

**U.S.-MEXICO SECURITY COOPERATION: AN  
OVERVIEW OF THE MERIDA INITIATIVE  
2008-PRESENT**

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**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON  
THE WESTERN HEMISPHERE  
OF THE  
COMMITTEE ON FOREIGN AFFAIRS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED THIRTEENTH CONGRESS

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# CONTENTS

	Page
WITNESSES	
The Honorable William R. Brownfield, Assistant Secretary, Bureau for International Narcotics and Law Enforcement Affairs, U.S. Department of State	6
Mr. John D. Feeley, Principal Deputy Assistant Secretary, Bureau of Western Hemisphere Affairs, U.S. Department of State .....	15
Ms. Elizabeth Hogan, Senior Deputy Assistant Administrator, Bureau for Latin America and the Caribbean, U.S. Agency for International Development .....	24
Ms. Clare R. Seelke, Specialist in Latin American Affairs, Congressional Research Service .....	44
Mr. Steven Dudley, director, InSight Crime .....	54
Francisco E. Gonzalez, Ph.D., Riordan Roett senior associate professor, Latin American Studies, John Hopkins University School of Advanced International Studies .....	75
LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING	
The Honorable William R. Brownfield: Prepared statement .....	8
Mr. John D. Feeley: Prepared statement .....	17
Ms. Elizabeth Hogan: Prepared statement .....	26
Ms. Clare R. Seelke: Prepared statement .....	46
Mr. Steven Dudley: Prepared statement .....	56
Francisco E. Gonzalez, Ph.D.: Prepared statement .....	77
APPENDIX	
Hearing notice .....	88
Hearing minutes .....	89



## **U.S.-MEXICO SECURITY COOPERATION: AN OVERVIEW OF THE MERIDA INITIATIVE 2008-PRESENT**

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**THURSDAY, MAY 23, 2013**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC.*

The committee met, pursuant to notice, at 10 o'clock a.m., in room 2212 Rayburn House Office Building, Hon. Matt Salmon (chairman of the subcommittee) presiding.

Mr. SALMON. This committee is now called to order.

Good morning and welcome to the first of a two-part series on security cooperation with Mexico and Central America under the framework known as the Merida Initiative.

As you all know, violence at the hands of drug cartels along our southern border continues to affect our own security, as well as cross-border commerce. Our communities are threatened by organized criminals who traffic drugs, money, weapons, and human beings across our border just as they continue to threaten security and governance in Mexico and the rest of the region.

Mexico is our third largest trading partner and we are Mexico's largest trading partner. By the way, Mexico is Arizona's, my home state, number one trading partner. So it is clearly in both countries' national interest that we cooperate to defeat these destabilizing and ruthless drug cartels.

Since the 2007 signing of the Merida Initiative, Mexico and the United States have been doing just that; working together to disrupt and dismantle the drug cartels, working to improve Mexican and regional justice systems, and to strengthen our shared border to include air and maritime control. As we approach the fifth anniversary of the Merida Initiative, I wanted to take this opportunity to take an honest look at our efforts in cooperation with Mexico, evaluate the effectiveness of the full range of counter narcotics efforts, and determine how we move forward to improve and make better use of our taxpayer money.

With the PRI back in power in Mexico, under recently-elected President Enrique Peña Nieto, there will be some changes to our cooperation with Mexico, so I have asked our distinguished panel of government witnesses to provide us with details about what these changes are likely to be and how they will affect our efforts. I would like to know whether our law enforcement and intelligence

agencies will be able to effectively combat drug trafficking organizations under what I understand to be a move toward centralized control under the Mexican interior ministry; and to what extent will this centralization possibly derail the productive working relationships formed over the last 5 years between our men and women in the field and their Mexican counterparts.

The second panel of private-sector experts will give this subcommittee their unvarnished view of the Merida Initiative over the last 5 years. And we hope to learn their views on the effect of the changes under the new Mexican administration will have in achieving its original goals of the Merida Initiative.

I look forward to looking closely at Pillar III of the current framework, building a 21st century border, and hearing their experts' views on how we can improve border security so we can protect our citizens without hampering our vibrant trade relationship with Mexico.

As chairman of the subcommittee on the Western Hemisphere, I have chosen to focus on opportunities for economic growth and energy independence throughout our region and these opportunities around the United States and Mexico. Unfortunately, the scourge of transnational drug trafficking organizations will disrupt these opportunities if the United States and Mexico do not cooperate to take down the cartels and enforce our laws. So I am doing all I can to make security cooperation between the U.S. and Mexico as on solid footing as it can possibly be with our shared commitments.

I also want to thank Secretary Brownfield of the State Department's Bureau of International Narcotics and Law Enforcement Affairs; Mr. John Feeley, the Principal Deputy Assistant Secretary of State for Bureau of Western Hemisphere Affairs; and Ms. Elizabeth Hogan, the Senior Deputy Administrator for Latin America and USAID.

I would also like to thank the witnesses who will testify in our second panel, Ms. Clare Seelke from the Congressional Research Service; Mr. Steven Dudley, the director of Insight Crime; and Dr. Francisco Gonzalez, a Latin American expert from Johns Hopkins. Thank you all for being with us today for what I know will be an informative and very productive hearing.

I would like to recognize the ranking member for opening statement.

Mr. SIREN. Thank you, Mr. Chairman, good morning. Thank you to our witnesses who are here today.

Today's discussion comes at a critical time for both the U.S. and Mexico. For the U.S., the concept that comes on the heels of President Obama's recent visit to Mexico and Central America earlier this month; a time when the threat or spillover violence by drug trafficking organizations in Mexico, along our southern-western border has escalated; and at a time when the U.S. Congress is reviewing its financial commitment in considering historic immigration reform, impacting over 11 million people.

For Mexico, it comes nearly 6 months after that historic return of the PRI.

On December 1, 2012, PRI candidate, Enrique Peña Nieto, was inaugurated for a 6-year term, vowing to focus more on reducing violent crime in Mexico and combatting the drug trade. In par-

ticular, President Peña Nieto has aimed to refocus the nature of the U.S.-Mexico relationship to send on an economic and energy forum agenda by calling for a review of the current U.S.-Mexican security strategy. Thus far, Peña Nieto has moved to centralize security policy, an indication that he is far more skeptical of the nature of U.S. involvement in Mexico's security than previous President Calderón.

Yet, President Peña Nieto moved to reform the structure of Mexico security structure by placing the Federal police and intelligence service under the authority of the Interior Secretary could be a significant setback in cooperation between an array of U.S. and Mexican Federal agencies.

Similarly, efforts to centralize police commands and create a militarized police force to replace current military forces engaged in public security could undermine law enforcement cooperation. Nonetheless, maintaining strong cooperation between the U.S. and Mexico is paramount for both our nations' economies and national security. Our nations share common democratic values and similar desires of peace and economic prosperity, as well as a common border extending nearly 2000 miles.

Additionally, the U.S. is Mexico's largest trading partner and largest foreign investor. Mexico, the fourteenth largest economy in the world is the third largest U.S. trading partner after Canada and China. Combined annual trade between our two nations is \$460 billion. In this regard and as part of the Merida Initiative, both countries have accepted a shared responsibility. The U.S. Congress has appropriated more than \$1.9 billion for Fiscal Year 2012, twice the Merida Initiative. For its part, Mexico has invested nearly \$10 U.S. for every \$1 committed by the U.S. As of September 2012, Mexico had invested over \$10 billion toward the Merida program.

Mexico, however, remains a major producer and supplier of illegal narcotics to the U.S. including heroin, meth, marijuana, and cocaine. More than 60,000 deaths are a result of drug-related crimes and violence in Mexico between 2006 and 2012. Although more possible than that, indications of progress have at times been mixed. For instance, we have helped to train more than 7,500 Federal and 19,000 state justice sector personnel, 4,000 of which are Federal investigators that did not exist before. Yet, those suspected of involvement in organized crime can be held by authorities for up to 80 days without access to legal counsel. Yet, many inmates await trials as opposed to serving out the sentences. Normally, the U.S. Agency of International Development has concentrated most of its work in support of judicial reform at the state level. In terms of human rights, there is concern the Mexican military has committed more human rights abuses since it has been tasked with carrying out public security. The U.S. must continue to work with Mexico to improve their institutions that investigate and prosecute human rights abuses and strengthen protection for human rights defenders.

In conclusion, the landscape in Mexico has changed, politically, economically, and in terms of security. But the need to combat drug trafficking organizations and stem the violence from their activities remain a mutual concern. I look forward to hearing from our panel-

ists and their assessment of our individual and joint effort in regards to the Merida Initiative thus far and how both our respective nations can improve our efforts moving forward. Thank you.

Mr. SALMON. Thank you. I would like to also recognize the most distinguished Ileana Ros-Lehtinen from Florida.

Ms. ROS-LEHTINEN. Well, thank you so much, Mr. Chairman. Thank you so much Mr. Ranking Member for holding this important hearing, one of the most critical partnerships that our nation enjoys, that with Mexico, our ally to the south.

In a speech in 1984, President Ronald Reagan said,

“Closer to home, there remains a struggle for survival for free Latin American, allies of ours. They valiantly struggle to prevent communist takeovers, fueled massively by the Soviet Union and Cuba. Our policy is simple. We are not going to betray our friends, reward the enemies of freedom or permit fear and retreat to become American policies, especially in this hemisphere.”

And still many years later, we are still looking for a coherent strategy on how to advance U.S. interests in the region, how to promote democracy, how to better hold accountable those regimes that oppress their own people. And that is why I would like to thank my friend from New Jersey, Albio Sires, for joining me and introducing our bipartisan legislation H.R. 1687, Countering ALBA Act of 2013 which urges the President to sanction those persons who are officials or acting on behalf of ALBA governments who are responsible for or complicit in the commission of serious human rights abuses against citizens of ALBA countries. And I hope that we can move that bill forward. Thank you, Mr. Chairman, for this hearing.

Mr. SALMON. Thank you. I would like to recognize the gentleman from New York, Mr. Meeks.

Mr. MEEKS. Thank you, Chairman Salmon, and of course, Ranking Member Sires, for convening this hearing today to discuss the current status of the Merida Initiative. I look forward to hearing from our distinguished witnesses here today, all of whom are very involved and very knowledgeable on the subject of the Merida Initiative and all of Latin America.

I believe the Merida Initiative is an essential policy tool to facilitate cooperation between the United States and our southern neighbor, Mexico. The Merida Initiative allows the United States and Mexico to maximize our respective resources by coming together with the common goal to fight trans-border crime, organized crime and corruption. Building a capacity for rule of law, and providing technical assistance and law enforcement training are important aspects of this agreement.

I was pleased to see the Initiative grow from a bilateral security agreement with Mexico into a key component of a broader regional security strategy. U.S.-Mexico relations do not exist in a vacuum. It is vital that this agreement continues to complement a broad U.S. regional engagement plan. Addressing the security concerns of Mexico does not stop at simple bilateral relations. The United States must address the region as a whole. The Caribbean Base Security Initiative, the Central America Regional Security Initiative,



and the Colombia Strategic Development Initiative, along with the Merida Initiative, contribute to a comprehensive regional approach that accounts for sophisticated criminal networks and complex cross-border threats throughout the hemisphere.

I look forward to hearing particularly from my good friend, Ambassador Brownfield, who could possibly speak about the importance of regional partnerships, particularly when discussing the work of Colombia as a regional partner for many countries including Mexico and Guatemala.

Through my recent travels to the region, I heard first hand the impact of U.S. assistance in a variety of sectors. Aspects of U.S. security and assistance agreements that address the needs of vulnerable populations such as women, indigenous people, and Afro-Colombians are particularly important. These populations are routinely exploited by criminal networks and armed conflicts. They are all too often the unheard victims of a lack of rule of law and the menace to civil society. By building a U.S. engagement strategy that accounts for the integration of ethnic minorities and disenfranchised persons, the United States can work with partner nations to lay the foundation for a safe and secure region.

I look forward to hearing again from our witnesses on how we can further advance the needs of vulnerable populations through these critical partnerships. The people of Mexico, the people of the Caribbean, the people of Central and South America can benefit greatly from continued U.S. support and assistance that is based on a broad, regional vision for shared security prosperity and between the United States and our southern neighbors. Thank you. I look forward to hearing the testimony.

Mr. SALMON. Thank you. The Chair now recognizes the gentlemen from American Samoa, Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I do also want to thank you and our ranking member for convening this important hearing and I certainly want to extend my warm welcome to our witnesses this morning.

Mr. Chairman, it goes without saying that the U.S. does have a significant interest in the security of our neighbor to the south. Statistics have shown that when Mexico is safe, our own communities in the U.S. are also safe. I applaud the efforts of the current administration's supporting Mexico's endeavors to reduce its elevated rate of crime, violence, and drug trafficking.

I also want to note, in fact, and want to associate myself with the comments made earlier by my good friend and colleague from New York and I associate myself particularly in the interests that we have taken to find out what Mexico has done in its treatment of the indigenous populations there in Mexico. I saw this as one of the ironies, Mr. Chairman, that we—the celebration of the Cinco de Maya recently, one of the things that maybe a lot of our fellow Americans are not aware of. A gentleman by the name of Benito Juarez was a pure Indian, indigenous Indian, was often raised by monks and came through the ranks of becoming eventually the Lincoln and George Washington of Mexico, in fact, when they tried to get rid of French colonialism at the time. And that is the reason why the Cinco de Mayo is in reference to the leadership and the

services of this indigenous Indian by the name of Benito Juarez who is revered and honored throughout Mexico.

My question is have the indigenous peoples in Mexico been provided proper treatment by the central government for all these years? And I definitely will be asking more questions concerning this matter.

And with that, Mr. Chairman, I yield back. Thank you.

Mr. SALMON. Thank you. Now I would like to turn to our witnesses. First, I would like to welcome Ambassador Brownfield. It is a wonderful opportunity to have you again. I am very looking forward to what you have to say, thank you.

**STATEMENT OF THE HONORABLE WILLIAM R. BROWNFIELD,  
ASSISTANT SECRETARY, BUREAU FOR INTERNATIONAL NAR-  
COTICS AND LAW ENFORCEMENT AFFAIRS, U.S. DEPART-  
MENT OF STATE**

Ambassador BROWNFIELD. Thank you, Mr. Chairman. Normally, I would defer to my regional colleague to speak first and give us some basic orientation, but Mr. Feeley looks so fierce this morning I will take advantage of this opportunity and then step out of the line of fire before he speaks.

Chairman Salmon, Ranking Member Sires, members of the subcommittee, thank you very much for the opportunity to appear before you today to discuss U.S.-Mexico security cooperation under the Merida Initiative. I do have a written statement which I will, with your permission, enter into the record and provide this brief, oral summary.

Members of the subcommittee, we do not start our discussion of Merida today at point zero, since our two governments agreed in 2007 that we share responsibility for the security threats affecting Mexico and will cooperate in solving them, the United States has delivered \$1.2 billion in support and assistance to professionalize Mexico's law enforcement and build capacity under the rule of law. The Mexican Government for its part has invested more than \$10 for every dollar contributed by the United States to these shared challenges. And we have had an impact. More than 8,500 justice sector officials and more than 19,000 federal, state, and local police, have received training under Merida. Secure Federal prisons have increased from 5 to 14, and their quality has increased even more. The U.S. Government has provided \$111 million worth of inspection equipment that has resulted in more than \$3 billion in illicit goods seized in Mexico.

More than 50 senior members of drug trafficking organizations have been removed from the streets of Mexico and more than 700,000 Mexican students have received civic education and ethics training under the Merida Initiative.

Mr. Chairman, this subcommittee should take great pride in its support for the Merida Initiative and what it has accomplished for the American and Mexican people.

Ladies and gentlemen, a new President of Mexico was inaugurated last December. As with all new governments, the Peña Nieto government came to office, determined to formulate its own national security strategy and place its own stamp on the U.S.-Mexico bilateral relationship. The new government has sent some clear

signals on the direction it wishes to go. It wants a single point of contact in the Mexican Government to coordinate Merida Initiative programs and operations, and greater focus on crime prevention and economic and social development. It wants greater engagement by Mexican state and local government and a sharper focus on human rights. It wants to strengthen the Mexican Attorney General's office, professionalize the police, and build a new gendarmerie to list some of the policing burden from the Federal police and armed forces.

Mr. Chairman, I have no problem with these signals. They are logical. They are coherent. They are good ideas. There are a number of details yet to be defined, but what we have now is fully consistent with our strategic approach to the Merida Initiative where we support the four Pillars, shift focus from equipment to training, and transition from Federal to state and local institutions. As the President said in Mexico City 2 weeks ago, it is the people of Mexico who decide how we will cooperate in Mexico.

We have made an unprecedented and historic start to cooperation under the Merida Initiative during different administrations in both Mexico and the United States. I expect to report even more progress to this subcommittee in the months ahead.

Thank you, Mr. Chairman. I look forward to your questions.

[The prepared statement of Ambassador Brownfield follows:]



UNITED STATES DEPARTMENT OF STATE  
BUREAU OF INTERNATIONAL NARCOTICS  
AND LAW ENFORCEMENT AFFAIRS

Prepared Statement of:

**Ambassador William R. Brownfield**  
Assistant Secretary of State for  
International Narcotics & Law Enforcement Affairs

Hearing Before the:

**House Foreign Affairs Subcommittee on the Western Hemisphere**  
**“U.S.-Mexico Security Cooperation:**  
**An Overview of the Merida Initiative, 2008-Present”**

*Thursday, May 23, 2013*

Chairman Salmon, Ranking Member Sires, and Members of the Subcommittee, thank you for the opportunity to appear before you today. In every society, citizen security underpins economic stability and allows trade, investment, energy development, and education exchanges to flourish. The partnership forged between the United States and the Government of Mexico over the past six years under the Merida Initiative exemplifies how strengthening citizen security supports these broader objectives. We have worked together to strengthen the capacity of Mexico's justice sector to counter organized crime and its violent and corrupting effects. Now is an excellent opportunity to recognize our shared accomplishments, acknowledge the common challenges we face, and look forward to the progression of our partnership.

**Development of the Merida Initiative:**

The Merida Initiative was conceived in 2007 in an effort to enhance collaboration against the drug trade and build more effective justice sector institutions in Mexico. At the time of the program's inception, cartel-related violence had been increasing dramatically and corruption was a threat to rule of law. Mexican institutions were ill-equipped to deal with the challenges they faced. In 2008, Mexico took the important first step of passing constitutional reforms to overhaul its entire justice sector including the police, judicial system, and corrections at the federal, state and local levels. Mexico's institutional reforms and its objective of building strong institutions that its citizens can depend on to deliver justice provided a foundation for U.S. cooperation.

Our Merida resources have helped advance Mexico's implementation of these reforms. Since the inception of Merida, the United States Government has delivered about \$1.2 billion worth of training, capacity building, and equipment. By no means did we go it alone: For every \$1 of foreign assistance that America invested in our shared security goals, the Government of Mexico dedicated at least \$10 of its own. Because our assistance was designed jointly with the Government of Mexico, many programs formed

integral parts of Mexico's justice sector reforms and today enjoy a high level of sustainability.

Our partnership with Mexico has demonstrated results. With our assistance, the Government of Mexico has: Built a stronger legal framework through the training of over 8,500 federal justice sector personnel; augmented the professionalization of police units by providing training to more than 19,000 federal and state police officers, 4,000 of which are federal investigators; expanded secure incarceration at the federal level from five facilities with a capacity of 3,500 to 14 facilities with a capacity of 20,000; improved the detection of narcotics, arms, and money, reaching almost \$3 billion in illicit goods seized; and provided civic education and ethics training to more than 700,000 Mexican students. Since 2009, Mexico has apprehended more than 50 senior and mid-level drug trafficking organization (DTO) leaders, significantly disrupting all major Mexican DTOs.

In line with Mexico's evolving capabilities, the Merida Initiative has undergone several planned transitions. These include: 1) a transition away from major equipment assistance intended to increase the government's reach toward additional training and capacity building for personnel; and 2) a shift from focusing assistance on federal institutions to an increasing emphasis on state and local government capabilities. The Merida Initiative continues to be structured around the four pillar framework: 1) Disrupting the operational capacity of organized crime; 2) Institutionalizing Mexico's capacity to sustain the rule of law and protect human rights; 3) Creating a 21<sup>st</sup> century border; and 4) Building strong and resilient communities. This framework, combined with the shift toward training and an emphasis on building capacity at the state and local level, will be the basis for our security cooperation with the Peña Nieto Administration going forward.

**The Merida Initiative in 2013 and Beyond:**

Deliberations between our governments on how to proceed under the Merida Initiative have been productive and comprehensive. President Peña Nieto and his Administration are committed to continuing our close collaboration on security issues under the four-pillar Merida framework, with a sharper focus on crime prevention and rule of law. The Peña Nieto administration has proposed a security strategy which includes establishing a Commission for the Prevention of Crime, revising the practice of pre-trial detention to better protect human rights, strengthening the Attorney General's office, and creating a National Human Rights Program. The strategy also focuses on police professionalization by seeking to create a career professional service, consolidating police certification and vetting, elaborating protocols for police action, and creating a national training plan for police. These elements track well with the planning and direction of INL programming under the Merida Initiative for professionalized and credible civilian security.

To help Mexico build policing capacity for its communities, we are putting in place the building blocks to expand police training to the state and municipal level. We have strengthened police academies in the states of Chihuahua, Sonora, Nuevo Leon, and Puebla by providing equipment and training materials, enabling them to serve as the backbone for training programs and to conduct regional training. We are building our joint state training program around this regional structure. This will not only enable us to provide training more effectively, but will enhance cooperation between law enforcement officials in neighboring states as they implement reforms.

Building on the Peña Nieto Administration's agenda for police professionalization, we are prepared to work with the Government of Mexico to enhance and professionalize existing law enforcement institutions to develop federal standards for Mexican officials in the areas of recruitment, training, discipline and promotion. We would partner with

the Mexican Government to provide international experts in policing standards and best practices, and facilitate regional working groups that integrate state, local, and federal entities to derive Mexico-specific standards. These standards would be designed to further police professionalization, facilitate greater observance of civil and human rights, and foster trust among the Mexican public in its police.

We also continue to build on the success of several ongoing programs. For example, Mexico's federal corrections system is now a recognized international leader in corrections reform, with eight federal facilities already certified by the independent American Correctional Association. Mexico has begun to offer corrections officer training to its Central American neighbors, and the first class of Central American (Guatemalan) corrections officers graduated from Mexico's academy in July of 2012. The reforms already underway, including the creation of an objective prisoner classification system and the construction of new facilities, are making great strides. Mexico's success in reforming the corrections systems at the federal level can serve as the launching point for supporting similar reforms at the state level, where significant challenges remain. We will support Mexico in assessing state facilities and in its efforts to undertake similar reforms at the state level.

To enhance our bilateral efforts to build a 21<sup>st</sup> century border, we will continue to offer capacity-building support to Mexican law enforcement agencies involved in border security, further enhancing their ability to interdict illicit narcotics, arms, and money. We have offered specialized training for police and Mexican Customs officials that address advanced border security and import/export processing techniques and methodologies. This training is designed to produce a cadre of instructors who can then provide training within their home agencies, multiplying the effect of our initial investment. We are prepared to support Mexico in their efforts to strengthen the southern border, an area the Peña Nieto administration has prioritized.



On rule of law, we will focus on supporting Mexico in its transition to an accusatorial justice system, build on our efforts with the federal judiciary, and help to improve effectiveness in case management and court administration. Mexico's ambitious effort to reform its justice system by 2016 is in mid-stream and requires sustained focus and resources.

We will continue supporting Mexico's efforts to improve information sharing among its agencies involved in the fight against money laundering and illicit finance, a priority area for the Peña Nieto administration. Enhanced Mexican interagency coordination will lead to more prosecutions and cash seized. We have already provided funding for the training of the Financial Intelligence Unit's (UIF) personnel, sophisticated financial analysis software, and the accompanying computer hardware. Given the expanded responsibilities of the UIF under the new anti-money laundering legislation passed in late 2012, additional support may be needed to provide upgrades and expand their data center.

