

**U.S. House Committee on Foreign Affairs
Subcommittee on the Western Hemisphere
Chairman: Rep. Connie Mack**

**Testimony of Dr. Andrew Selee
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“Strengthening the Security Partnership with Mexico”

**Hearing: “Has Merida Evolved: Part 1”
September 13, 2011, 2:00 pm**

I would like to thank Chairman Connie Mack for the invitation to testify and recognize Ranking Member Eliot Engel.

There are few, if any, countries that matter more to the future of the United States than Mexico. It is our neighbor, with whom we share a 2,000 mile border; a hugely important trading partner, which receives more exports than any other country except Canada; it is the country of heritage for one in ten Americans; and it is an ally on numerous issues of global concern, from addressing climate change to fighting terrorism.

Mexico has been facing an unprecedented spike in violence spurred by the power and ruthlessness of organized crime groups that traffic illegal narcotics into the United States, and these groups receive billions of dollars from U.S. consumers for these illegal sales.

We have both ethical and strategic reasons for working together with the government and people of Mexico to confront this challenge. The drug trade is a circular one. Illegal narcotics flow north, while illegal money flows south. An estimated \$6 to 9 billion in drug sales to U.S. consumers return to Mexico each year to support acts of extreme violence. We have a moral obligation to own up to this.

However, this is not just a moral question. We also have strategic interests in helping a neighboring country confront a crisis that is affecting its national security and the well-being of its citizens. We can benefit enormously from having a stable, prosperous, and democratic Mexico next door. An expanding market in Mexico raises living standards in the United States. Strong rule of law next door helps protect our shared border and ensure that we can focus together on external threats to our region.

We do not know why this wave of violence has overtaken Mexico. It is most likely linked to the long-term shift of cocaine trafficking to Mexico, the boom in methamphetamine use, and the increased difficulties in crossing the U.S. border. Recent actions by the Mexican government have certainly exacerbated this by striking blows directly at the trafficking organizations and their leadership, which has been gradually fragmenting these organizations. These groups have also gotten into new, more violent activities, such as extortion and kidnapping.

Violence in Mexico is at critical levels. While the overall homicide rate is below that of Colombia, Venezuela, Guatemala, or even Brazil, there are parts of the country where vicious fights among the trafficking organizations and increasingly with the government are particularly intense and affecting civilians more and more. Other kinds of crime have also risen throughout the country in the perceived atmosphere of impunity.

There are four things the United States government could do in partnership with the Mexican government to help limit the violence that is claiming lives south of the border and ensure that Mexico will have a more stable, democratic, and prosperous future. These four strategic steps should be part of any effort to put into practice our commitment to “shared responsibility” for dealing with organized crime groups.

1. Develop a Strategic Plan for Intelligence Sharing that Reduces Violence

One of the great successes in bi-national cooperation between the U.S. and Mexican governments has been intelligence sharing, which has allowed the Mexican government to arrest many of the top leaders of the trafficking organizations. Indeed, the Mexican government has been able to deal major blows to the leadership of almost all the trafficking organizations thanks to this intelligence, and in some border cities, this cooperation goes even deeper, allowing the Mexican government to dismantle lower levels of the trafficking structure as well, including some of the key hitmen who perpetrate much of the violence. The Mexican government has vastly improved their own capacities to obtain and process intelligence, but for the time being cooperation will be critical in this arena, especially given the binational and multinational structure of these organizations. The significantly diminished violence in Tijuana, across from San Diego, and somewhat diminished violence in Ciudad Juarez, across from El Paso, probably have something to do with close intelligence sharing and law enforcement cooperation between the two countries.

However, we could do a much better job at working with the Mexican government to ***develop a strategy that dissuades violence against civilians and public authorities***. The Mexican government should, of course, continue to pursue all illegal activity and to punish those responsible for it. But, much as we try to do in the United States, it is wise to go after the most violent groups more actively and to give particular priority to cases in which civilians and public authorities are targeted by the trafficking organizations. Killings of journalists, mayors, civic leaders, and innocent by-standers are particularly heinous crimes that threaten public speech and send a chilling message to society. The recent casino fire in Monterrey, Nuevo Leon that killed 52 people, a fire set by one of the trafficking organizations, is an example of this kind of chilling violence that deserves an especially intense response. So too the killings of journalists in many cities around the country. Placing greater emphasis on identifying, arresting, and prosecuting those who plan and execute these crimes would send a message to organized crime groups that it is in their interest to limit the kind of violent acts they engage in. Close collaboration between U.S. and Mexican agencies could help design and execute a strategy like this.

