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Two Paths: A Comparative Analysis of the Narco-economies and Drug Control Policies in Latin America—*The Case of Mexico, Colombia, Bolivia, and Uruguay*

DISSERTATION

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by

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DEDICATION

I dedicate this dissertation to my wife, Lauren, who has offered her unwavering support and encouragement throughout this whole process. She has cheered me on when I was discouraged, she has reminded me to laugh when I wanted to cry, and always made me remember why I started this crazy journey whenever I doubted myself. I can truly say without your love and support I would not have been able to complete this adventure. We did it, Babe!

“Happy is the man who finds a true friend, and far happier is he who finds that true friend in his wife.”
Franz Schubert

I would also like to thank Mom and Dada for always believing in me even when I gave you ample evidence to think otherwise. In addition I need to thank my sister and brother for taking care of things at home which allowed me to leave town and focus on my studies. I will be forever grateful to you both. To Carol, Via, Maddelyn, Deaglan, Makenzie, Leo, Gavin, and Maximus, know you too can accomplish any dream you work hard for.

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"Family is not an important thing. It's everything."
Michael J. Fox

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ABSTRACT OF THE DISSERTATION

Two Paths: A Comparative Analysis of the Narco-economies and Drug Control Policies in Latin America—*The Case of Mexico, Colombia, Bolivia, and Uruguay*

By

Dirk Michael Horn

Doctor of Philosophy in Political Science

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Professor Etel Solingen, Chair

The illegal drug trade has presented numerous challenges for many regions around the globe but none more so than Latin America. Some nations in Latin America have followed the U.S. and adopted a "law and order" approach in their attempts at combating the illegal drug trade while other nations have adopted a "regulate and treatment" approach. This dissertation analyzes how different Latin American countries are combating the illegal drug trade and explores the effectiveness of the two approaches. To examine the successfulness of each approach, I analyze the drug production and seizure rates among the different narco-economies of Mexico, Colombia, Bolivia, and Uruguay. This dissertation also examines the illicit drug production models of Mexican Transnational Criminal Organizations (MTCOs) as they respond to the legalization of recreational cannabis in the U.S. by examining U.S. southern border illicit drug seizure data and conducting interviews with drug control experts comprised of former and current government officials and academics from around the world. Lastly, this dissertation assesses the relationships between the narco-economies and the legitimate economies of the cases examined.

I find that all four cases examined have experienced both successes and failures while combating the illicit drug trade from 2000 to 2015, indicating neither prohibitionist drug control policies nor alternative drug control policies can claim absolute success in their attempts to combat the illicit drug trade. The results of the dissertation highlight the need for countries to implement individualized drug control policies that best combat the illicit drug trade activities most prevalent in their countries. Moreover, I find that MTCOs are diversifying not only their illicit drug production models as they respond to recreational cannabis legalization, but also their criminal activities generally. Lastly, I find that the economies of Mexico and Bolivia benefit from the production of heroin and coca respectively, while, counter-intuitive to my expectations, I find that the seizures of certain illicit drugs also contribute to economic growth in a number of cases.

CHAPTER ONE: INTRODUCTION

1.0 Introduction

1.1 Issue Background and Research Questions

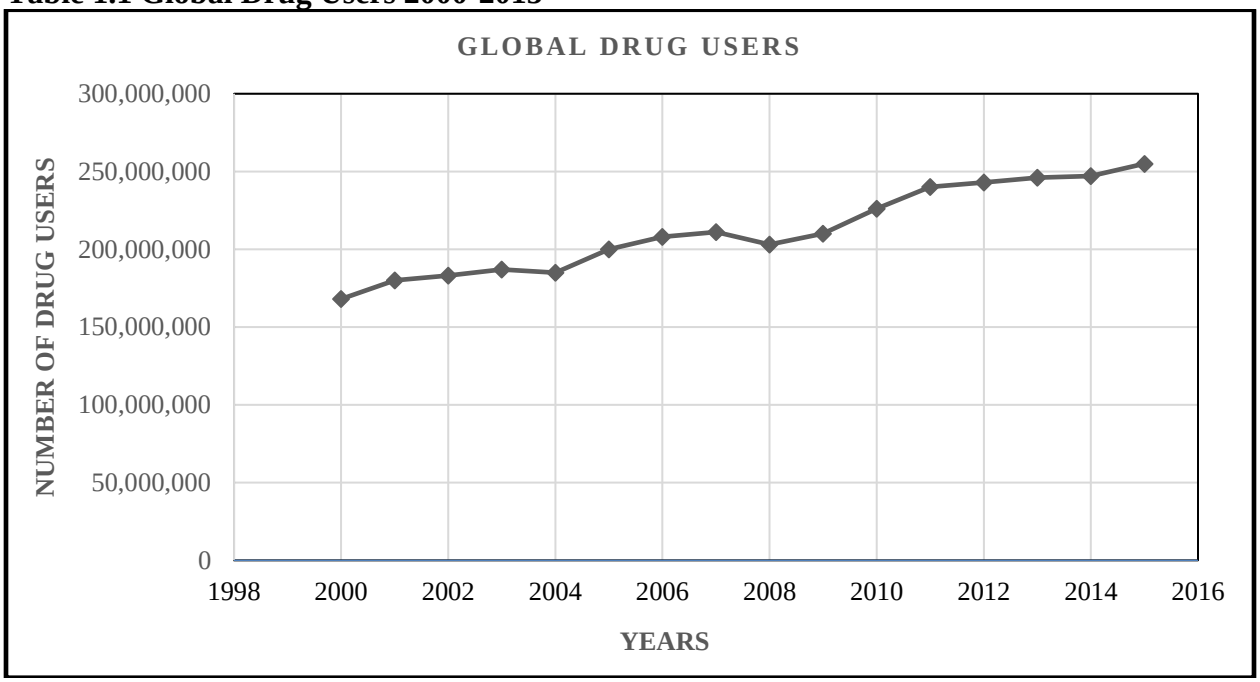
The illegal drug trade presents many challenges for the international system by threatening not only the human rights of many citizens around the globe but also the sovereignty of many Latin American governments (Gomis, 2014; Kan, 2016; Vellinga, 2004). The illegal drug trade lends itself to many areas of study within international relations, with the current state of the drug trade creating a nexus connecting significant issues such as rogue states, terrorism, global health, and cybersecurity (Kan, 2016). The phenomena of interest within international relations research have become so intertwined with the drug trade that traditional views that do not account for this nexus are inadequate in their explanations (Cockayne, Walker, & Walker, 2015; Holland, 2015; Shelley, 1995). Moreover, viewing the drug trade through the lens of international relations scholarship illustrates that these phenomena deserve more scholarly attention (Kan, 2016).

The illegal drug trade threatens the interest of not only many states and regions but also many actors on the international stage, ranging from non-governmental organizations to multinational corporations. The global illicit drug trade is estimated at $320 billion USD[1] annually, making it the third largest market in the world after oil and arms (United Nations Office on Drugs and Crime, 2014). Additionally, despite many efforts by governments around

[1] Amount is calculated by taking the average retail prices for various drugs distributed by transnational criminal organizations yearly provided by the United Nations Office on Drugs and Crime 2014 World Drug Report.

the world to dissuade illicit drug use, the number of drug users[2] has continued to rise overall, even considering periodic decreases as illustrated in Table 1.1. Between the years 2000 and 2004, global illicit drug use increased by 9.6%, while usage rates increased 5% between the years 2005 and 2009, and 12% between 2010 and 2015.

Table 1.1 Global Drug Users 2000-2015



Source: United Nations Office on Drugs and Crime "World Drug Report" 2001-2016

A simple look at illicit drug usage[3] rates illustrated in Table 1.2 demonstrates that the demand for illicit drugs has not subsided despite many legislative acts aimed at curbing drug use. For example, the usage rates of cocaine[4] increased 1.4% between the years 2000 and 2004, 2.1%

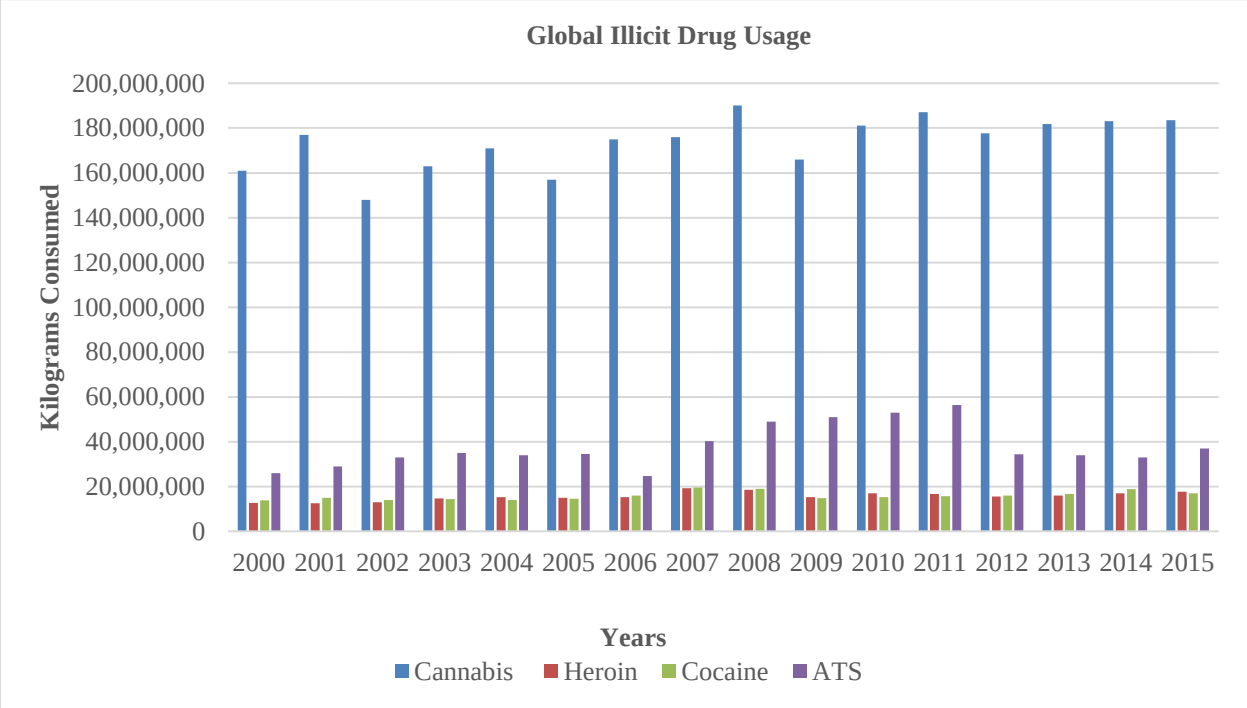
[2]Drug users are a measure of the number of people who have consumed an illicit drug at least once in the 12-month period.

[3] The World Drug Report calculates global usage rates by the estimated amounts of drugs consumed on a 12-month basis for five drug categories: cannabis flower, heroin, cocaine, ecstasy, and amphetamine type stimulants. The annual global usage rates are shown as the estimated number of kilograms consumed in a 12-month period as identified by United Nations Member States' responses to the Annual Reports Questionnaire (ARQ).

[4]Cocaine is an extract of the leaves of the coca bush grown predominantly in the Andean mountain region of South America. The processing and purification of coca plant yields coca paste that is converted into cocaine (hydrochloride).

between 2005 and 2009, and a staggering 11% between 2010 and 2015. Additionally, Table 1.2 illustrates that heroin[5] usage rates increased 20% between the years 2000 and 2004, 2% between 2005 and 2009, and 4% between 2010 and 2015. Cannabis[6] usage rates similarly increased 6.3% between the years 2000 and 2004, 5.7% between 2005 and 2009, and 1.4% between 2010 and 2015. Conversely, amphetamine-type stimulant (ATS)[7] usage data paints a somewhat different picture, with ATS usage increasing 31% between the years 2000 and 2004, and 48% between 2005 and 2009, but decreasing 43% between 2010 and 2015. Even with the decrease in usage between the years 2010 and 2015, ATS usage rates overall have increased 35% over the last 15 years.

Table 1.2 Global Drug Usage 2000-2015

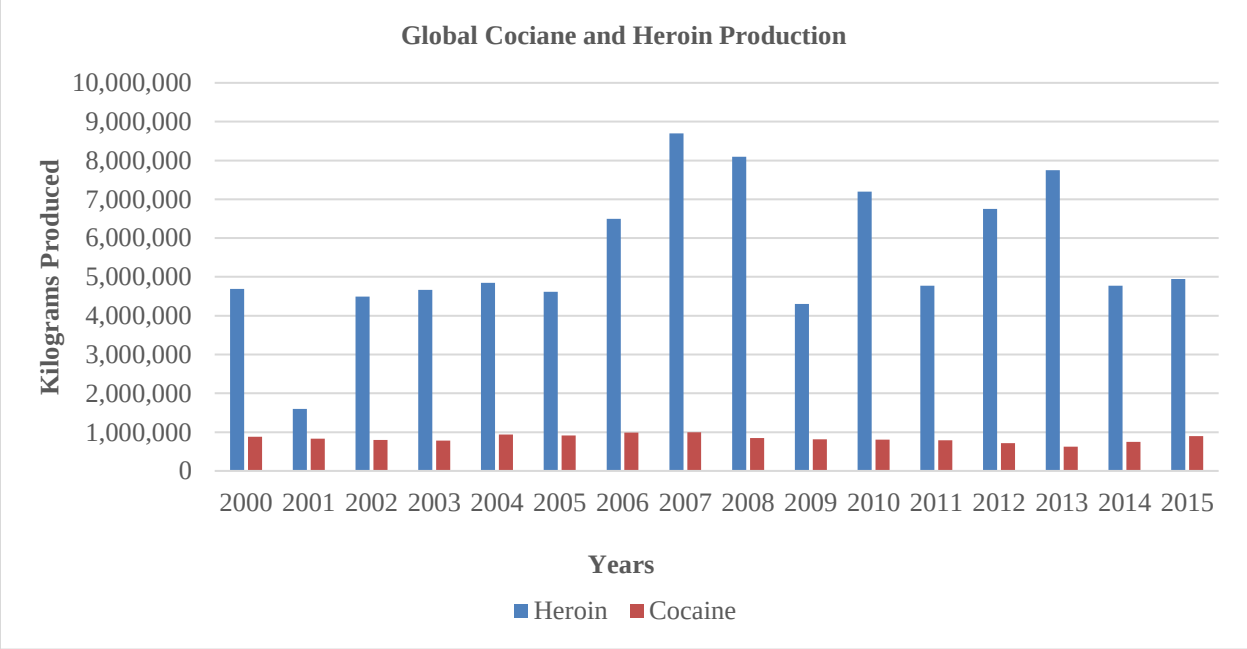


Source: United Nations Office on Drugs and Crime "World Drug Report" 2001-2016

[5] A narcotic drug derived from the poppy plant that is also used to produce morphine. Heroin was formerly used as a legal analgesic and sedative in many nations, including the U.S.
[6] A dried flower from the tops of the cannabis plant. Cannabis is usually smoked or consumed and processes a range of psychoactive (mind-altering) effects on the user.
[7]Amphetamine-type stimulants (ATS) are a group of synthetic stimulants that include amphetamine, methamphetamine, and ecstasy-type substances (MDMA, etc.).
***All definitions above come from the United Nations World Drug Reports 2000-2015 explanatory notes section

The global illicit drug production rates[8] for cocaine and heroin,[9] located in Table 1.3, illustrate that while global cocaine production has been somewhat steady over the last 15 years, global heroin production has continued to increase despite periodic decreases in production that correspond with major U.S.-backed counternarcotics operations[10] in various Latin American nations. For example, global cocaine production increased 6.4% between the years 2000 and 2004, decreased 11% between 2005 and 2009, and increased 11% between 2010 and 2015. Additionally, global heroin production increased 3.3% between the years 2000 and 2004, decreased 7.1% between 2005 and 2009, and decreased 37% between 2010 and 2015.

Table 1.3 Global Heroin and Cocaine Production 2000-2015



Source: United Nations Office on Drugs and Crime "World Drug Report" 2001-2015

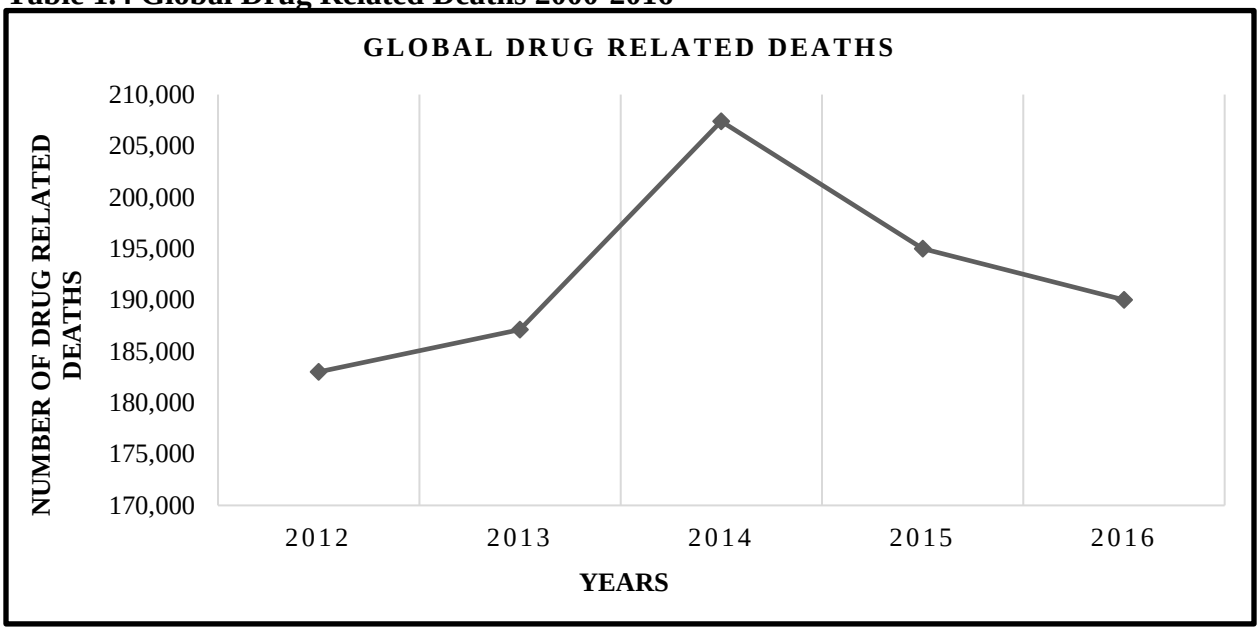
[8] All production data is shown as the estimated number of kilograms produced in a 12-month period as identified by United Nations Member States' responses to the Annual Reports Questionnaire (ARQ).

[9] Since ATS and cannabis production can occur undetected, the United Nations Office on Drugs and Crime does not include these drug categories in their global production data.

[10] One such operation was Plan Colombia, a major U.S. foreign aid initiative from 1999 to 2015 that aimed at combating Colombian drug cartels and left-wing insurgent groups in Colombia. Another operation was the Merida Initiative from 2008 to 2015 that aimed at combating organized crime and associated violence in Mexico.

While the U.S.- backed counternarcotics operations had successes in maintaining, if not curbing, the cocaine production rates in the years 2000-2015, the data clearly shows that heroin production rates increased 2.4% from their production levels in the year 2000. Additionally, the illicit drug trade has fueled transnational criminal organizations (TCOs) and corruption across the globe, leading to countless other deaths and human rights abuses.

Table 1.4 Global Drug Related Deaths 2000-2016



Source: United Nations Office on Drugs and Crime "World Drug Report" 2000-2017

As illustrated in Table 1.4, human rights agencies have estimated that 195,000 individuals lost their lives in 2015 due to the illicit drug trade (United Nations Office of Drug and Crime Division, 2016)—with many of those deaths taking place in drug producing Latin American countries (Beittel, 2017).[11] While global drug-related deaths declined 8.8% between the years 2014 and 2016, the year 2017 is expected to have been especially deadly with the continued battle between Mexican Transnational Criminal Organizations (MTCOs) competing

[11] Drug related homicides are particularly difficult to distinguish from other homicides in Latin American countries as many governments are hesitant to fully report the extent of the drug trade present within their country (Beittel, 2017).

for territory once held by the Sinaloa Cartel and famed leader Joaquín "El Chapo" Guzmán—one of the most powerful transnational criminal organizations in the world (Ahmed, 2017). These consequences of the illicit drug trade illustrate some of the significant challenges the international community faces due to the scale of the drug trade, the increasing number of civilian deaths, and the expansion of organized crime and increased corruption that threatens the very sovereignty of states around the world (Bewley-Taylor & Jelsma, 2011; Holland, 2015; Kan, 2016; Shelley, 1995; United Nations Office on Drugs and Crime, 2014; Watt & Zepeda, 2012; Youngers & Rosin, 2005).

The question of how to combat the illegal drug trade has been a thorn in the side of many policymakers around the world for well over 50 years—and there is still no clear consensus on what the best approach may be (Bewley-Taylor & Jelsma, 2011). Some nations have followed the U.S. and adopted a "law and order" approach in their attempts at combating the illegal drug trade—incarcerating thousands in the process—while other nations have followed the path of the Netherlands, Portugal, and Uruguay by choosing to adopt a "regulation and treatment" approach that seeks to regulate the illegal drug trade and treat addiction as the disease that it is. Table 1.5 outlines some of the costs associated with each drug control approach.

Table 1.5 Drug Policy Comparison

Drug Control Policy Type:	Law and Order	Regulation and Treatment
Cost of Maintaining Prison Population	High	Low
Cost of Treating Drug-Addicted Users	Medium	High
U.S. "War on Drugs" Aid	High	Low
Cost of Drug Use Prevention Education	Medium-Low	High
Administrative Cost of Enforcing Drug Laws	High	Medium-Low
Cost of Domestic Law Enforcement	High	Medium-Low
Drug-Related Violence	High	Low
Drug Abuse	High-Medium	Medium-Low
Public Health Cost	Medium	High
Productivity Cost	High	Medium-Low

Source: Author's calculations

The drug control policies in Latin American nations had mainly fallen into the category of prohibition since the beginning of the 20th century, but many are now looking to reform their drug policies to reflect the ever-changing public and scientific opinions on recreational drug use (Mendiburo-Seguel et al, 2017). Countries in Latin America—due to their position in the illegal drug trade[12]—are at the forefront of the "war on drugs" and therefore have the most to gain from successful drug control policies. However, Latin American policymakers are still struggling to determine which drug control policies work best (Kilmer, Reuter, & Giommoni, 2015; Mendiburo-Seguel et al., 2017; United Nations Office on Drugs and Crime, 2010; Youngers &

[12] Positions in the drug trade include manufacturing, transportation, finance, and distribution.

Rosin, 2005).[13] Does a "law and order" prohibition approach work best for Latin American countries, or are they better off adopting a "regulation and treatment" approach that some countries have embraced? Can the policymakers in Latin America enact drug control policies already in place in other Latin American countries, or does a nation's drug control policy have to be unique?

This dissertation seeks to understand the ways in which different Latin American countries are combating the illegal drug trade. Additionally, this study seeks to examine how successful Latin American drug control policies are by analyzing the drug production and seizure rates among the different narco-economies—with particular attention being paid to Mexico, Colombia, Bolivia, and Uruguay. Moreover, this research project seeks to explore the different narco-economies within each country and seeks to answer why some countries in Latin America accept Western-backed international norms when combating the illegal drug trade while others adopt different norms. Additionally, this dissertation seeks to examine the drug production models of transnational criminal organizations as they respond to the legalization of particular drugs in Latin America and the United States. Specifically, the aim is to examine whether transnational criminal organizations alter their drug production models in response to international drug legalization efforts or if they simply seek out new markets for their existing drugs of production. Lastly, the project concludes with a discussion about the future of Latin American drug control policy and the illicit drug trade. The hope is not only to fill gaps in the existing literature by providing an updated analysis of counternarcotics operations in Latin America but also to provide Latin American policymakers with the information needed to make any desired adjustments to their future drug control policies. A well-thought-out drug control

[13] Many Latin American countries have embraced the medical use of cannabis and are currently debating the merits of marijuana legalization.

policy is essential to Latin American nations in the future because a successful drug control policy positively impacts regime stability in the region and international security around the globe.

1.2 Chapter Summaries

This dissertation follows a book format and consists of five chapters with this chapter introducing the background of the illicit drug trade and laying out the research questions answered in this dissertation. Chapter two of the dissertation provides a review of the literature relevant to this project and introduces the international drug control regime that governs the behavior of states and helps guide their drug control policies. Additionally, chapter two outlines why some nations accept the international drug control regime while other countries choose to reject this regime. Moreover, chapter two provides an introduction to the Mexican Transnational Criminal Organizations' (MTCOs) drug production models before and after recreational cannabis use became legal in 2014 in some U.S. states, much of which will be explored further in chapter three. Lastly, chapter two provides an overview of the models and methods used in the quantitative and qualitative analyses located in chapters three, four, and five.[14]

Chapters three and four seek to answer how Colombia and Mexico[15] are currently combating the illicit drug trade and explores the effectiveness of the historical drug control policies and counternarcotics operations undertaken in the two countries. Additionally, chapters three and four analyzes why two of the countries that have sacrificed the most blood in the "War on Drugs"—Colombia and Mexico—continue to fully back militarized prohibitionist drug

[14] Since the illicit drug trade is by definition an illegal endeavor, the United Nations Office on Drugs and Crime, as well as the U.S. State Department's Bureau of International Narcotics and Law Enforcement Affairs, uses estimation techniques to measure the scope of the illicit drug trade. Methodological differences and limitations will be discussed fully in chapter two.

[15] These countries are categorized as the cooperators in the U.S. War on Drugs and nations that fully accept the international drug control norms.

control policies that are guided by international law, while others in the region are looking for alternative policies to help combat the illicit drug trade. Moreover, the relationship between the domestic economies of Colombia and Mexico and the narco-economies of both nations are explored in the chapters. Lastly, chapters three and four present the "narco-profiles" of Colombia and Mexico, which provide context to the quantitative analysis contained in the chapters.

Chapters five and six analyze the drug control policies of Bolivia and Uruguay[16] and examines the effectiveness of the historical drug control policies and counternarcotics operations undertaken in the two countries. Additionally, chapters five and six analyzes why Bolivia and Uruguay have partially rejected—at one time or another—the international drug control regime established by the 1961 U.N. Single Convention on Narcotic Drugs. Further, the impact of illicit drug production on the domestic economies of Bolivia and Uruguay will be explored in the chapters, as well as the "narco-profiles" for Bolivia and Uruguay.

Chapter seven concludes the dissertation by discussing what the results of the research project mean for the future of drug control policy in Latin America. Additionally, chapter seven includes a discussion about the impact that recreational drug legalization movements, particularly recreational cannabis legalization, are having on transnational criminal organizations' business models. Lastly, chapter seven will contain the results from the drug control policy experts' and government officials' interviews discussing the future of drug legalization and drug control policies in Latin America.

[16] These countries are categorized as non-cooperators in the U.S. War on Drugs and nations that do not fully accept the international drug control norms.

CHAPTER TWO:
LITERATURE REVIEW, MODELS, & METHODS

2.0 Introduction

Previous research on the illicit drug trade has employed various methodologies and has sought to address a variety of issues ranging from drug control policy effectiveness, to the human rights abuses of indigenous peoples by nations combating the illicit drug trade, to the role that the U.S. government plays in dictating the drug control policies of Latin American nations (Caiuby Labate, Cavnar, & Rodrigues, 2016; Watt & Zepeda, 2012; Youngers & Rosin, 2005; Zepeda & Rosen, 2015). This chapter of the dissertation provides a review of the existing literature relevant to this project and introduces the international drug control regime that governs the behavior of states and helps guide their drug control policies. Additionally, chapter two outlines why some nations accept while others reject the international drug control regime. Moreover, this chapter provides an introduction to the background of Mexican Transnational Criminal Organizations' (MTCOs) drug production models before and after some U.S. states enacted recreational cannabis legalization in 2014. Lastly, this dissertation chapter provides an overview of the models and methods used in the quantitative and qualitative analyses located in chapters three, four, and five.

2.1 Previous Research

Much of the relevant previous research on the illicit drug trade can be categorized as analyzing the success of the "War on Drugs" since it began in 1971 under U.S. then-President Richard Nixon's administration (Buxton, 2006; Caiuby Labate et al., 2016; Heinze & Armas-Castañeda, 2015; Kilmer, Reuter, & Giommoni, 2015; Youngers & Rosin, 2005; Zepeda &

Rosen, 2015). Additionally, there is a great deal of research on the implementation of specific counternarcotics operations in various Latin American nations (Caiuby Labate et al., 2016; Heinze & Armas-Castañeda, 2015; Hope, 2015; Mejía, 2016; Tekin, 2015; Zepeda & Rosen, 2015), as well as a number of recently published studies that are critical of the U.S.-led "War on Drugs" and the counternarcotics policies seen by some researchers as being pushed on Latin American countries by the hegemon in the North (Paley, 2014, 2015; Watt & Zepeda, 2012; Youngers & Rosin, 2005). Moreover, there is a growing wealth of research demonstrating how the illicit drug trade challenges the national security of not only the nations of Latin America but the United States as well (Gomis, 2014; Holland, 2015; Kan, 2016; Shelley, 1995; Vellinga, 2004). Lastly, several studies focus on the alternative drug control policies of Bolivia and Uruguay and how these policies have impacted their domestic societies, as well as the illicit drug trade overall (Farthing & Kohl, 2010; Kilmer et al., 2015; Vellinga, 2004; Walsh & Ramsey, 2015; Youngers & Rosin, 2005). This dissertation seeks to build upon the previous research and provide an updated and comprehensive analysis of recent illicit drug activities in Mexico, Colombia, Bolivia, and Uruguay—as well as analyze the success of recent counternarcotics programs in the region, but first, let us begin with a review of the literature pertaining to counternarcotics operations in Latin America.

Latin American Counternarcotics Operations' Effectiveness

Youngers and Rosin (2005) looked at the effectiveness of various U.S.-backed counternarcotics programs implemented across Latin America in the early 21st century and found that illicit narcotic production was only at best temporarily halted because of these programs. Additionally, past researchers have found there were significant negative health costs associated with exposure to aerial fumigation aimed to stomp out illicit coca growing in the Andean region

of South America. Not only that, but indigenous peoples also held resentment as a result of the aerial fumigation. Past researchers found that these monetary and social costs were far deadlier and more costly than the production of illicit coca during that time in the region (Caiuby Labate et al., 2016; Youngers & Rosin, 2005; Zepeda & Rosen, 2015). Moreover, past studies have found that counternarcotic supplemental programs implemented in Latin America—mainly alternative development aid[17]—were ineffective at convincing indigenous farmers in the Andean region to abandon their production of coca for a less profitable crop (Caiuby Labate et al., 2016; Mejía, 2016; Vellinga, 2004; Youngers & Rosin, 2005). Furthermore, while much of the previous literature has dealt with the effectiveness and consequences of Plan Colombia, there is a growing amount of research looking at the success of the major U.S.-Mexico counternarcotics operation—The Mérida Initiative—which took effect in 2008 (Gomis, 2014; Hope, 2015; Kan, 2016; Paley, 2015; Tekin, 2015; Watt & Zepeda, 2012; Zepeda & Rosen, 2015). Much like the studies focusing on Plan Colombia, researchers examining the effectiveness of the Mérida Initiative find that the policies implemented under the initiative—mainly the militarization of local law enforcement and the focus on the capture or killing of the leaders of MTCOs[18]—have done little to curb the production and transportation of illicit drugs in Mexico (Hope, 2015; Tekin, 2015; Watt & Zepeda, 2012). The fact that these major U.S.-backed counternarcotics operations in Latin America failed to produce a demonstrable reduction in the amount of illicit drugs produced and consumed has led many researchers to employ a critical lens in their research pertaining to the U.S.-backed counternarcotics operations in Latin America.

[17] Alternative development is a program the U.S. often employs with large-scale counternarcotics operations in Latin America to give rural indigenous farmers—the primary producers of the coca plant—a stipend to grow an alternative crop the government deems necessary, such as bananas or plantains, in lieu of the coca plant. In theory, this aid is supposed to entice coca farmers to grow a legal crop instead of the coca plant because the government covers the difference in crop price.

[18] The "Kingpin Strategy" was implemented under Mexican President Felipe Calderón and was supported by U.S. counternarcotics aid and U.S. intelligence.

Critical Drug Policy Analysis

The lack of results from the U.S.-backed counternarcotics operations in Latin America—such as Plan Colombia and the Mérida Initiative—has led many researchers to question why the U.S. continues to invest billions of dollars in these failed programs (Paley, 2014, 2015; Watt & Zepeda, 2012; Youngers & Rosin, 2005). Is it due to the dependence of Latin American nations on the aid the U.S. has given to sustain their domestic security apparatuses, or are there more nefarious reasons for this aid to continue? Some researchers have argued that the U.S.-backed counternarcotics operations in Latin America have been a "Neoliberal Trojan Horse"[19] that aims to implement U.S.-style prohibitive criminal justice reform. These reforms include an expansion of the prison system, the adoption of minimum sentencing, and the militarization of federal law enforcement agencies—often by U.S. security contractors (Paley, 2014, 2015; Watt & Zepeda, 2012). While a number of past studies pertaining to specific counternarcotics operations in Latin America have been critical of the programs for a multitude of reasons ranging from their human rights abuses on the local populations to the programs' effectiveness at the time to curb the production of illicit narcotics, the purpose of this study is to provide an updated analysis of the impact of these programs—and others—on the production of illicit drugs in Latin America, as well as to understand how these programs have shaped the current illicit drug production models of Latin American TCOs.

The Illicit Drug Trade and National Security

The relationship between the illicit drug trade and international security has been approached from various perspectives, from viewing the illicit drug trade as a threat to

[19] "Neoliberal Trojan Horse" refers to the argument laid out by some scholars that states that the U.S. is attempting to violate certain Latin American nations' sovereignty by insisting that they adopt certain U.S.-style criminal justice policies.

international security and to the entire international community to viewing the drug trade as simply a matter of regional security due to transnational criminal organizations (Gomis, 2014; Holland, 2015; Kan, 2016; Shelley, 1995). The threats posed by the illicit drug trade are wide-ranging and encompass such issues as rogue and failing states, terrorism, and cybersecurity. The threat the drug trade poses to some countries' national security is so severe that many nations—none more so than those in Latin America—have turned to military tactics to combat the drug cartels operating in the region (Gomis, 2014; Kan, 2016). These military-like operations against transnational criminal organizations (TCOs) have led TCOs to create paramilitary units to not only combat government crackdowns but to protect them from other TCOs as well (U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2016).[20] These paramilitary TCOs have led to increased violence against civilians and the brutal deaths of many law enforcement and government officials. Additionally, the regional and international threats TCOs pose have led the U.S. to increase training exercises and security aid to Latin American nations allied in the War on Drugs (Watt & Zepeda, 2012; Zepeda & Rosen, 2015).

Past research interested in the nexus between the illicit drug trade and international security has shown that TCOs are increasingly setting up criminal operations within the borders of the United States to bypass increased border security (Gomis, 2014; Holland, 2015; United Nations Office on Drugs and Crime, 2016; U.S. State Department, 2015). Additionally, numerous illegal cannabis growing operations have been uncovered in U.S. states that have legalized cannabis for either medicinal or recreational purposes, with many illegal growers found to have connections to not only TCOs based in Latin America but also TCOs based out of China

[20] The Gulf Cartel of Mexico famously created a paramilitary wing, Los Zetas, during Mexico's cartel crackdown under President Felipe Calderón. The creation of the Zetas led to the Sinaloa Cartel creating their own paramilitary wing, the Jalisco New Generation Cartel. Both the Zetas and the Jalisco New Generation Cartel have since broken off on their own and have declared war on their former allies. These cartel wars have been partially to blame for the recent uptick in violence in Mexico.

and other Southeast Asian nations (Holland, 2015; United Nations Office on Drugs and Crime, 2016; U.S. State Department, 2015). Research has further shown that Mexican Transnational Criminal Organizations are spreading into other parts of Latin America and setting up drug production operations in an attempt to evade law enforcement operations in Mexico and in hopes of gaining a monopoly on the various positions in the drug trade (Holland, 2015; Hope, 2015). The fact that the security threats posed by the illicit drug trade have multiplied in the face of various regional and international security crackdowns only demonstrates the size and scope of this national and international security threat.

Alternative Drug Control Policies in Latin America

There has been a growing body of research dedicated to examining the alternative drug control policies of Bolivia and Uruguay, how these policies have impacted their domestic societies, and whether they serve as a model for other Latin American nations going forward (Farthing & Kohl, 2010; Kilmer et al., 2015; Walsh & Ramsey, 2015). Past studies have found that Uruguay's legal recreational cannabis market led to an initial increase in non-violent crimes associated with illicit drug activities as small criminal organizations sought to fill the void left by the legal cannabis industry. Subsequent research has shown that the crime rate has dropped in recent years since the federal government has fully implemented the pharmacy-based cannabis distribution system throughout the country (Walsh & Ramsey, 2015). Yet research shows there still remains a demand for illicit cannabis in Uruguay as the cannabis found on the regulated market is significantly less potent than the illicit cannabis traditionally consumed in Uruguay and around the globe (Kilmer et al., 2015).[21] Uruguay's recreational cannabis law requires all legal cannabis sold in pharmacies to have a low THC content (around 2%-5%) to deter illicit cannabis

[21] Typical recreational cannabis used around the globe contains 15%-25% THC. THC, or Tetrahydrocannabinol, is the psychoactive chemical found in cannabis that produces the euphoric feeling one associates with cannabis use.

traffickers from taking advantage of Uruguay's recreational cannabis laws. Additionally, past research has found that Uruguay is the first country to sell cannabis to their citizens; government-sanctioned growers grow the cannabis, which the government then distributes—along with prescription medications—in local licensed pharmacies that operate like traditional pharmacies (Walsh & Ramsey, 2015; Zepeda & Rosen, 2015).

The other Latin American nation of interest to scholars researching alternative drug control policies has been Bolivia due to their regulated coca production market. Bolivia has a long history of producing coca for indigenous uses and has sometimes been at odds with the U.S. because of this history. Past researchers have found that at least since the 1980s, Bolivia's national economy has relied somewhat on the illicit production of coca from indigenous farmers. Additionally, researchers have found—much like in Colombia—that the U.S.-backed alternative development programs launched in the nation have not been successful at coaxing indigenous coca farmers to abandon their coca production for a less valuable legal crop (Caiuby Labate et al., 2016; Farthing & Kohl, 2010; Vellinga, 2004; Youngers & Rosin, 2005). Much like the results of aerial spraying in Colombia, fumigation did little to curb the production of cocaine in the country and only led the people of Bolivia to resent their government and that of the U.S.

Previous studies have found that this resentment by the population and the human rights abuses caused by the aerial spraying led to the eventual presidential election of the left-wing candidate Evo Morales (Farthing & Kohl, 2010; Youngers & Rosin, 2005). As a result of the failed U.S.-backed programs of alternative development and aerial eradication, Bolivia—under the leadership of Morales—turned its attention to truly establishing an alternative drug control policy that allowed for a regulated legal coca market supplied by indigenous farmers. The legal coca market would set Bolivia up for a showdown with the U.S. for kicking out U.S. Drug

Enforcement Agents, as well as with the United Nations for violating the 1961 Single Convention on Narcotics Drugs that regulates international drug control policy. The U.S. suspended all future aid to Bolivia as a result of the ousting of the U.S. Drug Enforcement Agents.[22] In 2012, President Morales led a public relations campaign at the United Nations to educate its members on the difference between cocaine and coca, with Morales coining the phrase, "The coca leaf is not cocaine." As a result, while major Western nations protested, the UN amended the 1961 Convention to allow Bolivia to produce a limited amount of coca.

Many Latin American officials, particularly in the Andean region, initially looked to Bolivia's regulated coca market for alternative drug policy inspiration, but past researchers have found that Bolivia's legal coca market was successful in terms of providing economic opportunities for indigenous farmers but lacked the regulatory oversight to prevent much of the legal coca from finding its way to illicit cocaine producers in neighboring countries (Caiuby Labate et al., 2016; Farthing & Kohl, 2010). Whether Bolivia and Uruguay's alternative drug control policies truly provide a pathway forward will take some time to truly understand, but the hope of this study is to provide an updated analysis of the impact of these policies on the production of illicit drugs in Latin America, as well as to understand how these policies have shaped the current illicit drug trade in Latin America. First, however, to truly understand the illicit drug trade and drug control policy around the world, we must understand the international laws and conventions that govern international drug control policy.

[22] U.S. counternarcotics aid will continue to be withheld until Bolivia allows the DEA to resume operations in the country.

2.2 International Drug Control Regime

The current international drug control regime is a product of individual international drug control conventions dating back to the turn of the 20th century. The first international drug control agreement was the 1909 Shanghai Opium Commission, which sought to restrict the sale and consumption of non-medical narcotic drugs (United Nations Office on Drugs and Crime, 2010). The Shanghai Opium Commission was convened to address the opium addiction that was present in China and spreading quickly across Europe. The end result of the 1909 meeting was a non-enforceable, non-binding document that showed that an international agreement on this scale[23] would take far more negotiation (United Nations Office on Drugs and Crime, 2010).

In 1912, the first international drug control convention was agreed upon as part of a clause included in the Treaty of Versailles after World War I. The 1912 Opium Convention of The Hague was enacted in 1915 and sought to further regulate the illicit opium trade (United Nations Office on Drugs and Crime, 2010). In 1920, the 1912 Opium Convention of The Hague fell under the authority of the League of Nations for formal monitoring. The 1925, 1931, and 1936 amendments to the 1912 Opium Convention of The Hague would lay the legal and institutional framework needed for the modern drug convention to be effective (Bewley-Taylor & Jelsma, 2011). After World War II, the 1912 Opium Convention of The Hague and its amendments came under the authority of the United Nations, and in 1953, was amended again to readdress the opium protocol of the convention (Bewley-Taylor & Jelsma, 2011; United Nations Office on Drugs and Crime, 2010).[24] In 1961, the foundation of the current international drug

[23] At the time, almost all the participants' economies (PPP) derived anywhere from 2%-14% from the opium trade (Bewley-Taylor & Jelsma, 2011).

[24] Upon returning home from combat, many WWII veterans became addicted to opium as a result of being treated with the drug in the field.

control regime emerged with the United Nations' adoption of the Single Convention on Narcotic Drugs.

The current international drug control regime has been established by three major conventions adopted by the United Nations over the last half-century. The Single Convention on Narcotic Drugs adopted in 1961 is the foundation of the current international drug control regime. The 1961 convention established a global drug control system that places manufacturing, possession, and use restrictions on certain narcotic substances that are illicitly manufactured and trafficked around the globe. The 1961 Single Convention on Narcotic Drugs was amended in 1971 with the adoption of the Convention on Psychotropic Substances[25] and again in 1988 with the Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances added to the original 1961 convention (Bewley-Taylor & Jelsma, 2011; Cockayne, Walker, & Walker, 2015; International Narcotics Control Board, 2014; United Nations Office on Drugs and Crime, 2015). The timeline of international drug control conventions is demonstrated in Table 2.1 below.

[25] Mainly LSD and psilocybin mushrooms.

Table 2.1 Timeline of Modern International Drug Control Conventions

Agreement	Date Signed/Effective Date	Significance
Single Convention on Narcotic Drugs	1961/1975	Merged the existing bilateral drug control agreements and lists all controlled substances now banned. Creates the International Narcotics Control Board to limit cultivation, production, and use of illicit drugs
Protocol Amending the Single Convention	1972	Incorporates the treatment and care of drug users
Convention on Psychotropic Substances	1971/1976	Brings psychoactive drugs into the control framework
Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances	1988/1990	Addresses the security threat posed by drug trafficking and mandates international cooperation by law enforcement

Source: World Drug Report 2014

The data presented in chapter one demonstrates that the international drug control regime has been ineffective in reducing the overall demand for and production of illicit drugs on the global market. Additionally, the growth in demand for illicit drugs has evolved into demands for non-traditional illicit drugs, including prescription medication, synthetic opiates, and new psychoactive synthetic drugs such as "Spice," a synthetic cannabis product, and "Bath salts" (United Nations Office on Drugs and Crime, 2015, 2010; Singer, 2008; International Narcotics Control Board, 2014). Because of the growing global demand for illicit drugs, the flow and traffic of such drugs remains high. This has led transnational Criminal Organizations to adjust their smuggling tactics in the face of new law enforcement tools and measures. Such tactics include innovative smuggling techniques—such as the use of drones, submarines, and tunnels along the U.S.-Mexico border (Buxton, 2006; Gomis, 2014; Tekin, 2015; United Nations Office on Drugs and Crime, 2015; Watt & Zepeda, 2012). Additionally, international drug control policies have failed to curb illicit drug production overall mainly because a successful counter-

narcotics operation in one country or region has often been accompanied by an increase in production in neighboring countries or regions. This "cat and mouse" scenario is widely known as the "balloon effect" (Buxton, 2006; Gomis, 2014; Watt & Zepeda, 2012).[26]

These challenges alone are evidence that the current international drug control regime needs to be updated—again—to reflect the current realities of the illicit drug trade in the 21st century. This reality is not lost on the current body of the Office on Drugs and Crime located within the United Nations. The UN Office on Drugs and Crime convened in 2016 to discuss future amendments to the current drug control regime but failed to agree on a set of new amendments—meaning the current convention is still the international regime in place. One would think that the challenges present under the current drug control convention would be enough for policymakers to start looking for alternative policies, but they have thus far been unsuccessful.

Table 2.2 Latin American Countries' Acceptance of the International Drug Control Norms

Adheres to International Drug Control Norms	Yes	No
Belize	X	
Bolivia		X
Brazil	X	
Colombia	X	
Costa Rica	X	
El Salvador	X	
Guatemala	X	
Honduras	X	
Mexico	X	
Nicaragua	X	
Panama	X	
Paraguay	X	
Peru	X	
Uruguay		X
Venezuela	X	

Source: World Drug Report 2016

[26] A successful crackdown on illicit drug production in one area leads to a swelling of production in another.

2.3 Why Nations Accept the International Drug Control Regime

There are many factors that contribute to whether or not a nation chooses to adopt the current International Drug Control Convention—with major elements including a country's "positions" in the drug trade and its history of drug-related violence. Nations that occupy more positions (production, transportation, distribution, and finance) in the illicit drug trade are more likely to adopt drug control policies based on the international norm of prohibition, while those nations that occupy fewer positions in the drug trade are more likely to adopt alternative policies. This is the case because a nation's position(s) in the drug trade also impact the national security of that country (Gomis, 2014; Kan, 2016; Shelley, 1995).[27] Moreover, countries that occupy three or more positions in the drug trade are more likely to accept the international drug control convention—as well as be allied with the U.S. in the "War on Drugs"—due to the national security threat the illicit drug trade poses for not only the drug production and transportation nations of Latin America, but for the U.S. as well. Since the 9/11 terrorist attacks in New York, the U.S. has combined the issues of terrorism and drug production and trafficking, especially in Latin American security policy (Youngers & Rosin, 2005).[28] Immediately after 9/11, U.S.-backed counternarcotics operations in the region sought to ensure regime stability by prioritizing the defeat of rebel or criminal groups—both financed by illicit drug trade activities—who were threatening the stability of the region (Youngers & Rosin, 2005).

The intertwining of terrorism-related issues to the issues resulting from the illicit drug trade has caused some nations in Latin America to become dependent on U.S. counternarcotics aid—aimed at fighting narco-terrorism—to fund their domestic security apparatuses, essentially

[27] The more positions a country occupies in the illicit drug trade, the higher the levels of corruption and violence, which threaten a nation's national security.

[28] Immediately after 9/11, the U.S. began focusing on sources of funding for terrorist groups since the Taliban received most of their funding from the production of opium—the main ingredient for heroin. The U.S. would push all its allies, especially in Latin America, to aggressively pursue illicit drug producers as sources of terrorist funding (Youngers & Rosin, 2005).

making the business of fighting narco-terrorism and the illicit drug trade quite profitable for some Latin American nations. Additionally, Latin American nations that experience high rates of violence committed by transnational criminal organizations are also more likely to accept international drug control norms and U.S. counternarcotics aid. This is because the drug-related violence present in many Latin American countries has left these countries no choice but to turn to the U.S. for aid, which requires adherence to the international drug norms (Watt & Zepeda, 2012; Youngers & Rosin, 2005).