Complementary to our assistance at the institutional level, we will also continue to support local communities by promoting behavioral changes for improving rule of law from the ground up, such as through our Culture of Lawfulness program. This program offers a civic education curriculum to schools in 29 of the 31 states in Mexico.

**Conclusion:**

We are currently forging a new way ahead for the Merida Initiative with President Peña Nieto and his team. The discussions and collaboration have been frank and positive and the conversation is ongoing. Building strong and able justice sector institutions capable of dealing with organized crime and the accompanying violence and corruption, is a difficult and long-term endeavor. It takes years of dedicated and sustained work across numerous institutions and sectors, the political will to affect change, and the

resources and stamina to see it through. Over the course of the Merida Initiative, the U.S.-Mexico bilateral security relationship has proven steadfast and collaborative while including some notable transitions and changes along the way. Our support to Mexico over the past six years has achieved positive results, and I am confident that our collaborative efforts can continue.

Thank you, Chairman Salmon, Ranking Member Sires and other distinguished Representatives for your time. I will do my best to address your questions.

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Mr. SALMON. Thank you.  
Mr. Feeley.

**STATEMENT OF MR. JOHN D. FEELEY, PRINCIPAL DEPUTY ASSISTANT SECRETARY, BUREAU OF WESTERN HEMISPHERE AFFAIRS, U.S. DEPARTMENT OF STATE**

Mr. FEELEY. Thank you very much, Chairman Salmon, Ranking Member Sires, members of the committee. I hope I don't look too ferocious this morning. Bill has a tendency to exaggerate.

I also thank you for the opportunity to testify along with my colleagues on the U.S.-Mexico security relationship and the Merida Initiative. It has been my privilege to serve at our Embassy in Mexico on two occasions; first, in the days and months after 9/11 when we were forced to reexamine how neighbors must confront the horrors of terrorism in democratic societies. And most recently, as I welcome some of you to Mexico, in 2009 to 2012, as our Charge d'Affaires and our DCM, when our Mexican partners and we truly transformed our security in commercial relationships in service of the American and Mexican people.

I must thank as well the U.S. Congress for its consistent bipartisan strong support of the U.S.-Mexico relationship, in general, and the Merida Initiative, in particular. Merida is a success story and this committee's commitment to and stewardship of this new paradigm and bilateral cooperation has been a cornerstone of that success. And I would just note that between 2007 when we began this and current day, there have been over 25 congressional delegations to Mexico. I look behind you and I see some of our staffer colleagues, Eddie Acevedo, Ramon Zertuche, Mark Walker, Joske Bautista. I also recall John Mackey in another era with whom we work closely. The cornerstone of our success has been our cooperation.

Begun under the Bush-Calderón administrations and reaffirmed and now strengthened in the Obama and Peña Nieto administration, the United States and Mexico cooperate to vouchsafe our mutual security in ways that quite frankly were simply unimaginable when I reported for duty in Mexico the first time over a decade ago. This commitment to our shared security transcends political parties and it extends across both governments. It has enriched and broadened our relationship.

As the Assistant Secretary mentioned, on May 2nd, President Obama traveled to Mexico to meet with President Peña Nieto. The Presidents reaffirmed their commitment to improving the lives of all citizens and working with mutual respect and responsibility across a broad range of issues. President Obama emphasized our co-responsibility for the violence associated with the illicit flows of drugs, guns, and cash.

The Merida Initiative is based on the recognition that our countries share responsibility for combatting the transnational criminal networks and protecting our citizens from the crime, corruption, and violence they generate. The four Pillars that the United States and Mexico agreed to in 2010 and the Presidents Obama and Peña Nieto have reaffirmed, remain our flexible organizing construct. Under these Pillars, we are accelerating our efforts to support more capable institutions, especially police, justice systems, and civil so-

ciety organizations, to expand our border focus beyond security, to facilitating legitimate trade and travel, to cooperate in building strong communities resistant to the influence of crime in Mexico.

Our success is due in large part to the brave efforts of the Mexican Government and people to confront transnational criminal organizations. Our assistance has provided crucial support to the Mexican Government in its efforts to enhance the rule of law, promote human rights, and advance justice sector reforms while enhancing the bilateral cooperation between our two governments through the provision of equipment, technical assistance, and training.

As the Assistant Secretary mentioned, President Peña Nieto and his team have consistently made clear to us their interest in continuing our close collaboration on security issues, most recently during the visit. The Peña Nieto government has stated that it intends to give particular emphasis to crime prevention and the rule of law. The United States fully supports this refinement and I stress refinement of our strategic partnership and we continue our on-going transition from major equipment purchases toward training and capacity building together.

Mr. Chairman, working together we have truly transformed the bilateral agenda. Our efforts to address crime and violence and enhance citizen security will continue to evolve and will reflect the views and priorities of both governments. Mexican authorities agree that our cooperation must continue and that the Merida Initiative provides a flexible framework for this partnership.

Mr. Chairman, thank you, and the members of this committee again for your support of the Merida Initiative. Your support has helped make this a catalyst for dramatically-improved relationship beyond just security. I look forward to continuing the work with this Congress. And I will be happy to answer your questions.

[The prepared statement of Mr. Feeley follows:]

TESTIMONY OF  
JOHN D. FEELEY  
PRINCIPAL DEPUTY ASSISTANT SECRETARY  
BUREAU OF WESTERN HEMISPHERE AFFAIRS  
U.S. DEPARTMENT OF STATE  
BEFORE  
THE FOREIGN AFFAIRS WESTERN HEMISPHERE SUBCOMMITTEE  
UNITED STATES HOUSE OF REPRESENTATIVES  
MAY 23, 2013

“U.S.-MEXICO SECURITY COOPERATION:  
AN OVERVIEW OF THE MERIDA INITIATIVE 2008-PRESENT.”

Mr. Chairman, Ranking Member, and Members of the Committee:

Thank you for the opportunity to testify, along with my State Department and USAID colleagues, on the U.S. – Mexico security relationship and five years of the Merida Initiative. It has been my privilege to serve at our embassy in Mexico on two occasions, first in the days and months after 9/11 when we were forced to re-examine how neighbors must confront the horrors of terrorism in democratic societies; and most recently from 2009-12, when we and our Mexican partners truly transformed our security and commercial relationships in service of the American and Mexican peoples.

I must thank the U.S. Congress for its consistent, bipartisan, strong support of the U.S. – Mexico relationship in general, and the Merida Initiative in particular. Merida is a success story, and this Committee’s commitment to and stewardship of this new paradigm in bilateral cooperation has been a cornerstone of that success. Since 2009, 15 Congressional delegations have visited Mexico to engage with U.S. and Mexican officials and helped evolve Merida bi-national cooperation.

Begun under the Bush - Calderon administrations, and reaffirmed and strengthened now in the Obama - Pena Nieto administrations, the United States and Mexico coordinate and cooperate to vouchsafe our mutual security in ways unimaginable when I first reported for duty in Mexico City over a decade ago. This commitment to our shared security goals transcends political parties and extends across both governments’ interagency communities. It has enriched and broadened our relationship. It has sustained us in moments of adversity, such as when, on occasion, our cooperation encroached upon the tired shibboleths of outdated sovereignty redlines and we saw Calderon administration officials justify

our bilateral cooperation in front of their own Congress, as it pursued its legitimate oversight role. In short, both governments' executive and legislative branches, and most importantly, both societies have dedicated themselves to the difficult business of modernizing and deepening a neighborly partnership, with full respect for each other's sovereignty, but with as full an understanding of the grave asymmetric threat to our people posed by the transnational criminal organizations.

On May 2, President Obama traveled to Mexico City to meet with President Enrique Peña Nieto. The Presidents reaffirmed their commitment to improving the lives of all citizens in both our countries, building upon our deep ties, and working with mutual respect and mutual responsibility across a broad range of issues. These include our economic relationship, clean energy, and climate change, building a 21<sup>st</sup> century border, education, and our security cooperation. In this context, President Obama emphasized our co-responsibility for the violence associated with the illicit flows of drugs, guns and cash.

#### Merida Initiative

When President Bush announced the Merida Initiative in 2007, it was a partnership among the governments of the United States, Mexico, and the countries of Central America. Its goal was to confront the violent transnational gangs and organized crime syndicates that plague the entire region and directly undermine U.S. security interests. In time, we broadened our focus to include the Caribbean under the Caribbean Basin Security Initiative (CBSI) and we strengthened our Central America efforts through the Central America Regional Security Initiative (CARSI). We are focusing on ways to improve citizen safety throughout the hemisphere—something consistently ranked high among societal concerns in all countries of the region. Our efforts to advance security, the rule of law, and social and economic development in Colombia continue.

In this comprehensive, whole-of-government approach, we have developed a consistent strategic vision, with a series of supporting documents through which we implement our security engagement in the Western Hemisphere. The National Drug Control Strategy, coordinated by the Office of National Drug Control Policy, serves as the United States government's multiyear interagency strategy to address narcotics. The essential core of this strategy, as well as that of the National Strategy to Combat Transnational Organized Crime, is to enhance the citizen security apparatuses of our partners throughout the hemisphere in a coordinated effort to institutionalize the rule of law agencies and offices, while empowering average citizens to collaborate with police, prosecutors, and judges, as well as

teachers, community activists, non-governmental organizations (NGOs), and human rights advocates. Our principal mechanisms for implementing this strategic vision are the four mutually reinforcing rule of law, citizen security initiatives: the Colombian Strategic Development Initiative, the Merida Initiative, CARSI, and CBSI.

We have grounded our initiatives in this common strategic vision and coordinated through interagency meetings and working groups that ensure comprehensive and coherent planning and implementation. One coordination mechanism we employ is the Executive Committee for citizen security in the Western Hemisphere, which I chair. This interagency group includes all interagency stakeholders in each of the initiatives. I bring us together quarterly to discuss lessons learned, opportunities for enhanced implementation, and opportunities for coordination across the initiatives. Sub-regional groups meet more frequently to work on planning and coordination issues. I should add that while I have only held this position since last year, it was through the foresight and constructive contribution of the U.S. Congress that this senior-level coordinating role was envisioned in 2010.

The Merida Initiative, now exclusive to Mexico and the United States, is based on the recognition that our countries share responsibility for combating transnational criminal networks and protecting our citizens from the crime, corruption, and violence they generate. We have based this initiative on mutual respect, and it reflects our understanding of the tremendous benefits derived from this collaboration. In other words, neither country can “solve” the problem of transnational criminal organization trafficking and crime alone. We have forged strong partnerships to improve civilian security in affected areas to fight drug trafficking, organized crime, corruption, illicit arms trafficking, money laundering, and demand for drugs on both sides of the border.

The four pillars that the United States and Mexico agreed to in 2010, and that presidents Obama and Pena Nieto confirmed as recently as President Obama's recent trip to Mexico City remain our flexible organizing construct:

- 1) Disrupting the operational capacity of organized criminal groups;
- 2) Institutionalizing reforms to sustain rule of law and respect for human rights;
- 3) Creating a 21<sup>st</sup> century border; and
- 4) Building strong and resilient communities.

Under these pillars, we are accelerating our efforts to support more capable institutions – especially police, justice systems, and civil society organizations; expanding our border focus beyond interdiction of contraband to include facilitation of legitimate trade and travel; and cooperating in building strong communities resistant to the influence of organized crime, with a focus on the youth population.

The U.S. government promotes respect for human rights through our Merida Initiative and other programming in Mexico. The Bureau of International Narcotics and Law Enforcement (INL) trains Mexican state and municipal police officers and state prosecutors on gender-based violence. INL also supported a Department of Justice project to provide training and technical assistance to law enforcement, prosecutors, and judges to combat violence against women and children. The Department of Defense includes modules on human rights in all mobile training events conducted through USNORTHCOM which address issues such as torture and the appropriate use of lethal force. They also bring Mexican officers to the United States for specialized training on human rights and use staff Judge Advocates to teach classes in Mexico on human rights and the Law of Armed Conflict. In 2012, USAID launched a distance-education Master's degree program on human rights and security in partnership with the Mexican Federal Police, and the first 300 students are about to graduate. USAID is poised to launch an on-line certificate course in human rights expected to reach 590 federal police and is in the process of developing human rights training videos for the federal police.

#### Merida Successes

Our success under the Merida Initiative is due in large part to the commitment and brave efforts of the Mexican government and the Mexican people to combat transnational criminal organizations. Our Mexican partners have spent at least ten dollars to every one dollar that we have contributed to our Merida goals in Mexico. That is as it should be, however, the U.S. contribution – none of it in cash and none of it lethal – is vitally important.

Our assistance has provided crucial support to the Mexican government in building the capacity of its rule of law institutions and advancing justice sector reforms, while enhancing the bilateral relationship and extent of cooperation between the U.S. and Mexican governments through provisions of equipment, technical assistance and training. A variety of U.S. federal agencies - including the Department of State, USAID, the Department of Homeland Security, the



Department of Justice, and the Department of Defense - are working with the Mexican government to implement Merida projects.

By 2011, we began to move away from big-ticket equipment and toward intensive technical assistance and training activities that further Mexican capacity to uphold the rule of law, respect human rights, strengthen institutions, enhance civil society participation, and secure borders. We continue to expand this support to the state and municipal levels in several program areas.

Merida is a success, and we have a wide range of accomplishments to our credit. I will allow my colleagues in INL and USAID to discuss in more detail the successes of our programs, but I would like to mention a few examples.

Mexico needed to improve the air mobility of its public security services, and Merida has helped them do just that, not just through the provision of aircraft, but by creating training opportunities and opportunities to share best practices. Today, the Mexican services take justifiable pride in how they use these aircraft to support counternarcotics and other security operations.

Merida funding has provided \$111 million in fixed and mobile non-intrusive inspection equipment (NIIE) and small detection devices; discussions about how law enforcement and inspection services can best use these tools strongly influenced Mexican decision-making about how to deploy them, and – just as important – how Mexico would make its own very substantial investments in the same sort of technology. Using NIIE technology, the Government of Mexico has seized more than \$3 billion of narcotics and illegal currency.

Merida has allowed us to participate in the training of over 8,500 federal and 22,500 personnel from the state-level justice sector, important support for Mexico's transition to an accusatorial system. Just as important, our cooperation in this area has helped Mexico as it has made important decisions about how to continue that effort, and broaden it.

At the federal level, Merida has delivered training to nearly 19,000 federal law enforcement officers, largely from the Federal Police and the Attorney General's Office (PGR), including more than 4,400 Federal Police investigators deployed throughout Mexico. Merida has provided equipment and technical assistance to the Federal Police Federal Academy in San Luis Potosi to facilitate the delivery of training courses, such as Terrorism, Explosives, Drug Trafficking, Money Laundering, and Criminal Investigations.

USAID has supported the Mexican government in developing and implementing crime and violence prevention strategies in nine communities in target areas in the states of Chihuahua, Nuevo Leon, and Baja California, each significantly affected by drug-related crime and violence. We can take pride in that, while recognizing the far-broader efforts Mexico is itself taking. President Pena Nieto is making this sort of engagement a cornerstone of Mexico's national crime prevention strategy.

Finally, while the Merida Initiative does not fund law enforcement operations, the enhanced cooperation and coordination that result from this enhanced bilateral relationship contributes to our fight against transnational criminal organizations.

#### Future of the Merida Initiative

President Pena Nieto and his team have consistently made clear to us their interest in continuing our close collaboration on security issues, most recently during President Obama's visit this month. The Pena Nieto government has stated that it intends to give particular emphasis to crime prevention and rule of law. The United States fully supports this further refinement of our joint strategic partnership and we continue our ongoing transition from major equipment purchases toward training and capacity building and an expansion from assistance solely for federal institutions to an increasing emphasis on state and local government.

On April 16, President Pena Nieto spoke in Monterrey about his security strategy and received proposals from civil society groups related to the "Mexico at Peace" component of the 2013-2018 National Development Plan, which was released a few days ago. President Pena Nieto outlined his six lines of action related to public security and justice: planning, social prevention, human rights, inter-governmental coordination, justice reform, and evaluation and feedback. He stated there were no easy solutions or "short cuts" to reduce violence in the short term, instead emphasizing long-term goals such as the rule of law and trust in judicial institutions. He also voiced commitment to Mexico's transition to an adversarial oral justice system and to advancing penal code reforms, and has spoken previously of the need to professionalize the police at all levels. In February, Pena Nieto launched a national multi-tiered crime prevention plan - known as Mexico's National Crime and Violence Prevention Program - which will

include programs to combat poverty, recover public spaces, and increase youth employment.

The United States and Mexico, working together, have transformed bilateral engagement over the last ten years, and the Merida partnership has been an important component of this broader evolution in the relationship. With regard to our common interest in addressing crime and violence and enhancing citizen safety, what we do and how we do it will continue to evolve and will reflect the views and priorities of both governments. Mexican authorities agree that our cooperation must continue and that the Merida Initiative provides a comprehensive, flexible framework under which our partnership can move forward to the benefit of both Americans and Mexicans.

As President Obama said in Mexico City on May 2:

*Obviously, these are serious challenges, and President Pena Nieto and I discussed them in depth today. I agreed to continue our close cooperation on security, even as the nature of that cooperation will evolve. As I told the President, it is obviously up to the Mexican people to determine their security structures and how it engages with other nations, including the United States. But the main point I made to the President is that we support the Mexican government's focus on reducing violence, and we look forward to continuing our good cooperation in any way that the Mexican government deems appropriate."*

Thank you again for your support of the Merida Initiative. Your support has helped make this a catalyst for a dramatically improved bilateral security relationship. I look forward to continuing to work with the Congress and I will be happy to answer any of your questions.

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Mr. SALMON. Thank you, Mr. Feeley.

We have a couple of votes that we need to take, but I would like to have you, Ms. Hogan, make your statement first and then we will recess and then we will come back after the two votes and I apologize for inconveniencing you.

**STATEMENT OF MS. ELIZABETH HOGAN, SENIOR DEPUTY ASSISTANT ADMINISTRATOR, BUREAU FOR LATIN AMERICA AND THE CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

Ms. HOGAN. Thank you very much. Chairman Salmon, Ranking Member Sires, and members of the subcommittee, thank you for the opportunity to appear before you today and I am grateful for the subcommittee's interest in USAID's contributions to the Merida Initiative. USAID considers insecurity related to high levels of crime and violence in Mexico to be a grave threat to the remarkable development advances of recent decades.

Analysis in Latin American countries indicates that high levels of crime and violence are a leading constraint to economic growth because it discourages international investment and drains domestic resources. Since the inclusion of Pillar IV within the Merida Initiative in 2010 we have worked alongside our Mexican partners to prevent crime and violence in areas that have been most affected by narcotrafficking, with the particular focus on at-risk youth. We do so by helping to create safe, urban spaces for youth; provide them life and job skills; increase their access to educational opportunities; improve the ability of government to keep citizens safe; and strengthen the capacity of communities to address the root causes of crime and violence. Because communities along the U.S.-Mexico border are especially vulnerable to drug trafficking, we are developing and testing models to reduce crime and violence in nine communities in the cities of Ciudad Juarez, Monterrey, and Tijuana.

As we identify successful approaches, the Government of Mexico is poised to bring them to scale in other parts of the country facing similar challenges. We are tapping into the expertise of countries and cities that has successfully addressed gang violence and reduced crime. For instance, through an agreement signed last year with Los Angeles, USAID is sharing that city's successful gang reduction and use development approaches with our partners in Mexico. We have also shared other U.S. experiences in crime prevention such as the Cease Fire models employed in Chicago and Boston.

We are also partnering with the private sector to make our efforts more sustainable. For instance, we are working with Intel and Prudential in the cities of Monterrey and Tijuana to train at-risk youth from tough neighborhoods for productive employment in the technology and construction fields. Our effort to reach at-risk youth is already bearing fruit. In Ciudad Juarez, approximately 88 percent of the youth who took advantage of our program re-enrolled in middle school. In Tijuana, 70 percent of our enrollees are either back in school or employed 6 months after program completion. And the nine focus communities have all developed community

master plans which will help them make the best use of local resources to reduce crime and violence.

Because insecurity thrives in environments where corruption is rampant and impunity emboldens criminals, we are continuing our long-standing efforts through Merida to strengthen the institutions charged with ensuring the rule of law and the protection of human rights. We work closely with Mexican justice institutions as they transition from a closed, inquisitorial criminal justice system to a more open and transparent accusatorial one.

A 2012 impact study conducted in five states implementing justice reforms indicated that they were already having the desired effect. States reported a marked decrease in pre-trial detentions and case backlog in large part due to an increased use of alternative dispute mechanisms. Victim assistance units have been strengthened and serious crimes are receiving longer sentences compared to states that have not yet implemented justice reforms.

Mexico is scheduled to enact these reforms nationwide by 2016 and we are poised to help them in that effort.

Through Merida, we are also supporting the government's effort to prevent, protect, and advocate for human rights. In 2012, we trained more than 150 journalists and human rights defenders on practices and technologies that can help protect them and their work. We are also supporting human rights training for Federal and state police offices in the government's new victim assistance unit. This includes supporting master's degrees for 300 police in human rights and developing training curricula that incorporate internationally-recognized standards. In addition, we are partnering with local organizations on campaigns to prevent torture and support the implementation of human rights reforms.

Mr. Chairman, the Government of Mexico has been a full partner in our shared endeavor to reduce crimes, support youth, strengthen the judicial sector and advance human rights. Our main interlocutors, including the Under Secretary for Human Rights and the Under Secretary for Crime and Violence Prevention and SETEC which is the government agency that oversees justice sector reform have all expressed their interest in not only continuing, but expanding our close working relationship.

We look forward to continuing to partner with them as they press ahead with their ambitious reform agenda.

Thank you and I look forward to your questions.

[The prepared statement of Ms. Hogan follows:]

**Elizabeth Hogan**  
**Senior Deputy Assistant Administrator for Latin America and the Caribbean**  
**U.S. Agency for International Development**  
**House Committee on Foreign Affairs**

**May 23, 2013**

**"U.S.-Mexico Security Cooperation: An Overview of the Merida Initiative 2008 - Present"**

Chairman Salmon, Ranking Member Sires, and Members of the Subcommittee, thank you for the opportunity to appear before you today. I am grateful for the Subcommittee's interest in the U.S. Agency for International Development's contribution to the Merida Initiative and pleased to have this opportunity to hear your advice and counsel.

It is also an honor to testify alongside my colleagues from the State Department, Ambassador William Brownfield and Principal Deputy Assistant Secretary John Feeley. Collaboration among our agencies in support of Mexico and the Merida Initiative continues to be strong.

Mr. Chairman, the impressive progress in Latin America and the Caribbean (LAC) over the past several decades has enabled USAID to completely shift our development approach away from providing direct assistance and toward strengthening countries' capacity to provide for their own people. While our relationship with Mexico has been a bit different than in other parts of the region, today our joint cooperation serves as a catalyst for the Mexican government, private sector and civil society to improve their ability to address the country's biggest challenges and ultimately lead their own development.

USAID considers insecurity related to high levels of crime and violence in Mexico to be a grave threat to the remarkable development advances of recent decades. Cartels and criminal groups have diversified in recent years, expanding beyond drug trafficking and into extortion, kidnapping, murder and other crimes that adversely affect people's lives. Analyses in LAC countries indicate that high levels of crime and violence are a leading constraint to economic growth, because it discourages investment and diverts resources away from productive investments to security.

While reducing crime and violence requires a range of tools, the Government of Mexico (GOM) is increasingly embracing community-based prevention programs and investments in

youth as a central part of their security strategy. USAID was honored to attend the formal launching of the GOM's crime prevention strategy in February 2013 which was presided over by President Enrique Peña Nieto. The ceremony coincided with the creation of a new interdisciplinary government commission to prevent crime and violence that will be led by the Governance Secretariat (SEGOB), with participation from seven other cabinet ministries and a \$9 billion commitment across ministries to prevent crime. The strategy is designed to be an integrated approach to crime prevention with an emphasis on social risk factors.

