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EXECUTIVE SUMMARY

Since El Salvador’s civil war formally ended in 1992 the small Central American nation has undergone profound social changes and significant reforms. However, few changes have been as important or as devastating as the nation’s emergence as a central hub in the transnational criminal “pipeline” or series of recombinant, overlapping chains of routes and actors that illicit organizations use to traffic in drugs, money, weapons, human being, endangered animals and other products.

The erasing of the once-clear ideological lines that drove the civil war and the ability of erstwhile enemies to join forces in criminal enterprises in the post-war period is an enduring and dangerous characteristic of El Salvador’s transnational criminal evolution. Trained, elite cadres from both sides, with few legitimate job opportunities, found their skills were marketable in the growing criminal structures. The groups moved from kidnapping and extortion to providing protection services to transnational criminal organizations to becoming integral parts of the organizations themselves.

The demand for specialized military and transportation services in El Salvador have exploded as the Mexican DTOs consolidate their hold on the cocaine market and their relationships with the transportista networks, which is still in flux. The value of their services has risen dramatically also because of the fact that multiple Mexican DTOs, at war with each other in Mexico and seeking to physically control the geographic space of the lucrative pipeline routes in from Guatemala to Panama, are eager to increase their military capabilities and intelligence gathering capacities.

The emergence of multiple non-state armed groups, often with significant ties to the formal political structure (state)
through webs of judicial, legislative and administrative corruption, has some striking parallels to Colombia in the 1980s, where multiple types of violence ultimately challenged the sovereignty of state and left a lasting legacy of embedded corruption within the nation’s political structure.

Organized crime in El Salvador is now transnational in nature and more integrated into stronger, more versatile global networks such as the Mexican DTOs. It is a hybrid of both local crime —with gangs vying for control of specific geographic space so they can extract payment for the safe passage of illicit products— and transnational groups that need to use that space to successfully move their products. These symbiotic relationships are both complex and generally transient in nature but growing more consolidated and dangerous.
INTRODUCTION

Since El Salvador’s civil war formally ended in 1992 the small Central American nation has undergone profound social changes and significant reforms. However, few changes have been as important or as devastating as the nation’s emergence as a central hub in the transnational criminal “pipeline” or series of recombinant, overlapping chains of routes and actors that illicit organizations use to traffic in drugs, money, weapons, human being, endangered animals and other products.

The emergence of multiple non-state armed groups, often with significant ties to the formal political structure (state) through webs of judicial, legislative and administrative corruption, has some striking parallels to Colombia in the 1980s, where a plethora of violent groups ultimately challenged the sovereignty of state and left a lasting legacy of embedded corruption within the nation’s political structure. In cases, multiple porous borders and historic smuggling routes, the accompanying “cultures of contraband”\(^1\) and the historic abandonment of the state of significant geographic zones —particularly border regions—have led to violence and illicit smuggling activities.\(^2\)


\(^2\) The author, a former Washington Post correspondent, lived in El Salvador from 1985-1990, covering the civil wars, and in Colombia from 1990-1992 covering the drug wars. From 1992-1997 he lived in El Salvador again but continued to regularly cover the Andean drug wars. From 1997-2000 he covered drug trafficking on a broader scale as the Post’s international investigative correspondent. Since 2008, as a consultant, Farah has visited both Colombia and Central America frequently to work on transnational criminal issues. The interviews cited in this report were with a broad range of law enforcement and
Unlike Colombia, El Salvador, aside from the human trafficking element, has little to contribute in terms of product, to the lucrative illicit pipelines. What it offers is a prime geographic location with sophisticated transportation networks that have extensive reach southward to the production areas of cocaine and northward to the Mexican drug trafficking organizations (DTOs) that now control the bulk of the cocaine trade into the world’s most lucrative market, the United States. Because of its geographic location, El Salvador is sometimes referred to in drug trafficking circles as “El Caminito” or the Little Pathway, which cuts across the north of El Salvador, from the border with Honduras to the border with Guatemala, carrying drugs heading from Colombia to Mexico and the United States.3

"El Caminito"

Source: http://www.elfaro.net/es/201105/noticias/4079/.

intelligence officials in Central America, as well as sources involved in transnational criminal activities and gangs. Due to the risk the sources would run if identified by name, their information is used anonymously. 3 http://insightcrime.org/insight-latest-news/item/939-texis-cartel-controls-el-salvador-cocaine-route.
The *transportista* networks, protected by corrupt officials in the police, military, judiciary, customs, immigration and National Assembly, are the value added that Salvadoran organized criminal structures bring to the current drug trafficking structures. As will be examined below, two particular local networks, the *Cartel de Texis* and *Los Perrones Orientales*, clearly demonstrate this capture of specific parts of the State while strengthening their ties to Mexican organizations.

