular saying in Mexico is "If you have God, why do you need the angels? And if you have the angels, why do you need God?" The adage applies to corruption and drug trafficking. In some instances, traffickers could have a local beat policeman paid off—an angel figure. In that case, they wouldn't need his bosses on their payroll. In other instances, they could have a police chief or a governor—a God figure—and they wouldn't need to pay off his subordinates. Sometimes, they could have both God and the angels and be sitting pretty.

Of course, the system was tenuous. Another policemen could arrest a man who was paying off his colleague, or officers could take down a villain paying their boss. But things were kept in check by the PRI power structure. Lower-ranking police would kick back money up the chain of command. Higher-ranking officials didn't even need to know where the bribes were coming from or have any contact with gangsters. Everyone

respected the hierarchy, and if any official couldn't keep order, he could simply be replaced by another aspiring PRI member.

In the context of the PRI's elaborate corruption, the plaza system emerged to control trafficking. This plaza concept is crucial to understanding the modern Mexican Drug War. First mentions of it can be found in the late 1970s in border towns. By the 1990s, there are references to plazas all over Mexico, from the southern Caribbean coast to the peaks of the Sierra Madre.

The plaza in Mexico refers to the jurisdiction of a particular police authority, such as Tijuana or Ciudad Juárez. However, smugglers appropriated the term *plaza* to mean the valuable real estate of a particular trafficking corridor. As the trade through these territories moved from kilos to tons, it became a more complex operation to organize. In each plaza, a figure emerged who would coordinate the traffic and negotiate police protection. This plaza head could both move his own drugs and tax anyone else who smuggled through his corridor. In turn he would handle the kickbacks to police and soldiers, paying for his concession.

Accounts show that police were the top dogs in the deal.<sup>15</sup> Officers could smack gangsters around and, if they got too big for their boots—or showed up on the DEA radar—take them down. Police could also bust anyone who wasn't paying his dues, showing that they were fighting the war on drugs and clocking up seizures and arrests. The system ensured that crime was controlled and everyone got paid.

Up in the Sierra Madre, Efrain Bautista and his family survived through these shifting currents of the 1970s, quietly selling their crops of marijuana in the market town of Teloloapan. Efrain said no leftist guerrillas were in his village, so they avoided the military attacks aimed at insurgents. In the nearby community of El Quemado, troops stormed in looking for guerrillas and dragged away every able-bodied man. Many never returned. Efrain also said his crops were on remote highlands between jagged rocks and forests and avoided the paraquat spraying. However, the relentless feuds eventually forced him to flee.

As marijuana money oozed into his community, Efrain remembers, many of the young men bought more sophisticated weapons, particularly Kalashnikov rifles. Russian Mikhail Kalashnikov developed his AK-47 assault rifle during the Second World War as a weapon that Soviet

peasants could easily maintain and use to defend the motherland against marauding foreign armies. Like Russians peasants, farmers in the Sierra Madre took to the rifle with enthusiasm, affectionately calling it the Goat's Horn because of the its curved ammunition clip. Efrain remembers when his family first got hold of one.

"In our mountains, people used to have shotguns or really old American Colts or Winchesters from the days of the Revolution. We used to fight our battles with those guns or even with machetes. But then we started seeing the Goat's Horns around. They were incredible weapons that could spray bullets in seconds and hit targets from five hundred meters away. We asked the people we sold the marijuana to and they said they would look into it. And then one day they had this brand-new AK-47—so we paid for it with our entire crop of marijuana. We took it up to the mountain and would hunt snakes or coyotes with it. But then we had to use it to defend our family."

Efrain's clan had endured various feuds over the years. Many of the participants sold marijuana, but the feuds were about unrelated beefs, such as women and disrespect. At the end of the 1970s, Efrain's family bit off more than they could chew. The feud began with argument over a drunken card game, but turned into a fight to the death.

"The family we were fighting had this guy who was a real killer. He had this innocent, boyish face that made you think he wouldn't hurt anyone. But he was an authentic murderer. He killed two of my cousins and a brother. I had to take my family and run for my life."

Efrain settled in a slum of tin-roof houses in the Mixcoac area of southern Mexico City. When he arrived, he was twenty-five years old and had a wife and three young children to support. He had sold marijuana for a decade, providing thousands of kilos to pot puffers across the United States. But he didn't have a peso of savings to show for it and had to start from scratch. He was one more of thousands who have drifted in and out of the drug business during its decades of growth.

"We were totally broke and had to sell chewing gum on the street just to get some money to eat. But we all worked hard and saved anything we could. I got jobs in construction and would work long hours carrying bricks and cement. After years, I got enough money to buy a taxi and we started to live okay. My youngest son could even finish high school and get a job in an office. But I miss the mountains. That is where my heart is."

## CHAPTER 4

### Cartels

Main Entry: cartel

Etymology: French, letter of defiance, from Old Italian *cartello*, literally, placard, from *carta* leaf of paper.

