

MR. SEAN FEARNs: Good morning, ladies and gentlemen. And welcome. For those of you who are coming back for our fourth in our series today, welcome back. For those of you who are here for the first time, welcome to not only the museum's lecture program, but also DEA. My name is Sean Fearn. And on behalf of all of us on the staff, welcome this morning.

Today we conclude with a fourth in our series of lectures. We literally ripped this out of the headlines this spring, talking about the issues between U.S. and Mexico joint drug law enforcement and drug trafficking. We began at the end of March with DEA's Regional Director Dave Gaddis and the representative from the Mexican Attorney General's Office Ariel Moutsatsos.

We then went in April to a reporter's perspective with Donna Leinwand from USA Today and the National Press Club. Last month, Mike McDaniel and Jimmy Craig, DEA agents themselves, speaking about DEA's Operation Impunity. And today, our fourth and our final program, we are delighted to have a guest speaker coming to us from Williamsburg, Virginia to speak about La Familia Michoacana, an emerging cartel.

Let me introduce if I can Professor George Grayson. He is the Class of 1938 Professor of Government at the College of William & Mary in Virginia where he has been a member of the government department faculty for thirty-eight years. That's impressive. He earned his BA at the University of North Carolina Chapel Hill, his MA and Ph.D. at Johns Hopkins University. And a J.D. at Marshall Wyatt School of Law.

Grayson has focused on Latin American politics with a particular interest in Mexico. And he is encouraging everyone to sit as close to the front as you are comfortable. He has written twenty books and monographs on international affairs, made 125 research trips to Latin America and lectures regularly at the state department.

He also writes a regular column for a weekly magazine in Mexico. And last but not least is a Senior Associate at the Center for Strategic and International Studies here in Washington and an associate scholar of foreign policy at the Foreign Policy Research Institute in Philadelphia, Pennsylvania. Please welcome Professor George Grayson. [applause]

PROFESSOR GEORGE GRAYSON: Well, if the audience won't come to me, I'll have to go to the audience. That's clear. Thank you very much, Sean, for the very nice introduction. Where's my wife? See, honey. When I'm away from home some. And Catie has done a magnificent job. Where's Catie? Catie, come here. Come here. This is the best organized person. If you need to organize, if our new Ambassador to Mexico, needs to organize the Embassy here, Katie is the one to do it. And above all, she got me out of Washington today with flawless precision, with my wife Brian being the navigator.

I want to start by saying [Spanish]. I am an optimist. I always fill out my Publisher's Clearinghouse form. Because Brian and I know that one day, the successor to the late Ed McMann will show up in our drive way with a huge check. And then we will live a life of luxury with the high salaries that say groups like the Drug Enforcement Administration receive. You're not laughing.

In addition, when I get emails from that ex, oh, Finance Minister or Energy Minister from Nigeria, both correspond with me regularly. And they've got the \$20 million if I can just help them with a finder's fee. I always send them a little check. I figure they're down on their luck and they need that. And moreover, when I'm told by looking at the websites that Miguel Ángel Félix Gallardo the Capo of the Capos in Mexico is really a nice guy, in prison awhile, in failing health. But would like to get birthday cards and Christmas cards, I tend to send him one.

So I am an optimist. However, had we then come upon Michoacán, a state which we will see on the screen shortly, on September 6th, 2006, we would have been at the nightclub, the Sol y Sombra The Sun and the Shadow Nightclub. And we would have been enjoying ourselves with both Dos Equis and Corona and maybe a margarita thrown in. If you have a wooden leg like I do, we would be dancing perhaps.

And then all of a sudden, we would have had our merriment interrupted when a platoon of young men come tearing in with AK47s and they're blasting the ceiling. And then they have the audacity to rip open a bag and they start throwing, they start throwing heads. Excuse me. (Heads thrown into the audience.) Catch one for me. There you go. I hope the paint's dry. If not, watch your shirts. Come on, here you go, Mr. Cameraman. Sean, where are you? You got one, Sean. Here you go. There were five heads. We are keeping one so I can have a wig made from it.