As one observer recently noted:

*The role the region plays is simple, but the consequences are devastating. Smugglers in Central America serve one vital purpose: to transport drugs between South America and Mexico. For that reason, they are known in the region as ‘transportistas.’ Increasingly, however, these organizations have also taken on the role of local distributors and, in some cases, the suppliers of marijuana and poppy, for the production of heroin, as well as importers and suppliers for the raw ingredients of synthetic drugs that are manufactured in Mexico, Nicaragua and possibly Honduras.*

The growth of these *transportista* networks and other developments discussed below are part of what the recent Obama administration’s National Strategy to Combat Transnational Organized Crime (TOC) aptly noted is a trend where “TOC networks are proliferating, striking new and

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powerful alliances, and engaging in a range of illicit activities as never before. The result is a convergence of threats that have evolved to become more complex, volatile, and destabilizing.”

A HISTORICAL PERSPECTIVE

These pipelines’ pathways through El Salvador are not new and have almost always been linked to illicit networks in neighboring countries, particularly in Guatemala, Honduras and Nicaragua. These linkages remain important today. While not the topic of this paper, these linkages cannot be ignored in understanding the emerging criminal structures in El Salvador and the region.

During the nation’s civil war in the 1980s the Marxist-led Farabundo Marti National Liberation Front (Frente Farabundo Martí para la Liberación Nacional-FMLN) developed extensive smuggling networks through Nicaragua and Honduras for its weapons supplies and logistical support. The far right maintained significant clandestine networks through Guatemala, particularly for back channel


6 The most clearly documented case in recent times of the former FMLN groups operating is the case of Jose Luis Merino, AKA Ramiro, who was a Communist Party urban commando during the war and implicated in kidnappings in the mid-1990s and weapons sales to the FARC rebels in Colombia as late as 2008. For details of Merino’s alleged ties, see: José de Córdoba, "The Man Behind the Man," Poder 360 Magazine, April 2009; Douglas Farah, "The FARC's International Relations: A Network of Deception, NEFA Foundation, September 22, 2008; José de Córdoba, " Chávez Ally May Have Aided Colombian Guerrillas: Emails Seem to Tie Figure to a Weapons Deal," The Wall Street Journal, August 28, 2008.

As far back as early 1990, almost immediately after the war in El Salvador ended, there were media reports on the growing role of Central America as a transshipment point for drugs, primarily cocaine, to the United States.\footnote{See, for example: Shirley Christian, “Central America a New Drug Focus,” \textit{The New York Times}, December 16, 1991, p. A10, where she described the movement of cocaine by “using private planes, small boats, tractor-trailer rigs and other vehicles.” See also: Lindsey Gruson, “Drug Trafficking and Poppy Growing Find Lush Home in Guatemala,” October 17, 1989. In his article, Gruson noted that Guatemala is “almost exactly halfway between the Colombian cocaine processing laboratories and the American markets.”} There were even published reports by a former agent of the Drug Enforcement Administration (DEA) saying Medellin cartel leader Pablo Escobar had met with then-president Vinicio Cerezo of Guatemala to arrange for the transshipment of large amounts of cocaine through Central America.\footnote{“Castillo: Pablo Escobar se reunió con Vinicio Cerezo,” \textit{Siglo XXI} (Guatemala), July 31, 1996.}

A major investigation of post-conflict armed groups in 1994 found that the “illegal armed groups” operating after the war had “morphed” into more sophisticated, complex organizations than had existed during the war, and that, as self-financing entities they had a strong criminal economic component, as well as political aspect, to their operations. This was among the first serious efforts to identify the enduring clandestine structures of the civil war as new
elements in the country’s nascent transitional organized crime structure.\textsuperscript{10}

The early illicit groups that grew out of the war were initially engaged in kidnappings, both in El Salvador and abroad. The early abductions were carried out primarily by members of the Communist Party who never demobilized after the war, but often acting at the behest of extreme right and financed by their one-time ideological enemies.

\textbf{THE NEW AND THE DANGEROUS}

This erasing of the once-clear ideological lines and the ability of erstwhile enemies to join forces is an enduring and dangerous characteristic of El Salvador’s transnational criminal evolution. When the conflict ended, thousands of combatants on both sides were demobilized into a society that offered few jobs or prospects for gainful employment. These trained, elite cadres of urban commandos, intelligence officers, and clandestine operatives found their skills were marketable in the growing criminal structures. Soon the groups moved from kidnapping and extortion to providing protection services to transnational DTOs and human smuggling gangs, car theft rings and other illicit activities.\textsuperscript{11}

\textsuperscript{10} The investigation was carried out by a special commission formed in 1992, composed of the nation’s human rights ombudsman, a representative of the United Nations Secretary General, and two representatives of the Salvadoran government. The commission was formed by a political agreement among all the major parties due to resurgence in political violence after the signing of the historic peace accords. See: “Informe del Grupo Conjunto Para la Investigación de Grupos Armados Ilegales con Motivación Política en El Salvador,” El Salvador, July 28, 1994, accessed January 26 at: http://www.uca.edu.sv/publica/idhuca/grupo.html.