Date: 1692

- 1 : a written agreement between belligerent nations
- 2 : a combination of independent commercial or industrial enterprises designed to limit competition or fix prices
- 3 : a combination of political groups for common action

—MERRIAM-WEBSTER'S COLLEGIATE DICTIONARY,  
ELEVENTH EDITION, 2003

In the seething high desert of Colorado, nestled between lonely cacti and abandoned ranches, lies the most secure prison on the planet. Known as the Alcatraz of the Rockies or simply Supermax, the prison has a fool-proof way of keeping its 475 inmates from murdering each other or escaping—they are kept in permanent lockdown, held twenty-three hours a day in twelve-by-seven-foot cells. Human rights groups complain the years of isolation drive the convicts mad. Officials say they get what was coming to them.

The list of inmates at Supermax reads like a who's who of the world's

most infamous terrorists and criminals. The September 11 attackers on New York and Washington; Theodore Kaczynski, alias the Unabomber; Barry Byron Mills, who founded the bloodthirsty prison gang the Aryan Brotherhood; Salvatore "Sammy the Bull" Gravano, an underboss for the New York mafia; Richard Reid, alias the shoe bomber; Ramzi Yousef, of the 1993 World Trade Center explosion; and more killers, rapists, arsonists, racketeers, and bombers fill the sterile desert hell.

Among this collection of the world's greatest villains is an aging Latino with graying, curly hair and swarthy skin that earned him his old nickname, El Negro. El Negro has survived more than two decades in isolation and so only has only another 128 years to go before he completes his first century-and-a-half term and then can begin some multiple sentences handed out at another trial. With such an insanely long term, you may think prosecutors had a personal grudge against him. They did. His unforgivable crime, they say, was conspiring to kidnap DEA agent Enrique "Kiki" Camarena, who was then raped and murdered in Mexico in 1985. This killing, the DEA said, was ordered to protect Mexico's first drug cartel.

Funnily enough, the only kingpin of Mexico's first cartel to sit in an American prison is not Mexican at all; he is a Honduran, Juan Ramón Matta Ballesteros. To catch him, American marshals abducted him from his home in Honduras in 1988, flew him out of the country, and threw him before a U.S. judge. That didn't go down too well in Honduras. The drug lord's supporters burned down the U.S. embassy in retaliation.

Matta was at the heart of the cocaine explosion in the 1970s and 1980s, which meant he was also at the heart of a spiderweb of conspiracy theories, coups, and revolutions connected to it. In those heady years, cocaine spread across America like wildfire and swept over into ghettos in the form of crack. The mind-bending chemical inflamed the much talked about Miami crime wave, inspiring the 1983 classic movie *Scarface*; sparked L.A. gang wars, inspiring the 1991 classic *Boyz n the Hood*; and fueled far worse violence in Colombia, which was too bloody and far away to have any hit films made about it. It also financed U.S.-backed guerrillas in Nicaragua, U.S.-backed generals in neighboring Honduras, and the pineapple-faced dictator of Panama, Manuel Noriega. In fact, with so many conspiracies, wars, gangsters, and side stories of cocaine in the eighties, you can get lost in a dozen tangents.

But the story that is most crucial to the development of El Narco in Mexico is the emergence of what people started calling cocaine cartels.

These conglomerates were billion-dollar operations that revolutionized the drug business. And Matta was a key player. His crucial role was to link up the biggest traffickers in Mexico with the biggest cocaine producers in Colombia, so it is apt that his homeland, Honduras, lies conveniently between the two nations.

I first got interested in Matta when I raced into Honduras hours after a military coup in 2009. The sweaty Central American country, which inspired the term *banana republic*,<sup>1</sup> has a long history of coups by mustachioed generals smoking cigars. But the 2009 coup grabbed special attention because after the end of the Cold War, politicians said we lived in a golden age of democracy where military takeovers by dubious Latin armies didn't happen. Watching troops shoot down protesters on the street, it was evident they did.

While covering this unhappy tale, I met a local journalist who said she knew the family of Honduras's most famous trafficker. I asked her to call them on my behalf, although I expected they would tell a meddling British reporter to get lost. But to my surprise, Ramón Matta, the son of the gangster slowly dying in the Alcatraz of the Rockies, came to meet me in my hotel lounge.

Ramón was a charismatic and smooth thirty-five-year-old with a finely trimmed goatee and stylish clothes. He cheerily answered my questions and chatted away for several hours over endless rounds of strong coffee. Ramón told me about the good sides of being the son of Latin drug lord—as a kid, he got flown to Spain to see the 1982 soccer World Cup—and the bad sides—it is hard to get a job or even car insurance. But he was mostly concerned about his father's health and the difficulty his family had in visiting him.

"It is so inhuman keeping my father there in isolation for so many years. Human beings just need contact with other humans. He is an old man now and doesn't pose any threat to anybody. But they still keep him in that hole in the desert, suffering."

Building on the interview with Ramón, I scoured dusty court documents, confidential reports, and aging newspapers. The gangster's name crops up in an incredible array of places. He is most commonly referred to as a member of Mexico's Guadalajara Cartel. But he is also considered to have been tight with top bosses in Colombia's Medellín Cartel and is sometimes referred to as a member of that crime syndicate. In his

homeland, Matta is reported to have become the biggest private employer in the entire country. His name even springs up in a scandal over the CIA's working with drug traffickers to finance the contra rebels in Nicaragua. Damn, he was busy.