They came in and they had seized five individuals the day before for various reasons related to a male/female relation with regard to a bartender at the nightclub, a female bartender. And the young men whose heads you see replicated here had apparently been overly aggressive for showing their affections for this bartender, who tried to resist their blandishments.

La Familia Michoacana the subject today, La Familia Michoacana says that we do not in any way degrade women. And therefore, they seized the five culprits believed to have been aggressive. While they were alive, they used a very slow power saw. And they cut their heads off as the five individuals writhed in pain. And then the following night, they went to the Sol y Sombra Nightclub and lofted the heads on the floor.

This is the kind of organization that we're talking about. It's an organization that has a great deal of the moralist and piety in its rhetoric. At the same time, it is competing for being perhaps the bloodiest organization. And I had to go to

the blood bank to actually get this blood. Some people might think it's just paint from Target, But they are a gruesomely bloody organization.

You've got the outline. I want to make five points briefly. And then we can move to questions and answers. I don't have a PowerPoint presentation. Because I teach 8:00 and 9:00 a.m. classes. And I'm really afraid to turn the lights off at that time in the morning with college students. And that's not your case. But college students who stay up to 2:00, 3:00, 4:00 in the morning sometime. Of course, they're always working, reading for the class. And then have to go to an 8:00 o'clock class which they think is a terrible imposition.

We could look at the map of Michoacan. The first thing on your outline is the origins of the La Familia or La Familia Michoacana, the Michoacán family. Because it is focused in the state of Michoacán which is in Southwestern Mexico. And it's highlighted by the fact that there's an area called Tierra Caliente that embraces about thirty-two municipalities. Municipalities are roughly like counties in this country. But the most important feature perhaps of Michoacán is down here ... oh, I've got a pointer. Lazaro Cardenas is a major area of the importation of cocaine from the Andean countries. It's also a major source of precursor drugs for making meth.

And the state of Michoacán, which is bordered by Guerrero which is a state convulsed by violence. This is Mexico state, the largest state, and the governor of which has already bought a presidential sash. And his wife has already taken the dimensions of the most Los Penos Presidential palace. Because he is certain he is going to be the governor in 2012. They like to plan ahead.

And over here you have Jalisco. And you know Jalisco. Because that's Guadalajara. And Colima is important. Because that's where you have the Port of Hermosillo. And Hermosillo is also a major importation center for drugs, both from the Andean countries and from Asia.

But Lazaro Cardenas, and, of course, it's named for the Franklin Roosevelt of Mexico, the President from 1934 to 1940. Who before that was governor of the state. His brother was governor of the state. His son was governor of the state. And his grandson was the last governor of the state. Lazaro Cardenas is Mexico's largest port. It's also within 186 miles of about half of Mexico's population. And the roots that lead out of Lazaro Cardenas are up through here as you have through Hall Skal towards the U.S. border. And we'll have a map of Mexico as a whole.

Well, this group began first as vigilantes. As best, we can tell, they will pose to the presence of Los Zetas. The Zetas are the ex-Gothas, the ex special forces, who have now become probably Mexico's most dangerous cartel. They were earlier enforcers for the Gulf cartel which is around Tamaulipas which is in the Northeast Coast of Mexico. And they have been recruited to come down to La Una and to help an ally of the Gulf cartel maintain his plaza, his corridor of activity.

And the La Familia was very much opposed to having outsiders, Los Zetas, coming into mess around in their home state of Michoacán. And so the rivalry began. And Michoacán is also interesting because the Monarch butterflies are over here. It's got about 4.7 million people. But there are meth labs all over this part of the country. And the Tierra Caliente is roughly here. It's where you've got Mexico State, Guerrero and Michoacán coming together and Nueva Italia for example, an important area there. Apatzingan is probably the largest city in the Tierra Caliente.

So they began as Zetas fighters. They didn't like these outsiders, these paramilitaries, who were coming in to help an ally of the Gulf cartel. One of the four factions within La Familia still seems to be pro Zetas. Or they have tried to build alliance with the Zetas. But increasingly the La Familia Michoacán is driven by (1) a desire to rid the state of the consumption of drugs, especially by minors. But at the same time to get itself into the drug business itself.

