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The Latin American Drug Trade

Scope, Dimensions,
Impact, and Response

Peter Chalk

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Summary

Drug Production and Trafficking

Colombia currently accounts for the vast bulk of cocaine produced in Latin America. In 2009, the country produced 270 metric tons (MT) of cocaine, making it the principal supplier for both the United States and the worldwide market. Besides Colombia, Peru and Bolivia constitute two additional important sources of cocaine in Latin America. In 2009, these two countries generated enough base material to respectively yield 225 and 195 MT of refined product.

Between 60 and 65 percent of all Latin American cocaine is trafficked to the United States, the bulk of which is smuggled via the eastern Pacific/Central American corridor. The remainder is sent through the Caribbean island chain, with the Dominican Republic, Puerto Rico, and Haiti acting as the main transshipment hubs. In both cases, Mexico serves as the main point of entry to mainland America, presently accounting for the vast majority of all illicit drug imports to the United States.

Increasing amounts of Latin American cocaine are now also being sent to Europe, reflecting higher street prices than those in the United States and shifting consumer demand patterns toward this particular narcotic (and derivatives, such as crack). The majority of the Colombian cocaine that is trafficked to Europe, either directly or via West Africa, is exported from Venezuela.

In addition to cocaine, Colombia also represents a relatively important source for North America opiates, historically accounting for around half of the white heroin consumed east of the Mississippi.

Although there has been a marked decline in opium-production levels in the past several years—largely due to successful poppy-eradication efforts—shipments still take place, with the main trafficking route running up the eastern Pacific to Mexico.

Main Players

The Revolutionary Armed Forces of Colombia (Fuerzas Armadas Revolucionarias de Colombia, or FARC) currently represents the principal narco-player in Colombia. The organization is involved in all aspects of the drug trade, from production through refining to trafficking, and is thought to earn anywhere between US\$200 million and US\$300 million per year from these activities (which is thought to equate to roughly half of its overall operational budget). Historically, most of this income was used to underwrite and sustain FARC's insurgent war against the Bogotá government. In recent years, however, it appears that elements in the organization have increasingly turned to narcotics as an exclusive economic endeavor, with greed and profit rather than politics and ideology being the main motivational drivers.

Reemerging paramilitaries, euphemistically referred to as *bandas criminales emergentes* (criminal groups, or simply BACRIM), also play a prominent role in the drug trade. Colombian authorities have identified 11 main gangs (down from 33–67 between 2006 and 2007), four of which remain at the forefront of national security concern: the Don Mario Gang, Ejército Revolucionario Popular Anticomunista (Erpac), the Rastrojos, and Los Paisas.

A third player on the Colombian drug scene is the Norte del Valle (NDV) cartel, which, during the 1990s, was the country's most-powerful narcotics crime group. The cartel has progressively diminished in prominence, however, due to growing factionalism in its ranks and the capture or elimination of some of its leading personalities, including the NDV supreme “godfather” and one of the most-wanted men in Colombia, Diego Montoya (a.k.a. Don Diego).

Finally, there are indications that the National Liberation Army (Ejército de Liberación Nacional, or ELN) is becoming more-inti-

mately involved in cocaine production and trafficking. According to U.S. and Colombian officials, the group is increasingly reorienting its traditional focus on fundraising away from extortion and kidnapping toward the far more-lucrative drug trade—with much of this activity concentrated along the northern Pacific coast.

In Peru and Bolivia, the drug trade is largely dispersed among a plethora of amorphous, nonspecific groups. These indigenous entities generally confine their focus to the cultivation of local fields, with actual processing and refining taking place in Brazil and, to a lesser extent, Argentina. Colombian and Mexican groups appear to dominate the latter effort, developing it as an integral component of their overall transatlantic narcotics export chain.

Apart from FARC, the Autodefensas Unidas de Colombia (AUC), the ELN, and smaller Peruvian and Bolivian cartels, organizations in Mexico constitute a critical component in the overall Latin American drug trade. These groups dominate control of the actual movement of narcotics into the mainland United States, as well as subsequent distribution in major metropolitan areas. According to a 2008 assessment prepared by the U.S. Department of Justice, Mexican trafficking organizations have gained more control over the supply of drugs to the United States than any other ethnic criminal group (availed by the large expatriate community that exists across the country), yielding revenue levels that are thought to be in the billions of dollars.

Seven Mexican syndicates have remained at the forefront of the trade: the Gulf cartel, La Familia, Los Zetas, the Beltrán Leyva organization, the Sinaloa cartel, the Carrillo Fuentes syndicate (a.k.a. the Juarez cartel), and the Arellano Félix organization (a.k.a. the Tijuana cartel). These groups can be divided into two main, competing blocs that essentially pitch the Sinaloa cartel, the Gulf cartel, and La Familia—which collectively formed the New Federation in February 2010—against a loose pattern of shifting alliances among the remaining five organizations.

Beyond Central and Latin America, two other major entities play an important role in the trafficking of Andean cocaine. First are West African syndicates, particularly those based in Ghana and Guinea-Bissau. These groups constitute the main vehicle by which Colom-

bian, Peruvian, and Bolivian cocaine is (indirectly) shipped to Western Europe. Second is the Calabrian 'Ndrangheta, a principal mafia in Italy and the one with the greatest international reach. The group is thought to be capable of purchasing and moving up to three tons of Colombian cocaine at a time—with a wholesale price of roughly €60 million (approximately US\$74.5 million).