As with all drug lords, many details of Matta's life are hazy and contradictory. Starting with his name. While he is most commonly referred to as Matta Ballesteros, he is imprisoned in Supermax under the name Matta Lopez. He also surfaces on occasions as Matta del Pozo and Jose Campo. All reports feature the same black-and-white photo of him, taken in the late 1980s. He is shown sitting at a desk lifting his right hand in a powerful gesture. He has thick, curly hair above rough, strong features—a powerful forehead, deep-set eyes, and a broad nose.

Matta was born in 1945 in a poor neighborhood of the Honduran capital, Tegucigalpa, a chaotically built city that sprawls over mountains between jungles and banana plantations. He didn't fancy working for a dollar a day picking bananas. So at sixteen he did what many young Hondurans do and took the long trek north to search for the American Dream. Working as a supermarket clerk in New York City, he mixed in a cosmopolitan Latin ghetto with Cubans, Mexicans, Colombians, Nicaraguans, and many others attracted to the lights of the Big Apple. He married a Colombian woman, and when he was deported from the United States, he curiously claimed to be Colombian himself and was flown back to the Andean nation just as its cocaine industry was developing.

Since the 1914 Harrison Act banned cocaine in the United States, a variety of smugglers have brought blow to the noses of consumers who sniffed hard enough. These early cocaine traffickers came from a range of countries, including Peru—in the heartland of the coca-leaf country—Cuba, and Chile.<sup>2</sup> Just as Matta arrived, Colombians were building their own cocaine labs, particularly around the Medellín area.

Matta was soon sneaking back into the United States, where he got nabbed by police for a passport violation and locked up in a federal prison camp at Eglin Air Force Base. But the prison "camp" wasn't a great barrier to the young crook, and he escaped in 1971 to work with Colombians building up the budding U.S. cocaine market. One of Matta's early clients, the DEA say, was Cuban American Alberto Sicilia Falcon—the bisexual gangster in Tijuana. Matta supplied Falcon with Colombian cocaine,

they allege, which he unloaded in California. The curly-haired Honduran realized it made better sense to stay in Central or South America and let others risk their liberty at U.S. ports.

Once the cocaine was in the United States, it was U.S. citizens who got it out to the biggest number of consumers. Neither Colombians nor Mexicans had any real reach into white suburban America. Among Americans who got rich off the blow explosion were Boston George Jung, Max Mermelstein, Jon Roberts, and Mickey Munday.

Cocaine was an easy sell. Unlike heroin or LSD, it didn't send people into an inward trance but sparked partying, prolonged sex, and didn't curse the user with a stinking hangover. In fact, it didn't do anything more than give a simple energy high for a couple of hours before the snorter would need another line. That is the great trick about cocaine: it really is nothing special. But the disco drug gained an image as being clean, glamorous, sexy, and fashionable. And it took America by storm. As Boston George remembers:

"I thought cocaine was a fantastic drug. A wonder drug, like everybody else. It gave you an energy burst. You could stay awake for days on end, and it was just marvelous and I didn't think it was evil at all. I put it almost in the same category as marijuana, only a hell of a lot better. It was a tremendous energy boost.

"It became an accepted product, just like marijuana. I mean Madison Avenue promoted cocaine. The movie industry. The record industry. I mean, if you were well-to-do and you were a jet-setter, it was okay to snort cocaine. I mean Studio 54 in New York, everybody was snorting cocaine, everybody was laughing and having a good time and snorting cocaine."<sup>3</sup>

Lines of white powder on mirrors were a staple of seventies America like *Saturday Night Fever* discos and blockbuster movies. Cinema audiences exploded with laughter when Woody Allen sneezed on a pile of coke in the 1977 flick *Annie Hall*. The front line of the Pittsburgh Steelers partied all night with cocaine dealer Jon Roberts, then went out two days later to win the 1979 Super Bowl. In 1981, *Time* magazine ran a front cover calling cocaine THE ALL AMERICAN DRUG.

All the hype about cocaine helped dealers sell it for an insanely high price. That is the simple beauty of *cocaina*—it is bloody expensive. From the seventies right through to the twenty-first century, the drug has retailed from \$50 up to more than \$150 for a single gram. Dealers make a much bigger markup on cocaine than on other mind-bending

substances—and in turn traffickers make mind-boggling profits. The white lady churned out way more money than heroin and marijuana had ever come close to touching, billions upon billions of dollars.

Matta helped channel this money back to gangsters in Medellín, who fast became the richest criminals on the planet. No one ever knows how much drug kingpins really make, probably not even the gangsters themselves. But the Medellín traffickers were likely the first drug-smuggling billionaires. *Forbes* magazine later estimated the personal fortune of the number one Medellín smuggler, Pablo Escobar, to be \$9 billion, making him the richest criminal of all time. The number two is estimated to be his colleague Carlos Lehder, at \$2.7 billion. Who knows how the hell *Forbes* found data for those numbers. But they were certainly on the right track: the cocaine cowboys were stinking rich.

By the early eighties, Medellín mobsters had become visible and powerful figures. Escobar built an entire housing project for the homeless and was elected to Colombia's parliament in 1982, serving a short stint before being pushed out because of his trafficking. Around this time, the gangsters began to be called the Medellín Cartel, the first time the word *cartel* was used to describe drug smugglers. The term implied that traffickers had become an omnipotent political bloc. It was a frightening concept. But was it true?