Some nations in Latin America have had a longer, more violent history of combating the illicit drug trade than others—and that history has undoubtedly impacted the type of drug control policies enacted.[29] For example, a recent analysis of homicide rates in Latin America demonstrates that countries involved in three or more positions in the drug trade have significantly higher homicide rates than those countries that occupy fewer positions, and that history of violence has undoubtedly shaped the public opinion to prefer law and order drug control policies that favor law enforcement tactics and approaches (Muggah & Aguirre Tobón, 2018). Moreover, a nation's culture also influences whether it will adopt international drug control norms. If a nation has a different cultural view of drugs than the international norm—as is the case with Bolivia and Uruguay[30]—then we can expect to see drug control policies reflect this cultural difference (Buxton, 2006; Farthing & Kohl, 2010; Heinze & Armas-Castañeda, 2015; Walsh & Ramsey, 2015; Youngers & Rosin, 2005).

[29] Mexico and Colombia have had a long and violent history combating the illicit drug trade and have adopted aggressive drug control policies as a result, while Bolivia and Uruguay have sought to regulate drug manufacturing and use through alternative policies (Youngers & Rosin, 2005).

[30] Bolivia is the only nation that has a United Nations exemption to grow the coca plant, as the indigenous peoples often use the coca plant for various traditional purposes, ranging from teas to medicinal tinctures (Farthing & Kohl, 2010). Uruguay is the only country in Latin America to legalize the recreational use of cannabis due to their cultural views on drug use. Other drugs in Uruguay are not officially legal for recreational use, but their drug laws are rarely enforced to combat personal use (Walsh & Ramsey, 2015).

Table 2.3 Selected Latin American Countries' Positions in the Drug Trade[31]

Country	Production Position	Transportation Position	Distribution Position	Finance Position	High Level of Drug Violence
Argentina	X	X		X	
Belize	X	X		X	X
Bolivia	X			X	
Brazil	X	X	X	X	X
Colombia	X	X	X	X	X
Costa Rica	X	X	X	X	X
Ecuador		X	X	X	X
El Salvador	X	X	X	X	X
Guatemala	X	X	X	X	X
Honduras	X	X	X	X	X
Mexico	X	X	X	X	X
Nicaragua	X	X	X	X	X
Panama	X	X		X	X
Paraguay	X	X	X		X
Peru	X	X		X	
Uruguay		X		X	
Venezuela	X	X	X	X	X

Source: International Narcotics Control Strategy Report 2016

Like a nation's culture, local politics also play a role in whether or not a nation adopts international drug control norms. If a nation's political elites are more accepting of Western politics and economic models, then that country is more likely to accept the International Drug Control Conventions.[32] Economic factors also play a part in whether or not a nation will adopt international drug control norms. Some nations have turned to the regulation of recreational drug use to increase national wealth, while other nations receive large amounts of U.S. aid that is tied to the acceptance of the International Drug Control Conventions. In contrast, some nations have rejected major U.S. aid that is tied to drug control policies because they believe—as some scholars have argued—that such aid is a "Neoliberal Trojan Horse" that seeks to militarize local

[31] For the purposes of this project, the following drug trade positions are operationalized as follows: Production is when a country produces illicit drugs for export to other nations or regions; Transportation is when a country transports illicit drugs to other nations or regions for further transportation or distribution; Distribution is when a nation distributes illicit drugs for their consumer destination; and Finance is when a nation launders money from drug trade activities. Guyana, Suriname, French Guyana, and Chile were not included in the table due to lack of data available on illicit drug trade activities in the countries.

[32] Because Mexican and Colombian elites are more accepting of Western politics and economics than the elites of Bolivia and Uruguay, both countries are seen as "partners" with the U.S. in the "War on Drugs" and have thus enacted prohibitive drug policies (Paley, 2014; Watt & Zepeda, 2012; Youngers & Rosin, 2005).

police and privatize national security (Paley, 2014, 2015; Watt & Zepeda, 2012). Some scholars believe that this "Neoliberal Trojan Horse" can be further demonstrated by examining Mexico's most recent set of drug control policies—the Mérida Initiative[33]— which include an expansion of the prison system, the adoption of minimum sentencing, and the militarization of the federal law enforcement agencies (Paley, 2014, 2015; Watt & Zepeda, 2012).

Scholars with critical views on the acceptance of U.S.-backed counternarcotics aid, which is often tied to specific policy implementation without regard to public opinion, argue that these policy-based aid conditions echo many of the conditions put on Latin American countries in the 1980s and 1990s during the so-called "Washington Consensus."[34] Researchers that have found the reliance on U.S. counternarcotics aid to be problematic have pointed to the loss of face when sovereign countries accept the conditions necessary to receive U.S. counternarcotics aid, specifically the inability to enact drug policies that diverge from the norms laid out in the 1961 Single Convention on Narcotic Drugs (Paley, 2014, 2015).[35]

[33] The Merida Initiative is a counter-narcotics and aid initiative between the United States and Mexico to fight organized crime.

[34] The Washington Consensus was a term coined to describe the policy-based lending conditions put on many Latin American nations during the 1980s and 1990s that required these nations to implement structural adjustment policies domestically in order to secure emergency loans from the International Monetary Fund (IMF) and other Western banks. Policies that were required include privatization of state owned enterprises, lowering of public worker wages and pensions, devaluation of currencies, and other policies intended to make the country more appealing for foreign investment.

[35] The 1961 Convention of Narcotic Drugs prohibits nations from legalizing and regulating illicit drugs, including cannabis and other non-prescription drugs.

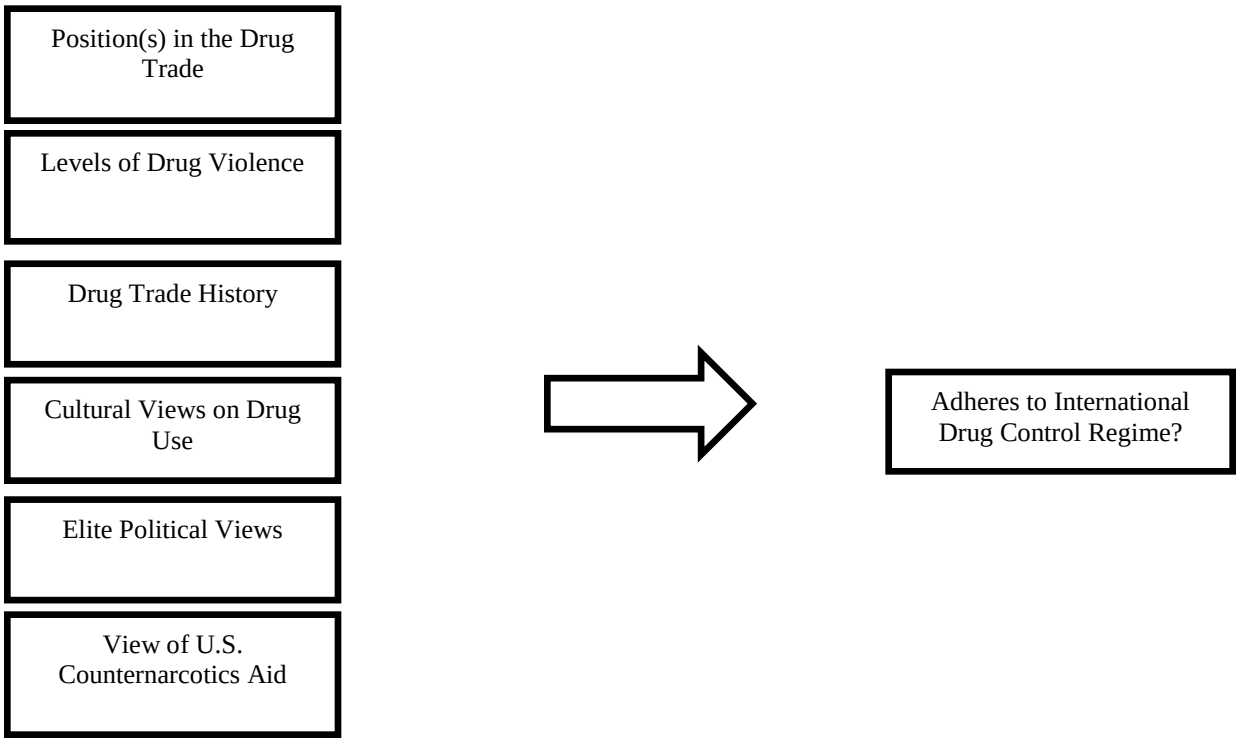
Table 2.4 Selected Latin American Countries' Acceptance of U.S./Western Policies and Aid, Cultural Views on Drugs, and Drug Trade History

Accepting of/Presence of:	U.S./Western Politics & Economics	Major U.S. Counternarcotics Aid	European Counternarcotics Aid	Accepting Cultural Views on Drugs	Violent Drug Trade History
Belize	X	X	X		X
Bolivia			X	X	X
Brazil	X	X	X		X
Colombia	X	X	X		X
Costa Rica	X	X	X		
Ecuador	X	X	X		X
El Salvador	X	X			X
Guatemala	X	X			X
Honduras	X	X			X
Mexico	X	X	X		X
Nicaragua		X			X
Panama	X	X	X		X
Paraguay	X	X			X
Peru	X	X	X		X
Uruguay	X		X	X	
Venezuela			X		X

Source: International Narcotics Control Strategy Report 2016

As demonstrated above, whether a nation accepts the international drug control regime set forth in the 1961 Single Convention on Narcotic Drugs depends on a range of issues—with the number of positions a nation occupies in the drug trade being the primary determinant. Additionally, whether a nation adheres to the international drug control regime is impacted by the level and duration of drug-related violence present in the country. A nation's elites' views of U.S./Western politics and economics, as well as their cultural views on recreational drug use, also influence a country's decision on whether to adhere to the 1961 Single Convention on Narcotic Drugs and its subsequent amendments. Lastly, a nation's views and reliance on U.S. counternarcotics aid also influence its decision to adhere to the international drug control regime. The factors that influence a nation's decision to adhere to the 1961 Single Convention on Narcotic Drugs and its subsequent amendments are illustrated below in Figure 2.1.

Figure 2.1 Factors that Influence Adherence to the International Drug Control Regime



2.4 Mexican Transnational Criminal Organizations' Response to Cannabis Legalization in Some U.S. States

With many nations around the globe beginning to look at the benefits of adopting alternative drug control policies, one of the most cited benefits of a drug control policy based on the regulation and distribution of certain soft drugs is that these types of drugs will no longer be produced and transported by TCOs around the globe. Mexican Transnational Criminal Organizations (MTCOs) have historically been the primary supplier of illicit cannabis to the United States (United Nations Office on Drugs and Crime, 2016; U.S. State Department, 2015). Proponents of recreational cannabis legalization in the U.S. have pointed to the detrimental impact cannabis legalization will have on the illicit drug production business models of MTCOs, specifically claiming cannabis legalization in the U.S. will reduce the amount of illicit cannabis

being produced and illicitly transported by MTCOs (Associated Press, 2012; Guion, 2016). Following the logic laid out in various theories of business diversification, faced with the growing recreational cannabis movement in the U.S., and thus a decreased demand for illicit cannabis, MTCOs will likely shift their focus from the production of cannabis towards the production of other illicit drugs—mainly black tar heroin[36] and amphetamine-type stimulants (Amit & Livnat, 1988; Goold & Luchs, 2017).

Previous research has demonstrated that transnational criminal organizations (TCOs) already routinely change their production methods when faced with counternarcotics operations aimed at curbing the production of various illicit drugs. Why, then, would TCOs not behave like any other rational business and diversify their illicit drug production models in response to recreational cannabis legalization by some U.S. states (Buxton, 2006; Gomis, 2014; Watt & Zepeda, 2012)? To truly understand how cannabis legalization by some U.S. states has impacted Mexican Transnational Criminal Organizations' illicit drug production, this dissertation will examine MTCO drug production models before and after the recreational cannabis legalization policy enactment in 2014 to determine whether they have altered their production models in response.[37] By truly understanding how MTCOs are responding to recreational cannabis legalization in the U.S., policymakers and other stakeholders will be better informed when reforming their own drug control policies.

[36] Black tar heroin is a low grade of heroin that is produced from poppy plants grown in the Western hemisphere, which are lower grade than poppy plants found in Afghanistan and other parts of Asia.

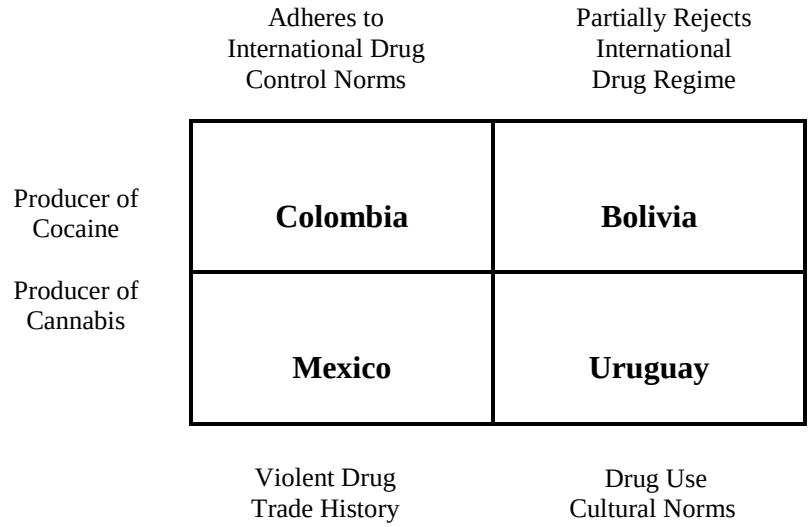
[37] MTCO cannabis, heroin, and amphetamine-type stimulant production rates will be examined before and after Colorado and Washington recreational cannabis legalization in 2012 and implementation in 2014. Additionally, U.S. cannabis, heroin, and amphetamine-type stimulants seizure rates for the corresponding years will also be examined in the MTCO production model.

2.5 Methods

Models and Analysis

This dissertation seeks to employ both quantitative and qualitative methodologies when examining the selected narco-economies and drug control policies of Mexico, Colombia, Bolivia, and Uruguay. The cases selected in this dissertation provide unique insight into the different histories, roles, cultures, and perspectives of Latin American countries involved in the illicit drug trade, as Colombia and Bolivia are both producers of cocaine, while Mexico and Uruguay are both producers of cannabis. Additionally, Colombia and Mexico both have long, violent histories of combating the illicit drug trade, while Bolivia and Uruguay have avoided such drug-related violence. Moreover, while Mexico and Colombia both accept the 1961 Single Convention on Narcotic Drugs and its subsequent amendments, Bolivia and Uruguay both reject the international drug control regime, either partially or fully, due to their domestic drug policies. Bolivia, with its current political focus on indigenous rights, encourages the production and use of the coca plant for cultural indigenous uses through government managed programs, while Uruguay, with its long commitment to democracy and its liberal view of personal freedoms, encourages the production and sale of cannabis for recreational use. The case studies' relationships described above are illustrated below in Figure 2.2.

Figure 2.2 Dissertation Case Study Relationships



To assess how these narco-economies differ and which drug control policies work best, I will compare production and seizure rates from the years 2000 to 2015. In order to provide historical and situational context for the quantitative comparative analysis, each of the cases selected will be presented with a "Narco Profile" that details the type of political regime, cultural influences, levels of corruption, and position(s) in the illegal drug trade (producer, distributor, financier, and/or transporter), as well as the case's current and historical drug control approaches (i.e., whether they have adhered to the international regime regarding drug control policy). To fully understand the different narco-economies' impacts on the cases' respective economies, this dissertation will employ Pearson's correlation models aimed at analyzing the potential impact of various drug trade activities on each country's domestic economy.

Additionally, to examine whether cannabis legalization in some states in the U.S. has had any impact on the illicit drug production methods of Mexican Transnational Criminal Organizations (MTCOs), Mexican and U.S. cannabis, heroin, and amphetamine-type stimulants (ATS) production and seizure rates will be examined in the context of legalization from the years 2012 to 2015. The aim is to examine whether transnational criminal organizations alter their drug

production models in response to international drug legalization efforts or if they simply seek out new markets for their existing drugs of production. By truly understanding how MTCOs are responding to recreational cannabis legalization in the U.S., policymakers and other stakeholders will be better informed when reforming their own drug control policies. Lastly, this study will employ interviews with former government officials and drug control experts to verify the accuracy of the quantitative findings of the dissertation and to gain insights into the future of Latin American drug control policy. The models included in the dissertation are illustrated below in Figures 2.3, 2.4, and 2.5.

Figure 2.3 Drug Policy Effectiveness Model

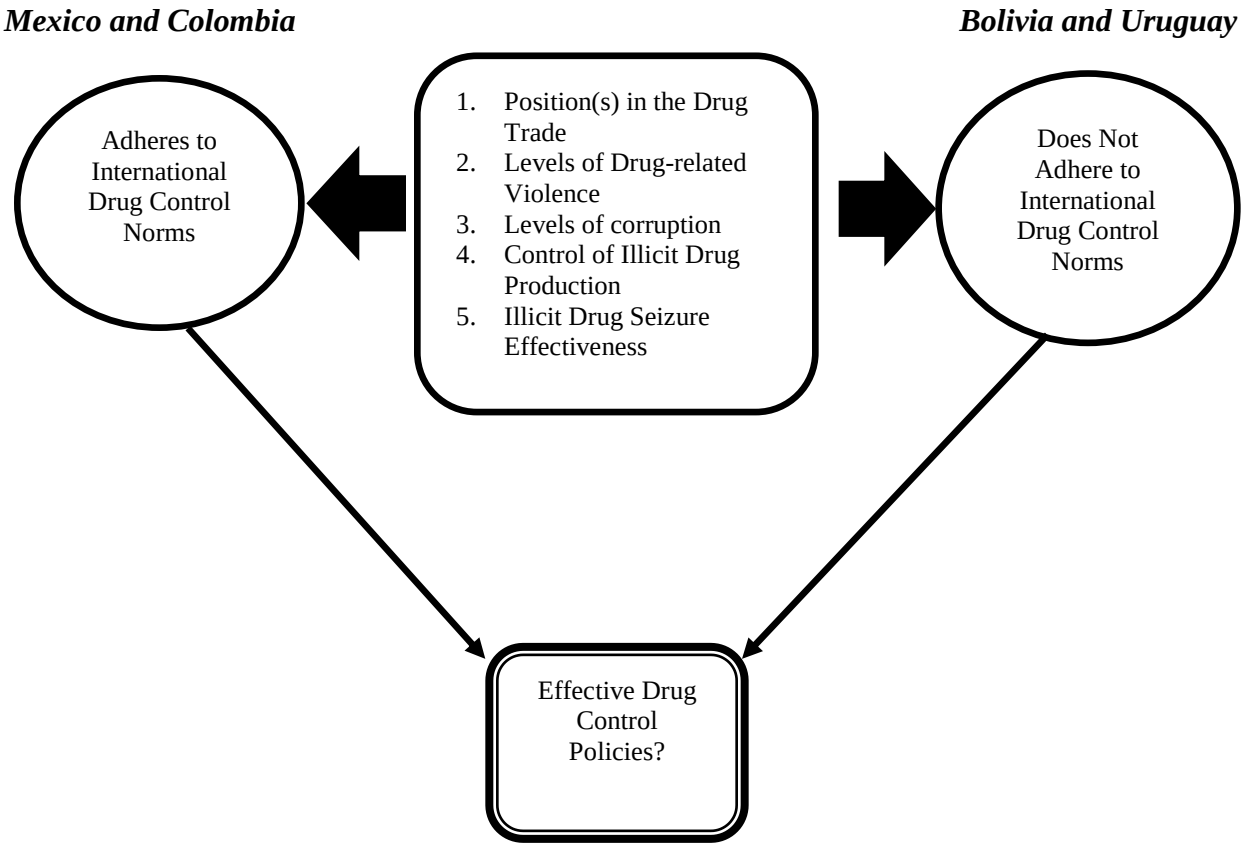


Figure 2.4 Economic Impact Model

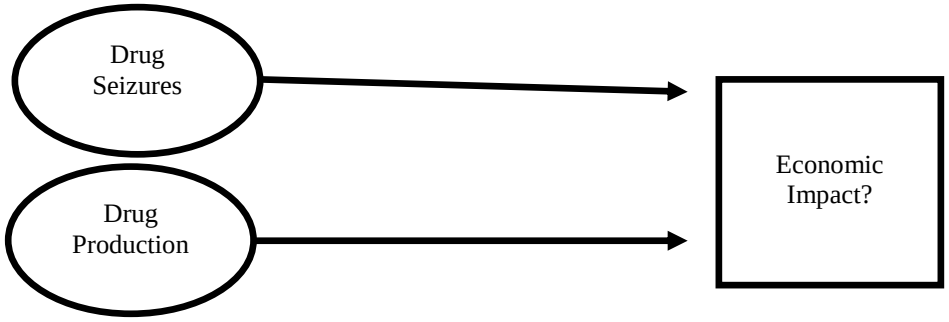
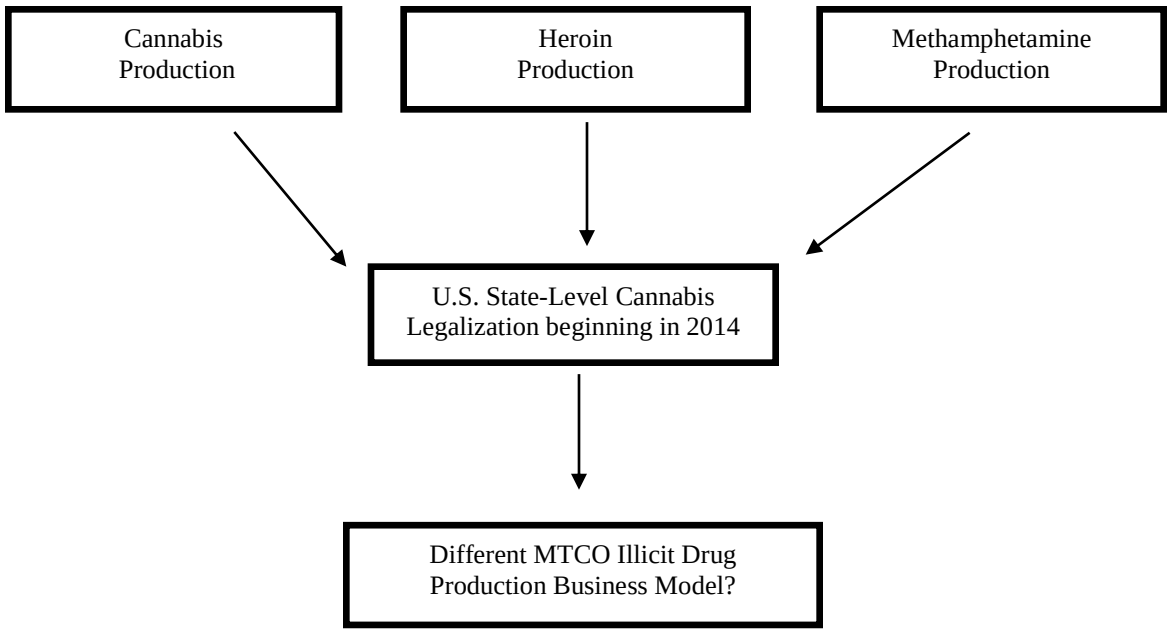


Figure 2.5 Mexican Transnational Criminal Organization (MTCO) Production Model in Response to Cannabis Legalization in Some U.S. States



Data Sources

Various data sources will be used in this dissertation, with the majority of drug usage, seizure, and production data coming from two sources. The first source is the International Narcotics Control Strategy Report (INL) from the U.S. Department of State, which is a yearly report on the narcotics trade produced for policymakers and law enforcement officials. The second primary source for illicit drug data is the Office on Drugs and Crime located within the United Nations, which produces a yearly World Drug Report for policymakers and researchers. Additionally, the INL and the World Drug Report will be the primary sources for drug-related criminal and law enforcement aid data. Moreover, Mexican production rates and U.S. Border Patrol seizure rates of cannabis, heroin, and amphetamine-type stimulants (ATS) from both the INL and World Drug Report—as well as annual seizure reports put out by U.S. Customs and Border Patrol—will be examined to determine how Mexican Transnational Criminal Organizations (MTCOs) have responded to cannabis legalization in the United States.

The data collected for the "Narco Profiles" compared in this dissertation will be comprised of various sources. Regime-type information will come from The Polity IV project conducted by Polity Research. Comparative economic data for both the "Narco Profiles" and the economic impact model will be provided by the World Bank. Archival research from prior International Narcotics Control Strategy Reports and World Drug Reports will be the primary source for data to determine each country's position(s) in the drug trade, economic structures, historical and current drug control approaches, and whether it adheres to international drug control policies. Lastly, interviews with drug policy experts will be conducted to verify quantitative findings and provide insight into the future of drug control policy in Latin America.

The results of the interviews will be presented in the concluding chapter. Further operationalization of variables can be found below.

The violent nature of the illicit drug trade makes it difficult to conduct field research on drug production, and thus the findings of both the INL and World Drug Reports are approximations. These approximations are based on a number of surveys conducted with satellite imagery and evaluated with the known crop yields of individual illicit crops (United Nations Office on Drugs and Crime, 2014; U.S. State Department, 2015). Both the INL and the World Drug Reports review global illicit drug eradication and seizure data yearly in their attempts at providing the most approximate data on illicit drug production. Domestic law enforcement investigative information and the previous year's surveillance satellite imagery are used to determine the areas likely to have illicit drug cultivation. Researchers at the United Nations Office on Drugs and Crime and the U.S. State Department then estimate illicit drug production data using proven statistical techniques to produce their annual reports. Both the INL and the World Drug Reports operationalize drug production as the amount of illicit drugs and narcotics produced within a calendar year measured in metric tons or hectares (United Nations Office on Drugs and Crime, 2015; U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2016).

The INL and World Drug Reports review law enforcement data and annual UN survey questionnaires to approximate illegal drug usage and seizure rates measured in metric tons. The terms "drug use" and "drug consumption" are used when analyzing law enforcement data and survey reports for current drug usage approximations (United Nations Office on Drugs and Crime, 2015; U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2016). Drug usage is operationalized as the amount of drugs used in a 12-month period

by individuals aged 16-74, measured in metric tons. Both the INL and World Drug Report operationalize illegal drug seizures as the amount of illicit drugs and narcotics seized by a country within a calendar year measured in metric tons (United Nations Office on Drugs and Crime, 2015; U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2016).

The U.S. State Department's INL reports will be the primary sources for data on U.S.-backed counternarcotics aid that is deployed to help combat the international illegal drug trade and to secure U.S. interest in the region. The INL gives U.S.-backed counternarcotics aid the operationalization of

> international counternarcotics training that is managed and funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs that can take two forms: (1) part of a planned bilateral financial assistance program in target partner countries; and (2) as regional training with international participants from multiple countries. (U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2016)

U.S. counternarcotics aid is measured in U.S. dollars.

Further. The U.S. State Department's International Narcotics Control Strategy Report (INL) will be the primary source of data when determining a country's position(s) in the drug trade. According to the report, the three main positions in the drug trade are production, transportation, and finance. The INL operationalizes a drug-producing country as one that

> produces at least 1,000 hectares or more of illicit opium poppy which is cultivated or harvested during a year…or 1,000 hectares or more of illicit coca is cultivated or harvested during a year…or 5,000 hectares or more of illicit cannabis is cultivated or

> harvested during a year, unless the President determines that such illicit cannabis production does not significantly affect the United States. (U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2016)

A major drug-transit country is operationalized as a country that "is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances; or through which are transported such drugs or substances" (U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2016). Additionally, a major drug trade financing country is operationalized as "one whose financial institutions engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking" (U.S. State Department, 2015).

To help determine how MTCOs are responding to cannabis legalization efforts in the United States, U.S. Customs and Border Patrol (CBP) illicit drug seizure data is examined in chapter three. CBP publishes the amount of illicit drugs seized at each port of entry into the U.S. and that data is presented in U.S. pounds. CBP keeps track of the amount of cannabis, heroin, cocaine, and amphetamine-type stimulants (ATS) seized at all ports of entry into the U.S. For this research project, only the seizure data for the southern and western points of entry into the U.S. will be examined as those are the points of entry used by MTCOs.

For the models of this dissertation, countries that occupy a production position in the drug trade will be labeled 1. Countries that occupy a transit position in the drug trade will be labeled 2. Countries that occupy a distribution position will be labeled 3. Countries that occupy a finance position will be labeled 4. Countries that occupy two or fewer positions in the drug trade will be labeled 5, and countries that occupy three or more positions in the drug trade will be labeled 6 within the models.

To fully understand the different narco-economies' impacts on their respective economies, I will be examining how illegal drug production and seizure rates impact the different countries' economic growth rates through an "economic impact model." Many databases contain information regarding different countries' economic growth rates, but this project uses a database from The World Bank for global economic growth rates. The World Bank's operational definition of economic growth is "the gross domestic product (GDP) or value of all final goods and services produced within a nation in a given year" (World Bank, 2017). Since GDP is reported in U.S. dollars, purchase power parity (PPP) per capita data is used as a measure of GDP growth to account for the currency exchange rates in each country. This gives a precise, standardized measurement of the value of economic growth in each country (Assane & Grammy, 2003).

Several control variables are used in the economic impact model with petroleum, coal, and natural gas export data coming from the Energy Information Administration (EIA), which is "an independent agency within the U.S. Department of Energy that develops surveys, collects energy data and does analytical and modeling analyses of energy issues" (Energy Information Administration, 2018). The EIA defines petroleum exports as "a broadly defined class of liquid hydrocarbon mixtures. Included is crude oil, lease condensate, unfinished oils, refined products obtained from the processing of crude oil, and natural gas plant liquids shipped to foreign destinations" (Energy Information Administration, 2018), and measures petroleum exports in the amount of U.S. barrels, one of which is equivalent to 42 U.S. gallons. The EIA defines coal exports as "the amount of coal shipped to foreign destinations" (Energy Information Administration, 2018) and measures coal exports in U.S. tons. Additionally, the EIA defines natural gas exports as "natural gas (primarily methane) that has been liquefied shipped to foreign

destinations" (Energy Information Administration, 2018) and measures natural gas exports in billions of cubic feet.

To provide historical and situational context for the quantitative comparative analysis, each of the cases selected will be presented with a "Narco Profile" that details the type of political regime among other indicators. This dissertation will employ the commonly used Polity IV project conducted by Polity Research. This dissertation will use Polity IV's political regime index with comparative data ranging from 2000 through 2015. Polity IV gives democracy the operational definition of being comprised of three essential interdependent elements:

> 1) the presence of institutions and procedures through which citizens can express effective preferences about alternative policies and leaders; 2) the existence of institutionalized constraints on the exercise of power by the executive; 3) the guarantee of civil liberties to all citizens in their daily lives and in acts of political participation. (Polity IV, 2017)

Polity IV's political regime index democracy indicator is the measurement of the level of democracy present within a country and is displayed on a 10 to -10 scale with 10 being total democracy and -10 being total autocracy.

Levels of corruption are also included in the "Narco Profiles," with the county's ability to control corruption measured by the World Bank's Control of Corruption: Estimate (CCE), which "captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as the capture of the state by elites and private interests" (World Bank, 2018). The World Bank's CCE assigns each country a value based on a numeric scale measuring the levels of corruption in the country ranging from -2.5 to 2.5, with -2.5 being totally corrupt and 2.5 being corruption-free (World Bank, 2018).

Lastly, homicide rates are included in the "Narco Profiles" to provide historical context into the level of drug-related violence the cases have experienced. Homicide rates are gathered from the Igarape Institute, a Latin American based think tank, which releases a yearly report entitled "Citizen Security in Latin America" that details the number of homicides and other crimes in Latin America. The homicide rates are operationalized as the number of homicides per 100,000 residents. The homicide rates of Colombia, Mexico, Bolivia, and Uruguay are examined in the dissertation.

CHAPTER THREE: COLOMBIA

3.0 Introduction

Since the inception of the "War on Drugs" by the Nixon administration in 1971, Colombia has been at the forefront of the battle against illicit drug manufacturing and trafficking in Latin America. Colombia has a unique drug trade history as they have historically been the primary producer of the world's cocaine and a significant producer of heroin destined for the U.S. Additionally, Colombia has long cooperated with the U.S. in the "War on Drugs" by undertaking numerous U.S.-sponsored counternarcotics operations and receiving over $5 billion USD in counternarcotics aid since 2000. Despite receiving logistical and financial support from the U.S. for their drug control efforts, Colombia has experienced mixed results in their "War on Drugs" and have failed to truly stop the flow of drugs produced and trafficked in the country. Many proponents of alternative drug control policies that favor regulation and education point to the fact that the "War on Drugs" has failed to stop the flow of illicit drugs over the course of its 47-year history as enough evidence that a new approach is needed to combat the illicit drug trade. However, the fact that the flow of illicit drugs has not been completely stopped does not mean that drug control policies and counternarcotics operations in Colombia were entirely unsuccessful.

This chapter seeks to understand how Colombia is currently combating the illicit drug trade and explores the effectiveness of historical drug control policies and counternarcotics operations undertaken in the country. To fully understand if those measures taken to combat the illicit drug trade have impacted the flow of illicit drugs, this chapter examines the drug production and drug seizure rates of Colombia between the years 2000 and 2015. Additionally,

this chapter analyzes why Colombia, a country that has sacrificed much blood in the "War on Drugs," continues to fully back militarized prohibitionist drug control policies—guided by international law—while others in the region are looking for alternative policies to help combat the illicit drug trade. Moreover, the relationships between the legitimate domestic economy of Colombia and their narco-economy are explored later in the chapter and Colombia's "narco-profile," which provide context to the qualitative and quantitative analyses contained in the chapter, is also presented.

3.1 Colombia's Drug Production and Control Overview

Historic Drug Production and Drug Control Policies (1970-2000)

Illicit drug production and the corruption that stems from the illicit drug trade have long been concerns for policymakers in Colombia as they have been on the front lines in the "War on Drugs" since its inception in 1971. The drug control policies of Colombia are so intertwined with those of the U.S. that the U.S. Drug Enforcement Agency (DEA) was created partially to combat the illicit cannabis-growing operations in Colombia and other Latin American nations at the time (Youngers & Rosin, 2005).[38] The creation of the DEA and the launch of the "War on Drugs" in the 1970s, coupled with the influx of cannabis growers from Mexico, sent many Colombian cannabis growers looking for an alternative source of revenue, with many turning to the growing of coca and the processing of cocaine.[39] Before Colombian cannabis growers and traffickers could fully transition into the cocaine business in the early 1980s, many Colombian

[38] During the time of the creation of the DEA by the Nixon Administration, the media and policymakers put great focus on the issue of recreational drug use taking hold of the youth in the U.S. (Siff, 2018).
[39] During the 1970s, there was a huge influx of cannabis growers from Mexico as the U.S. launched a crackdown on cannabis growers in Mexico by enacting a crop eradication program similar to what would later be employed in Colombia and other Andean region countries. Additionally, due to the overproduction of cannabis in Colombia, the profit margins on the production of cannabis were not great enough for many Colombian farmers to keep producing cannabis in the face of the new revenue stream presented in the form of coca production.

Transnational Criminal Organizations (CTCOs)—better known as simply "drug cartels" or "drug gangs"—who had previously been focused on the production and trafficking of cannabis began to concentrate on consolidating the drug trafficking routes into North America and Europe necessary to monopolize the cocaine trade. With the focus on consolidating the trafficking routes, many CTCOs relied heavily upon Bolivia and Peru as their main sources for coca that would be processed into cocaine in the Colombian jungles (Vellinga, 2004). Having consolidated the main trafficking routes by the mid-1980s, many CTCOs turned their attention to the production of coca and opium, the latter of which is the raw material for heroin. By the 1990s Colombia had become synonymous with cocaine and high levels of drug violence, with territorial disputes between CTCOs wreaking havoc throughout the country. By the turn of the millennium, CTCOs had become so dominant in the cocaine and heroin markets that—according to an analysis by Youngers and Rosin (2005)—"Colombia supplied an estimated 90% of the cocaine and a significant portion of the heroin consumed in the United States" (p. 99).

While Colombia has enacted some form of domestic drug control policy prohibiting the use of drugs since the 1950s, Colombia's "War on Drugs" against illicit drug producers and traffickers truly began in the late 1970s as the Colombian government faced pressure from the U.S.'s Carter Administration to eradicate the illicit cannabis farms that had relocated from Mexico in the face of a U.S.-sponsored aerial eradication campaign (Youngers & Rosin, 2005; Zepeda & Rosen, 2015). The Carter Administration put diplomatic pressure on Colombia to adopt a U.S.-backed legal framework[40] in combating the drug trade with the possibility of extraditing those Colombians involved. Colombia's drug war officially started with the first aerial eradication campaign in 1978 under the government of Colombian President Julio Cesar

[40] The framework included the inclusion of Colombian and U.S. military intelligence units in the fight against illicit drug trade activities in Colombia as well as allowing the DEA to operate in the country.

Turbay, a campaign that sprayed thousands of acres of cannabis. President Turbay also established an extradition treaty with the U.S. that took effect in 1982 (Mejía, 2016; Youngers & Rosin, 2005; Zepeda & Rosen, 2015). The establishment of an extradition treaty and the beginnings of aerial eradication campaigns marked the start of a bloody civil war that has raged on in Colombia for more than 45 years.

As previously mentioned, the rise in illicit drug activity in Colombia over the last 45 years accompanied a rise in drug-related violence as rival CTCOs battled for trafficking routes, production territory, and political influence (Mejía, 2016). Much of this early drug-related violence can be tied to the actions of two CTCOs—the Cali Cartel[41] and the Medellín Cartel[42]—and their battle over trafficking routes and production supremacy in the 1980s and 1990s (Curry, 2017; Mejía, 2016). Additionally, many rebel Marxist groups in Colombia—such as the Revolutionary Armed Forces of Colombia (Spanish acronym FARC), the National Liberation Army (Spanish acronym ELN), and the 19th of April Movement (M-19)—funded their violent campaigns against the Colombian government by entering into the illicit drug trade themselves, focusing on the production of coca and the processing of cocaine. This history of drug-related violence is just one of the many reasons why Colombia has been so aggressive in combating the illicit drug trade by adopting prohibitionist drug control policies and why they have continued

[41] The Cali Cartel was based out of Cali, Colombia, and run by the Rodríguez Orejuela brothers. The Cali Cartel employed a corporate business strategy by attempting to lobby for political influence and operating lucrative, legitimate businesses in a variety of sectors across Colombia. The Cali Cartel also operated under a "cell" strategy, compartmentalizing the roles of production, transportation, distribution, and finance such that no cell had knowledge of what the other cell was doing or who was involved. This strategy helps prevent the cooperation of lower level cartel members with law enforcement, as they do not have information outside of their cell on how the cartel works. Many terrorist groups have adopted this strategy in their attempts to evade law enforcement. The Cali Cartel was the main rival of the Medellín Cartel in the 1980s and 1990s (Youngers & Rosin, 2005).

[42] The Medellín Cartel was based out of Medellín, Colombia, and run by Pablo Escobar. The Medellín Cartel employed a top-down/integrated approach to their production of illicit drugs, where those at the top sent orders down the chain of command, making most cartel members aware of cartel strategies. This top-down approach was employed because Pablo Escobar relied on relationships to fill the ranks of his cartel—preferring to employ those with whom he shared familial or territorial ties. Additionally, Escobar relied on "shock and awe" tactics such as airline and government building bombings, which produced fear to ensure business success (Youngers & Rosin, 2005).

such policies in the face of increased violence and questionable results. The history of drug-related violence in Colombia and the presence of rebel groups aimed at taking down the government together demonstrate the Colombian government's need to accept foreign assistance in their fight against the illicit drug trade. That assistance has mainly come in the form of financial, logistical, and military support from the United States (Caiuby Labate, Cavnar, & Rodrigues, 2016; Youngers & Rosin, 2005; Zepeda & Rosen, 2015).

History of U.S. Drug Control Assistance in Colombia

Colombia's geography has always challenged the rulers to effectively govern the vast jungles and mountains that make up around 70% of the country. These "ungovernable spaces" in Colombia make the perfect laboratory for illicit drug activity, which is why cocaine production is so prevalent and difficult to combat (Mejía, 2016; Youngers & Rosin, 2005; Zepeda & Rosen, 2015). Moreover, since the Andean region comprises the mountainous areas in Venezuela, Colombia, Peru, Ecuador, and Bolivia, a counternarcotics operation in one country, such as Colombia, results in cocaine producers relocating to another part of the Andes. This so-called "Balloon Effect" has troubled Colombian law enforcement since the 1970s, and the difficulties in governing jungles and mountains, coupled with the rise in drug-related violence in Colombia and the United States, encouraged the U.S. assistance in Colombia's "War on Drugs" (Curry, 2017; Holland, 2015).

Additionally, in the mid-1980s, the CTCOs had become so rich and powerful[43] from the cocaine trade that they began to seek political influence as a means of ensuring legal protection

[43] The cocaine trade was estimated at around $1 billion USD in the mid-1980s, and much of that was in the control of CTCOs (United Nations Office on Drugs and Crime, 2011).

for themselves within the borders of Colombia.[44] The level of corruption among Colombian government officials skyrocketed as many faced a deadly ultimatum: "Plata O Plomo"—translated from Spanish as "Silver or Lead." Colombian officials, faced with choosing between death and complying with illegal and unethical requests from CTCO members, soon acquiesced to the latter. These officials became a crucial part of the vast intelligence network CTCOs employed to gain information about their competition, law enforcement operations, and compromising material to blackmail "incorruptible" public officials (United Nations Office on Drugs and Crime, 2010; Youngers & Rosin, 2005). Faced with the rising levels of corruption, the increase in drug-related violence, and the challenges the landscape posed for Colombian law enforcement, the country soon began allowing full-scale counternarcotics operations run jointly with the DEA in August of 1983 under the administration of Colombian President Belisario Betancur (1982-1986). The DEA, other U.S. government agencies, and the Colombian government continued to wage the "War on Drugs" on the frontlines of Colombia during the 1980s and 1990s, with countless counternarcotics and aerial spraying operations aimed at crippling the CTCOs (Caiuby Labate et al., 2016; Curry, 2017; Youngers & Rosin, 2005; Zepeda & Rosen, 2015).

Plan Colombia

During the mid-1990s, much of the international aid directed towards Colombia was aimed at helping to control the production and traffic of cocaine,[45] with very little aid aimed at supporting Colombia in their fight against left-wing rebel groups—mainly the FARC.[46] In order

[44] Many leaders of CTCOs in the mid-1980s began to lobby the Colombian government through both legal and illegal measures aimed at revoking the extradition treaty with the U.S. enacted in 1982 (Youngers & Rosin, 2005).
[45] Most of the international aid for Colombia at the time was earmarked for local police forces and their counternarcotics programs and operations (Mejía, 2016; U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2013).
[46] By the 1990s, Colombia had become the biggest recipient of U.S. counternarcotics aid—surpassing El Salvador (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2003).

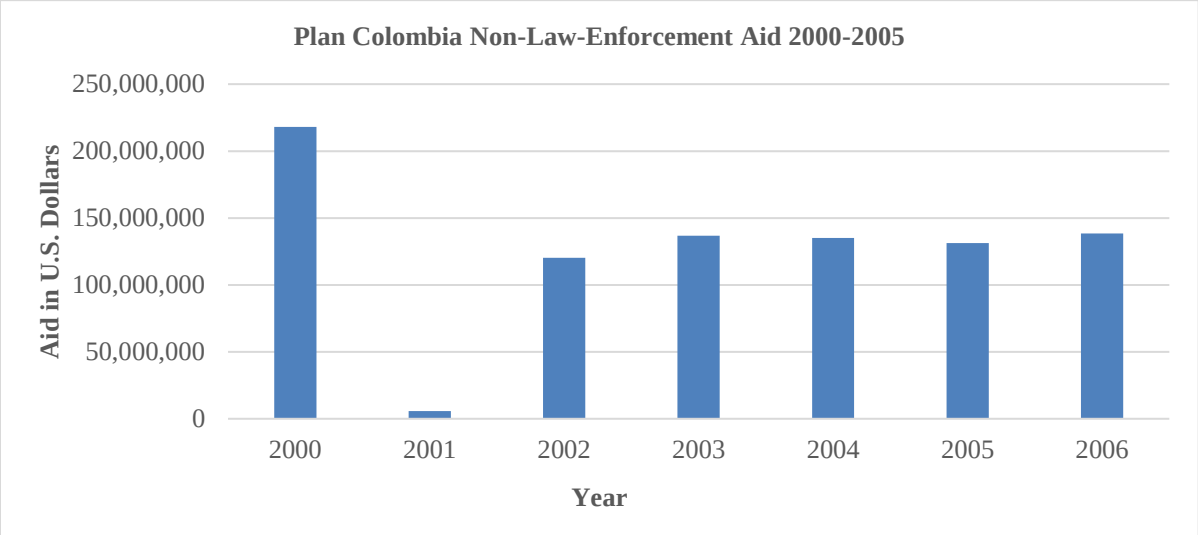
to curb the recent military defeats at the hands of the FARC during the mid-1990s, Andrés Pastrana, elected president of Colombia in 1998, introduced his social development and peace plan that aimed to bring an end to drug-related violence in Colombia and provide economic and political alternatives for FARC members in an attempt to have them lay down their arms and join in the political process. Additionally, President Pastrana's vision for Plan Colombia allocated a significant amount of funding for social development projects to allow rural indigenous coca growers to move up the social ladder and become less dependent on the growing of coca (Mejía, 2016; U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2009). In President Pastrana's attempts to secure international funding for his plan, he turned to the U.S., which insisted on altering the plan quite significantly by focusing more on the financial and logistical support of the Colombian military to combat the FARC and the cocaine-dependent CTCOs of the time. Most of the funding for social programs[47] allocated in the U.S.-backed version of Plan Colombia was substantially less than the aid marked for military and law enforcement aid.

The revised Plan Colombia,[48] which took effect in 2000, had become a military aid package that focused on defeating the FARC and ending the production and trafficking of cocaine—all while ignoring Pastrana's original call for increased social investment in the country.[49] Additionally, the Colombian people and the U.S. Congress had very little time to debate the new Plan before it was passed by Congress in July 2000, leaving many Colombians to wonder what exactly the new Plan entailed. The U.S. began a 15-year agreement under the guide

[47] Except for alternative development programs which sought to subsidize farmers who agreed to halt the growing of coca for a less profitable, legal crop.
[48] The revised plan was so heavily influenced by the U.S. that it was written solely in English at the time (Youngers & Rosin, 2005).
[49] The changes made to Plan Colombia at the insistence of the U.S. government made the plan unattractive to many other nations, who eventually pulled their financial support for the Plan. Plan Colombia would end up being a bilateral counternarcotics and security agreement between the U.S. and Colombia (Mejía, 2016).

of Plan Colombia, which started with a $895 million (USD) U.S. aid payment earmarked for the Colombian military (Mejía, 2016; U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2008; Youngers & Rosin, 2005; Zepeda & Rosen, 2015). Over the 15 years that Plan Colombia was in place, the U.S. allocated over $5 billion USD towards the Colombian military's fight against leftist rebel groups and the counternarcotics operations that assist in that fight.