\textsuperscript{11} For a more complete look at the evolution of these gangs, particularly the seminal kidnapping of Andrés Shuster, see: Douglas Farah, “Organized Crime in El Salvador: The Homegrown and Transnational
While these groups had some relationships with TCOs and were part of a criminal element, they did not traditionally pose a significant threat to the state nor were they fully integrated into the TCO structures that used the Salvador pipeline.

The consolidation of cocaine market by Mexican DTOs, however, has spurred the growth and importance of Salvadoran TCOs, both the transportista networks to move products and the recruitment of Salvadorans as foot soldiers in business. The demand for these services has exploded and the value of their services has risen dramatically because of the fact that multiple Mexican DTOs, at war with each other in Mexico, are seeking to physically control the geographic space of the lucrative pipeline routes in from Guatemala to Panama. Because of this they are eager to increase their military capabilities and intelligence gathering capabilities. This, in turn, requires more political access and state penetration in order to guarantee the stable movement of products across the country, access usually gained through corruption, the threat of violence or violence when necessary.

As Carlos Dada, a well-known investigative journalist in El Salvador who has monitored the drug trafficking situation for years noted, the power of the transportistas has increased “because they own policemen, judges, congressmen, local mayors, etc. So they charge drug cartels for crossing that territory free of threats from security forces — because they manage everything. So you pay them — if you are a drug cartel, you pay them. And you have a free pass from Honduras to Guatemala.”


The Salvador recruits for the Mexican DTOs, often identified by cartel recruiters using lists of potential candidates purchased from those special forces troops they already employ, are offered about $4,000 a month as a starting salary to work either in the military structures of the cartels or as trainers. The advantage that the Salvadoran Special Forces recruits offer, according to one source that has been approached by the cartels, is that they are immediately deployable. Many have also maintained personal contacts with networks of intelligence and former comrades across the region, bringing immediate entrée into new networks and intelligence capabilities.\textsuperscript{13}

Against this backdrop, the current situation is characterized by:

- The growing financial and political strength of the multiple groups vying for control of the transnational pipelines, and the growing recruitment of retired special forces members on behalf of Mexican DTOs, particularly the Zetas;
- The physical presence of Mexican DTOs in El Salvador and their direct contact with the street gangs, particularly the MS-13;
- The dramatically increased access to intelligence the Mexican DTOs and their local allies have achieved;
- The expanding use of El Salvador, with a dollarized economy, as a hub for money laundering, particularly since Mexico enacted significant new restrictions on dollar transactions;
- Increased evidence of the sale of sophisticated weaponry from the Salvadoran military (and other militaries in the region) to Mexican DTOs;

\textsuperscript{13} Author interviews with an officer targeted for recruitment and army intelligence sources in El Salvador, May and July 2011.
• The growth of small, armed quasi-ideological groups of students being recruited by the Venezuelan-financed Bolivarian axis for training, including training of elite cadres in Iran;
• The growing sophistication and reorganization of parts of one of the main gangs (Mara Salvatrucha or MS-13) into a more structured transnational criminal enterprise that can cooperate and compete with Mexican DTOs in-country, and is providing increasingly levels of gunmen to the Zetas operating in Guatemala and Mexico.

These developments pose a significant new security challenge, unprecedented in scale and threat potential, to El Salvador, the Central American region, Mexico and ultimately the United States. As the political and economic power of these local groups providing services to transnational criminal organizations grows, new group are forming and more sectors of the Salvadoran state are being captured by the illicit network structure.

THE MAIN TRANSPORTIST AS NETWORKS IN EL SALVADOR

Among the transportista groups that exemplify the new generation of transnational criminal activity in El Salvador is the Cartel de Texis, named for the town of Texistepeque, where some of its leaders come from. Like most of the known transportista networks, the Cartel de Texis is not new, and has been in operation since at least 2000. Its operational territory along the Honduran border includes the once famous “ruta del queso” or “cheese route” used to smuggle Honduran cheese into El Salvador at the turn of the 20th century.
In an extensive series of reports, El Salvador’s online investigative newspaper, *El Faro*, detailed the growing importance of the organization and some of its links to Mexican DTOs. A main hub of the group’s operations is the town of San Fernando, Chalatenango, on the border with Honduras and close to the Guatemalan border.