The phrase *drug cartel* has won scorn from some academics, who argue it misleads people by giving an inaccurate description of traffickers engaged in price-fixing. But despite their moans, the word has firmly stuck for three decades, used by American agents, journalists, and, importantly, many traffickers themselves. Consequently, the cartel concept has had an immense influence on how the drug trade in Latin America is perceived, both by people inside it and out.

It is unclear who first coined the phrase. But it was certainly influenced by use of the term *cartel* to describe the Organization of Petroleum Exporting Countries, or OPEC, which was ever present in the media in the 1970s. OPEC represented the interests of exploited third-world countries who banded together to set oil prices and wield power over wealthy nations. In a similar vein, the Medellín Cartel cast an image of men from struggling Latin America who threatened the rich North. Escobar himself cultivated this idea, dressing up as revolutionary Pancho Villa<sup>4</sup> and calling cocaine an atomic bomb that he dropped on the United States.

For the DEA, the concept of cartels was highly useful to prosecute gangsters. Many early cases against Latin American smugglers were built using the so-called RICO laws, from the Racketeer Influenced and Corrupt Organizations Act, which had been designed to combat the Italian-American mafia. Under RICO, you need to prove suspects are part of an ongoing criminal organization. It is far easier to give that organization a name, especially one that sounds as threatening as the Medellín Cartel, than to say it is just a loose network of smugglers.

Later, prosecutors attacked traffickers with the law against conspiracy to distribute controlled substances. Again, it makes it easier if these conspiracies have names, and indictments against Mexican traffickers usually quote cartel titles. For example, court documents used to send Matta to the Supermax say, "The evidence showed that Matta-Ballesteros was a member of the Guadalajara cartel and that he participated in some of the meetings with other members of the cartel . . ."<sup>5</sup>

One man with explicit knowledge of the Medellín gangsters was their attorney Gustavo Salazar. Perhaps the most famous narco-lawyer of all time, Salazar has represented twenty major capos, including Pablo Escobar himself, and some fifty of their lieutenants. He has survived to tell the tale. He goes on today working with the latest generation of Colombian cocaine smugglers.

On a visit to Colombia, I called Salazar's office and left a message with his secretary saying I wanted to talk about drug cartels. Two days later, I got a surprise call from Salazar saying he would meet me in a Medellín café. When I asked how I would recognize him, he replied, "I look like Elton John." Sure enough, I arrived and found he was a dead ringer for the English pop icon. After some Colombian crepes, Salazar said the cartel concept was a fiction made up by American agents:

"Cartels don't exist. What you have is a collection of drug traffickers. Sometimes, they work together, and sometimes they don't. American prosecutors just call them cartels to make it easier to make their cases. It is all part of the game."

The media was also quick to jump on the cartel label. It is easier to give a group a name than some long-winded description. Hacks were also fond of the alliteration, Colombian cocaine cartels. It all made for lively copy.

Three decades later, the idea of cartels has taken on a definitive meaning on the bloody streets of Mexico. Corpses are found daily next to calling cards of organizations such as the Gulf Cartel—scrawled CDG in



shorthand. These networks of killers and traffickers are far bigger than mere street gangs. And they certainly do try to limit competition, as in the dictionary definition of *cartel*. They are also federations of gangsters rather than monolithic organizations. Perhaps modern dictionaries need to define *drug cartel* or *criminal cartel* as a separate entry, to better reflect the way the word has come to be used.

In the early eighties, the Medellín cartel smuggled most of its cocaine straight over the Florida coast. It was a nine-hundred-mile run from the north coast of Colombia and was simply wide-open. The Colombians and their American counterparts would airdrop loads of blow out to sea, from where it would be rushed ashore in speedboats, or even fly it right onto the Florida mainland and let it crash down in the countryside.

Traffickers of the era smile over happy-go-lucky stories of those care-free days. In the documentary film *Cocaine Cowboys*,<sup>6</sup> smuggler Mickey Munday—a Florida redneck with an out-of-shape quiff—remembers driving in a speedboat loaded with 350 kilos of cocaine and giving a tow to a customs boat whose engine had blown out. On another occasion, an airdrop of cocaine crashed through the roof of a Florida church just as the preacher was giving an antidrug sermon. It was better than fiction.

The cocaine trade also rained dollars onto the Florida economy. No one will ever know quite how much of the white-stained money built Miami's skyline. But the financial storm left some obvious traces. In 1980, the Miami branch of the Federal Reserve Bank of Atlanta was the only branch bank in the U.S. reserve system to show a cash surplus—a whopping \$4.75 billion!<sup>7</sup> Authorities weren't too worried about these greenbacks. But they got uppity when the bullets flew.

Over the first five years of the cocaine boom, the homicide rate for Miami-Dade County almost tripled from just over two hundred in 1976 to over six hundred at its peak in 1981.<sup>8</sup> Violence wasn't just about blow. The influx of 120,000 Cuban immigrants, many from the island's jails, also sparked crime. Furthermore, the gangster killings had little to do with the Medellín bosses and more to do with local beefs of Colombian distributors, such as a psychotic female dealer called Griselda Blanco. The stocky Colombian had been a child prostitute and then teenage kidnapper in Medellín before moving to the United States to sell yayo. She snuffed anyone who pissed her off in any way, including three of her own husbands, earning her the nickname the Black Widow. It was certainly quicker than divorcing through the courts. But back in

Medellín, the bosses cursed her for bringing heat on their billion-dollar operation.