Table 3.1 Plan Colombia Non-Law-Enforcement Aid 2000-2005



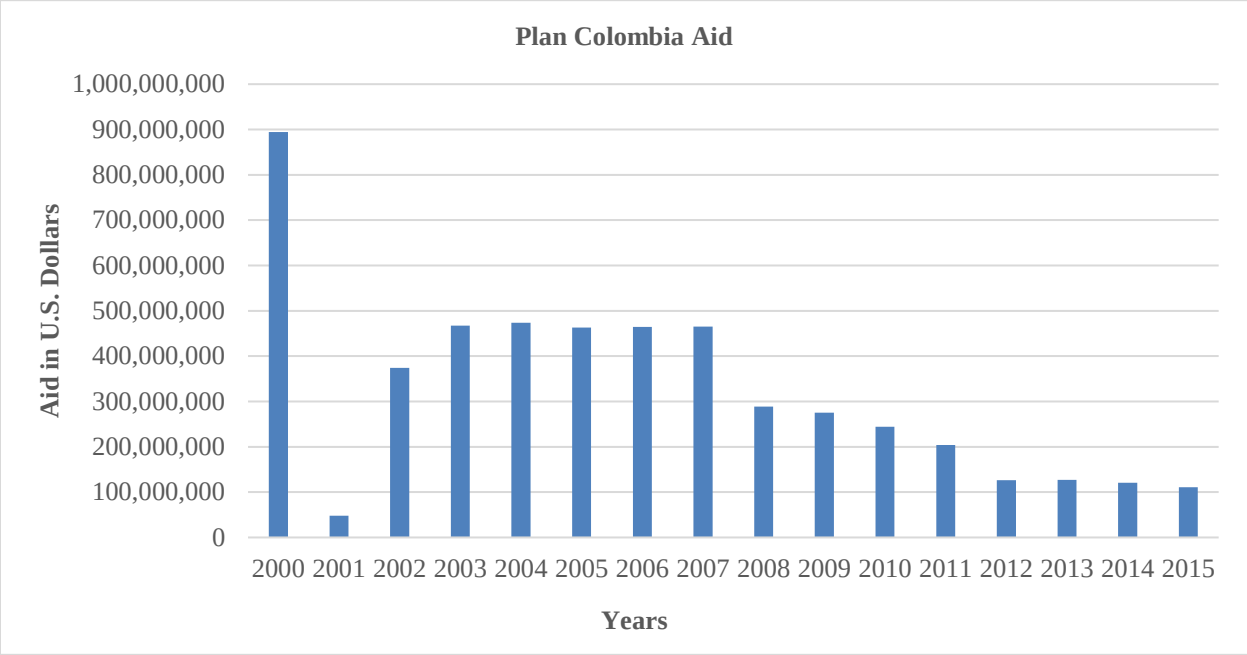
Source: International Narcotics Control Strategy Report 2000-2006

The new version of Plan Colombia was primarily concerned with assisting the Colombian government's fight against left-wing rebel groups and CTCOs while providing the logistical support needed to battle the spread of illicit drug manufacturing in the country. The data in Table 3.1 demonstrates the small amounts of funding for judicial reforms, criminal justice reforms, and other social aid programs during the first six years of the agreement.[50] Further, an examination of the data presented in Table 3.2 demonstrates that the overwhelming amount of aid allocated

[50] The percentage of funding allocated for non-law-enforcement programs under Plan Colombia remained relatively constant throughout the program (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2003, 2008, 2017).

under Plan Colombia went to support law enforcement programs and operations (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2002, 2013, 2017).

Table 3.2 U.S. International Narcotics Control and Law Enforcement Aid under Plan Colombia



Source: International Narcotics Control Strategy Report 2000-2015

The data presented in Tables 3.1 and 3.2 demonstrate that Colombian military-backed law enforcement programs under Plan Colombia received over 75% of the funding in the initial year, followed by over 88% in 2001, and over 67% in 2002. Additionally, the Colombian military received 70%-71% of the funding from 2003 to 2006 for counterinsurgency missions and counternarcotics operations. The data presented in Tables 3.1 and 3.2 make clear that the focus of the revised Plan was tilted towards military aid and support—a far cry from President Pastrana's original vision for Plan Colombia. The disproportionate amount of military funding under Plan Colombia soon became a point of contention among some U.S. policymakers and human rights activists in Colombia, as many preferred a more evenly distributed aid package to

address the human rights concerns associated with the production and trafficking of cocaine in Colombia (Mejía, 2016; Youngers & Rosin, 2005).

The outcry from U.S. policymakers over the focus of Plan Colombia soon subsided in large part due to the U.S.'s renewed focus and support for Colombia's fight with left-wing insurgents and narcoterrorism after 9/11. Immediately after 9/11, the U.S. focused on defeating terrorism globally, which left them looking for sources of financing for suspected terrorists. Many policymakers in the U.S. quickly pointed to the illicit drug trade as a main financer of terrorist activities, and soon they renewed their focus on the cocaine-producing left-wing rebel groups and CTCOs. This focus on narcoterrorism by U.S. and Colombian officials[51] in the fog of 9/11 allowed for the core of Plan Colombia to be primarily a military approach aimed at stopping CTCOs and their financing of terrorism around the globe (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2004, 2007).

Critiques of Plan Colombia

The critiques of Plan Colombia go well beyond the distribution of aid among social and military programs and include environmental and human rights concerns surrounding the aerial spraying of pesticides designed to eradicate the coca plant. Additionally, many of the Plan's critics raise concerns about the results of the alternative development programs and their effectiveness at slowing or eradicating cocaine production in Colombia. Moreover, many critics of Plan Colombia point to the overuse of the Colombian military in the fight against CTCOs—a task traditionally reserved for domestic law enforcement officials. The aerial spraying of

[51] Colombian President Alvaro Uribe, who took office in 2002, was a major supporter of the post-9/11 approach under Plan Colombia and embraced the new direction from Washington wholeheartedly (Youngers & Rosin, 2005).

pesticides,[52] engineered by the U.S. chemical giant Monsanto, has caused concern for environmental and human rights advocates since it began in Colombia in the 1980s when it was aimed at eradicating cannabis plants (Mejía, 2016; Youngers & Rosin, 2005; Zepeda & Rosen, 2015). In the initial years of Plan Colombia, starting in 2000, aerial spraying covered more than 380,000[53] hectares of land where coca was being grown, and since then pesticides have been sprayed over an average of 128,000 hectares annually (Mejía, 2016; United Nations Office on Drugs and Crime, 2014; Youngers & Rosin, 2005).

Many critics have pointed to the pollution of harvestable land and waterways that resulted from the mass spraying of pesticides in Colombia as evidence enough to halt the program, and just one of the reasons why the Colombian government dramatically reduced its aerial fumigation in the latter years of the program, with just under 50,000 hectares sprayed in both 2012 and 2013 (United Nations Office on Drugs and Crime, 2014; U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2015). Additionally, many indigenous farmers not involved in the production of coca have lost their livelihoods because of the "overspray" effect, in which much of the airborne pesticide during aerial spraying drifts outside of the intended target area due to shifts in wind and weather patterns. This overspray destroys many indigenous farmers' non-illicit crops and thus their family's financial well-being. The end result of aerial spraying, regardless of its effectiveness, is to push more indigenous farmers into the production of coca as a means to recover their losses from the eradication of licit crops (Mejía, 2016; Youngers & Rosin, 2005; Zepeda & Rosen, 2015).

Another major concern for critics of Plan Colombia rests on the effectiveness of the alternative development programs aimed at providing coca farmers with an economic incentive

[52] The main chemical in the pesticides used in aerial spraying is glyphosate, which a U.S. jury found in 2018 to be responsible for causing non-Hodgkin's lymphoma (Yan, 2018).
[53] Equivalent to more than 8% of Colombia's arable land at the time (Youngers & Rosin, 2005).

to produce licit crops in lieu of coca. Alternative development programs also focused on the training of farmers in the production of licit crops and assisted in getting their legal crops to legitimate markets. The implementation of policies included in the alternative development program under Plan Colombia was poorly executed, and their effectiveness remains in question (Mejía, 2016; United Nations Office on Drugs and Crime, 2016). Many of these policies were geared towards training and financially supporting coca farmers to produce new licit crops. Little attention was paid to the resource's farmers need in order to sell their new crops at legal markets, thus leaving many farmers without the economic means to market their new crops. This, in turn, resulted in the farmers' return to the coca production business. Additionally, many farmers reported the lack of follow-up by the Colombian government in their delivery of alternative development aid, resulting in a return to coca production for most farmers (Mejía, 2016; United Nations Office on Drugs and Crime, 2012). While the poor implementation of alternative development programs has been the pattern under Plan Colombia, there have also been some alternative development success stories in the country. The Plan de Consolidación Integral de la Macarena (Spanish acronym PCIM) was successfully implemented in a handful of coca-producing regions in Colombia and provided programs based on health education and improvement, improved education opportunities, and criminal justice reforms that resulted in a decrease in coca production in the region (United Nations Office on Drugs and Crime, 2012; U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2013).

A further concern held by Plan Colombia critics centers around the militarization of Colombian law enforcement. Traditionally, law enforcement agencies were at the forefront of the country's "War on Drugs," but that changed under Plan Colombia, with the Colombian military

being designated as the primary agency in charge of combating the illicit drug trade. The transfer of power to the military was conducted for several reasons, ranging from the corruptibility of local law enforcement officials to the increased focus on combating narcoterrorism after 9/11. Many human rights advocates criticize the heavy-handed tactics[54] the Colombian military used in their eradication attempts and the sense of being "invaded by an outsider" that many indigenous communities felt when counternarcotics operations were conducted in the country (Caiuby Labate et al., 2016; Mejía, 2016; Zepeda & Rosen, 2015). To help put these critiques in context and to better understand the end results of Plan Colombia's crackdown on cocaine production, a Colombian narco profile and drug control effectiveness models are detailed below.

3.2 Colombia's Narco Profile

To have a complete picture of the illicit drug trade activities and their impact in Colombia a narco profile is needed. The narco profile will provide further insight into narcotics production and trafficking within Colombia by including the following information: the types of positions occupied within the drug trade; the types of illicit drugs produced domestically; current and historical levels of drug-related violence; an analysis of Colombia's cultural views on illicit drug use and the laws governing recreational use; an overview of Colombian political elites' opinions on U.S. counternarcotics aid and interventions; an examination of corruption levels in Colombia; and a brief analysis of Colombia's political landscape and regime history.

[54] Tactics include the use of military equipment and the violent nature in which the Colombian military conducts their counternarcotics operations.

Colombia's Drug Trade Positions and Production

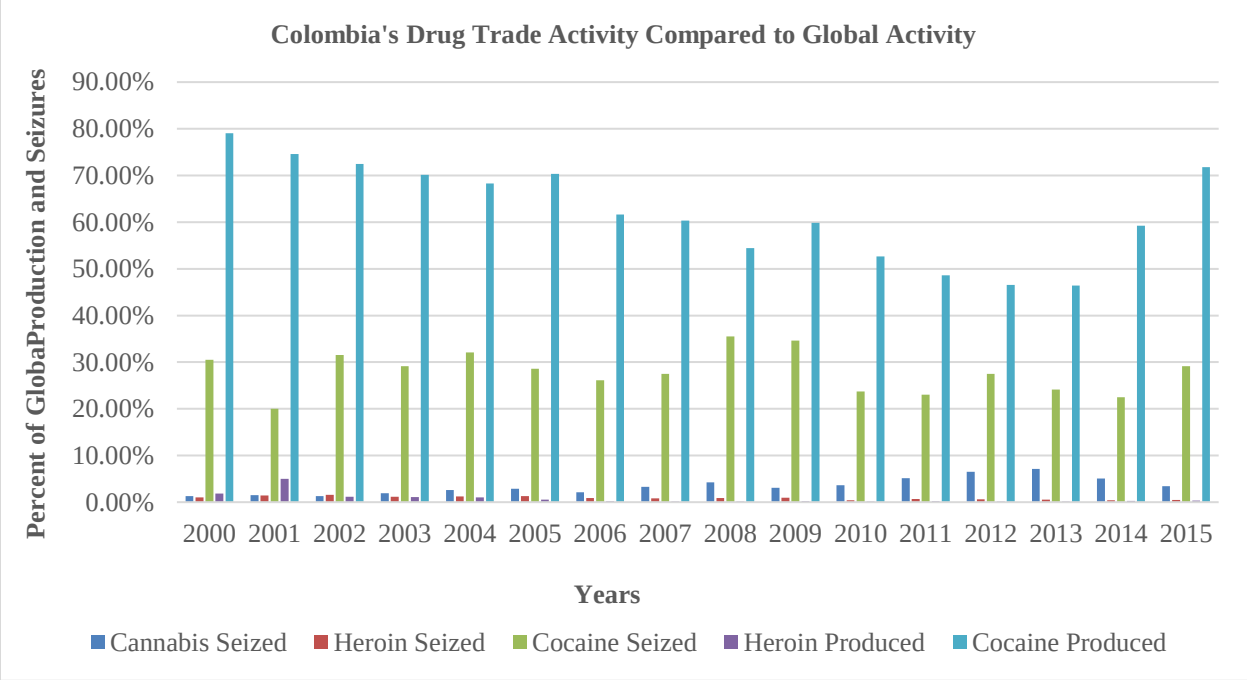
As previously mentioned, Colombia has held multiple positions in the drug trade, beginning in the 1980s when CTCOs began to produce cocaine for distribution in the U.S. and Europe, using the trafficking routes and distribution networks secured in the 1970s when they began to transition from focusing on cannabis production to cocaine production and trafficking (Brienen & Rosen, 2015). Colombia, along with many other Latin American nations involved in the illicit drug trade, occupies all four positions of the drug trade: production, transportation, distribution, and finance.[55] Colombia's main illicit drug of production is cocaine, but the country is also a major producer of heroin in the region and produces a sizable amount of cannabis as well. This cannabis is mostly intended for regional distribution, as cannabis consumed in the U.S. and Canada is substantially higher in THC (United Nations Office on Drugs and Crime, 2016). Additionally, Colombia routinely seizes a variety of illicit drugs that are trafficked in the country, which include illicit cannabis, heroin, and cocaine.

Table 3.3, which displays Colombia's drug trade activity compared to the global drug production and seizure rates, demonstrates that illicit drug seizure operations in Colombia have captured between 1% and 7% of global illicit cannabis, 1% of global heroin, and between 20% and 31% of global cocaine seized from 2000 to 2015. Colombia has also produced between 1% and 2% of global heroin and between 46% and 79% of global cocaine during the same time. While global illicit cannabis production data is not available for all the years examined, Table 3.3 makes clear that the CTCOs have maintained their focus on the production of illicit cocaine as their main illicit drug revenue stream for the duration of Plan Colombia. Additionally, while

[55] For the purposes of this project, the drug trade positions are operationalized as follows: Production is when a country produces illicit drugs for export to other nations or regions; Transportation is when a country transports illicit drugs to other nations or regions for further transportation or distribution; Distribution is when a nation distributes illicit drugs for their consumer destination; and Finance is when a nation launders money from drug trade activities.

counternarcotics forces in Colombia have been able to increase their illicit cannabis seizures since 2000, their attempts to significantly increase their seizure of illicit cocaine under Plan Colombia have not come to fruition as they seized 31% of global cocaine seized in 2000 and only 29% in 2015. Moreover, Table 3.3 indicates that illicit heroin production during Plan Colombia has been reduced as CTCOs produced 5% of the global heroin in 2001 and have produced less than 1% since 2006. Lastly, Colombian counternarcotics forces also experienced minimal success in slowing the production of illicit cocaine during the 15-year span of Plan Colombia with CTCOs producing 79% of global cocaine in 2000 and 72% in 2015. Unfortunately, recent reports from the U.N. Office on Drugs and Crime indicate that the modest success Colombian counternarcotics officials experienced in reducing the production of illicit cocaine has been erased as cocaine production in Colombia was at an all-time high in 2017.

Table 3.3 Colombia's Drug Trade Activity Compared to Global Drug Trade



Source: World Drug Reports 2000-2015

More recently, the Colombian government has waded into the movement for growing commercial recreational cannabis by passing a medical cannabis law that allows its citizens to possess and grow cannabis for medical purposes—similar to the medical cannabis laws in several U.S. states. Unlike the many U.S. state medical cannabis laws, Colombia has carved out an international business exemption that allows foreign companies to produce cannabis in Colombia that is intended for international sale and distribution in legal markets such as Canada (Kaplan & Wu, 2016). Many Colombian politicians and small-scale Colombian cannabis farmers were initially hopeful that the medical cannabis law would help reduce drug-related violence associated with the illicit drug trade and give the indigenous coca farmers a true economic alternative to growing coca that is later processed into cocaine. Unfortunately, the implementation of the medical cannabis law in Colombia, in large part due to huge lobbying efforts by corporations, has tended to favor foreign corporations determined to get a foothold in the emerging legal cannabis market—displacing many Colombian cannabis growers. Results of the commercial cannabis boom underway in Colombia are not yet available, but the start of the program would suggest that indigenous farmers have yet again been left out in the cold by the Colombian government's attempts to combat the CTCOs (Kaplan & Wu, 2016).

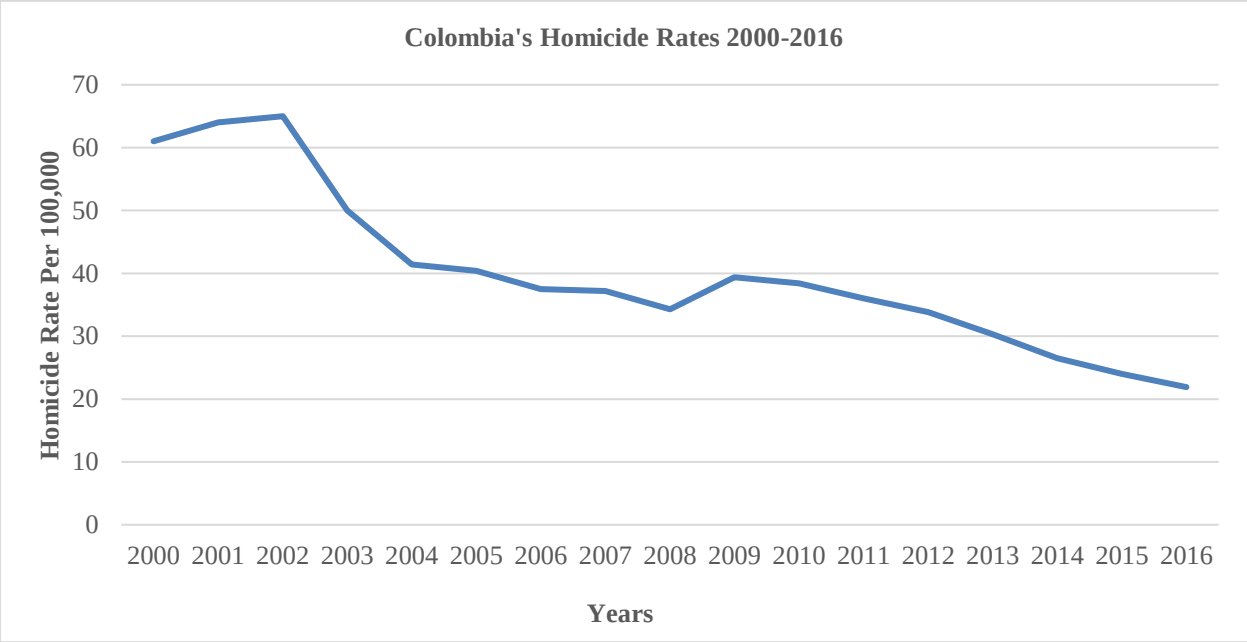
Colombia's Levels of Drug-Related Violence

Colombia, like many Latin American countries involved in the illicit drug trade, has experienced long periods of drug-related violence. Additionally, Colombia has had long periods of violence that were a result of an internal conflict with left-wing militias and rebel groups. While Table 3.4 demonstrates that there was a brief spike in murders in 2002 and 2009, the homicide rates have been reduced dramatically—by 65%—since the start of Plan Colombia at the beginning of the millennium. Whether or not Colombia's murder rate continues to decline

will largely depend on the policies of the newly elected Colombian President, Iván Duque, and whether he will continue to honor the peace agreement the previous administration reached with the FARC. Unfortunately, President-elect Duque's campaign platform points to the abandonment or significant modification of the peace deal, as he ran on the promise of reshaping the peace deal significantly—a promise that appealed to many Colombians ("Colombian President Iván Duque sworn in," 2018).[56] While the significant decline in homicide rates is an accomplishment that lawmakers who embrace prohibitionist drug control policies can undoubtedly tout, the decrease in homicide rates in Colombia cannot solely be attributed to the actions undertaken during Plan Colombia as other factors such as bureaucratic reform, local government anti-corruption efforts, and increased government transparency have undoubtedly played a factor in bringing down the homicide rate. We will have to wait and see if the progress made under Plan Colombia regarding the decline in the murder rate will continue during Colombia's new conservative government, or if Colombia will slide back into a bloody and prolonged civil war with the FARC.

[56] When the initial peace deal with the FARC was presented to the Colombian people in 2016 through a referendum, it failed to receive the necessary votes. Colombian President Juan Manuel Santos later ushered in the peace deal through the legislative process to maneuver around the Colombian people ("Why Colombians distrust the FARC peace deal," 2018).

Table 3.4 Colombia's Homicide Rates 2000-2016



Source: *Muggah & Aguirre Tobón, 2018*

Colombia's Cultural Views & Domestic Laws Regarding Personal Drug Use

Colombia's long, unsettled history of drug control laws aimed at stopping the illicit drug trade dates back to the 1920s, when the government implemented Law 11, which tried to curb drug production and trafficking without harsh penalties such as jail. However, policies regarding the personal use of drugs did not come into place until the 1950s with the first national law aimed at prohibiting cannabis use among Colombians (Yepes & Guzmán, 2012). In 1964, Decree 1669 was issued, prohibiting the use of any narcotic substance in Colombia (Yepes & Guzmán, 2012). The issue of personal drug use in Colombia was revisited in 1971 when Decree 522 decriminalized the use and possession (in private) of cannabis, cocaine, morphine, and other drugs that have the potential to cause addiction. Public possession and use were still prohibited and punishable by up to three months in jail.

In 1974, Decree 1188 increased the penalties associated with the production and trafficking of illicit drugs and once again criminalized the personal use of illicit drugs, whether

used in public or in private homes. Law 30 of 1986, known as the National Narcotics Statute (Estatuto Nacional de Estupefacientes in Spanish), increased the penalties associated with illicit drug production, possession, and trafficking. In 1993, the Colombian government ratified the 1988 United Nations amendment to the 1961 Single Convention on Narcotic Drugs, which standardized the drug control approach of all signatories and codified the global prohibitionist drug control approach. In 1994, the Colombian Supreme Court found unconstitutional the provisions of the 1988 U.N. amendment that called for the incarceration of those found in possession of personal amounts of illicit drugs (Yepes & Guzmán, 2012; Youngers & Rosin, 2005). This 1994 ruling dictated Colombian drug control policy aimed at those individual users not associated with the illicit drug trade until 2009, when Legislative Act Number 2 was passed, amending the Colombian Constitution to prohibit the personal possession and use of illicit drugs. In 2011, the Colombian Supreme Court again struck down the law imposing prohibitions on personal use and possession, stating that "penalizing the personal use of drugs violates the free development of personality" (Mannon, 2011). To address the policy uncertainty that resulted from the previous two Supreme Court rulings, President Juan Manuel Santos introduced a drug decriminalization bill designed to ease the penalties associated with the personal use and possession of illicit drugs. In June 2012, the Colombian Supreme Court ruled that the decriminalization policy introduced by the Santos Administration was constitutional, effectively ushering in drug decriminalization in Colombia yet again (Rossi, 2012).

Colombian Elites' Views on Western Drug Control Policy and U.S. Drug Control Aid

Much of the back and forth regarding Colombia's personal drug use laws is a result of the change in power between conservative and liberal governments over the years, but some policy changes, such as the 1993 law ratifying the 1988 amendment to the Single Convention on

Narcotic Drugs, were a product of international and domestic pressures associated with the illicit drug trade (Brienen & Rosen, 2015; Yepes & Guzmán, 2012; Youngers & Rosin, 2005).[57] Like those in many Latin American countries and around the world, conservative politicians in Colombia favor strict prohibitions on not only drug trade activities, but also the personal use and possession of illicit drugs by everyday Colombians. While liberal politicians are more likely to favor relaxed personal drug laws, most Colombian liberal governments have shared their conservative counterparts' acceptance of the U.S.'s role, aid, and influence in the country. Additionally, both conservative and liberal policymakers have supported drug control policies aimed at curbing illicit drug production and trafficking in the country. The Duque Administration may or may not continue Colombia's long, mercurial history of personal drug control policy, but if history is any indication, the issue of the personal use and possession of illicit drugs remains as settled law. Moreover, while the conservative President Duque has indicated that his administration intends to reform the peace deal with the FARC reached under the previous liberal administration, he has shown no indication that his administration is looking for alternative drug control approaches during his tenure. For now, it is still business as usual in Colombian drug control policy, with the U.S. wielding as much influence as ever.

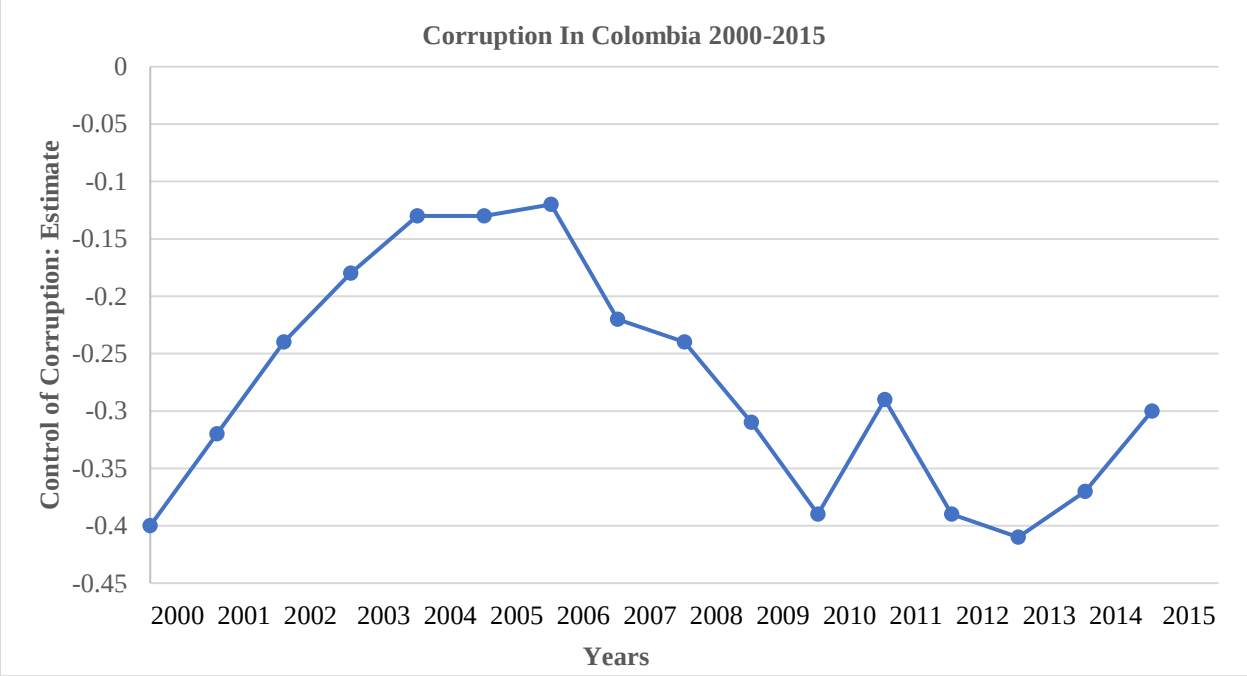
Corruption in Colombia

Colombia, like many nations involved in the drug trade around the world, has had a long and storied history with corrupt government officials enriching themselves and their allies while governing their country. According to the World Bank's Control of Corruption Estimate (CCE) demonstrated in Table 3.5, Colombia's corruption levels decreased from -0.4 to -0.12 during the

[57] During the late 1980s and early 1990s, Colombia had much of the media's attention due to their instances of narcoterrorism resulting from the battles among CTCOs and the government. This attention resulted in domestic protests questioning the government's handling of their battle against the CTCOs. This attention also resulted in increased diplomatic pressure from the U.S. and neighboring countries.

start of Plan Colombia from 2000 to 2006.[58] Unfortunately, Colombia saw an increase in corruption over the four years between 2007 and 2011 before reducing their corruption levels briefly in 2011. Corruption levels again began to rise in 2012 and 2013 before decreasing to below-2009 levels in 2015. Unfortunately, corruption has continued to increase in Colombia as their 2016 CCE registered at -0.34.[59] While corruption in Colombia has not risen to the level experienced by many of its neighbors, nor some of the countries under examination in later chapters, it is nonetheless a serious problem that presents not only drug control policy implications, but economic and social development implications as well.

Table 3.5 Corruption Levels in Colombia 2000-2015



Source: *World Bank, 2018*

[58] The World Bank's CCE assigns each country a number on a scale measuring the levels of corruption in the country ranging from -2.5 to 2.5, with -2.5 being totally corrupt and 2.5 being corruption-free (World Bank, 2018).
[59] 2016 is the most recent year available for the World Bank's Control of Corruption: Estimate for Colombia.

Colombia's Political History

Colombia's political history is somewhat unique for the region of Latin America, as it has never experienced a military coup, and the early violence the country experienced was related to struggles among the domestic political parties.[60] Additionally, Colombia has long been rated a strong democracy, especially compared to other nations in the region, and that has not changed in the 21st century, as demonstrated by Polity IV's political regime index democracy indicator rating of 7 for the entirety of Plan Colombia (2000-2015).[61] Unfortunately, Colombia has had to undergo very bloody civil wars to reach these levels of democracy in the country. In the early 1900s, Colombia was marked by civil wars between the liberal and conservative political factions, with political power alternating between the two parties. The 1940s and 1950s were once again plagued by civil wars, with between 250,000 and 300,000 Colombians losing their lives as a result of the conflicts (Palacios, 2006). The latter half of the 20th century[62] saw the rise of guerrilla armies, both right-wing and left-wing, who sought to install more like-minded governments in the country. In 1989, three presidential candidates were assassinated by CTCOs, which led to a turning point in Colombian politics with the election of Cesar Gaviria and the adoption of a new constitution in 1991 (Palacios, 2006). The new, more liberal constitution did away with many of the laws inspired by the Catholic church during Colombia's colonization. Among the new changes included legalizing divorce, recognizing indigenous peoples' democratic and human rights, and prohibiting the extradition of Colombians wanted for crimes in other countries.[63]

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[60] Domestic political parties have been established since 1849 in Colombia (BBC, 2012).
[61] Polity IV's political regime index democracy indicator ranges from -10 to 10 with -10 being full autocracy and 10 being full democracy.
[62] This is the period during which combating the drug trade and the violence associated with it became a major policy issue for both liberal and conservative governments in Colombia.
[63] Colombia has had an extradition treaty with the U.S. since 1979, but in an attempt to broker a peace deal with the CTCOs in order to halt their indiscriminate acts of violence against the civilian population (café and airline

In the late 1990s, Colombian president Andres Pastrana Arango started to engage with the various rebel groups in an attempt to bring them into the political process, and those attempts continued during the first few years of the new millennium, until Plan Colombia was reoriented to fight narcoterrorism after the 9/11 terrorist attacks in the U.S. (BBC, 2012; Palacios, 2006; Youngers & Rosin, 2005). Additionally, in an attempt to curb drug-related violence in the country, Colombia passed a constitutional amendment in 1997 allowing the extradition of Colombian nationals to foreign states, concluding the extradition debate in Colombia (U.S. Department of State, 2002). In 2002, Colombia elected its first ever independent candidate, Alvaro Uribe,[64] who was running neither in the traditional liberal nor conservative political parties. In 2010, Colombians elected liberal president Juan Manuel Santos, who again engaged in peace talks with the main left-wing militia, the FARC, which resulted in the now-contested FARC Peace Deal. In 2018, the political pendulum swung back to the conservatives with the election of Iván Duque to the presidency. As previously mentioned, President Duque ran his campaign on reforming the FARC Peace Deal and has indicated during his first months in office that he is willing to follow through on that campaign promise. It would seem that the Colombian people should not be surprised if it is drug control policy as usual under President Duque. Now that Colombia's political and narco histories have been briefly explored, let us examine some possible reasons why Colombia accepts the international drug control convention.

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bombings, public shootouts, etc.) during the late 1980s, the Gaviria Administration agreed to take extradition out of the new constitution in exchange for a halting of the violence against civilians. Colombian public opinion was in favor of whatever policy would stop the indiscriminate violence at the time (BBC, 2012; Palacios, 2006; U.S. Department of State, 2002).

[64] In 2002, Colombia's liberal party broke into factions, and Uribe started his own liberal political party: the Democratic Center.

3.3 Colombia's Acceptance of the International Drug Control Conventions

While further research is needed to truly know why Colombia, among other nations, accepts the international drug control regime set forth in the U.N.'s 1961 Single Convention on Narcotic Drugs and its subsequent amendments, countries in Latin America who adhere to the international drug control regime share certain characteristics. If we recall from chapter two, whether a nation accepts the international drug control regime set forth in the 1961 U.N. Single Convention on Narcotic Drugs depends on four main issues, with the primary determinant being the number of positions a nation occupies in the drug trade. The other main issues impacting a country's adherence are the level and duration of drug-related violence present in the country, the elites' views of U.S./Western drug control policy, as well as cultural views on recreational drug use; and a nation's views toward and reliance on U.S. counternarcotics aid.

As we can see from the information laid out in the earlier narco profile, Colombia, like other prohibitionist Latin American countries, occupies three or more positions in the drug trade, while Bolivia and Uruguay, countries that employ alternative drug control policies, each occupy only two positions in the drug trade. As stated in chapter two, countries that occupy more positions in the drug trade have higher threats to their national security from drug trade activity, as those countries have more entrenched TCOs, which result in higher levels of violence, corruption, and possible co-option of state institutions. This increased threat drives countries to adopt the international drug control regime and seek assistance from the international community. Additionally, the information presented in the narco profile demonstrates that Colombia, like most of the Latin American countries employing a prohibitionist drug control policy, has experienced high levels of drug-related violence more recently (2000-2015).

Colombian citizens have varied cultural views on illicit drug use, from the acceptance of personal drug use to the complete prohibition of all forms of drug use and possession. Much like everyday Colombian citizens, political elites also have varied views on illicit drug use, with conservative politicians favoring total prohibition and liberals favoring permitting the possession and use of illicit drugs for personal consumption (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2009; Youngers & Rosin, 2005). However, this may be changing, as many political elites on both ends of the political spectrum support the new medical cannabis law that legalizes the production and international distribution of cannabis grown in Colombia, potentially launching Colombia into the international cannabis market (Kaplan & Wu, 2016). Additionally, regardless of their political affiliation, most Colombian political elites favor a prohibitionist stand against all illicit drug trade activity, promoting tough "law and order" drug control policies. Like their views of drug control policies, Colombian political elites from both conservative and liberal factions have supported and accepted major U.S. counternarcotics aid for many years—since well before the initiation of Plan Colombia.

Whether Colombia will continue to accept the international drug control regime in the future depends on several issues, none more so than whether or not CTCOs continue to threaten Colombia's national security by maintaining and expanding their illicit drug trade activities. Unfortunately, evidence indicates that CTCOs are indeed continuing to expand their drug production operations, with a recent report by the United Nations Office on Drugs and Crime (2018) stating that Colombian cocaine production is at an all-time high.[65] Additionally, while the

[65] The report from the United Nations Office of Drugs and Crime (2018) states that not only is the amount of land dedicated to the production of coca at an all-time high, but the number of coca leaves produced on each plant has also tripled due to engineering by coca growers.

FARC Peace Deal—if successful—will undoubtedly decrease cocaine production in Colombia,[66] we will have to wait and see how President Duque will reform the deal and whether the FARC will accept those reforms or walk away from the peace deal to again take up arms against the government. Another factor that may impact Colombia's future adherence to the 1961 Convention is whether the Convention is amended to allow for the sale and distribution of cannabis, as Colombia is laying the foundation to enter the international cannabis market with their recent medical cannabis law. Countries that allow for the sale and distribution of illicit drugs, including cannabis, are technically in violation of the 1961 Single Convention on Narcotic Drugs, and the number of countries in violation grows each year.[67] While some United Nations member states have called for revising the international drug control regime, the majority of powerful U.N. members have yet to throw their full support behind enacting such reforms. The success of the prohibitionist drug control policies and counternarcotics operations since the turn of the century and the enaction of Plan Colombia will help Colombians determine if they want to continue on their current drug control path or if they will join a growing number of countries looking to adopt alternative drug control policies. The next section will help us understand the effectiveness of Colombia's decades-long war on drugs.

3.4 Colombia's Drug Policy Effectiveness Analysis

As we recall from earlier in the chapter, Colombia has experienced decreases in drug-related violence and increases in corruption during Plan Colombia from 2000 to 2015, but the effectiveness of the Plan's counternarcotics operations is still in question. This section seeks to

[66] The FARC rely on the production and trafficking of cocaine to fund their insurgency missions and pay their members (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2013).
[67] Canada is the first G-7 nation to legalize cannabis at the national level, and many prohibitionist countries have pointed out their violation of the international drug control regime.

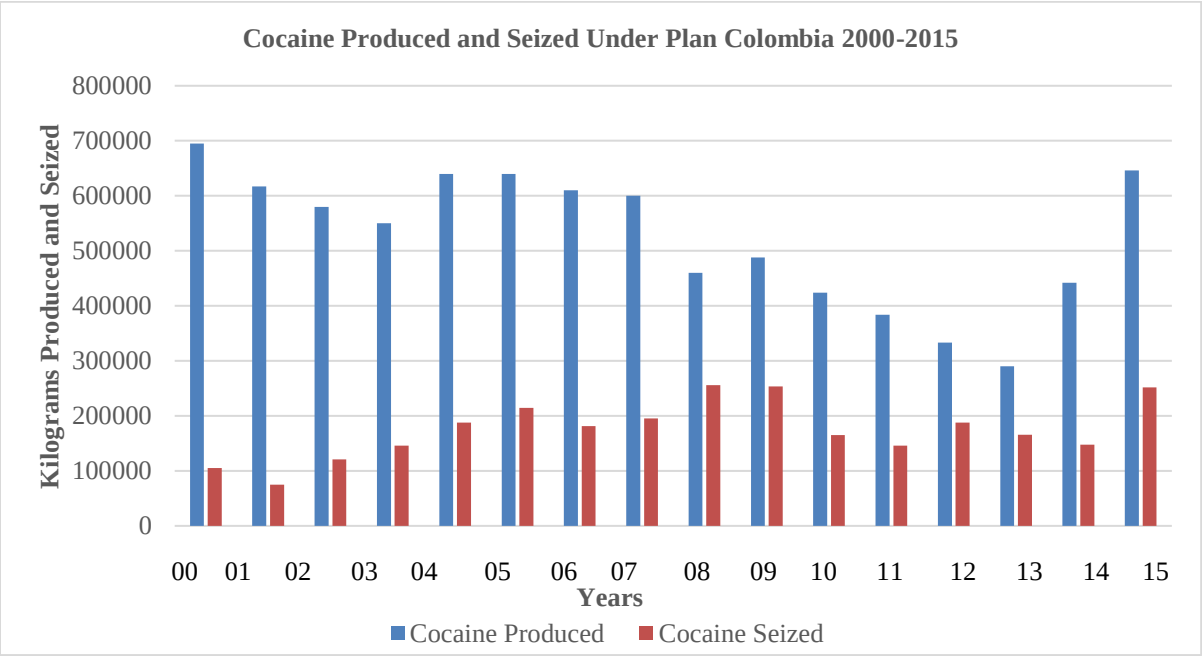
evaluate, first, whether counternarcotics operations conducted during Plan Colombia have been successful at reducing the amount of drugs produced in the country and, second, whether Colombia's illicit drug seizures have increased with the rate of production of illicit drugs that avoid detection during production. To determine the drug control effectiveness during Plan Colombia, this section examines the production and seizure rates of cocaine and heroin, as well as the seizure rates for cannabis[68] in Colombia from 2000 to 2015.

An examination of Table 3.6, which presents the cocaine production and seizure rates in Colombia from 2000 to 2015, demonstrates that cocaine production under Plan Colombia initially fell during the first three years that major counternarcotics operations were carried out. Cocaine production decreased from 695,000 kilograms in 2000 to 550,000 kilograms in 2003. Table 3.6 also illustrates that cocaine production in Colombia rose in 2004 before beginning a seven-year decrease in 2006, with production dropping 55% between 2005 and 2013. Including the rises in production in 2014 and 2015, cocaine production fell 7% overall between 2000 and 2015. Unfortunately, cocaine production has continued to rise since the end of Plan Colombia in 2015, with a recent United Nations Office on Drugs and Crime (2018) report stating that Colombia produced the most cocaine on record in 2017: 1,379,000 kilograms. The fact that cocaine production in Colombia recently outweighed the gains made by counternarcotics forces during the span of Plan Colombia helps demonstrate the futileness of the prohibitionist drug control policies employed in the "War on Drugs." The cocaine seizure rates under Plan Colombia presented in Table 3.6 show that cocaine seizures, while unable to keep up with the

[68] Cannabis production in Colombia, and most other nations, is quite difficult to calculate due to the plant's adaptability to be grown in most environments—including indoors. Cannabis production is often calculated via satellite imagery, which is a costly endeavor mostly reserved for more dangerous drugs like cocaine and heroin. Mexico is an exception to this, as the U.S. government has long monitored cannabis production in the country since most of the cannabis consumed in the U.S. during the 1960s to 1990s was produced in Mexico.

rate of cocaine production, increased overall from 105,006 kilograms seized in 2000 to 252,009 kilograms seized in 2015.

Table 3.6 Colombian Cocaine Production and Seizures 2000-2015

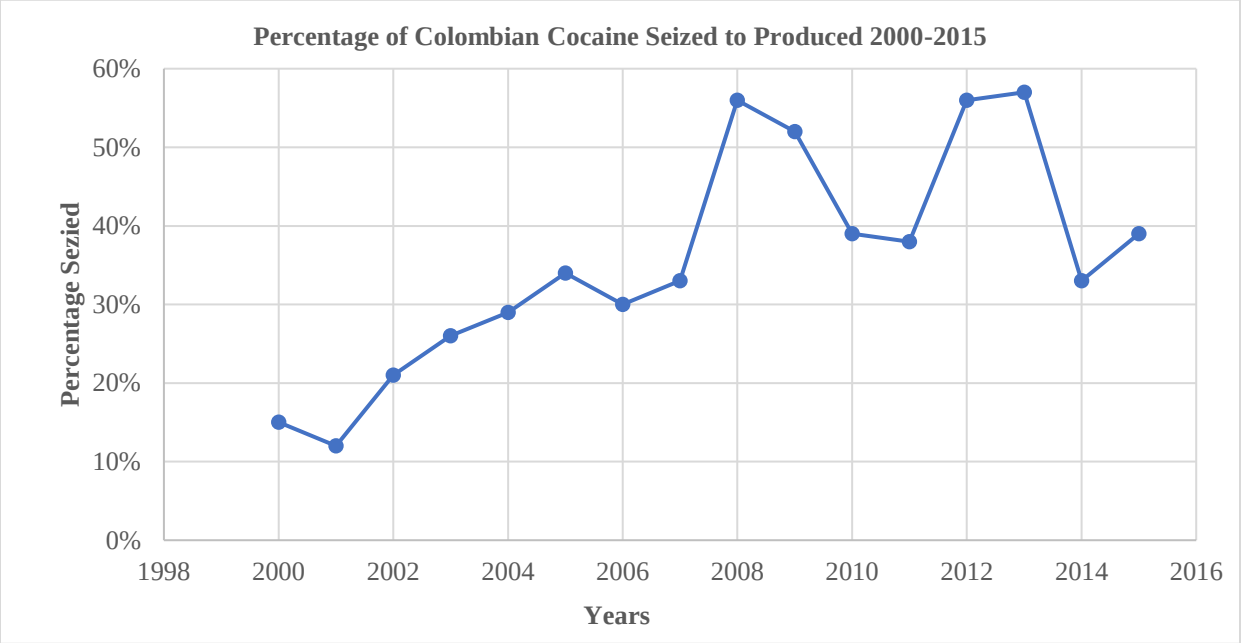


Source: World Drug Reports 2000-2015

Additionally, an examination of Table 3.7, containing the yearly percentage of cocaine seized versus cocaine produced, demonstrates that Colombian counternarcotics operations were able to seize between 15% and 34% of cocaine produced in the country between 2000 and 2005. Colombian counternarcotics forces had many of their most successful years between 2008 and 2013, with cocaine seizures averaging 49% of cocaine produced in the country. Further, while cocaine seizures had begun to rise with the increased production rates in 2015, seizure rates have continued to drop in recent years with Colombian counternarcotics forces capturing 32% of the cocaine produced in 2017 (United Nations Office on Drugs and Crime, 2018). Whether the recent uptick in cocaine production will continue with the new conservative administration of

President Duque is unknown, but fortunately for Colombia, heroin production and seizures under Plan Colombia paint quite the different picture.

Table 3.7 Percentage of Colombian Cocaine Seized to Produced 2000-2015

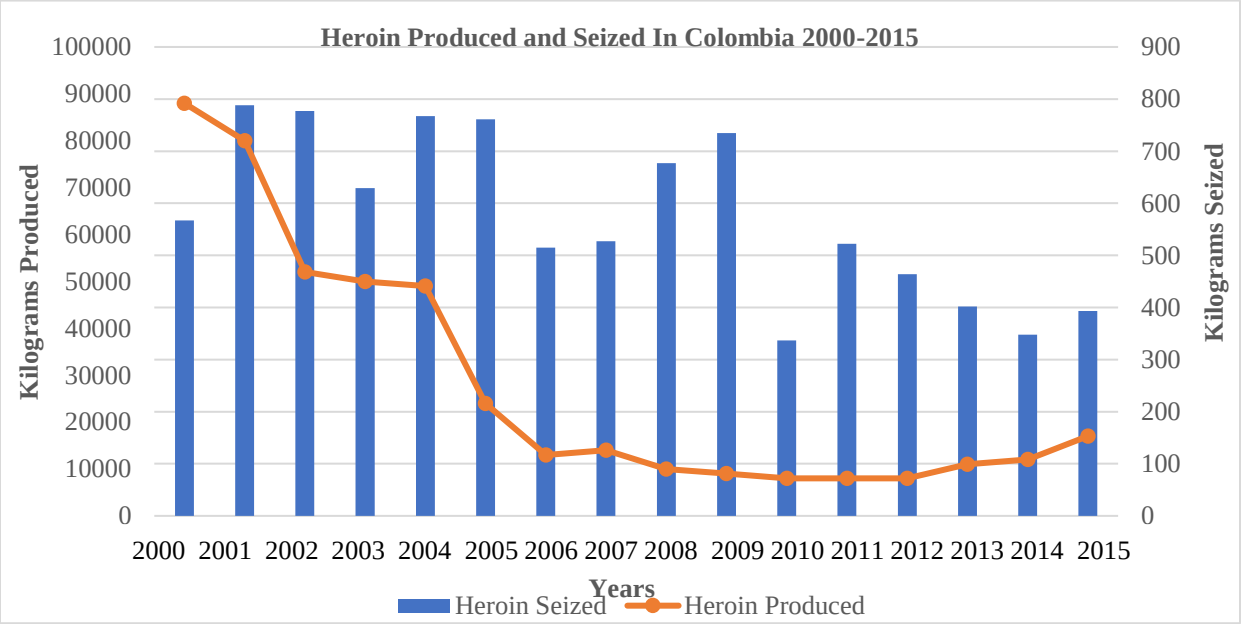


Source: World Drug Reports 2000-2015

Table 3.8 presents the heroin production and seizure rates in Colombia from 2000 to 2015 and demonstrates that counternarcotic operations under Plan Colombia were much more successful at slowing the production of heroin in the country than the production of cocaine. According to Table 3.8, heroin production decreased from 88,000 kilograms in 2000 to 17,000 kilograms in 2015—a total decrease of 81%—despite the recent uptick in production starting in 2013. Additionally, the data in Table 3.8 demonstrate that counternarcotics operations under Plan Colombia initially seized 1% to 2% of the heroin produced in Colombia between 2000 and 2004, and then began seizing 3% to 7% of the heroin produced each year between 2005 and 2009. Plan Colombia ended by seizing 3% to 4% of heroin produced in Colombia between 2010 and 2015. Table 3.8 indicates that the successes in reducing the flow of Colombian heroin came not from

seizure operations, but from the focus of Colombian counternarcotics officials on the reduction of heroin production during Plan Colombia. Ultimately, whether the success of Plan Colombia in reducing the flow of heroin through counternarcotics operations is attributed to reducing or confiscating the heroin produced is of little consequence; what matters is that the flow of heroin out of Colombia has been drastically reduced.