The organization is allegedly run by José Adán Salazar Umaña, AKA “Chepe Diablo,” a well-known leader of a Division 1 soccer team and rancher based in the western city of Metapán. The cocaine is reportedly delivered by sea or air in Honduras, and then transported overland to the care of *Cartel de Texis*. As described by *El Faro*, the system works seamlessly.

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San Fernando is the hand-off point where the Hondurans hand the drugs off to the Salvadorans, on a route directed by Mexicans and Colombians. A highway worth millions of dollars to those who control it, composed of businessmen, ranchers, mayors, police, gang members, coyotes [those who handle human trafficking], and congressmen. Everyone plays a role. The policemen bought by narcos guard and move the drugs, remove roadblocks and warn of impending operations. The mayors give construction permits, formalize businesses and act as privileged informants—in one case acting as a group leader; congressmen give access to high levels of power. Gang members kill and traffic in local markets; and some judges and prosecutors make sure no legal case can advance.  

The trafficking of drugs represented in many ways an easy expansion of these long-time illicit transportation pipelines, where the protection of customs officials and local law enforcement was already established. The addition of cocaine to the pipeline added orders of magnitude to the profits for all involved but represented relatively little risk to the transporters.

What is different is the size of the operations, the amount of money made, the level of political influence, and the violence that accompanies the group’s criminal activities and the range of Mexican DTOs involved. Salvadoran and

15 Araúz, Martínez and Lemus, op cit.
regional law enforcement officials said the group was among the most important in the region.\textsuperscript{16}

The \textit{Cartel de Texis} is similar in many regards to another \textit{transportista} network, \textit{Los Perrones Orientales}, operating on the Pacific coast, headquartered in the city of San Miguel and using the coastal highway network as the primary transportation route to Guatemala. The group modeled itself on the Mexican cartels and, imitating the preferences of many of the Mexican DTO leaders, imported large numbers of thoroughbred horses to race, built expensive car racing tracks and commissioned “\textit{narco corridos}” or songs about their exploits, often played on local radio stations.

Most of the cocaine moved by this network arrives on go-fast boats that drop their cargo in the high seas near the coastline with GPS guidance systems attached so they can be found. An increasing amount of the deliveries are coming through submersible and semi-submersible crafts being built in Ecuador and Colombia. In addition to being virtually impossible to detect, the newer crafts have the capacity to carry up to 10 tons of product, far more than the few hundred kilograms the go-fast boats can carry.\textsuperscript{17}

Like the operation of the \textit{Cartel de Texis}, the \textit{Perrones} integrated their corruption in a structured system of

\textsuperscript{16} Author interviews with Salvadoran, Guatemalan and international regional law enforcement officials, May and June 2011.

\textsuperscript{17} Author interviews with Colombian, U.S. and Mexican intelligence officials. Interestingly, the first attempts by the Colombian drug traffickers to move to this type of shipment came in 2000, when the cartels were found to have plans to construct a Russian submarine, and had acquired most of the necessary parts. The groups then moved to homemade semi-submersibles, a technology pioneered and likely copied from, the Tamil Tigers of Sri Lanka. While few of the crafts are built in Ecuador, many are built near the border region in Esmeraldas and launched almost immediately into Ecuadoran waters.
protection for their illicit activities, including police officials, local and national politicians, gang members as hired muscle and local judges and prosecutors. And like the Texis operation, they were able to work with numerous Mexican DTOs, from the Zetas to the Sinaloa cartel and even the Tijuana organization. They also laundered considerable amounts of money through seemingly legitimate business. For example, El Salvador’s Attorney General Office charged that the owner of a large car sale business in San Miguel gave cars to a National Assembly member belonging to a Partido de Conciliación Nacional (National Conciliation Party—PCN), and these cars were used to bribe at least 10 local mayors and other officials. Curiously, the car sales business claimed to have done $13.2 million worth in sales but could only account for about $30,000 of that amount.  

When the first arrests of the Perrones began in 2008, several senior police officials and several locally powerful politicians in the San Miguel area were arrested. According to public reports as the investigations unfolded, at least 43 police officers are under investigation in the case, many of them members of the U.S.-funded elite Anti-Narcotics Division (División Anti-Narcótico-DAN). Among those suspended from his job and still under investigation in the case is Godofredo Miranda, who was the DAN commander.  