This heat rose all the way up to the White House of Ronald Reagan. Old Ronnie took the helm after his predecessor Jimmy Carter had taken a less confrontational policy to narcotics, focusing on treatment rather than war. Reagan's first move was to blame Carter for the cocaine explosion. The charges stuck, with drug warriors holding up Carter and the liberal 1970s as bugbears for decades to come. These bad years of permissive America were over, roared a triumphant Reagan. It was time to get tough on evil drug pushers. And Miami was ground zero.

In January 1982, Reagan created the South Florida Task Force to go toe-to-toe with the cocaine barons. Headed by Vice President George Bush, the task force brought in the FBI, army, and navy to the fight for the first time. This was a real war, Reagan said, so let's fight it with real soldiers. Suddenly, surveillance planes and helicopter gunships swarmed on Florida while FBI agents hit dirty banks. The state was so wide-open it didn't take long to haul in results. Within eight months, cocaine seizures were up 56 percent. Reagan and Bush sung their success and smiled for photo ops with confiscated tons of snow.

Back in Colombia, the kingpins felt the task force's bite. Seizures meant losses of hundreds of millions of dollars; the Medellín cartel needed to rethink its strategy. So it turned to Matta for a fix.

Matta had first used the Mexican "trampoline" to bounce drugs into the United States in the early 1970s, when he sold cocaine to Cuban American Alberto Sicilia Falcon. Since Falcon's imprisonment, Matta had cultivated relations with the rising stars among Sinaloan gangsters. These Mexicans could provide a great solution for the cocaine kings: why did they need to risk everything through Florida when they could spread it over another two thousand miles of land border? The Mexicans already had the smuggling routes, so for Matta and the Colombians it was just a question of handing them the cocaine and picking it up north of the river. DEA Andean regional director Jay Bergman describes the deal:

"The first stage of negotiations was 'We're the Colombians, we own this product, we own distribution of cocaine in the United States. Mexicans have got your weed and your black-tar heroin. Cocaine distribution from the sunny shores of Los Angeles to the mean streets of Baltimore,

B&W



that is our territory. That is what we do. What we are going to do for you is we want to negotiate with you. We are going to provide you cocaine and you are going to deliver it from somewhere in Mexico to somewhere in the United States, and you are going to turn it back over to us, to our cartel emissaries.' That is the way it started out."

The historical importance of this deal cannot be overstated. Once billions of cocaine dollars poured into Mexico, its drug trafficking would become bigger and bloodier than anyone imagined. The Mexicans started off as paid couriers. But after they got a sniff, they would take the whole pie.

Matta's Mexican friends were old hands from the Sinaloan narco scene, many with blood connections to the earliest smugglers. Among them was Rafael Caro Quintero, a mountain cowboy who had been an outlaw since he was a teenager. Three of his uncles and one of his cousins had been heroin and marijuana traffickers. Caro Quintero outdid them all.

Above Caro Quintero and other hillbillies in belt buckles was a Culiacán native who wore slick white pants and designer-label shirts. Miguel Ángel Félix Gallardo became the most important connection for Matta and the Colombian drug lords. Many in Sinaloa consider Félix Gallardo to be Mexico's greatest capo ever—the unchallenged king of the Mexican underworld in his era. DEA also rated him as one of the biggest traffickers in the western hemisphere. It is widely believed that the song "Jefe de Jefes," or "Boss of Bosses," by the Tigres del Norte, perhaps the most celebrated drug ballad of all time, is about Félix Gallardo. However, as always in the murky world of Mexican gangsters, it is unclear if his real power and wealth were as great as his name.

Born in Culiacán in 1946, Félix Gallardo followed the path of many enterprising Sinaloan villains and joined the police force. An early photo of Félix Gallardo shows him slick and polished in a broad-topped officer's hat. A later photo shows him fresh out of the force, a smooth-looking mobster wearing fat 1970s sunglasses and sitting on a brand-new Honda motorcycle.<sup>9</sup> He is slim with sharp features and at six foot two is tall by Mexican standards.

When Operation Condor smashed Sinaloa, Félix Gallardo and other villains relocated to Guadalajara, Mexico's second-largest city. A pretty stretch of colonial plazas packed with mariachis and folkloric cantinas, Guadalajara was an ideal place for narcos to escape the heat and buy up

nice villas. Once Operation Condor petered out, they were soon organizing drugloads more ambitious than anything before.