And Mexico's Attorney General, Eduardo Medina Mora, whom I had a chance to talk to last month as I was telling Queen Elizabeth ... I hate name droppers. But Medina Mora is convinced that the Zetas is now the largest group that is cooking meth in the country. That is they have surpassed what used to be the largest group here called the Milenio cartel run by the Valencias. The outline is to try to minimize the number of names and places.

So to wrap this part of, Michoacán, a major portal for the entry of drugs. La Familia wants to control Michoacán and the adjoining states to keep their young people from being corrupted, to keep their women from being harassed. And at the same time though to adopt many of the policies and the practices which the people against whom they were fighting have pursued.

And so, La Familia is not just in these areas, but it's starting to show up in Dallas, in Atlanta, in Los Angeles. And the local law enforcement officials there, they've heard of the Gulf cartel. They've heard perhaps of the Juarez cartel or of the Sinaloa cartel or one of its embellishments. But La Familia is quite new to them. And we don't know a great deal about La Familia. I had a chance to interview the fellows who cut the heads off of the five people. Then I read about what they had done. And I decided that I would go to the local museum instead of making their acquaintance.

The second thing is the leaders. And their names are on the outline. And because we're all friends here, we will call them El Chango, El Chayo and El Tio. All Mexican drug dealers and drug activists have nicknames. Some of the more exotic ones are Winnie the Pooh, for instance, Azata or El Erotico, the erotic one. Or the butterfly. Or the consumptive. They all have one or more aliases. But they also have their nicknames.

And these are the most visible one. And El Tio, as we were talking about earlier on Cartalara, was believed to have been dating the last Secretary of Public

Security in Michoacán who was arrested on the 22nd of May. She had been forced to leave that position some months earlier. Because CSEN, Mexico's version of the CIA, had warned the Mayor that his Secretary of Public Service wasn't keeping the best company.

But El Tio from Cartelera is the spokesman. And they give out news releases. And they will put up Narco banners, large banners, which proclaim their ideas. That they're fighting for God. They're doing God's will. And when they execute their opponents, this is divine justice. And increasingly, they're carrying bibles with them. And they're giving bibles out at government offices. And many are regular church attendees. And it's thought that it's just possible that some may have been inspired by a millenarian order in Turicato. And this is our friend Padre Nabor Cardenas, not related to the Cardenas family of Lazaro Cardenas fame.

But they have a movement that is certain the world is about to come to an end. They thought it was going to be 2000. But now they're waiting for another millenarian event. They attend church four times a day. They have to give a day of community service every week. They have a priesthood that very much replicates Roman Catholic Church in miniature. The women wear long gowns, sort of a combination of medieval costumes and Indian folkloric dress. And they are extremely puritanical in resisting alcohol, cigarettes, and, of course, narcotics. We're not sure about the link. But there is a strong religious emphasis. And you will see El Chango and El Chayo and El Tio who will talk about that.

Overall, they've got about 3,500 to 4,000 members. All from Michoacán. And they're organized in five, six different groups. And I won't go through them because they're on the outline there. But they have various specialties. And it maybe that they're specialized in kidnapping or specialized in killings. Or they're specialized in putting the arm on street vendors. Because if you're a street vendor in many of the municipios in Michoacán, you're expected to buy your wholesale contraband from La Familia. And so La Familia doesn't just focus on meth and maybe some marijuana and cocaine on the side. They are a multipurpose, multifaceted organization. And that's why they have four to five distinct groups.

As I had mentioned earlier, their major ... their nemesis are Zetas. The Zetas sprang to life in the early '90s as the paramilitary arm of the Gulf cartel. And thanks to the great work of the DEA, one of the top leaders of the Gulf cartel is now serving eleven life sentences in the care of a U.S. custodial institution. But the Gulf cartel recruited the Zetas, ex special forces as I mentioned before. And their purpose was to be able to muscle for the Gulf cartel.

And when Osiel Cardenas, the head of the cartel, was arrested in 2005 and extradited to the U.S. in 2007, the cartel went through one of these power struggles at the top. And the head of the Zetas has become a player. And increasingly, the Zetas are a cartel unto themselves. They may consult with the Gulf cartel.

But they don't take orders from the Gulf cartel anymore.