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19 Godofredo Miranda was also named by Rep. James McGovern (D-Mass), as a possible accomplice in the April 1999 murder and rape of a 9-year-old girl, Katya Miranda, who also requested that President Funes investigate the Perrones for possible involvement in the November 2004 murder of U.S. Teamster labor organizer Gilberto Soto. McGovern’s June 8, 2009 private letter to Funes requesting further investigations into these cases was leaked to the Salvadoran press and reported widely but not released by McGovern. According to Salvadoran investigators, Soto, who was organizing truck drivers in around the port of Usulután, was
According to an internal police report obtained by the author, the *Perrones* organization maintained ties to prominent politicians in the eastern region, where the right-wing ARENA party has dominated and the National Conciliation Party, traditionally linked to the military, remains a force. The document outlines the *Perrones* ties to businesses for laundering money, bribes for protection, and ties to extensive influence within municipalities in the region.\(^{20}\)

**MONEY MOVEMENTS THROUGH EL SALVADOR**

There is broad agreement that the decision to convert El Salvador’s official currency from the *Colón* to the U.S. dollar in 2001 marked a significant change in El Salvador’s national life. While there were numerous reasons for taking such a dramatic step, one of the most important collateral consequences over time has been to make the tiny nation a center of money laundering activities.\(^{21}\)

As the U.S. State Department noted in its most recent report on money laundering:

> “El Salvador has an unusually rapidly growing banking system with little, other than its dollarized economy and remittance flow, to support such growth ... The country’s dollarized economy and geographic location make it an

\(^{20}\) Confidential internal police report in possession of the author.

ideal haven for transnational organized crime groups, including human and drug trafficking organizations. The Central America Four Agreement between El Salvador, Guatemala, Honduras, and Nicaragua allows for the free movement of citizens of these countries across their respective borders without passing through immigration or customs inspection. As such, the agreement represents a vulnerability to each country for the cross-border movement of contraband and illicit proceeds of crime.”

With a poorly regulated banking structure and no need to convert from another currency to cash, El Salvador’s booming banking systems is indicative of a significantly enhanced role in laundering drug money, particularly since the Mexican government has made it more difficult to move money directly into Mexico. Sources with direct knowledge of illicit money movements in the region said that much of the bulk cash that traditionally flowed into Mexico is now being moved from the United States to El Salvador and other “dollarized” economies (Ecuador and Panama both use the U.S. dollar as their official currency), then trucked north through Guatemala or placed in the formal banking structure through complicit banks.

“There is really nothing easier,” said one source familiar with cartel money operations. “If you get the cash to El Salvador then there is no problem getting it into the banks, because no one asks any questions, and the cartels have

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23 Author interview with two sources that move drug money in Central America, May and July 2011.
prearranged everything. The money goes in as dollars and comes out as dollars in ‘clean’ account. The cartels can get access to it from anywhere in the world and it is washed, laundered and dried.”

In one recent incident that demonstrates the amount of money moving through the country, in September 2010 police investigators found two plastic barrels full of $100 bills and Euro notes buried on a small farm outside the town of Zacatecoluca, in central El Salvador. The first barrel was reported to contain $7,196,850 in U.S. dollars and 1,684,500 Euros, and the second barrel had a similar amount.

A source who has dealt with illicit money flows, suggests that:

*The real problem the Mexican cartels are having now is how to convert $10 and $20 bills into larger bills, to reduce the bulk....The second is how to move all the money that is accumulating in Central America back to Mexico or on to Colombia. They have more money than they can move comfortably now, but no one wants to leave millions of dollars in a warehouse. The risk is too high. So there is a large bottleneck.*

**SHIFTING ALLIANCES AND SHIFTING TARGETS**

The relationships of Salvadoran *transportista* organizations with Mexican drug trafficking organizations (DTOs),

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24 Author interview in Guatemala, June 2011.
26 Author interview with source that moves drug money in Central America, July 2011.
particularly the Sinaloa cartel and *Los Zetas* are still in flux and shift rapidly. However, what is clear is that the emergence of the Mexican DTO structures in El Salvador is giving both the Mexican organizations and their local partners increased resources to hollow out the nation state structure by crippling the judicial, law enforcement, legislative and regulatory structures.

As the state capture advances, the Mexican DTOs and armed groups are more easily able to open the country and the region to a growing array of other criminal groups, including some such as the Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia*-FARC) from Colombia and Hezbollah from Lebanon, that are designated terrorist entities by the United States.

At the same time, as noted above, remnants of the old ideological armed structures on both the right and the left continue to operate. Of particular concern are groups of university students being recruited in small groups and sent for ideological training in Venezuela, and then, for the best cadres, training in Iran. The training, according to three people who have been through the training, is both ideological and embracing of armed struggle.