To maximize profits, they did what any good businessmen do: went for economy of scale. Instead of buying marijuana from small family farms, they built enormous plantations. The DEA got wind of one such operation out of the Chihuahuan desert and pressured the Mexican army to take it down. The bust set a worldwide record for marijuana farms that hasn't been beaten since. Crops spread out across miles of desert and were dried in more than twenty-five sheds, most bigger than football fields. In total there was more than five thousand tons of psychedelic weed. Thousands of campesinos had worked on the plantation for wages of \$6 a day. When the army stormed in, the bosses had all disappeared, but the campesinos were still wandering the desert, without food or water.<sup>10</sup>

Such colossal quantities of marijuana meant big bucks. But cocaine profits were even bigger. Court documents allege Matta and his partner Félix Gallardo were personally raking in \$5 million every single week pumping cocaine through the Mexican pipeline. After Mexican mobsters delivered the blow into the United States, documents say, Matta was moving it through a network of distributors in Arizona, California, and New York. The capo continued to use Anglo-Americans to get the cocaine out to disco-dancing customers. Running the Arizona ring was John Drummond, who eventually turned into a protected witness to rat out the kingpin.<sup>11</sup>

It is likely Matta, Félix Gallardo, and the others never called themselves a cartel or gave their operations any particular name. In a later prison diary Félix Gallardo wrote, "In 1989, the cartels didn't exist... there started to be talk about 'cartels' from the authorities assigned to combat them."<sup>12</sup>

But whatever the gangsters themselves said, DEA agents in Mexico started to call the federation of gangsters the Guadalajara Cartel in dispatches back to Washington from 1984. As stated, it is much easier to prosecute an organization if it has a name. Furthermore, DEA agents in Mexico were desperate to grab the attention of their bosses, who seemed to have let the country drift off their radar to focus on Colombia and Florida. Agents shouted that there were also kingpins in Mexico. To say there was "a cartel" was to sum up an omnipotent threat just as in Medellín.

Despite the groans of these agents, the Mexican trampoline con-founded the Reagan administration. While the task force showed off

gunboats in the Florida Keys, the price of cocaine on American streets actually went down. DEA agents complained that Reagan's war handed too much money to the military and not enough to seasoned operators who could really wound the cocaine cowboys.

By the mideighties, Matta and the Guadalajara gangsters felt invincible. The cocaine market was on fire, the Mexican trampoline pumped like the Trans Alaska Pipeline, and the Reagan administration was tied up in three Central American wars. It seemed as if nothing could go wrong. Then they overplayed their hand: in February 1985, thugs in Guadalajara kidnapped DEA agent Enrique "Kiki" Camarena, tortured him, raped him, and beat him to death.

For DEA agents, the murder of Camarena is the darkest chapter in the history of their work in Mexico. His photograph adorns DEA offices worldwide as a fallen hero, a muscular Hispanic in his late thirties with a smiling face that shows street smarts but perhaps a little naive optimism.

His story is told in most detail by Elaine Shannon in the 1988 book *Desperados*. Born in Mexicali and raised in California, Camarena had been a high school football star and marine before joining the DEA. After making major drug busts in the United States, he gained the nickname the Dark Rooster for his charisma and fight. On the Mexican streets, he was more of a sitting duck.

Arriving in Guadalajara in 1980, Camarena watched frustrated as traffickers grew in strength and power. To hit back, he wandered the rowdiest cantinas and grimmest back streets, sewing a web of informants. He followed their leads to the industrial marijuana-growing operations and took the brash move of going personally on Mexican army raids. His face started to get recognized. But he was still not happy. He and colleagues sent messages back to Washington complaining the Guadalajara gangsters had a network of police protection. Surely, the United States could not stand back and tolerate such corruption? He was seriously ruffling feathers. And he was seriously exposed.

Tension reached a boiling point in late 1984 when Mexican and U.S. authorities carried out several busts on the Guadalajara mob. Among them was the seizure of the record-breaking ganja farm. But there were also hits on the cocaine pipeline on the U.S. side of the border. In Yucca, Arizona, a vacationing detective spotted some fresh plane tracks on a

World War II-era airstrip. When he called it in, the police set up a desert roadblock and promptly netted seven hundred kilo bricks of cocaine in brightly colored Christmas tinfoil packets.<sup>13</sup>

The detective's luck had nothing to do with Kiki Camarena. But the mobsters didn't know that. To frustrated kingpins losing tens of millions of dollars, the DEA looked clever. And the gangsters got angry. According to court testimony, the major players, including Matta, the slickly dressed Félix Gallardo, and the cowboy gunslinger Caro Quintero, held meetings to decide what to do. The court documents state:

"Members of the enterprise, including Matta-Ballesteros, met and discussed the DEA seizures as well as a police report file covering one of the major marijuana seizures at Zacatecas, Mexico. The DEA agent responsible for the seizures was again discussed. The enterprise held yet another meeting [in which they] suggested that the DEA agent should be 'picked up' when his identity was discovered."<sup>14</sup>

As Kiki Camarena walked from the American consulate in Guadalajara one evening, five men jumped him, threw a jacket over his head, and shoved him into a Volkswagen van. A month later his body was dumped on a road hundreds of miles away. The decomposing corpse was in jockey shorts with his hands and legs bound. He had been beaten all over and had a stick forced into his rectum. The cause of death was a blow from a blunt instrument that caved in his skull.

American officials furiously called for justice. But the investigation descended into a tangle of botched crime scenes and scapegoats. Mexican police stormed a ranch of suspects and shot everyone dead—then charged the police on the raid for murder. Audiocassettes emerged of Camarena being tortured and interrogated. He was asked about corrupt police and politicians as well as drug deals.