Well, the Zetas and La Familia share a number of characteristics. One is the, just the brutality, the grotesqueness, of how they treat their foes. And that's in part because they've never lived under any rules of the game. In the PRI, the P-R-I which ran Mexico, the presidency, from 1929 to 2000, when the PRI was in power, it was abjectly corrupt. It was a dicta suave, a soft dictatorship within a hard dictatorship. But it would certainly use force against its enemies. As we've seen when a number of student groups have been shot in the streets in Mexico City during the past four or five decades.

But when the PRI was in power, they had control over various sectors of the country, the oil industry for example. They controlled that. Because the state oil company is a monopoly. And the union there virtually runs it. And that's an arm of the PRI. In Mexico, the teachers' union is colonized by a former PRI leader, former Secretary General of the PRI. And the PRI was also up to their elbows, probably up to their shoulder blades, in relationships with the drug cartels.

And the rules of the game went something like this. You are an El Jefe. You're a Capo. You make your payments to a representative of the Army, a representative of the federal government, a representative of the state government and maybe just to hedge your bets someone in the municipality in which you have operations. In return for making those payments, the government would turn a blind eye to your operations.

However, you had certain operations, Sean. As a Capo, I know you have that rehabilitation you've gone through has done wonders for you. And you're a new man and so forth. But the obligations on the cartel were that (1) you showed respect for government officials. And so the Olingers, the Zambatos, the Choppers, Los Azules, they would be godparents to the children of governors and vice versa. They were respectful of the police. They never used weapons that were more powerful than what the government had.

They did not kidnap. They did not sell drugs in Mexico, especially to young people. And if they had to settle a dispute, they did so preferably in the United States if there was going to be a killing. But at least out of the way. Not in the town Culiacan which is the capital of Sinaloa where the Sinaloa cartel is so important, where many of the older drug dealers come from.

So there are rules of the game, kind of a live and let live relationship. And the older people in the drug business, they remember that. And not that they follow them necessarily. But they recall when the government had the ability to come down on you like a ton of bricks if you violate the rules. Because the government could dispatch the Army or the judicial police and arrest you or kill you if you violate the rules of the game.

The Zetas are in their twenties and thirties. La Familia, twenties and thirties. They've

never lived under any rules of the game. They make up their rules as they go along. And so if it's throwing bloody heads onto a nightclub floor to make a statement in behalf of protecting the virtue of women, they will do it. If it is finding someone who has snitched on him and putting his head in a container of ice and leaving it on the main street in Lazaro Cardenas, they will do it. And both the Zetas and La Familia offer just this grotesque brutality that was not part of the everyday affairs of the older narco traffickers.

The Zetas and La Familia also have the narco banners. These are large banners that will say that we are here to rid Michoacán of nefarious influences. And again, we have been called by the Lord to carry out his will. The Zetas in contrast have a much wider geographic area. But their banners are much more likely to talk about military or the federal police invading our state and killing our women, children and old men. That is they will try to and they will organize demonstrations. And they pay good money if you will go into the streets to demonstrate against the operations that President Calderon is carrying out.

There are major differences between the Zetas and La Familia. The Zetas will enter into pacts with other cartels. That is they're more or less an arm's length with regard to the Gulf cartel. But they have gone into Guerrero and they work with Sinaloans there, the Beltran Leyva brothers. And they control Sinaloa between the Zetas and the Beltran Leyva brothers.

The Zetas) are not at all pious. No bible pounding therefore. They are just trained killers. And they will recruit outside the first home base which was Tamaulipas. And they will also bring in Quibelas from Guatemala. And Quibelas are among the most dangerous warriors in the world. If I lead, follow me. If I stop, shoot me is the refrain of the Qiibelas. The Zetas has a cellular operation. So no one knows who probably is more than five or six people in that particular cell.

And could we have the map now of the whole of Mexico, please? The Zetas began up here in Tamaulipas. They have moved down the coast. And they're around here. they're very active in Guatemala. And they're up through the old Oaxaca where the old Oaxaca cartel has been disbanded. And they're in Guerrero with the Beltran Leyva brothers. And they have come up through here we are with Michoacán. And they're trying to go further north. But this area is controlled mainly by the Sinaloa cartel and its allies with the exception of Tijuana where you have the Arellano Felix family. But the Arellano Felix family is badly divided.