2. Map and Target the Trafficking Organizations' Activities in the United States

Strangely enough, we have only a limited idea of how the Mexican trafficking organizations operate in the United States. Our federal, state, and local law enforcement agencies have done an excellent job of developing operational intelligence about certain activities of these organizations, but we have little systematic idea about how they are organized in the United States. ***It is critical to develop a systematic mapping of transnational crime organizations in the United States that takes into particular account the way they move money southward.***

In contrast to terrorist financing, we have few sustained efforts to pursue drug trafficking financing in the same way. We have the know-how, but we haven't dedicated the funding to this. Since money is moved through both "bulk cash" shipments and sophisticated financial transactions, the key is developing a map of their operations both in the financial system (for which Treasury has particular expertise) and a map of how they gather cash at safe houses for shipments south (for which ICE and DEA have expertise). Attempts to do increased southbound border enforcement have largely failed to stem the money flow because cash is well-hidden by the time it reaches the border. We need better intelligence to capture cash flows before they reach the border and identify the complex financial transactions that allow for larger transfers of drug money south.

Similarly, we could do a far better job of intercepting illegal arms shipments headed south to Mexico. Even within existing law, we can do far more to develop an effective mapping of how the trafficking organizations purchase and move weapons across the border. Again, this requires intelligence on these activities before weapons reach the border itself.

3. Support Reforms of the Police, Prosecutors, and the Courts

The U.S. government can also do a great deal to help Mexico deepen its own reforms that strengthen rule of law. Without doubt, the most important challenge facing Mexico is how to create an institutional structure that makes it hard for organized crime groups to operate with impunity and for politicians and government officials to aid and abet them. The current Mexican government and citizen organizations have strongly promoted these efforts, but there is much the U.S. government can do to support these changes.

Through Merida Initiative funding, the U.S. government can support change agents in the federal and state governments who are seeking to reform the police, prosecutors, and courts. Recent constitutional reforms in Mexico have helped create the momentum for important changes, but implementing these reforms is not easy and there is a great deal of resistance to change. Finding and supporting those who are promoting meaningful change within the Mexican government, even with limited resources, can help lock in advances. Some of the most effective efforts are those carried out through direct people-to-people exchanges among judges, court clerks, prosecutors, and police officers, including those led by the Council of State Governments (CSG) and the Conference of Western Attorneys

General (CWAG), among others. Other efforts, including USAID funding to states implementing judicial reforms, and State Department support for the purchase of crime lab and inspection equipment and training for federal police investigators are extremely valuable efforts to bring about change in the institutional structure of rule of law.

Similarly, efforts to protect journalists, civic leaders, and local elected officials through early warning systems and temporary safe haven when they are under threat can help strengthen the local infrastructure that allows citizens to fight against organized crime groups and develop a civic response to the criminal organizations. Investments in youth and community programs in cities under particular stress, especially those on the border, can also help citizens reconstruct their own civic infrastructure and face down the criminals that have taken possession of their cities.

None of these steps are easy, but the U.S. government can play a constructive role in helping accelerate these changes and in supporting those in Mexico who have had the courage to push for change.

4. Reduce the consumption of illegal narcotics in the United States.

Finally, we can do far more to reduce drug demand in the United States. According to a recent Rand study, cocaine appears to represent half of the profits that the Mexican trafficking organizations receive, while heroin and methamphetamines make up another quarter or more. ***Therefore, a particular concentration on prevention and treatment of heavy cocaine, meth, and heroin use could be especially useful in limiting the profits these organizations have.*** Since a large number, if not the vast majority, of heavy users are involved with the criminal justice system, interventions like Project HOPE in Hawaii and drug courts have been shown to be effective in reducing drug use by heavily dependent users and could help cut demand significantly over time. This is a question of redirecting existing resources to programs that work rather than an infusion of new resources.

Conclusions

There is no magic bullet for reducing crime in Mexico or dismantling the international criminal organizations that are responsible for it. However, working in partnership with Mexicans – both the federal and state governments and civic organizations – we can make a significant difference. And addressing the structure of organized crime and its resource flows in the United States and the demand for drugs on this side of the border we can also strike a significant blow to these organizations and perhaps avoid sending the problem elsewhere, even if the strategy in Mexico is successful.

What is perhaps most surprising is that we actually don't need an infusion of new resources to address this problem. What we need is continuous commitment and careful adjustments to existing strategies. Both are a question of political will and policy design more than of new appropriations of public funds or radical changes in focus.

United States House of Representatives
Committee on Foreign Affairs

"TRUTH IN TESTIMONY" DISCLOSURE FORM

Clause 2(g) of rule XI of the Rules of the House of Representatives and the Rules of the Committee require the disclosure of the following information. A copy of this form should be attached to your written testimony.

<p>1. Name:</p> <p>Andrew D. Sclee, PhD</p>	<p>2. Organization or organizations you are representing:</p> <p>Woodrow Wilson Center Mexico Institute</p>
<p>3. Date of Committee hearing:</p> <p>September 13, 2011</p>	
<p>4. Have you received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>5. Have any of the organizations you are representing received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>6. If you answered yes to either item 4 or 5, please list the source and amount of each grant or contract, and indicate whether the recipient of such grant was you or the organization(s) you are representing. You may list additional grants or contracts on additional sheets.</p> <p>Council of State Governments subgrant of USAID funds for non-security related research</p>	
<p>7. Signature:</p> 	

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