U.S. agents tracked cowboy Rafael Caro Quintero down to Costa Rica, where he was busted by special forces and deported to Mexico. He has been in prison since. DEA agents then thought they had struck gold when they tracked Matta himself by a telephone wiretap to a house in Mexico City. "I have paid my taxes," Matta was heard saying, a presumed reference to paying off police. They passed the information to Mexican investigators, but the Mexicans stalled on going in. As DEA agents furiously watched the house on a Saturday night, four men drove off in a car. When the federal police finally kicked the door down Sunday morning, they found a lone woman. Matta had gone the night before, she said. DEA agents were livid.<sup>15</sup>

The curly-haired Matta next surfaced in the beach resort of Cartagena, Colombia. The DEA passed information to Colombian national police, and this time a unit was in time to catch him. But not even prison could stop Matta. The kingpin walked out of the Colombian jail through seven locked doors after reportedly spreading millions of dollars round the guards. "The doors opened for me, and I went through them," he was later quoted as saying in a Honduran newspaper. Matta went back to his homeland to live in a palatial home in the center of Tegucigalpa. Honduras had no extradition treaty with the United States.

As the Camarena case dragged on, America's war on drugs shot up to fifth gear. First in 1986, two American sports stars, Len Bias and Don Rogers, died of cocaine overdoses. Oh, God, cried newspapers, maybe cocaine can kill after all. Then the media discovered crack. It wasn't a new story. Use of cocaine freebase had been rising under a number of names since it was developed in the Bahamas in the 1970s. But *Time* and *Newsweek* ran cover stories, and CBS unleashed its special report "48 Hours on Crack Street" to one of the highest ratings for any documentary in TV history. Crack definitely sold.

Ronald Reagan jumped on the issue just as the 1986 midterm election came up. "My generation will remember how Americans swung into action when we were attacked in World War Two," he cried. "Now we're in another war for our freedom."<sup>16</sup> His war talk turned to a shooting gun in the Anti Drug Abuse Act the same year. The law fought traffickers at the beaches and the landing bays by making it easier to seize assets while introducing mandatory minimum sentences, especially for crack dealers. The administration also hiked resources for DEA and Customs. The war on drugs went on steroids.

However, DEA still faced a major obstacle in Central America: the Cold War. Throughout the eighties, the region served as a front line in the fight on communism, an arena where spooks and conservatives believed they battled the Soviet threat at America's doorstep. Within this conflict, the CIA invested most in the right-wing contra rebels of Nicaragua, who were armed and trained in neighboring Honduras. Both contra guerrillas and Honduran officers made money from cocaine.

CIA support of right-wing Central Americans linked to drug traffickers has since been well documented and should be moved from conspiracy theory to proven fact. However, some patriotic Americans still find it

hard to swallow. The connections are complicated. And to confuse the debate, some writers make other unproven accusations against the CIA, while others misrepresent the charges.

One can follow various strands but the most notorious was exposed by journalist Gary Webb in his 1996 series *Dark Alliance* published in the *San Jose Mercury News*.<sup>17</sup> Webb showed that a prominent Los Angeles crack dealer brought his product from two Nicaraguans, who in turn funded the contras. The story set off an atomic reaction. Suddenly, African-Americans were marching in Watts and shouting that the CIA was involved in the crack epidemic.

*Dark Alliance* was initially cheered as the scoop of the decade. But then major newspapers attacked it. Webb had made some mistakes. He said the Nicaraguan cocaine was the first major source of the drug into black Los Angeles. In reality, yayo had been dripping in for decades. Critics also attacked Webb for things he never said. They knocked him down for accusing the CIA of directly selling crack. He never wrote that. But with the conspiracy being a little confusing, it was easier just to say that the story was that CIA agents stood on corners selling rocks, then to accuse the writer of being stark raving mad.

The media pressure eventually forced Webb out of his newspaper, and in a sad final chapter, he committed suicide in 2004. Many have since vindicated Webb and said his media crucifixion was a dark moment in American journalism. While Webb may have made some errors, no one ever disproved the basic facts—that a major crack dealer brought drugs from men who gave money to a CIA-organized army. The *Los Angeles Times* and *New York Times* should have followed these leads rather than just looking for holes.

But however much it was shot down, *Dark Alliance* lit two major torches. First, it brought attention to an investigation by a Senate Foreign Relations subcommittee back in the eighties on connections between the contras and cocaine traffickers. Second, it forced the CIA to hold its own internal investigation, the findings of which were released in 1998. So now we have government-stated facts to guide our history. Both reports confirm that cocaine dealers indeed funneled money to contras paid by the CIA. And a certain name flashes up in both reports—Juan Ramón Matta Ballesteros, alias El Negro.

To bring guns to its contra army, the CIA hired the Honduran airline SETCO—allegedly established by none other than Matta himself. The Senate report states, "The payments made by the State Department . . . between

January and August 1986, were as follows: SETCO, for air transport service—\$186,924.25." Then a few pages later, the report says, "U.S. law enforcement records state that SETCO was established by Honduran cocaine trafficker Juan Matta Ballesteros."<sup>18</sup>

Perhaps the CIA agents never knew they were working with drug traffickers. The agency's internal report says there is no conclusive proof that they did, thus clearing them of knowing. However, it does state, in long-winded, rambling terms, "CIA knowledge of allegations or information indicating that organizations or individuals had been involved in drug trafficking did not deter their use by the CIA. In other cases, CIA did not act to verify drug trafficking allegations or information when it had the opportunity to do so."<sup>19</sup>

In other words, see no evil, hear no evil.