Table 3.8 Colombian Heroin Production and Seizures 2000-2015

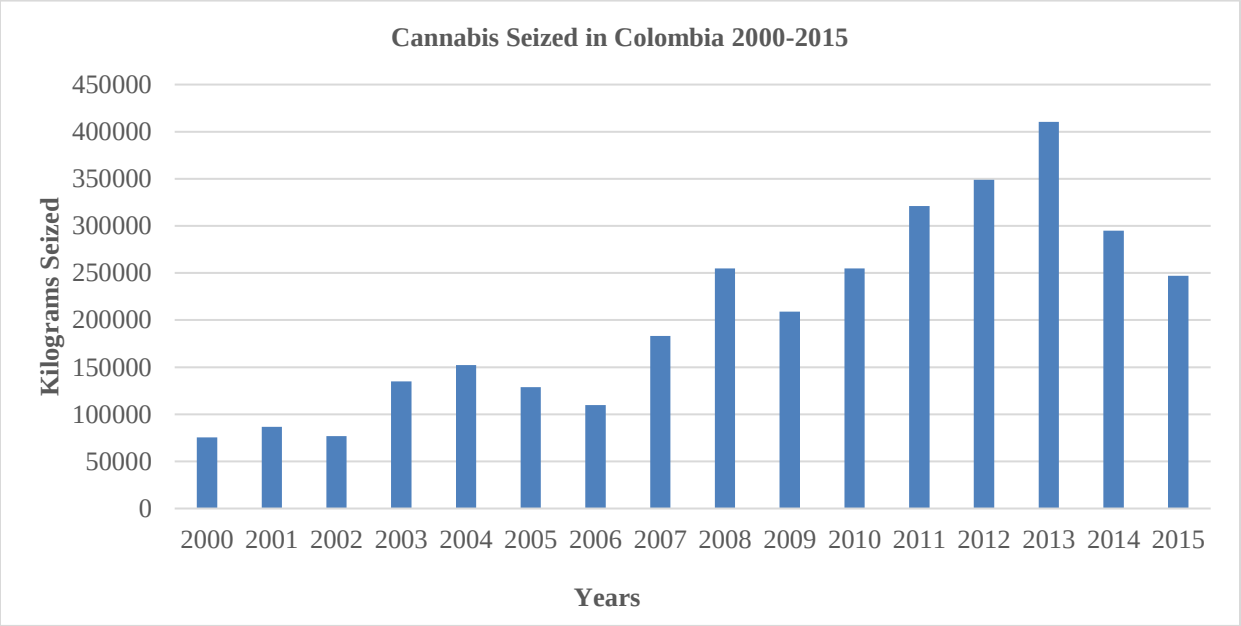


Source: World Drug Reports 2000-2015

As previously mentioned, illicit cannabis production in Colombia is quite difficult to calculate due to the plant's adaptability to be grown in most environments, so illicit cannabis seizure data is the only reliable cannabis data for Colombia. According to the data presented in Table 3.9, cannabis seizures in Colombia have increased quite substantially since the start of Plan Colombia, resulting in a seizure increase of 70% between 2000 and 2015. It is unknown if the recent move by the Colombian government to legalize medical cannabis and enter the international cannabis distribution industry will lead to an increase in seizures of illicit cannabis in Colombia or if it will succeed in bringing illicit cannabis growers onto the legitimate side of

the business. Additionally, Colombia will have to wait and see if illicit cannabis production will rise because of the newly passed medical cannabis law as has been the worry of some policymakers. The impact of Colombia's medical cannabis law on illicit cannabis production and seizures will ultimately depend on whether or not international corporations or indigenous Colombian cannabis growers are allowed to enter the new industry.

Table 3.9 Colombian Cannabis Seizures 2000-2015



Source: World Drug Reports 2000-2015

While the effectiveness of Plan Colombia's prohibitionist drug control policies aimed at slowing the production and flow of drugs in Colombia has been varied, with temporary successes often offset by later increases in illicit drug production, the results of this section cannot be attributed to domestic drug control policy alone. Other factors such as the fluctuation of international drug markets, the successful drug control efforts of local law enforcement not traditionally tasked with counternarcotics operations, and changes in Colombia's labor market all potentially impact the production and trafficking of illicit drugs in the country. Despite these unaccounted factors, counternarcotics operations under Plan Colombia have experienced success

in reducing the amount of heroin produced in Colombia—decreasing production 81% since the start of the Plan. Unfortunately, despite curbing the production of cocaine between 2008 and 2013, Colombia was recently met with news that MTCOs are now producing more cocaine than before the start of Plan Colombia. Additionally, counternarcotics operations have been unable to keep pace with their seizure effectiveness as cocaine seizure rates have decreased in recent years—confiscating only 35% of the cocaine produced in Colombia (United Nations Office on Drugs and Crime, 2018). Lastly, while cannabis seizures under Plan Colombia generally rose from 2000 to 2013, recent trends suggest that cannabis seizures are starting to slow.

The results presented in this section give ammunition to both the supporters and critics of Plan Colombia and make clear that the debate surrounding Plan Colombia will continue, especially given the toll that counternarcotics operations and aerial spraying of pesticides have taken on the indigenous farmers in the country. The new conservative administration in Colombia will have to weigh the costs and benefits of continuing to embrace prohibitionist drug control policies compared to the damage done to the indigenous community, but if history is any indication, the drug war will rage on, backed by the prohibitionist drug control policies of the last four decades.

3.5 Colombia's Narco-economy Analysis

Table 3.10 presents the results from Colombia's narco-economy analysis, which examines the relationship between Colombia's illicit drug trade activities and their domestic economy as measured by GDP at Purchasing Power Parity (PPP). An examination of the Pearson's correlation results located in Table 3.10 shows that both cocaine and heroin production in Colombia have moderate to strong negative relationships with the domestic economy, with

correlation coefficients of -0.654 and -0.840 respectively. Conversely, the counternarcotics operations in Colombia that have resulted in the seizure of cocaine, heroin, and cannabis potentially have moderate to strong positive relationships with their economy, with a correlation coefficient of 0.749, 0.556, and 0.884 respectively. Those numbers suggest that seizure effectiveness has no negative impact on the economy. One reason illicit drug seizures may not negatively impact Colombia's economy lies in the fact that successes in drug seizures mean fewer resources needed to halt illicit drug production, which is a drain on Colombia's economy. While methodological complications[69] prevented a more detailed analysis of the impact that Colombia's narco-economy has on their legitimate economy, the results presented in Table 3.10 paint a vivid picture. Specifically, the results presented in this section make it very likely that there is no positive impact of drug production on Colombia's legitimate economy and there is no negative impact of seizure effectiveness on the economy, which may be why Colombia continues to embrace prohibitionist drug control policies despite the dismal results of Plan Colombia presented in the previous section.

Table 3.10 Colombia's Narco-economy Correlation Analysis

Variable:	Cocaine Production	Heroin Production	Cocaine Seizures	Heroin Seizures	Cannabis Seizures
GDP	-0.654*	-0.840*	0.749*	0.556*	0.884*
(P Value)	.000	.000	.000	.025	.000

* Significant at the .05 level
GDP measured in PPP (logged)

While, according to the U.N. Office on Drugs and Crime, the revenues CTCOs can receive from illicit cocaine production can range from $600 million USD to $1.2 billion USD a year, Colombia's main economic drivers are not the production of illicit drugs as the country

[69] A comparative pooled-cross-sectional time-series model that controlled for panel-corrected standard errors was employed prior to the Pearson correlation models for the data contained in this section, but issues of multicollinearity were present.

relies heavily on the export of energy and mined materials (United Nations Office on Drugs and Crime, 2016). Currently, Colombia produces a substantial amount of oil and coal every year making it Latin America's fourth-largest oil producer and the world's fourth-largest producer of coal. Additionally, Colombia is the world's third-largest coffee exporter and also exports a significant amount of cut flowers around the world (Central Intelligence Agency, 2018). In 2017, Colombia saw its economy slow as a result of lower oil prices and a decrease in domestic production as the government faced challenges from rebel groups who have started to rely on the theft of natural resources to fund their insurgencies. While the results presented in Table 3.10 indicate that illicit drug production in Colombia potentially has no positive impact on their legitimate economy, the recent economic downturn in Colombia may help explain why illicit cocaine production has increased in recent years as more indigenous farmers may have turned to the production of the coca plant as a means of supplementing their lost income from legitimate sectors. More research is needed to truly know how the illicit drug trade activities in Colombia impact their legitimate economy, but the results of Colombia's narco-economy analysis indicate that Colombia's economy is better off when illicit drug production is kept low.

3.7 Colombia Conclusion

It is clear that Colombia has had both successes and failures when combating the illicit drug trade over the last 40 years. Progress has been made in reducing corruption and drug-related violence in the country, while at the same time Colombia has had varied success at slowing the flow of cocaine produced and trafficked in Colombia. Although Plan Colombia had its critics, the data presented in this chapter demonstrate that while the Plan may have fallen short in its goal to dramatically reduce the production of cocaine in Colombia, counternarcotics operations

conducted under the Plan have succeeded in slowing the production of heroin. Critics of Plan Colombia may point to the Plan's failure to reduce the production and flow of cocaine overall, but supporters of the Plan can point to the economic benefits the country receives when keeping cocaine and heroin production at a low. Despite these mixed results of Colombia's prohibitionist drug control policies, alternative drug control advocates can point to the fact that the country has received hundreds of billions of dollars in counternarcotics aid and has not produced clear results indicating the decrease of illicit drug trade activity in the country as evidence enough that strict prohibitionist drug control policies do not work. Further, the information outlined in the "Narco Profile," combined with the results of the narco-economy analysis, help us understand some of the possible reasons why Colombia continues to accept the international drug control regime established in the 1961 U.N. Single Convention on Narcotic Drugs. Fortunately, the results of Colombia's prohibitionist drug control policies can be compared to another prohibitionist Latin American country, Mexico, that has also historically cooperated with the U.S. in the "War on Drugs" to see if that country's drug control effectiveness has produced similar results.

CHAPTER FOUR: MEXICO

4.0 Introduction

Much like Colombia, Mexico has been at the forefront of the battle against illicit drug manufacturing and trafficking in Latin America since the inception of the "War on Drugs" in 1971. Mexico also has a unique drug trade history as they have historically been the primary producer of the illicit cannabis and heroin destined for the U.S. Additionally, Mexico's geographic proximity to the U.S. has seen the country become the main transit zone for all illicit drugs destined for the north—causing rising rates of drug-related violence in more recent years as Mexican Transnational Criminal Organizations (MTCOs) battle for the lucrative trafficking routes. Mexico, much like Colombia, has historically cooperated with the U.S. in the "War on Drugs" by undertaking numerous U.S.-sponsored counternarcotics operations and receiving over $2.9 billion USD in counternarcotics aid since 2008 alone. Despite receiving logistical and financial support from the U.S. for their drug control efforts, Mexico has also experienced mixed results in their "War on Drugs" as they have failed to truly stop the flow of drugs produced and trafficked in the country.

This chapter seeks to understand how Mexico is currently combating the illicit drug trade and explores the effectiveness of historical drug control policies and counternarcotics operations undertaken in the country. To fully understand if those measures taken to combat the illicit drug trade have impacted the flow of illicit drugs, this chapter examines the drug production and drug seizure rates of Mexico between the years 2000 and 2015. Additionally, this chapter analyzes why Mexico, a country that has sacrificed much blood in the "War on Drugs," continues to fully back militarized prohibitionist drug control policies to combat the illicit drug trade. Further, the

response of MTCOs to the legalization of recreational cannabis by some U.S. states, as well as the relationships between the legitimate domestic economy of Mexico and their narco-economy are explored in later parts of the chapter. Lastly, Mexico's "narco-profile," which provides context to the qualitative and quantitative analyses contained in the chapter, is also presented.

4.1 Mexico's Drug Production and Control Overview

Historic Drug Production and Drug Control Policies

As in Colombia, illicit drug production and the corruption that stems from the illicit drug trade have long been concerns for policymakers in Mexico as they have also been on the front lines in the "War on Drugs" since its inception in 1971. Historically, Mexico has been a producer and trafficker of cannabis and heroin since the 1960s, when Mexican criminal organizations[70] began utilizing the alcohol smuggling routes acquired during U.S. alcohol prohibition in the 1920s to traffic their illicit drugs into the U.S. In the early 1970s, due to the "War on Drugs," many Mexican crime organizations began to focus more on the trafficking of illicit drugs; Mexican cannabis producers were forced to either relocate to neighboring countries to resume their cannabis production or look for an alternative means of income (Vellinga, 2004; Youngers & Rosin, 2005; Zepeda & Rosen, 2015). The illicit drug trade in Mexico changed forever in the 1980s as major U.S. counternarcotics operations shut down the Colombian Transnational Criminal Organizations' (CTCOs) main entry point into the U.S.: the state of Florida. With their main entry point and many of their trafficking routes now unavailable, CTCOs looked to Mexican crime organizations to fill the void in their quest to deliver illicit drugs to the North. Soon after entering into the Colombian cocaine trafficking business, the Mexican crime

[70] The "crime organizations" in the 1960s were family-based groups that had become specialized in smuggling contraband across the northern border.

organizations saw themselves transition fully into transnational criminal organizations (Brienen & Rosen, 2015; Caiuby Labate et al., 2016; Youngers & Rosin, 2005).

To help fund their transition into the drug cartels that operate on a transnational scale, Mexican Transnational Criminal Organizations (MTCOs) began demanding to receive Colombian cocaine as partial payment for their cocaine trafficking services. It is at this point, in the early 1980s, that Mexico started to occupy all four positions[71] in the illicit drug trade. Requiring partial payment for their trafficking services in cocaine allowed MTCOs to start building their own distribution empire in the U.S. by using their many American criminal organization affiliates.[72] By the late 1980s, MTCOs had become just as powerful as their allies to the south, but one Narco[73] in Mexico, Miguel Ángel Félix Gallardo of the Guadalajara Cartel, stood out above the rest. Gallardo became known as "El Padrino" (Spanish for "The Godfather") and was responsible for controlling most of the major trafficking routes into the U.S. at the time (Caiuby Labate et al., 2016; Tekin, 2015; Youngers & Rosin, 2005). His arrest in 1989[74] led to widespread violence in Mexico as rival MTCOs began a years-long battle over El Padrino's former territory.

[71] Drug trade positions include production, transportation, distribution, and finance.
[72] The network between U.S. street gangs and MTCOs is still intact and responsible for much of the drug distribution in many parts of the U.S., as well as in many U.S. prisons (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2013).
[73] Narco is a term given to those involved in the illicit drug trade in some Latin American countries.
[74] Miguel Ángel Félix Gallardo was arrested as a result of a major diplomatic push from the U.S. as Gallardo was responsible for the death and torture of U.S. Drug Enforcement Agent Enrique Camarena. Camarena had been kidnapped by the Guadalajara Cartel while on assignment in Mexico in 1985 and was tortured for over 30 hours, most of which was recorded and sent to U.S. officials as a means of propaganda (Mathews, 1986). It was the first time a U.S. Drug Enforcement Agent's torture had been recorded, and the U.S. response was swift. The U.S. exercised every diplomatic and law enforcement option in its arsenal—often met with resistance from the Mexican government—and eventually relied upon the use of U.S. bounty hunters to capture the two main suspects in the torture, bringing them to the U.S. for criminal proceedings. The U.S. continued its diplomatic pressure for the next four years until the arrest of Miguel Ángel Félix Gallardo.

MTCOs continued to expand their drug production and trafficking operations in the 1990s—often adopting new production techniques[75] and coopting government officials to stay ahead of counternarcotics operations. Additionally, during the 1990s, Mexico continued to see increased levels of drug-related violence caused by territorial battles among MTCOs—often resulting from counternarcotics operations in the country displacing a politically non-connected drug cartel and their territorial stronghold. The drug-related corruption and violence became so prevalent in the country that Mexican citizens turned to an opposition party, the National Action Party (PAN), in the 2000 presidential election to govern them for the first time in 71 years. Their hope, in doing so, was that the PAN would be able to finally control the illicit drug trade and its associated violence in Mexico (Brienen & Rosen, 2015; U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2001; Youngers & Rosin, 2005; Zepeda & Rosen, 2015).

While Mexico has had some form of domestic drug control policy since the early 1900s, many of their specific drug control policies have been a result of external pressures on the country—mainly from the United States. Mexico's first large-scale counternarcotics operations began in the 1960s as Mexican officials began eradicating the illicit cannabis production sites in the country that were responsible for trafficking massive amounts of cannabis into the U.S. at the time. Mexico continued to combat the MTCOs primarily on their own for the next nine years before allowing the U.S. to begin assisting them in their efforts in 1969. The U.S. and Mexico continued to cooperate on counternarcotics operations for the next 30 years with varied success

[75] New production techniques included the relocation of illicit crops to mountainous areas to avoid detection, the planting of illicit crops in previously unused tropical areas, and relocating production operations to neighboring countries (Heinze & Armas-Castañeda, 2015).

and varied levels of cooperation.[76] Unfortunately, extreme levels of corruption in Mexico during the Institutional Revolutionary Party's (PRI) 71-year rule[77] allowed many MTCOs to establish a network of corrupt officials who allowed them to avoid many major counternarcotics operations aimed at diminishing their production and trafficking operations (Lee & Renwick, 2017). This informal agreement with many government officials—providing counternarcotics information on rival drug cartels in exchange for massive bribes and political donations—allowed the MTCOs to operate and expand for decades in Mexico without much resistance from the government (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2011). This status quo[78] among the government and the more powerful MTCOs remained in place until the election of PAN President Vicente Fox. Under the leadership of the PAN, Mexico began a bloody war against the MTCOs aimed at rooting out corruption and bringing down drug-related violence in the country (Heinze & Armas-Castañeda, 2015; Lee & Renwick, 2017; Youngers & Rosin, 2005).

History of U.S. Drug Control Assistance in Mexico

Given its geographic location and proximity to the U.S., Mexico has long been used as a transit zone for Latin American transnational criminal organizations looking to traffic illicit drugs into the U.S. Because of this, the U.S. has long played a part in Mexican drug control policies, with Mexico's first domestic drug control policy being a result of diplomatic pressure

[76] The levels of drug control cooperation among the U.S. and Mexico depended on a range of factors in the 1990s, but the political climate in both countries often played the most important factor—with domestic politics often prohibiting the Mexican government's full cooperation due to concerns over Mexican sovereignty.
[77] The Institutional Revolutionary Party (PRI) ruled Mexico for 71 years under an institutionalized authoritarian regime where elections in Mexico were regularly held, but due to corruption, fraud, and voter intimidation, the results were guaranteed to favor a PRI candidate. This single-party authoritarian regime governed Mexico from 1929 to 2000 (Youngers & Rosin, 2005; Zepeda & Rosen, 2015).
[78] The "status quo" among the MTCOs and the PRI government favored some MTCOs over others, with state resources often being used to carry out counternarcotics operations against the enemies of politically connected MTCOs. This use of state resources allowed the balance of power among the MTCOs to favor the larger, more politically connected MTCOs such as the Sinaloa and Gulf Cartels (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2007).

from the U.S., who had just passed the 1914 Harrison Narcotics Tax Act that sought to control and tax the importation and distribution of narcotic drugs (Heinze & Armas-Castañeda, 2015). Additionally, as in Colombia, the U.S. has long been involved in assisting counternarcotics operations in Mexico, with the first U.S.-backed large-scale counternarcotics operation taking place in 1969. "Operation Intercept" sought to fundamentally disrupt the illicit drug trade in Mexico, which was responsible for supplying the majority of the cannabis and heroin entering the U.S. at the time (Heinze & Armas-Castañeda, 2015). The relationship between the governments of Mexico and the U.S. regarding drug control policy was further enhanced in 1972 as Mexico discovered the presence of oil in much of the country. Wanting to secure the land in which the oil reserves were located for national security, Mexican President Luis Echeverría began to utilize the Mexican military, with the full financial and logistical support of the U.S. government, to clamp down on illicit drug production and trafficking in the country by launching large-scale counternarcotics operations (Heinze & Armas-Castañeda, 2015; Youngers & Rosin, 2005).

The drug control cooperation between the U.S. and Mexico was tested by the kidnapping and torture of U.S. Drug Enforcement Agent Enrique Camarena in the 1980s, as Mexico faced extreme pressure from the U.S. to control the burgeoning MTCOs and associated drug-related violence—eventually succumbing to U.S. demands to allow the DEA to operate more freely in the country. Unfortunately, the increased drug control cooperation between the U.S. and Mexico had little impact on the MTCOs; they were responsible for trafficking 50% of the cocaine imported into the U.S. in the 1990s, and that number rose to more than 90% by the mid-2000s (Heinze & Armas-Castañeda, 2015; U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2004). The rise in illicit drug production and trafficking, as well

as the surge in drug-related violence, in Mexico during the 2000s, saw the Mexican government turning to international sources of financial and logistical support to help them combat the ever-growing MTCOs (Brienen & Rosen, 2015; Tekin, 2015; Youngers & Rosin, 2005). Inspired by the perceived successes of Plan Colombia, Mexico and the U.S. began negotiating a multilateral counternarcotics agreement: the Mérida Initiative.

Mérida Initiative

The Mexican government's crackdown on MTCOs that began under the leadership of Vicente Fox in 2001 gave rise to extreme levels of drug-related violence aimed at pressuring the Mexican government into rethinking their newly implemented counternarcotics strategies that sought to upend the decades-old status quo agreement reached between the country's most powerful MTCOs and the ruling PRI party. President Fox continued to escalate the government's efforts to rein in the MTCOs for the duration of his term, but many of his drug control strategies were unsuccessful due to the corruption prevalent in Mexico's law enforcement agencies. President Fox's PAN successor, Felipe Calderón, began a bloody and protracted war on the MTCOs that changed the drug production and control landscapes in Mexico for years (Caiuby Labate et al., 2016; Hope, 2015; Tekin, 2015). Due to the general willingness of PAN officials and the enthusiasm of the newly elected Felipe Calderón to accept counternarcotics aid and logistic support from the U.S., officials from both governments—as well as representatives from many drug producing Central American countries—began working out the details of a counternarcotics aid and cooperation package that aimed to drastically decrease illicit drug production and drug-related violence in the region.

In 2007, the U.S. announced the multilateral counternarcotics Mérida Initiative, which included the U.S., Mexico, and the other drug-producing countries of Central America. The

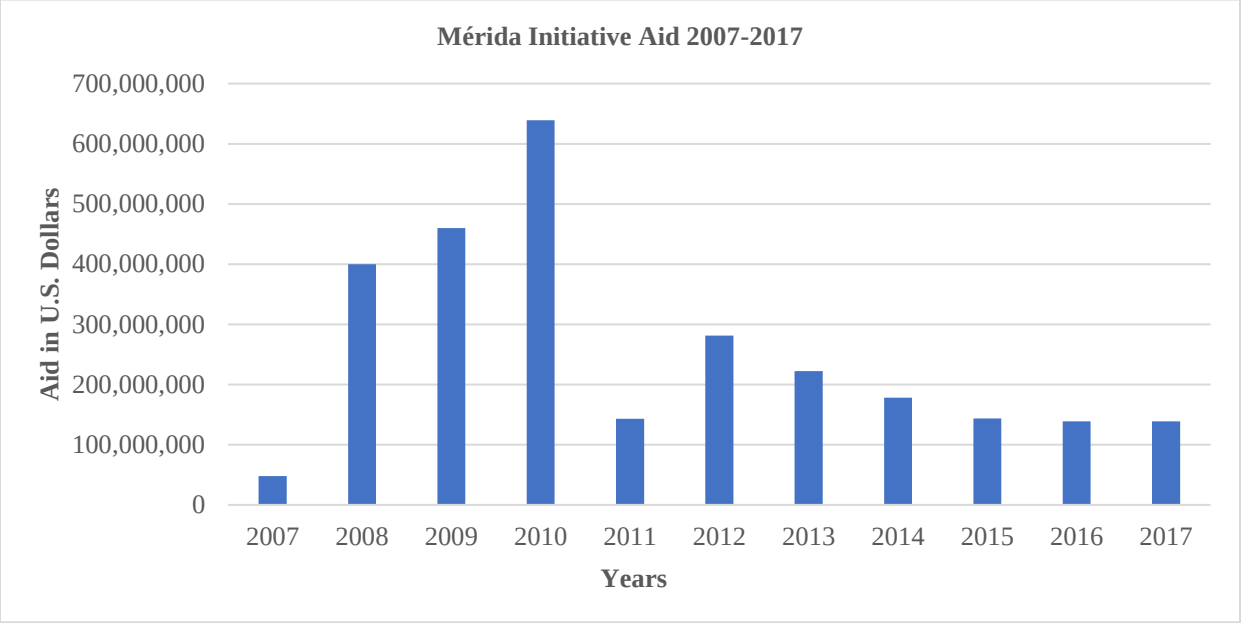
Mérida Initiative marked a true turning point in Mexico's drug control strategies, as previous Mexican governments had historically hesitated to accept large amounts of counternarcotics aid from the U.S. due to their long-standing concern over national sovereignty. This concern quickly gave way to national security concerns caused by MTCOs under President Calderón's administration, and in 2007, Calderón asked the U.S. for assistance in Mexico's war on drugs. The Mérida Initiative officially took effect on June 30, 2008, and consisted of four policy "pillars" that sought to decrease illicit drug production and trafficking, as well as the associated violence and corruption in Mexico (Brienen & Rosen, 2015; Heinze & Armas-Castañeda, 2015; Tekin, 2015; Zepeda & Rosen, 2015). The four policy pillars of the Mérida Initiative were as follows: 1) combating MTCOs through intelligence sharing and joint counternarcotics operations; 2) implementing criminal justice reforms to address the rampant corruption in Mexican law enforcement agencies; 3) creating new border cooperation policies and practices between the countries; and 4) creating policies aimed at providing alternative economic opportunities to rural Mexicans whose livelihood often relied upon illicit drug production (Tekin, 2015).

The implementation of the four pillars of the Mérida Initiative transformed the way in which Mexico combated the illicit drug trade. Due to corruption among traditional local law enforcement personnel, Mexico—like Colombia—began to rely upon the military as the main law enforcement agency tasked with domestic counternarcotics operations. Additionally, the Mexican military and other federal agencies began receiving large amounts of U.S. counternarcotics funding to purchase U.S.-made military equipment to aid in their battles against the MTCOs. Further, the Mexican military began conducting regular training missions with the U.S. Drug Enforcement Agency and various branches of the U.S. military. The resources and

training provided under the Mérida Initiative allowed Mexican President Calderón to initiate the "Kingpin Strategy" in Mexico, which focused on the capture or death of the leaders ("kingpins") of many MTCOs rather than solely relying on the disruption of production sites and trafficking routes (Tekin, 2015; U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2010).

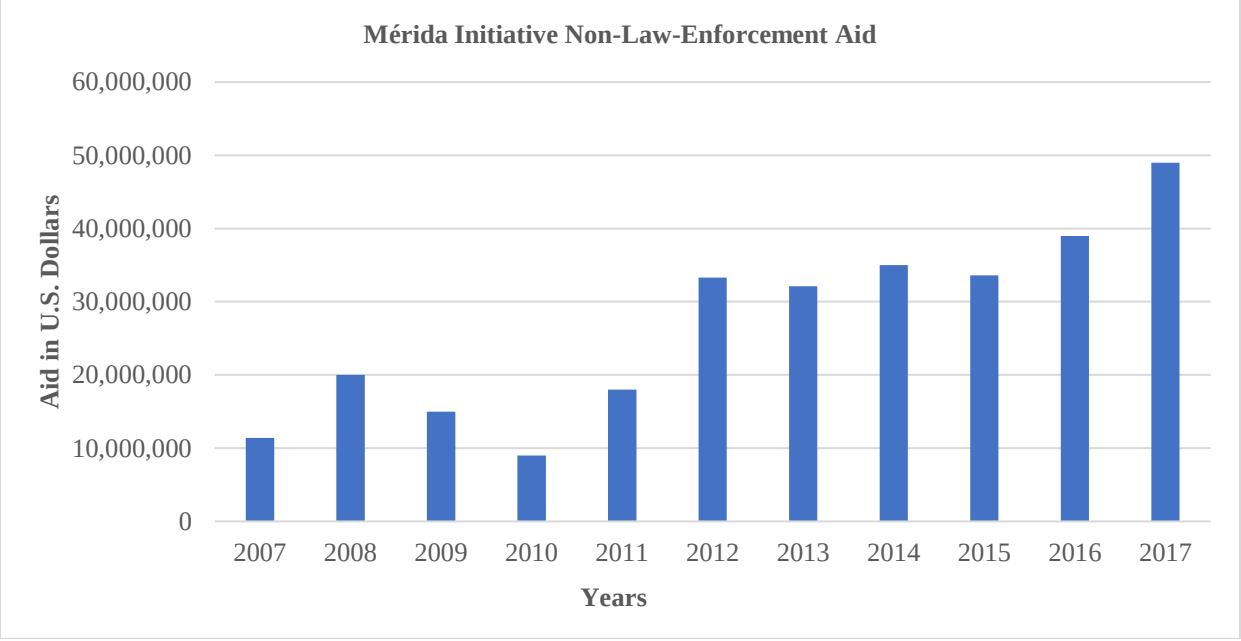
Just as Colombia has received roughly $5.1 billion USD in U.S. counternarcotics aid under Plan Colombia, Mexico has received roughly $2.9 billion USD in the first ten years of the Mérida Initiative (C. Seelke, 2018). Moreover, much like Plan Colombia, most of the aid under the Mérida Initiative was reserved for counternarcotics operations rather than for criminal justice reforms and other social aid programs. The data presented in Tables 4.1 and 4.2 demonstrate that the overwhelming amount of aid allocated under the Mérida Initiative went to support law enforcement programs and operations. Further, Tables 4.1 and 4.2 indicate that the Mexican military-backed law enforcement programs under the Mérida Initiative received an overwhelming 95% of the funding in the initial year, followed by 97% in 2009, and over 98% in 2010. Moreover, the Mexican military received 87% of the funding under the Mérida Initiative in 2011, 88% in 2012, and 86% in 2013. Mexican military-backed law enforcement programs continued to receive the majority of funding under the Mérida Initiative for the next five years—though the funding became a bit more balanced, with only 65% of the funding allocated towards law enforcement programs and missions in 2017.

Table 4.1 U.S. International Narcotics Control and Law Enforcement Aid under the Mérida Initiative



Source: International Narcotics Control Strategy Report 2000-2016 and C. R. Seelke & Finklea, 2017

Table 4.2 Mérida Initiative Non-Law-Enforcement Aid 2000-2017



Source: International Narcotics Control Strategy Report 2000-2016 and C. R. Seelke & Finklea, 2017

Despite the many concerns from lawmakers on both sides of the border about the funding priorities of the aid package, the Mérida Initiative's funding favored military aid and law enforcement support during five different administrations—three American and two Mexican—with very little variation in funding allocation. Moreover, the data presented in Tables 4.1 and 4.2 make clear that the Mérida Initiative repeated one of the mistakes of Plan Colombia: tilting the funding of the aid package towards military aid and law enforcement support over social programs. This aid disproportion under the Mérida Initiative is just one of the many critiques of the Initiative to which opponents have pointed as reasons why the Initiative should be abandoned. The Mérida Initiative funding may become more evenly distributed under the Trump and López Obrador administrations, as both have indicated their willingness to revisit the Initiative in the coming years.

Critiques of the Mérida Initiative

As previously mentioned, the critiques of the Mérida Initiative go well beyond the distribution of aid among social and military programs and include the militarization of local law enforcement and the use of U.S. counternarcotics aid to purchase military equipment from the U.S. (Paley, 2014). Many critics point to the alleged human rights abuses committed by the Mexican military in their battle against the MTCOs as evidence that the Initiative should be abandoned (Watt & Zepeda, 2012). Further, many of the Initiative's most vocal critics have raised concerns about the "kingpin strategy" being used in counternarcotics operations since the inception of the Initiative, citing it as one of the main reasons drug-related violence has increased in the country since 2008 (C. Seelke, 2018). Whether or not these concerns were outweighed by the results of the Mérida Initiative will be discussed later in the chapter, but now a further discussion of these concerns is warranted.

Much like the Colombian military under Plan Colombia, the Mexican military is responsible for combating the illicit drug trade in Mexico under the Mérida Initiative. Historically, local law enforcement and federal police were responsible for combating the illicit drug trade in Mexico, but the levels of corruption within the ranks of traditional law enforcement personnel led the U.S. to insist that the Mexican military take the lead in combating the MTCOs under the Mérida Initiative. Like the critics of Plan Colombia, critics of the Mérida Initiative have identified human rights abuses the Mexican military allegedly committed on local populations in their quest to root out the MTCOs. Such alleged abuses include the torture of Mexican citizens suspected of being involved in the drug trade and the murder of innocent bystanders who refused to cooperate with military officials for fear of retaliation from the MTCOs (Asmann, 2017; Paley, 2014; Suárez-Enríquez, 2017). These alleged abuses have routinely gone unpunished by Mexican officials and are often concealed,[79] only exposed by investigative journalists and human rights advocacy groups.

The militarization of law enforcement in Mexico also led critics to point to the economic benefit the U.S. receives by selling military equipment to Mexico under the Mérida Initiative. Critics of the militarization approach to fighting the illicit drug trade cite the large amounts of money that Mexico pays the U.S. to purchase military equipment that the U.S. says is needed to combat the MTCOs (Paley, 2014). Many critics claim that the U.S. assistance in Latin American countries' efforts against the drug-producing TCOs is nothing more than "Drug War Capitalism" meant to enrich the U.S. at the expense of Latin American countries (Paley, 2014, 2015; Watt & Zepeda, 2012). Another example of U.S. "drug war capitalism," critics say, is that the Mexican government hires many American military contractors to train new military recruits in

[79]The wave of alleged abuses by the Mexican military has led many Mexican citizens to advocate for civilian oversight of the military's actions when combating the MTCOs (Suárez-Enríquez, 2017).

operational procedures needed to combat the MTCOs in Mexico, as well as instruct them in how to use the purchased American-made military equipment (Paley, 2014, 2015; Watt & Zepeda, 2012). While much of the criticism of the Mérida Initiative revolves around the distribution of aid, the overuse of and abuse by the Mexican military, and the claims of U.S. enrichment at the expense of Mexico and other drug-producing Central American countries, the most vocal criticism arises from the use of the "kingpin strategy" to dismantle the MTCOs.

The "kingpin strategy," first initiated under Mexican President Felipe Calderón, was responsible for the dramatic rise in violence during the first several years of the Mérida Initiative (Calderón, Robles, Díaz-Cayeros, & Magaloni, 2015; Lee & Renwick, 2017). The cornerstone of the strategy was to target the leaders of some of the most powerful MTCOs and thus leave these organizations leaderless and disorganized. Historically, counternarcotics operations in Mexico had targeted the production and processing sites of MTCOs to disrupt the illicit drug trade, but President Calderón's new strategy to target the MTCOs' leadership ignited a territorial battle over the lucrative trafficking routes into the U.S. Additionally, by arresting or killing the leadership of some of the oldest and most powerful MTCOs in the country, the Mexican government created a power vacuum that quickly saw battles for leadership within MTCOs spill over to previously untouched areas of Mexico (Calderón et al., 2015; "Mexico's kingpin," 2016).[80] Drug-related violence continued to rise under the Calderón administration as the "kingpin strategy" resulted in the capture or killing of several high-profile Narcos. The territorial and leadership battles that ensued as a result of the removal of MTCO leadership claimed the lives of countless innocent Mexican civilians (Calderón et al., 2015).

[80] Areas in Mexico such as Cancun, Playa del Carmen, and Los Cabos had never been home to cartel violence until the initiation of the "kingpin strategy" aimed at arresting or killing top cartel leadership.

Many Mexican citizens hoped a new presidential administration under the PRI leadership of Enrique Peña Nieto, elected in 2012, would help de-escalate the MTCO-fueled violence since Peña Nieto campaigned on reducing violence against civilians rather than removing the MTCOs' leadership (Lee & Renwick, 2017). Unfortunately, President Peña Nieto has continued in his predecessor's drug control footsteps by aggressively pursuing the leadership of the MTCOs and relying heavily on the Mexican military for counternarcotics operations (Calderón et al., 2015; Lee & Renwick, 2017). Additionally, recent reports from government agencies in Mexico have indicated that 2017 was the deadliest year on record in Mexico, registering 29,168 homicides (Meixler, 2018). While the Mexican government does not distinguish between drug-related homicides and other murders, many of the murders that occurred in 2017 are undoubtedly tied to violence stemming from territorial and leadership battles among the MTCOs. A further discussion of the drug-related violence under the Mérida Initiative will take place later in the chapter, but first, to help put all these critiques of the Mérida Initiative into context and to better understand the results of the Initiative on illicit drug production in the country, a Mexican Narco Profile and drug control effectiveness model are detailed below.

4.2 Mexico's Narco Profile

To have a complete picture of the illicit drug trade activities and their impact in Mexico, a narco profile is needed. The narco profile will provide further insight into narcotics production and trafficking within Mexico by including the following information: the types of positions occupied within the drug trade; the types of illicit drugs produced domestically; current and historical levels of drug-related violence; an analysis of Mexico's cultural views on illicit drug use and the laws governing recreational use; an overview of Mexican political elites' opinions on

U.S. counternarcotics aid and interventions; an examination of corruption levels in Mexico; and a brief analysis of Mexico's political landscape and regime history.

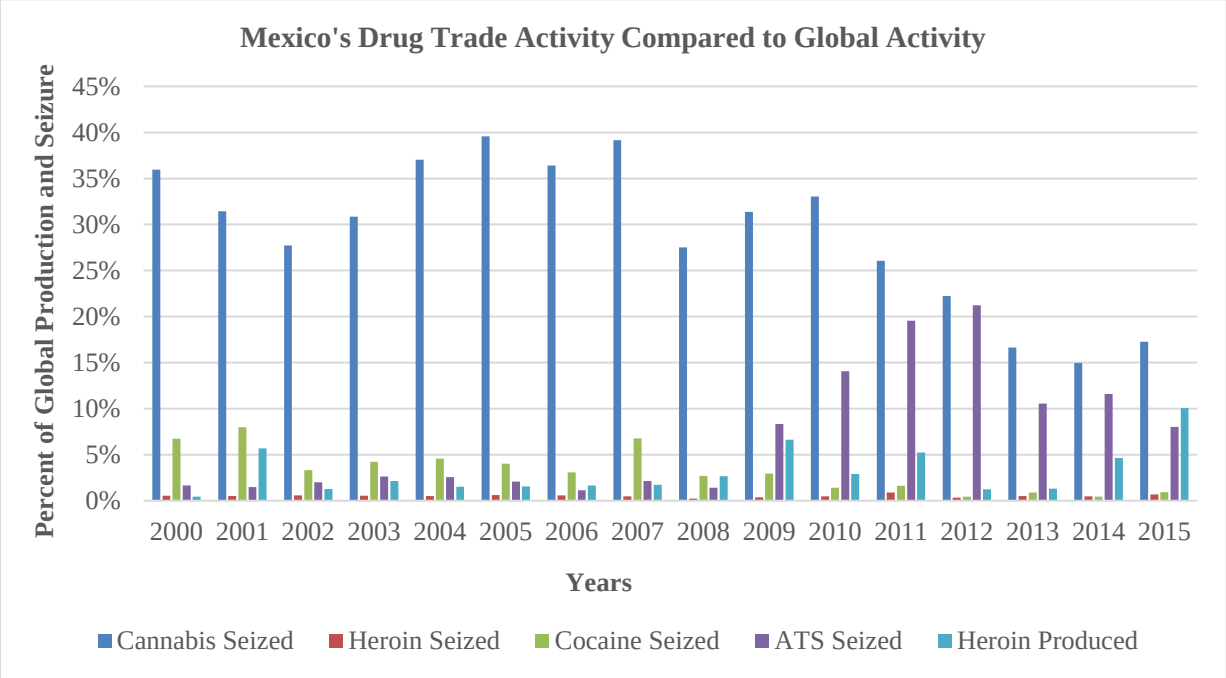
Mexico's Drug Trade Positions and Production

As previously mentioned, Mexico has held multiple positions in the illicit drug trade since the 1960s, when criminal organizations produced and trafficked cannabis into the U.S. (Youngers & Rosin, 2005). Beginning in the 1980s, Mexico began to occupy all four positions in the illicit drug trade when MTCOs began trafficking and distributing Colombian cocaine throughout North America. By requiring partial payment for their trafficking services in Colombian cocaine, MTCOs were able to build a distribution network in the U.S. that is responsible for much of the existing illicit drug distribution in many parts of the U.S. and most American jails and prisons (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2009). Mexico's main illicit drugs of production are cannabis, heroin, and amphetamine-type stimulants (ATS), but recent reports of coca fields discovered in parts of Mexico suggest that MTCOs are starting to enter into the cocaine production business (Hamilton, 2014). If MTCOs are able to become significant producers of cocaine, Mexico will have a distinction among many Latin American drug producing nations as being a primary producer of almost all illicit drugs trafficked and used throughout North America. Further, counternarcotics forces in Mexico routinely seize large quantities of illicit cannabis, cocaine, heroin, and ATS in the country.

Table 4.3, which displays Mexico's drug trade activity compared to the global drug production and seizure rates, demonstrates that illicit drug seizure operations in Mexico have captured between 15% and 40% of global illicit cannabis, 1% of global heroin, between 1% and 20% of global ATS, and between 1% and 8% of global cocaine seized from 2000 to 2015.

Mexico has also produced between 1% and 10% of global heroin during the same time. While global illicit cannabis production data is not available for all the years examined, Table 4.3 indicates that the MTCOs have diversified their illicit drug production in recent years as illicit cannabis seizures in Mexico have fallen while ATS seizures have increased under the Mérida Initiative. Additionally, while counternarcotics forces in Mexico have been able to increase their illicit heroin seizures since 2000, their attempts to significantly increase their seizure of illicit cocaine under the Mérida Initiative have not come to fruition as they were responsible for 7% of global cocaine seizures in 2000 and only 1% in 2015.

Table 4.3 Mexico's Drug Trade Activity Compared to Global Drug Trade



Source: World Drug Reports 2000-2015

Like many government officials around the world, some officials in the Mexican government have recently floated the idea of allowing states in Mexico to set their own cannabis policies, potentially allowing some states to legalize cannabis for recreational purposes (Linthicum, 2018). Mexico has long sought to have domestic drug control policies aligned with

those in the U.S., but with many U.S. states already allowing the production, distribution, and use of recreational cannabis, and with many more scheduled to vote on the matter in the coming years, the Mexican government is exploring their own cannabis legalization options. Ironically, it is the newly discovered flow of illicit cannabis coming from the U.S. into Mexico that has some Mexican officials looking into the possibility of legalizing cannabis for recreational use in Mexico (Linthicum, 2018). In the years since cannabis legalization began in the U.S., the number of seizures of high-grade cannabis from the U.S. in Mexico has been on the rise.

Traditionally, cannabis produced in Mexico[81] is not as potent as cannabis produced in the U.S.—specifically cannabis produced in California and other states that allow medicinal or recreational cannabis—and the demand for the more potent drug has led to MTCOs trafficking high-grade cannabis into Mexico. The recent election in Mexico has raised many hopes for cannabis legalization in the country as President-elect Andrés Manuel López Obrador has indicated a willingness to debate legalization upon taking office in December of 2018 (Green, 2018). Additionally, recreational cannabis legalization in Mexico recently received a bipartisan endorsement as former President Vicente Fox came out to endorse recreational cannabis legalization. Time will tell if the new Mexican government is serious about debating cannabis legalization or if it was simply another campaign promise to be abandoned, but recent reports about pro-legalization cabinet members selected to serve in the new government are a promising development (Green, 2018).

[81] Though Mexican cannabis is traditionally more potent than cannabis produced in other Latin American countries, the level of THC contained in cannabis produced in Mexico is generally significantly lower than the American- and Canadian-produced cannabis, which contain anywhere from 20-30% THC.

Mexico's Levels of Drug-Related Violence

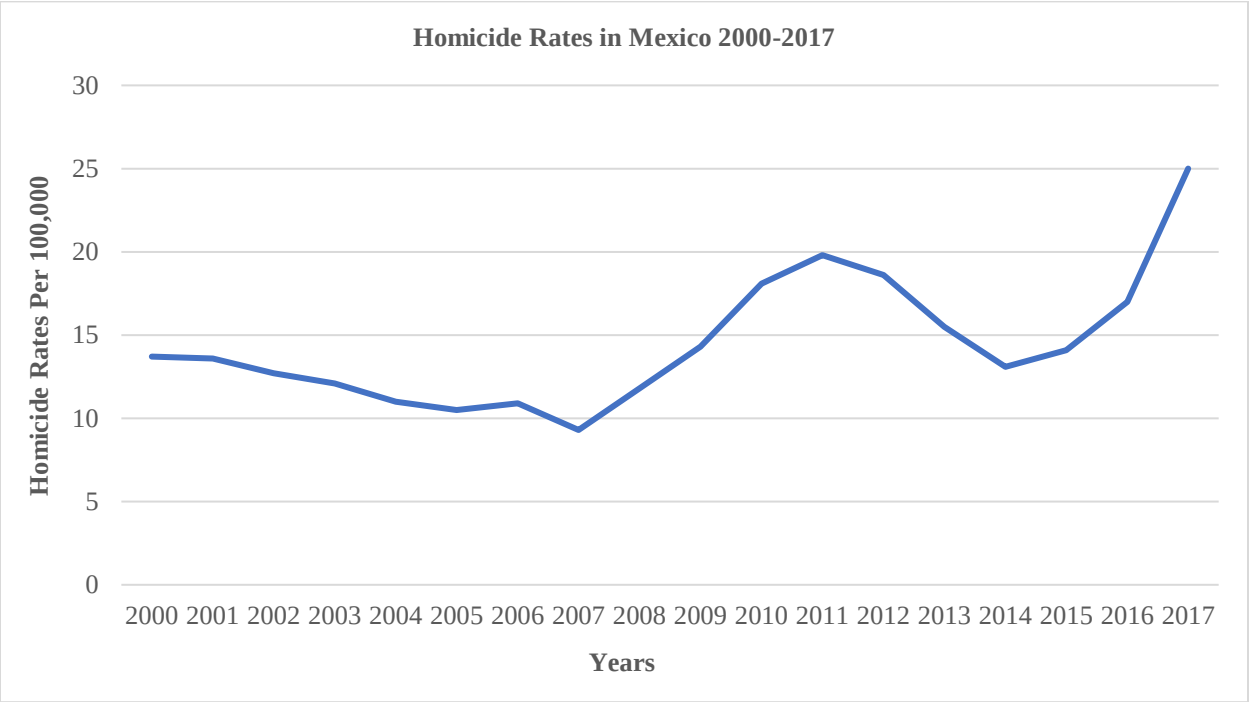
As previously mentioned, much of the recent violence in Mexico has been tied to the initiation of the "kingpin strategy" under the Mérida Initiative. While the media has characterized Mexico as a violent narco-state for quite some time, homicide rates in Mexico are relatively low compared to those in other drug-producing Latin American countries.[82] Table 4.4 demonstrates that unlike Colombia, whose homicide rates fell dramatically under Plan Colombia, Mexico has seen a dramatic rise in homicides since the initiation of the Mérida Initiative in 2008. According to the data presented in Table 4.4, homicide rates in Mexico have risen 53% since the start of the Mérida Initiative. Additionally, while homicide rates fell in 2012 with the election of Enrique Peña Nieto, who campaigned on abandoning the "kingpin strategy," the violence in the country would soon return and the homicide rate again started to rise in 2015.

While the increase in drug-related violence under the prohibitionist drug control policies of the Mérida Initiative is often identified by alternative drug control policy advocates in Mexico as reason enough to abandon such prohibitionist policies, the causal link between the increases of drug-related violence and the enaction of the Mérida Initiative has not been established. Whether or not homicide rates will continue to rise will largely depend on the drug control policies President-elect Andrés Manuel López Obrador enacts once assuming office. Unfortunately, President-elect López Obrador's drug control strategy has yet to be fully defined, as his campaign focused on a range of drug control approaches, from amnesty for MTCO members who renounce their narco ties, to the legalization of illicit drugs, to discontinuing the Mérida Initiative and all drug control cooperation with the U.S. (Agren, 2017). Needless to say, the Mexican people, MTCOs, and the U.S. eagerly await the announcement of President-elect

[82] Even with the recent spike in drug-related violence under the Mérida Initiative, Mexico has had homicide rates comparable to those in Colombia. Colombia's homicide rates between 2015-2016 averaged 23 homicides per 100,000 citizens while Mexico's homicide rates for the same years averaged 16 homicides per 100,000 citizens.

Andrés Manuel López Obrador's drug control strategy, as it will impact not only illicit drug production in Mexico, but also the level of drug-related violence and the threat to Mexico's national security.