So the point I'm making is that the Zetas are on the move. And except for the northwest of Mexico, you will find Zetas virtually everywhere, including Mexico City. So far, Las Familia has largely been restrained in this area. Although, there are fashioning routes and fashioning corridors to be able to move drugs into the United States through El Paso or through Nogales. Well, the important thing is that the Zetas and the Familia are dynamic. They are growing. And they

Zetas, perhaps because of their military background, although only a fraction of the three or four hundred Zetas were actually in the armed forces now. But the Zetas have a military discipline. And they have training camps and mini Quanticos up here in this area with air strips and so forth where they train their recruits.

And La Familia is fairly limited in its geographic area. It also only wants people from Michoacán. And it doesn't enter into bargains or contracts with anyone with one exception. And that is that in the Guanajuato, which is a state where ex-President Fox comes from. You may know it from San Miguel de Allende, a lovely resort city. That used to be controlled by a member of the Sinaloa cartel. And he has virtually ceded it now to La Familia.

The fourth point is that Calderon has been launching operations, probably about twenty major operations, to different parts of Mexico to try to not just fight the drug cartels, but to preserve the sovereignty of the country. It's sometimes compared to 9/11. But as horrible as 9/11 was, we were not physically invaded apart from the aircraft and the horrendous that they do. In Mexico, the cartels, and there are seven or eight who are of significance, and a lot of cartelitos, the cartels were threatening the sovereignty of Mexico. And so when Calderon, who is a center right, pro Social Christian, decent human being, when he was on the campaign trail in 2006, he talked in terms of fighting poverty, improving education, health care, and, of course, the drug cartels. And the criminality which is often different. Just the street crime.

Once he got into office, cartels took first, second or third place. And whereas his predecessor Vicente Fox had used the army against the cartels, he had usually done so in small operations. Whereas, Calderon has mobilized on average of at least several hundred, often several thousand military and federal police to go into Tijuana, to go into Ciudad Juarez where they're stationed right now, to go into areas of Tamaulipas, which is 70 percent run by the Zetas. Or to go into Zacatecas. Or to go into the Michoacán area.

But it was largely going after the cartels. On the 27th of May, there was a sea change with regard to government policy. And that sea change was that federal authorities actually led by the federal police which is interesting. Because the police forces in Mexico are notoriously corrupt. The army is not exactly a group of Jefferson Democrats. But they have a much higher approval rating. And they have greater discipline. And there's substantially less corruption in the armed forces.

But they went into Michoacán. And they arrested twenty-seven politicians. That is before you've gone after the bad guys in Dallas, those who were in the cartels or allegedly part of the cartels. And you were arresting judges, prosecutors, a former secretary of public security whom I mentioned before, Citlali Fernández González and ten mayors. And you've got the list of the mayors on your outline. And what you can see is that the mayors come from a spectrum of political parties. Because there are major elections coming up in

Mexico on July 5th.

And, of course, Calderon's detractors said you're only motivated for political purposes to give the opposition parties a bad eye, alleging that they are in fact in bed with the drugs dealers. And what Calderon was able to show, and what you can see on that little table, is that the mayors came from across the political spectrum. And so the Attorney General and Los Pinos, the presidential residence, has said that this was a non-political operation. Some people roll their eyes when they hear that, but they went after civilian enablers. And that was a sea change with regard to policy.

With regard to the future, President Calderon I think is still going to have to use the armed forces. He'll probably use them a bit less. Mexico has only 80,000 to 100,000 combat troops. At any given time, there will be tens of thousands who are on leave, that are ill, that are undergoing training, that are AWOL which is a big problem with regard to the Mexican military. It has a ten times higher desertion rate than does the U.S. military. And the armed forces can do only so much.