The crime and violence prevention component, Pillar IV, of the Merida Initiative is at the heart of USAID's work in Mexico. Since the inclusion of Pillar IV within the Merida Initiative in 2010, we have worked alongside the GOM and local communities to prevent crime and violence in communities that have been most effected by narco-trafficking, with a particular focus on at-risk youth. We do so by helping to create safe urban spaces for youth, provide life and job skills, increase access to educational opportunities, improve the ability of the government to keep citizens safe, and strengthen the capacity of communities to address the root causes of crime and violence. In all of these efforts, we work collaboratively with Mexican federal, state and local authorities. Our experience has demonstrated that when identifying the leading risk factors to crime and violence, process is often as important as product. Our projects have worked with our government counterparts at all three levels together with communities themselves to identify and address the leading causes of crime and violence, and to develop ways to measure the impact of our collective interventions.

To make the most of our resources and to accelerate progress in this area, we are embracing a new way of doing business.

We are targeting our assistance to have the greatest impact on the most people. Because communities along the U.S. – Mexico border are especially vulnerable to the inherent evils of drug trafficking, we are developing and testing models to reduce crime and violence in nine communities selected by the Government of Mexico in the cities of Ciudad Juarez, Monterrey and Tijuana. As we identify successful approaches, the GOM and the private sector are expected to bring them to scale in other parts of the country facing similar challenges.

We are tapping into the expertise of countries and cities that have successfully addressed gang violence and reduced crime. For instance, through an agreement signed last year with Los Angeles, USAID is sharing that city's successful gang reduction and youth development approaches with our partners in Mexico. In fact, earlier this month, a delegation from Mexico traveled to Los Angeles to participate in a conference about that city's successful experiences and visit the sites where gang reduction and youth development programs are showing results. We have also shared other U.S. experiences in crime prevention, such as the Cease Fire models employed in Chicago and Boston.

Across the globe, USAID is diversifying its lineup of implementing partners to include more local institutions. In Mexico, we are channeling more resources through home grown entities to test and expand successful Mexican innovations to prevent crime and productively engage youth. For example, in FY 12, we began working directly with five local organizations, including Fundacion IDEA, Alianza Heartland, Scouts of Mexico, the Chihuahuan Business Foundation and Citizens Committed to Peace to: create a network of local organizations to advance positive youth development nation-wide; provide educational and professional counseling services to 2,500 youth and their parents in Tijuana; set up after school programs for 2,200 young people; and offer support services to 8,000 youth and families affected by gang violence in Monterrey. We believe that these efforts will translate into more resilient communities in Mexico that are able to create more opportunities for at-risk youth, more efficient and effective utilization of resources and ultimately more sustainable development gains for Mexico.

We are also partnering more and more with the private sector to raise additional resources for prevention, as well as to make our efforts more sustainable. For instance, we are working with Intel and Prudential in the cities of Monterrey and Tijuana to train at-risk youth from tough neighborhoods for productive employment in the technology and construction fields.

Our effort to reach more at-risk youth is already bearing fruit. In Ciudad Juarez, approximately 88 percent of the youth who took advantage of our programs re-enrolled in middle school; in Tijuana, 60 percent of our enrollees have found internships or jobs upon program completion with 70% either back in school or employed six months after program completion; and the nine focus communities identified by the GOM and USAID have all developed



community-driven community master plans which will be used by communities to make the best use of limited local resources to make targeted interventions to address crime and violence in that community.

Because insecurity thrives in environments where corruption is rampant and impunity emboldens criminals, we are continuing our longstanding efforts, through Merida, to strengthen the institutions charged with ensuring that rule of law is served, human rights are respected and citizens feel secure.

We work closely with the Government of Mexico to help both the federal government and Mexican states transition from a closed written inquisitorial criminal justice system to a more open and transparent accusatorial one. A 2012 impact study conducted in five states (Chihuahua, State of Mexico, Morelos, Oaxaca, Zacatecas) implementing the reforms indicated that they were already having the desired effect. States reported a marked decrease in pretrial detentions, serious crimes received longer sentences, case backlog was reduced, and alternative dispute mechanisms and victims' assistance units were strengthened. Moreover, more than half of Mexico's 32 states have revised their criminal procedure codes to facilitate this shift. Mexico is scheduled to enact these reforms nationwide by 2016.

Human rights defenders of all stripes – journalists, citizen bloggers and activists -- are under increasing pressure from criminal elements in Mexico. Through Merida, we are supporting the government's efforts to prevent, protect and advocate for human rights. In 2012, we trained more than 150 journalists and human rights defenders on practices and technologies that can help protect them and their work. We are also supporting human rights training for federal and state police officials and the federal government's new victim assistance unit. This includes supporting master's degrees for 300 police in human rights and developing training curricula and videos that incorporate internationally recognized standards in human rights. In addition, we are partnering with local organizations on campaigns to prevent torture and support the implementation of human rights reforms, including a ground-breaking Constitutional Reform that elevates Mexico's international commitments in human rights to the same level as their national laws and strengthens its human rights commission.

Mr. Chairman, to be sure, we have faced some challenges in our efforts to implement Merida. When considering the transition of the criminal justice system, USAID and our partners initially focused on the thousands of justice sector operators that needed to be trained. After closer analysis, we shifted our focus beyond training to a more sustainable approach of strengthening Mexican institutions and working with our federal and state counterparts to create new institutions that are providing a range of services to victims and helping to resolve minor crimes through mediation. Our government and civic partners share our interest in focusing more directly on ways to bring citizens into the reform process by keeping them better informed about how they can access new justice services and the benefits of the accusatory system. We understand that a nation-wide transition to the new system by the 2016 constitutionally mandated deadline is ambitious, but we are encouraged by the political will of our partners, as well as the reform's increased momentum, and are well poised to amplify our focus and work with additional states to support the transition. Crime and violence prevention can be a challenging concept, but we are working closely with our counterparts who share our vision of developing civic prevention policies and programs that complement security policy. USAID and our federal counterparts understand that protecting citizens also means protecting their rights, and we are encouraged by the increasing bilateral focus on human rights, including USAID's portfolio that has expanded into areas previously considered too sensitive for bilateral cooperation.

The GOM has been a full partner in this endeavor. We credit the willingness of a range of ministries and administrations to work in equal partnership with us to address crime, support youth and strengthen the judicial sector via Merida, for the overall success of our efforts. Our main interlocutors housed in the Governance Secretariat including the U/S for Human Rights, the U/S for Crime and Violence Prevention, and SETEC, the GOM agency mandated to implement justice sector reform have all expressed their interest in not only continuing but expanding our close working relationship.

We look forward to continuing to partner with them as they press ahead with their reform agenda.

Thank you. I look forward to your questions.

Mr. SALMON. Thank you. This committee will be in recess until we commence our voting. Thank you.

[Recess.]

Mr. SALMON. The subcommittee on the Western Hemisphere is reconvened. I would like to thank the distinguished panel for their testimonies and the time that you have allocated to be with us here today.

Ambassador Brownfield, as of March 13th, roughly \$1.1 billion of the \$1.9 billion in the Merida funding appropriated between Fiscal Year 2008 and Fiscal Year 2012 have been delivered. I understand at least \$95 million in 2012, Merida funding, remains on hold. And there appears to be between \$600 and \$700 million in funds yet to be delivered. What is the current status of the Merida pipeline and should we be concerned that deliveries remain largely unchanged since fall of 2012? And are those funds being reprogrammed to align with the shift in priorities expressed by the Peña Nieto government? If so, what should we expect this reprogramming to look like?

Finally, how will centralization of security cooperation under the Mexican Interior Ministry affect the on-the-ground efforts and relationships formed and the information and intelligence sharing that is necessary to get ahead of the cartels?

Ambassador BROWNFIELD. Thank you, Mr. Chairman. Excellent questions and let me try to knock off all of them in some sort of order. Our own calculation is that we have delivered on \$1.2 billion of Merida assistance funding and appropriations since Fiscal Year 2008. And since Congress has appropriated \$1.9 billion in INL money, simple math tells you how much therefore remains at this stage undelivered. That would include, of course, about \$200 million of Fiscal Year 2013 which has not yet come to us at all due to the process. So my own figure is I am looking at about \$500 million that is in play right now.

You correctly point to an issue, not the only issue and that is that we are still working through the directions of the priorities of the vision of the new Government of Mexico and Enrique Peña Nieto. I signalled for you, as did John, some of the areas that they have identified as priorities. We are comfortable with those areas. We don't yet have a defined strategy that we can say we can program and implement against. We are continuing to work programs that we have had in place for the past several years. You correctly note that a chunk of this money, \$95 million, is currently on hold due to the other House here in the United States Congress and we are working to resolve those issues together with the Government of Mexico.

Finally, you mentioned one specific issue that we are also working through and that is the desire of the Government of Mexico to have what they call the single window or the single point of contact for coordination of Merida Initiative material through the Government Ministry, the Government Secretariat, Secretaria de Gobernacion. We are working through those issues. I have no objection to the concept, in principle, nor does anyone. It is very logical to have a single point of contact, a go-to person for decisions, but how to implement that on a multi-hundred million dollar program that involves dozens of different agencies and thousands of dif-

ferent people is what we are still working through. We owe you great clarity on that. We are working it with the Government of Mexico. I would hope by the time you call us here again for another hearing, we would have a definitive answer.

Mr. SALMON. Wonderful. Thank you. I would like to point out that for every dollar that we spend, it is my understanding Mexico spends \$10. It is a pretty good bang for the buck. And that probably leads to the next loaded question. I know how important this funding is, but I would like to ask this question and any member of the panel can address it. Given the current U.S. budget constraints, the status of the Merida Initiative funding pipeline and the fact that Mexico is a middle-income country, is continued aid to Mexico through Merida justifiable? And if you had to pare down, what areas would you argue for maintaining and why? And I apologize, my time has kind of run out, so if there is anything you want to supplement in writing afterwards that is great, too. But I would love a short response on that.

Mr. FEELEY. Mr. Chairman, I will go ahead and start. The funding for the Merida Initiative, as you note, has indeed been on a downward slope. The reason for that very simply is that when we began this we began with some big ticket items that Mexico desperately needed to improve their mobility to get non-intrusive inspection equipment to its ports, to get IT platforms, et cetera.

As we have provided that leveraged assistance, Mexico, as you mentioned, has spent its own money. And that is right and that is just and that is the way it should be. Where we have begun to evolve, even before President Peña Nieto and his team came in is a greater focus on training, on capacity building. This is the added value that we have by providing FBI agents, DEA agents, our Justice sector people.

I will let my colleagues speak more specifically to the sectors, but I would say, in general, absolutely, it is still necessary and the partnership that this has, not bought, I do not want to use that term, but the partnership that this has engendered has also had a very positive effect across the rest of the bilateral relationship, not just in the security sector. And you will note that Merida is very much a whole of government effort and we have one of the perhaps unintended secondary consequences of our 5 years now of Merida is that it has engendered on the Mexican side a genuine inter-agency process, something that quite frankly, a decade ago didn't exist.

Ambassador BROWNFIELD. Mr. Chairman, if I could offer from the INL perspective a set of numbers to indicate that not only do I agree with you, but I think we are moving in that direction. As we learned in Colombia, when your program is successful, part of the price of success is the numbers, the funding made available to you to address it goes down.

May I offer you three sets of numbers, just mine, I don't speak for Beth from the USAID side, but the INL funding. In Fiscal Year 2012 we received from Congress \$248 million for Merida. In the 2013 Continuing Resolution we received \$199 million. For Fiscal Year 2014, we have requested \$148 million. The number is going down precisely as you suggested that it should, but from my perspective it is going down in a predictable and systematic way that

I can then plan against as opposed to having a surprise out there waiting for me at the end of each fiscal year.

Ms. HOGAN. And from USAID's standpoint, we are transitioning out of several sectors in Mexico in order to be able to focus and concentrate on Merida and global climate change. We are getting out of health. We have already, in fact, gotten out of the health sector in Mexico. We are transitioning out of higher education and private sector competitiveness. And so our funding requests on the development assistance account have gone down steadily from \$34 million in Fiscal Year 2012 down to \$23 million in Fiscal Year 2013 and we see ourselves going to \$12 million in Fiscal Year 2014. So we are very much in sync with your observation about the Mexican Government being able to fill in that space and lead their own development path in those sectors.

Mr. SALMON. You know, it is actually nice to see programs in government that actually go down over time. That is a good thing. I would like to recognize the gentleman from New York, Mr. Meeks.

Mr. MEEKS. Thank you, Mr. Chairman. Let me just follow that for a second because I am a strong supporter of the Merida Initiative and I think it is good. But let me just ask this question because sometimes what you are trying to do is convince your colleagues that it is the right thing to do, et cetera.

So the first question is what metrics does the State Department and USAID utilize to show that the program is successful, that we could then utilize to tell our colleagues this is a successful program and this is how it has been evaluated because many say oh, you just spend money, what good is it? You just throw money at it.

So can you tell us what the metrics are?

Ms. HOGAN. I would be happy to begin that discussion with you because that is so very important. That is such a very important question to be able to track progress as it takes place.

I would say that we are very, very focused on monitoring an evaluation of our programs in Mexico as we are globally. And just to give you a couple of examples from the justice sector, the study that I referenced in my opening comments looks at the time in which it takes a prosecutor to resolve a case. In the states that are implementing the reform, we have been able to see that it is taking them less than half the time to prosecute a case than it does in states that have not yet had the reform go forward.

We are also tracking the amount of pre-trial detention and we have seen a very sparing use of pre-trial detention in states that are doing reforms, you know, that Mexico has had a history of having too many people in pre-trial detention. Now they are only focusing on those that are at the greatest risk of fleeing. So those are the kind of interim indicators that we are looking at on the justice side. There are many more and I am happy to give you examples of those after my testimony.

On the youth side, when we are talking about do we know we are effective in our programs with at-risk youth, as I mentioned again in my testimony, we see the numbers that are re-enrolling in school, the numbers that are going on to get licit employment. But we also at the end of the day want to be able to show that in the communities where we are working we will see a reduced level

of crime and violence because that is the ultimate goal. And so we have done a baseline study in the nine communities where we are working, and by February 2014, we will be able to say definitively whether or not those programs have indeed achieved the goal of reducing crime and violence.

Mr. MEEKS. And might as well stay with this real quick because the concerns always are as we drive crime down, especially in big cities, in the rural areas and other areas where there is not a lot of commerce, et cetera, that is where the cartels and other ones seem to emanate and those are primarily places where the indigenous live, et cetera. So I was wondering, could you tell, as I mentioned in my opening statement, what effect the Merida Initiative has in regard to helping the plight of minorities in that region or in Mexico, how is that working? Mr. Feeley?

Mr. FEELEY. I would be happy to take that, Mr. Meeks, and thank you very much for your consistent companionment in advising how we deal with in Merida with indigenous and marginalized populations.

First with regards to just one comment to add on to about monitoring. On April 16th, President Peña Nieto in Monterrey laid out what was the sort of strategic chapeau for what we hope will be the emerging security strategy. He laid out six lines of action, he called them. And very importantly, one of those was monitoring and evaluation. So we take that as a very positive sign and we are going to continue to encourage it.

With regard to Mexico and the protection of indigenous people and indigenous populations, it is important to note that early in February this year, the new government created the Commission for Dialogue with indigenous communities. They hope, and it is our encouragement, that the indigenous communities will be able to have their human rights protected through government attention to their needs, preservation of their right to autonomy, and self determination. This forum will be very important for continuing that.

Additionally, since 2003, long before Merida started, the Mexican Government has had the National Commission for the Development of Indigenous Communities. This is a semi-autonomous institution created in the Secretariat of Social Development. We support very strongly, and you should be aware that the Merida dollar that the American people put into Mexico very strongly supports through out public affairs section working with indigenous communities to empower them in Mexico. We have several programs. One of them is with the—it is called the Study of U.S. Institute for Scholars, SUSI. We have brought up 60 grantees. We continue to sponsor this program. We also have something and this is my USAID colleagues can speak in greater detail, but it is something called the SEED program which provides scholarships to young people and educators.

When I was in Mexico, I had the privilege of presiding over several ceremonies with these people. Probably the most effective thing I have ever seen is to send an educator from the Tzotzils communities in Chiapas to the United States for a community college degree for training in English and then see that person return. We have created an alumni network with a special focus on indige-

nous communities in Mexico. So it remains a very high priority for us, sir.

Mr. MEEKS. And I hope, begging the chairman's indulgence, I just had one, first let me correct myself so I don't get the scorn of Mr. Brownfield. I said Ambassador, but I had forgotten he is now an Assistant Secretary.

Ambassador, let me just ask you real quick, could you speak, as I said in my opening statement about the importance of regional partnerships, particularly when discussing the work of Colombia and others in the area, working together to make sure that—they talk about the tourniquet effect, that one, we are not pushing drugs one way because of networks. I know that you have done this. Could you just tell us that very quickly?

Ambassador BROWNFIELD. Sure. Congressman, you may call me Ambassador whenever you wish. I promise not to be offended.

You know where I am on this because you and I have had this conversation a number of times before and that is we must address the drug issue and the transnational organized crime in a regional and hemispheric way, otherwise, as we have been saying for the last 30 years, we squeeze the balloon in one place and it is just going to expand in some other place.

How are we doing it? We have this, in essence, a four-part strategy that involves Colombia in the south, heavily focused on, originally Plan Colombia and then the Strategic Development Initiative; Mexico at the northern end through the Merida Initiative; Central America in the middle through CARSI; and eventually, ladies and gentlemen, we are going to have to pay greater attention to the Caribbean because the logic is as we begin to bite and take hold in Central America that Caribbean is going to become an issue.

We have some good news here. Colombia clearly is by everybody's account a success story. Mexico, Bill Brownfield would argue that we have reached the turning point and we are, in fact, seeing now on the ground real-life results of the joint effort under the Merida Initiative. Central America we are now ramping up. The logic that I saw in Colombia for 3 years and for a number of years before is that that will begin to bite. We have a partner that we have to make greater use of, although I acknowledge that they have been enormously helpful so far. That is the Government of Colombia which has received over \$8 billion of funding provided by this Congress since the year 2000 and are now in a position to export much of that capability. They are doing more police training in Central America than we are. They are doing as much monitoring and surveillance of drug trafficking, aircraft and boats in the Caribbean as we are. We are getting, if you will, Dr. Meeks, a return on our investment of the last 10 years.

Mr. SALMON. Thank you very much. Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman and Ranking Member for this excellent hearing and thank you to our panelists as well.

Although other regions often dominate the headlines, Latin America remains central to our country's security and our own prosperity. Mexico is a vital ally in this region. It is instrumental to the economic and security outlook of our country. And given the strong ties and the interests that bind our two nations together, it

is important to reexamine the Merida Initiative to ensure that it is living up to its promise of bringing a greater measure of human rights and the rule of law in Mexico as Mexico struggles to address these challenges.

According to reports, the new Mexican Government has called for an end to direct access by U.S. law enforcement officials with their Mexican counterparts on security matters. I am concerned that this shift by Peña Nieto could impact our national security. It could hinder mutual security operations regarding narcotrafficking, regarding terrorism. And in addition, I am concerned that Mexico is not doing enough to protect its southern border. Just like the Colombians are training law enforcement and military personnel in the region, Mexican authorities should be doing the same. And with that in mind, we have got to reexamine our own approach to the violent crisis in Central America.

Last year, joint operations with our allies in Central America were crucial in disrupting illicit networks, eliminating drug smuggling cells. I am concerned about the growing destabilizing threat of violence throughout Central America. However, these programs have been frozen for more than a year due to a hold from the Senate side. This undermines our national security. It lets our friends hanging out there to dry.

So Mr. Feeley, can you give us a status update on the hold and I will ask you to respond when I finish. Also, what is the strategy of the administration regarding this money, given the fact that the reprogramming deadline for Honduras funds is in the beginning of June in just a few days?

And Ambassador Brownfield, you said it was okay to call you that, I would like to turn our attention to Bolivia for a moment. As we know, in 2008, Bolivia expelled our U.S. Ambassador, expelled the DEA. And in 2011, I urged Secretary Clinton to oppose the framework agreement between the U.S. and Bolivia, citing that Morales does not want to be a partner of the U.S. He undermines our interest in the region. And just this month, Morales violated the constitution again by seeking a third term, expelling USAID officials from Bolivia. However, despite all of these expulsions, the State Department continues to fund counternarcotics operations in Bolivia. The request for Bolivia was \$15 million in Fiscal Year 2011; Fiscal Year 2012, \$7.5 million; and the administration's request for Fiscal Year 2014 is \$5 million. When will the administration realize that our tax dollars can be better spent elsewhere? And is there a plan to change our current footprint?

And we will begin with you, Ambassador Brownfield.

Ambassador BROWNFIELD. Sure, Congresswoman. In fact, I will address the Bolivia question and then turn all of the others over to John.

I will not talk to the larger issue. I will talk to the specific issue that you have asked and that is what is our plans in terms of the future of INL operations and programs in Bolivia. And you are correct. I have reached the same conclusion that you have. I will tell you that I am proud of what the INL section called the NAS down there has accomplished in Bolivia over the last 30 years. I think they have delivered great value for the American people and for



that matter for the Bolivian people. That said the time has come for us to go.

Ms. ROS-LEHTINEN. Amen.

Ambassador BROWNFIELD. It is my intention to close down our section in a reasonable and orderly fashion and I would be stunned were you to see a request for Fiscal Year 2015 for additional funding to support INL activities in Bolivia.

Ms. ROS-LEHTINEN. Thank you so much. We will have you end right there. Amen and hallelujah.

Mr. Feeley, we just have a few seconds, but the strategy about Honduras and the hold on the Senate site for all the region funds.

Mr. FEELEY. Thank you, Congresswoman. You are absolutely right. We have had looked to Honduras as one of perhaps the places with most concern where institutions are weak, where we have very willing partners, but quite frankly capacity that needs to be bolstered.

You are correct that there is a hold in the other chamber of the U.S. Congress. We have worked with the staff members to explain what we have done in terms of improving the human rights performance of Honduran military and police. What we have done with our own DEA and our own trainers in terms of developing SOPs, standard operating procedures, to be able to provide support to the Honduran police. We have also walked through a significant amount of internal review, based on what happened during Operation Anvil, earlier. And we have got not just a lot of lessons observed, but quite frankly a lot of lessons learned. We have taken that process very seriously. We remain engaged. It is a high priority for us to be able to continue to support the government in Honduras because it is one of the most critical places.

Ms. ROS-LEHTINEN. Thank you very much to both of you. Thank you. Thank you, Mr. Chairman.

Mr. SALMON. Thank you. Mr. Sires.

Mr. SIRES. Thank you, Mr. Chairman. You know, last week, the OAS released a report on drug policy in the Americas which proposed the notion of legalizing production, sale and use of marijuana, and urged stability amongst the hemispheric nations to deal with the drug problem. It seems to me that it is counter to what we are trying to do. I am not shocked at the OAS to come up with something like that.

But can you just talk a little bit about this, both of you?

Mr. FEELEY. Certainly. Let me start out. I will turn over the specific details of the report to Bill. But let me just say that the United States Government, as you well know, advocates a holistic approach to drug policy. The report that came out last week was commissioned by the leaders in Cartagena last year in a discussion that President Obama had participated in. They put it into the CCAD and what they need—CCAD being the commission to study drugs in the OAS.

We believe that we need a baseline. We recognize that our policy, our holistic policy that looks at the drug problem as a health problem, not just as a criminal justice problem, but also undeniably as a criminal justice problem, one that may have—we have dedicated tremendous amounts of money here, almost \$10.7 billion is the request this year for greater prevention, greater education, alternate

routes to be able to deal with drug problems here in the United States. And the request for this report we welcomed, frankly. We are looking at the report and I would note that the report does not make a recommendation. It simply lays out several scenarios that could occur if countries were to follow certain routes. With that, I will let Bill go a little bit deeper.

