

## **SLIDE 1 - Introduction**

### **SLIDE 2 - Taking measure:**

*Supply:* Estimated total of 250 million illegal and legal weapons circulating inside the United States.

*Demand:* Mexican DTOs taking over regional drug trade and other illicit businesses, earning an estimated US\$13.6 and 40 billion/year.

Over 25,000 licensed private gun dealers in Texas, Arizona, New Mexico, and California, with gun shows occurring nearly every weekend in Arizona, and on a regular basis in California and Texas.

*Meanwhile,* since December 2006, Mexican president has steadily turned up the pressure, forcing firefights and fractionalization (more firefights) between rival DTOs and between the Mx. Government and criminals.

*Ease of use:* In US you can buy weapons with a driver's license and clean background check. With a valid SSN and no criminal record, you can buy anything in the store.

*Very difficult:* In Mexico, to purchase a low-caliber pistol only, demonstrate honest work (rec. letter), submitted to psych evaluation, drug screening, those obligated must have completed their military service, and found to have not committed a crime involving firearms.

In Mexico, there are less than an estimated 8,000 gun owners in the whole country.

### **SLIDE 3 - Evidence of Marketplace:**

Mexico's Nat'l Defense Commission reported in March that some 700,000 weapons illegally pass from the United States to Mexico every year.

From 1995 to 2006, Mx gov't seized some 90,000 weapons

Average of long barrel weapons seized, annually, from 2002 to 2006: 2,500

Average of weapons seized from December 2006 to May 2009: 38,404 with

21,308 long barrel and 3,009 grenades. In 2008 alone, Mx authorities seized 21,021 guns.

Hang on this point - *COMPARE*

From the ATF:

7,700 guns were traced to Mexico in 2008

3,300 in 2007

2,100 in 2006

*ATF reported a total of 7,700 guns smuggled to Mexico in 2008 while the Mx. Attorney General's office claimed over 21,000 seizures. Discrepancy of over 13,000 weapons...*

Suggest two things:

One, it is not hard to **smuggle weapons into Mexico.**

Two, there is a **certain amount of difficulty in obtaining information about seized weapons**, and in many cases can only trace back to specific gun store, which most likely sold the weapon to a law abiding citizen.

*Still, we hit a peak in November 2008* when authorities registered the largest seizure in over a decade:

314 long barrel weapons, including 288 AK-47s, AR-15s, P90

7 Barret .50 rifle

126 pistols

2 MGL grenade launchers (get to in a moment)

287 grenades

Over 500,000 rounds of ammunition

**SLIDE 4** - ATF seizures before weapons crossed south.

**SLIDE 5** - Chart of weapons purchased vis-à-vis Houston, Tx.-based smuggling ring.

NOTE: most of the weapons are long barrel

**SLIDE 6: Prices - INCENTIVE to break law**

Example (by prices on chart): If you were to invest in the purchase of 10 AK-47 rifles in good condition, you'd spend US\$6,000.

You could then smuggle them to Mexico and given you have a contact with a local fence, you could sell the lot for around US\$15,000, and make a US\$9,000 profit.

One contact in Nuevo Laredo once told me that if you time it right and with a little luck you could hit three or four gun shows in two days, buy the guns and smuggle them into Mexico for sale, and in under a week you make over \$10,000 between long barrels, parts, pistols, and ammunition.

**SLIDE 7 - Drug trafficking routes**

**SLIDE 8 - Gun trafficking routes (Mx. Justice Dept. May 2009)**

Concentration of seizures in states Michoacan, Tamaulipas, Sinaloa, Sonora, Baja California, Chihuahua.

Close overlap. Same actors, same connections, same systems

**SLIDE 9 - Reported presence in Mx. org. crime inside the United States**

Suggests potential weapons purchasing points.

Easy to see why Texas is at the top of the US source states for weapons

**SLIDE 10 - Crossing the border - where?**

**SLIDE 11, 12 - Methods**

**Private vehicles packed to the gills...**

Ant trafficking - many hands, small amounts  
Straw purchases - pregnant women, college students  
Corrupt border officials

**SLIDE 13 - Gatekeeper/gunsmiths**

When the guns arrive in Mexico...

**SLIDE 14 - The Case of Central America:**

Guatemala: anecdote: military selling weapons to Los Zetas. According to CICIG (commission against impunity), 639 military weapons were stolen with help of military officials.

April 2009: seizure in Amatitlan (just south of Guatemala City), 11 grenade launchers, some 600 fragmentation grenades, 11 M-16 rifles, 11 M-60 machine guns, and over 5,000 rounds of ammunition.

Between April and August, 2009 - Guatemalan authorities seized 1,100 fragmentation grenades and at least 12 grenade launchers.

*MEANWHILE* - Honduras: Local media reported in mid-April that there are some 800,000 weapons in circulation in the country, of which 650,000 are owned illegally

CentAm region: 3 million firearms in circulation, some 1 million carried illegally...

Central America has long been a source of weapons,

BUT Mx. DTOs are more interested in military grade only, and explosives. Not the junk left over from Civil Wars.

That's why US has shifted to become main source.

When I consider that FARC has been siphoning weapons out of CentAm for decades, it's easy to believe that what's left over is scrap compared to what you can find in a AZ gun show.

**SLIDE 15 - Looking ahead → Escalation**

Anti-tank weapons: M72, AT-4,

Rocket Launcher: RPG-7, MGL 37mm caliber

Explosives - IEDs - On March 30, after a battle between Mexican military and gunmen, soldiers seized 50 rifles, 60 hand grenades, and eight IEDs - made of mining-grade explosives.

Military disabled an IED in Oaxaca in February and another exploded in Nuevo Leon in March.

## **SLIDE 16 - Conclusions | Questions**

As Mexican DTOs come to control more and more turf across the Americas, they will continue to exploit smuggling networks from US - south. I wouldn't be surprised to learn that the ATF has traced weapons seized in Guatemala back to a US gun store in AZ or TX.

Repeat from SLIDE 3:

Mexico's Nat'l Defense Commission, which reported in March that some 700,000 weapons illegally pass from the United States to Mexico every year. Yet only 20% (140,000) remain in Mexico. Traffickers ship 37% (259,000) to Colombia, and the rest (301,000) are transferred to Central America, Ecuador, Peru, and Venezuela.

Looking ahead, we're going to see an escalation of fire power in Mexico and more US-sourced firepower across the Americas...