The intelligence capability is improving in Mexico. And that's always been an Achilles heel. It's still a problem. Obviously, you know about stove piping because you're in a bureaucracy. And how bureaucracies like to keep things confined to their own channels. And that's a problem with the intelligence community in Mexico. There are a half dozen or more key intelligence agencies. And they haven't wanted to necessarily share information with CISEN) which is their CIA. But Calderon has appointed a very close friend of his as the head of CISEN, Guillermo Valdes. And CISEN is doing a better job with regard to amassing and analyzing intelligence, not just from its own sources but from sister and brother agencies. And I asked some of the CISEN people was it really hard intelligence that told you what mayors to apprehend on the 27th of May? And he said I would love to say that it was because our intelligence capability has doubled and tripled, quadrupled in efficiency.

He said, but you go out into these rural areas. And everybody knows everybody else's business. You know who's on the take. You know which mayors are being blackmailed or facing extortion. You know what churches have been repaired all of a sudden thanks to the generosity of some unknown sources.

And so, rather than maybe tapping telephones or having sophisticated eavesdropping devices, they just sort of mingled among the people and got a pretty good idea of what was happening. Of course, Michoacán is Calderon's home state. And the President of the PON, the national action party, is also from Michoacán. So they had plenty of contacts there which they drew upon.

Nonetheless, intelligence is improving. They're going after I think and will continue to go after more and more enablers along with the narco traffickers. And it's going to be interesting to see in the July 5 election. Because earlier in the year, Calderon was behind by double digits or Calderon's party was behind.

Because these are Congressional elections of the 500 members of the Chamber of deputies in Mexico. And the PRI is looking to make a surge. Because the PRI hopes to gain the presidency in 2012, the presidency which they lost in 2000 to Vicente Fox and lost again in 2006 to Felipe Calderon.

So this is going to be a barometer of how people view Calderon's anti-drug activity. And his party has been closing the gap with the PRI. And I think the PRI will probably out-poll the PON. But there's not going to be a great discrepancy when dust settles on July 5. And so the two parties that will be running Mexico for the next three years before the Presidential election are the PRI and the PON.

In conclusion, I want to say that I did have the dubious pleasure of going to law school when I was young and innocent and didn't know any better. And perhaps being more naïve, I thought I would do sort of pro bono work to help those who couldn't afford an attorney. And the first case I got, because no one in the bar wanted to take it, was a murder one case. And it was a case whereby a man was accused of killing his wife. But there was no body. However, the circumstantial evidence was overwhelming. I mean, this guy did it. It was just overwhelming.

And what does a green as grass lawyer who doesn't even know where to stand in a courtroom much less how to make a case to try to exonerate his client, what's he do? Well, having watched a lot of Perry Mason shows or something, I decided in my summation to the jury to say ladies and gentlemen of the jury, watch that door over there. See that door? Watch that door. Because within one minute, the alleged victim of this crime, this gentleman's wife, is going to walk through that door. And you will have to then set my client free. The jurors look. After about fifteen seconds, I said, ladies and gentlemen of the jury, I fibbed to you. You know, nobody's going to walk through that door. But the fact that you looked means that you have reasonable doubt about my client's guilt. And therefore, you must exonerate him. And I felt pretty good about that.

The jury deliberates. And it probably deliberates five minutes, ten minutes. The foreman hands the verdict to the judge. Guilty. You know, my guy's going to go way up the river. He's probably going to have a needle in his arm. And so I went to the foreman of the jury. And I said, oh, my goodness, the press is here. I didn't know that. And I said, Diego, don Diego. You know, you're the foreman of the jury. You looked at that door. How in the world could you convict my client when obviously you had reasonable doubt? And he said, your client didn't look.

So maybe they'll keep watching the door in Mexico and see what happens. But it's a tough war that Calderon is waging there. And he's very fortunate to have the good offices of the Drug Enforcement Administration. People like David Gaddis whom I've always regarded as kind of a father figure. I think all of you do a marvelous job who are there or who are supporting the agents who

are in Mexico and other Latin American countries. Questions?

Q:What would you say is a good analogy to the relationship between Los Zetas and La Familia? In other words, their relationship, the situation of Mexico as a whole compared to what's happened in Columbia?

A:I mean, they are blood enemies.

Q:Hatfields and McCoy?

A:Sure, sure. Oh, Hatfields and McCoy small potatoes compared to these guys.

Q:What I was thinking of was the FARC compared to the AUC where the AUC was a reaction to the FARC? One was a rightist and one was sort of leftist.