Ambassador BROWNFIELD. Let us not go into detail on the drug study, Congressman. It is a very long document. It is over 200 pages in length. My simple summary would be the first part of it, the so-called analytical part was not bad, professionally done. The second part, the so-called scenarios, what might happen if the following things happened was—I found less satisfactory. At the end of the day, the report was not actually the resounding call for legalization that the media has suggested. And I must admit, I went on line and I entered in OAS Drug Study and the first 15 screens of what I got all had the title OAS calls for legalization of marijuana, which actually was not what the drug study said, but you would have to get to the sixteenth screen before you would realize that had you gone on line to read it. So you don't have to now. I have saved you a vast amount of searching.

We have gone at this and we have made three or four basic fundamental points. One, all governments of all countries of this hemisphere have signed on to the three U.N. International Drug Conventions. We all must abide by those because we have ratified them. Second, legalization, the so-called legalization issue, is a matter of national policy. One international body is not going to dictate legalization, certainly not to the United States of America and I doubt to any other nation in the world. Third, as John just mentioned, the approach to drugs has to be comprehensive and holistic. We have to address all the issues. You don't just get to pick one and say if we solve that we have actually solved the problem. We have tried that in the past. It does not work. And fourth and finally, the United States Government through ONDCP, the Office of National Drug Control Policy, put out a new national drug strategy about 6 weeks ago. It is actually a good strategy. It is different. I recognize that you all take a look at it when you have a moment because it does attempt to address many of the issues that the OAS Drug Study identified, public health as part of the issue, looking at alternatives to the criminal justice system, bringing down demand. These are good ideas. We don't disagree with them and these are the things we wish we could have a discussion about in the OAS context as opposed to a somewhat simplistic argument based upon a false premise.

Mr. SIRE. Moving on to the Merida and our efforts and I know that some people think that it hasn't reached the Caribbean yet. I would say, I would disagree with you. I think that the real drug movement now comes from the Caribbean. I think they have moved on. I think a lot of the drugs that come into this country and in Europe goes through the Caribbean. I was just wondering if you could talk a little bit about that because as we make this effort with Mexico and the rest of the countries, you know, I think the balloon has popped already in the Caribbean.

Ambassador BROWNFIELD. Congressman Sires, I would never disagree with you. Of course, I acknowledge and agree that the Carib-

bean is a current problem and more to the point a growing problem in terms of drug movement through the region. That, in fact, is my operating assumption. We might differ as to precisely how much is moving through it right now. We do not differ on the fact that one, it is growing, more is moving today than a year ago. Second, many of the Caribbean states are vulnerable to penetration by large, multi-billion dollar criminal enterprise. And third, we do—we, the United States of America do not have the resources and assets in the region that we had back in the 1980s and the 1990s, the last time that the Caribbean was overwhelmingly the preferred point of entry for illicit product into the United States of America. And my argument is we had better think about this today when we have some flexibility in terms of how to prepare for this situation than waiting for 2 years when we will be confronting a crisis. I think you and I agree on that and my own guess is eventually we owe you a clearer vision as to what our thinking is to strengthen the ability and capabilities of the Caribbean states to be able to resist, combat, and eventually defeat this effort in the years ahead.

Mr. SIRE. Thank you very much.

Mr. SALMON. Thank you. Mr. Smith.

Mr. SMITH. Thank you very much, Mr. Chairman. Thank you for calling this very important hearing. Let me just ask two questions first of Mr. Feeley. On Monday, I chaired a hearing. It was the third of a series on Jacob Ostreicher. On June 4th it will be 1 year, 2 years I should say, that this man has been held against his will for 18 months in the infamous Palmasola Prison and I visited him there. It is a horrific gulag place run by the inmates. Sean Penn made a very interesting recommendation, and the feedback, or the backlash in Bolivia and the media by the leadership there is very telling and that is to poll support for the Dakar Rally and to ask the sponsors to reroute the Dakar Rally so that it does not include Bolivia. One, it would also mean that people who are part of it run the risk of being incarcerated themselves because businessmen and women need to be put on high alert that it is not safe to do business in Bolivia. So will the administration support?

Secondly, in January, I and three other Members of Congress including Mr. Pierluisi-Pedro from Puerto Rico, wrote a letter to President Obama, then Secretary of State Clinton, Assistant Secretary of State Jacobson, and the U.S. Ambassador to Mexico, regarding the extremely troubling case of Dr. Manuel Placer. Dr. Placer is a U.S. citizen from Puerto Rico. He has been imprisoned in Mexico for nearly a year. It is our understanding that upon arriving at the airport in Mexico City in June 2012, Dr. Placer was arrested and imprisoned by Mexican authorities. He was charged under Mexican law with theft, a crime Dr. Placer alleged to have committed during a prior visit to Mexico in January 2011. This seems to be nothing more than a commercial dispute and yet he is being treated like a criminal. We understand that the presiding judge in the case declined to admit into evidence documentation that Dr. Placer was not in Mexico at the time of the alleged crime. We further understand that a Federal judge asked to review the case found significant problems with the manner in which the presiding judge handled the matter and then remarkably he sent the case right back to the same judge.

In our letter, my colleagues and I strongly urged U.S. Government through the Department of State to be proactive in ensuring that his due process and human rights are protected consistent with the International Covenant on Civil and Political Rights and all other relevant international and domestic legal obligations. We received a response from State in March. To describe it as perfunctory would be charitable. I also note that in February, Congressman Pierluisi and I met with Eduardo Medina-Mora, the Mexican Ambassador to the U.S., to express our grave concerns. The Ambassador, former AG as you know, did not know of the case, but he pledged to look into. Months later, nothing has changed.

So my question to you, are you aware of the cases, of that case? What is the U.S. Government doing to address the serious concerns that we have raised? Clearly, more needs to be done. The situation is unacceptable. We have a U.S. citizen languishing in a Mexican prison on charges that are commercial in nature and he has evidently been denied the right to present evidence that shows him to be innocent. He wasn't there. I met at length with his attorney. Met with his family. He wasn't there. Now if that is not true, they are lying. But I don't think they are. The evidence seems overwhelming. Can you pledge to me and my colleagues that you will look into this matter and brief us, but hopefully take some action?

And finally, to Ms. Hogan, in your testimony you talked about training 150 journalists in human rights defenders. My question to you is does that also include your definition of human rights defenders, does it include abortion rights advocates?

Mr. FEELEY. Mr. Smith, I will go ahead and begin. Thank you very much. First of all, in general, let me thank you very much for your very strong advocacy for American citizens detained overseas. You know better than anybody the case of Jacob Ostreicher, and the case of Manuel Placer. You also know that we face these situations all over the world and that the Department of State has as its absolute highest priority the protection of American citizens while they are overseas. We have in the case of Mr. Ostreicher, as you know, he was released on bail, partial house arrest last year. He is still there. Mr. Mehmet with whom you have met on multiple occasions and previously with John Kramer, continue to meet with him. We will remain in steady contact. Roberta Jacobson, the Assistant Secretary, is in regular contact with Miriam. We raise this repeatedly. We will continue to do so.

We watched with great interest the hearing that you held the other day and saw what Sean Penn had to say. I will tell you that we are looking at that. It is under study. I don't have an answer for you, but we do owe you an answer on that and I wanted to just reassure you that the case of Jacob Ostreicher is one that we keep very much—I have a small little checklist that has three or four names on it. Gross, Ostreicher, Dr. Manuel Placer is always on there. I have a personal connection to this. My wife is from Puerto Rico. I know Pedro Pierluisi for many years before. I have been in touch with him. I have been in touch with Gabriel Guerra-Mondragón. You describe very accurately what I understand to be the facts of the case. Keep in mind that the American Government and our consular officials are not overseas able to take a position on merits of the case. However, ensuring that judicial transparency

and a level playing field is granted to American citizens who are incarcerated overseas is our highest priority.

Manuel has been visited on a number of occasions by our people. We stay in touch. We have followed the case being remanded back. I can assure you that Ambassador Wayne is aware of this case. Our Consul General, Susan Abeyta, in Guadalajara is aware of this case. And we will stay in very close touch with both Congressman Pierluisi's office and with anybody who is advocating on his behalf.

And let me just once again thank you. Mexico is the home to more American citizen prisoners overseas than any other country. When I was in Mexico on two occasions, I spent a good bit of my time working these types of cases. You mentioned somebody who will be a key player and I believe and I pledge to you that I will raise this with Ambassador Medina Mora. I'll be meeting with him tomorrow. We do a regularly-scheduled breakfast to stay in touch. He absolutely is aware of the case because you raised it to him and we will raise it with him. Thank you.

Mr. SMITH. Is there time for Ms. Hogan? Can Ms. Hogan answer that question, Mr. Chairman?

Mr. SALMON. Absolutely.

Mr. SMITH. Thank you, Mr. Chairman.

Ms. HOGAN. Thank you, Mr. Smith. Our human rights protection programs are aimed at those who are at most serious risk of harm based on their exposure of human rights violations that are occurring in Mexico. So in that group we count journalists, certainly, but also bloggers, human rights leaders who are exposing very serious issues that could come back to haunt them, if you will. Abortion advocates are not part of that group.

Mr. SMITH. I appreciate that clarification. I yield back. Thank you, Mr. Chairman.

Mr. SALMON. Thank you, Mr. Smith. Before I recognize the next distinguished congressman, I would like to just recognize that in our audience today we have the police director, General Jose Roberto Leon Riaño from Colombia. And I just want to say job well done, job well done. [Applause.]

Proud to work with you. The Chair recognizes the gentleman from America Somoa, Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman and Ranking Member again for this very substantive and important hearing concerning our bilateral relationship with the country of Mexico. I hope I won't be redundant and being repetitious. Some of the most excellent questions and concerns that have already been expressed by my colleagues, but I will try in somewhat of a hopeful, some fashion, and try to see if you could—members of the panel will be helpful to me.

We currently have a 2,000 mile border relationship with Mexico and with a trade relationship in excess of \$460 billion trade. And in the process, we have taken the Merida Initiative having four basic philosophical goals and objectives in terms of how we can interact and work closely with the Government of Mexico as we have done for the last 4, 5 years.

I am just curious. I think we have the total population in Mexico now is about 110 million. Am I correct on that? I had mentioned earlier about one of the ironies and it seems that people hardly

hear the fact that Mexico's founding father, the Abraham Lincoln and George Washington, was an indigenous Indian by the name of Benito Juarez from one of the tribes of the Yucatan area. As an orphan raised by monks and despite all the height of bigotry and discrimination that was given against indigenous Indians at that time, Benito Juarez rose above that and eventually became the leader of Mexico and it was through his leadership that caused the Cinco de Mayo celebrations that we often think about and the fact that this is how Mexico got rid of French colonialism and it was through the leadership of Benito Juarez.

I say this because I am just curious, out of the population of 110 million, how many are indigenous Indians? Do we have statistical data on that, Mr. Feeley?

Mr. FEELEY. Sir, I am sure we do. I will confess I will have to get back to you be specific. What I will tell you is that the vast majority of the population of the 110–112 million Mexicans is Mestizo. The indigenous populations are primarily concentrated in the two southern states, Chiapas and Oaxaca. As you rightly point out, it is an enormously rich tradition, one that Mexicans are very proud of.

I do have to get back to you. I would think that it is relatively small, again, because the nature of Mexico and its development in the 20th century and even prior has been of what they say in Spanish is *Mestizaje*, the mixing of indigenous with peninsulares, the original folks who came from Europe.

One thing I will just add is that Mexico, my friend, Arturo Sarukhan, the former Mexican Ambassador here used to say, if soft power really mattered, Mexico would be a super power. The richness of the indigenous culture in Mexico simply cannot be overstated. And again, as I mentioned earlier with Mr. Meeks' question, one of the pillars of our public diplomacy programming is to reach out to those indigenous communities and give them a platform for not just coming to the United States, but also for showing and preserving the diversity of that culture.

Mr. FALEOMAVAEGA. I note with interest you have mentioned that President Peña Nieto has set up this commission in February to address the needs and the issues affecting the rights of indigenous peoples. Was this something that started with President Peña Nieto as if this issue or this problem with indigenous Indians just seemed like it fell through the cracks for the last 100 years in my humble opinion. Am I correct on this? Or correct me if I am wrong.

Mr. FEELEY. No, sir. I think what you will see is an evolution and perhaps a heightening of focus. Keep in mind that there has been in Mexico for quite some time a National Commission for the Development of the Indigenous Communities. There have been, as you know, as far back in the Zedillo administration and the Salinas administration in the early '90s, there were serious problems with the indigenous in terms of their rights not being respected, land rights not being respected. Mexico has worked through a difficult time, much in the way the United States worked through its civil rights issues.

Mr. FALEOMAVAEGA. Well, unfortunately, I have about 100 more questions I wanted to ask, Mr. Chairman, but I know my time is running out. I will submit a series of questions in writing.

Mr. SALMON. I was just going to suggest that. If you have any questions in writing and we are going to have a Part 2 of this hearing, too, later at a different date, but anything you would like to submit.

Mr. FALCOMA. Thank you, Mr. Chairman, and I thank the members of the panel.

Mr. SALMON. That concludes our opportunity to hear your testimony and our questions. Thank you so much. We are just really honored to be able to work with you and count on us as allies and it is time for us to change the guard, so thank you very much.

[Recess.]

Mr. SALMON. Okay, we are going to proceed with the second panel. And I am really thrilled, we have Clare Seelke. Am I saying that right? Seelke. Sorry.

Clare Seelke is a specialist in Latin America affairs at the Congressional Research Service, CRS is a nonpartisan research agency that serves the members and committees of Congress and their staffs that is located in the Library of Congress. Ms. Seelke came to CRS in 2003 as a presidential management fellow. As part of her fellowship, she completed rotations with the State Department in the Dominican Republic and with the U.S. Agency for International Development in Washington, DC. She currently focuses on Mexico, Bolivia, and Central America with a special focus on security issues. Ms. Seelke holds a master's of Public Affairs and a Master of Arts in Latin American Studies from the University of Texas at Austin. Prior to graduate school, she obtained her undergraduate degree from University of Notre Dame and served as a volunteer in Guayaquil, Ecuador. By the way, my daughter just completed a mission for our church in Guayaquil, Ecuador. So that is kind of neat.

Next, we have Mr. Dudley and let me see. I have got your introduction. Steven Dudley, director and head of Research Mexico, Central America, and Caribbean, InSight Crime. Dudley is a senior fellow at American University Center for Latin American and Latino Studies in Washington, DC, and a visiting fellow at the Woodrow Wilson Center for International Scholars. He is the former bureau chief of the Miami Herald in the Andean Region and author of "Walking Ghosts: Murder and Guerrilla Politics in Colombia." Dudley has also reported from Haiti, Brazil, Nicaragua, Cuba, and Miami for NPR and the Washington Post, among others. He has a B.A. in Latin American history from Cornell University and an M.A. in Latin American studies from the University of Texas at Austin. He was awarded the Knight Fellowship at Stanford University in 2007 and is a member of the International Consortium of Investigative Journalists.

And then finally, Francisco Gonzalez. Dr. Gonzalez is associate professor of Latin America studies at the Johns Hopkins University, Paul H. Nitze School of Advanced International Studies. Before joining SAIS in Washington, DC, Professor Gonzalez taught at the SAIS Bologna Center in Italy and he was a junior faculty member of the University of Oxford's Department of Politics and International Relations in Great Britain. Professor Gonzalez was the recipient of the British Academy of Post-Doctoral Fellowship which he served at Nuffield College, Oxford. And prior to that he was a

lecturer of politics at St. John's, Oxford. His research interests include the politics of Mexico's democratization process, political impacts of financial and economic crisis in Latin America and more recently Europe, transitions to democracy and authoritarian rule and the growing influence of the Hispanic community and the politics of the United States. Professor Gonzalez is author of two books, both published by Johns Hopkins University Press, first, "Dual Transitions from Authoritarian Rule: Institutionalized Regimes in Chile and Mexico, 1970–2000," was named Outstanding Academic Title of 2008 by Choice, the magazine for academic libraries. Second, in the spring of 2012, he published "Creative Destruction? Economic Crises and Democracy in Latin America." He is a regular participant in commentary shows on CNN in Espanol, Voice of America, the Diane Rehm Show, and Al Jazeera International. Professor Gonzalez received the Excellence in Teaching Award at SAIS in 2006 and again in 2012. He is one of the few SAIS faculty members to have received this honor twice. Dr. Gonzalez earned his master's MPhil in 1997, doctoral DPhil 2002, degrees in politics from the University of Oxford and his BA in Politics and Public Administration from El Colegio de Mexico, 1995.

Ms. Seelke.

**STATEMENT OF MS. CLARE R. SEELKE, SPECIALIST IN LATIN AMERICAN AFFAIRS, CONGRESSIONAL RESEARCH SERVICE**

Ms. SEELKE. Chairman Salmon, Ranking Member Sires, thank you for the opportunity to testify today on behalf of the Congressional Research Service. As you requested, my testimony focuses on the rationale behind the Merida Initiative and how the Initiative has evolved over time.

By the mid-2000s violence perpetrated by transnational criminal organizations had begun to threaten citizen security in Mexico. The Merida Initiative was conceived in 2007 in response to then President Calderón's unprecedented request for increased U.S. support in helping Mexico combat drug trafficking and organized crime. Prior to that time,

U.S.-Mexican drug cooperation had been plagued by mutual mistrust. As originally designed, Merida consisted mainly of U.S. training and equipment for Mexican security forces engaged in anti-drug efforts. Congress has appropriated \$1.9 billion for Merida through Fiscal Year 2012 while the Mexican Government invested more than \$46 billion in related efforts from 2008 to 2012.

The United States also provided extensive intelligence sharing and logistical support for Mexican anti-crime operations. To complement bilateral efforts in Mexico, the U.S. also pledged to address drug demand, weapons trafficking, and bulk cash smuggling.

Acknowledging that Mexico could not effectively confront organized crime with tactical victories alone in 2010, the Merida Initiative evolved to focus on the Four Pillars previously discussed: Disrupting organized crime groups, strengthening the rule of law and human rights protections, building a 21st century border with emphasis on the Mexican side; fostering strong and resilient communities through prevention programs; and services for at-risk youth. From Fiscal Year 2012 forward, the largest amount of funds requested has fallen under Pillar II for criminal justice sector reform.



There has also been increasing support for justice sector reform and prevention programs at the state and local level.

Weak government institutions and underlying societal problems have allowed the drug trade to flourish in Mexico and many Mexican analysts welcomed the Merida Initiative shift in focus. Some continued to argue, however, that border modernization and community-building programs have been underfunded. In addition, most Mexicans continue to have reservations about the anti-organized crime efforts under Pillar I because of the perception that they contributed to record levels of violent crime.

On balance, Merida dramatically increased bilateral security cooperation and efforts under Pillar I helped the Calderón government arrest or kill record numbers of criminal leaders. Many of those leaders have been extradited to the United States to stand trial, but few, if any, have been successfully prosecuted in Mexico.

At the same time, Mexico also experienced record levels of organized crime-related violence partially in response to government efforts as criminal organizations split, fought against each other and proliferated. As the violence increased, so too, did popular opposition to the government security strategy. On December 1st, Enrique Peña Nieto of the PRI took office pledging to enact bold structural reforms to boost Mexico's economy and to broaden relations with the United States beyond security issues. The over-arching aim of his security strategy is to reduce violent crime in Mexico, a goal that President Obama has pledged to support.

The Merida Initiative is now being adapted to complement President Peña Nieto's goal of violence reduction. Although that adaptation may be somewhat slow and difficult it could be necessary to ensure that U.S. and Mexican priorities complement one another moving forward.

Six months after President Peña Nieto took office, details of this government security strategy, particularly how it plans to combat crime without exacerbating violence have not been fleshed out. The Peña Nieto government has asked for increased U.S. support for judicial reform and prevention efforts with the United States has already been provided through Pillars II and IV of Merida. Pillar III, building a 21st century border, could also dovetail well with his goal of increasing U.S.-Mexican trade. Some are concerned, however, that the Peña Nieto government has limited direct U.S. involvement in some intelligence and law enforcement operations under Pillar I.

So what are the implications for U.S. policy? As President Peña Nieto influenced his security strategy, Congress may wish to examine how the government's priorities align with U.S. interests. Congressional approval would be needed should the State Department seek to reprogram some of the \$500 million in funding already in the pipeline for Merida or shift additional new funding toward Mexico's new priorities. Should conflicts occur between Mexican and U.S. priorities, Congress may consider how those conflicts should be resolved.

Mr. Chairman, thank you again for the opportunity to testify before you today, and I look forward to your questions.

[The prepared statement of Ms. Seelke follows:]



TESTIMONY OF CLARE SEELKE  
SPECIALIST IN LATIN AMERICAN AFFAIRS, CONGRESSIONAL RESEARCH SERVICE

**“U.S.–MEXICO SECURITY COOPERATION: AN OVERVIEW OF THE MERIDA INITIATIVE 2008-  
PRESENT”**

THURSDAY, MAY 23, 2013 – 9:30 A.M. – 2172 RAYBURN HOUSE OFFICE BUILDING, WASHINGTON, DC

**HOUSE COMMITTEE ON FOREIGN AFFAIRS, SUBCOMMITTEE ON THE WESTERN HEMISPHERE**

Chairman Salmon, Ranking Member Sires, other distinguished Members of the Committee, thank you for the opportunity to appear before you today on behalf of CRS to provide background on the development, implementation, and potential future of the Mérida Initiative, a security partnership with Mexico for which Congress has appropriated \$1.9 billion since FY2008.

Designed to support the aggressive security strategy of former Mexican President Felipe Calderón (December 2006–November 2012), the Mérida Initiative is now being adapted to complement new President Enrique Peña Nieto’s prioritization of violence reduction. This testimony examines the successes and limitations of bilateral security cooperation under the Calderón Administration and then discusses how that cooperation might evolve under the Peña Nieto government.

**Background: Public Security Challenges in Mexico**

For several years, violence perpetrated by transnational criminal organizations (TCOs) has threatened citizen security and governance throughout parts of Mexico and overwhelmed the country’s judicial institutions.<sup>1</sup> Although estimates vary, some 60,000 individuals may have been killed as a result of organized crime-related violence during the Calderón Administration.<sup>2</sup> Many analysts argue that the Calderón administration’s military-led anticrime strategy contributed to the violence.<sup>3</sup> Between 2006 and 2012, some TCOs were largely dismantled, while fragments of other TCOs formed new criminal organizations. Two TCOs in particular, Sinaloa and Los Zetas, have become the dominant criminal organizations in Mexico today. Drug trafficking remains the primary activity of the TCOs, but they also increasingly participate in other criminal activities such as extortion, kidnapping, and oil theft. Some

<sup>1</sup> See: CRS Report R41576, *Mexico’s Drug Trafficking Organizations: Source and Scope of the Violence*, by June S. Beittel.

<sup>2</sup> Cory Molzahn, Octavio Rodriguez Ferreira, and David A. Shirk, *Drug Violence in Mexico: Data and Analysis Through 2012*, Trans-Border Institute (TBI), February 2013.