Those trained cadres, in turn, have formed small groups that have trained militarily on the outskirts of San Salvador, in areas where the FMLN was traditionally active. According to two sources with direct knowledge of events, the *Bloque Popular Juvenil*, a self-defined Marxist-Leninist organization of the Communist Party, is the primary link among these armed groups.²⁷

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²⁷ Author interviews with former BPJ members and members of the Communist Party, May 2010 and June 2011.
The Mexican DTOs are also actively recruiting in El Salvador. The Zetas, in particular, are targeting the Salvadoran military, and other military and police forces in the region, for the purchase of sophisticated weapons. Numerous cases made public in the past year indicate that the militaries of El Salvador, Honduras and Guatemala all have had seen military officials sell or attempt to sell significant amounts of sophisticated weaponry to Mexican DTOs.  

In June 2011, Gen. David Munguía, the Salvadoran defense minister, called for a regional effort to halt the flow of weapons from the south toward Mexico.

> All the militaries of Central America, the police, the municipal police, all those with weapons, should take measures to insure they are not stolen,” Munguía said. “The Mexican cartels have established a rearguard area for themselves in Central America, a logistics base. The cartels that operate in southern Mexico and those that operate in Guatemala are trying to supply themselves with weapons from Central America.”

Two cases stand out in El Salvador for their audacity. The first was an attempt by six army officials to steal 1,812 fragmentation grenades that were supposed to be destroyed. Rather than blow up the munitions as required, the group buried them, staged a fake explosion to demonstrate the weapons had been destroyed, and planned to dig them up and

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sell them to the Zetas. While the group was eventually busted, Munguía and other military officials said it had been operational for a significant period of time before being dismantled.\(^\text{30}\)

The second case is more complex with broader international implications. Hector Antonio Martínez Guillén, a recently retired army officer known as “el Capitán,” was arrested in May 2011 following a sting operation in which he sought to provide the FARC in Colombia with plastic explosives, automatic rifles and ammunition in exchange for $1 million in cocaine. At one point he provided 20 pounds of C-4 explosives to undercover DEA officials posing as FARC representatives.\(^\text{31}\) Given the FARC’s support by members of El Salvador’s Communist Party and the former officer’s enlistment in a pro-U.S. military, the case shows just how irrelevant for ideologies have become.

In addition to the new types of recruitment being carried out among former combatants, the traditional gang structure, particularly the MS-13, is restructuring many of its “cliques” or sub-units, into more disciplined operators who are acquiring significantly enhanced military training and forging new relationships with the Mexican DTOs, particularly the Zetas. As part of this restructuring, consumption of drugs is prohibited among gang members, the traditional gang tattoos are removed or covered up and there is more formal coordination among the leaders on the ground in El Salvador and their U.S.-based leaders or leaders who are imprisoned in El Salvador.


According to two sources who work extensively with the gangs, the senior leadership, directed by U.S.-based leaders, has developed a working relationship with the Zetas to provide militarily trained cadres to work for the organization in Guatemala, primarily as security. They are valued, the sources said, because they do not have family in the areas and have no loyalties or attachments, allowing them to act in a more cold-blooded way than local recruits would be willing to.

In addition, the sources said, those working with the Zetas view themselves as partners in the operation, not as subservient to the Mexicans, and some of the money paid the gang members by the DTOs goes to support the MS-13, rather than to the individual. This is due in part to the fact that the Zetas, while maintaining a presence on the ground in El Salvador, do not have a way to project significant military force there yet, and therefore do not want to take on the gangs and try to force them into submission.

Partly as a result of this and the gang’s own growing strength in terms of firepower and control of territory, the MS-13 also provides its services to other DTOs that are often in conflict with the Zetas. This ability of Salvadoran groups to work across the warring factions of Mexican DTOs, at least at this time, is an interesting characteristic of the drug trade.32

**PARALLELS TO THE COLOMBIA CASE**

In many ways the current case of TCOs in El Salvador is similar to the developments in Colombia in the 1980s and early 1990s, when the Medellín and Cali cartels predominated and narco violence was at its peak. There are

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32 Author interviews with sources close to TCOs in El Salvador and Guatemala, May and July 2011.
also some significant differences in the situations that make direct comparisons more difficult.

Among the similarities are:

**State Penetration and Capture in Specific Points:** As the cases of the *Perrones* and the *Cartel de Texis* show, the Salvadoran *transportistas* have proven themselves adept at coopting specific, local political and police structures as well as making inroads into the national political and law enforcement structures. This closely parallels the strategy of the Colombian organizations that generally (with the exception of Pablo Escobar at the height of the extradition wars in 1989-1991) did not seek direct political power, but rather focused on buying protection within the system. Even the significant corruption of the constitutional convention of 1991 in Colombia by the Medellín cartel was aimed primarily at banning extradition rather than advancing a coherent overall political agenda.\(^{33}\) In El Salvador, there are significant allegations of senior police corruption, particularly in the corridors where cocaine shipments move, as well as high-level protection of TOCs within the judicial branch and protection by local mayors.