A:Yeah, and that's how La Familia began I think, as vigilantes who were protecting the home turf against the insurgence of Zetas who were helping out a Gulf ally. But somehow with the eating came the appetite. And while on the one hand, they loathe the Zetas and murder them in every grisly fashion you can imagine. But at the same time, they have copied the Zetas in various ways. And I probably mentioned some more in that outline. And so they are just blood, blood enemies.

Q:How would you assess the sincerity of La Familia with respect to their religious and moralistic pronouncements? Is that hypocrisy on their part? Or do they sincerely feel that they're doing God's work and have a sense of their own morality?

A:I'm just not trained to answer that. I just don't know. I served a stint in the Virginia legislature, twenty-seven years as a matter of fact. And heard a lot of pious statements made by my colleagues. And I never tried to rush to judgment to say whether or not they really believed. I don't know. I just don't know. I think they are driven by a messianic force. So I guess they're in their own minds believe that they are fighting evil. And if you are fighting evil, you have to use every weapon at your command. That's how they recruit and they recruit in Michoacán. And once they are recruited, then they indoctrinate. Very much like a convert to a religion would be indoctrinated in that new faith. And they try to instill the idea that we are here to protect the population of Michoacán from sinister deviltry that is being perpetuated, perpetrated, not just by the Zetas, but the older cartel is El Milenio of the Valencias who are in league with the Sinaloa cartel. So, yeah. I think it motivates them. I think it's used as a recruitment tool. Whether or not they go to that big show in the sky, I don't know. The jury foreman has a question.

Q:You talked about the presence of La Familia in the U.S. I would like to know if you can explain a little more about it. where are they? What are their main business here?

A:I've been told by law enforcement that they're relatively new to the United States. And that the three cities in which they have been ... where reports have come into Washington, that a group calling themselves La Familia is active, LA, Dallas and Atlanta. Of course, Atlanta is wide open now. Atlanta now is what probably LA was in the '80s or Miami was in the '90s. But they're the three cities I have heard. Nothing like the penetration. The Mexican cartels are in 230 U.S. cities. They're in every state. They're in the Canadian provinces. They're in Europe. They've got ties with Asia. And these are multinational, increasingly multinational, organizations.

The Michoacanos are more like the small farmers. And the Tierra Caliente is a very productive area with a lot of fruits and vegetables grown there. And so these are more ... I don't want to say anything pejorative. Well, let me say maybe like Western Virginia. Or from a rural area where I was born in Virginia where you knew everybody. And maybe everybody didn't get a chance to have advanced education and so forth. And you went to church on your Sabbath and so forth. But they're provincials. They're much more provincial.

But they are extremely adroit at trying to protect Michoacán and moving into the state, including Mexico City, around Michoacán. And they say now that they are going to go through this area. Right here is the golden triangle where a lot of the drug Capos come from. And Aguaruto is the major small municipality. Culiacan is over here. But this is the golden triangle. And this is the area where the Sinaloa cartel has had historic dominance.

And La Familia is now saying we're going to go up through their areas and take over the trafficking routes. Or at least contest the trafficking routes. And I can tell you that does not amuse El Chapo Guzman or Mayo Zambada who are the heads of the Sinaloa cartel. And they have absolutely nothing good to say about La Familia. And anyone who catches a member of La Familia poaching on his terrain is going to act with dispatch against that La Familia member.

Having said that, they are known to have safe houses along the routes up there. And so they certainly have plans to move into the United States also. Not nearly though as sophisticated or developed or trained, well trained, as are the Zetas. Please.

Q:I was wondering, you made several references earlier to the proximity of Michoacan and the surrounding area to District Federal. And given the violence in Michoacan, you mentioned Guanajuato and Ciradeldgado. I was wondering what the situation was like in Morelos because of its strategic proximity to Mexico City.

A:Yeah. Morelos, as best we can determine, is the bailiwick of an ally of the Sinaloa cartel. He is El Azul. Juan José Esparragoza. Juan José Esparragoza is now sixty-ish, low profile. He's a negotiator. He's a consigliere type. And while he is associated with the Sinaloa cartel, El Azul the blue. And he's called that because ... I've never seen him ... but his skin color has a bluish tint to it. So everybody who says El Azul, they know about whom you're speaking. He's the dominant force in Morelos. And I don't see his being contested there.