What conclusions can we make about American spies and the development of the Mexican drug trade? To say that the CIA was the Dr. Frankenstein that invented the El Narco monster seems overblown. Market forces would create the Latin American cocaine trade, with or without the help of spooks. Furthermore, geography would ensure this trade would bounce through Mexico, whichever traffickers got a helping hand from smiling spies.

However, the role of the CIA is crucial in understanding the history of cocaine. It highlights how the U.S. government has failed to have a unified policy in its war on drugs abroad. While the DEA had a mission to fight trafficking, the CIA had a mission to bolster the contras, and they could not help but tread on each other's feet. Fears are that such a situation has been repeated in various theaters of conflict, such as Afghanistan, with members of the U.S. ally the Northern Alliance accused of trafficking drugs. Furthermore, the affair shows that where an illegal drug trade worth billions exists, rebel groups are going to tap into it. Sometimes, they can be allies of the United States, such as the contras or Northern Alliance; in other cases they can be enemies, such as Colombia's FARC or the Taliban. One day this money could fall into the hands of even more dangerous adversaries.

Unfortunately for the cocaine cowboys (and fortunately for Central America) the Cold War didn't go on forever. On March 23, 1988, the con-

tras and the Sandinista government in Nicaragua signed a cease-fire after some sixty thousand people had perished in fighting. Just twelve days later, American agents arrived in Honduras for Matta. They couldn't arrest him legally because there was no extradition treaty. But they could grab him illegally. A pact was made for Honduran special forces to work with U.S. marshals to get the drug lord.

Just before dawn on April 5, Honduran "Cobras" and four U.S. marshals stormed Matta's palatial home in Tegucigalpa. It took six Cobras to grab the squarely built forty-three-year-old drug lord, handcuff him, put a black bag over his head, and throw him onto the floor of a waiting car. Even while in the vehicle, Matta was still struggling, and a U.S. marshal and Honduran officer pinned Matta down in the back as he was driven to the huge U.S. military air base nearby. U.S. marshals then flew Matta to the Dominican Republic and into the United States to be locked up in Marion, Illinois. During the flight, marshals beat Matta and stuck stun guns to his feet and genitals, he claimed. The quick kidnapping certainly beat a lengthy extradition process. Matta went from his home in Honduras to an American federal penitentiary in less than twenty-four hours.

Back in Tegucigalpa, anger spread through barrios, where the beloved Matta had built schools and handed out welfare. Students were also angry at their government's defying the Honduran constitution to help the gringos. Two days after the arrest, about two thousand demonstrators massed at the U.S. embassy. After shouting "We want Matta in Honduras" and "Burn, burn," they hurled rocks and Molotov cocktails. Private security guards from inside the embassy shot into the crowd, killing four students. But that couldn't stop the blaze. The embassy burned to the ground, with the fire also torching a car and killing a fifth person. The Honduran government declared martial law throughout large sections of the country.<sup>20</sup>

Once in the U.S. prison system, Matta got slammed with a cascade of charges over cocaine trafficking, the Camarena kidnapping, and even his escape from Eglin air base back in 1971. However, according to his son Ramón, prosecutors offered him a deal. They said that if Matta became a witness against President Manuel Noriega of Panama, they would give him an easy ride. Noriega, a former CIA asset, had blatantly been aiding cocaine traffickers and was the target of a major operation. Matta evidently refused any such deal. Whatever he was, he was not a snitch.

Judges acknowledged Matta had illegally been taken from his homeland. "The government does not dispute that he was forcibly abducted

from his home in Honduras," the court heard. But they said that didn't affect the trial. The Matta case is now cited as a precedent justifying kidnapping suspects from foreign countries. The charges against Matta also relied on dubious protected witnesses, including American cocaine dealers, who got various benefits for their testimonies.

Matta was nailed on several counts of conspiring to traffic cocaine and conspiring to kidnap a federal agent. However, he was acquitted of personally murdering Camarena. Rotting in the worst prison in the United States, he became a useful threat for U.S. prosecutors dealing with Latin traffickers. "If you don't make a deal," they could say, "you will end up like Matta." The architect of the Mexican trampoline disappeared into the seething Colorado desert. But back in Mexico, a new generation of traffickers inherited the billion-dollar trampoline and built bigger, bouncier, and bloodier springs.

## CHAPTER 5

### Tycoons

He is a journalist, the senior,  
He writes what is happening,  
He goes on with his mission,  
Although the mafia attack him,  
He condemns the cartel,  
He criticizes the government,  
He is a man of much faith,  
He seeks peace for the people.

He is very brave, the senior,  
There is no doubt about it,  
He makes the nation tremble,  
With a simple pen,  
The journalist is king,  
So say the analysts,  
He is at the top level,  
Of the narco-news.

—"EL PERIODISTA," LOS TUCANES DE TIJUANA, 2004<sup>1</sup>

Amid the cool seaside breeze of Tijuana, south of Revolution Avenue with its table-dance clubs, tequila bars, and sombrero shops, sits a converted