Table 4.4 Homicide Rates in Mexico 2000-2017



Source: *Muggah & Aguirre Tobón, 2018*

Mexico's Cultural Views & Domestic Laws Regarding Personal Drug Use

Mexico's drug control policies have long been influenced by international factors, dating back to 1915, when Mexico first sought to control the production and trafficking of opium as a result of diplomatic pressure from the U.S. The U.S. increased its diplomatic pressure after the Harrison Narcotics Tax Act—a U.S. law that sought to regulate the import and distribution of narcotics drugs —took effect in December of 1914 (Heinze & Armas-Castañeda, 2015). Mexico again revisited the issue of drug control policy in 1940 when Mexican President Lazaro Cardenas pushed through legislation to legalize the use of all narcotic drugs. The U.S. saw Mexico's legalization of drugs as a threat to the national security of the U.S. and threatened an economic

embargo in response. This threat was enough for President Cardenas to suspend legalization later that same year on July 3, 1940 (Heinze & Armas-Castañeda, 2015). In the 1960s, Mexico became a major supplier of cannabis and heroin to U.S. markets, which resulted in intense diplomatic and political pressure from the U.S. to control the supply headed north. This pressure led Mexico to take a prohibitionist stance on all drugs for personal use for the next several decades.

Most of Mexico's current drug policies are a patchwork of laws and statutes included in the Political Constitution of the United Mexican States, the General Health Law, the Federal Criminal Code, and the Official Mexican Standard. In 1994, Mexico reformed its prohibitionist drug policies to include the distinction between those involved in the production of drugs for personal use and those involved for criminal enterprises (Heinze & Armas-Castañeda, 2015). The 1994 reforms placed harsher sentences for those involved in the illicit drug trade while keeping the personal use penalties at a minimum. In 2009, Mexico's General Health Act was further amended to allow for the personal use of all narcotic drugs and to eliminate all penalties for personal drug possession and use. Additionally, the amended General Health Act included a provision that requires individuals suspected of being addicted to drugs to enter into a rehabilitation center on their third arrest or citation for a drug-related crime (Heinze & Armas-Castañeda, 2015). The implementation of the 2009 amendment allowing the personal use of illicit drugs marked the first time in many decades that the Mexican government implemented a non-prohibition-based drug control policy.

Mexico has recently waded into the medical cannabis debate as a Supreme Court ruling in 2015 paved the way for cannabis to be consumed medically in Mexico (Janikian, 2017). The

2015 ruling was very limited in scope, as it only applied to the individuals[83] petitioning the Supreme Court for legal access to the drug, not the overall Mexican public. Inspired by the ruling, medical cannabis activists in Mexico moved the legislature to take up a medical cannabis bill that officially became law on June 19, 2017 (Janikian, 2017). Mexico's medical cannabis law is unlike other medical cannabis laws in North America, as it does not allow the use of the flower portion of the cannabis plant and instead only allows the use of cannabis-derived products containing less than 1% THC. The medical cannabis law in Mexico is in effect a law that makes it legal for Mexican citizens to use cannabidiol- (CBD) infused products[84] for medicinal purposes. Even with the restrictive measures in the medical cannabis law, advocates hope this is a start to the country's embracing the legalization and regulation of the drug for recreational purposes. There is a good chance that Mexico will continue on their current drug liberalization path in the coming years, considering President-elect López Obrador's openness to alternative drug control approaches. What type of alternative drug control approach López Obrador will employ is still unknown, but the fact that he is filling his administration with individuals who support cannabis legalization is a good indication of things to come.

Mexican Elites' Views on Western Drug Control Policy and U.S. Drug Control Aid

Historically, Mexican political elites at both ends of the political spectrum have been hesitant to accept U.S. drug control aid while fully embracing the prohibitionist drug control policies of Western countries—mainly those of the U.S. One of the main reasons for this hesitation is fear that acceptance of such aid would usurp their national sovereignty. This fear

[83] One of the four petitioners in the Supreme Court hearing was Graciela Elizalde, an eight-year-old Mexican citizen who suffered from a severe form of epilepsy known as Lennox-Gastaut syndrome and only received relief from her symptoms while ingesting cannabidiol (CBD)—the non-psychoactive cannabinoid in cannabis. CBD can be extracted from the flower and vegetative portions of the cannabis plant. The plight of Graciela Elizalde helped change the public opinion of CBD in Mexico towards a more accepting position.

[84] Examples of products infused with CBD include liquid drinks, candies, and lotions.

dates back to Mexico's defeat in the Mexican-American War, at which time they lost—or were robbed of, from Mexico's perspective—much of their territory (Paley, 2014; Tekin, 2015; Watt & Zepeda, 2012). Because of this hesitation, Mexican officials were reluctant to accept U.S. drug control aid that dictated how Mexican officials should combat the illicit drug trade. Additionally, as previously mentioned, the level of drug control cooperation and aid depended partly on the domestic political situations in the U.S. and Mexico, with domestic politics often dictating the level of cooperation and aid on both sides of the border.

The acceptance and initiation of the Mérida Initiative under President Felipe Calderón altered the outlook of many political elites in Mexico on the acceptance of U.S. drug aid, as the Initiative has been embraced by both main political parties, encompassing opposite ends of the political spectrum. Time will tell if President-elect López Obrador will abandon the Mérida Initiative or look to revise the counternarcotics agreement to focus more on alternative development and other social programs, but the opinion of the Mexican people on issues of illicit drug legalization and regulated drug use may hinder his ability to move away from a prohibitionist approach to drug control generally. Mexico is a historically conservative country that does not typically favor liberal social laws such as illicit drug legalization and abortion, and a recent public opinion poll asking citizens their opinion on recreational cannabis legalization reported that only 44% of the Mexican public supported legalizing the drug (Green, 2018). There is hope for legalization proponents as this level of support for legalizing cannabis for recreational use is up in recent years, as indicated by a 2014 public opinion survey that found that only 37% of the public supported cannabis legalization at the time (Heinze & Armas-Castañeda, 2015). The Mexican public is still against the idea of legalizing harder illicit drugs like cocaine and

heroin, even when faced with the rising levels of drug-related violence in recent years caused by the prohibition of such drugs (Green, 2018).

Corruption in Mexico

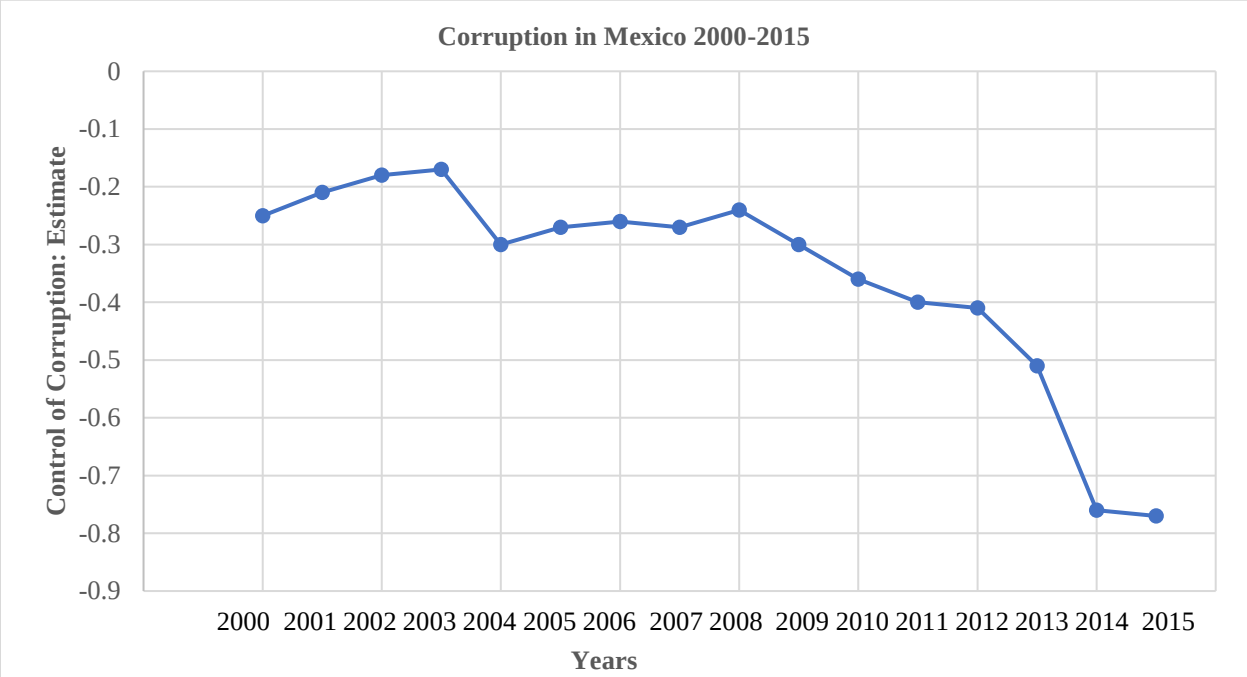
Mexico, much like Colombia and many nations involved in the drug trade around the world, has had a long and involved history with corrupt government officials increasing their own wealth and that of their allies while governing their country. According to the World Bank's Control of Corruption Estimate (CCE)[85] demonstrated in Table 4.5, the levels of corruption in Mexico fell at the beginning of the new millennium but increased again in the years before the Mérida Initiative was initiated in 2008. Table 4.5 indicates that the corruption level in Mexico in 2008 registered at -0.24 and continued to rise in the coming years—registering a CCE of -0.3 in 2009 and -0.36 in 2010. Unfortunately, corruption in Mexico continued to increase for the next several years under the Mérida Initiative, eventually registering -0.76 and -0.77 in 2014 and 2015 respectively.

While the 2016 and 2017 World Bank corruption data has not been analyzed for this dissertation, most indications from media reports suggest that corruption in Mexico remains one of the country's most pressing issues, as recent bipartisan legislation took steps to protect exiting administration officials from being charged with corruption when out of office—proving that corruption in Mexico is a bipartisan affair (Verza, 2018). Corruption in Mexico is such a concerning issue for the public that President-elect López Obrador made control of corruption a major campaign promise during the election. Whether López Obrador will be able to solve a problem that has plagued Mexico for decades is not yet known, but his success at clamping down

[85] As mentioned earlier in the chapter, the World Bank's CCE assigns each country a numeric value measuring the level of corruption on a scale ranging from -2.5 to 2.5, with -2.5 being totally corrupt and 2.5 being corruption-free (World Bank, 2018).

on corruption will largely depend on his success at combating the MTCOs and their main source of revenue: the illicit drug trade.

Table 4.5 Corruption Levels in Mexico 2000-2015



Source: World Bank, 2018

Mexico's Political History

Mexico, like many Latin American nations, was born out of conquest and revolution, with their modern political system only taking root in the early 1900s with the establishment of the Political Constitution of the United Mexican States in 1917 (Youngers & Rosin, 2005). In 1929, all the remaining factions of the Mexican Revolution united under Mexico's first modern political party, the National Revolutionary Party (NRP), which sought to stabilize the country in the midst of the Great Depression by ending the conflicts remaining from the revolution, and to show political unity after the assassination of President-elect Álvaro Obregón in 1928 (Meyer, Sherman, & Deeds, 1999). The NRP was effectively the only political party in Mexico for several years after its founding, wielding power throughout all sectors of Mexican society. The

first several presidential administrations under the NRP's leadership consisted of "puppet" presidents who were essentially controlled by Plutarco Elías Calles, who held the presidency in the years preceding the formation of the NRP (1924-1928). Between 1928 and 1934, Calles ostensibly controlled the decision-making processes of the presidential administrations of Emilio Portes Gil, Pascual Ortiz Rubio, and Abelardo Rodríguez (Meyer et al., 1999). This period in Mexican political history is often referred to as the *Maximato*, as Calles named himself *Jefe Máximo* or the "Maximum Chief of the Revolution."

Plutarco Elías Calles lost his grip on power in 1934 when Lázaro Cárdenas was elected to the presidency (1934-1940) after wrestling party support from Calles loyalist Manuel Pérez Treviño. Initially, Calles believed he could control Cárdenas as he had controlled Cárdenas' predecessors, but that illusion soon wore off as Cárdenas and Calles took opposite positions on numerous policies at the beginning of Cárdenas' term. In 1936, President Cárdenas had Calles arrested and exiled to the U.S. for conspiracies[86] against the government of Mexico. In 1938, Cárdenas dissolved the NRP and formed the Party of the Mexican Revolution (PRM). Cárdenas' successor, Manuel Ávila Camacho, renamed this party the Institutional Revolutionary Party (PRI) in 1946, and the PRI controlled the Mexican presidency until the election of the National Action Party candidate Vicente Fox in 2000 (Meyer et al., 1999; Youngers & Rosin, 2005). According to many scholars, President Fox's election in 2000 marked Mexico's full transition to a democratic country, and was one of the first times outside observers did not question the legitimacy of the election results (Caiuby Labate et al., 2016; Watt & Zepeda, 2012, 2012; Youngers & Rosin, 2005). Since fully transitioning to a democracy in 2000, Mexico has been

[86] Calles was charged with conspiring against the government because he attempted to halt the implementation of many of President Cárdenas's policies using officials still loyal to Calles.

given a Polity IV political regime index democracy indicator rating[87] of 8 for the period of 2000 to 2015.

As previously mentioned, the election and tenure of Vicente Fox of the PAN (2000-2006) was followed by the election of another PAN candidate, Felipe Calderón (2006-2012), who escalated Mexico's "War on Drugs" with the implementation of the "kingpin strategy"—wreaking havoc and unleashing drug-related violence on the Mexican population. The Mexican people turned back to the PRI in 2012 with the election of Enrique Peña Nieto (2012-2018) in hopes of reducing levels of drug-related violence aimed at pressuring the Mexican government to return to the status quo of drug control policies. In 2018, the Mexican people achieved another milestone of democracy by electing, yet again, a president from a previously non-ruling party in Andrés Manuel López Obrador. President-elect López Obrador represents the National Regeneration Movement party (Spanish acronym MORENA), a leftist social democratic party in Mexico, and his election thus represents a significant shift left in the country's modern governing ideology. If President-elect López Obrador's comments on the campaign trail and cabinet appointments are any indication, there is a good chance Mexico will be changing course in their drug control approach in the near future. We will also have to wait and see if López Obrador's proposed methods to combat the illicit drug trade are a monumental shift in the country's approach or simply an attempt to reshape the Mérida Initiative to focus more on its criminal justice reforms. Now that Mexico's political and narco histories have been briefly touched on, I turn my attention to some possible reasons why Mexico accepts the international drug control conventions.

[87] As mentioned earlier in the chapter, Polity IV's political regime index democracy indicator ranges from -10 to 10, with -10 being full autocracy and 10 being full democracy.

4.3 Mexico's Acceptance of the International Drug Control Conventions

While further research is needed to truly know why Mexico, among other nations, accepts the international drug control regime set forth in the U.N.'s 1961 Single Convention on Narcotic Drugs and its subsequent amendments, countries in Latin America who adhere to the international drug control regime share certain characteristics. As we recall from chapter three, whether a nation accepts the international drug control regime set forth in the 1961 U.N. Single Convention on Narcotic Drugs depends on a range of issues, some of the primary determinants being the number of positions a nation occupies in the drug trade, the level of drug-related violence, and the nation's elites' views of U.S./Western drug control policies and aid. As we can see from the information laid out in the above narco profile, Mexico occupies all four positions in the drug trade, which presents a substantial threat to their national security. Further, with the high levels of drug-related violence present in Mexico, MTCOs undoubtedly present a national security threat to Mexico, making the Mexican government willing to accept international aid that usually requires a prohibitionist stance as part of drug control policy. Moreover, Mexico is willing to accept international aid and support to help combat high levels of corruption among government officials, which also pose a threat to national security.

Mexico may also adhere to the international drug control regime due to its citizens' long-held conservative views on illicit drugs, with most citizens favoring the prohibition of such drugs. This conservative view of drug use may be changing, though, as Mexico looks to implement its medical cannabis law, which will expose more citizens to the health benefits of the drug. Additionally, while many citizens of Mexico hold a conservative opinion on personal drug use, the majority support minimum penalties for those caught with illicit drugs for personal use. Despite this willingness to be lenient towards those who use and possess drugs for personal use,

the overwhelming majority of Mexican citizens do not support the full legalization of drugs, even when presented with the possibility of reduced drug-related violence as a result (Green, 2018). It is in part the people's support of prohibitionist drug control policies in the face of such extreme drug-related violence that allows the Mexican government to maintain such policies, even while others in the region—and in North America—explore alternative drug control policies.

A further reason Mexico may adhere to the international drug control norms is the drug control views of political elites in the country, though this may be changing with the recent election of Andrés Manuel López Obrador. Historically, political elites in Mexico have favored illicit drug prohibition for many decades, often enacting drug control laws aimed at significantly disrupting the illicit drug trade in the country. However, several high-profile political elites in Mexico have announced their support for the legalization of cannabis in light of the actions taken by neighboring Canada and the U.S. Additionally, as previously mentioned, President-elect López Obrador is strongly considering adopting alternative domestic drug control policies when his administration takes office in December 2018. Although political elites have recently become more open to consider non-prohibitionist drug control policies, administrations from across the political spectrum have embraced U.S. counternarcotics aid and logistical support since the initiation of the Mérida Initiative in 2008. Even President-elect López Obrador, who campaigned on dramatically altering Mexico's drug control approach, has recently indicated that his administration may be willing to continue the prohibitionist policies guided by the Initiative and international law indefinitely. New policies would take time to shape, and government and local law enforcement agencies would be unable to immediately implement alternative drug control

policies and take back the authority to combat the MTCOs in the country for several years into his administration (Santiago, 2018).

Whether Mexico will continue to accept the international drug control regime in the future will depend on several issues, none more so than whether or not MTCOs continue to threaten Mexico's national security by maintaining and expanding their illicit drug trade activities. Unfortunately, with the recent record-setting number of homicides in 2017 and the discovery of Mexico's first commercial coca production sites, it appears Mexico will continue to wage a battle with the MTCOs for some time. Further, the success of the prohibitionist drug control policies and counternarcotics operations since the enaction of the Mérida Initiative will help Mexico determine if they want to continue on their current drug control path or if they will join a growing contingent of countries looking to adopt alternative drug control policies. The next section will help us understand the effectiveness of Mexico's war on drugs.

4.4 Mexico's Drug Control Policy Effectiveness Analysis

In order to address the growing list of problems in Mexico that resulted from illicit drug trade activities in the country, the Mérida Initiative was designed to create a new counternarcotics partnership between the U.S. and Mexico. This new counternarcotics partnership included several goals, ranging from disrupting MTCOs' illicit drug trade activities to controlling the spread of corruption among the government officials and institutions of Mexico. Unfortunately, one of the major goals of the Initiative has not come to fruition, as corruption in Mexico has not decreased over the initial eight-year period. In fact, if we recall from earlier in the chapter, corruption actually increased in Mexico during the Mérida Initiative. Additionally, while the data presented earlier in the chapter indicate that the "Kingpin Strategy"

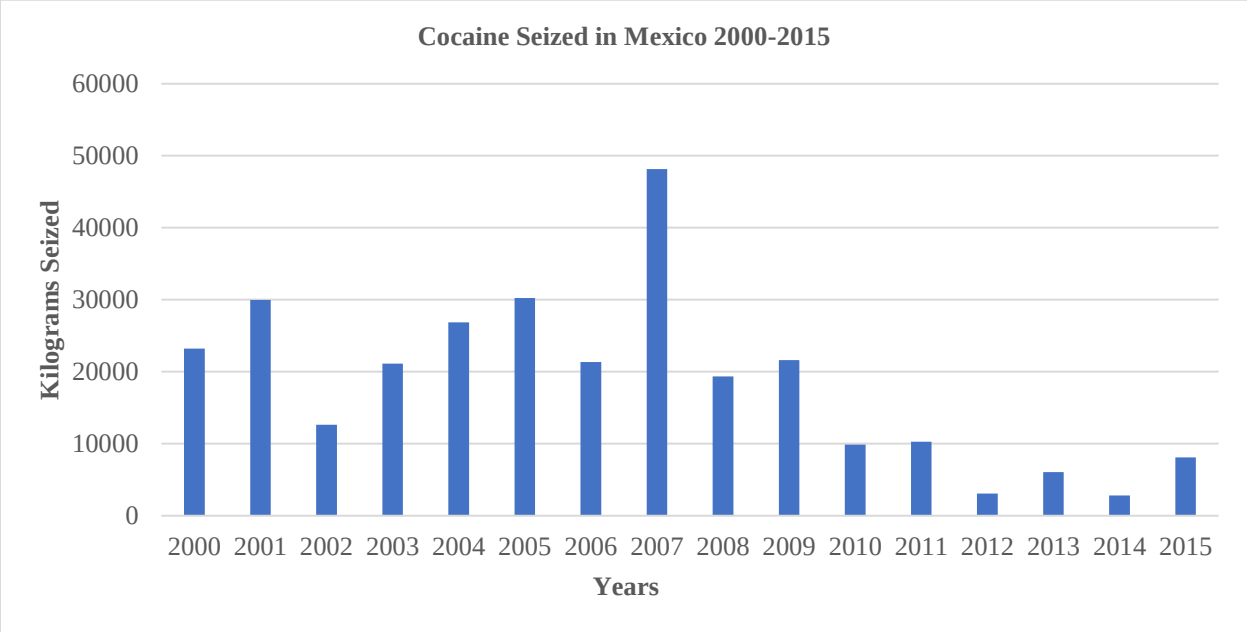
implemented under the Mérida Initiative potentially had a detrimental impact on drug-related violence in Mexico, the effectiveness of the Initiative's counternarcotics operations is still in question. This section seeks to evaluate whether the counternarcotics operations conducted under the Mérida Initiative have been successful at reducing the number of drugs produced and increasing the illicit drug seizures conducted in Mexico. Ultimately, this section of the dissertation examines the seizure rates of cocaine, heroin, cannabis, and amphetamine-type stimulants—while also examining the production rates of heroin and cannabis in Mexico from 2000 to 2015.

An examination of Table 4.6, which presents the cocaine seizure rates in Mexico from 2000 to 2015, demonstrates that Mexican authorities seized between 20,000 and 30,000 kilograms of cocaine each year for most of the immediate years before the initiation of the Mérida Initiative in 2008—with the exceptions coming in 2002, when authorities seized 12,639 kilograms of cocaine, and in 2007, with seizures of 48,168 kilograms of cocaine. Also, counter-intuitive to expectations,[88] cocaine seizures fell quite dramatically under the Mérida Initiative, decreasing 58% between 2008 and 2015. It is unclear whether the decrease in the amount of cocaine seized in Mexico was a result of counternarcotics operations in Mexico or of the corresponding decrease in the production of cocaine in Colombia, but it seems likely that less cocaine was seized in Mexico after 2007 partly because less cocaine was produced in Colombia, thanks to successful counternarcotics operations there at the time—especially given that Mexico is the main transit area for illicit drugs making their way into the U.S. and Canadian markets, and MTCOs are responsible for trafficking the majority of Colombian cocaine into these markets. The recent discovery of commercial coca fields in Mexico will likely lead to an increase in

[88] Deductive reasoning would indicate that seizure rates would increase with the launching of major counternarcotics operations under the Mérida Initiative.

cocaine seizures in the country, but we will have to wait to see exactly how the counternarcotics forces respond to the expansion of illicit drug production in Mexico.

Table 4.6 Cocaine Seized in Mexico 2000-2015

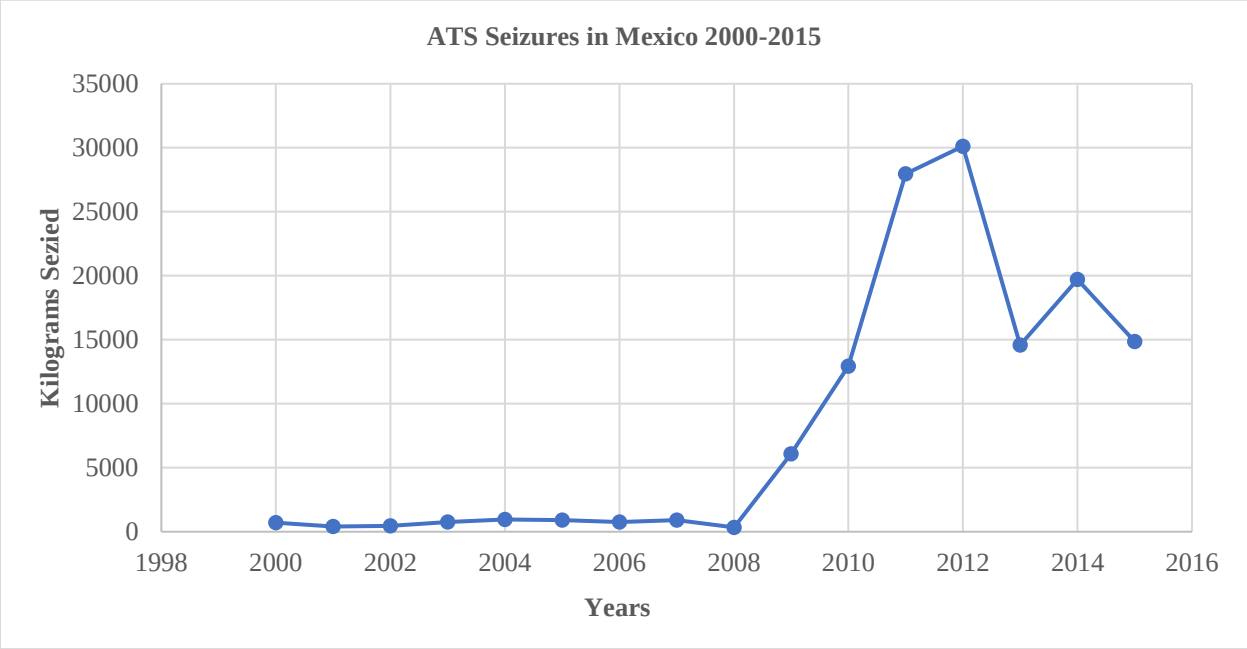


Source: World Drug Reports 2000-2015

On the other hand, Table 4.7, which presents the seizure rates for amphetamine-type stimulants (ATS) in Mexico from 2000 to 2015, demonstrates that counternarcotics operations conducted during the Mérida Initiative have resulted in the dramatic increase in seizures of ATS since 2009. Table 4.7 indicates that ATS seizures were relatively stable between 2000 and 2008, with Mexico seizing under 1,000 kilograms every year—sometimes recording seizures of less than 500 kilograms a year. The amount of ATS seized in Mexico dramatically changed in 2009 with the initiation of the Mérida Initiative. In the first years of the Initiative, between 2009 and 2012, ATS seizures in Mexico rose 80% and have risen a staggering 98% since the beginning of the Mérida Initiative in 2008. While the impact of the Mérida Initiative on cocaine seizures in

Mexico is ambiguous, the data presented in Table 4.7 make clear that counternarcotics operations focused on the seizure of amphetamine-type stimulants have had much more success.

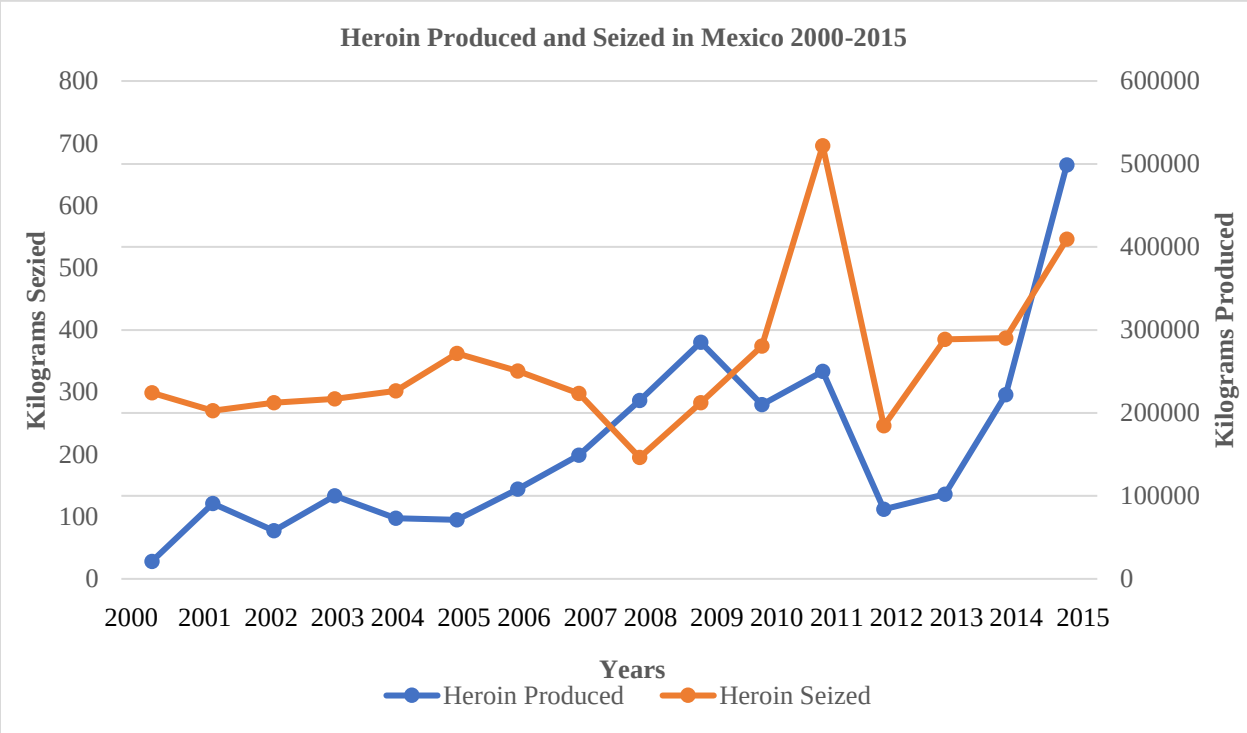
Table 4.7 Amphetamine-Type Stimulants Seized in Mexico 2000-2015



Source: World Drug Reports 2000-2015

An examination of Table 4.8, which presents the heroin produced and seized in Mexico from 2000 to 2015, demonstrates that the seizure of heroin has generally increased in Mexico since the start of the Mérida Initiative in 2008. In the initial years of the initiative, from 2008 to 2010, heroin seizures increased by 47% in Mexico. Additionally, while heroin seizures increased quite substantially in 2011, registering 695 kilograms seized, the amount of heroin seized from 2012 to 2014 fell to levels comparable to the seizure rates prior to the initiation of the Mérida Initiative. In 2015, Mexico again saw an increase in the amount of heroin seized: 546 kilograms. Since the start of the Mérida Initiative in 2008, heroin seizures have increased 64% overall. Unfortunately, the counternarcotics operations aimed at stemming the production of heroin in Mexico have not been as successful as those intended to stop the trafficking of the drug.

Table 4.8 Heroin Produced and Seized in Mexico 2000-2015



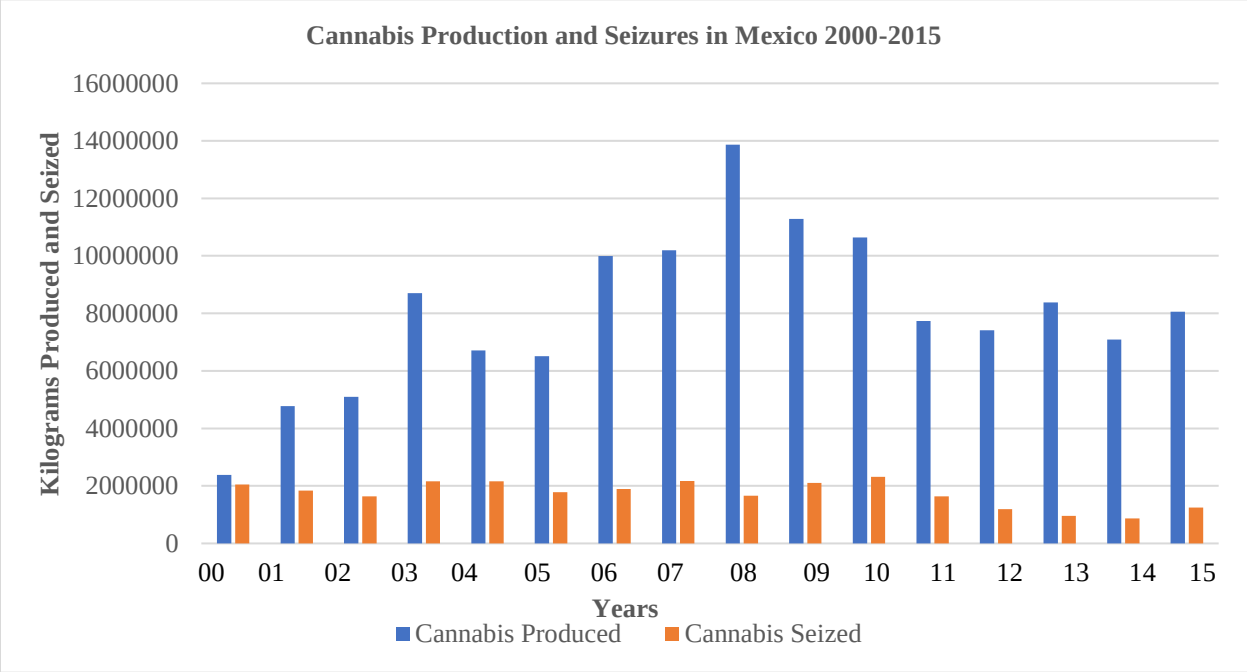
Source: World Drug Reports 2000-2015

Table 4.8 also demonstrates that the counternarcotics operations carried out under the Mérida Initiative aimed at curbing heroin production have not resulted in less heroin being produced in the country overall. While heroin production in Mexico decreased 61% during the first several years of the Mérida Initiative (2008-2012), demonstrating the initial success of counternarcotics operations, production began a three-year rise again in 2013, increasing 80% between 2013 and 2015. Overall, illicit heroin production in Mexico during the Mérida Initiative increased 57% between 2008 and 2015—clearly indicating that counternarcotics operations aimed at reducing Mexico's heroin production have failed.

Unfortunately for Mexico, this inability to crack down on the illicit heroin production in the country has coincided with an increased demand in the U.S. drug market for heroin, as many U.S. citizens have turned to illicit heroin to fuel their opioid addiction when they no longer have access to opioid prescription medications such as OxyContin and Vicodin. The inability of the

counternarcotics operations in Mexico to keep up with the increased demand for illicit heroin in the U.S. has exposed a major shortcoming in the counternarcotics partnership between the U.S. and Mexico, the likes of which were supposed to be addressed with the Mérida Initiative. Fortunately for Mexico, the counternarcotics operations aimed at reducing the amount of illicit cannabis produced in the country have been more successful than their operations aimed at heroin production. Unfortunately for Mexico, the counternarcotics operations aimed at disrupting the trafficking of illicit cannabis have not had as much success as the operations aimed at curbing production.

Table 4.9 Cannabis Production and Seizures in Mexico 2000-2015



Source: International Narcotics Control Strategy Report 2000-2015; Caulkins, 2010; and author's calculations[89]

[89] The data presented has been converted from hectares of cannabis grown to kilograms produced to account for the loss in weight of cannabis flower in the drying and processing stage. Cannabis plants produce flowers and plant vegetation, the former being the part of the plant most regularly smoked by users. Hectares of cannabis grown are reported annually in the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs Report. A report by the Rand Corporation's Drug Policy Research Center found that 575 pounds of dried cannabis flower is produced out of one acre of cannabis plants. The author further calculated the number of pounds produced in a hectare and converted that number to kilograms produced per hectare: 645 kilograms per hectare.

Table 4.9, which contains the illicit cannabis seizure rates in Mexico from 2000 to 2015, illustrates that illicit cannabis seizure rates have generally decreased since the start of the Mérida Initiative in 2008. While illicit cannabis seizures initially increased during the first few years of the Mérida Initiative—increasing 30% between 2008 and 2010—seizures in Mexico decreased over the next several years, falling 47% between 2011 and 2014. Cannabis seizures in Mexico again rose slightly in 2015, but the seizure rates were still below the levels prior to the implementation of the Mérida Initiative. Overall, illicit cannabis seizures in Mexico decreased 25% during the Mérida Initiative, clearly demonstrating the ineffectiveness of the Initiative's counternarcotics operations aimed at disrupting cannabis trafficking operations in Mexico.

Table 4.9 also displays the cannabis production rates in Mexico from 2000 to 2015 and demonstrates that illicit cannabis production has generally fallen during the Mérida Initiative. The data presented in Table 4.9 make clear that illicit cannabis production in Mexico has been reduced to levels seen prior to the implementation of the Mérida Initiative with production decreasing 23% between 2008 and 2010, before decreasing 8% between 2011 and 2014. Even with the increases in production in 2013 and 2015, illicit cannabis production has decreased 42% since the start of the Mérida Initiative in 2008. Much like the recent increase in production of illicit heroin in Mexico, the decrease in production of illicit cannabis is due not only to the successful counternarcotics operations in Mexico, but also to the decline in demand in the U.S. for illicit cannabis from Mexico due to the enaction of recreational and medical cannabis laws by some U.S. states. Mexico and the U.S. will have to wait to see how MTCOs respond to the further legalization of cannabis—either recreationally or medically—in both the U.S. and Mexico to see if they need to revisit their cannabis control strategies, but the data presented in Table 4.9 make clear that counternarcotics operations aimed at decreasing the production of

illicit cannabis in Mexico have been far more successful than the operations geared towards seizing the drug.

The data presented in this section of the dissertation demonstrate that the Mérida Initiative's success at slowing the production and flow of drugs in Mexico has been varied with temporary successes often offset by later failures. Additionally, the success, or lack thereof, of Mexican counternarcotics operations aimed at reducing the production of heroin and cannabis have been muddied by international market forces causing production model distortions. Moreover, while counternarcotics operations under the Mérida Initiative have clearly increased their seizure of amphetamine-type stimulants (ATS) and heroin, the impact on cocaine seizures is not as clear. Ultimately, the Mérida Initiative has been unsuccessful in reaching a number of its goals—such as controlling the spread of corruption and stemming the rise of drug-related violence in Mexico. The inability to achieve these goals, coupled with the inconclusive impact the Initiative has had on illicit drug activity in the country has left many politicians in the U.S. and Mexico pondering the future of this counternarcotics partnership. Between the election of Donald Trump in the U.S. and Andrés Manuel López Obrador in Mexico—both of whom have been critical of the long-standing policies of their predecessors—the Mérida Initiative looks destined for modification in the near future.

4.5 Mexican Transnational Criminal Organizations' Response to U.S. Cannabis Legalization

If we recall from earlier in the chapter, illicit cannabis production in Mexico has been decreasing for several years, dating back to the initiation of the Mérida Initiative in 2008—well

before the implementation of the first recreational cannabis laws[90] in the U.S. in 2014. To truly understand how recreational cannabis laws in the U.S. are impacting the business models of MTCOs, we will examine U.S. southern and western border seizures of illicit drugs to determine how MTCOs have altered their drug production and trafficking models. The examination of U.S. border seizure data, coupled with the information presented earlier in the chapter, enables this section to answer the following question: Have MTCOs truly altered their business models in response to the growing recreational cannabis legalization movement in the U.S., or is this a false narrative being pushed by pro-legalization advocates in the U.S.? Additionally, if MTCOs have really changed their business models, what types of illicit drugs have they pursued in their quest to replace their long-held and reliable cash crop of cannabis? The answers in this section will enable policymakers to understand how MTCO illicit drug production models have changed in recent years.

Table 4.10 contains the U.S. Border Patrol seizure data for the southern and western[91] U.S. borders and demonstrates that in 2014—the year legal recreational cannabis became available in the U.S.—border seizures of cannabis began to decrease quite substantially. From 2013—the year before Americans had access to legal recreational cannabis—to 2017, cannabis seizures on the border decreased an astounding 96%. Additionally, Table 4.10 suggests that the MTCOs have begun to focus their attention on the production and trafficking of heroin, as southern and western border seizures of heroin have increased 40% from 2013 to 2017. However, it seems likely that much of this increase is tied to the increased demand in the U.S. market around the same time, making it difficult to attribute the increase in production and

[90] Colorado and Washington—two U.S. states—both passed recreational cannabis laws in 2012 and began allowing the commercial retail of recreational cannabis in 2014.

[91] While illicit drugs from Europe, the Middle East, and Asia tend to make their way into the U.S. using various border entries across the country, the illicit drugs trafficked from Mexico predominantly enter the U.S. through the western and southern borders (U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2015).

trafficking solely to the legalization of recreational cannabis in the U.S. Further, the data presented in Table 4.10 demonstrates the variability of the cocaine trafficking models of MTCOs—most likely due to their dependence on Colombian Transnational Criminal Organizations' production of the drug.

Table 4.10 U.S. Border Patrol Drug Seizures 2012-2017

Drug	2012	2013	2014	2015	2016	2017
Cocaine	12,161	4,696	4,554	11,220	5,473	9,346
Heroin	430	576	606	518	566	953
Cannabis	2,299,864	2,430,123	1,922,545	1,538,307	1,294,052	861,231
ATS	3,715	3,580	3,930	6,443	8,224	10,328

Source: U.S. Customs and Border Protection, 2018
**Data presented in pounds seized*

However, with the recent discovery of commercial coca fields in Mexico, the amount of cocaine seized at the southern and western borders is sure to rise in the coming years. Lastly, Table 4.10 indicate that MTCOs have increased their focus on the trafficking of amphetamine-type stimulants (ATS) since the implementation of recreational cannabis laws in the U.S. in 2014. Table 4.10 illustrates that U.S. Border Patrol seized under 4,000 pounds of ATS from 2012 to 2014, but in 2015 the amount of ATS seized increased to 6,443 pounds—a 39% increase from the previous year. ATS seizures again increased in 2016 and 2017 with 8,224 and 10,328 pounds seized respectively. Overall, ATS seizures increased 6,748 pounds from 2013 to 2017—an astounding 65% increase. Now that we know more about how the MTCOs are adjusting their trafficking models to account for the revenue loss associated with lower cannabis production in Mexico and lower sales in the U.S., let us examine some excerpts of interviews conducted with drug control experts that will paint a clearer picture of how MTCOs are responding to the implementation of recreational cannabis in the U.S.

Interviews with drug control policy experts[92] conducted for this dissertation indicate that MTCOs have moved away from focusing on the production of cannabis as their main cash crop and instead are focusing on "diversifying their revenue streams by expanding their illegal businesses into the areas of identity theft, kidnapping, and cybercrime." While much of the U.S. still does not have access to legal recreational cannabis, the MTCOs "see the writing on the wall" in terms of the progression of recreational cannabis laws in the U.S., according to one drug control expert interviewed. Additionally, several experts interviewed indicated that MTCOs—while still making a profit on the production and trafficking of illicit cannabis into the U.S.—are experiencing lower profits from the drug, as the price for high-grade cannabis in the U.S. has fallen quite dramatically due to legalization efforts. This point is validated by recent media reports that have found that the price per gram for illicit cannabis has fallen as much as 67% in some states with access to recreational cannabis (Humphreys, 2017; Paul, 2018; Williams, 2015).

One drug control expert interviewed indicated that MTCOs will still invest in the production of illicit cannabis "until more U.S. states have recreational cannabis laws" or until states with recreational cannabis are able to significantly "bring down their black markets sales" of illicit cannabis. However, all experts interviewed agreed that the future of illicit cannabis production by MTCOs is all but an afterthought as MTCOs seek to diversify their revenue streams instead of relying primarily on the production and trafficking of illicit drugs. As previously mentioned, MTCOs are diversifying to focus more on non-narcotics-based revenue streams including—but not limited to—identity theft, oil theft, kidnapping, and extortion. Additionally, several drug control experts interviewed believe that the legalization of cannabis for recreational purposes in the U.S. has strengthened the MTCOs, as they have begun relying

[92] Anonymous interviews were conducted with ten drug control experts who range from former and current government officials to academics from around the world.

less on the production and trafficking of illicit drugs, instead extending their reach into other sectors of society. Moreover, some drug control experts stated that the legalization efforts in the U.S. have caused some of the MTCOs to expand their businesses to previously untouched regions[93] in Latin America—truly making them transnational criminal organizations.

The impact of recreational cannabis legalization on MTCOs in the coming years remains to be seen, but if the information presented in this section is any indication, MTCOs have not become weaker due to cannabis legalization. On the contrary, it would seem that MTCOs have fully embraced the business models of diversification and have, if anything, become stronger as a result of recreational cannabis legalization in the U.S. Faced with a dwindling profit margin of one of their main sources of revenue, MTCOs—like any business organization—have simply increased production and trafficking of illicit drugs other than cannabis, mainly heroin and ATS. Additionally, we see from the recent discovery of commercial coca fields in Mexico that MTCOs are already positioning themselves to supplement their dwindling cannabis revenue stream with a new revenue stream: cocaine production. The fact that MTCOs are not being weakened by the legalization of recreational cannabis does not mean legalization efforts should be abandoned by the U.S. and other countries. The diversification of the business models of MTCOs only proves that the legalization of one illicit drug while still maintaining a prohibition on most other illicit drugs does little to impact transnational criminal organizations. As one drug control expert stated, "States will need to seriously consider the legalization and regulation of all narcotics drugs to even think about harming the revenue of MTCOs." Now that the impact of recreational

[93] Uruguay and Costa Rica, who previously had little MTCO presence in their countries, have recently reported that law enforcement agencies have increasingly seen MTCOs conducting criminal enterprises in their countries and have also experienced an uptick in the number of Mexican nationals arrested for drug-related crimes in both countries (Bernstein, 2018).

cannabis legalization on the business models of MTCOs is clearer, let us turn to an examination of Mexico's narco-economy.

4.6 Mexico's Narco-economy Analysis

Table 4.11 presents the results from Mexico's narco-economy analysis, which examines the potential relationship between Mexico's illicit drug trade activities and their domestic economy as measured by GDP at Purchasing Power Parity (PPP). The results from the Pearson's correlation model show that counternarcotics operations in Mexico that have resulted in the seizure of illicit cocaine and cannabis have a moderately negative relationship with Mexico's legitimate economy. Those numbers presented in Table 4.11 suggest that cocaine and cannabis seizure operations in Mexico have no positive relationship with their legitimate economy, with correlation coefficients of -0.580 and -0.641 respectively. One possible reason the seizure of cocaine and cannabis may not positively impact Mexico's economy is that the counternarcotics operations aimed at seizing illicit cocaine and cannabis cost much more than operations aimed at seizing other drugs. This cost differential could also be due to the volume of cannabis and cocaine seizure operations in Mexico since most of the cocaine and cannabis trafficked into the U.S. is smuggled through Mexico.

Table 4.11 Mexico's Narco-economy Correlation Analysis

Variable:	ATS Seizures	Cocaine Seizures	Heroin Seizures	Cannabis Seizures	Heroin Production	Cannabis Production
GDP	0.777*	-0.580*	0.471	-0.641*	0.652*	0.460
(P Value)	.000	.012	.071	.007	.001	.073

* Significant at the .05 level
GDP measured in PPP (logged)

Conversely, the data presented in Table 4.11 show that ATS seizure operations in Mexico have a strong positive relationship with Mexico's legitimate economy. Those numbers suggest

that there is potentially no negative impact of ATS seizure effectiveness on the legitimate economy of Mexico, with a correlation coefficient of 0.777. One possible reason ATS seizures may not negatively impact Mexico's economy is that successes in ATS seizures could mean that fewer resources are needed to halt illicit ATS production in the country. Additionally, ATS production is difficult to detect due to the covert nature[94] in which it can be produced, so the more ATS seized in Mexico during counternarcotics operations, the fewer resources are needed to halt production labs in the country. Interestingly, according to the data presented in Table 4.11, the production of illicit heroin in Mexico has a moderately positive relationship with Mexico's legitimate economy. These numbers suggest that there is no negative impact of heroin production on Mexico's legitimate economy. More research is needed to truly understand why illicit heroin production may benefit Mexico's legitimate economy, but it might be due to the money the Mexican government saves on not implementing social and alternative development programs in the areas of Mexico[95] historically tasked with the production of heroin. If we recall from earlier in the chapter, much of the counternarcotics aid distributed under the Mérida Initiative is reserved for counternarcotics operations rather than alternative development and social programs, leaving Mexico to pay for these programs on their own. The implementation of these types of programs aimed at transitioning illicit drug producers into producing legal crops is very costly, and the savings from not implementing these programs—especially given the lack of international funding—may help the legitimate economy of Mexico. Moreover, as mentioned earlier in the chapter, heroin seizures have not kept up with the increases in production under the Mérida Initiative during that same time—leading one to wonder why, especially given the results

[94] ATS production labs are notoriously difficult to detect because they can be located indoors, which is why many international counternarcotics operations targeting the production of the drug rely on the interception of precursor chemicals to help halt production.