**The Culture of Violence:** In both cases the illicit activities have bred pockets of violence with homicide rates many times higher than regional average or historic norm. While El Salvador’s armed conflict formally ended in 1992 and Colombia has not reached a negotiated end of the conflict with its two largest insurgent groups, in both cases many of the smuggling routes and ensuing alliances among regional actors have been forged in those conflicts.\(^{34}\)

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\(^{34}\) For a more complete look at how these routes emerged and the level of violence that the current trends have engendered see: Farah, op. cit.
Among the most intriguing elements shared by El Salvador now and the former situation in Colombia is the emergence of young gangs as important foot soldiers in the drug trade, similar in many ways to the sicarios or young hit men who killed for the cartels, particularly in the comunas or hillside slums of Medellín.

In both cases disaffected young men found a type of home or social family outside the mainstream society, in groups that relied heavily on a culture of violence to engender that feeling of community. Both adopted a quasi-religious mystique and justification for their actions, praying to specific saints or virgins that their aim would be true, while idealizing their own mothers, almost to the point of veneration. In both cases, father figures are largely absent in the family life.

The sicarios, recruited in the comunas, were the cannon fodder of the war that raged between the Colombian State and the cartels and were driven by a similar sense of life being short and the inevitability of violent death that pervades the Mara Salvatrucha and Calle 18 gangs in El Salvador. In El Salvador, the gangs are undergoing a profound transformation but have traditionally been made up of alienated young men who expect to die young or spend most of their lives in prison.35

**The End of Ideology**: Another disturbing parallel between Colombia in more recent years and the situation of violence in El Salvador is the demonstrated ability of different groups, once separated by ideology, to work together. While already

described above in the Salvadoran context, the presence of “bandas criminales (BACRIM) in Colombia, a catch-all description for emerging criminal gangs, is a similar phenomenon. Where once paramilitary groups allied with the military fought the Marxist-led FARC, in recent years these battle lines have become blurred and merged with drug trafficking organizations.

Gen. Oscar Naranjo, Director of the Colombian National Police, now considers the BACRIM to be a greater national security threat than the FARC, and responsible for more violence. What is most alarming about the BACRIM is that they are often made up of former paramilitary members who did not demobilize under the controversial amnesty program for their groups, as well as deserters from the FARC who have lost any semblance of ideological justification for their activities. These mixed groups are particularly active on the northwestern border with Ecuador, where they are sometimes at war and sometimes work together with the FARC’s 48th Front. The loss of ideological cohesion and the ability of trained units, at one time on different sides of a major conflict, to work together usually mark a significant advance in creation of sophisticated transnational criminal organizations in a region.

**Havoc in the Financial System:** The barrels of cash found in El Salvador are similar to those encountered by Colombian cartels during the heyday of the Medellín and Cali cartels, when Gonzalo Rodrigo Gacha, Pablo Escobar and others, were known to bury millions of dollars on their

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37 Author interviews with law enforcement officials in Ecuador and Colombia, November 2010.
extensive rural properties. And like El Salvador, Colombia saw an explosion of banking activity that would be hard to justify in normal economic terms. The circulation of such large amounts of illicit money has numerous consequences on the legal economic structure. The primary one is to drive legitimate businesses out of the market and a secondary is to provide enormous amounts of money that amplify the ability of drug traffickers or their allies to buy their way into the system for protection. 38 Years after reducing the existential threat of the drug cartels to the state and the passage of numerous laws to combat the flow of illicit funds, Colombia is still struggling to make headway against this phenomenon.

Among the differences between El Salvador and Colombia are:

**Insurgency against the government:** There are significant differences between the situations of violence and illicit activities between El Salvador now Colombia in the late 1980s and early 1990s. El Salvador now does not have an organized, armed insurgency fighting to overthrow the government, in contrast to the FARC and ELN insurgencies in Colombia. No centralized group with an identifiable leader has emerged such as Pablo Escobar and the Medellín cartel in the Colombian context, followed by the Cali cartel, the Northern Valley organizations and others. While El Salvador has identifiable transportista structures such as Los Perrones and the Cartel de Texis, these groups tend to work for a variety of DTOs, and are themselves without a coherent, integrated, overarching structure.

Historically, while Colombian organizations focused on cocaine smuggling, Salvadoran organizations focused on the

movement of migrants seeking to illegally enter the United States. These illicit pipelines are increasingly becoming merged and indistinguishable, but each set of pipelines serves a different purpose.