Trafficking Vessels

More than 80 percent of Latin American cocaine that is trafficked to the United States, either directly or via Mexico, arrives by means of noncommercial maritime conveyance. Up until 2006, most Latin American cocaine and heroin was moved nonstop to Mexico in single consignments. Deepwater fishing trawlers were the favored vessels for these shipments due to their sophisticated navigation and communication technologies.

Although fishing trawlers are still periodically used for drug runs, Latin American syndicates have progressively moved away from shipping large volumes via direct routes due to more-effective interdiction in the eastern Pacific. The preferred method today is to spread risk by smuggling smaller but more-numerous volumes in “go-fasts.” These vessels have a top speed of around 70 mph and are capable of moving up to 2 MT of drugs at a time.

Apart from surface boats, Colombian syndicates also use semi-submersibles. These vessels are principally employed for large drug runs in the eastern Pacific and can carry loads of between 6 and 10 MT. The standard range for a semi is between 500 and 1,000 nautical miles (nm). However, some have been purpose-built to reach distances upward of 1,500 nm, which puts them well within the vicinity of Mexican waters.

Impact

The drug trade has had an effect across South, Central, and North America. In Colombia, revenue from the production and trafficking

of heroin and cocaine has provided FARC with sufficient operational capital to maintain an active war footing in its ongoing conflict against Bogotá. Compounding the situation in Colombia are the activities of reemerging paramilitaries, whose fighting and competition have contributed to an increasingly serious humanitarian crisis.

Further afield, the cocaine trade is feeding a growing addiction problem. Indeed, countries, such as Puerto Rico and the Dominican Republic, have experienced so massive an increase in drug use that they are now effectively as much consumption states as transit hubs.

In the United States, the sale, distribution, and use of narcotics has contributed to addiction and public health problems, further exacerbated the breakdown of social and family relations, and fueled street violence in prominent end-user cities. It has also significantly impeded fiscal growth and stability by diverting scarce resources away from more-productive uses and negatively interacted with other trans-border concerns, such as weapon trafficking, people smuggling, and the migration of Central American gang violence.

It is in Mexico, however, that the pernicious societal impact of the Latin American cocaine and heroin trade has been greatest. In particular, it has contributed to what amounts to the wholesale breakdown of basic civility across the country, something that has been particularly evident in the northern border states. Apart from fostering extreme violence, the narcotics trade has also decisively undermined political stability by feeding pervasive corruption throughout the police and administrative bureaucracy.

U.S. Responses

In moving to mitigate the Latin American cocaine trade and its attendant negative impacts, the United States has paid considerable attention to external supply disruption. Until at least 2008, the main target of Washington's counternarcotics assistance was Colombia. In line with the deteriorating situation in Mexico, however, the United States has also started to channel a significant amount of security assistance to the Calderón government. In 2008, the George W. Bush adminis-

tration passed a supplemental budget bill that included \$1.6 billion for a so-called Merida Initiative aimed at combating narcotics trafficking and related crime in Central America.

U.S. efforts to fight the Latin American cocaine trade have borne some important results. Thousands of hectares (ha) of coca fields have been destroyed as a result of manual eradication and crop-spraying initiatives. U.S.-trained and -assisted police and military drug units have also scored some notable results, destroying a significant number of hydrochloride and coca-base laboratories in Colombia, and capturing prominent narcotics “kingpins” in Mexico.

That said, Washington’s overall counternarcotics assistance program has yet to significantly reduce or undermine the Latin American drug trade. Colombia still constitutes the principal source of cocaine for both the U.S. and global markets, accounting for 90 and 80 percent of respective consumption. There has also been no diminution in drug players operating in Colombia, with FARC remaining a prominent and threatening drug-producing and -trafficking entity and former paramilitaries reemerging as straight crime syndicates.

In Mexico, the situation is even worse, with the northern border states now in the throes of what amounts to a fully fledged narco-war. Moreover, the Merida Initiative, at least as currently formulated, neither addresses the gap between federal and local police forces nor provides assistance at the municipal level to deal with everyday security issues.

Finally, trafficking routes from Colombia and the wider Andean region have, by no means, been curtailed, merely shifting in response to extant interdiction approaches. Indeed, the mosaic of smuggling conduits extending from Latin America is now arguably more complex than ever before, embracing at least five principal transpacific and transatlantic corridors.

Implications for the U.S. Air Force

Although the Latin American drug trade remains primarily a law enforcement issue that is dealt with through various assistance pro-

grams managed by the U.S. Department of State, addressing the problem does have direct implications for the U.S. Air Force (USAF). In Colombia and, increasingly, Mexico, Washington is including antinarcotics support as an integral feature of foreign internal defense, and the USAF is already engaged in a number of initiatives with the Joint Interagency Task Force–South (JIATF-S) and U.S. Southern Command (USSOUTHCOM). In addition, there are several relevant roles that the USAF can and should play in boosting the capacity of Mexico—the geographic epicenter for much of what is occurring in the current cocaine trade—to counter drug production and trafficking. Notably, these include providing reliable aerial monitoring assets; training and equipping crews to fly and maintain these platforms; enhancing intelligence, surveillance, and reconnaissance capabilities; and supplying accurate, real-time intelligence (including satellite imagery) to facilitate ground-based and marine interdiction operations. Finally, there are at least four specific measures that the USAF should consider in looking to further hone and adjust its counternarcotics effort in Latin America:

- Augment aerial surveillance over the Pacific–Central American corridor.
- Refine existing standard operating procedures and further institutionalize joint mission statements and protocols regarding drug interdiction.
- Reconsider the policy of aerial fumigation of illegal crops.
- Ensure adequate protection of existing counter–drug-access arrangements in Central America.