[95] Heroin production normally occurs in the remote, mountainous areas of Mexico that are difficult for authorities to constantly monitor due to accessibility.

presented here. These findings may help us understand why the counternarcotics forces in Mexico have not increased their seizure rates in response to increases in production: heroin production in rural areas may actually benefit the Mexican economy.

Regardless of the reasons, the findings in Table 4.11 suggest that a positive relationship exists between heroin production and Mexico's legitimate economy, producing a coefficient of 0.652. However, illicit heroin production is by no means the main economic driver in Mexico as the country's economy is valued at $2.4 trillion USD, making it the 11th largest in the world, and consist of many lucrative industries such as automotive manufacturing, financial services, and oil and natural gas (Central Intelligence Agency, 2018). Mexico's economic growth largely relies on a growing service sector that consists of approximately 63% of the economy with much of that being attributed to the burgeoning financial services sector. Moreover, Mexico has a thriving manufacturing sector as well as strong bilateral trade with the U.S. as the country represents the U.S.' second largest export market as well as the third largest market for goods manufactured inside the U.S. Demonstrating the effects of the North American Free Trade Agreement (NAFTA), Mexico's once robust agriculture industry now only contributes approximately 3.5% to the economy as the focus on manufacturing has increased since the passage of NAFTA in 1994 (Central Intelligence Agency, 2018). While more research is needed to truly know how the illicit drug trade activities in Mexico impact their legitimate economy, the results presented in Table 4.11 suggest that illicit heroin production and the seizure of ATS do not negatively impact Mexico's legitimate economy, while effective cocaine and cannabis seizures do not positively impact the legitimate economy.

4.7 Mexico Conclusion

Mexico has clearly had its share of successes and failures when combating the illicit drug trade over the last 40 years. Progress has been made under the Mérida Initiative by increasing the seizure rates of ATS and heroin while also slowing the production of illicit cannabis in Mexico. At the same time, Mexico has had varied success in reducing the amount of cocaine trafficked through the country. Additionally, while the notable successes of the Mérida Initiative mentioned above allow the proponents of the Initiative to point to clear benchmarks achieved in the ten-year counternarcotics partnership with the U.S., opponents of the Initiative can point to the increases in corruption and drug-related violence in the country as evidence of the Initiative's ineffectiveness. Moreover, drug prohibition opponents can cite the dramatic increase in heroin production in Mexico, coupled with the decrease in illicit cannabis seizure rates, as evidence that the prohibitionist approach to combating the illicit drug trade simply does not work, especially given the extensive resources dedicated to enforcing drug prohibition.

While policymakers on both sides of the border are eager to embrace the legalization of recreational cannabis as a silver bullet that will deal a fatal blow to the MTCOs, the information presented in this chapter makes clear that MTCOs have already altered their business models to account for the revenue lost to legal cannabis in the U.S. The quantitative findings presented here demonstrate that MTCOs have begun to focus on the production and trafficking of ATS and heroin to replace their illicit cannabis revenue stream. The qualitative findings illustrate that MTCOs are diversifying their criminal enterprises into non-narcotics revenue streams focusing on kidnapping, oil theft, and cybercrime. Further, the recent discovery of Mexico's first commercial coca fields indicate that the MTCOs are positioning themselves well to deal with the further legalization of recreational cannabis in the U.S. Lastly, the information outlined in the

"Narco Profile," combined with the results of the Drug Control Effectiveness and narco-economy analyses, help us understand some of the possible reasons why Mexico continues to accept the international drug control regime established in the 1961 U.N. Single Convention on Narcotic Drugs.

CHAPTER FIVE: BOLIVIA

5.0 Introduction

Since the beginning of the "War on Drugs" in 1971, Latin American countries have been on the front lines in what has been a costly and deadly 40-year battle to control the global illicit drug trade. While many nations in Latin America have historically cooperated with the U.S. in their attempts to slow the production and trafficking of illicit drugs, more recently, several nations in Latin America have implemented alternative drug control policies not strictly based on the prohibition of all illicit drugs. Specifically, Bolivia has entered into the alternative drug control policy debate by implementing a regulatory system that allows for the production and use of coca—the base ingredient of cocaine. Bolivia, while still prohibiting the production of harder illicit drugs, has set an example for other Latin American countries looking to step away from the decades-old policies of the failed "War on Drugs" and offers unique insights into the outcomes of alternative drug control policies in Latin America.

This dissertation chapter seeks to understand how Bolivia is currently combating the illicit drug trade and explores the effectiveness of historical drug control policies and counternarcotics operations undertaken in the country. To fully understand if those measures taken to combat the illicit drug trade had an impact on the flow of illicit drugs, this chapter examines the illicit drug production and drug seizure rates of Bolivia between the years 2000 and 2015. Additionally, this chapter examines how Bolivia has implemented their alternative drug control policy that partially rejects the international drug control conventions established by the 1961 United Nations Single Convention on Narcotic Drugs. Moreover, an examination of the relationship between Bolivia's legitimate domestic economy and their narco-economy is also

explored in this portion of the research project. Lastly, Bolivia's "narco-profile," which provides context to the qualitative and quantitative analyses contained within this section, is also presented.

5.1 Bolivia's Drug Production and Control Overview

Historic Drug Production and Drug Control Policies

The production of the coca leaf, which is used as the main ingredient in cocaine, has long been of concern to the policymakers in not only Bolivia, but other Latin American countries and the U.S. as well due to the fact that much of the coca grown in Bolivia—legally or not—has been used to fuel the global illicit cocaine trade (Youngers & Rosin, 2005). Bolivia is the third largest producer of coca in the world behind Colombia and Peru, and while small amounts of cannabis for domestic use are produced in Bolivia, the country is not known as a primary producer of cannabis trafficked on the international market (United Nations Office on Drugs and Crime, 2017; U.S. State Department Bureau for International Narcotics and Law Enforcement Affairs, 2015). Illicit coca grown in Bolivia was predominantly used by Colombian Transnational Criminal Organizations (CTCOs) during the early 1980s before CTCOs began growing coca in Colombia to increase cocaine production. Coca produced in Bolivia began to be processed into cocaine on a large scale[96] in the mid-1980s as CTCOs sought to expand their cocaine trafficking routes into regions of the U.S. and Europe. In fact, cocaine production became so intertwined with the Bolivian economy in the 1980s that the country experienced a military coup—the "cocaine coup"—that saw a military junta backed by cocaine producers come to power despite objections from the U.S. (Youngers & Rosin, 2005). In the 1990s and early 2000s, both illicit

[96] There were even several Bolivians who rose to prominence producing and trafficking cocaine to the north in the 1980s.

coca and cocaine continued to be produced in Bolivia as CTCOs and Bolivian criminal organizations continued to further their hold on the global cocaine trade (Farthing & Kohl, 2010).

Today, Bolivia allows for the legal production of coca under a regulatory system that is supposed to keep legal coca out of the hands of cocaine producers, but many drug trade experts and Western governments believe Bolivia is failing in this regard. Despite gaining an exemption in 2013 to the 1961 Single Convention on Narcotic Drugs for the chewing of coca leaves, many drug control experts believe the regulated production of coca in the country has led to increases in the production of illicit cocaine, as many coca farmers produce more coca than their allotted amount and sell the excess to the black market cocaine producers (Brienen & Rosen, 2015; Caiuby Labate, Cavnar, & Rodrigues, 2016; Zepeda & Rosen, 2015). The controversy surrounding Bolivia's regulated coca production culminated in 2008 with the ousting of U.S. Drug Enforcement Administration (DEA) agents from Bolivia and the discontinuation of counternarcotics cooperation between the U.S. and Bolivia (Farthing & Kohl, 2010). This recent break in drug control cooperation between the U.S. and Bolivia is just the latest event in a long and tumultuous drug control and counternarcotics partnership dating back to the 1970s.

As in many other countries in the region, many of the specific drug control policies in Bolivia have been strongly influenced by the U.S. since the 1970s. Unlike other countries in Latin America, Bolivia has experienced a series of military coups that saw the government often rotate between military and civilian control (Youngers & Rosin, 2005). Because of this frequent shift in control, Bolivia has had a patchwork of laws used to combat the illicit drug trade generally and illicit coca and cocaine production specifically. Coca has long been grown in Bolivia, as members of the indigenous population have used it in herbal remedies and tinctures

since the times of the Inca Empire, but Bolivia's first modern drug control law aimed at regulating the production and sale of coca and other illicit drugs in the country came into place in 1973 as a result of a diplomatic campaign from the U.S. In 1988, Bolivia enacted their first comprehensive drug control policy, Law 1008, which was also heavily influenced by U.S. officials. Law 1008 criminalized the production and sale of coca in most of the country while allowing the production of coca in designated areas not to exceed a total area of 12,000 hectares annually. Law 1008 is widely regarded as Bolivia's first comprehensive national drug control policy that placed a prohibition on illicit drugs (Caiuby Labate et al., 2016). This law also created harsh penalties for drug production, use, and possession and created anti-drug courts that often violated due process and the constitutional rights of those accused of engaging[97] in illicit drug activities. Prohibitionist drug control laws were further expanded in Bolivia in 1997 under Plan Dignidad (Spanish for "Dignity Plan"), which sought a total eradication of coca production in the country.

Plan Dignidad was initiated under the administration of dictator Hugo Banzer and included four policy pillars designed to halt the production of illicit drugs in Bolivia. These four policy pillars revolved around the aerial eradication of illicit coca plants, the interdiction of processed cocaine, the sponsoring of alternative development programs, and the rehabilitation of those found in possession of illicit drugs. Additionally, much like Plan Colombia, Plan Dignidad began implementing an alternative development program aimed at providing economic alternatives to the illicit coca growers in an attempt to transition these farmers to producing legal, less profitable crops (Youngers & Rosin, 2005). Much to the surprise of policymakers in Bolivia and the U.S., Plan Dignidad initially succeeded at reducing the coca produced in the Chapare

[97] Law 1008 was later amended to allow for more coca to be produced legally in the country and to distinguish between the individuals charged with possession and production of illicit drugs for personal use and those found to engage in illicit drug trade activities.

region of Bolivia, which is responsible for producing much of the illicit coca in the country. Unfortunately, the production of coca picked back up the next year as many illicit coca farmers relocated to more discrete locations to grow their illicit coca. Additionally, corruption within the Bolivian government led to an inability to deliver alternative development aid to many of the illicit coca growers while still taking away their livelihood through eradication campaigns. This combination of government failure and increased eradication led to mass protests in Bolivia by those living in areas primarily financed by the production and sale of illicit coca and cocaine (Youngers & Rosin, 2005). These protests and civilian confrontation plagued the administrations of Hugo Banzer[98] and two of his successors—Jorge Quiroga and Sanchez de Lozada.

The mass protest in Bolivia stopped in 2004 under the government of Carlos Mesa, as he implemented legislation that further expanded the legal growing of coca in small plots of about 1,600 square meters per individual grower and expanded the area limits on coca farmers in the Chapare (Farthing & Kohl, 2010). The legislation allowing the legal growing of coca was further expanded in 2006 under the administration of Evo Morales, over objections from the U.S., eventually resulting in the ousting of the DEA in 2008 and a suspension of drug control aid and cooperation. While Bolivia continued to allow the legal production of coca, they still maintained strict prohibitionist drug control policies against the production and use of cannabis, heroin, cocaine,[99] and amphetamine-type stimulants (ATS). Those found guilty of violating Bolivian drug control laws were sentenced to harsh prison sentences and often had to wait up to two years to appear before a judge (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2017). More recently, Evo Morales has managed to get legislation

[98] Ironically, Banzer was later accused of participating in the cocaine trade as several close associates were linked to the drug trade (Farthing & Kohl, 2010; Youngers & Rosin, 2005).

[99] Bolivia allows for the possession of personal amounts of cocaine up to 50 grams (almost two ounces) and allows those found in possession of personal amounts of other drugs to attend rehabilitation centers in lieu of jail time (United Nations Office on Drugs and Crime, 2016).

passed—a reform of Law 1008—that allows for the personal use of some narcotic drugs, while increasing Bolivia's resources intended to combat the domestic illicit drug trade. This new legislation has a special provision for those found guilty of the possession or production of illicit drugs for personal use, requiring those individuals to enter a rehabilitation center rather than face incarceration. While interviews with drug control experts have indicated that Bolivia does not have the financial resources to fund such rehabilitation centers,[100] the Bolivian government's move to reform Law 1008 shows their willingness to break with the "War on Drugs" and implement alternative drug control policies.

History of U.S. Drug Control Assistance in Bolivia

U.S. drug control assistance in Bolivia began in the 1970s, as the production of illicit drugs in the country has long been of concern to U.S. officials. The U.S. has provided counternarcotics aid and logistical support throughout many regimes in Bolivia—sometimes revoking, or threatening to revoke, the aid because Bolivia enacted drug control policies that the U.S. viewed as detrimental to U.S. national security—mainly the production of coca. Additionally, the U.S. sought to suspend counternarcotics aid for Bolivia's failure to significantly reduce the amount of illicit cocaine produced in the country (Youngers & Rosin, 2005). The U.S. has long aided in the aerial eradication of illicit coca plants in Bolivia and, as previously mentioned, has historically wielded undue influence in the crafting of Bolivia's counternarcotics policies. The counternarcotics partnership between the U.S. and Bolivia increased in 1986 when Bolivia became the scene of one of the first major foreign counternarcotics operations by the U.S. military that was announced to the public—Operation

[100] The lack of funding the Bolivian government has allocated for the rehabilitation centers usually results in the non-enforcement of the personal use statute of the new law—allowing Bolivians to use some illicit drugs without reprisal from the government.

Blast Furnace—in which 160 U.S. troops[101] attempted to disrupt the illicit cocaine trade in the country (Youngers & Rosin, 2005).

The counternarcotics relationship between the U.S. and Bolivia further expanded in 1989 as the United States launched the "Andean Strategy," a series of counternarcotics operations aimed at reducing the production of illicit cocaine in Colombia, Peru, and Bolivia with the help of U.S. military forces and U.S.-led aerial eradication (Youngers & Rosin, 2005). The U.S. provided the financial resources and logistical support for numerous counternarcotics operations throughout the 1990s, while also providing many of the personnel needed to conduct these operations in Bolivia—mainly U.S. Special Forces troops. Additionally, the U.S. began to train the Bolivian law enforcement units who became responsible for many of the counternarcotics operations in the country: the Special Drug Police Force (Spanish acronym FELCN) and the Rural Mobile Patrol Unit (Spanish acronym UMOPAR). The U.S. continued to provide counternarcotics aid and logistical support for many years after the implementation of the "Andean Strategy," until the eviction of DEA agents in 2008 under charges of conspiring against the administration of Evo Morales (Caiuby Labate et al., 2016).

Bolivia's Growing of Coca

As previously mentioned, the legal growing of coca in Bolivia began in 1988 under Law 1008 and was later expanded by the administration of Carlos Mesa, who sought to bring an end to the protests from coca growers that had plagued three of the previous administrations. Under Mesa, the coca policy in Bolivia allowed a federation of coca growers' unions—cocaleros—to produce legal coca under a regulatory framework. This framework prohibited the production of illicit coca by limiting individual coca growers to one Cato (1,600 square meters) of legal coca

[101] U.S. officials failed to get approval from Bolivia's National Congress and instead relied solely upon executive approval (Youngers & Rosin, 2005).

per year and restricting the total area dedicated to legal coca production to 12,000 hectares nationwide (Farthing & Kohl, 2010). Any amount of coca grown outside the allotted land was subject to eradication, and enforcement of the policy was left up to the coca growers' unions—with penalties ranging from moderate fines to the seizure of lands for repeated offenders. More recently, in 2017, President Morales[102] responded to pressure from the coca growers' unions by reforming the coca law to expand the area of land that can be used for coca production to 22,000 hectares nationwide (Gilchrist, 2017). This increase almost doubled the land allowed to legally grow coca from the original 12,000 hectares designated under Law 1008, raising concerns among some drug control experts, since a recent report by the United Nations Office on Drugs and Crime (2018) indicated that Bolivia only needs 14,700 hectares to meet their domestic demand for the drug. Many indications point to there being a further increase in the near future, as President Morales has publicly stated that he wants to increase the production of coca in Bolivia so that Bolivian coca and coca-based products can be sold on the international market (Farthing, 2017). Morales has been lobbying Latin American and European countries to reform their drug control laws to allow the sale of coca and coca-based products in their countries—citing the perceived medical benefits of the drug and the economic impact the sale of the drug would have in Bolivia. While most drug control experts agree that the legal production of coca in Bolivia is a positive step towards recognizing the rights of indigenous peoples in Latin America, many criticize the lack of enforcement applied under the policy and the overproduction of coca that is used to produce illicit cocaine (Brienen & Rosen, 2015; Caiuby Labate et al., 2016; Farthing & Kohl, 2010).

Critics of Bolivia's legal coca policy have argued that self-regulation among those in the coca-growing industry has led to increased illicit coca production over the last several years.

[102] Evo Morales is the former head of the federation of coca growers' unions in Bolivia.

Recent reports from the United Nations Office on Drugs and Crime (2016) indicate that while restricted to producing 12,000 hectares of legal coca in 2015, coca farmers in Bolivia produced 25,400 hectares of coca—double their legal limit. Additionally, while early data suggested a significant decrease in the production of illicit cocaine in Bolivia after President Morales expelled the DEA from the country and ended drug control cooperation with the U.S., more recent data suggests that illicit cocaine production is again on the rise in Bolivia (United Nations Office on Drugs and Crime, 2017). The production and seizure rates of illicit coca and cocaine in Bolivia will be further explored later in the chapter, but to help put these critiques in context and to better understand the end results of Bolivia's alternative drug control policy, a Bolivian Narco Profile and drug control effectiveness models are detailed below.

5.2 Bolivia's Narco Profile

To have a complete picture of the illicit drug trade activities and their impact in Bolivia, a narco profile is needed. The narco profile will provide further insight into narcotics production and trafficking within Bolivia by including the following information: the types of positions occupied within the drug trade; the types of illicit drugs produced domestically; current and historical levels of drug-related violence; an analysis of Bolivia's cultural views on illicit drug use and the laws governing recreational use; an overview of Bolivian political elites' opinions on U.S. counternarcotics aid and interventions; an examination of corruption levels in Bolivia; and a brief analysis of Bolivia's political landscape and regime history.

Bolivia's Drug Trade Positions and Production

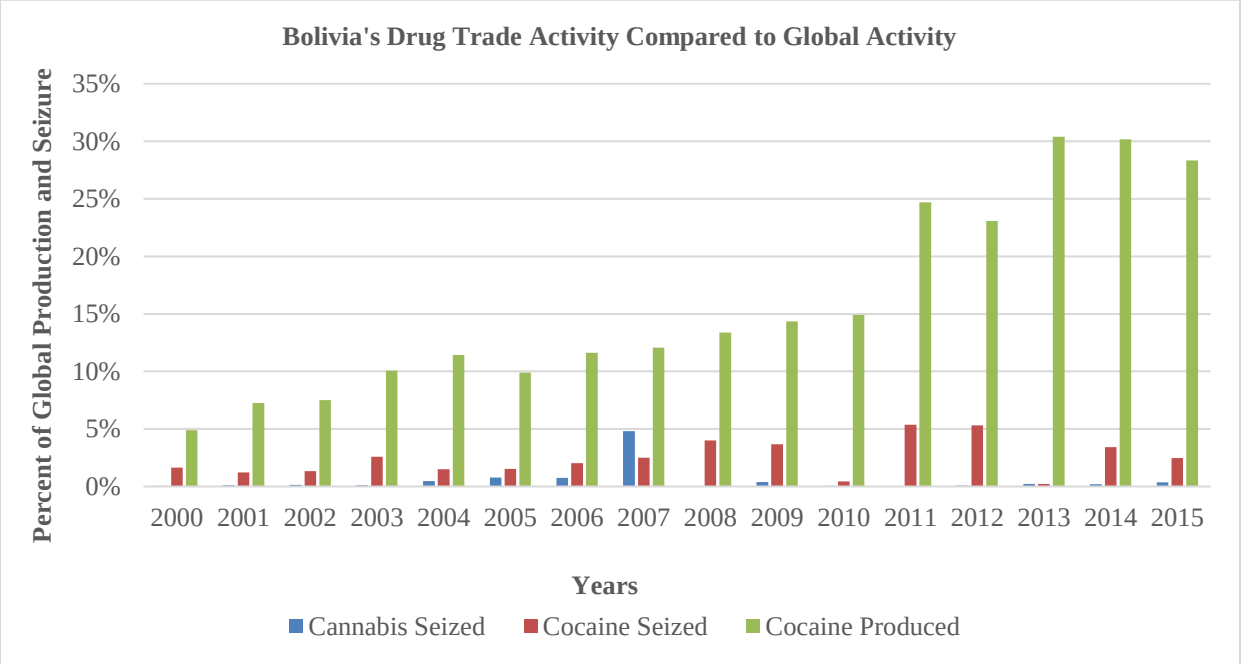
As previously mentioned, Bolivia began to occupy the production position of the illicit drug trade in the early 1980s, when Bolivian criminal groups began to produce coca to serve as

the base ingredient of cocaine, which was trafficked by CTCOs. Bolivia later began to occupy the finance position in the illicit drug trade, bringing their total positions to two, as money laundering took root in the country, made possible by high levels of corruption among many Bolivian government officials throughout multiple military coups. This money laundering has been difficult to combat in Bolivia, as years of unstable governance have left the country's regulatory institutions riddled with inefficiencies (Caiuby Labate et al., 2016; Farthing & Kohl, 2010). While Bolivia does not have any significant organized criminal groups that are focused on the trafficking or distribution of illicit cocaine, criminal groups in the country have routinely partnered with CTCOs in their illicit drug trade activities, which often result in incarceration. Further, while Bolivia is unusual among illicit-drug-producing countries in Latin America by occupying relatively few positions in the drug trade, they are not alone, as Uruguay also occupies only two positions. The relationship between the drug trade positions occupied by Bolivia and their willingness to adopt alternative drug control policies will be explored later in the chapter, but now a further examination of Bolivia's drug trade activity is found below.

Table 5.1, which displays Bolivia's drug trade activity compared to the global drug production and seizure rates, demonstrates that illicit drug seizure operations in Bolivia have captured between 1% and 5% of global illicit cannabis and between 1% and 5% of global cocaine seized from 2000 to 2015. Additionally, Bolivia has produced between 5% and 30% of global cocaine during the same time. Moreover, Table 5.1 indicates that Bolivia's share of global cocaine production has increased in recent years while the country has been experimenting with alternative drug control policies—increasing from 12% in 2000 to 28% in 2015. Further, while counternarcotics forces in Bolivia have been able to generally keep pace with their historic illicit cocaine seizure effectiveness while employing alternative drug control policies, their attempts to

significantly increase their seizure of illicit cannabis have not come to fruition as they seized 0% of global illicit cannabis in both 2000 and 2015.

Table 5.1 Bolivia's Drug Trade Activity Compared to Global Drug Trade



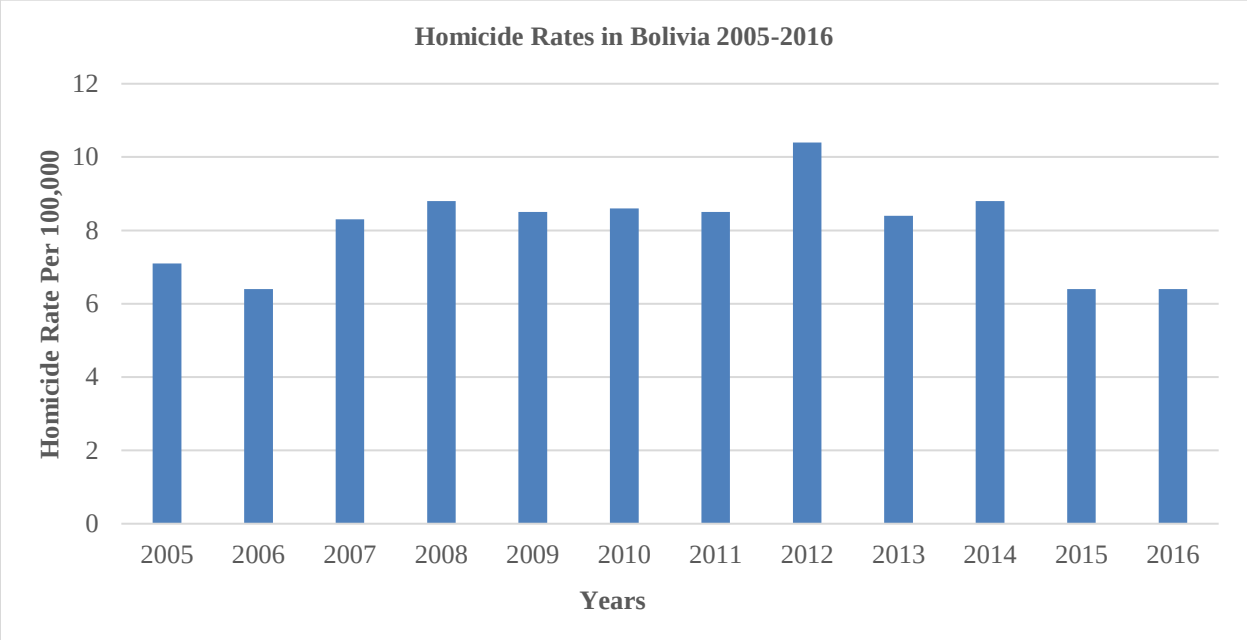
Source: World Drug Reports 2000-2015

Bolivia's Levels of Drug-Related Violence

Bolivia is unusual not only in that the country only occupies two positions in the illicit drug trade, but they are also unusual due to the low levels of drug-related violence in the country. While some family-based criminal organizations in Bolivia oversee illicit coca and cocaine production, most of the criminal organizations participating in other drug trade activities are associated with foreign transnational criminal organizations based out of Colombia and Brazil (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2013, 2017). Additionally, while Bolivia has experienced a handful of narcoterrorism-related attacks, those attacks were aimed at U.S. interests in the country, as the public accused the U.S. of violating Bolivia's sovereignty by insisting on various prohibitive drug control policies under

various military juntas. In response to Bolivia's failure to meet the standards of U.S. drug control policy, the U.S. revoked—or threatened to revoke—not only counternarcotics aid but also humanitarian aid that Bolivia desperately needed. Bolivia has also had a series of politically motivated terrorist attacks by regional independence movements, but the country has not experienced high levels of narcoterrorism. In Bolivia's long history of combating the illicit drug trade, no narcoterrorism was ever directed at the general public—unlike the cases of Colombia and Mexico discussed in earlier chapters (Youngers & Rosin, 2005).

Table 5.2 Bolivia's Homicide Rates 2005-2016



Source: *Muggah & Aguirre Tobón, 2018*

Table 5.2 presents the homicide rates in Bolivia from 2005 to 2016 and indicates that homicide rates in Bolivia have been relatively low and stable since 2005 despite a brief uptick in the rate in 2012. Additionally, Table 5.2 demonstrates that homicide rates in Bolivia have decreased by 38% since the brief spike in 2012—decreasing 10% overall since 2005. The data presented in Table 5.2 make clear that high levels of homicides related to illicit drug trade

activities are not a significant problem in Bolivia. The fact that Bolivia's national security is not threatened by high levels of drug-related violence allows them to look to alternative drug control policies that do not depend on Western counternarcotics aid, which usually requires a prohibition-based approach to drug control. Transnational criminal organizations may begin to conduct more illicit drug trade activities in Bolivia now that the draconian Law 1008 has been significantly reformed, and the allocated land allowed for the legal production of coca has increased significantly, but if Bolivia's record of keeping drug-related violence out of the country is any indication, they are well suited to maintain the relative peace in the country.

Bolivia's Cultural Views of Personal Drug Use & Elites' Views on Western Drug Control Policy and U.S. Drug Control Aid

As previously mentioned, citizens in Bolivia have long accepted the recreational and medical use of coca and cocaine while still believing in a prohibition on other illicit drugs in the country. Additionally, many indigenous Bolivians rely upon the cannabis plant to treat a variety of ailments, from muscle soreness to headaches. Indigenous populations in Bolivia have also long embraced the medicinal and cultural use of ayahuasca,[103] a natural hallucinogen grown in the jungles of some Latin American countries, with some even establishing retreats marketed to Westerners looking to experiment with the powerful drug. It is in part Bolivians' acceptance of the personal use and production of some drugs that has allowed President Morales to push through major reforms to Bolivia's strict counternarcotics law—Law 1008. The new, revised counternarcotics laws in Bolivia now distinguish between those convicted of crimes involving the personal use and production of illicit drugs and those suspected of being involved in the illicit

[103] Ayahuasca, while illegal in many Western countries, is legal in Bolivia and many other Latin American countries.

drug trade—with the former having the option to enter a rehabilitation center[104] in lieu of prison time. Under the old version of Law 1008, Bolivian law enforcement authorities did little to distinguish between recreational users and members of criminal organizations—often resulting in long prison sentences for those caught with small amounts of illicit drugs intended for personal use (Farthing & Kohl, 2010; Youngers & Rosin, 2005). Now Bolivians may possess and use small amounts of cocaine, cannabis, heroin, and ATS without fear of incarceration.

Throughout the years, various regimes in Bolivia have cooperated with U.S. officials in their attempts to combat the illicit drug trade, often permitting U.S.-led counternarcotics operations to take place in Bolivia. Regimes encompassing all positions on the political spectrum—from left- and right-wing military juntas to democratically elected leftist politicians—have been willing to accept counternarcotics aid from the U.S. that required Bolivia to enact prohibitionist drug control policies, often going against the will of the people. That changed with the election of Evo Morales in 2005 since Morales had campaigned on removing U.S. influence from Bolivia's governance and policies, focusing instead on indigenous rights and restoring national sovereignty (Farthing & Kohl, 2010). Morales—a coca grower himself—had no qualms about standing up to U.S. officials when he began to liberalize Bolivia's coca laws and sought a major overhaul of U.S.-sponsored Law 1008.

Morales, emboldened by his electoral win in 2005, soon turned his attention to U.S. counternarcotics forces in Bolivia—primarily the DEA—due to his long-held and historically accurate belief that the DEA was imposing Western beliefs about drug control policies on the country. Eventually, Morales' campaign against U.S. influence in Bolivia culminated in the ejection of DEA officials in 2008 and the subsequent suspension of U.S. counternarcotics aid in

[104] The Bolivian government often lacks the resources needed to fully fund these centers, which often results in law enforcement officials giving a verbal warning to those caught with personal amounts of illicit drugs instead of forcing them to attend a rehabilitation program.

2014. Morales escalated the tensions with Washington by also expelling the U.S. Ambassador to Bolivia, as well as the representative from the United States Agency for International Development (USAID). The anti-U.S. sentiment was not exclusive to Morales and his "Movement for Socialism" political party members, as other politicians in the country have now embraced the liberalized drug control policies of President Morales, showing support for his drug control reforms that were approved by the national assembly. Additionally, while the United States discontinued counternarcotics aid to Bolivia due to their unwillingness to cooperate in the "War on Drugs," President Morales has been able to secure counternarcotics funding from other international sources—namely the European Union, Russia, and China—demonstrating that it is possible to combat the illicit drug trade in Latin America without the assistance of the United States (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2017).

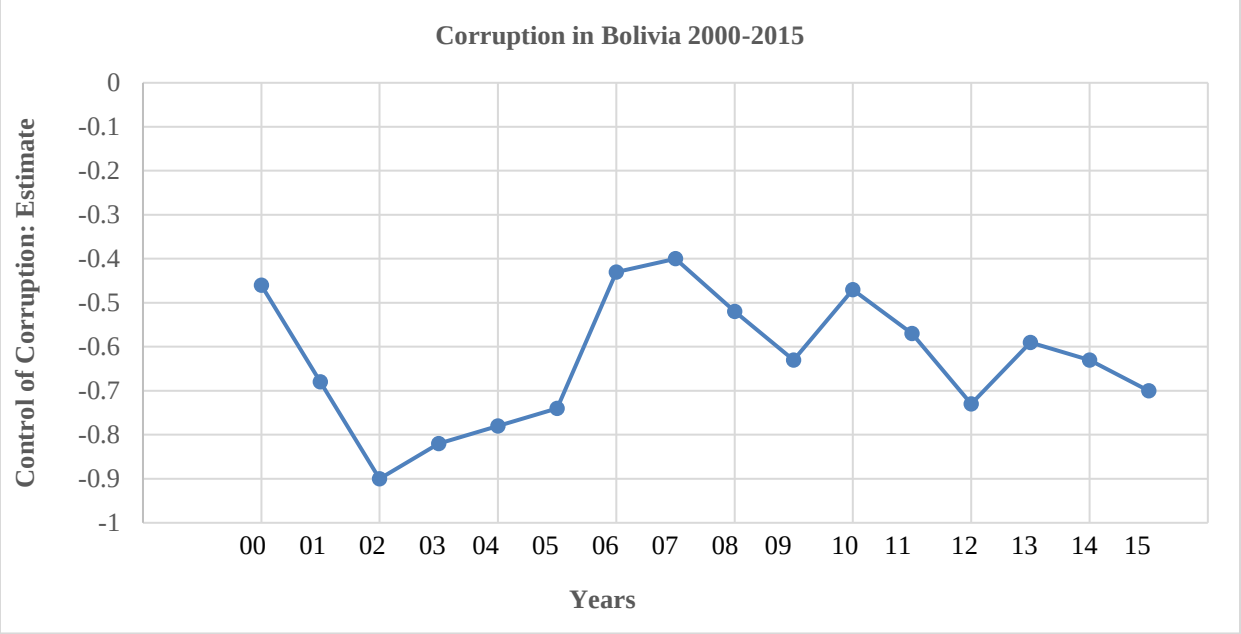
Bolivia's Corruption Levels

Bolivia, like most drug-producing countries in Latin America, has been plagued by high levels of corruption for decades, dating back to the early 1990s. Unfortunately, according to the World Bank Control of Corruption Estimate (CCE) demonstrated in Table 5.3, Bolivia's embrace of alternative drug control policies has not resulted in less corruption in the country, as Bolivia has registered CCE rankings from a 15-year low of -0.40 in 2007 to a high of -0.90 in 2002.[105] According to Table 5.3, since President Morales took office and implemented alternative drug control policies, corruption has increased in the country despite occasional periodic decreases, with Bolivia registering a CCE ranking of -0.43 in 2006 and -0.70 in 2015. The data presented in Table 5.3 make clear that while Bolivia may have avoided the high levels

[105] If we recall from earlier in the dissertation, the World Bank's CCE assigns each country a number measuring the level of corruption in the country on a scale ranging from -2.5 to 2.5, with -2.5 being totally corrupt and 2.5 being corruption-free (World Bank, 2018).

of drug-related violence seen in Mexico, Colombia, and other drug-producing states in Latin America, they have not been able to avoid the high levels of corruption associated with the drug trade, experiencing corruption levels higher than both Colombia and Mexico. While the 2016 and 2017 Bolivian World Bank corruption data has not been analyzed for this dissertation, most indications from news reports suggest that corruption remains one of the country's most pressing issues, as many of their institutions are ill-equipped to carry out duties essential in society, leaving many regions to depend on the production and sale of illicit coca and cocaine (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2012). Additionally, there are regular citizen protests in the country over the corruption in many energy sectors that the government oversees, as well as over the lack of resources available to the majority of Bolivia's poor citizens, despite the government's having signed lucrative energy deals with other nations in the region. President Morales may or may not be able to finally bring down the levels of corruption for good in Bolivia, but if his ten-year rule is any indication, Bolivians may have to wait for Morales' successor to see a legitimate anti-corruption effort in the country.

Table 5.3 Corruption Levels in Bolivia 2000-2015



Source: *World Bank, 2018*

Bolivia's Political History

Bolivia's political history is marked by military coups and constitutional governments, their modern political history beginning in the 1950s with the successful peasant revolt against the ruling military regime that had been in power since the 1920s. This revolt led to the initiation of the Bolivian National Revolution in 1952 (Youngers & Rosin, 2005). President Víctor Paz Estenssoro (1952-1956, 1960-1964, and 1985-1989) emerged from the revolution to govern Bolivia and expand constitutional rights for many in the country, establishing universal suffrage and undertaking significant land reform aimed at providing indigenous Bolivians land on which to work and live. President Estenssoro was followed by a string of presidents who continued his work of national reform for the next 12 years (Klein, 2011). The bitterly divided country debated several issues during the years of national reform, and in 1964, Vice President René Barrientos led a military coup during President Estenssoro's third term in office. The successful removal of

President Estenssoro ushered in 20 years of military coups in Bolivia, with power rotating between conservative and liberal military rulers (Klein, 2011).

In an attempt to control the disorder in Bolivian society that resulted from constant political upheaval, military and political leaders agreed to install Hugo Banzer Suárez (1972-1978 and 1997-2001) as president in 1972. Banzer oversaw substantial economic development and growth during his first administration but was plagued by protests from citizens demanding more political expression. The several elections that were intended to restore constitutional rule after the first Banzer administration were inconclusive and haunted by counts of fraud; this led to another round of coups and counter-coups by military leaders over the next two years, ultimately resulting in General Luis García Meza coming to power in 1980. General Meza ruled with an iron fist and committed numerous human rights violations against the citizens of Bolivia—eventually inflicting enough damage on his people that the U.S. cut off diplomatic ties with Bolivia (Klein, 2011; Youngers & Rosin, 2005). Meza's heavy involvement in the cocaine trade only deepened the concerns of the U.S., who withheld not only diplomatic privileges, but also U.S. counternarcotics and development aid.

After removing General Meza through a military coup in 1981, Bolivia saw three military governments over the next 14 months before eventually electing a former president who had been elected before the string of military coups: Hernán Siles Zuazo (1956-1960 and 1982-1985). Unfortunately, President Zuazo suffered a series of governing crises early in his second administration, which ultimately resulted in early elections being held in 1985 that saw Paz Estenssoro again elected president (Klein, 2011). The elections that followed continued the democratic process begun in 1982 and were all seen as legitimate by outside observers. Additionally, several former presidents or military rulers again came to power in the post-1982

era—this time through a democratic election. The current chapter of Bolivian politics began with the election of Evo Morales in 2005, ushering in a new—and often contentious—relationship with the U.S. Morales undertook several energy nationalization projects aimed at providing Bolivians with a better return on their many natural resources. Morales was re-elected in 2009 and continued his policies of granting more rights to Bolivia's indigenous populations. In 2013, Bolivia agreed to amend the constitution to give Morales a third consecutive term in office, stoking fears from democracy groups in the country that Bolivia would slide back into an authoritarian regime. Democracy advocates were later pleased when Bolivians rejected further changes to presidential term limits in a 2016 referendum and decided against President Morales' being able to hold power for a fourth consecutive term (Collyns & Watts, 2017).

Unfortunately, the Bolivian Supreme Court ruled in 2017 that Morales was entitled to run for a fourth consecutive term; the court found that the results of the 2016 referendum were the result of an "illegal defamatory campaign," which violated election law in the country (Margolis, 2018). The announcement by the Supreme Court led to massive protests in Bolivia by those who feared a slide back towards authoritarianism—including many previous supporters of Morales. Time will tell if Morales' attempt to secure a record fourth consecutive term ushers in a new era of political crisis in Bolivia, or if the people of Bolivia reject their once-beloved leader, but if Bolivia's Polity IV political regime index democracy indicator rating[106] is any indication, Bolivia's democracy has been in trouble since Morales came to power in 2006. Bolivia received a democracy indicator rating of 8 for the first three years of Evo Morales' administration, before receiving a rating of 7 in 2009. While a ranking of 7 brings Bolivia in line with Colombia and other constitutional Latin American states, the history of Bolivia's political instability gives

[106] As mentioned earlier in the dissertation, Polity IV's political regime index democracy indicator ranges from -10 to 10, with -10 being full autocracy and 10 being full democracy.

credence to those within Bolivia who fear Morales' recent actions may indicate a slide back towards authoritarianism. Now that Bolivia's political and narco-histories have been briefly touched on, I turn my attention to an examination of Bolivia's drug control policy effectiveness.

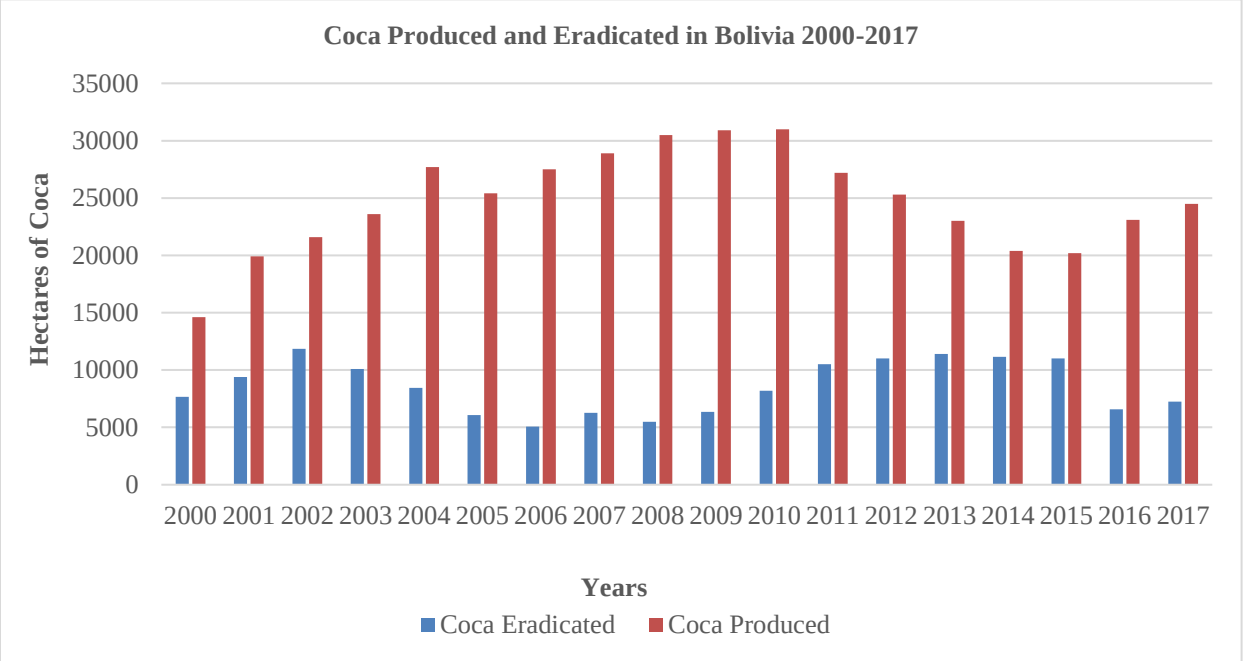
5.3 Bolivia's Drug Control Policy Effectiveness Analysis

While many drug control reform advocates have praised Bolivia's shift away from participating in the "War on Drugs," the effectiveness of the alternative drug control policies in the country are not well known. Further, while initial reports indicated that Bolivia was successful in reducing the amount of illicit coca produced in the country after President Morales severed drug control cooperation with the U.S. in 2008, it is unknown if Bolivia has continued to decrease its illicit coca production in more recent years. This section seeks to evaluate whether the alternative drug control policies enacted in Bolivia under the Morales administrations have been successful at reducing the number of illicit drugs produced in the country while also keeping pace with their historic drug seizure records. Ultimately, this section of the dissertation examines the seizure rates of cocaine and cannabis from 2000 to 2015 and the production and eradication rates of both licit and illicit coca in Bolivia from 2000 to 2017.

Table 5.4, which presents the coca production and seizure rates for Bolivia from 2000 to 2017, demonstrates that coca production rates have long been higher than the 12,000 hectares allowed under the original Law 1008, with coca production ranging from 14,600 hectares in 2000 to 31,000 hectares in 2010. Additionally, Table 5.4 illustrates that coca production initially increased for the first several years of the Morales administration—increasing 11% from 2006 to 2010. On the other hand, Table 5.4 also demonstrates that coca production has decreased overall since Evo Morales took power in 2006, with production falling 11% between 2006 and 2017.

Unfortunately, the coca production rates from 2001 to 2017 are well above the 14,700 hectares estimated by the U.N. to meet the domestic demand. Even after revising Law 1008 to allow up to 22,000 hectares in 2017, Bolivia still produced more coca than legally allowed: 24,500 hectares. The data presented in Table 5.4 make clear that coca production in Bolivia has long been higher than both the legal amount and the amount needed to supply their domestic market. It remains to be seen if illicit coca production in Bolivia will continue to rise, or if the new coca laws that permit production of up to 22,000 hectares will actually keep illicit production down, as proposed by Morales.

Table 5.4 Bolivia's Coca Production and Eradication 2000-2017



Source: World Drug Reports 2000-2015

Table 5.4, which also demonstrates the illicit coca eradication rates in Bolivia from 2000 to 2017, illustrates that illicit coca eradications have generally increased under the Morales administrations—increasing 30% from 2006 to 2017. Demonstrating the ability to combat the illicit drug trade without participating in the "War on Drugs," Bolivia has been able to increase

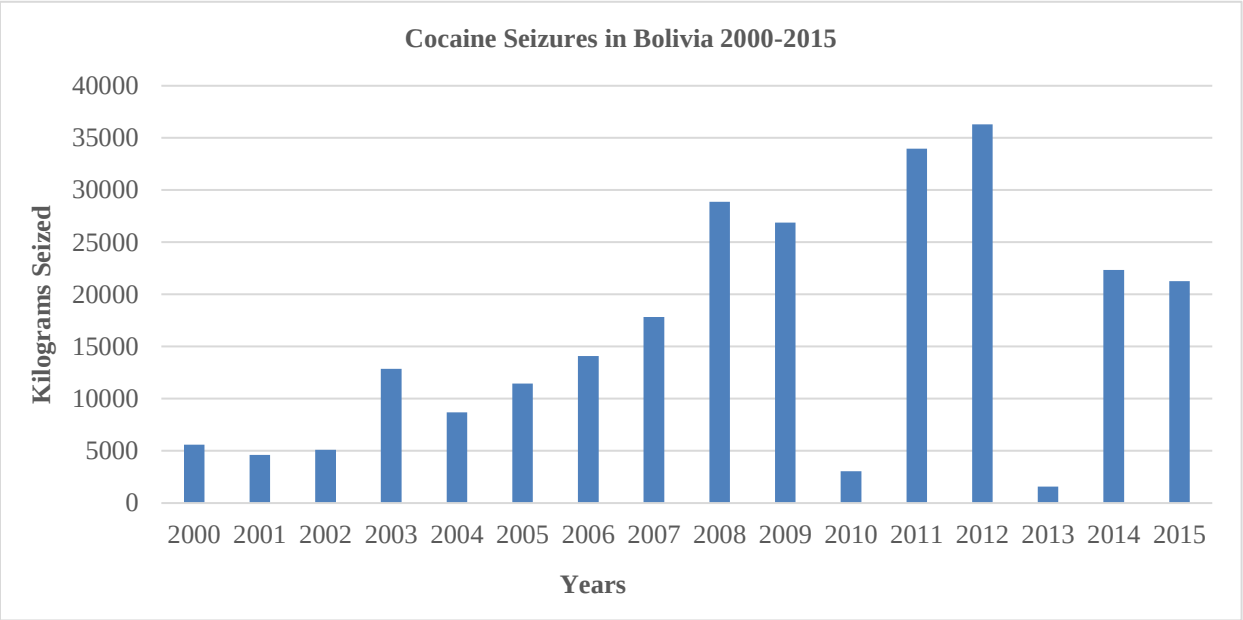
illicit coca eradications since evicting the DEA in 2008. Specifically, illicit coca eradication increased 52% from 2008 to 2013—the first five years after Bolivia no longer allowed the DEA to operate in the country. While eradications of illicit coca began to fall in 2015, such eradications have still managed to increase overall, with a 24% increase since Bolivia ended cooperation with U.S. officials on counternarcotics operations in the country. However, Table 5.4 demonstrates that eradications of illicit coca have decreased since the U.S. cut off counternarcotics aid in 2014, with eradication rates falling 35%. Even with this recent decrease, the fact that seizures of illicit coca have increased overall since the start of President Morales' alternative drug control approach, as seen in Table 5.5, indicates that it is indeed possible to successfully combat illicit coca growing without relying on U.S. assistance and without implementing total prohibitive policies.