**Transnational Structures:** Perhaps one of the most notable differences between the situation in Colombia and the current situation in El Salvador has to do with the transnational structures of DTOs. *Sicarios* in Escobar’s empire but did not have a transnational structure that reached into major cities in the United States and neighboring countries, and the Salvadoran gang structures do. The *sicarios* were more directly employed in the cartel structure than most of the gang operations in El Salvador, and the Colombian DTOs at the time generally did not work with non-Colombians in any significant way. There were a few exceptions but the transportation structures relied largely on air transport to U.S. territory and Colombian control of major retail operations to wholesalers. Thus, there was seldom a need to negotiate with the *transportista* networks to move products. In contrast, the Mexican organizations use more land and sea routes and actively seek to control the territory through which their products pass. This gives the Mexican DTOs the impetus to develop a wide range of relationships with groups that are not directly integrated into the trafficking structure but who are vital to the success of the enterprise.

**THE ROAD AHEAD**

El Salvador, like the rest of Central America, is rapidly reaching a tipping point in its ability to successfully tackle, even in a limited sense, the multiple issues in combating transnational organized crime and the money that flows from those organizations. This constitutes a direct threat to the nation’s fragile democratic process and post-war recovery by
hollowing out the state and draining enormous amounts of resources from the legitimate economy.

As it has in recent years, El Salvador, with its extensive and lightly guarded land and sea borders and ideally situated geographically as a transshipment point, will likely continue to grow in importance. What sets El Salvador apart from other nations in the region at this point is that it remains meeting and recruitment ground for multiple Mexican DTOs, rather than territory largely controlled by a single organization. In contrast, Guatemala is a significant area of influence of the Zetas while Honduras remains a stronghold for the Sinaloa cartel.

Given the demonstrated adaptive capacity of the gangs in El Salvador and their growing sophistication and ties to the Mexican DTOs, it is likely these groups will continue to expand their territorial control and become more integrated into the armed structure of larger organizations.

As the cases of the Cartel de Texis and Los Perrones show, El Salvador’s primary value added to the cocaine pipeline is to successfully move illicit products across the territory they control before handing the goods off to Mexican organizations. This multi-national transportista network, tied together both through the gangs and through long-standing smuggling networks, has an extensive reach into the political, law enforcement and judicial structures of El Salvador and most of the rest of the Central American region. Given the time it has taken to begin to unravel known groups and the political cost of doing so, these groups will likely continue to grow in power and influence.

Organized crime in El Salvador has now reached the point where it is transnational in nature and more integrated into stronger, more versatile global networks such, as the
Mexican DTOs. It is a hybrid of both local crime —with gangs vying for control of specific geographic space so they can extract payment for the safe passage of illicit products—and transnational groups that need to use that space to successfully move their products. These symbiotic relationships are both complex and generally transient in nature but growing more consolidated and dangerous.
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INTERVIEWS

During May and July 2011, the author conducted numerous interviews with law enforcement and intelligence officials in Central America, as well as with individuals involved in transnational criminal and gang activities. Due to the sensibility and risks for the sources if identified by name, the author has used the information anonymously. The author also interviewed law enforcement officials in Ecuador and Colombia in November 2010.
ABOUT THE AUTHOR

Douglas Farah is a Senior Fellow for Financial Investigations and Transparency at the International Assessment and Strategy Center in Washington, DC. He specializes in research, writing and training on transnational criminal organizations and armed groups and their effects on states and corruption; terrorism, terror finance and proliferation; and, illicit financial flows, with a particular focus on the Western Hemisphere, Africa and globalized networks. A veteran investigator with more than 25 years experience, Mr. Farah is a consultant on these and related issues to numerous U.S. and European government departments, agencies, combatant commands, as well as the United Nations Criminal Investigative Unit, Bosnia. He also applies his expertise on subjects such as the Muslim Brotherhood, drug trafficking, and investigative journalism with leading academic centers in the U.S. and abroad, and with NGO’s including the World Bank, Wilson Center, National Endowment for Democracy, U.S. Peace Institute, Coalition for International Justice, Consortium for the Study of Intelligence, NEFA, Global Witness, and CSIS, where he is an Adjunct Fellow.

Mr. Farah received the Sigma Delta Chi Distinguished Service Award for Foreign Correspondence in 1988 for a Washington Post series on death squads in El Salvador. He served as Washington Post bureau chief for Central American and the Caribbean from 1992 to 1997, covering the drug wars in Colombia, as well as Haiti and Cuba. From 1997 to 2000, he was an international investigative reporter covering drug trafficking and organized crime, including the emergence of Russian organized crime groups in the Western Hemisphere. In 2000, he Farah was named Post bureau chief for West Africa, and was based in Abidjan, Ivory Coast. After breaking the story of al Qaeda’s ties to

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