<sup>3</sup> President Calderón made combatting transnational criminal organizations (TCOs) the centerpiece of his domestic policy. He called the increased organized crime-related violence a threat to the Mexican state and sent thousands of military troops and Federal Police to combat the TCOs in “hot spots” throughout the country. This federal crackdown was met with violent resistance. During the Calderón Administration, the government had success in capturing and arresting record numbers of top drug leaders, but its so-called “kingpin strategy” is viewed by observers as having created more instability and, at least in the near term, more violence. Shannon K. O’Neil, “Drug Cartel Fragmentation and Violence,” Council on Foreign Relations Blog, August 9, 2011.

analysts see evidence that the number of organized crime-style homicides in Mexico reached a plateau in 2012, while other observers suggest that the number of killings since 2012 has declined.<sup>4</sup> Experts maintain that organized crime-related violence rates remained relatively stable during the first four months of the Peña Nieto government, despite its claims that violence had decreased.<sup>5</sup>

#### The Mérida Initiative: Development and Evolution<sup>6</sup>

In October 2007, the United States and Mexico announced the Mérida Initiative, a package of U.S. assistance for Mexico and Central America that would begin in FY2008.<sup>7</sup> The Mérida Initiative was developed in response to the Calderón government's unprecedented request for increased U.S. support and involvement in helping Mexico combat drug trafficking and organized crime. Prior to that time, U.S.-Mexican counterdrug cooperation had been limited and mistrust hindered bilateral security efforts. As part of the Mérida Initiative, the Mexican government pledged to intensify its efforts against crime and corruption and the U.S. government pledged to address drug demand in the United States and the illicit trafficking of firearms and bulk currency to Mexico.

The Mérida Initiative, as it was originally conceived, sought to (1) break the power and impunity of criminal organizations; (2) strengthen border, air, and maritime controls; (3) improve the capacity of justice systems in the region; and (4) curtail gang activity and diminish local drug demand. U.S. funds provided for the first goal far surpassed all other aid categories and included \$590.5 million worth of aircraft and helicopters. The U.S. government also provided extensive intelligence-sharing and operational support for Mexican military and police personnel engaged in anti-TCO efforts.

Acknowledging that Mexico cannot effectively confront organized crime with tactical victories alone, in March 2010, the Obama Administration and the Mexican government agreed to a new strategic framework for security cooperation under the Mérida Initiative.<sup>8</sup> Whereas U.S. assistance initially focused on training and equipping Mexican security forces for counternarcotic purposes, it has shifted toward addressing the weak government institutions and underlying societal problems that have allowed the drug trade to flourish in Mexico. The new strategy focuses more on institution-building than on technology transfers and broadens the scope of bilateral efforts to include economic development and community-based social programs, areas where Mexico had not previously sought significant U.S. support. The four pillars of the current strategy are:

1. **Disrupting organized criminal groups.** Pillar one includes equipment provided to federal and state law enforcement, bilateral intelligence-sharing and law enforcement operations, anti-money laundering efforts, and support for forensics laboratories.
2. **Institutionalizing the rule of law.**<sup>9</sup> Pillar two involves law enforcement reform (police, forensics, and prisons) at the federal and increasingly, state levels; anti-corruption efforts

<sup>4</sup> Beittel op. cit.

<sup>5</sup> Alejandro Iloje, "Mexico's Violent Crime Numbers Don't Add Up," *InsightCrime Organized Crime in the Americas*, April 24, 2013.

<sup>6</sup> For more on the Mérida Initiative, see: CRS Report R41349, *U.S.-Mexican Security Cooperation: The Mérida Initiative and Beyond*, by Clare Ribando Seelke and Kristin M. Finklea.

<sup>7</sup> In FY2008 and FY2009, the Mérida Initiative included U.S. assistance to Mexico and Central America. Beginning in FY2010, Congress separated Central America from the Mexico-focused Mérida Initiative by creating a separate Central American Regional Security Initiative (CARSI).

<sup>8</sup> U.S. Department of State, "Joint Statement of the Mérida Initiative High-Level Consultative Group on Bilateral Cooperation Against Transnational Organized Crime," March 29, 2010.

<sup>9</sup> See: CRS Report R43001, *Supporting Criminal Justice System Reform in Mexico: The U.S. Role*, by Clare Ribando Seelke.

(helping institutions install better vetting and internal controls); and support for federal and state level judicial reform.

3. **Building a 21<sup>st</sup> century border.** Pillar three focuses on enhancing public safety via increased information sharing, screenings, and prosecutions; securing the cross-border flow of goods and people; expediting legitimate commerce and travel through investments in personnel, technology, and infrastructure; engaging border communities in cross-border trade; and setting bilateral policies for collaborative border management.
4. **Fostering strong and resilient communities.** Pillar four aims to strengthen federal support for civic planning to prevent and reduce crime; bolster the capacity of state and local governments to implement crime prevention and reduction activities; and increase engagement with at-risk youth. It also includes drug demand reduction and "culture of lawfulness" programs.<sup>10</sup>

From FY2012 forward, the largest amount of funds requested has shifted to pillar two. There is also increasing support at the sub-national level for Mexican states and municipalities.

U.S. and Mexican officials have described the Mérida Initiative as a "new paradigm" for bilateral security cooperation. As part of Mérida, the Calderón government put sovereignty concerns aside to allow extensive U.S. involvement in Mexico's domestic security efforts. In 2009, the Mexican government identified the country's 37 most wanted criminals, and by October 2012, at least 25 of those alleged criminals had been captured or killed.<sup>11</sup> The Calderón government extradited record numbers of criminals to the United States, including 93 in 2011; however no top TCO leaders captured were successfully tried and convicted in Mexican courts.<sup>12</sup>

Many observers have also praised the Mérida Initiative for increasing cooperation between U.S. and Mexican officials at all levels through the establishment of a multi-level working group structure to design and implement bilateral security efforts. On September 18, 2012, U.S. and Mexican cabinet-level officials met for the fourth time to review the results of five years of Mérida cooperation, reaffirm their commitment to its strategic framework, and pledge "to build on and institutionalize the cooperation the Mérida Initiative has established."<sup>13</sup> It appears that those cabinet-level meetings will continue to occur during the Peña Nieto government.

While bilateral efforts have yielded some positive results, the apparent weakness of Mexico's criminal justice system seems to have limited the effectiveness of anti-crime efforts. Ineffective and often corrupt police forces, weak and unaccountable prosecutors, and an overcrowded and disorganized prison system have undermined Mexican and bilateral anticrime efforts. On average, fewer than 20% of homicides have been successfully prosecuted with convictions, suggesting high levels of impunity.<sup>14</sup> While many Mexican

<sup>10</sup> U.S. Department of State, "Joint Statement of the Mérida Initiative High-Level Consultative Group on Bilateral Cooperation Against Transnational Organized Crime," March 29, 2010. Culture of Lawfulness (CoL) programs aim to combine "top-down" and "bottom-up" approaches to educate all sectors of society on the importance of upholding the rule of law. Key sectors that CoL programs seek to involve include law enforcement, security forces, and other public officials; the media; schools; and religious and cultural institutions. The U.S. government is supporting school-based "culture of lawfulness" programs, as well as "culture of lawfulness" courses that are being taught to federal and state police.

<sup>11</sup> "Mexico's Drug Lords: Kingpin Bowling," *The Economist*, October 20, 2012.

<sup>12</sup> William Booth, "Mexico's Crime Wave has Left About 25,000 Missing, Government Documents Show," *Washington Post*, November 29, 2012.

<sup>13</sup> U.S. Department of State, "Joint Statement of the Mérida Initiative High-Level Consultative Group on Bilateral Cooperation Against Transnational Organized Crime," September 18, 2012.

<sup>14</sup> See: Guillermo Zepeda, *Seguridad y Justicia Penal en los Estados: 25 Indicadores de Nuestra Debilidad Institucional*, Mexico (continued...)

analysts welcomed the Mérida Initiative's 2010 shift in focus toward border modernization and municipal crime prevention, most Mexicans continue to associate Mérida with the anti-TCO efforts under pillar one that contributed to record levels of violent crime in the country. Some continue to argue that border modernization and community building programs have received insufficient attention.<sup>15</sup> Both the U.S. and Mexican governments have also struggled to fulfill their domestic pledges under the Mérida Initiative.

#### **Funding, Implementation, and Evaluation of the Mérida Initiative**

Congress, with the power of the purse, has played a major role in determining the level and composition of Mérida funding for Mexico. From FY2008 to FY2012, Congress appropriated more than \$1.9 billion for the Mérida Initiative. In the beginning, Congress included funding for Mérida in supplemental appropriations measures in an attempt to hasten the delivery of certain equipment. Congress has also earmarked funds for specific purposes in order to ensure that certain programs are prioritized, such as efforts to support institutional reform in Mexico. Congress has sought to influence human rights conditions and encourage efforts to combat abuses and impunity in Mexico by placing conditions on Mérida-related assistance to the Mexican military and police. There appears to be strong support in both the Senate and House for maintaining U.S. support to Mexico provided through Mérida Initiative accounts.<sup>16</sup> However, sequestration and future budget constraints could limit the amount of aid provided.

Over the past few years, Congress has maintained an interest in ensuring that Mérida-funded equipment and training is delivered efficiently. After initial delays in 2009-2010, deliveries accelerated in 2011, a year in which the U.S. government provided Mexico more than \$500 million worth of equipment, training, and technical assistance. As of November 2012, some \$1.1 billion worth of assistance had been provided. That total includes roughly \$873.7 million in equipment (including 21 aircraft and at least \$100 million worth of non-intrusive inspection equipment) and \$146.0 million worth of training. Deliveries seem to have remained at roughly the same level over the past seven months.

Little information is publicly available on what specific metrics the U.S. and Mexican governments have used to measure the impact of the Mérida Initiative and analysts have debated how bilateral efforts should be evaluated.<sup>17</sup> How one evaluates the Mérida Initiative can largely depend on how one defines the goals of the program. While the U.S. and Mexican governments' long-term goals for the Mérida Initiative may be similar, their short-term goals and priorities may differ. For example, both countries may strive to ultimately reduce the overarching threat posed by the TCOs—a national security threat to Mexico and an organized crime threat to the United States. However, their short-term goals may differ. Mexico may focus more on reducing drug trafficking-related crime and violence, while the United States may place more emphasis on aggressively capturing DTO leaders and seizing illicit drugs.

One basic measure by which Congress has evaluated the Mérida Initiative has been the pace of equipment deliveries and training opportunities. A December 2009 Government Accountability Office (GAO) report

(...continued)

Evaluea, March 2012.

<sup>15</sup> Shannon K. O'Neil, *Refocusing U.S.-Mexico Security Cooperation: Policy Innovation Memorandum No. 27*, Council on Foreign Relations, Dec. 2012.

<sup>16</sup> The Senate Appropriations Committee's version of the FY2013 foreign operations appropriations measure, S. 3241 (S.Rept. 112-172), would have provided \$10 million in additional funding in Mérida accounts for economic development projects in the border region than the Administration had requested. The House Appropriations Committee's version of the bill, H.R. 5857 (H.Rept. 112-494), would have increased funding by \$49 million.

<sup>17</sup> See, for example, Andrew Selce, *Success or Failure? Evaluating U.S.-Mexico Efforts to Address Organized Crime and Violence*, Center for Hemispheric Policy- Perspectives on the Americas Series, December 20, 2010.

identified several factors that had slowed the pace of Mérida implementation.<sup>18</sup> It is unclear, though, whether more expeditious equipment deliveries to Mexico have resulted in a more positive evaluation of Mérida. Moreover, if equipment is not adequately maintained, its long-term impact could be reduced. Measures of the volume of training programs administered, including the number of individuals completing each course, have also been used to measure Mérida success. This measure is imperfect, however, as it does not capture the impact that a particular training course had on an individuals' performance. U.S. agencies are generally not currently measuring retention rates for those whom they have trained; some agencies have identified high turnover rates within the agencies as a major obstacle for the sustainability of Mérida-funded training programs.<sup>19</sup>

U.S.-funded antidrug programs in source and transit countries (of which Mexico is both) have also traditionally been evaluated by examining the number of TCO leaders arrested and the amount of drugs and other illicit items seized. The State Department has attributed increased arrests and seizures of certain drugs (i.e., cocaine and methamphetamine) to success of the Mérida Initiative.<sup>20</sup> However, a principal challenge in assessing the success of Mérida is separating the results of those efforts funded via Mérida from those efforts funded through other border security and bilateral cooperation initiatives.

President Enrique Peña Nieto has vowed to reduce organized crime-related killings, as well as kidnappings and extortion. While analysts remain divided on whether the Mérida Initiative could impact levels of violent crime in Mexico, they agree that measuring citizen perceptions on crime and violence could prove useful. They have also suggested that success in pillars two and four would be evidenced by, among other things, increases in popular trust in the police and courts.<sup>21</sup>

More information on the State Department's metrics for evaluating Mérida may eventually be made available to Congress now that State is establishing a monitoring and evaluation office in Mexico City.

#### **The Peña Nieto Administration and the Future of the Mérida Initiative**

Recently, the centrist Institutional Revolutionary Party (PRI), a nationalistic party that governed Mexico from 1929 to 2000, retook the presidency after 12 years of rule by the conservative National Action Party (PAN). The party also controls a plurality (but not a majority) in Mexico's Senate and Chamber of Deputies. PRI President Enrique Peña Nieto, a former governor of the state of Mexico, took office on December 1, 2012, pledging to enact bold structural reforms and broaden relations with the United States beyond security issues.

Upon his inauguration, President Peña Nieto announced a reformist agenda with specific proposals under five broad pillars: (1) reducing violence; (2) combating poverty; (3) boosting economic growth; (4) reforming education; and (5) fostering social responsibility. Leaders from the PAN and leftist Party of the Democratic Revolution (PRD) signed on to President Peña Nieto's "Pact for Mexico," an agreement aimed at advancing the reform agenda. The Pact paved the way for the enactment of historic education

<sup>18</sup> Government Accountability Office, *Status of Funds for the Mérida Initiative*, 10-253R, December 3, 2009.

<sup>19</sup> U.S. Agency for International Development, Justice Studies Center of the Americas, and Coordination Council for the Implementation of the Criminal Justice System and its Technical Secretariat (SLTEC); Executive Summary of the General Report: Monitoring the Implementation of the Criminal Justice Reform in Chihuahua, the State of Mexico, Morelos, Oaxaca, and Zacatecas: 2007-2011, November 2012.

<sup>20</sup> U.S. Embassy in Mexico City, "Fact Sheet: Law Enforcement Achievements," press release, May 2011, <http://photos.state.gov/libraries/mexico/310329/16may11aw%20Enforcement%20May%202011%20Final.pdf>.

<sup>21</sup> Diana Negroponte, *Pillar IV of 'Beyond Merida': Addressing the Socio-Economic Causes of Drug Related Crime and Violence in Mexico*, Woodrow Wilson Center's Mexico Institute, May 2011.

and telecommunications reforms; energy and fiscal reform are expected to be introduced in the fall. Two of the thirteen priority proposals Peña Nieto mentioned at his inauguration included introducing a proposal for a unified code of criminal procedure for the country to advance judicial reform and launching a national crime prevention plan. Significantly, both of those proposals have been accomplished.

On December 17, 2012, President Peña Nieto outlined a strategy that aims to achieve a “Mexico in Peace” where human rights are respected and protected by implementing a “State” security policy that involves binding commitments from all levels of government. The six pillars of the strategy include (1) planning; (2) prevention; (3) protection and respect of human rights; (4) coordination; (5) institutional transformation; and (6) monitoring and evaluation.<sup>22</sup> Six months later, analysts and U.S. officials maintain that many details of the Peña Nieto government’s security strategy—particularly how it plans to combat TCOs without exacerbating violence—are still being fleshed out.<sup>23</sup>

In order to better plan, integrate, and evaluate security efforts, President Peña Nieto secured approval from the Mexican Congress to place the Secretariat of Public Security (Federal Police) and intelligence functions under the authority of the Interior Ministry. That ministry is now the focal point for security collaboration and intelligence-sharing with the United States, as well as with coordination with state and municipal authorities. The states have in turn been divided into five geographic regions and are being encouraged to stand up unified state police commands to coordinate with federal forces. Some critics appear to be concerned that too much power is concentrated in the Interior Ministry.<sup>24</sup>

In addition to strengthening the role of the Interior Ministry in security efforts, the Peña Nieto government envisions a revamped and modernized Attorney General’s Office. Peña Nieto’s security strategy calls for accelerated implementation of the judicial reforms passed in 2008, a key priority of pillar two (institutional reform) of the Mérida Initiative. It also calls for a reduced usage of preventive detention and prison reform based on rehabilitation and reinsertion into society.

Peña Nieto’s security strategy explicitly prioritizes crime prevention, citizen participation, and human rights; this could portend an increase in bilateral efforts under Mérida’s pillar two and pillar four (building resilient communities). The government has launched a national prevention program with a \$9 billion budget for 2013. Many of the projects it supports (drug treatment, urban renewal, and culture of lawfulness programs) also received funding during the Calderón government. In the area of human rights, Peña Nieto’s strategy pledges to increase victims’ assistance and to create a national human rights program, protocols for the use of force, and policies for handling enforced disappearances and finding missing persons. Human rights groups and U.S. policy makers are closely monitoring the extent to which those pledges are translated into specific actions.

While U.S. and Mexican interests have recently coalesced around certain security concerns along the border, analysts maintain that there is currently potential for even broader cooperation focused on economic growth and dynamism under pillar three of the Mérida Initiative.<sup>25</sup> In the past, President Peña Nieto has expressed support for creating a border police force, using technology and risk analysis to speed

<sup>22</sup> The strategy is outlined in some detail in Spanish on the Mexican Presidency’s website: <http://www.presidencia.gob.mx/articulos-prensa/ii-sesion-extraordinaria-del-consejo-nacional-de-seguridad-publica>.

<sup>23</sup> CRS interviews with State Department officials and Mexican analysts in Mexico City, May 6-8, 2013.

<sup>24</sup> Julián Aguilar, “In Mexico, a New Approach to Stanching Drug Violence,” *New York Times*, December 29, 2012.

<sup>25</sup> Arizona State University Center for Transborder Studies, *Realizing the Strength of Our 21<sup>st</sup> Century Border: Trade, Education, and Jobs*, Conference Report, October 2012.

up border crossings, and developing a regional fund for North American infrastructure development.<sup>26</sup> Hastening bilateral plans to reach the goal of developing a “21<sup>st</sup> Century Border”<sup>27</sup> could dovetail well with Peña Nieto’s goal of bolstering U.S.-Mexican trade and competitiveness. The Peña Nieto government has also asked for U.S. support in improving security along its porous southern borders with Guatemala and Belize.<sup>28</sup>

Many details of Peña Nieto’s security strategy that will have implications for U.S.-Mexican cooperation under pillars one and two of Mérida have yet to be announced, much less implemented. For example, the strategy envisions a continued role for the Mexican military in public security efforts through at least 2015; whether and how the role of the military will be different than under the Calderón government still needs to be clarified. According to one security analyst, some 30% of the military forces that had been deployed to conduct antidrug operations under the Calderón government have gone back to the barracks. As a result, security conditions have reportedly deteriorated in some of those areas.<sup>29</sup>

Peña Nieto also plans to reform, rather than dismantle, the Federal Police, but how the force will be reconfigured to focus on investigations and combating key crimes (such as kidnapping and extortion) remains to be seen. In addition to a reconfigured Federal Police, President Peña Nieto also proposes to create a new militarized police entity, the National Gendarmerie, whose forces are initially being drawn from the military but placed under the control of the Interior Ministry.<sup>30</sup> The strategy envisions the Gendarmerie, rather than the Federal Police, replacing military forces currently charged with assisting municipalities overwhelmed by violence and guarding border crossings, ports, and airports. It is as yet unclear what type of arrest authority the force would have.

In general, President Peña Nieto and his cabinet appear more wary of overt U.S. involvement in security operations in Mexico than Calderón’s government. The Interior Ministry has notified U.S. agencies operating in Mexico that all requests for *new* Mérida-funded training or equipment made by Mexican government entities must be approved by a central office in that ministry. Ongoing programs are not affected by the new procedure. According to U.S. officials, this process has thus far proven to be slow and cumbersome.<sup>31</sup> The Peña Nieto government has also removed some U.S. personnel from fusion centers established by the previous government and centralized the handling of sensitive intelligence, reportedly prompting concern from U.S. law enforcement personnel that cooperation could suffer.<sup>32</sup> Despite these changes, the Peña Nieto Administration has pledged to maintain the multi-level working group structure

<sup>26</sup> Miriam Castillo, “Peña Quiere Patrulla Fronteriza Mexicana,” *Milenio*, October 9, 2012; Enrique Peña Nieto, *México, la Gran Esperanza* (Mexico, D.F.: Grijalbo, 2011), p. 149.

<sup>27</sup> On May 19, 2010, the United States and Mexico declared their intent to strengthen existing border cooperation with the goal of developing a “21<sup>st</sup> Century Border” under pillar three of the Mérida Initiative. To head this initiative, they established a Twenty-First Century Border Bilateral Executive Steering Committee (FSC) that met in December 2010, December 2011, and April 2013 to develop bi-national action plans. The plans are focused on setting measurable goals within broad objectives: coordinating infrastructure development, expanding trusted traveler and shipment programs, establishing pilot projects for cargo pre-clearance, improving cross-border commerce and ties, and bolstering information sharing among law enforcement agencies.

<sup>28</sup> CRS interviews with State Department officials and Mexican analysts in Mexico City, May 6-8, 2013.

<sup>29</sup> CRS interview with Raul Benítez Manaut, National Autonomous University of Mexico, May 7, 2013.

<sup>30</sup> The Gendarmerie is to begin with roughly 10,000 forces, 8,500 drawn from the Army and 1,500 from the Navy. It may expand, however, to include some 40,000 officers. Questions remain, however, about how responsibilities would be divided between the Federal Police and the Gendarmerie, including whether the gendarmes would only operate in rural areas (as they customarily have in many countries), or in urban zones as well. Presentation by Dr. Carlos Humberto Toledo Moreno, Inspector General of the National Commission on Public Security in the Interior Ministry, May 7, 2013.

<sup>31</sup> CRS interviews with State Department officials in Mexico City, May 6, 2013.

<sup>32</sup> Dana Priest, “U.S. Role at a Crossroads in Mexico’s Intelligence War on the Cartels,” *Washington Post*, April 27, 2013; Nick Miroff, “In Mexico, Restrictions on U.S. Agents Signal Drug War Shift,” *Washington Post*, May 14, 2013.



(including a yearly cabinet-level meeting) used to design and implement bilateral security efforts that began during the Calderón government.<sup>33</sup>

As Mexico has experienced a shift in power from a PAN Administration focused on combating organized crime to a PRI government focused on bolstering competitiveness, security issues also appear to be taking a back seat to economic and trade issues on the bilateral agenda for the first time since 9/11. Analysts have urged President Obama to work with President Peña Nieto on issues that are of critical importance to both countries, particularly those aimed at boosting trade and job creation. At a pre-inaugural meeting in late November 2012, President Obama embraced President Peña Nieto's desire to strengthen economic ties and to focus on a broad array of bilateral issues rather than focusing predominantly on security matters.<sup>34</sup> On May 2, 2013, President Obama traveled to Mexico for a trip focused on enhancing economic cooperation and expanding educational exchanges between the two countries.<sup>35</sup> When asked about changes in Mexico's security strategy, President Obama said "it is up to the Mexican people to determine their security structures and how it engages with other nations, including the United States."<sup>36</sup> He reaffirmed his Administration's support for the Peña Nieto government's efforts to reduce violence.

#### Issues for Congress

When examining the future of the Mérida Initiative, Congress may first consider defining the desired end state of the Mérida Initiative and how long it may take to get there. Congress may then seek to ensure that those who are implementing the Initiative have developed adequate metrics to measure progress over the short, medium, and long term. Given the level of progress that has been made thus far, the current strategy may be deemed sufficient or insufficient. If it is judged insufficient, Congress may consider how it might be improved. When considering future assistance for the Mérida Initiative, Congress may compare how much funding programs in Mexico, an upper middle income country, are receiving from the Peña Nieto government, and whether U.S. funding is complementing or duplicating Mexican efforts.