Table 5.5, which displays the illicit cocaine seizures in Bolivia from 2000 to 2015, demonstrates that illicit cocaine seizures have generally increased under the administrations of Evo Morales, with seizures up 34% from 2006 to 2015. Table 5.5 also indicates that while illicit cocaine seizures initially increased after Bolivia expelled the DEA in 2008, cocaine seizures have not matched their historic seizure rates in more recent years. Moreover, Table 5.5 demonstrates that illicit cocaine seizures since the revocation of U.S. counternarcotics aid in 2014 have not kept pace with the rates prior to that revocation. It is evident that while Bolivia has successfully increased their seizures of illicit cocaine[107] overall under the Morales administrations, such seizures have fallen since the revocation of U.S. counternarcotics aid in 2014—leaving policymakers in Bolivia to question the nation's ability to conduct large-scale counternarcotics operations aimed at seizing illicit cocaine in Bolivia without significant financial support from the U.S. It will be challenging for Bolivia to keep pace with their historic

[107] In 2010 and 2013, illicit cocaine seizures in Bolivia were historically low for unknown reasons.

illicit cocaine seizures in the future, and the lack of international funding[108] for such operations may be detrimental to Bolivia's attempts at combating the illicit cocaine trade within the country.

Table 5.5 Bolivia's Cocaine Seizures 2000-2015



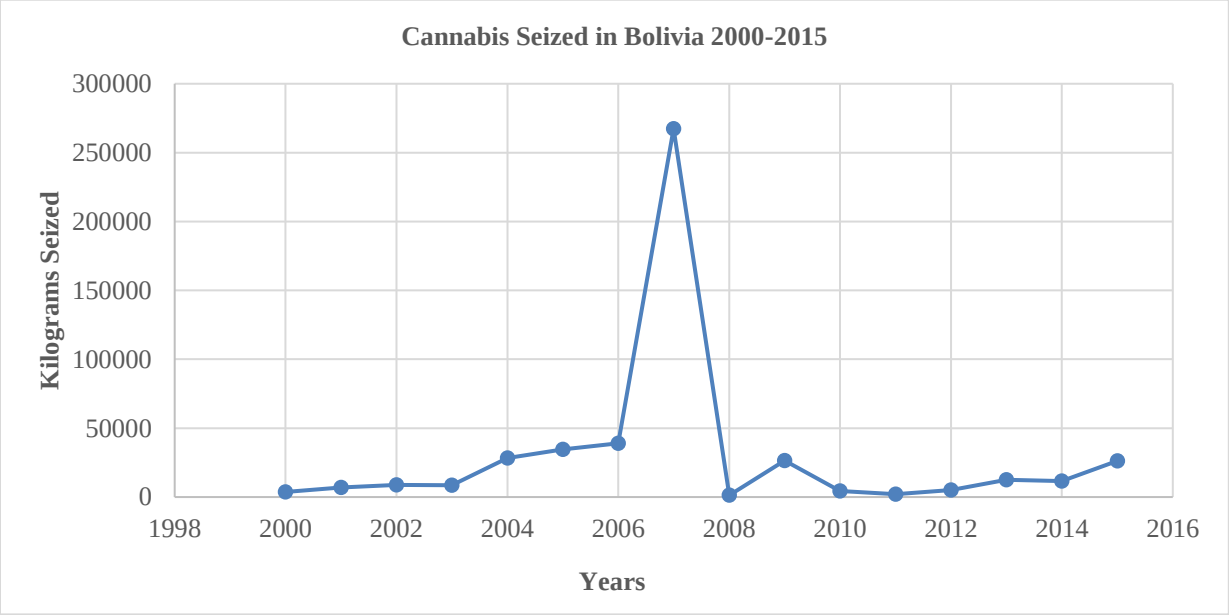
Source: World Drug Reports 2000-2015

Table 5.6, which presents the seizure rates of illicit cannabis in Bolivia from 2000 to 2015, indicates that after illicit cannabis seizures initially increased quite dramatically in 2007 with 267,381 kilograms seized, seizure rates generally returned to their historic levels in 2008 with only minor increases in more recent years. Specifically, Table 5.6 demonstrates that illicit cannabis seizure rates under the Morales administrations have increased by 33% from 2006 to 2015. While illicit cannabis destined for international markets is not mass produced by criminal organizations in Bolivia, Table 5.6 indicates that illicit cannabis seizures have increased slightly, despite not having the financial and logistical support of the U.S.—demonstrating once again that Bolivia is capable of combating the illicit drug trade without participating in the "War on

[108] While Bolivia has been successful at securing international counternarcotics funding from other sources besides the U.S. since 2014, the funds secured are far less than what the U.S. was supplying.

Drugs." Time will tell if Bolivia, much like Uruguay, who has also implemented alternative drug control policies, will experience an uptick in illicit cannabis activity by foreign transnational criminal organizations (TCOs) in the coming years, or if Bolivia will be able to continue to avoid the mass producing of illicit cannabis. Luckily for Bolivia, the information presented in chapter four indicates that TCOs are moving away from the illicit production of cannabis in Latin America—meaning criminal organizations are not likely to increase their illicit production in Bolivia in the future.

Table 5.6 Bolivia's Cannabis Seizures 2000-2015



Source: World Drug Reports 2000-2015

The data presented in this section indicates that Bolivia has had success in combating the illicit drug trade despite ending counternarcotics cooperation with the U.S. in 2008. Additionally, these results indicate that Bolivia has demonstrated that they can still conduct counternarcotics operations in the country without the financial and logistical support of the U.S., though the level of success has varied. Moreover, while Bolivia has long produced more coca in the country than what was legally allowed under both the original Law 1008 and the revised coca law enacted in

2017, the amount produced in 2017—24,500 hectares—is just over the newly revised amount allowed of 22,000 hectares. While this new legal amount is well above the 14,700 hectares estimated by the U.N. Office on Drugs and Crime as necessary to meet Bolivia's domestic needs, Bolivia has begun processing coca-based products intended for export to international markets. We cannot yet know if Bolivia will finally be able to reduce its illicit coca production with its revised law, but the results of this section show that it is indeed possible to control illicit drug trade activities in a country that refuses to participate in the "War on Drugs" and enact drug control policies based on the prohibition of all illicit drugs. However, despite the positive results of Bolivia's alternative drug control effectiveness, the country may have been aided by other factors not accounted for in the analysis. Other factors such as the fluctuation of international drug markets, the successful drug control efforts of local law enforcement not traditionally tasked with counternarcotics operations, and changes in Bolivia's labor market all potentially impact the production and trafficking of illicit drugs in the country. Regardless of the reasons why Bolivia has been able to successfully stem the production and trafficking of illicit drugs in the country, the results presented here indicate that the country has indeed implemented a successful alternative drug control policy.

5.4 Bolivia's Narco-economy Analysis

Table 5.7 presents the results from Bolivia's narco-economy analysis, which examines the relationship between Bolivia's illicit drug trade activities and their domestic economy as measured by GDP at Purchasing Power Parity (PPP). An examination of the Pearson's correlation results located in Table 5.7 shows that counternarcotics operations in Bolivia that have resulted in the seizure of illicit cocaine have had a moderately positive relationship with

Bolivia's legitimate economy. These numbers suggest that cocaine seizure operations in Bolivia potentially have no negative impact on their legitimate economy, with a correlation coefficient of 0.508. One possible reason illicit cocaine seizures may not negatively impact Bolivia's economy lies in the fact that successes in illicit cocaine seizures could mean that fewer resources are needed to halt illicit cocaine production in the country. Additionally, the data presented in Table 5.7 suggest that the production of coca in Bolivia has a weak positive relationship with Bolivia's legitimate economy. With Bolivia actively producing coca to process into coca-based products intended for international export, this positive relationship is unsurprising. Regardless of the ways and means, the findings presented in Table 5.7 suggest that a weak positive relationship between coca production and Bolivia's legitimate economy may exist, producing a coefficient of 0.203.

Despite the positive relationships between the legitimate economy of Bolivia and their illicit drug trade activities described above, the production of illicit cocaine is not the primary industry in Bolivia, as the country is rich in natural resources and has experienced an increase in demand for their natural gas by countries in the region, especially Brazil. Bolivia's economy is largely driven by industries such as mineral mining, oil and natural gas export, and textile manufacturing as the industrial sector of the economy makes up approximately 38% of GDP, while the growing service sector makes up approximately 48%. Unfortunately, despite being rich in resources and experiencing recent growth in their manufacturing sector, Bolivia remains one of Latin America's least developed countries (Central Intelligence Agency, 2018). Despite the U.S. suspending all counternarcotics aid to Bolivia and ending much of their diplomatic relations with the country, Bolivia still maintains a small trading relationship with the U.S. However, Bolivia's main trading partners are other Latin American states with Brazil and Argentina

purchasing approximately 18% and 16% of Bolivia's exports respectively. Interestingly, the international communities' focus on Bolivia's overproduction of coca may be all but rhetorical as the legal coca industry in Bolivia only accounts for approximately 2% of their GDP annually—leaving little incentive to maliciously overproduce a relatively minor crop in Bolivia's larger agriculture sector (United Nations Office on Drug and Crime, 2012, 2016). While more research is needed to truly know how the illicit drug trade activities in Bolivia impact their legitimate economy, from the results in Table 5.7, it seems likely that neither effective seizures of illicit cocaine nor the production of coca has a negative effect on Bolivia's legitimate economy.

Table 5.7 Bolivia's Narco-economy Correlation Analysis

Variable:	Coca Production	Coca Eradication	Cocaine Seizures	Cannabis Seizures
GDP	0.203*	0.310	0.508*	-0.024
(P Value)	.040	.247	.050	.930

* Significant at the .05 level
GDP measured in PPP (logged)

5.5 Bolivia Conclusion

The results presented in this chapter indicate that Bolivia has been moderately successful at combating the illicit drug trade while embracing alternative drug control policies that do not entirely conform to the international drug control regime set out in the 1961 U.N. Single Convention on Narcotic Drugs. While Bolivia was successful in their quest to amend the U.N. Convention to allow for the chewing of coca leaves for cultural purposes, they have not received such an exemption to mass produce coca for international export—which means they are technically in violation of the Convention. Additionally, even though Bolivia has implemented an alternative drug control approach to combat the illicit drug trade, they have nonetheless been

successful in both reducing the amount of illicit drugs produced in the country and increasing the seizure of illicit drugs that have avoided eradication—demonstrating that Bolivia is perfectly capable of combating the illicit drug trade without participating in the "War on Drugs." Specifically, Bolivia has been able to reduce the amount of illicit coca produced during the Morales administrations as well as increase their eradications of illicit coca plants.

Bolivia has also been able to increase the amount of illicit cocaine and cannabis seized in the country since Evo Morales took office in 2006 and started to clash with U.S. officials over Bolivia's participation in the "War on Drugs." While corruption has continued to rise, and Bolivia's democracy rating has fallen under President Morales, Bolivia has demonstrated their ability to successfully combat the illicit drug trade without relying on counternarcotics aid and logistical support from the U.S.—an accomplishment not shared with many other nations in the region. Lastly, the information outlined in the narco profile, combined with the results of the drug control effectiveness and narco-economy analyses, help us understand some of the possible reasons why Bolivia has continued to not fully accept the international drug control regime established in the 1961 U.N. Single Convention on Narcotic Drugs. Now that we have a better understanding of Bolivia's narco-economy and alternative drug control policies, let us turn our attention to the case of Uruguay, who also employs alternative drug control policies in the fight against the illicit drug trade.

CHAPTER SIX: URUGUAY

6.0 Introduction

Much like Bolivia, Uruguay has decided to experiment with alternative drug control policies in their attempts to combat the illicit drug trade activities in the region. Specifically, Uruguay has implemented a regulatory system that allows for the production and use of recreational cannabis since 2013. Additionally, unlike Bolivia, Uruguay maintains a level of cooperation with the U.S. in combating the illicit drug trade in Latin America while still implementing alternative drug control policies domestically. In contrast to the cases examined previously, Uruguay has allowed for the possession and use of all illicit drugs in the country since 1974. Uruguay's ability to have divergent international and domestic drug control policies provides another example for those Latin American countries looking to step away from the decades-old policies of the failed "War on Drugs" and offers unique insights into the outcomes of other alternative drug control policy in Latin America.

This chapter seeks to understand how Uruguay is currently combating the illicit drug trade and explores the effectiveness of historical drug control policies and counternarcotics operations undertaken in the country. To fully understand if those alternative measures taken to combat the illicit drug trade had an impact on the flow of illicit drugs, this chapter examines the illicit drug seizure rates of Uruguay between the years 2000 and 2015. Additionally, this chapter examines how Uruguay has implemented their recreational cannabis policy that rejects the international drug control conventions established by the 1961 United Nations Single Convention on Narcotic Drugs. Moreover, an examination of the relationship between Uruguay's

legitimate domestic economy and their narco-economy is also explored in this portion of the research project. Lastly, Uruguay's "narco-profile," which provides context to the qualitative and quantitative analyses contained within this section, is also presented.

6.1 Uruguay's Drug Production and Control Overview

Historic Drug Production and Drug Control Policies

Uruguay is unique among the cases examined in this dissertation as there has not been significant illicit drug production in the country historically. Unfortunately, even with this absence, Uruguay has still fallen victim to illicit drug trade activities, as they have long been a transit country for illicit drugs[109] destined for Europe. More recently, Brazilian Transnational Organizations (BTCOs) have expanded their trafficking operations in Uruguay—illustrating the growing presence of transnational criminal organizations in countries historically exempt from their presence (Goi, 2017). Additionally, while Uruguay is not a major producer of cannabis sold on the international market, they have long produced illicit cannabis sold in their domestic black market (United Nations Office on Drugs and Crime, 2011). Uruguay is also unique among Latin American countries as it has allowed for the personal use and possession of drugs since the enaction of Law 14.294 in 1974, which sought to combat the illicit drug trade but also included a provision allowing for the personal use and possession of illicit drugs for recreational purposes (Caiuby Labate et al., 2016; Zepeda & Rosen, 2015). More recently, Uruguay again made history among countries in not only Latin America but the entire world, as it became the first country to fully legalize and regulate the recreational use of cannabis in 2013 under Law 19.172 (Walsh &

[109] Mainly cocaine produced in Peru and Bolivia (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2017).

Ramsey, 2015). While Uruguay has long allowed the use and possession of illicit drugs for personal recreation, that was not always the case.

Prior to 1974, Uruguay pursued prohibitionist drug control policies influenced by international agreements that sought to control the production and trafficking of illicit drugs—mainly opium and heroin (Garibotto, 2011; Zepeda & Rosen, 2015). In 1934, Uruguay first attempted to combat illicit drug trade activities in the country by amending the criminal code to prohibit commercial activities involving illicit coca and opium. Later that same year, Uruguay expanded their prohibitionist policies by enacting Law 9.692, which sought to bring Uruguay's legal framework in line with the International Opium Conventions signed at the Hague in 1912 (Garibotto, 2011). Uruguay employed prohibitionist drug control policies for the next 40 years until the issue of personal drug use was again debated in the country. In 1974, Uruguay passed Law 14.294, which still maintained strict penalties for those involved in illicit drug trade activities while creating a legal loophole that allowed for the personal use and possession of illicit drugs—essentially enacting a policy of drug decriminalization in the country. Specifically, Article 31 of Law 14.294 stated that those who possess "a minimum quantity" of illicit drugs for "personal consumption" shall be exempt from the punishments or legal charges outlined in Law 14.294 (Garibotto, 2011; Zepeda & Rosen, 2015). While the new legislation allowed for the personal use and possession of illicit drugs, the wording surrounding the amount of drugs one could possess came to be somewhat controversial. The law allowed individual judges to determine what amount of drugs was a "minimum quantity," and thus, the application of the law was not universal—often resulting in the incarceration of some individual drug users in possession of what others would have considered a personal amount of illicit drugs.

Additionally, while the personal use and possession of illicit drugs were technically allowed under Law 14.294, the distribution of illicit drugs was still strictly prohibited.

Uruguay expanded their ability to combat illicit drug trade activities in the country when they established the National Drug Board (in Spanish, La Junta Nacional de Drogas, or JND) in 1988. The JND comprises various officials from a variety of departments across the government, with the sole intention of "waging an effective struggle against drug trafficking and the abusive use of drugs" in the country (Zepeda & Rosen, 2015). The JND also became responsible for overseeing the implementation of drug control policy in Uruguay—often led by the concerns of the Ministry of Health. The creation of the JND allowed Uruguayan officials to be sure they were meeting the concerns of all sectors of government when crafting drug control policy—quite different than the traditional reliance on the concerns primarily from law enforcement officials.

In 1998, Uruguay again amended their drug control laws by enacting Law 17.016, which sought to revise Uruguay's legal framework to comply with the 1988 U.N. Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances (Garibotto, 2011; Zepeda & Rosen, 2015). While the new counternarcotics law did bring Uruguayan law into line with the 1988 U.N. Convention, Uruguayan officials refused to implement certain aspects of the Convention—specifically the prohibition on personal drug use and the reforms surrounding banking transparency aimed at combating money laundering (Garibotto, 2011). Moreover, Law 17.016 contained clearer language on what constituted a personal amount of illicit drugs by changing the ambiguous wording contained in the previous Law 14.294. Under the new law, a personal amount of illicit drugs was defined as a "reasonable amount"—a change from the "minimum quantity" contained in Law 14.294 (Zepeda & Rosen, 2015). Law 17.016 allowed

judges to use precedent to provide more uniform rulings regarding the personal possession of illicit drugs while still prosecuting those involved in illicit drug trade activities.

Unfortunately, Law 17.016 contained a provision that fueled the purchase of illicit drugs from criminal organizations in the country, as the law required harsher punishments for those caught with illicit drugs they themselves had produced rather than purchased from someone else—resulting in many Uruguayans forgoing the production of their illicit drugs and turning to the black market[110] to secure their drugs. Law 17.016 guided Uruguayan drug control policy for the next 15 years until the passage of Law 19.172 in 2013, which legalized the production, use, and possession of recreational cannabis. Interestingly, Law 19.172 was enacted by the Uruguayan legislature despite not receiving the majority of support from the citizens of Uruguay at the time (Cerdá & Kilmer, 2017; Fiorentini, 2013). A primary concern for lawmakers who moved forward with the legalization of recreational cannabis despite public objections was to create a legal market in Uruguay before Latin American transnational criminal organizations (TCOs) were able to start major cannabis production sites in the country. Uruguayan officials essentially wanted to cut off a potential revenue stream for the TCOs who were already in the process of expanding their production activities into neighboring countries in the region. The implementation of Law 19.172, along with their history of policies decriminalizing drug use and possession, illustrates Uruguay's willingness to break with the prohibitive policies associated with the "War on Drugs" and implement alternative drug control policies.

History of U.S. Drug Control Assistance in Uruguay

While Uruguay does not have a history of significant illicit drug production, they still have maintained a low level of counternarcotics cooperation with the United States. Uruguay has

[110] Cannabis black market sales particularly rose during this period of time (Zepeda & Rosen, 2015).

long received administrative support and law enforcement training from U.S. officials to aid in their attempts at combating illicit drug trafficking in the country. Additionally, Uruguay has demonstrated a willingness to cooperate with the U.S. on legal matters by maintaining an extradition treaty with the United States since 1984. Uruguayan law enforcement agencies have also provided information on illicit drug trade activities in the region to U.S. counternarcotics and law enforcement officials through a mutual legal assistance treaty[111] established in 1994. Further, Uruguayan law enforcement agencies have occasionally partnered with the U.S. in counternarcotics operations in Latin America and have pledged to cooperate by signing a letter of agreement with the United States (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2017). It is important to note that Uruguay is not a recipient of significant counternarcotics aid from the U.S., instead relying on law enforcement support from the U.S. and European countries not specifically earmarked for drug control enforcement.

Uruguay's Legalization of Cannabis

While many nations are debating the legalization of recreational cannabis—not only as a means of generating much-needed revenue but also as a strategy to combat the illicit drug trade—Uruguay made history on December 10, 2013, by becoming the first country to implement a nationwide cannabis law that allows for the production, use, and possession of recreational cannabis for their residents 18 years of age or older[112] with the passage of Law 19.172 (Hudak, Ramsey, & Walsh, 2018). When crafting Law 19.172, Uruguayan policymakers

[111] A mutual legal assistance treaty (MLAT) is an agreement between two countries to share information that may assist in criminal investigations in their respective countries (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2017).

[112] Cannabis sales are restricted to nationals only; foreigners are not allowed to buy legal cannabis in Uruguay to dissuade criminal organizations from taking advantage of the law. Permanent residents can begin to buy recreational cannabis in Uruguay after they have lived in the country for two years.

had several goals they wanted to accomplish, their primary concern being the reduction of drug-related violence in the country. Policymakers also wanted to promote public health by regulating the use of cannabis in the country, as well as clear up the legal gray area in place since the passage of Law 14.294 in 1974 that allowed citizens to possess and use recreational drugs without providing them a legal means of acquiring the drugs. While Uruguay's recreational cannabis law was signed into law in 2013, Uruguay took the next three-and-a-half years to craft regulations that would govern not only how cannabis would be used in the country but also how residents would be able to purchase the drug (Arsenault, 2018). The first recreational cannabis sales in Uruguay took place on July 19, 2017—marking the first time a country allowed the nationwide sale of an illicit drug since the adoption of the 1961 U.N. Single Convention on Narcotic Drugs (Hudak et al., 2018).[113]

Those residents who wish to purchase cannabis in Uruguay must buy it from licensed pharmacies or cannabis clubs that have been approved by the state. Additionally, residents must scan their fingerprint when making a cannabis purchase, which allows the government to keep track of their purchases and usage habits. Those cannabis users found to have purchased more than their 40 gram a month[114] limit will be required to enter a treatment facility for cannabis addiction and investigated to make sure they are not selling the cannabis on the black market. Additionally, only certain pharmacies are licensed to sell cannabis, and cannabis clubs, which are limited to dispensing 480 grams of cannabis per customer per year, cannot have more than 45 members. Currently, Uruguay has around 83 cannabis clubs, with applications still being processed for others to open (Arsenault, 2018). The cannabis sold in Uruguayan pharmacies and

[113] While other countries such as the Netherlands allow recreational cannabis use and sale, they restrict such activity to geographic locations and do not have nationwide policies legalizing the drug.
[114] For context, U.S. recreational cannabis laws allow individuals to possess up to 1 ounce (28.6 grams) of cannabis at one time with no restrictions on how much one can use in a given time period.

cannabis clubs is produced by licensed growers who have received production permits from the state, but there is currently a shortage of producers, as only two have been issued permits—often creating supply shortages (Arsenault, 2018; Hudak et al., 2018). Additionally, to avoid transnational criminal organizations exploiting the law and producing cannabis intended for sale on the international market, Uruguayan officials require the cannabis produced and sold in the country to be very low[115] in THC—making illicit cannabis production and trafficking easier to detect (Hudak et al., 2018; Walsh & Ramsey, 2015; Zepeda & Rosen, 2015).

Those Uruguayans who do not wish to purchase their cannabis from licensed pharmacies or cannabis clubs are allowed to grow up to six cannabis plants for personal use after they have registered[116] with their local post office. Unlike other recreational cannabis laws, Uruguay's cannabis law is somewhat restrictive in the access it provides its residents. Registered users must stick with their preferred method of securing the drug; in other words, they must choose exclusively between growing their own cannabis, joining a cannabis club, or purchasing cannabis from a registered pharmacy but cannot acquire their cannabis in more than one way (Hudak et al., 2018). To ensure that the cannabis regulations are being followed, Uruguayan officials created the Institute for the Regulation and Control of Cannabis (Spanish acronym IRCCA), which is formally under the jurisdiction of the Ministry of Health. The IRCCA is tasked with monitoring cannabis use, abuse, sale, and production in Uruguay to ensure all regulations are being met and illicit cannabis is not being significantly produced (Arsenault, 2018; Hudak et al., 2018; Walsh & Ramsey, 2015; Zepeda & Rosen, 2015).

[115] Cannabis legally produced in Uruguay contains 2-9% THC, quite lower than cannabis sold in the U.S. and Canadian markets, which contains anywhere from 22% to 32% THC.

[116] Officials put the post office in charge of registering those who wish to grow cannabis for personal use in order to satisfy the concerns of those that believed having law enforcement in charge of such a process would encourage black market production due to growers' reluctance to register with the police

More recently, Uruguay has sought to further revise their cannabis laws to allow for more retail access outside of licensed pharmacies and cannabis clubs by creating a system of storefront recreational cannabis dispensaries like those found in the U.S. and Canada. These cannabis dispensaries will give more options of access to those who wish to purchase cannabis legally in Uruguay instead of restricting sales to a handful of licensed pharmacies and cannabis clubs that are at capacity and not taking new members. Additionally, Uruguay took the step of implementing a medical cannabis law in 2015 after they first passed their recreational cannabis law in 2013. Historically, recreational cannabis legislature has been implemented after medical cannabis laws in other nations—mainly in some U.S. states and Canada. Uruguay's medical cannabis law allows those with qualified conditions to use the drug for medicinal purposes, though they must comply with the same regulations[117] set out in their recreational cannabis law 19.172—primarily the limit of 40 grams a month (Hudak et al., 2018). In another policy divergence[118] from U.S. medical cannabis laws, Uruguay's medical cannabis law also allows for the health sector to prescribe medical cannabis products to qualified individuals (Hudak et al., 2018).

While the implementation of Uruguay's recreational cannabis law has gone fairly well, with no major issues arising in the sale or usage of the drug, the lack of official supply and legal access has presented some challenges for policymakers. The duopoly currently in place with only two official suppliers of cannabis in the country has created supply shortages, which have allowed black market sales to continue. Black market sales have also continued because of challenges some residents face in trying to obtain legal cannabis—often not being able to

[117] In the U.S. and Canada, medical cannabis patients can possess and grow more cannabis than recreational users. In California, for example, medical cannabis patients are allowed to possess 8 ounces of cannabis compared to the 1 ounce allowed for recreational users.

[118] In the U.S., medical cannabis patients rely on non-profit storefront dispensaries to sell them their medical cannabis and are not "prescribed" medical cannabis—just recommended to use it by a physician since it is still illegal at the federal level.

purchase the drug legally from pharmacies or cannabis clubs due to high demand. Fortunately, Uruguayan policymakers are hopeful the recent reforms allowing for more official growers and creating more access points through the creation of cannabis dispensaries will help alleviate some of these concerns. A more pressing concern for lawmakers is that the banking sector in Uruguay has not been able to service the growing cannabis industry due to fears of running afoul of large U.S. banks and international law. Policymakers in Uruguay hope that Canada's entrance into the recreational cannabis business will help change international law and American banking practices to allow cannabis businesses access to banking services.

Lastly, the biggest concern for policymakers in Uruguay is that Law 19.172 violates international law by not adhering to the 1961 U.N. Single Convention on Narcotic Drugs prohibition on the sale of illicit drugs (Hudak et al., 2018; Zepeda & Rosen, 2015). Recalling from earlier in the chapter, Uruguay has long sought to maintain compliance with the international drug regime—even when exempting themselves from the prohibition of personal drug use on the grounds of denying[119] human rights to their citizens. Currently, Uruguayan lawmakers are working with the U.N. Office on Drugs and Crime to find alternative interpretations of the drug control conventions that would still maintain a prohibition on drug trade activities but would also allow for the personal use of illicit drugs in the name of human rights. Additionally, Uruguay is working with other states interested in implementing recreational cannabis laws to pressure the U.N. to amend the drug control conventions to allow for the sale of recreational cannabis—employing the same approach Bolivia did with chewing of coca. Unfortunately, it does not yet appear that the U.N. is ready to amend the current drug control regime, as they have recently announced that Canada is in violation of the Conventions

[119] Uruguayan officials have long held that denying their citizens the ability to use and possess personal amounts of illicit drugs is a violation of their citizens' human rights (Zepeda & Rosen, 2015).

with the implementation of their recreational cannabis law in October 2018 (Valvur, 2018). Time will tell if the U.N. decides to amend the international drug control conventions to allow for the sale of recreational cannabis, but with the U.S. expected to fully legalize recreational cannabis at the federal level by 2024, one can deduce that the international prohibition on the sale and use of recreational cannabis is not going to be around much longer—regardless of the actions taken by Uruguayan officials.

6.2 Uruguay's Narco Profile

To have a complete picture of the illicit drug trade activities and their impact in Uruguay, a narco profile is needed. The narco profile will provide further insight into narcotics production and trafficking within Uruguay by including the following information: the types of positions occupied within the drug trade; the types of illicit drugs produced domestically; current and historical levels of drug-related violence; an analysis of Uruguay's cultural views on illicit drug use and the laws governing recreational use; an overview of Uruguay's political elites' opinions on U.S. counternarcotics aid and interventions; an examination of corruption levels in Uruguay; and a brief analysis of the country's political landscape and regime history.

Uruguay's Drug Trade Positions and Production

As mentioned previously, Uruguay is not a significant producer of illicit drugs destined for the international market, but they have long occupied the transportation position in the illicit drug trade, as they have historically been a transit country for illicit drugs—namely cocaine—destined for Europe. Even with the historical designation as a transit country, Uruguay has long been spared much of the illicit drug trade activity seen in other countries in Latin America—seizing less than 1% of the global illicit cannabis and cocaine seizures from 2000 to 2015.

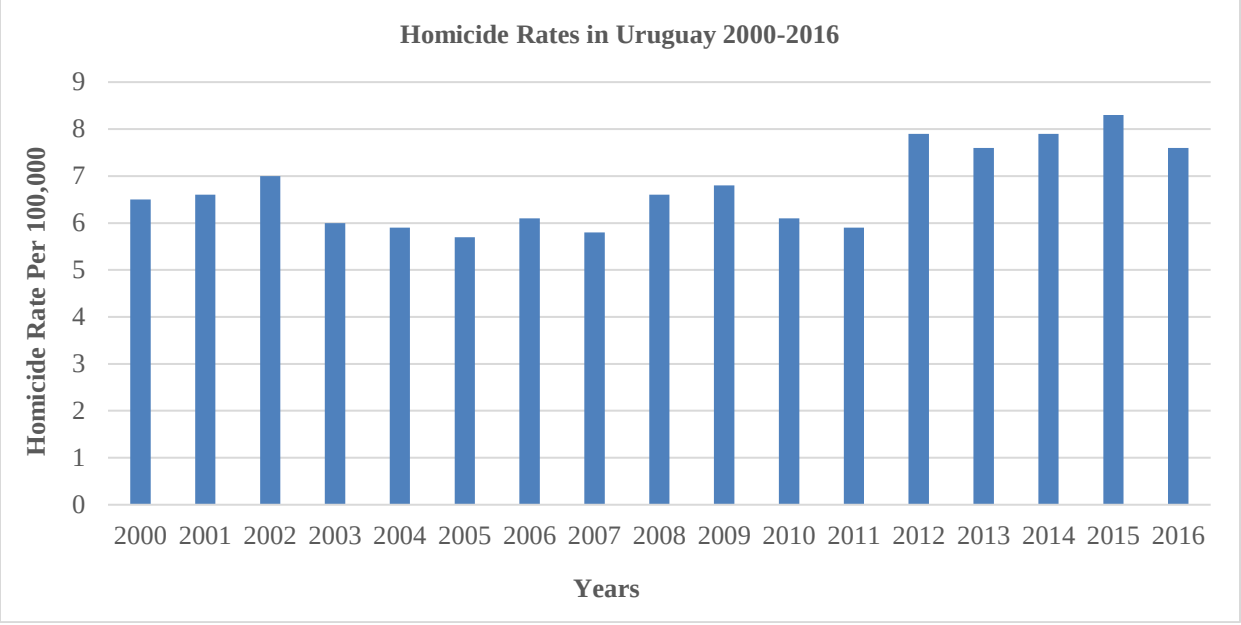
Uruguay also occupies the finance position in the illicit drug trade, as issues surrounding money laundering have historically plagued the country (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2010, 2017). In the past, Uruguay has resisted calls from the international community to reform their banking laws to make them more transparent and bring them in line with the international practices aimed at combatting money laundering. Even when Uruguay reformed their drug control laws in 1998 to adhere to the 1988 U.N. Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, they refused to comply with the ban on personal drug use and the articles pertaining to banking secrecy (Zepeda & Rosen, 2015). While Uruguay has taken steps to better align their banking laws with international standards, they are still designated a "major money laundering country" by the U.S. Department of State's Bureau for International Narcotics and Law Enforcement Affairs. Lastly, while Uruguay does not produce a significant amount of cannabis sold on the international market, they do produce illicit cannabis sold on their domestic black market. The relationship between the drug trade positions occupied by Uruguay and their willingness to adopt alternative drug control policies will be explored later in the chapter, but now an examination of Uruguay's homicide rates is found below.

Uruguay's Levels of Drug-Related Violence

Like Bolivia, Uruguay has been fortunate enough to not experience significant levels of drug-related violence. Uruguay did experience some politically related violence during the military coup and dictatorship from 1973 to 1985, but they have not experienced the high levels of drug-related murders found in neighboring countries. Table 6.1 presents the homicide rates in Uruguay from 2000 to 2016 and demonstrates that the homicide rate remained relatively stable from 2000 to 2011—decreasing 9%—before experiencing a significant jump of 25% between

2011 and 2012. The homicide rate in Uruguay continued to remain higher than the historical norm from 2012 to 2016—only decreasing 4% in that time. Overall, the homicide rate increased 15% from 2000 to 2016. Additionally, this data lend credence to lawmakers' reasons for legalizing recreational cannabis despite the objections from the majority of citizens, arguing legalization was carried out in response to rising drug-related violence in the country. Unfortunately, Uruguay has continued to experience a higher than normal murder rate despite enacting their recreational cannabis legislation in 2013, demonstrating that the legalizing of recreational cannabis has yet to curb drug-related violence in the country. While the more recent homicide rate data for Uruguay is not available, one would hope that the high levels of drug-related murders will begin to decrease now that cannabis is available to purchase in the country as of July 2017.

Table 6.1 Uruguay's Homicide Rates 2000-2016



Source: *Muggah & Aguirre Tobón, 2018*

Uruguay's Cultural Views & Elites' Views on Western Drug Control Policy and U.S. Drug Control Aid

Uruguayan citizens and elites have long-held liberal views towards the personal use of illicit drugs in the country, dating back to 1974 with the enactment of Law 14.294, which allowed for the personal use and possession of illicit drugs. However, these tolerant views are not limited to the issue of illicit drugs, as they have also supported other liberal policies, such as the legalization of prostitution and abortion (Adams, 2018).[120] Uruguay is often considered one of the most progressive countries in the world as they have constantly, through conservative and liberal governments alike, enacted policies aimed at providing more liberty to their citizens (Goñi, 2016; Mander, 2014; Tummino & Brazil, 2016). While it should come as no surprise that the left-leaning politicians in Uruguay have supported the personal use of illicit drugs, the support for drug decriminalization by more conservative-leaning politicians is somewhat surprising, given the stance conservative politicians in Latin America have historically taken on drug legalization. Even while advocating for personal use laws, Uruguayan elites from both ends of the political spectrum have long supported the international community's efforts to combat the illicit drug trade and have cooperated with the U.S. in disrupting the flow of drugs internationally. Moreover, while Uruguayan elites have historically been willing to accept international law enforcement aid, they have been reluctant to accept aid that was intended solely for counternarcotics operations, instead preferring aid that assists law enforcement agencies generally (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2012). Further, while many observers credit President José Mujica (2010-2015) for initiating recreational cannabis legalization in Uruguay, the debate surrounding the personal use

[120] Prostitution has never been illegal in Uruguay and was officially legalized in 2002 (U.S. Department of State Bureau for International Narcotics and Law Enforcement Affairs, 2007). Additionally, Uruguay is one of two Latin American countries that have legalized abortion, doing so in 2012, with Cuba being the first in 1979 (Adams, 2018).

of drugs and the legalization of recreational cannabis has actually taken place over several administrations.

Uruguayan policymakers first seriously began debating legalizing recreational cannabis under the administration of President Jorge Batlle (2000-2005), who proposed the legalization of not only recreational cannabis but also cocaine as a means to control the illicit drug trade activities in the country (Caiuby Labate et al., 2016). President Batlle abandoned his drug control reform when Uruguay entered into a major economic recession in 2003, but Batlle's drug reform work continued under the administration of President Tabaré Vázquez (2005-2010), who abandoned the debate around cannabis and cocaine legalization, instead focusing on the treatment of drug users by expanding access to treatment centers throughout Uruguay (Caiuby Labate et al., 2016). The issue of legalizing cannabis came to the forefront again under the administration of President José Mujica, who succeeded in pushing the legislation through parliament and signed Law 19.172 on December 20, 2013 (Hudak et al., 2018).

While Uruguayan elites have been in favor of both drug decriminalization and legalization for quite some time, the public's view of the legalization of drugs has been somewhat mixed. As previously mentioned, President Mujica's administration implemented Law 19.172 despite the majority of the public (60%) being against the legalization of recreational cannabis (Cruz, Boidi, & Queirolo, 2018a). Even with the recreational cannabis law being fully implemented in 2017, 54.1% of Uruguayans still oppose cannabis legalization in the country, with many believing the law has worsened illicit drug trade activities (Cruz, Boidi, & Queirolo, 2018b). While the majority of Uruguayans are opposed to the legalization of recreational cannabis, 50% do support an individual's right to use and produce the drug (Cruz et al., 2018b). We will have to wait to see if the Uruguayan publics opinion of recreational cannabis

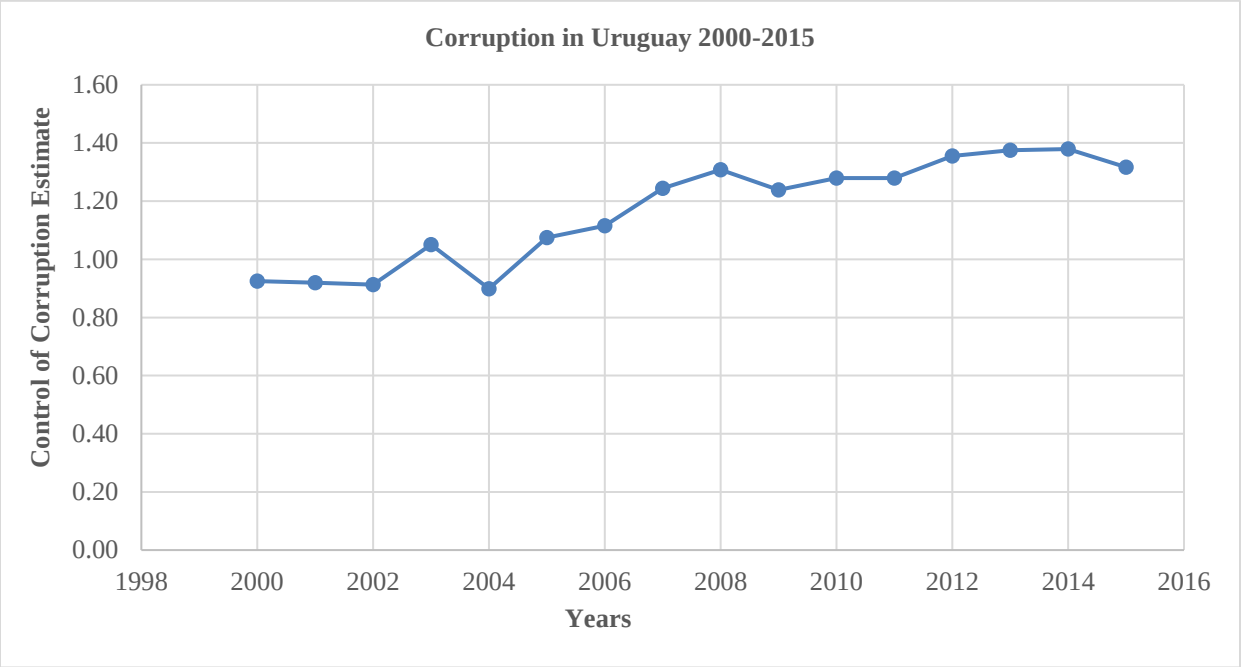
legalization will continue to improve, but the fact that more of the public supports the law now that it has been in place for several years is a good sign for proponents of the law.

Uruguay's Corruption Levels

Uruguay has also had the good fortune to not experience high levels of corruption in their more recent history—differentiating them from the other cases examined in this dissertation. Table 6.2, which demonstrates the World Bank's Control of Corruption Estimate (CCE), shows that Uruguay has improved their control of corruption overall from 2000 to 2015. Specifically, Table 6.2 illustrates that Uruguay's CCE ranking[121] rose from 0.93 in 2000 to 1.32 in 2015. In fact, Uruguay is the only case examined in this dissertation that has registered a positive CCE ranking for all the years analyzed. Additionally, Uruguay's implementation of an alternative drug control policy in 2013 did not significantly impact their ability to control corruption in the country, registering a CCE of 1.36 in 2012 and 1.32 in 2015. Whether Uruguay will continue to experience low levels of corruption in the coming years is unknown, but the future remains bright if their more recent history is any indication.

[121] If we recall from earlier in the chapter, CCE assigns each country a number on a scale from -2.5 to 2.5, with -2.5 being totally corrupt and 2.5 being corruption-free (World Bank, 2018).

Table 6.2 Corruption Levels in Uruguay 2000-2015



Source: *World Bank, 2018*

Uruguay's Political History

Similar to that of Bolivia, Uruguay's political history is marked by a series of military coups since the country obtained independence on August 25, 1825 (Finch, 1981). From 1903 to 1933, Uruguay experienced an expansion of the welfare state under democratically elected presidents beginning with President José Batlle y Ordóñez (1903-1907 and 1911-1915), who, in his first term, initiated many social programs that make up Uruguay's current social safety net. President Batlle's election marked the conclusion of Uruguay's military rule that had been instituted after the Uruguayan Civil War (1838-1865), which saw two political factions, the conservative Blancos (Spanish for whites) and the liberal Colorados (Spanish for reds), battle for power (Finch, 1981). In 1933, President Gabriel Terra used the terrible economic conditions created by the Great Depression to introduce a new constitution that established a dictatorship until 1942, when President Juan José de Amézaga (1943-1947) was democratically elected. In 1951, Uruguay again amended its constitution to institute a nine-member executive council that

took the place of the presidency in an attempt to make power-sharing more equitable in the country. The National Council of Government governed the country from 1952 to 1967, when Uruguay reverted to presidential rule with the election of Óscar Diego Gestido (March 1, 1967-December 6, 1967).[122]

The political process in Uruguay became further complicated in the 1960s as an urban guerrilla movement, the Tupamaros, began to carry out acts of political violence aimed at restoring the levels of social support to those seen prior to World War II (Finch, 1981). Citing the instability caused by the Tupamaros, President Jorge Pacheco Areco (1967-1972) declared a state of emergency in 1968—suspending many civil liberties in the name of national security. President Pacheco's successor continued the erosion of civil liberties until the military seized total control of the government in 1973. The military continued to govern the country until 1985 when Uruguayans were finally granted their right to choose a president after many years of protest and popular resistance. National elections were held in 1985, and Julio María Sanguinetti (1985-1990 and 1995-2000) was elected president in what was seen as Uruguay's full restoration of democracy (Caiuby Labate et al., 2016).

Democracy has remained in Uruguay since 1985, and the country is now recognized as one of the more democratic countries in Latin America. Uruguay has received a Polity IV political regime index democracy indicator rating of 10 from 2000 to 2015—representing a rating of "full democracy." Further illustrating the strength of their democracy, Uruguayans elected a third-party candidate as president for the first time in 2005. President Tabaré Vázquez (2005-2010) represented the left-wing Broad Front political party, which united several center-left political parties in one coalition. President Vázquez was succeeded by fellow Broad Front member José Mujica (2010-2015) before again being elected president in 2014. Time will tell if

[122] President Óscar Diego Gestido died in office.

Uruguay will continue on its political shift to the left, but for the moment, Uruguay seems poised to continue electing center-left candidates, as both Broad Front presidents have exited office with high approval ratings (Caiuby Labate et al., 2016). Now that Uruguay's political and narco-histories have been briefly discussed, I turn my attention to an examination of Uruguay's drug control policy effectiveness.

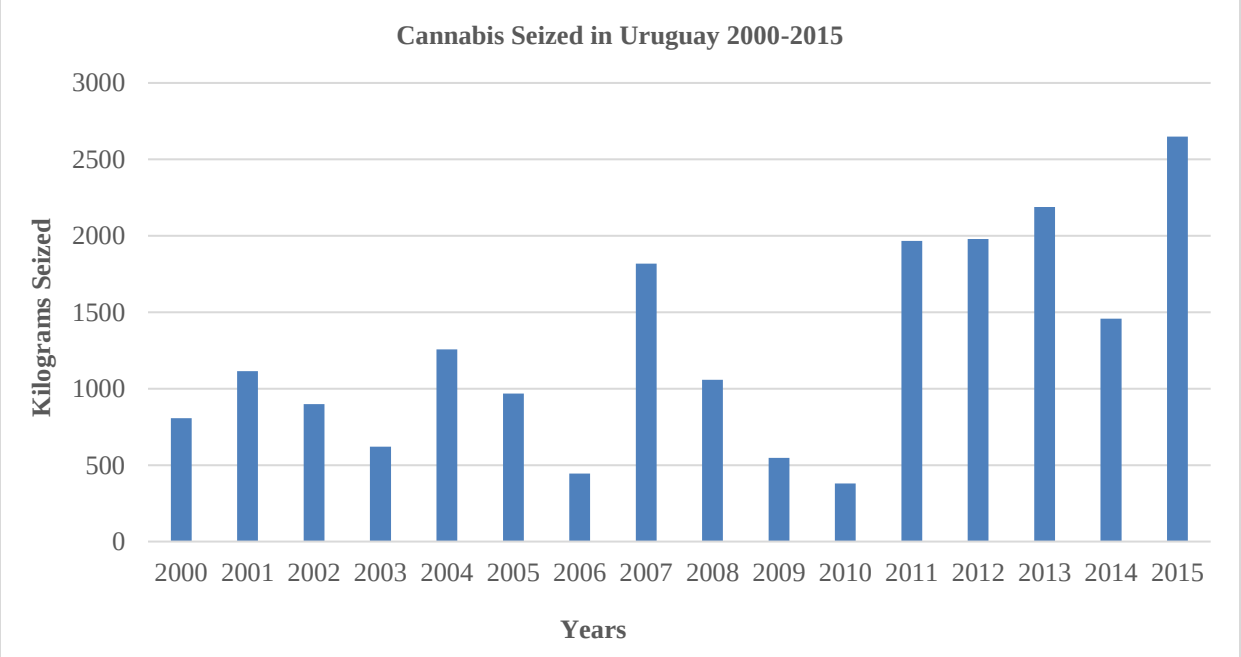
6.3 Uruguay's Drug Control Policy Effectiveness Analysis

While many drug control reform advocates have praised Uruguay's shift away from fully participating in the "War on Drugs," the effectiveness of the alternative drug control policies in the country are not well known. This section of the dissertation seeks to evaluate whether the alternative drug control policies enacted in Uruguay have been successful at reducing the number of illicit drugs trafficked in the country by examining the seizure rates of illicit cannabis and cocaine in Uruguay from 2000 to 2015. Despite Uruguay not being a significant producer of illicit drugs sold on the international market, the examination of illicit cannabis and cocaine seizure rates will help illustrate the illicit drug trade activities occurring within the country. Additionally, while more recent illicit cannabis seizure data is not available for Uruguay, the evaluation of illicit cannabis seizure rates from 2013 to 2015 provides a look into whether TCOs are changing their business models in response to Law 19.172.