The Zetas are around Mexico City. They're in Mexico state which is here. And they're in **Vilgado**. But I would say it's still El Azul. And it's been El Azul because he's been able to shall we say work effectively with the state judicial police who have a terrible reputation in Morelos. It used to be if you were a business person, you know, Mexico City is a fantastic city. And I think Mexicans are the nicest people in the world. With a few exceptions. But if you were a

businessperson, you might live in Cuernavaca. And you would come into Mexico City Monday, maybe Tuesday morning if you were affluent, leave Friday and go back to Cuernavaca and your little monchito there.

That road is unsafe now, the federal highway. And therefore, increasingly if you want to have a place to get away from, you will go up to Querétaro which is about a three hour drive from Mexico City. Querétaro, by the way, is clean. It's safe. It's colonial. And the people are just extraordinarily nice there as they are all over Mexico. But Querétaro is a jewel. And it doesn't have ... there are some Colombian narco families living there. But it doesn't have a ... major cartels for some reason have left Querétaro as kind of a sanctuary city.

And this is something that has happened with regard to the cartels. They have traditionally had cities where your families could live and you would not attack each other's families. And moreover, you could go there for R&R. Because everybody needs some rest and relaxation from killing and being killed. And I probably shouldn't say this because I'll damn Querétaro. But Querétaro seems like one of those cities. Merida down here in the Yucatan is one of those cities. Now, it used to be Guadalajara. It used to be Mexico City. It used to be Monterey. But they are no longer sanctuary cities. Guadalajara was the big sanctuary city. But Querétaro, that's a long way around Morelos.

Q:Hi, I'm Jake Neekam. I'm here with e group from Interpol. I wanted to ask are there copycat organizations coming out in terms of the religious orientation? OR are most of the cartels within Mexico holding onto more of a secular type of organization?

A:Yeah, only La Familia has this messianic impulse. And again, I'm not sure how to really measure it or judge it. they use books from evangelical Protestant ministers in this country. But these evangelical Protestants are by no means advocating violence. But they talk about sacrifice. They talk about faith. They talk about commitment to brothers and sisters.

The group that have been most copied are Zetas. Because before La Familia emerged, and it really came along ten years or so after Zetas and doesn't have nearly the presence of Zetas. But getting a phone call at the office and saying I'm calling from Zetas and we have your teenage daughter. And one of our colleagues is going to be at a certain destination or a certain address in fifteen minutes or an hour, depending on the amount. And we would advise you to leave 10,000 pesos, \$1,000, less than \$1,000. But we're Zetas.

They don't have your daughter. But you're on the cell phone. You're trying to reach her. You can't reach her. And so you pay. These copycat organizations trade in the name Zetas. To the point that some people talk about the mix Zetas. Because they're sort of like McDonald's around. However, and I've got some ways in which the cartels undertake executions on that table. The copycats when they are caught, they have every bone in their body broken. They are cut up six ways to sundown. And it's like the old Afghan tribesmen in the

19th century who would slit you down the front. And then would use your skin to wrap you with. If you get caught copying the Zetas, you have had it. But I don't see La Familia spawning look alike groups. Or I don't see others using its name. But again, it's early in its history.

Well, it's time to take a collection now. Some of the Zetas build a shrine to their leaders. Anyway, appreciate the opportunity to come. I appreciate the great job that you do for our country. And certainly have gotten to know and appreciate many of your colleagues in Mexico and think that they are just ... my admiration for them knows no limits. Thank you. [applause]

MR. SEAN FEARNES: Professor Grayson, thank you on behalf of all of us at DEA for being here. We have a small token of our appreciation that Katie will present to you on our behalf. Just a parting comment, if anyone has any suggestions, actually Professor Grayson's name came to us through an agent out at the special operations division earlier in the spring. And it was a wonderful suggestion. We appreciate having him here. If you have any suggestions for future speakers or topics, please see any of us in the museum as we intend on taking up this series again in the fall. Thank you all very much for being here.

**(END OF TRANSCRIPT)**