As President Peña Nieto implements his security strategy, the 113<sup>th</sup> Congress may wish to examine how the Mexican government's priorities align with U.S. interests. Congressional approval will be needed should the State Department seek to reprogram some of the funding already in the pipeline for Mérida, or shift new funding to better align with Mexico's new priorities. Should conflicts occur between Mexican and U.S. priorities, Congress may weigh in on how those conflicts should be resolved. For example, President Peña Nieto has said that the success of his strategy will be measured in reductions in homicides and other crimes, rather than in drugs seized or kingpins arrested. This shift could potentially create some tension with U.S. efforts to combat TCOs. Any move by the Peña Nieto government to negotiate with criminal groups, as the Salvadoran government has done,<sup>37</sup> and/or legalize certain drugs could prompt congressional concerns. If the Peña Nieto Administration no longer has the same goals as the United States or Congress sees a significant change in Mexican cooperation, Congress may consider reevaluating some types of Mérida Initiative funding.

<sup>33</sup> CRS interview with State Department official, April 24, 2013.

<sup>34</sup> The White House, Office of the Press Secretary, "Remarks of President Obama and President-Elect Peña Nieto of Mexico Before Bilateral Meeting," Press Release, November 27, 2012.

<sup>35</sup> The White House, Office of the Press Secretary, "White House Fact Sheet on U.S.-Mexico Partnership," Press Release, May 2, 2013.

<sup>36</sup> The White House, Office of the Press Secretary, "Remarks by President Obama and President Peña Nieto of Mexico in a Joint Press Conference," Press Release, May 2, 2013.

<sup>37</sup> CRS Report RS21655, *El Salvador: Political and Economic Conditions and U.S. Relations*, by Clare Ribando Seelke.

Mr. SALMON. Thank you.  
Mr. Dudley.

**STATEMENT OF MR. STEVEN DUDLEY, DIRECTOR, INSIGHT  
CRIME**

Mr. DUDLEY. Good morning.

Mr. Chairman, thank you. Ranking Member, members of the subcommittee, I am grateful for the opportunity to appear before you on behalf of InSight Crime and the Woodrow Wilson Center to discuss security issues in Mexico and United States' efforts to address these issues through the Merida Initiative.

This testimony, I should note is an abbreviated version of the full testimony which I submitted for the congressional record.

Since its beginning in 2008, the Merida Initiative has by a series of important programs outlined here by Clare, ranging from prevention strategies to technical assistance and equipment, opened the way for unprecedented cooperation between the two nations. The cooperation helped Mexican authorities capture 25 of 37 designated kingpins, severely debilitating several of the large criminal structures. The Calderón government also initiated important judicial sector reforms and started to restructure the country's security forces in order to deal more effectively with criminal organizations.

At the same time, Mexico has lived through an unprecedented spike in violence. Homicide rates tripled during President Calderón's time in office. Targets included politicians, police, military personnel, and civilians. Response by military personnel, at least in some cases documented by human rights organizations was excessive and may have included extra judicial executions of suspects or civilians.

Meanwhile, criminal gangs have fragmented. They have diversified their criminal portfolios and draw much of their income from local revenue sources such as drug peddling, an increasingly large local drug market, extortion, kidnapping, theft, and other activities. The most formidable of these organizations is known as the Zetas, a military-minded group that is focused on controlling physical territory and has a wide portfolio of activities. It has also grown exponentially during the last few years. Because its revenues come from local criminal activities that can be practiced anyway and by virtually anyone, the Zetas have created the ultimate democratic model of organized crime. It is a model that can be easily replicated across Mexico and is therefore inherently vulnerable to suffering internal splits itself.

Perhaps the most enigmatic example of these challenges that the Mexican Government faces and during the last 5 years of its time is Ciudad Juarez. Between 2007 and 2011, this city went from about 300 homicides per year to over 3,500 per year. The astounding spike in violence during that period has been matched only by the surprisingly precipitous drop in homicides which is back down about one per day. There are many ways to explain this drop in violence. The most cited explanation is that in the war between the two largest criminal groups in the area, one became the winner, the Sinaloa Cartel. In this narrative, this criminal group is maintaining order in the underworld, something that seems like an oxymoron and hardly sustainable.

But in Juarez, the government and Juarez citizens also took action. The government initiated a program aptly named Todos Somos Juarez. We are all Juarez. Multi-million dollar educational and violence prevention strategy of the type the U.S. Government already assists under Pillar IV of the Merida Initiative. Citizens, with the help of the Federal Government, have created roundtables that regularly interact with authorities demanding accountability and results and fostering greater trust between them and their city officials. These officials include the city's police chief, Julian Leyzaola, who many give credit to for the drop in crime and violence. The cornerstone of his policy, however, is to arrest anyone who they see as a threat. Some say these mass incarcerations are a systematic violation of human rights and may lay the groundwork for another round of violence.

Finally, it is worth noting increased cooperation between the U.S. and Mexican law enforcement that has also played an important role in the battle for Juarez. U.S. and Mexican investigators from both sides of the border told me that they were cooperating on a more regular basis since Merida began. Agents on both sides said this cooperation has led to real results including arrests on the Mexican and U.S. sides of the border.

For his part, President Enrique Peña Nieto has said he will focus his efforts on reducing violence. But since taking office in December, the President has only given a broad outline of how he will achieve this goal. In some respects, it feels the same as the Calderón strategy. Peña Nieto has, for the most part, left Army troops and Federal police in many of the same hot spots where Calderón used them. He has said he will continue reforms, although both police and judicial reform seem to be stalling already under his administration.

There are some more subtle shifts in policy. Peña Nieto has reduced the role of the marines by some 40 percent. The army's role also appears to be moving more toward a less confrontation strategy although evidence of this shift is more anecdotal than quantitative.

In another subtle shift under Peña Nieto, the Attorney General's Office has reduced the number of drug prosecutions to a 15-year low. In general, you might say while Calderón tried to bully his way toward a more manageable security situation, Peña Nieto appears more interested in taking a selective approach and possibly reducing the pressure on criminal groups involved in drug trafficking as a way to lower the temperature of this confrontation. Thank you for your time. I look forward to your questions.

[The prepared statement of Mr. Dudley follows:]



**Testimony by**  
**Steven Dudley, Director**  
**InSight Crime**  
**and**  
**Fellow,**  
**Woodrow Wilson International Center for Scholars**  
**Before the House Committee on Foreign Affairs**  
**Subcommittee on the Western Hemisphere**  
**“US-Mexico Security Cooperation: An Overview of the Merida Initiative 2008-**  
**Present”**  
**May 23, 2013**



## Introduction

Mr. Chairman, Ranking Member and Members of the Subcommittee: I am grateful for the opportunity to appear before you on behalf of InSight Crime<sup>1</sup> and the Woodrow Wilson Center to discuss security issues in Mexico, and United States efforts to address these issues through the Merida initiative.<sup>2</sup>

Since its beginnings in 2008, the Merida Initiative has – via a series of important programs ranging from prevention strategies to technical assistance and equipment – opened the way for unprecedented cooperation between the two nations. The cooperation helped Mexican authorities capture 25 of 37 designated kingpins, severely debilitating several of the large criminal structures. The Calderón government also initiated important judicial sector reforms and started to restructure the country's security forces in order to deal more effectively with criminal organizations. Amongst these security forces are the Mexican municipal police, which have long constituted a critical component to many criminal organizations' operations.

At the same time, Mexico has lived through an unprecedented spike in violence. Homicide rates tripled during President Calderón's time in office. (See Figure 1) Several of its most important cities came under siege. As many as 65,000 have been killed in the last six years and several thousand more have disappeared. Targets included politicians, police, military personnel and civilians. The response by military personnel, at least in some cases documented by human rights organizations, was excessive and may have included extrajudicial executions of suspects or civilians.<sup>3</sup> Meanwhile, criminal gangs have fragmented. They have diversified their criminal portfolios and draw much of their income from local revenue sources such as drug peddling in the increasingly large local drug market and extortion.

The challenges the Peña Nieto administration faces are tremendous. But there has been progress, and continued cooperation by the United States of Mexico's effort is warranted and needed to move in a positive direction.

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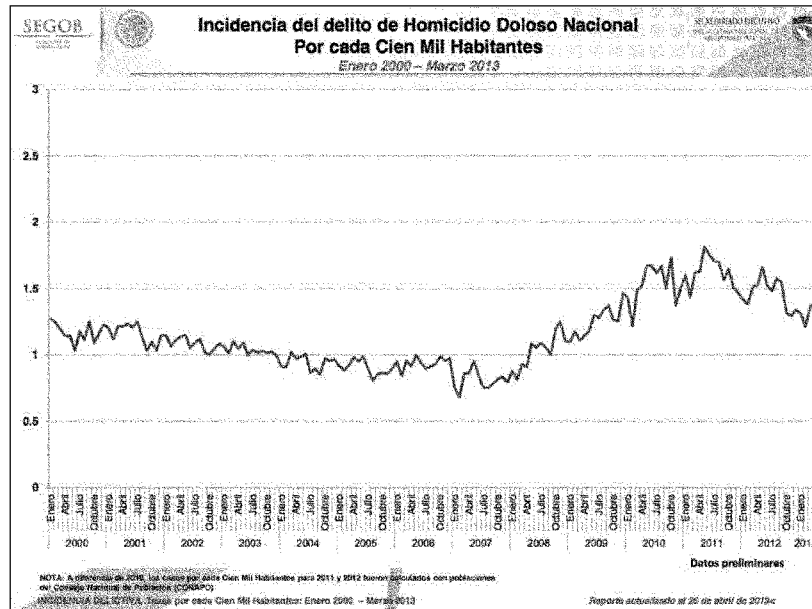
<sup>1</sup> InSight Crime is a small think tank based in Medellin, Colombia, and American University in Washington DC, that monitors, analyzes and investigates criminal organizations in the Americas with the aim of improving citizen security policy. For more information go to: [insightcrime.org](http://insightcrime.org)

<sup>2</sup> Sandra Rodriguez, Viridiana Rios and members of the Woodrow Wilson Center also contributed to this research.

<sup>3</sup> See Human Rights Watch, "Mexico's Disappeared," February 20, 2013.



**Figure 1: Homicide Rate in Mexico, 2000 - 2013**



### The Evolution of Mexico's Criminal Underworld

The evolution of these criminal groups is worth exploring in more detail so we can understand exactly what challenges Mexico currently faces.<sup>4</sup> In Mexico, the largest criminal organizations trace their roots to the 1960s when smuggling groups moved contraband, migrants, illegal drugs and other products across the United States border. This core group of smugglers grew in importance when cocaine from the Andes began transiting the region in the late 1970s and early 1980s. The mostly Colombia-based organizations used the Mexican criminal organizations to receive and ship their product north where local distribution chains awaited. Initially, these were relatively small quantities, but the Mexicans' role rose as the United States increased law enforcement activities in the Caribbean, forcing cocaine smuggling activities across the isthmus.

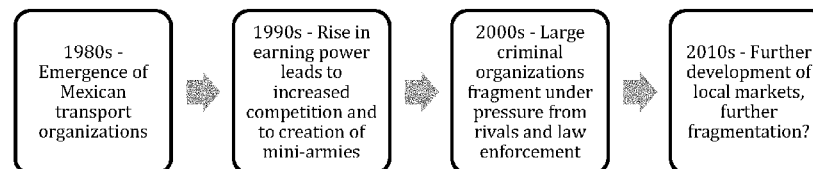
<sup>4</sup> Much of the following section on the evolution of Mexico's criminal groups was part of research done for the Migration Policy Institute and the Woodrow Wilson International Center for Scholars, and appeared in a paper for these institutions entitled: "Transnational Crime in Mexico and Central America: Its Evolution and Role in Migration," November 2012.  
<http://www.migrationpolicy.org/pubs/RMSG-TransnationalCrime.pdf>



By the early 1990s, nearly all the cocaine entering the United States was passing through Mexico, and some Mexican criminal organizations began commanding a greater share of the profits and establishing their own distribution networks in the United States. These included the beginnings of what would later become known as the Sinaloa, Tijuana, Juárez and Gulf Cartels. Initially, Mexican cartels were small, family-based organizations that depended on corrupt state security forces to provide protection from prosecution and security from rivals. However, this changed as the Mexican cartels expanded into large-scale distribution systems, their operations and profits rose. The high returns led to increased competition among the organizations, which, in an effort to protect markets and margins, began creating their own security forces. (See Figure 2)

The development of the military side of these organizations is important for several reasons. First, it represented a break from past criminal models in Mexico, which had focused on smaller, family-oriented organizations. The transformation was profound. The new paramilitary armies adopted the terminology and logic of the military and their military trainers, some of whom were foreign mercenaries.<sup>5</sup> The organizations began designating “lieutenants” to create “cells,” which included various parts responsible for intelligence gathering and enforcement. These new “soldiers” went through requisite training and indoctrination, then joined the fight to keep other cartels from encroaching on their territory. The cartels’ infrastructure grew as well. They added safe houses, communications equipment, cars, and weapons — the same type of infrastructure needed for virtually any sophisticated criminal act, from robbery to kidnapping to contraband.

**Figure 2: Evolution of Criminal Groups in Mexico**



The competition among the cartels eventually became a competition for territory or “plazas,” as they are known. In the Mexican criminal world, controlling territory

<sup>5</sup> According to one law enforcement officer interviewed by the witness, one of the trainers for the Tijuana Cartel was called “El Iraquí” for his Middle Eastern origins. Other trainers came from Mexican military and police circles, a former Tijuana Cartel operative told the witness. See also “A State Reaction: A Theory of Illicit Network Resilience,” Nathan Jones’ dissertation for the University of California Irvine, 2011.



means collecting what are essentially tolls or taxes from the multiple criminal groups who operate in that territory. The so-called “piso” is a significant revenue stream, as the commanding group takes upwards of 50 percent of the value of the goods moving through its corridor for all types of activities, ranging from contraband to human smuggling to local drug trafficking. Initially, corrupt security forces controlled this part of the business, but over time, the criminal groups usurped that control.

This battle for the “plazas” meant controlling physical territory, which in turn depends on the number of soldiers a cartel maintains. In the case of the Tijuana Cartel, the Arellano Felix family began working with San Diego’s Logan Street gang, training them in weapons, tactics and intelligence gathering. The Gulf Cartel hired members of the Mexican Airborne Special Forces Group (Grupo Aeromóvil de Fuerzas Especiales, GAFES), which adopted the name Zetas in homage to the radio handle that its military commanders use. The Juárez Cartel hired current and former police officers to form what became known as La Línea and later an El Paso prison gang known as the Aztecas. The Sinaloa Cartel eventually designated a branch of their group, the Beltran Leyva Organization, to create a mini-army that it called the Pelones to deal with its rivals, but also a smattering of smaller street gangs in the areas where it operates along the border. (See Figure 3)

**Figure 3: Multiple Armed Layers of Mexico’s Criminal Organizations**

<b>Transnational Criminal Organization</b>	<b>Military Wing</b>	<b>Street Gang Alliance</b>
Sinaloa Cartel	Pelones; Gente Nueva	Artistas Asesinos; Mexicles
Gulf Cartel	Zetas	MS-13; Barrio 18
Tijuana Cartel	Remnants of Logan Street Gang	Logan Street Gang
Juárez Cartel	La Línea	Aztecas

These new “soldiers” shared one common characteristic: They were not part of original, tightly knit family structures that once made up the core of Mexican criminal organizations.<sup>6</sup> In the past, Mexican criminal organizations were relatively small units, mostly relatives from the Sinaloa state where they had worked on the poppy and marijuana fields. Membership came via blood ties, marriage or

<sup>6</sup> The one exception is the Beltran-Leyva Organization. Even so, this group eventually split from the Sinaloa Cartel after the capture of one its top members who they believed was betrayed by Sinaloa leader Joaquin Guzman Loera, alias “El Chapo.”

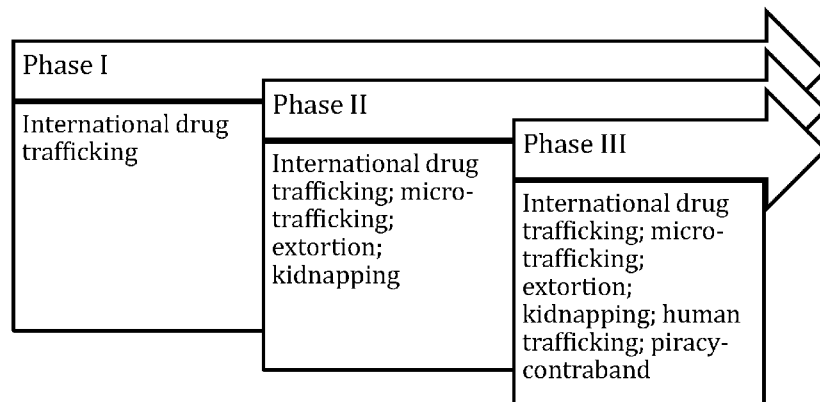




neighborly affection, and formed the core of what became the largest criminal organizations nationwide. However, these evolving market forces required that these historically close-knit organizations professionalize and open admission to outsiders, including street gangs, in order to remain competitive. Initially, the leaders of these groups granted these “outsiders” minimal authority or discretion. Some leaders, such as Ramon Arellano Felix of the Tijuana Cartel and Osiel Cárdenas of the Gulf Cartel, directly controlled their new armies demanding personal loyalty at all costs. However, over time, this proved to be a poor model for control because as soon as the strong leader was eliminated, as in the case of Arellano Felix in 2002, or arrested, as in the case of Cárdenas in 2003, individual loyalties disintegrated and the armies began to break away from the core cartel hierarchy. With time, loyalty would become a commodity subject to dynamic market prices rather than a “family” obligation.

In addition to having problems controlling these soldiers, these new private armies were also expensive, and the leadership of these organizations began seeking ways to reduce costs while they continued to expand and professionalize them. Though evidence is scarce, reports suggest that starting in the late 1990s, the cartels gradually, reluctantly, and violently shifted financial responsibility and operational control to their lieutenants — a process that only became apparent five to six years later when Calderón took the presidency. With newfound autonomy, many cells expanded their operations beyond security services into the extortion of legitimate businesses and, later, kidnapping. (See Figure 4)

**Figure 4: The Expanding Criminal Portfolio in Mexico**





This shift in financial and operational decision-making represents a second profound change in the way Mexican cartels operate. Suddenly, instead of one centralized criminal organization, there were numerous cells demanding “piso” from criminal activities such as contraband and human smuggling and competing, often violently, for territory and markets. To cite just one example, the revenue from human smuggling is significant. According to UN estimates, human smuggling is a \$6 billion per year business in the Americas alone.<sup>7</sup>

**Figure 5: Extortion Rate in Mexico, 2000 - 2013**



Overall, the need to control territory and create a vast protection scheme for the leadership of these organizations changed them on many levels. It led directly to the creation of a more militarized organization with a new mindset that focused on occupying vast amounts of physical space. This led to rapid growth that changed the financial structure of the group tremendously. What were relatively simple, tightly knit family units became multi-layered armies with increasing autonomy to delve into multiple criminal activities such as human smuggling, contraband, extortion,

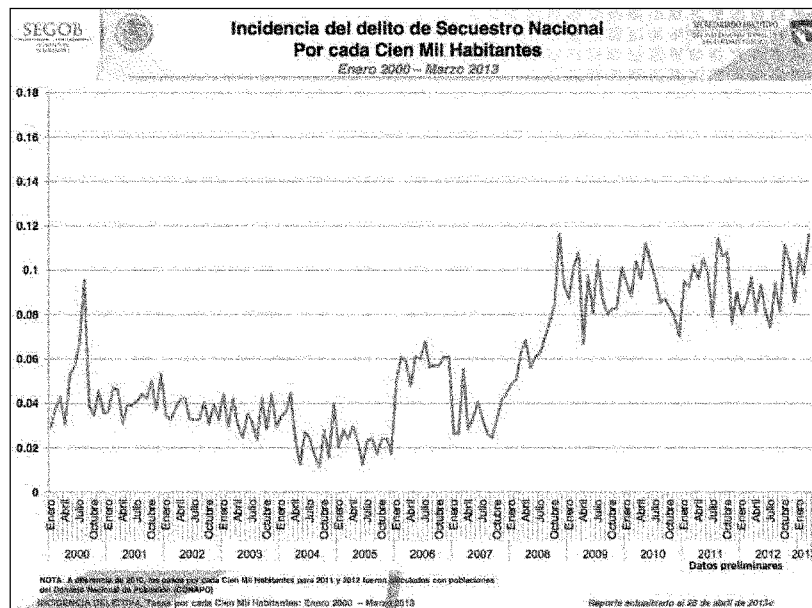
<sup>7</sup> United Nations Office on Drugs and Crime (UNODC), *The Globalization of Crime: A Transnational Organized Crime Threat Assessment* (Vienna: UNODC, 2010), [www.unodc.org/unodc/en/data-and-analysis/tocta-2010.html](http://www.unodc.org/unodc/en/data-and-analysis/tocta-2010.html).



piracy, kidnapping and other criminal activities. It also allowed for the entry of personnel whose loyalties were less connected to the top. The new, decentralized system worked as long as a strong person remained as its leader. However, as soon as that leader was eliminated, the organization inevitably began to break apart and in many instances violence flared among competing factions.

This evolution has played out over the last decade, particularly during the time after Calderón took power in 2006 because at least one of his strategies accelerated this process. Upon taking office, Calderón made these organizations' leaders his principal targets. The so-called kingpin strategy was designed as one of the means to reduce these criminal groups from a national security threat to a problem of law and order. From the beginning, Calderón depended heavily on the military to implement this plan. Using the army, navy and federal police, his government captured or killed 25 of the 37 of top leaders. But the kingpin strategy had a negative impact as well as it seemed to accelerate the fragmentation of these organizations and led to spikes in violence in the areas where these organizations operated.

**Figure 6: Kidnapping Rate in Mexico, 2000 - 2013**





Without central authority and with steadily rising revenue streams coming from their local criminal activities, many of these armed groups have subsequently broken from their progenitors, including major segments of the Gulf Cartel, the Sinaloa Cartel, the Tijuana Cartel, and the Juárez Cartel. Authorities still regularly refer to the largest groups by name as a means of making sense of the mayhem, but the reality is much more complicated on the ground. InSight Crime, for instance, recently counted 28 criminal groups in Mexico; the Attorney General of Mexico said there were 80.<sup>8</sup> These groups also often contract smaller criminal units, usually gang members, thus further complicating the situation and making our job of dissecting the chaos more difficult.

In sum, we have tiers of groups with a wide range of sophistication and interests. On the top are groups like the Sinaloa Cartel, one of the few organizations that remains focused on international drug trafficking and has developed a highly sophisticated distribution network that depends on contracted transport groups, enforcement organizations and corrupt officials. In the middle tier, we have groups like the Zetas. As we shall see, this organization has a much wider portfolio of criminal interests; its revenue depends on controlling territory via horrific acts of violence, intelligence gathering and the implementation of military tactics. At the bottom, we have street gangs. These gangs can be contracted by other groups such as the Zetas or the Sinaloa Cartel, but they can also, and do, operate on their own.

#### **Juárez: A Cause for Hope?**

During the Calderón administration, Ciudad Juárez became the symbol of Mexico's pain and one of the most violent in the world. Between 2007 and 2011, it went from about 300 homicides to over 3,500. The causes of this violence were numerous. At the surface was a battle between some of the largest criminal groups, the Sinaloa Cartel and the Juárez Cartel. But beneath that battle is a struggle amongst corrupt officials and, as illustrated earlier, a vicious fight between the multiple layers of criminal groups who had aligned themselves with the larger organizations but were also fighting over local revenue streams.

The astounding spike in violence during that period has been matched only by the surprisingly precipitous drop in homicides, which is back down to about one per day. While this is still very high, the situation in Juárez now seems manageable. Other crimes, such as extortion, kidnapping and car theft, have also dropped dramatically. Complaints of extortion are one-third of what they were 18 months ago. Kidnapping is reportedly at one-quarter of what it was at its peak.

There are many ways to explain this drop. The most cited explanation is that, in the war between the two largest criminal groups that has ravaged the city over the last several years, one emerged as the winner: the Sinaloa Cartel. In this narrative, this

<sup>8</sup> InSight Crime, "Mexico Has 80 Drug Cartels: Attorney General," December 20, 2012. <http://www.insightcrime.org/news-analysis/mexico-has-80-drug-cartels-attorney-general>



criminal group is maintaining order in the underworld, something that seems like an oxymoron and hardly sustainable.