Table 6.3, which demonstrates the illicit cannabis seizure rates in Uruguay from 2000 to 2015, illustrates that illicit cannabis seizures were quite varied in the years prior to the 2013 legalization of recreational cannabis, with significant increases seen in 2011 and 2012. The data presented in Table 6.3 corroborate one of the reasons policymakers gave for legalizing the use and possession of recreational cannabis in Uruguay: the need to curb the recent increases in illicit

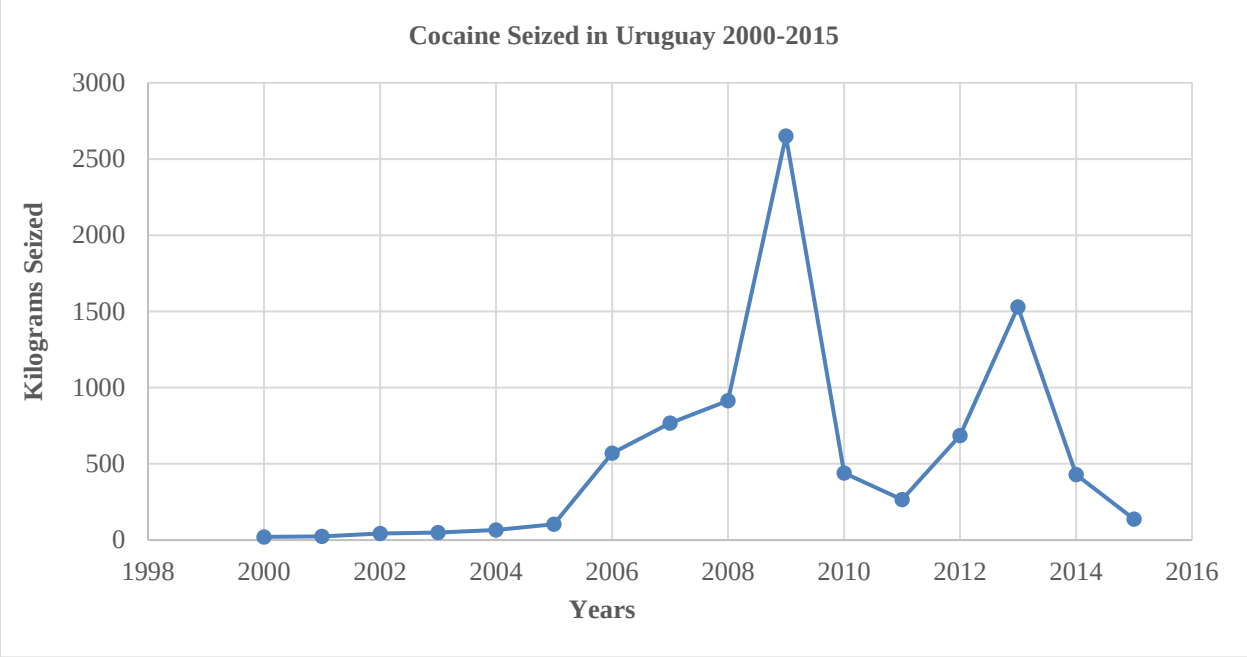
cannabis activities in the country. Additionally, Table 6.3 demonstrates that illicit cannabis seizures fell 33% the year after recreational cannabis legalization was implemented in 2013. Unfortunately, illicit cannabis seizures again rose in 2015, setting a 15-year record with seizures of 2,650 kilograms. Overall, according to the data presented in Table 6.3, illicit cannabis seizures have increased 17% since recreational cannabis was legalized in 2013. The data presented in Table 6.3 indicates that Uruguay has maintained their illicit cannabis seizure effectiveness despite implementing an alternative drug control policy in 2013. Unfortunately, without an examination of illicit cannabis production data, it is impossible to conclude that the legalization of recreational cannabis has had any impact on illicit cannabis production in the country.

Table 6.3 Cannabis Seized in Uruguay 2000-2015



Source: World Drug Reports 2000-2015

Table 6.4 Cocaine Seized in Uruguay 2000-2015



Source: World Drug Reports 2000-2015

Table 6.4, which displays the illicit cocaine seizures in Uruguay from 2000 to 2015, demonstrates that illicit cocaine seizures remained relatively low prior to 2006—averaging just 51 kilograms seized per year. Illicit cocaine seizures began to rise significantly in 2006 and continued increasing until 2009—increasing 76% during that time. In 2010 and 2011, seizures of Illicit cocaine returned to the levels seen prior to the increase in seizures experienced in 2006, with 440 kilograms and 265 kilograms seized respectively. Illicit cocaine seizures again began to rise in 2012 before decreasing in 2014—the year after the implementation of the legalization of recreational cannabis. Specifically, Table 6.4 illustrates that illicit cocaine seizures in Uruguay initially decreased 72% from 2013 to 2014 and further decreased 68% from 2014 to 2015. While more data is needed to determine why illicit cocaine seizures are down since the passage of Uruguay's recreational cannabis law, the data presented in Table 6.4 make clear that Uruguay has been unable to maintain their cocaine seizure effectiveness since implementing their alternative drug control policy in 2013. Fortunately, cocaine seizures in Uruguay represent 0% of

the total illicit cocaine seized globally, which demonstrates that fluctuations in Uruguay's cocaine seizure effectiveness are of little consequence to the larger international efforts to combat the trafficking of illicit cocaine.

Unfortunately, the data presented in this section is not clear in indicating that Uruguay has experienced complete success in combating the illicit drug trade since implementing alternative drug control policies in 2013. Uruguay has demonstrated an ability to keep pace with their illicit cannabis seizure effectiveness but has not been able to demonstrate an ability to keep up with their historical illicit cocaine seizure rates since legalizing recreational cannabis in the country. While more data is needed to truly know how recreational cannabis legalization is impacting illicit drug trade activities in the country, the information presented here demonstrates that it is at least possible to curb some illicit drug trade activities—namely the trafficking of illicit cannabis—while not fully embracing the "War on Drugs" and the associated prohibitionist drug control policies.

6.4 Uruguay's Narco-economy Analysis

While Uruguay has created the first ever national market for a formerly illicit drug, the production and sale of recreational cannabis is not the primary industry driving their economy as the country relies heavily on the export of beef products and industrial items. Uruguay's economy has long been fueled by consumer spending as the country has historically enjoyed a highly educated workforce. This high level of spending is demonstrated by the fact that the service sector in Uruguay contributes to approximately 70% of the GDP every year. Uruguay's industrial sector, which contributes 24% to Uruguay's GDP, consists primarily of food processing, the manufacturing of electrical machinery and transportation equipment, and the

export of petroleum products and other industrial chemicals (Central Intelligence Agency, 2018b). Moreover, while Uruguay maintains minor counternarcotics cooperation with the U.S., the two countries also engage in modest amounts of trade, with approximately 10% of Uruguay's total imports coming from the U.S. Uruguay has relied heavily upon the Common Market of the South (Spanish acronym Mercosur) members—mainly Brazil and Argentina—for much of their export demand, but more recently has sought to increase their trade with non-member countries. Their main non-Mercosur export partners are China and Germany who receive approximately 18% and 4.3% of the country's exports each year (Central Intelligence Agency, 2018b). While legal recreational cannabis and illicit drug trade activities are not significant factors contributing to Uruguay's economic growth, they do impact the economy in one form or another.

Table 6.5, which presents the results from Uruguay's narco-economy analysis examining the relationship between Uruguay's illicit drug trade activities and their domestic economy as measured by GDP at Purchasing Power Parity (PPP), indicates that counternarcotics operations in Uruguay that have resulted in the seizure of illicit cannabis have had a moderately positive relationship with Uruguay's legitimate economy. This result suggests that illicit cannabis seizure operations in Uruguay potentially have no negative impact on their legitimate economy, with a correlation coefficient of 0.617. One possible reason illicit cannabis seizures may not negatively impact Uruguay's economy lies in the fact that successes in illicit cannabis seizures could mean that fewer resources are needed to halt illicit production in the country. While more research is needed to truly know how the illicit drug trade activities in Uruguay impact their legitimate economy, the results presented in Table 6.5 indicate that the seizure of illicit cannabis in the country has no negative effect on Uruguay's legitimate economy. However, if true, this result may not even benefit Uruguay since their illicit cannabis seizures do not make up a significant

amount compared to global illicit cannabis seizures, representing 0% of the global total. Unfortunately, the results of Uruguay's narco-economy analysis paint an inconclusive picture for the impact that illicit drug trade activities have on the legitimate economy of the country.

Table 6.5 Uruguay's Narco-economy Correlation Analysis

Variable:	Cannabis Seizures	Cocaine Seizures
GDP	0.617*	0.40
(P Value)	.01	.12

* Significant at the .05 level
GDP measured in PPP (logged)

6.5 Uruguay Conclusion

The results presented in this chapter demonstrate that Uruguay has been somewhat successful at combating the illicit drug trade while embracing alternative drug control policies that do not entirely conform to the international drug control regime set out in the 1961 U.N. Single Convention on Narcotic Drugs. Specifically, Uruguay has demonstrated an ability to maintain their illicit cannabis seizure effectiveness despite implementing an alternative drug control policy in 2013. Unfortunately, Uruguay has been unable to demonstrate the ability to maintain their illicit cocaine seizure effectiveness during that same time. More research is needed to truly know why illicit cocaine seizure rates have fallen in Uruguay since their legalization of recreational cannabis, but the difference in illicit drug seizure effectiveness may be explained by the results of the narco-economy analysis. Uruguay's counternarcotics forces may prioritize illicit cannabis seizures over illicit cocaine seizures, as illicit cannabis seizures do not negatively impact the legitimate economy of Uruguay—leaving officials to concentrate on the seizure of illicit cannabis without fear of wasting state resources. Additionally, Uruguay has continued to control the corruption in the country despite legalizing recreational cannabis, demonstrating that

a nation can be heavily involved in both the production and commercial sectors of a previously illicit drug without fear of increasing corruption among public officials. Unfortunately, homicide rates in Uruguay have continued to rise despite the legalization of recreational cannabis—dashing the hopes of lawmakers who thought recreational cannabis legalization would be a silver bullet for drug-related violence in the country. While more data is needed to truly know if the legalization of recreational cannabis in Uruguay has led to more illicit cannabis being produced in the country, there have been no media or government reports indicating an increase in illicit production. Lastly, the information outlined in the "Narco Profile," combined with the results of the drug control effectiveness and narco-economy analyses, help us understand some of the possible reasons why Uruguay has continued to not fully accept the international drug control regime established in the 1961 U.N. Single Convention on Narcotic Drugs.

CHAPTER SEVEN: CONCLUSION

7.0 Introduction

The results presented within this dissertation make clear that all four cases examined have experienced both successes and failures while combating the illicit drug trade from 2000 to 2015, indicating neither prohibitionist drug control policies nor alternative drug control policies can claim absolute success in their attempts to combat the illicit drug trade. In Colombia, for example, progress has been made in reducing corruption and drug-related violence, but the country has encountered varied success in decreasing the flow of cocaine produced and trafficked in the country while embracing prohibitionist drug control policies. In Mexico, progress has been made by increasing the seizure rates of ATS and heroin, but the country has experienced increases in corruption, drug-related violence, and heroin production since the start of the Mérida Initiative in 2008. These findings for Colombia and Mexico demonstrates both the moderate success of the prohibitionist policies implemented in these countries and the futility of totally embracing the "War on Drugs," as temporary successes in slowing the production and flow of drugs are frequently later met with an increase in production and trafficking—often resulting in record production rates that counter the previous progress of law enforcement.

On the other hand, Bolivia, a country that has refused to fully cooperate in the "War on Drugs," has demonstrated success in both reducing the amount of illicit coca produced and increasing the eradication of illicit coca plants since Evo Morales first began implementing alternative drug control policies in 2006, while also seeing increases in corruption during that same time. Bolivia has also been able to increase the amount of illicit cocaine and cannabis seized in the country under these policies but has experienced a decrease in their democracy

rating. Further, Uruguay has demonstrated an ability to maintain their illicit cannabis seizure effectiveness while also implementing recreational cannabis policies in the country. Unfortunately, Uruguay has been unable to maintain their illicit cocaine seizure effectiveness while regulating the production and sale of recreational cannabis. While, both Bolivia and Uruguay have experienced moderate success in combating the illicit drug trade with their alternative policies, the findings for Bolivia and Uruguay may be due to other factors not analyzed in this study as the unique characteristics of both countries have undoubtedly allowed them to experiment with alternative drug control policies.

Specifically, Bolivia is a unique case as Evo Morales has enjoyed unprecedented levels of public support from the majority indigenous population of Bolivia due to the fact that he is the first indigenous president of the country. President Morales' high approval rating is also due to the high levels of social spending his government has undertaken during his tenure, which has created new education, health, and economic policies aimed at providing opportunities for the majority poor in the country. Further, the high degree in which the production and use of coca is accepted by the citizens of Bolivia, largely due to cultural practices by the indigenous population, has allowed the country to implement their alternative coca control policy. Moreover, the absence of high levels of drug-related violence in both Bolivia and Uruguay has allowed the governments to adopt alternative drug control policies due to the lack of national security threat posed by criminal organizations. Despite these unique factors that have allowed Bolivia and Uruguay to implement alternative policies, many alternative drug control advocates hold these countries up as examples of how alternative policies can be successfully carried out.

However, the results of this dissertation should give caution to those that advocate for a total abandonment of prohibitionist policies as the findings illustrate the need for individualized

drug control policy and caution against a one size fits all approach to combating the illicit drug trade. Specifically, the results presented here indicate that countries will need to create their own narco-profiles to assess which illicit drugs could possibly be regulated and which drugs will still need a prohibitionist approach. Even if we just take the results from the cases examined here, we can see that all four countries have had varied success at slowing the production and trafficking of some illicit drugs while experiencing outright success in decreasing the production and trafficking of others. Policymakers looking to reform their country's drug control approach would do their constituents a disservice if they did not consider the unique factors that apply to them. Such factors range from the type of criminal organizations present in the country, to the levels of drug-related violence, to identifying the main illicit drug trade activities carried out in the country among many other factors. Countries looking to borrow drug control approaches whole cloth from other nations, even those in the same region, will find that an individualized approach will garner better results. To this end, a serious debate among the signatories of the U.N.'s 1961 Single Convention on Narcotic Drugs is needed as the international community cannot continue to be guided by one overarching international drug control approach.

This concluding chapter seeks to explore the future of drug control policies in Latin America with an examination of the interviews conducted with drug control policy experts for this dissertation. Moreover, a further discussion of the findings for Colombia, Mexico, Bolivia, and Uruguay is presented. Lastly, the considerations for future research are also presented later in the chapter. By the end of this chapter, the hope is not only to understand how some Latin American countries have historically combatted the illicit drug trade but also to understand how they will combat it in the future.

7.1 Discussion of Findings

Summary of Results

As we have learned, Colombia and Mexico have long been partners with the U.S. in the "War on Drugs" and have each received billions of dollars in counternarcotics aid to implement their prohibitionist drug control policies. Despite being partners in the "War on Drugs," the two countries have experienced different results from their drug control policies. For example, Colombia has experienced successes by reducing the amount of heroin produced in the country while employing prohibitionist drug control policies—decreasing production 81% since 2000. Unfortunately, despite initial successes in reducing the amount of cocaine produced and trafficked in Colombia, cocaine production is at an all-time high with an estimated 1,379,000 kilograms produced in 2017 (United Nations Office on Drugs and Crime, 2018). Moreover, while counternarcotics operations were able to seize 32% of the illicit cocaine produced in 2017, Colombia has historically only been able to seize at most 50% of the cocaine produced in the country—demonstrating an inability to keep pace with increases in production (United Nations Office on Drugs and Crime, 2018). Further, while Colombia has experienced success by increasing illicit cannabis seizures under Plan Colombia until 2013, recent trends suggest that cannabis seizures are starting to slow. The findings for Colombia give ammunition to both the supporters and critics of Plan Colombia, as each group can point to legitimate successes under the Plan. However, the results of Colombia's drug control effectiveness model make clear that despite receiving $5.1 billion USD in counternarcotics aid, Colombia has been unable to halt the production and flow of illicit cocaine—failing to complete the main objective of Plan Colombia.

The findings for Mexico illustrate the country has also experienced mixed results from their prohibitionist approach to combating the illicit drug trade, as the country has been unable to

increase their control of corruption or maintain their seizure effectiveness of neither illicit cannabis nor illicit cocaine since the start of the Mérida Initiative in 2008, with seizures down 25% and 58% respectively. Further, Mexico has also seen a significant increase in heroin production—57%—under the Mérida Initiative. Fortunately, Mexico has experienced some successes while implementing their prohibitionist drug control policies by increasing their ATS and heroin seizure rates—up 98% and 64% respectively. Moreover, Mexico has also been able to reduce the amount of illicit cannabis produced in the country—decreasing production by 42% since 2008. While it is unclear whether external events such as the legalization of recreational cannabis and the opioid epidemic occurring in the U.S. have contributed to the findings for Mexico, the results of their drug control effectiveness model do make clear that despite receiving roughly $2.9 billion USD in the first ten years of the Mérida Initiative, the prohibitionist drug control policies have failed to slow the production and flow of most illicit drugs in the country—which was the main objective of the Mérida Initiative (Seelke, 2018).

The findings for Bolivia illustrate that nation's moderate progress in combating the illicit drug trade with alternative drug control policies. Specifically, Bolivia has experienced success in increasing the eradication of illicit coca plants grown in the country by 30% since Evo Morales first started implementing alternative drug control policies in 2006. Moreover, Bolivia has been able to control the production of illicit coca by decreasing production 11% since 2006. Additionally, the alternative drug control policies implemented in Bolivia have resulted in an increase of both illicit cocaine seizures and illicit cannabis seizures—with seizure rate increases of 34% and 33% respectively. On the other hand, Bolivia has experienced some increases in corruption while combating the illicit drug trade with alternative policies, while also seeing a decrease in their democracy rating, though neither of these can be directly tied to the

implementation of the alternative policies. While the results of Bolivia's drug control effectiveness model indicate that the alternative drug control policies in Bolivia have resulted in better control of the production and trafficking of illicit drugs, these findings must be put into context with the global drug trade activity. If we recall from earlier in the dissertation, Bolivia's illicit cocaine seizures only make up 1% to 5% of the global cocaine seizures and their illicit cannabis seizures routinely make up no more than 1% of the global illicit cannabis seizures, indicating the success experienced by Bolivia in combating the illicit drug trade is much easier to achieve than it would be for drug producing nations that comprise more of the global illicit drug activity such as Colombia and Mexico. While the findings for Bolivia demonstrate that it is indeed possible to successfully combat the illicit drug trade without resorting to the prohibitionist policies embraced by so many Latin American nations, that success must be put into context with the drug trade activity experienced by others.

Uruguay's attempts at combating the illicit drug trade with alternative drug control policies have also produced moderate results. Specifically, Uruguay has experienced successes in increasing their illicit cannabis seizure rates while enforcing a regulatory system governing the legal production and sale of recreational cannabis. Additionally, Uruguay has been able to maintain their control of corruption since recreational cannabis became legal in the county, demonstrating that a nation can be heavily involved in both the production and commercial sectors of a previously illicit drug without fear of increasing corruption among public officials. Although Uruguay has been unable to maintain their illicit cocaine seizure effectiveness while employing an alternative drug control policy, with seizures falling 91%, the cocaine seizure rates recorded since recreational cannabis took effect in 2013 have generally returned to the low levels experienced in the early 2000s. While the results of Uruguay's drug control effectiveness model

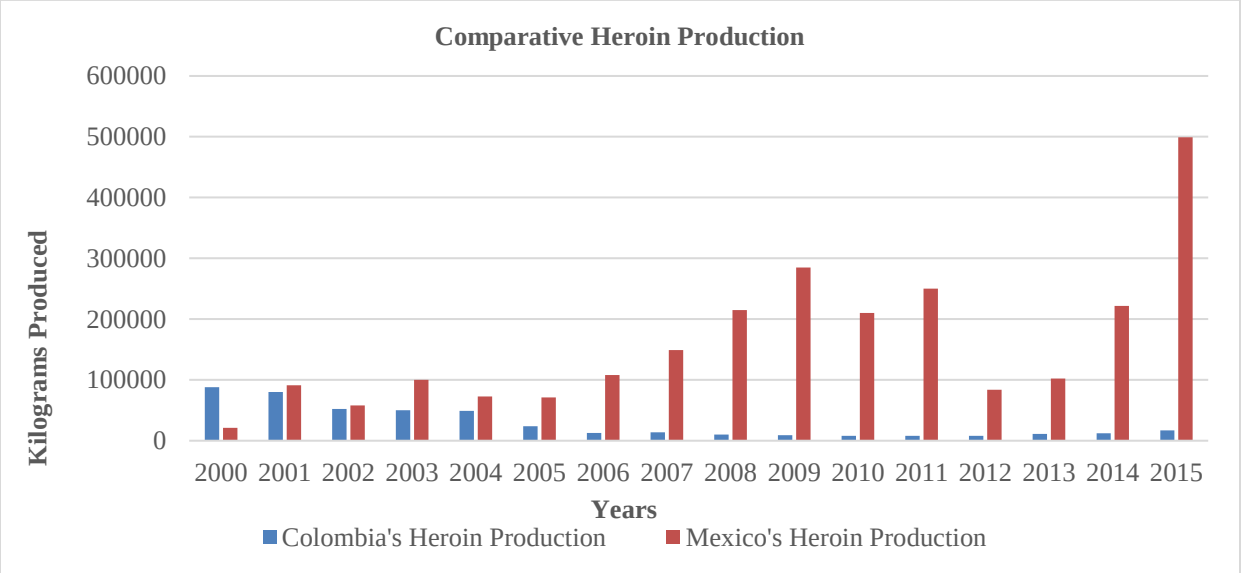
indicate that the alternative drug control policies in that country have been able to control the trafficking of illicit drugs, these findings must also be put into context with the global drug trade activity. If we recall from earlier in the dissertation, Uruguay's illicit cocaine and cannabis seizures make up less than 1% of the global seizures for those drugs, indicating the success experienced by Uruguay in combating the illicit drug trade is much easier to achieve than it would be for drug producing nations that comprise more of the global illicit drug activity. While the findings for Uruguay demonstrate that it is indeed possible to successfully combat the illicit drug trade without resorting to the prohibitionist policies embraced by so many Latin American nations, that success must be put into context, much like that of Bolivia, with the larger drug trade activity experienced by others.

Regardless of whether the findings presented here are a result of the drug control policies enacted in those countries or are better explained by external factors, it is clear that each country has experienced both successes and failures while combating the illicit drug trade. While the findings indicate that Bolivia and Uruguay have experienced more success in combating the illicit drug trade with their alternative policies, this success must be contextualized with the factors mentioned above as both countries present unique characteristics that have allowed lawmakers to implement such policies. Further, while the cases examined here all have similarities in their narco-profiles, the differences in the illicit drug trade activity between them can help illustrate the fact that countries will need to implement individualized drug control policies to truly be successful in combating the illicit drug trade. An examination of the differences between the cases will help further illustrate the need for individualized drug control policies that can address the narco-profile of each country.

Differences in Illicit Drug Production

An examination of Table 7.1, which presents the heroin production rates for both Colombia and Mexico, demonstrates that even though the two countries share many similarities in terms of the drug control policies enacted and the level of cooperation given in the "War on Drugs," the level of heroin production varies greatly between the two countries. Table 7.1 illustrates that heroin production in Colombia has routinely resulted in the production of no more than 100,000 kilograms of heroin dating back to 2000. Conversely, heroin production in Mexico has long been above the 100,000 kilogram mark with production skyrocketing to 499,000 kilograms in 2015. Moreover, Table 7.1 indicates that while Colombia has historically been a producer of illicit heroin, the CTCOs have stopped focusing on the production of the drug in more recent years with production decreasing 81% from 2000 to 2015, while illicit heroin production increased 96% in Mexico during that same time. The data presented in Table 7.1 makes clear that while both prohibitionist countries examined here produce illicit heroin, Mexico distinctly produces more.

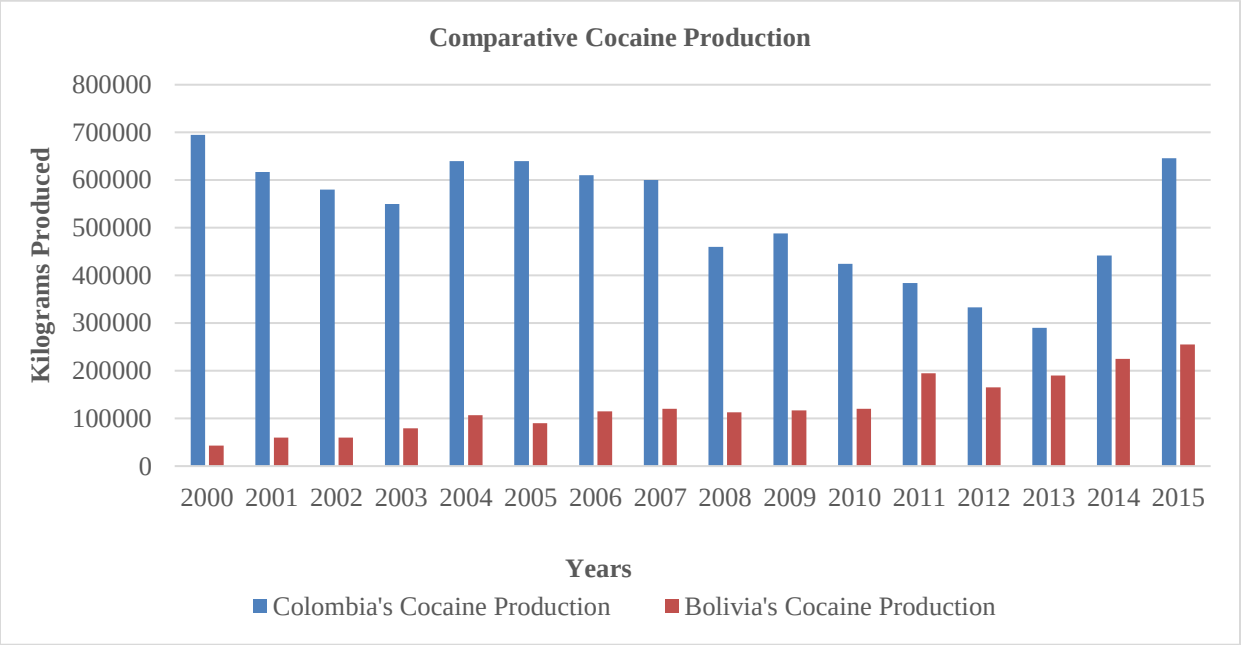
Table 7.1 Comparative Heroin Production



Source: World Drug Reports 2000-2015

Table 7.2, which presents the cocaine production rates for Colombia and Bolivia, illustrates that Colombia has produced more cocaine than Bolivia for the 15-years examined in this study. Table 7.2 demonstrates that Bolivia produced no more than 200,000 kilograms of cocaine from 2000 to 2013, before slightly increasing production in 2014 and 2015. On the other hand, Colombia has regularly produced over 400,000 kilograms of cocaine during the 15-years examined, with their record high production of 1,379,000 kilograms being recorded in 2017 (United Nations Office on Drugs and Crime, 2018). Even with the increases in cocaine production seen in Bolivia in 2014 and 2015, Colombia has regularly produced anywhere from 49% to 94% more cocaine than the Plurinational State. The data presented in Table 7.2 makes clear that while Colombia and Bolivia have a shared history of being the primary producers of the world's cocaine, the production activity within the two countries is quite distinctive.

Table 7.2 Comparative Cocaine Production

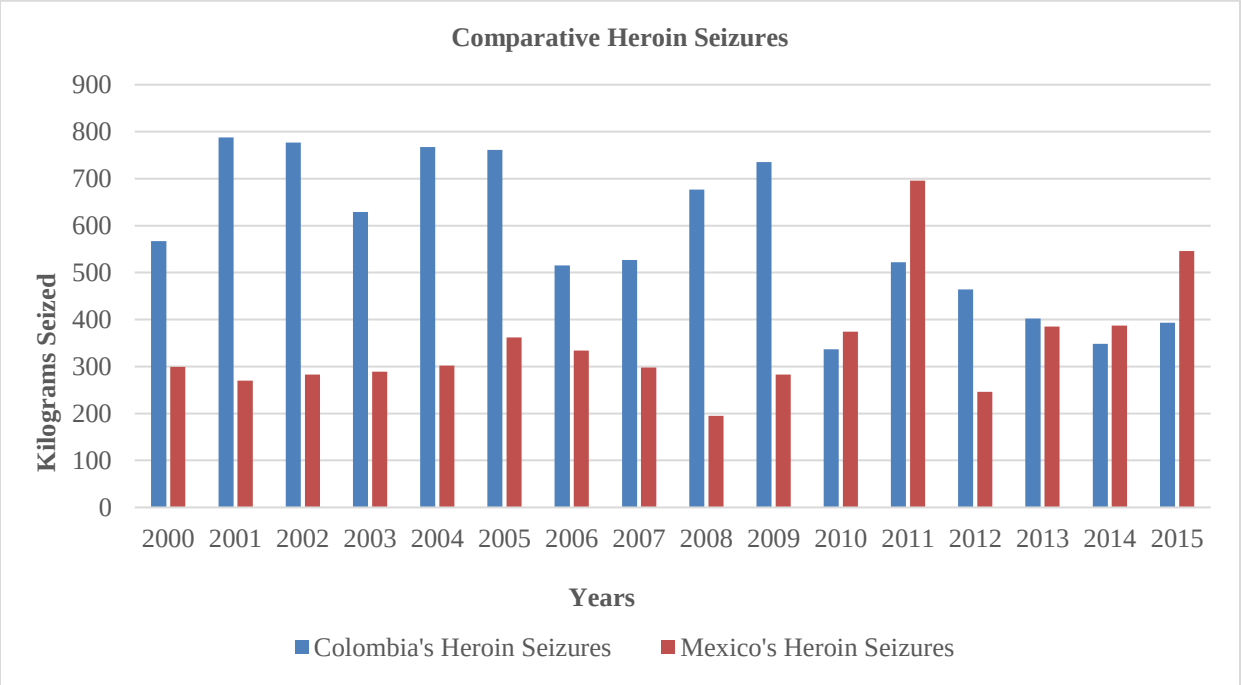


Source: World Drug Reports 2000-2015

Differences in Illicit Drug Seizures

As there are stark differences in the illicit drug production activities among the four cases, there is even greater contrast in their illicit drug seizure activity. Table 7.3, which presents the illicit heroin seizure rates for Colombia and Mexico, demonstrates that Colombia dominated heroin seizures until 2010 when Mexico began to seize slightly more of the drug. Beginning in 2011, Mexico continued to seize more illicit heroin for three of the next five years—seizing 131 more kilograms of heroin from 2011 to 2015. While Table 7.3 demonstrates that the illicit heroin seizure rates of Colombia and Mexico are much more similar than their illicit heroin production rates, the data still make clear that the two countries have experienced different illicit heroin seizure activity from 2000 to 2015, indicating once again that countries will need to craft unique and individualized drug control policies. An examination of illicit cocaine and cannabis seizure rates for the four cases further highlights this point.

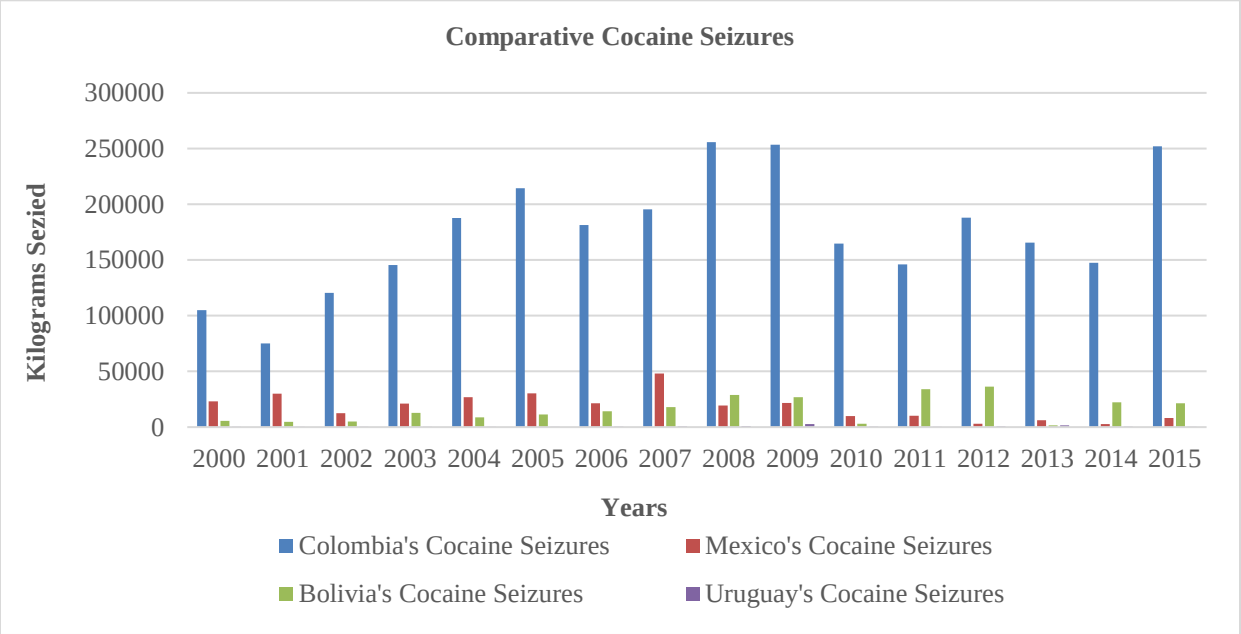
Table 7.3 Comparative Heroin Seizures



Source: World Drug Reports 2000-2015

An examination of Table 7.4, which presents the illicit cocaine seizure rates for Colombia, Mexico, Bolivia, and Uruguay, demonstrates that all four of the cases examined have quite different cocaine seizure experiences. Table 7.4 illustrates that Colombia has long dominated illicit cocaine seizures among the four cases with Bolivia and Mexico coming in a distant second and third respectively. Additionally, Table 7.4 makes clear that despite being designated a transit country, Uruguay has historically seized miniscule amounts of cocaine compared to the other cases examined in this study. While all four cases have drug control policies aimed at stemming the flow of illicit cocaine trafficked in the countries, the results of Table 7.4 make clear that some countries—mainly Colombia and Bolivia—need drug control policies more focused on the seizing of illicit cocaine than do countries like Uruguay for example. Much like the data presented previously in the chapter, Table 7.4 makes clear the need for individualized drug control policies specific to each country. An examination of the results of the four cases narco-economies further helps exemplify this point.

Table 7.4 Comparative Cocaine Seizures



Source: World Drug Reports 2000-2015

Differences in Narco-economies

Another factor that should persuade countries to implement individualized drug control policies to combat the illicit drug trade is the way in which illicit drug trade activity impacts their economy. If we recall from earlier in the dissertation, all four cases examined have different relationships between their economies and the illicit drug production and seizure operations that take place in their countries. Specifically, Colombia's legitimate economy has positive relationships with cocaine, heroin, and cannabis seizure operations conducted in the country, while Mexico's economy has negative relationships with the seizure of cocaine and cannabis. Additionally, Colombia's economy demonstrated a negative relationship with the production of both heroin and cocaine, while Mexico and Bolivia's economies demonstrated positive relationships with heroin and cocaine production respectively. Moreover, the economies of Bolivia, Uruguay, and Mexico present positive relationships with the seizure of cocaine, cannabis, and ATS respectively—truly indicating that each country's narco-economy is quite distinctive from the others' even though the countries share in the production or seizure of similar drugs. While methodological and data limitations prevented a more detailed analysis of the relationships between the illicit drug trade activities undertaken in the countries and their economies, the results of the narco-economy analyses help illustrate the stark differences between the four cases. Further, the information provided above only highlights the need for countries to design individual drug control policies, as even countries with similar narco-profiles will have different relationships among their economies and the illicit drug trade activities conducted within the countries.

7.2 Drug Control Expert Interviews

To better understand how Latin American nations are responding to the current challenges presented by the illicit drug trade and to gain some insights into how Latin American countries are debating the future of drug control policies in the region, ten anonymous interviews were conducted with drug control experts who range from former and current government officials to academics from around the world. The interviewees were asked a serious of open-ended questions covering such topics as the following: 1) Whether more Latin American nations will follow Uruguay and legalize recreational cannabis; 2) What the future drug control policies of Colombia, Mexico, Bolivia, and Uruguay will look like; 3) What the future holds for the 1961 U.N. Single Convention on Narcotic Drugs in the face of a growing movement to legalize recreational cannabis; and 4) What the future of the "War on Drugs" has in store for other Latin American countries. The results from the drug control expert interviews are discussed below.

The Future of Recreational Cannabis in Latin America

According to several of the drug control experts interviewed for this dissertation, whose responses are located in Table 7.5, many Latin American nations will consider legalizing recreational cannabis in an attempt to take a lucrative revenue stream away from the TCOs in the region. This is true even of traditionally prohibitionist countries in Latin America, as Colombia has already implemented the production of medical cannabis as a test run for future legalization efforts, and recent media reports have indicated that Mexico is seriously considering passing legislation to legalize recreational cannabis in 2019 (Kahn, 2018). It must be noted that two drug control experts did not believe that the legalization of recreational cannabis would spread throughout Latin America due to the conservative opinions regarding illicit drug use held by the citizens in many Latin American countries. Additionally, one drug control expert suggested that

recreational cannabis would not be embraced by other Latin American countries until the international drug control convention is amended to allow for the production and sale of the drug. However, the majority of drug control experts believed that the legalization of recreational cannabis will eventually be implemented by most Latin American nations, especially once the U.S. legalizes the drug at the federal level.

The legalization of recreational cannabis may bring a host of other issues for Latin American nations to deal with, as one drug control expert warned of "big multinational corporations, including tobacco companies, getting into the weed business and potentially creating new sectors in which the West can exploit Latin America." We will have to wait to see if, and how, recreational cannabis is implemented by other Latin American nations, but if the answers provided by the majority of drug control experts interviewed for this dissertation are any indication, we can expect more countries to craft regulations to allow for the production and sale of the drug. Whether the legalization of recreational cannabis will have any impact on the TCOs of the region remains doubtful, given the previous results detailing the diversification of MTCOs as they have responded to recreational cannabis legalization in the U.S. Nevertheless, the embrace of recreational cannabis by Latin American countries would be a welcome change for alternative drug control advocates.

Table 7.5 The Future of Recreational Cannabis in Latin America Interview Responses

Interviewee Occupation: ***Interview Question Response:***	**Current Drug Trade Researchers**	**Current/Former U.S. Federal Law Enforcement**	**Former U.S. Ambassadors to Latin American Nations**	**Current/Former Mexican Government Official**
*Latin American countries **Will** legalize recreational cannabis*	3	2	1	1
*Latin American countries **will NOT** legalize recreational cannabis*	1		1	1

N= 10

The Future of Drug Control Policies in Colombia, Mexico, Bolivia, and Uruguay

Table 7.6 categorizes the responses of the drug control experts' answers to the question of whether or not the drug control policies will change for any of the cases examined for this study. According to most of the drug control experts interviewed, both Mexico and Colombia will continue to cooperate with the U.S. on the "War on Drugs" for the foreseeable future—despite Mexico potentially legalizing recreational cannabis in 2019. The majority of those interviewed also believe that Mexico will continue to be a close partner with the U.S. in their attempts to combat the global drug trade, despite the elections of Donald Trump and Andrés Manuel López Obrador, due to the national security threats posed by the MTCOs for both countries. One drug control expert stated that the counternarcotics partnership between both Colombia and Mexico and the U.S. "would be tested under the Trump administration, given his lack of funding allocated for counternarcotics aid in his 2017 budget proposal," though Trump's request was later overruled by Congress and funding was provided to both countries at the 2016 levels. When asked if the legalization of recreational cannabis in either Colombia or Mexico would lead to the dissolving of the counternarcotics partnerships with the U.S., one drug control

expert noted that “those countries might follow Uruguay's lead on marijuana, but cocaine, meth, and heroin are an entirely different story.”

Table 7.6 The Future of the Case Studies Drug Control Policies

Interviewee Occupation: ***Interview Question Response:***	**Current Drug Trade Researchers**	**Current/Former U.S. Federal Law Enforcement**	**Former U.S. Ambassadors to Latin American Nations**	**Current/Former Mexican Government Official**
Mexico and Colombia continue to cooperate in the “War on Drugs”	2	2	2	1
Bolivia and Uruguay continue alternative drug control policies	4	2	2	2

N= 10

When asked about the future of drug control policies in Bolivia and Uruguay, drug control experts were unanimous in their opinion that both countries would continue to further implement alternative drug control policies that do not fully comply with the 1961 U.N. Single Convention on Narcotic Drugs. One expert replied, “I could imagine Bolivia continuing to push for alternative legal outlets for coca and Uruguay expanding their marijuana law to allow for international export in the coming years.” Additionally, one drug control expert believes that “other coca-producing countries in the Andean region—mainly Peru—will be looking to implement a similar coca policy to that of Bolivia, especially given that Bolivia wants to create an international market for coca-based products.” The countries examined in this dissertation may change their approaches to drug control policy in the near future, but if history and the findings of the expert interviews are any indication, it will be drug control policy as usual in those countries for quite some time.

The Future of the 1961 U.N. Single Convention on Narcotic Drugs

Table 7.7, which categorizes the responses of the drug control experts' answers to the question of whether or not the 1961 U.N. Single Convention on Narcotic Drugs will ever be amended to allow for the production and sale of recreational cannabis, demonstrates that the majority of experts believe that once the U.S. legalizes recreational cannabis at the federal level the Convention will be amended to allow for recreational cannabis. Specifically, one drug control expert indicated "once the big dogs get into the game and pressure the U.N. to change the rules they will." Further, another drug control expert stated, "it's all a matter of global politics and the powerful countries have not yet decided it is in their interest to change international law on this matter." On the other hand, two drug control experts believed that the Convention will not be amended due to "the political hurdles involved in bringing about such a change," while another two experts believed the Convention will be abandoned altogether, to be replaced by a new international drug control regime that allows for the production and sale of recreational cannabis as well as emphasizes a more humane approach to combating the illicit drug trade. It remains to be seen what the future holds for the 1961 U.N. Single Convention on Narcotic Drugs, but if the response from the U.N. Office on Drugs and Crime to Canada's legalization of recreational cannabis is any indication, it will be sometime before the international drug control regime is amended to allow for recreational cannabis.

Table 7.7 The Future of the 1961 U.N. Single Convention on Narcotic Drugs

Interviewee Occupation: ***Interview Question Response:***	**Current Drug Trade Researchers**	**Current/Former U.S. Federal Law Enforcement**	**Former U.S. Ambassadors to Latin American Nations**	**Current/Former Mexican Government Official**
*1961U.N. Convention **Will** be amended to allow legalized recreational cannabis*	3	1	1	1
*1961 U.N. Convention **will NOT** be amended to allow legalized recreational cannabis*			1	1
*1961 U.N. Convention will be **replaced***	1	1		

N= 10

The Future of the "War on Drugs" in Latin America

The future of the "War on Drugs" in Latin America was the most divisive topic among the drug control experts interviewed, as there was not a clear consensus on what the future holds for the "War on Drugs" in Latin America. Some experts were hopeful that the recent change in rhetoric by the U.N. Office on Drugs and Crime—emphasizing the treatment of drug-addicted users in an attempt to combat the illicit drug trade rather than solely relying on controlling the production and trafficking of illicit drugs—would help change the drug control approach of many Latin American countries. Other experts were not as hopeful that the "War on Drugs" would end any time soon, with one expert stating:

> The future looks rather bleak at the moment despite calls for reform. The drug war machinery grinds on in most places, militarization continues or even escalates, violence

and corruption persist at high levels, making it hard for leaders to suddenly reverse course or make a decisive change. So, unfortunately, more of the same.

Other experts believe the future of drug control policies in Latin America depend more on the drug control approach of the U.S., with one expert stating, "the future of the 'War on Drugs' in Latin America is entirely up to the drug control policies of the U.S. and whether they continue to present the carrot that is counternarcotics aid" to the drug-producing countries in the region. Whether or not the "War on Drugs" in Latin America continues in any capacity or if the futile war is abandoned remains to be seen, but one can hope, given the results presented in this dissertation, that drug control reforms are being seriously considered by not only those countries in Latin America, but all those around the world.

7.3 Future Research

The difficulty in researching an illegal enterprise cannot be overstated as the availability of reliable data was scarce and required tedious archival research to recover. Additionally, the reliable data was somewhat sporadic as the cases examined did not all have the same variables of interest available, which was particularly true for illicit cannabis and ATS production data. Moreover, the illicit drug production and seizure data provided by the U.N.'s World Drug Report and the U.S. State Department's International Narcotics Control Strategy Report (INL) primarily relies upon the self-reporting of such data by the country of origin, which opens the door for data manipulation. While such manipulation is undoubtedly a rare occurrence since most countries adhere to international law regarding domestic drug control policy, countries that have much to gain by proving they are successfully combating the illicit drug trade without relying upon U.S. aid, mainly Bolivia, can potentially misrepresent their illicit drug production and seizure data.

Additionally, statistical limitations restricted a more detailed examination of the relationships between the cases' narco-economies and their legitimate economies and instead forced the author to rely upon simple relationships established by Pearson correlation models. Future researchers should focus their attention on a more detailed examination of the cases' narco-economies as well as a further analysis of their political economies. Moreover, the inability to conduct fieldwork in the countries examined undoubtedly led to research shortcomings that could have easily been answered by local officials. If time and research budget permit, future researchers should try to fill some of the data gaps of the U.N. and INL reports with archival research in Latin American countries. Additionally, future researchers should include perspectives from those largely ignored voices in the drug control debate—those of the citizens of drug producing nations—to determine how the "War on Drugs" has impacted their lives and to document their suggestions for combating the illicit drug trade in their countries.

Furthermore, other avenues of research can be explored with the data presently available. Specifically, future researchers should examine the relationship between the amount of counternarcotics aid received and the level of drug-related violence present in drug-producing countries in Latin America. By examining this relationship, researchers will be able to help answer whether such aid hinders or contributes to the violence that threatens the national security of many countries. Additionally, future researchers should expand on the drug control effectiveness analyses presented here to include dates prior to those examined in order to truly get a sense of whether Latin American countries have made any progress in combating the illicit drug trade since the "War on Drugs" began in 1971. Lastly, future researchers should expand upon the work done here by comparing the narco-economies and narco-profiles of other

countries around the world to determine if they present insights into how to successfully combat the illicit drug trade.

7.4 Conclusion

The question of how to combat the illicit drug trade has been a thorn in the side of many policymakers around the world for well over 50 years, but the findings presented in this dissertation provide insights for those policymakers who are contemplating drug control reform. Specifically, the results discussed here illustrate the need for countries to implement individualized drug control policies that best combat the illicit drug trade activities most prevalent in their countries. As evident by the cases examined here, not all countries face the same threats from the illicit drug trade so why should countries devote precious resources maintaining a prohibition on such activities? Further, countries will need to analyze their narco-economies to determine which drug trade activities significantly hinder their economic growth and focus their attention on controlling those activities. To that end, the international community needs to take a hard look at amending the 1961 U.N. Single Convention on Narcotic Drugs as this guiding regime fails to allow nations to individualize their drug control policies and instead expects a one-size fits all approach for drug control to work best. This type of logic is not applied to any other major policy as countries are free to individualize their policies ranging from health care to defense, including many other matters of criminal justice. Hopefully, if the results from the drug control expert interviews are any indication, a revision to the Convention will happen soon.

In the meantime, policymakers can take the time to study their narco-profiles and narco-economies to start determining which type of individualized drug control policies work best for

them. While it is outside the scope of this research project to advocate for one type of drug control policy or another, the economic benefits of legalizing a formerly illicit drug may outweigh any possible drawbacks to enacting such a policy. An examination of a report by the Cato Institute in 2010, which analyzes the fiscal impact legalizing all drugs would have in the U.S., can provide some insights into the economic windfalls countries may be able to receive by enacting alternative drug control policies that seek to regulate the production and sale of formerly illicit drugs. According to Miron and Waldock (2010), the legalization of all drugs in the U.S. would save taxpayers roughly $41 billion USD annually as a result of the money saved on not arresting and prosecuting individuals for crimes involving drug possession and use (p. 1). Specifically, the U.S. can save approximately $8 billion USD for legalizing cannabis and approximately $32 billion USD for the legalization of harder drugs (Miron & Waldock, 2010). The possible increases in revenue would not stop there as the report from the Cato Institute finds that the U.S. would see a boost in tax revenue from the legalization of drugs resulting in approximately $46 billion USD added to the government's coffers annually (Miron & Waldock, 2010). While these figures would undoubtedly be much smaller for countries other than the U.S. due to the enormous amount of resources spent on drug prohibition in the country, the economic impact of the legalization of drugs in other countries would surely be of significance. Whether the economic impact of drug legalization will outweigh not receiving billions of dollars in counternarcotics aid is another question for future researcher, but these numbers combined with the results of the dissertation surely give lawmakers much to think about.

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