

## 6.2 Extortion in Everyday Life in Mexico

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*by Marco Lara Klahr\**

Social relationships in Mexico can, in many ways, be considered to be “extortionary social relationships.” This is not, unfortunately, a trivial generalization but an empirical observation that reveals that the offense of extortion is a common and normalized practice in everyday interactions – although its visibility in the public is virtually zero. The same applies to its judicial prosecution due to ambiguous, contradictory, and anachronistic laws. Public prosecutors and judicial administrations are corrupt and bureaucratic. Victims prefer not to turn to the police authorities or to public prosecutors because of apathy, disbelief, distrust, and fear – including the fear that the authorities are accomplices of the criminals, or corrupt, or merely inept.

One truism fueled by the rhetoric of high-ranking officials and politicians – whose vision of power focuses on a so-called punitive populism – supposes that it is mainly criminal organizations that are engaged in blackmailing. However, it is not that simple. There are many documented cases of children who blackmail their schoolmates, or of municipal police forces, as in Tapachula, on the southern border, who sexually blackmail children from Chiapas and Central America. There are couples who revert to extortionary practices to gain advantage in a divorce or maintenance claim case – for example, bringing unsubstantiated charges against the other person for domestic violence or sexual aggression against children. There are relatives, colleagues, cellmates, neighbors, tenants, partners, police and military officers, and public prosecution officers who “select” persons who will then be blackmailed by others. There are police and military officers, prosecutors, and judges who are involved in extortionary networks or who allow for the impunity of such networks. There are extortionary journalists, civil servants, and entrepreneurs. There are corporate conglomerates with financial branches that attract extortionary money, and there are organizations, such as The Knights

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Templar in the State of Michoacán, that are highly specialized in the field – which does not mean that they are the only criminal organization engaged in extortion.

But perhaps the most harmful thing is that there are citizens who consider certain forms of this criminal practice to be normal, necessary, and even beneficial or inevitable – as happens in some places in Michoacán. A senior municipal official in Uruapan, a city located in that state, expressed such fatalism toward systematic, extensive, and unpunished extortion as committed by The Knights Templar, when he stated in an interview for a local study on violence, crime, and the media in late August 2012 that: “If it happens to you, it happens to you, and if it happen to others, what can you do? The only thing is to tell them, ‘I give you my condolences and period, because I cannot do anything.’ It is like that, of this scale, because, in addition, to whom do you complain, where do you go?” Six months earlier, in Tacámbaro, in the Michoacán zone of Tierra Caliente, a businessman engaged in the production and export of avocados to Japan expressed a similar opinion: “They [The Knights Templar] have cleared the region of thugs, they provide justice and a service for the collection of difficult debts. We are safer and that’s what they charge us for, or that is what they tell us.”

According to Mexican criminal law, extortion is considered to be “serious,” if someone forces “somebody else to give, make, cause or tolerate something for obtaining a profit for him/herself or somebody else, or causes financial loss to someone.”<sup>1</sup> In reality, thousands of victims are, first, victims of extortion, and then, become victims of harassment and psychological torture, home searches, coercion to commit a crime, dispossession, kidnapping, physical torture, and murder, which sometimes extends to their family and friends.

All this happens surreptitiously without the victims knowing the identities – or sensing the powers of – the perpetrators that harm them, and it all happens without recourse to the police, the military forces, or a public prosecutor. A 45-year-old lawyer from Michoacán, who twice became the victim of extortion in the metropolitan area of Monterrey, reports:

I wanted to go crazy, scream, disappear. We stopped at a public prosecutor’s office on Avenida Gonzalitos and I got off screaming like crazy, “Help me, they kidnapped my daughters, give me the phone number of the navy, talk to the army, please!” No one listened to me. The officials laughed at me. “Calm down, Madam, what the hell happened to you? You are crazy!” They brought me to an office and told me to sit down so that they could take my statement. They had taken my daughters, and I thought I would never see them again! Neither the army nor the police or the public prosecutor wanted to listen to me, then, devastated as I was, I cried out to God with all my heart.

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**1** | Federal Criminal Code, Article 390.