But in Juárez, the government and Juárez citizens also took action that impacted violence and offer some lessons learned. Following the tragic shooting of 15 teenagers in January 2010, in what appears to have been a case of mistaken identity, the federal government and citizens created a series of citizen-led roundtables to deal with the violence. The program was part of a larger initiative aptly named, “Todos Somos Juárez,” (We are all Juárez), a multi-million dollar educational and violence prevention strategy of the type the US government already assists under Pillar IV of the Merida Initiative.

Amongst the roundtables one was centered on security issues. The so-called “Mesa de Seguridad” (Security Round Table) is, in essence, a place for citizens to interact with government officials.<sup>9</sup> These interactions occur during regular meetings between the two. These meetings happen in hotels or government offices that can accommodate large groups. The citizens manage the meetings, controlling the agenda, minutes, facilitation and other aspects. Each meeting begins with crime indicators. Then they go through, one-by-one, the accords they have reached with the government on security issues to check on the status of these accords. In order to facilitate the work, the Mesa is broken down into 14 committees: crime indicators, public trust, Emergency Response Center, car theft, kidnapping and extortion, to name just a few. These committees meet monthly.<sup>10</sup>

The Mesa has engendered informal contact and better relations with regards to specific criminal activity. One member says he talks on the telephone with police on a daily basis and interacts via email with the Attorney General’s Office, the state prosecutor and a US security consultancy. Sometimes these interactions are related to specific cases. Initially, these were kidnapping cases. Now they are more related to extortion. In many of these cases, Mesa members serve as intermediaries between the security forces and the victims. This is because the victims still do not trust the security forces. They do, however, trust the Mesa members.

The Mesa has had more indirect than direct results. Its specific programs include Crime Stoppers, which later stalled because the current mayor stopped funding it,<sup>11</sup> and a crime database. Efforts to improve the “9-1-1” emergency system failed. The newly created “Citizens Defense Committee” – which was designed as a way to channel information of abuses by security forces directly to their superiors – still has no direct line of communication with the municipal or the state police. In terms

<sup>9</sup> This section on the “Mesa de Seguridad” is part of a Woodrow Wilson Center study on the effectiveness of civil society interaction with the government on security issues in four cities: Monterrey, Ciudad Juárez, Tijuana and Nuevo Laredo. It will be published in the coming weeks as part of a larger study on the issue.

<sup>10</sup> Arturo Valenzuela, interviewed by the witness, September 25, 2012.

<sup>11</sup> Miguel Fernández Iturriza, interviewed by the witness, September 24, 2012.



of campaigns, perhaps the most successful has been the effort to get Juárez citizens to place license plates on their cars. Authorities say the city went from 40 percent without plates to 7 percent in just two years.<sup>12</sup>

The main result of the regular interaction between government and civil society, Mesa participants say, has been the resolution of specific cases, especially kidnapping and extortion cases, in which suspects have been arrested, tried and jailed. These direct interactions have resolved more than a hundred kidnapping cases and many more cases of extortion. The positive results of these civilian-government interactions have given other Juárez businesses more confidence to go to the security forces with their problems, leading to more arrests and greater security, Mesa participants say.

These security forces include the city's police chief, Julian Leyzaola, who is also a Mesa participant. Leyzaola's arrival in March 2011 coincided with the dramatic drop in crime and homicide levels, and many give him credit for the turnaround. Leyzaola, a retired lieutenant colonel, has spent his tenure pushing police onto the streets, where they arrest anyone whom they see as a threat. In January 2011, the police arrested 1,462 people for suspected misdemeanors. In July 2012, that number was 13,568.

Some say these mass incarcerations are a systematic violation of human rights. Many of those detained pay fines for violations such as failure to carry proper identification. Others lose a half-day's work. The result, say critics of Leyzaola, is that people are turning against the municipal government's security plan. The police do not hide their aggressive stance. Some police told InSight Crime they were in the "attack" ("choque") phase. They believe that it can help them revive morale, belief in the institution, and respect from the populace and criminals alike.

"The police cannot become too nice just yet," one policeman, who was not authorized to speak on the record, told InSight Crime. "We are capturing killers. They don't think about human rights."

Finally, it is worth noting that increased cooperation between the US and Mexican law enforcement has also played an important role in the battle for Juárez. US and Mexican investigators from both sides of the border told the witness that they were cooperating on a more regular basis since Merida began. These included formal and informal means of cooperation and, in some instances, meant the passing of actionable intelligence. Agents on both sides said this cooperation has led to real results, including arrests on the Mexican and US sides of the border.<sup>13</sup>

<sup>12</sup> Mesa de Seguridad, "Comunicado de Prensa Periódico Norte de Ciudad Juárez 10 Marzo del 2012," March 13, 2012. <http://www.mcsadseguridad.org/?p=657>

<sup>13</sup> This is part of an ongoing research project on cooperation the witness is doing with American University that is funded by the National Institute of Justice.



Whether due to a criminal group imposing its will, the Mesa's efforts, the police's mass incarcerations, or increased cooperation on both sides of the border, Juárez shows that to gain ground on criminal groups there is a need for a combination of initiatives, some of which also fall under the rubric of the Merida Initiative. Arguably, the most important is that of reforming the police. Mexico's police have long been a critical component of criminal activity in Mexico. They serve as spies, assassins, weapons providers and escorts, among other services. The process of purging and restocking them has been slow and painfully bureaucratic. Of the close to 50,000 police that were deemed unfit via background checks, lie-detector tests and other procedures during the Calderón administration, 80 percent are still technically working as police officers around the country.<sup>14</sup> This is largely due to the fact that failing these tests is not yet a fireable offense in many Mexican states.

Attempts by Chihuahua and Juárez police to restock their ranks with new recruits illustrate the difficulties and fragile nature of the process going forward. The Juárez police recently graduated its first class of recruits since Leyzaola's arrival in March 2011. Of the 3,000 applicants, 100 passed the battery of obligatory mental aptitude, psychological and polygraph tests. Of those, 81 made it through basic training. On a national level, Mexican government officials are more optimistic. They told InSight Crime that one in five candidates make it through entry-level tests and basic training.

#### **Nuevo Laredo: The New Epi-center**

Police reform cannot come fast enough for places like Nuevo Laredo, a place that has gone in the opposite direction of Juárez in terms of security. The city has been without a police force since 2011, when the government disbanded the force because it considered it an extension of the Zetas criminal organization. The Zetas leader, Miguel Treviño, is from Nuevo Laredo, which has been the group's headquarters since at least 2004. Under Treviño's watch, the city has become one of the most dangerous in the world. Last year, the municipal government recovered in the range of 550 bodies, according to official sources close to the municipal government, which would put it in a league with Juárez during its most difficult years in per capita terms. Since 2005, four municipal security chiefs have either been killed or disappeared, the most recent one earlier this year.

The Zetas value Nuevo Laredo because it is the Mexico-US border's most important commercial crossing point. Between 10,000 and 12,000 cargo trucks cross the border each day, or an estimated 60 percent of all truck traffic that crosses the border. Another 14,000 passenger cars and 1,000 railroad cars join that truck traffic daily to make Laredo – Nuevo Laredo by far the more important commercial crossing point along the 1,951 mile border equal to about \$500 million in daily

<sup>14</sup> InSight Crime, "80% of Unfit Police Still Working in Mexico," November 7, 2012. <http://www.insightcrime.org/news-briefs/80-unfit-police-working-mexico>



trade. The city also connects Mexico to Interstate 35, one of the United States' most important arteries. I-35 splits the US in two and connects to the east-west arteries that dissect the US into a grid of vast proportions. The city is the crossing point for most traffic coming and going between Mexico City and Monterrey, and the border via Mexico Federal Highway 85.

The Zetas represent perhaps the current government's most formidable challenge and its unstated "public enemy number one." In part, this has to do with the Zetas' massive expansion around Mexico. A recent Harvard study shows that since 1999, the Zetas have operated on average in 33 new municipalities every year.<sup>15</sup> They are the only one that operates in 350 Mexican municipalities, as well as numerous others in Guatemala and Central America. The second most expansionist group, the Gulf Cartel, expanded by 19.7 new municipalities during the same time period. By 2010, the Zetas operated in 405 municipalities, 161 more than the Gulf Cartel, and it was 2.3 times larger than the Sinaloa cartel.

Explaining how the Zetas were able to achieve this expansion is more difficult. Most analysts have focused on form. From the beginning, the Zetas seemed fearless and were distinctively cruel towards their enemies. They quickly became synonymous with torture and beheadings, mangled piles of bodies and horrifically bloody scenes in public spaces. They did not seek allies. They sought domination. They did not defeat their enemies. They destroyed them.

However, the Zetas are different in another, more important way, which is what makes them such a formidable challenge: they have never looked at themselves as a drug trafficking operation. They have always been a military group whose primary goal is to control territory. In essence, the Zetas understood something the other groups did not: they did not need to run criminal activities in order to be profitable; they simply needed to control the territory in which these criminal activities were taking place.

To be sure, unlike the group's progenitors the Gulf Cartel – who earn most of their profits from the international export of drugs, and thus concentrate their finances, the know-how and the contacts at the top levels of leadership – the Zetas follow an entirely different financial model. According to a recent book on the Zetas, "The Executioner's Men," by Sam Logan and George Grayson, only 50 percent of the Zetas' revenue is from cocaine trafficking (InSight Crime believes it is even less.) The rest comes from Zetas' low-level criminal activities – extortion, kidnapping, theft, piracy and other licit and illicit activities.

And since a large portion of the Zetas' revenue streams come from the bottom and local sources, rather than the top and international sources, this makes it more

<sup>15</sup> Coscia, Michele, and Viridiana Rios. "Knowing Where and How Criminal Organizations Operate Using Web Content." CIKM, 2012.  
[http://www.gov.harvard.edu/files/CosciaRios2012\\_WhereHowCriminalsOperate.pdf](http://www.gov.harvard.edu/files/CosciaRios2012_WhereHowCriminalsOperate.pdf)





likely that local Zetas cells see how these businesses work and how much money is being pocketed by this hard work. The barriers to entry into these businesses are minimal: The infrastructure needed to manage them is already there; and the wherewithal to recruit and operate on the local level already exists. The result is that a mid-level commander will be more likely to break away from his bosses simply because he can.

This is arguably what makes the Zetas' model of organized crime different and more menacing than the older, traditional cartels. Cartels who earn most of their revenue through international drug exports essentially cannot run their business without the international contacts necessary to do so. But in the Zetas' case, because of their revenue comes from local criminal activities that can be practiced anywhere and by virtually anyone, they have created the ultimate "democratic" model of organized crime. It is a model that can be easily replicated across Mexico, and is inherently vulnerable to suffering internal splits.

This different outlook changed what they saw as propitious territory and propelled their need to expand. The Zetas, for example, sought new markets, areas that had traditionally a role in drug trafficking or major criminal activity. Out of the total of municipalities in which Zetas have operated since their onset, the Harvard study showed that 381 were previously a territory of another criminal organization. The closest cartel to Zetas is Gulf, a cartel that operated in 325 municipalities held by others, followed by Familia with 260.

This expansionist nature and easily replicable model has put them at odds with many other criminal groups and the government and led to numerous spikes in violence over the years. The Zetas and their former progenitors, the Gulf Cartel, are battling for long stretches along the US-Mexico border, including Nuevo Laredo. The group is also fighting with other cartels, most notably Sinaloa, in various states. The group is at the center of much of the turmoil and is a large reason why the current administration will have trouble slowing the violence.

### **The Peña Nieto Administration's Security Policy**

It in this context that new President Enrique Peña Nieto entered the presidency, so it is fitting that he has said he will focus his efforts on reducing violence. But since taking office in December, the president has given only a broad outline of how he will achieve this goal. These plans include prevention programs and a special unit, or Gendarmerie, to be dispatched to Mexico's hotspots. He has promised more coordination, and a reformed police and judicial system. And he has said there will be more emphasis on human rights.<sup>16</sup> He also dissolved the Secretariat of Public Security (SSP), the most important conduit for US assistance and cooperation via the Merida Initiative.

<sup>16</sup> Presidency of Mexico, "Mexico en paz," December 17, 2012.  
<http://www.presidencia.gob.mx/mexico-en-paz/>



The SSP's functions were assumed by the Interior Ministry, which now manages security policy and will be the single conduit through which Merida funds will pass. In some quarters, this centralization of power is a welcome change from the Calderón administration in which there was at times confusion of who was making the final decisions. But for others, this represents a step backwards in relations and adds layers of bureaucracy that will make it harder to foster the regular and informal contact that some mid-level managers enjoyed during the previous administration and that led to some of the "shared cooperation" sought under Merida.

Peña Nieto has also spent much of his time trying to change the narrative about criminal activity in Mexico. He and his communication's team have limited their public statements on the fight against organized crime and instead have focused on selling this as "Mexico's Moment." While there are some positive economic indicators and immigration appears to be continuing its downward trajectory because of these gains, there is little indication the criminal groups have slowed their violent ways. In fact, violence has continued apace, even if the government does not want to admit it.<sup>17</sup> To be sure, the government has shut down many avenues of communication and access to information, even for the US government, has been limited. To cite just a couple of examples: a recent freedom of information request on criminal activity by the local press was denied from a request would have been a routinely fulfilled under the Calderón administration; and, following an explosion at the government petroleum company Pemex in January that killed 37 people and injured over 100, US bomb investigators were not allowed to reach ground zero to inspect suspicions that perhaps there was some foul play.<sup>18</sup>

At the same time, the government has yet to, in any great detail, outline exactly how this administration's strategy will be different in substance from the Calderón administration's strategy. In some respects, it feels the same. Peña Nieto has, for the most part, left army troops and federal police in many of the same hot spots where Calderón used them. He has said that he will continue efforts to purge and restock the police. He appears willing to continue reforming the justice system, although both police and judicial reform seem to be stalling already under his administration.

Amongst the more subtle shifts in policy, the role of these army troops appears to be changing. To begin with, Peña Nieto has reduced the role of the Marines by some 40 percent.<sup>19</sup> The Navy, during the Calderón administration, became one of the US government's chief allies, helping kill or capture some of the most notorious kingpins, including Arturo Beltrán Leyva, during a famous shootout in 2009. The

<sup>17</sup> InSight Crime, "Don't Get Confused About Mexico's Death County," February 13, 2013.

<http://www.insightcrime.org/news-analysis/mexico-homicides-statistics-2013-pena-nieto>

<sup>18</sup> InSight Crime, "Pemex Blast Opens Questions about Mexico Govt Transparency," February 21, 2013. <http://www.insightcrime.org/news-analysis/pemex-blast>

<sup>19</sup> InSight Crime, "Use of Mexico's Marines in Drug Ops Down 40% Under Peña Nieto," April 10, 2013. <http://www.insightcrime.org/news-briefs/marines-drug-operations-down-40-under-pena-nieto>



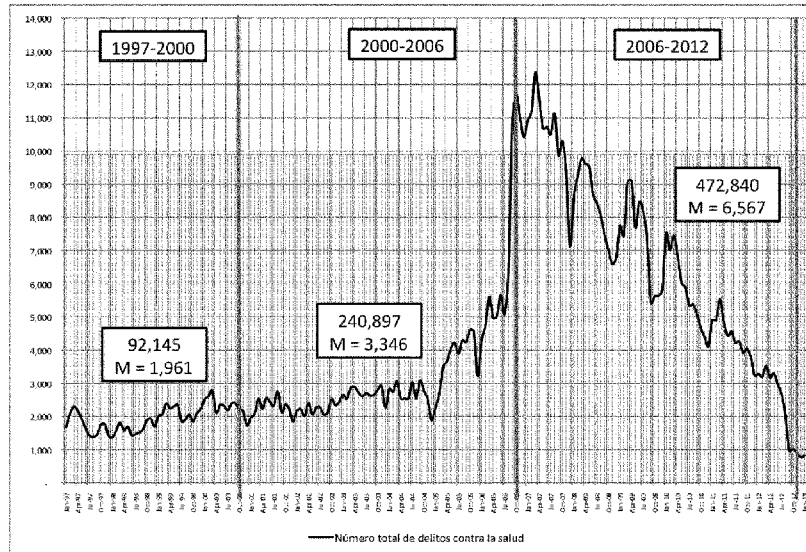
army's role also appears to be shifting, although evidence of this shift is more anecdotal than quantitative. Sources in two high conflict areas tell InSight Crime that army patrols and roadblocks have been reduced. "The order is to slow down," one colonel from a high conflict zone told InSight Crime.

In theory, the Gendarmerie would replace the army and navy in conflict zones, or at least compliment them. The administration has said it would consist of 40,000 specially trained members, most of them taken from the ranks of the military. However, there are several legal and procedural hurdles that the administration would have to clear and has yet to even propose. What's more, the criteria for use of this force and what legal measures it will have at its disposal have yet to be considered. The reasons for creating this "shock troop" may be noble but superfluous. Mexico already has tremendously competitive security forces and fostering coordination amongst them has been a major obstacle to success in fighting criminal groups.

In another subtle shift under Peña Nieto, the Attorney General's Office has reduced the number of drug prosecutions to a 15-year low. (See Figure 7) To be fair, what are technically called "crimes against health" were already dropping during the last months of the Calderón administration, but the contrast between the number of cases opened by the Attorney General's Office at the onset of the Calderón administration and at the onset of the Peña Nieto administration illustrates the stark difference in approach between the two governments. While Calderón tried to "bully" his way toward a more manageable security situation, Peña Nieto appears more interested in taking a selective approach and possibly reducing the pressure on criminal groups involved in drug trafficking as a way to lower the temperature of this confrontation.



**Figure 7: “Crimes against health” Cases Opened, 1997 - 2013**



(Source: Secretaría de Gobernación)



## Recommendations

There are two arenas in which the United States plays: one is practical and the other is political. The reality of the Merida Initiative is that, while important, it does not represent a significant amount of the Mexican security budget. In fact, it is on the order of 3 to 5 percent of the national security budget in that country. Still, it has much political impact and influence in security policy. And this political influence may outsize its actual monetary contribution. My recommendations will therefore be broken down by these two categories: the practical and the political.

### Practical Recommendations

1) Push to keep momentum on judicial and police reform. These are the cornerstones of more security in Mexico. They cannot be abandoned. There must be a more effective, trustworthy police on a local level in order for there to be security. Equally important is pushing for continued judicial reform. This reform is focused on shifting the justice system from the closed-door, written system to the oral, accusatorial system. However, this is a slow, multi-year process. Stay the course.

2) Increase assistance to civil society, violence prevention, education, job training. This is the type of long-term funding that is often forgotten or given short-shrift on the local level. And, as we can see from the Juárez example, there are side benefits that we cannot predict or always direct, but we can support. This also includes supporting the free press. While I did not touch on it in much detail, this part of Mexican society is under full-scale assault by both criminal groups and the government. A free, vibrant press is a major counterbalance to these criminal groups and an overreaching government.

3) Help implement best practices and controls for military intervention in civilian law enforcement situations. The military in Mexico has proven to be a useful stopgap and, in some situations, spearhead in the fight against organized crime. But the institution remains largely unprepared for the issues involved in fighting crime, namely the transparency needed and demanded of an organization that is interacting constantly with civilians. Make the military who are participating in the front lines of these battles implement safeguards and best practices from the years of lesson-learned around the world.

4) Support the development of intelligence gathering and operational capacities. While the kingpin strategy often gets blamed for the proliferations in violence, we cannot lose sight of the benefits of this process. We need to continue to help develop and implement, where possible, actionable intelligence. Kingpins are not just operators, they are symbols of impunity, lawlessness, and in some cases become factors of instability. Part of slowing crime is creating the impression that the life span of a criminal is short and costly. Pushing the Mexican government along this



continuum of creating powerful intelligence gathering services that have counterparts who can implement this knowledge is arguably a critical first step.

#### **Political Recommendations**

1) Support the shift in strategy and priorities. The seeming shift away from capturing and/or killing major drug trafficking groups is a reflection of the sense that this confrontational strategy has come at a large and perhaps unnecessary cost for the Mexicans. They, like us, are interested in lowering the levels of violence, first and foremost. This is a laudable goal that may involve the type of trade-off that in the United States we have become used to; perhaps we need to change our definition of “kingpin” to mean “most violent,” in order to support this lateral movement. Support these shifts, as long as they do not undermine the institutional development outlined in the practical section.

2) Support the continued cooperation on the mid and lower levels across borders. These are the hidden gems in the Merida Initiative. They tend to happen in informal meetings and gatherings. They are critical to fostering long-term relations and a sense of shared responsibility that will make this fight come a lot easier down the road.

3) Less is more. There is a sense that the United States tries to do too much. We think we can resolve everything. Perhaps what this question warrants is a more focused effort. Find what works and make it a beacon.

4) Quality of life. Perhaps our goals should be about quality of life and safety, rather than number of people who are arrested or prosecuted. In my experience, these people who we want to support want to do their jobs in an independent manner – without undo political influence – and they want to feel that they and their families are safe. Support that, and it will not matter as much whether they are in a Gendarmerie or a municipal police force, or whether they are working in a written or an oral justice system.

Thank you. I look forward to your questions.

END OF TESTIMONY

Mr. SALMON. Thank you.  
Dr. Gonzalez.

**STATEMENT OF FRANCISCO E. GONZALEZ, PH.D., RIORDAN ROETT SENIOR ASSOCIATE PROFESSOR, LATIN AMERICAN STUDIES, JOHN HOPKINS UNIVERSITY SCHOOL OF ADVANCED INTERNATIONAL STUDIES**

Mr. GONZALEZ. Thank you, Mr. Chairman, members of the committee. Thank you for the invitation to testify today. I ask that my whole written testimony be made available to the public and I will summarize my presentation into three points and look forward to your questions.

Point one, focused originally on training and the sale of military and police equipment to help Mexico pursue the so-called war on drugs, the Merida Initiative had, in my view, a significant and welcomed change of focus in 2010 by emphasizing institution building, specifically, helping Mexico to introduce the law, the rule of law in the country. Many police records, think tanks, policy documents in Washington, DC, and Mexico City, make the mistake of saying that the aim is to help Mexico strengthen the rule of law. This is incorrect. The reason is there has not been a rule of law in Mexico. I wish that the thousands and thousands of innocent Mexicans in jail had such a good advocate as congressmen here, Congressman Smith, as we heard during the previous panel. Alas, they don't.

Creating the rule of law is by far the most important positive medium to long-term contribution that American taxpayers' money can bring about in Mexico. One of the reasons why the early years of the Merida Initiative ended up surrounding by controversy was that by providing means to strengthen Mexico's military and police forces and given the absence of the rule of law in Mexico, complaints of serious abuses started piling up regarding the conduct of Mexico's military and police forces against innocent civilians.

Second point, there has been a worsening general perception of U.S. operations in Mexico. A turning point for Mexican public opinion about U.S. helping the war on drugs occurred after a whistle blower uncovered the so-called Fast and Furious Operation carried out by the Bureau of Alcohol, Tobacco, Firearms and Explosives between 2006 and 2011 which allowed more than 2000 AK-47 weapons to walk into Mexico to try to arrest kingpins. This operation unraveled after the tragic death due to one of these weapons of a U.S. Border Patrol Agent. The Mexican Attorney General has confirmed that some of these weapons have been recovered in crime scenes where at least 150 Mexicans were maimed or lost their lives, but few officials have either from the U.S. or Mexico even blinked an eye.

As of February 2012, more than 1,000 of these weapons remained walking around Mexico.

Another incident that acted as a significant eye opener for both Mexican society and the U.S. Government was the ambush of a U.S. vehicle with diplomatic plates carrying two CIA agents which came under attack by Mexican Federal police forces. In addition, President Calderón allowed U.S. unmanned planes to operate in Mexican territory without even most of his close collaborators knowing about this. For many, Calderón's strategy had gone ber-

serk and as a consequence there was a significant public opinion backlash against the no strings attached access given to U.S. law enforcement, intelligence, and military forces.

Point three, it is my view that it is right that lowering the levels of violence, official impunity, and homicides has become the Mexican Government's top priority. My own position after having heard many family friends, working colleagues, acquaintances scattered around my country from Mexico City to Morelos to Michoacan to Jalisco to Coahuila to Nuevo Leon, is that every day living conditions during the last 6 years have deteriorated significantly. Extortion, almost unheard of among the backbone of middle class in Mexico, doctors, lawyers, economists, engineers, has become endemic in the last few years.

A case that helps to illustrate the climate of intimidation that society is under given the collusion between drug trading organizations and high-ranking members of local, state, Federal Governments, and police and military officers occurred to someone my family knows well. The individual in question is a prestigious heart surgeon, who is well known for his involvement with good causes in his city. A military platoon was sent to take over his house without a search warrant. His crime, his daughter's mother-in-law was a State Attorney General who resigned and threatened to go public about systematic corruption and close links between the military stationed in the area and the drug trafficking organizations. The military ransacked, robbed, destroyed, and defecated in the doctor's house. The doctor, an influential individual in the city went to see the General in charge of the garrison station there. He was told the action had been just a taste of what could happen to him and his family if his daughter's mother-in-law opened her mouth.

Mexican President Peña Nieto's decision to recentralize law enforcement and intelligence functions under the Secretria de Gobernacion is not necessarily bad. The restoration of basic oversight functions centrally is a necessary prerequisite to reign in significant fragmentation, bordering on anarchy that Mexico has experienced during recent years. For the record, I am not and have never been a member of any political party. Neither have I ever worked for any government or any public project. I am proud to be a teacher and my weapons are my reasoning and my independent voice. I think the most important action that U.S. representatives of taxpaying American citizens can take is to deepen their commitment to help Mexico create the rule of law. The U.S. tradition of open all trials, presumption of innocence, trial by a jury of peers, and the basic notion of equality before the law are essential if Mexico is to consolidate its democracy and prosperity in the medium to long term. Thank you.

[The prepared statement of Mr. Gonzalez follows:]



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Mr. Chairman, Ranking Member, and Members of the Committee, thank you for the invitation to testify today. There is no doubt that the Mexico-United States relationship has strengthened significantly since the 1990s and this is reflected in economic, demographic and political indicators. Mexico ranks as the second country in the world for U.S. exports while it is number three in terms of goods imported by the U.S. The bilateral trade between the two countries grew exponentially between the late 1990s and the late 2000s, and by 2011 it was close to half a trillion dollars. A country of 115 million inhabitants with a GDP per capita of approximately \$10,000, an economy of roughly \$2.3 trillion, and a country that shares a two thousand mile border with the United States, it is unsurprising that most official meetings between American and Mexican government officials usually start with the invariable motto 'there is no more important bilateral relationship for the United States than Mexico and, obviously, vice-versa.'

#### **Merida Initiative and the Absence of the Rule of Law in Mexico**

The bilateral relationship grew significantly closer with respect to security, intelligence and military cooperation during the presidency of Felipe Calderón (2006-2012) of the conservative Partido Acción Nacional (PAN). Calderón asked President George W. Bush for assistance during a meeting they held in Mérida, Yucatán in 2007. The Merida Initiative, involving resources appropriated by the US Congress of close to \$2bn between 2008 and 2013, was the result. Focused originally on training and the sale of military and police equipment to help the Mexican government pursue the so-called 'war on drugs', the initiative had a significant and welcome change of focus in 2010, which emphasized helping Mexico to introduce the rule of law to the country.

Many policymakers, think tanks and policy documents in Washington and Mexico City make the mistake of saying that the aim is to help Mexico “strengthen the rule of law.” This is incorrect. There is and has not been a rule of law in Mexico. According to the Centro de Estudios y Docencia Económica (CIDE) in Mexico City, 93% of accused criminals are prosecuted without a prior investigation. Usually, defendants cannot access government documents, trials are carried out in secret, and key witnesses are coerced and 80% never see the judge that sentenced them.<sup>1</sup> Likewise, a study by the National Center for State Courts estimated that defendants are found guilty 90% of the time, but evidence against them is almost nonexistent.<sup>2</sup>

The numbers reported make it clear that this is not just a pedantic quarrel over qualifying official phraseology. Had there ever been a rule of law in Mexico then it would be feasible to think about minor changes that could be formulated and implemented to strengthen such a system. Because there has never been a rule of law in the country, the job is not a question of modifying, substituting, and tweaking rules, procedures and behaviors. It amounts to bringing to life a system from its inception: constructing a criminal justice system by teaching children in schools about the importance of equality before the law and impartiality irrespective of power, money and influence; strengthening the many civil society organizations, universities and social media outlets which have, happily, become a thorn on the side of official impunity and corruption; not cleaning but clearing the Augean stables to a clean slate by getting rid of Mexico’s police forces, prosecutors’ offices, courts, judges, and their many accomplices, those who bribe them and give them incentives via promises of promotions or threats of setbacks.

Such a Herculean task will not be carried out in the short term either by Mexico alone or Mexico with the help given to it by the United States. However, this is by far the most important positive medium to long-term contribution that American taxpayers’ money can bring about not only to secure the US southern border, but also to ensure that a basic sense of justice and fairness is set up and can work effectively in one of the United States’ most important economic and diplomatic partners. If Mexico prospers the United States prospers. If Mexico is mired in social

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<sup>1</sup> Ana Laura Magaloni Kerpel, “Context and Positive Implications of the Mexican Judicial Reform,” paper presented at the Challenge of Reforming Mexico’s Justice System Seminar, *Woodrow Wilson Center’s Mexico Institute*, Washington, D.C., May 4, 2007.

<sup>2</sup> Layda Negrete and Roberto Hernández, “‘I don’t remember’: Police Accountability and Due Process in Mexico City Criminal Courts,” paper presented at the Challenge of Reforming Mexico’s Justice System Seminar, *Woodrow Wilson Center’s Mexico Institute*, Washington, D.C., May 4, 2007.

conflict, lack of economic opportunity, and lawlessness, where invocation of the law means an opening to negotiation and extortion rather than the impartial application of rules and procedures that help to dispense fair punishment and rewards, the United States will feel a significant drag to its own well-being because the two countries are joined at the hip.

One of the reasons why the early years of the Merida Initiative ended up surrounded by controversy was the focus on helping the Calderón government to fight drug trafficking organizations (DTOs) by providing means to strengthen Mexico's military and police forces to carry out this mission. Given the absence of a rule of law in Mexico, complaints of serious abuses started piling up regarding the conduct of Mexico's military and police forces against innocent civilians. I have attended dozens of official meetings between Mexican and US government officials and the defense line on both sides invariably was "the death toll is unfortunate, but as around 90% of the dead are individuals connected to drug trafficking organizations or officers and troops who fell in the line of duty, the strategy is working." By the time the number of violent deaths due to drug-related operations hit 60,000 in 2012, the said invocation was used less frequently given the hideous implications of at least 6,000 innocent civilians killed as a result of President Calderón's strategy and the backing by the United States.

#### **Worsening General Perception of US Operations in Mexico**

The US Congress struck the right cord by conditioning the disbursement of some of the resources under the Merida Initiative subject to State Department confirmation that human rights were not being violated through the use of US taxpayers' money. To its credit, the State Department has at least twice stopped disbursement of such resources temporarily given the worsening of human rights' violations in Mexico carried out by both police and military forces.

A turning point for Mexican public opinion occurred after a whistleblower uncovered the 'Fast and Furious' operation, carried out by the Arizona field office of the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) between 2006 and 2011. The operation, which allowed more than 2,000 AK-47 weapons "to walk" into Mexico to try to reach highly placed drugs kingpins for arrest, unraveled after the death due to one of these weapons of U.S. Border Patrol Agent, Brian Terry, in Arizona on December 15, 2010. Mexicans expressed their sadness

and solidarity for agent Terry and his family's irreparable loss. Mexican news outlets and social media also expressed their concern given that it had taken the loss of life of an American public official to bring this inexplicably macabre episode to the public attention of Americans. The Mexican Attorney General office confirmed that some of these weapons had been recovered in crime scenes where at least 150 Mexicans were maimed or lost their lives, but few officials from either the US or Mexico even blinked an eye. As of February 2012, more than 1,000 of these weapons remained 'walking' around Mexico.

Another incident that acted as a significant eye-opener for both Mexican society and the US government was the ambush of a US vehicle with diplomatic plates carrying two CIA agents, and a third individual, which came under attack by Mexican Federal Police forces on the road between Mexico City and Cuernavaca on August 24, 2012. The incident was deeply embarrassing for President Calderón but he decided to retain his trusted head of Public Security in charge of the federal police. This event was an eye-opener to US government officials because it showed how well informed and brazen Mexican police could be regarding movements of US covert agents operating in the country. In turn, Mexican politicians of all stripes, including some in president Calderón's PAN complained in public about the shambolic lack of control of police forces. The incident helped to fuel those voices among the left Partido de la Revolución Democrática (PRD) and the center, recently victorious in presidential elections Partido Revolucionario Institucional (PRI), who considered that Calderón's strategy had gone berserk.

Mainstream media and social media fed the perception that Calderón had ended up giving US law enforcement, intelligence, and military forces no-strings-attached access in Mexican territory, and this led to a significant backlash against this strategy. The fact that close collaborators of President Calderón were left in ignorance regarding the extent of US-Mexico cooperation led to a call for a new approach. Moreover, weeks before Calderón stepped down on December 1, 2012, leaks purported to show that the president had also allowed US unmanned planes to operate in Mexican territory to gather information and help continue building the strategy to clampdown on the DTOs. Again, a majority in the political class, including prominent members of the president's party was taken by surprise, and the backlash against his way of doing things was sealed.

### **A New Approach to Fighting DTOs and Procuring Lower Levels of Violence and Homicides**

When President Enrique Peña Nieto assumed power in Mexico on December 1, 2012, he reiterated his intention to change some of the underlying principles that underpinned Calderón's 'war on drugs.' The change in strategy was thought necessary given not only some of the high visibility, high impact events and the effect they had on Mexican public opinion described above. Throughout the presidential campaigns in the run-up to the July 1, 2012 elections, candidates and their pollsters were told time and time again that the concerns about basic individual and family security, and the climate of violence that had taken over many cities as well as big swathes of the Mexican countryside, were electors' top concerns.

Polled citizens expressed a positive opinion about President Calderón's courage to confront the DTO's but gave him low marks and expressed fear about the effects his 'war on drugs' had in the everyday life of countless cities, towns, and villages. Many citizens came to feel harassed, threatened and in many cases were mentally and physically abused by both competing DTOs as well as local, state and federal police forces and military convoys sent to their localities.

My own position, after having heard many family, friends, working colleagues, and acquaintances scattered around the country – Mexico City, Morelos, Michoacán, Jalisco, Coahuila, Nuevo León – recount their perception of everyday living conditions during the last six years is decidedly pessimistic. Extortion, almost unheard of among the backbone of middle class Mexico – doctors, lawyers, economists, and engineers – into the early 2000s has become endemic in the last few years. A case that helps to illustrate the climate of intimidation that society is under given the collusion between DTOs and high ranking members of local, state, federal governments and police and military officers occurred to someone my family knows well. The individual in question is a prestigious heart surgeon who is well known for his involvement with good causes in his city. A military platoon was sent to take over his house without a search warrant. His crime: his daughter's mother-in-law was a state attorney general who resigned and threatened to go public about systematic corruption and close links between the military stationed in the area and DTOs. The military ransacked, robbed, destroyed, and defecated in the doctor's house. The doctor, an influential individual in the city, went to see the

general in charge of the garrison stationed there. He was told that the action had been just a taste of what could happen to him and his family if his daughter's mother-in-law opened her mouth. The doctor and his family decided not to pursue the matter further and thought about emigration to another country. Stories like this one have been reported in their hundreds both in mainstream as well as social media.

As an academic, I was trained to be skeptical, to pursue lines of inquiry through the search for evidence that falsifies stated hypotheses and, above everything else, to always keep looking for angles that can yield relevant questions in search of the truth. I am unable to corroborate the hundreds of stories. I can vow for the one I have related from first-hand accounts by eye witnesses and the meeting between the general and the doctor.

**The United States Can Make a Big Positive Difference: Contribute to the Birth of the Rule of Law in Mexico**

The micro-taste of hideous abuse of power described above is meant to raise awareness among the members of the Honorable US Congress about where American taxpayers' money could have or has been allocated in Mexico, and its consequences. US citizens and their political representatives deserve better. President Peña Nieto's decision to re-centralize law enforcement and intelligence functions under the Secretaría de Gobernación (Segob) is not necessarily bad. The restoration of basic oversight functions centrally is a necessary prerequisite to rein in the significant fragmentation, bordering on anarchy that Mexico has experienced during recent years.

For the record, I am not and have never been a member of any political party. Neither have I ever worked for any government or any public project. I am proud to be a teacher and my weapons are my reason and my independent voice. I think that the most important action that US representatives of taxpaying American citizens can take is to deepen their commitment to help Mexico create the rule of law. The US tradition of open, oral trials, presumption of innocence, trial by a jury of peers, and the basic notion of equality before the law are essential if Mexico is to consolidate its democracy and prosperity in the medium to long term.

The 2008 criminal justice system reform that President Calderón and the Mexican Congress enacted and which is supposed to be implemented between then and 2016 could be a significant enabling block in creating the basis for the birth of a true liberal democracy in Mexico. I urge the Honorable representatives of the great people of the United States to concentrate their economic, diplomatic, political and human capital efforts in helping Mexico carry out this major institution building and political culture change effort. It is no exaggeration to equate it with the clearing of the Augean stables, a Herculean task. I believe Mexicans with US help are up to the task but this requires good faith and a willingness to resist the temptation to resort to force as the solution. Instead, what is on offer is the less glamorous embrace of the arduous task of education, training, trial runs, monitoring, and moral support that may allow a fair, effective criminal justice system to be born in Mexico.

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Mr. SALMON. Thank you.

We are going to have to go vote very, very soon. We have a series of three votes and that is it for the day and everybody kind of heads off to the four winds after that. So I am going to abbreviate our questions and as soon as each of us gets a chance to ask a question, we will adjourn. But thank you so much. There are so many things to talk about and more questions to ask and I am sure we will interface with you again more at other times.

But Mr. Dudley, I would like to address one particular issue. You noted there has been a major decrease in drug prosecutions by the Mexican Attorney General's Office since Peña Nieto took office. In your written testimony you said that Peña Nieto's administration is more interested in reducing the pressure on criminal groups involved in drug trafficking as a way to lower the temperature of this confrontation.

In practical terms, are you suggesting that the new Mexican Government may be willing to sacrifice actual results for the perception of reduced drug-related crime?

Mr. DUDLEY. Thank you for the question. I think that they are trying to change what those results look like. I think that if they were making the priorities if it were their priority list, their priority list may not look the same as the United States' priority list. In other words, if the United States' priority list of getting the five largest drug kingpins, for them, if these are not the five largest motors of violence or people who are engendering the type of disruption and violence that is occurring and described very well by Dr. Gonzalez, then perhaps those would be their priorities.

So I think it is a shift in priorities. And I don't know about the number of prosecutions. What I can say is the number of cases opened with regards to a specific type of crime which are very closely related to drug trafficking crimes. They call them crimes against health literally, but they are mostly drug trafficking crimes, so possession, movement, you know, purchasing, those sorts of things. And those are down to a 15-year low. And then simultaneously with the idea and in fact, some military personnel have said this in public already that there is a notion of perhaps pulling back a little bit, lowering the number of road blocks, not going out and having sort of massive sweeps any more. Maybe it is a more effective way. It is harder to say. Maybe it is more targeted. But you can certainly see those subtle shifts in the way in which they are approaching this.

Mr. SALMON. Thank you. Mr. Sires.

Mr. SIRES. Thank you. Thank you for being here today. Dr. Gonzalez, you don't seem to think much of this effort to centralize the security. Obviously, they ruled for 71 years and they were pretty much centralized. So I was just wondering if you can just elaborate on that a little bit, why you don't think this—why do you think this is going to be effective or not effective.

Mr. GONZALEZ. Thank you, Mr. Congressman. I think the jury is still out there, as Mr. Dudley said. I think this approach is less provocative. An analogy would be it seems like the previous administration, President Calderón's administration kicked the hornet's nest, there, and everywhere.



This administration seems to want to target operations and as I said before, we reserve our judgment regarding the outcomes.

It is very important that there are fewer windows of opportunity where the systematic impunity and corruption that takes place in the country continues to happen. An important example is the current takeover of the state of Michoacan by a general who has taken over the control of municipal, state, and Federal law enforcement authorities. During Calderón's period, each of these three levels of government were doing their own thing. And it is the voice in the street throughout Mexico that 80–90 percent of municipal police forces are in the paycheck of the cartels. Likewise, very high percentages of the state police forces. Centralizing it is not necessarily a silver bullet to solve the problem. It at least helps to close down some of those gates through which impunity and corruption operate on a daily basis and allow inexcusable things like the one I related to happen.

Mr. SALMON. Thank you, Mr. Duncan.

Mr. DUNCAN. Thank you, Mr. Chairman. And thanks to the panel. I apologize. We had a lot going on today, but this is an area of interest to mine. We traveled last year in August down to Mexico City and met with the Federal police, the military and Mexico City law enforcement. And I understand some of the training, but one thing that concerns me is the new President seems to have pulled back some of the resources from the border. And we know that is where Americans are concerned that we are seeing cross-border violence and we are seeing whatever the number is today of murdered Mexican citizens, murdered by the drug cartel in that border region.

So Dr. Gonzalez, I would just ask you to comment a little bit about the perception of the President pulling his resources back to a more central location. Is that a positive thing? And it may be. I talked with Under Secretary or Assistant Secretary Robert Jacobson recently about this from the U.S. State Department's perspective, but I would be curious to hear your perspective. Is that a strategy that may have long-term positive effects, or do we see some concern of pulling back resources from the border area on the Mexican side?

Mr. GONZALEZ. Thank you for your question, Congressman. The main aim, at least in the short term, is to be less provocative by the current Mexican Government. In particular, there is a keen sense that it is very important to restore peace along the border given the very significant economic relationship that the U.S. and Mexico have close to \$1 trillion, \$½ trillion, to 2011, 2012, annually, with some of these places like Nuevo Laredo, like Tijuana, like Juarez, like Matamoros, being the bridges that connect this incredibly vibrant exchange. The government has decided to pull back resources to concentrate first and foremost in the south, the states of Michoacan, Guerrero, maybe start going into Sinaloa, further up in the Pacific and Sonora, to try to reign in, in particular, a lot of the gangs that have established deep social roots within the communities. They want to be able to have permanent police and military presence on their central control there to try to root that out. That is also the route for a lot of the methamphetamine comes through.

My sense and again, there are no results, so the jury is out there, my sense is that the earlier tactic of pulling back from the border is to be less provocative, to allow for restoration of some social sense of peace among society in the large cities of the border, given the very significant role they play in economic affairs. I don't think they have abandoned the border. I don't think this is the strategy that will be followed to the next 6 years. I think this is part of a strategy and, as I said, currently, the idea is to concentrate further down south where, in fact—

Mr. DUNCAN. In the essence of time, I think 40,000 people have been killed in the border region by the drug cartel. Is that because the military or the police forces had provoked the Mexican drug cartel? Were there a large number of that 40,000 that have been killed involved in law enforcement or are these random cartels fighting one another? And how does a pullback strategy change that situation where the cartels are actually fighting each other and will we see fewer deaths because of the pullback? I am trying to understand the strategy.

Mr. GONZALEZ. It varies according to cities. Cities like Juarez, for example, violence became so fragmented that there was no line of command, no police chief of military chief could take the phone and call someone on the other side, the leader of a cartel and say pull back. Things had become so outsourced, almost on a block by block basis that no one could control violence. Thankfully, that was not the case or it didn't get to that stage in places like Tijuana. It was on the brink. Places like Nuevo Laredo are still struggling with that.

The idea is if you want to create cordon sanitaires and not go kick the hornet's nest, many of the dead, around 80–90 percent, are drug trafficking cartels fighting over transportation routes and some officials who have fallen in the line of duty. The idea of creating the cordon sanitaires is to be less provocative, to bring the levels of violence down.

Mr. DUNCAN. So part of the pullback is just to bring the forces in, build loyalty with the Mexican Government and do away with some of the corruption, kind of gather your forces, understand the loyalty factors and then come up with a strategy going forward is what I am understanding you saying.

Mr. GONZALEZ. That is my sense, Congressman, which is a very significant difference from the previous approach which was, as I said, going out here, there, and everywhere by the Calderón administration in the sense of a majority of Mexican public opinion that created a very negative spillover.

Mr. DUNCAN. Thank you so much. I yield back.

Mr. SALMON. Thank you. I really appreciate this distinguished panel. It has been incredibly helpful. I am sorry we didn't get to ask more questions. We are going to have to go vote now so this subcommittee meeting is now adjourned. Thank you.

[Whereupon, at 12:19 p.m., the subcommittee was adjourned.]

## A P P E N D I X

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MATERIAL SUBMITTED FOR THE HEARING RECORD

**SUBCOMMITTEE HEARING NOTICE  
COMMITTEE ON FOREIGN AFFAIRS  
U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C. 20515-6128**

**Subcommittee on the Western Hemisphere  
Matt Salmon (R-AZ), Chairman**

May 16, 2013

**TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS**

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs to be held jointly by the Subcommittee on the Western Hemisphere in Room 2172 of the Rayburn House Office Building (and available on the Committee website at [www.foreignaffairs.house.gov](http://www.foreignaffairs.house.gov)):

**DATE:** Thursday, May 23, 2013

**TIME:** 10:00 a.m.

**SUBJECT:** U.S.-Mexico Security Cooperation: An Overview of the Merida Initiative 2008-Present

**WITNESSES:** Panel I

The Honorable William R. Brownfield  
Assistant Secretary  
Bureau for International Narcotics and Law Enforcement Affairs  
U.S. Department of State

Mr. John D. Feeley  
Principal Deputy Assistant Secretary  
Bureau of Western Hemisphere Affairs  
U.S. Department of State

Ms. Elizabeth Hogan  
Senior Deputy Assistant Administrator  
Bureau for Latin America and the Caribbean  
U.S. Agency for International Development

Panel II


Ms. Clare R. Seelke  
Specialist in Latin American Affairs  
Congressional Research Service

Mr. Steven Dudley  
Director  
InSight Crime

Francisco E. Gonzalez, Ph.D.  
Riordan Roett Senior Associate Professor  
Latin American Studies  
John Hopkins University School of Advanced International Studies

**By Direction of the Chairman**

*The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.*



## COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON the Western Hemisphere HEARINGDay Thursday Date 5/23/2013 Room 2172 RHOBStarting Time 10:29 a.m. Ending Time 12:44 p.m.Recesses 1 (11:00 to 11:20) ( to ) ( to ) ( to ) ( to ) ( to )

Presiding Member(s)

*Chairman Matt Salmon*

Check all of the following that apply:

Open Session ☒Executive (closed) Session ☐Televised ☒Electronically Recorded (taped) ☒Stenographic Record ☒

TITLE OF HEARING:

*"U.S.-Mexico Security Cooperation: An Overview of the Merida Initiative 2008-Present"*

SUBCOMMITTEE MEMBERS PRESENT:

*Chairman Matt Salmon, Rep. Christopher Smith, Ileana Ros-Lehtinen, Rep. Duncan, Rankin Member Albio Sires, Rep. Gregory Meeks and Rep. Eni Faleomavaega.*

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an \* if they are not members of full committee.)

*N/A*HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

TIME SCHEDULED TO RECONVENE \_\_\_\_\_

or

TIME ADJOURNED 12:44 p.m.


Subcommittee Staff Director