Her husband and daughters survived the kidnappings. Their home was raided and looted and today she is still fleeing criminal harassment with their family.<sup>2</sup>

This testimony, along with hundreds of others, clearly tells us that, unlike other crimes, extortion not only produces financial damage but is usually followed by a spiral of violence, a damage to psycho-emotional and physical integrity, a revictimization, and total neglect of victims by institutions.

The CIDAC (Center of Research for Development) defines eight offenses (CIDAC 2012) that should be prioritized by the criminal police – if the government wants citizens to feel safe – because of the severe psycho-social impacts they inflict. Unlike other offenses, these eight cause great social upheaval, an extreme sense of personal and collective powerlessness, a sense of certainty that the perpetrators will go unpunished, and a predictable change in the behavior of citizens in public spaces because of fear. However, partial responsibility for this also lies with a news industry that profits from social fears and refuses to accept its social responsibility.

According to CIDAC, extortion occupies the fourth position among the eight most intimidating offenses, followed by kidnapping, murder committed by organized crime, and willful injury. The federal states of Tabasco, Michoacán, San Luis Potosí, Chihuahua, Baja California Sur, Baja California, Quintana Roo, Jalisco, Durango, Mexico City, Oaxaca, and Morelos are those that suffer from the highest incidences of these crimes.

CIDAC concludes that something that starts out as extortion can result in kidnapping, looting, coercion to commit crimes, and murder. It must be taken into account that the ability to dispose of the necessary criminal infrastructure needed to engage in extortion often leads, in turn, to threats, bribes, blackmailing, murder, and arms trafficking in an atmosphere of impunity, producing a “cascade effect” of unpunished crimes, which increases the level of illegality and violence. In addition, economic and financial aspects apply: “The strong links between the offenses may be, in part, due to the existence of economies of scale within criminal activities” (CIDAC 2012, 42).

Viewed in context, this phenomenon leads to the consideration that the Mexican state creates incentives to break the criminal law; it also explains, in part, the universalization of extortionary practices with its maelstrom of associated offenses. The National Survey on Victimization and Perceptions of Public Safety 2011<sup>3</sup> found that, for example, with respect to 87.7 percent of the crimes committed, victims did not report them to the competent authority – the public prosecutor – in particular because they considered it a “waste of time” or because of “mistrust of the authority,” “fear of the aggressor,” “red tape,” “hostile attitude of the authority,” or “fear of being blackmailed” by the public servants themselves. As far as the

**2** | This quote was taken from the author’s report “Extorsión y otros círculos del infierno,” which will be published in early 2013 by Grijalbo.

**3** | National Institute for Statistics and Geography Mexico, 2011.

reported crimes are concerned, only 1.3 percent of those responsible for the crime were sentenced by a judge.

This scenario is already overwhelming, but it must be added that regarding the offense of extortion – and even worse, regarding kidnapping – the *hidden figures*, that is, the numbers including those offenses not reported within the criminal system, are higher in some federal states than those for all other crimes combined; at the same time, judicial proceedings in which a conviction is obtained are fewer in number. According to information provided by the Citizens' Institute for Insecurity Research (ICESI 2011), there is,

almost total impunity for extortionists in Chihuahua and the Federal State of Mexico, a situation which is aggravated by the fact that 69 percent of investigations of extortion are concentrated in Chihuahua and in the State of Mexico. The figures are appalling: of 3,158 preliminary investigations initiated in cases of extortion in the State of Mexico, only 2.5 percent went to trial, that is, 79 cases. In Chihuahua, only 7 (0.9%) of the 764 preliminary investigations initiated went to court.

In turn, generalized impunity at a national level – which is even stronger in certain local areas – and global integration, create an explosive mixture.

Another truism fueled by “punitive populism” is that of the “drug cartels,” which are being presented as highly structured criminal organizations specializing in the production, purchase, sale, and distribution of illegal drugs, when they are, in fact, opportunistic structures which go far beyond supplying the illegal drug market, and are able to develop scale economies and explore the most diverse activities, including extortion. Moisés Naím of the Carnegie Endowment for International Peace writes:

We are used to dividing trafficking into different product lines [...] But these product lines are no longer separate from each other. Those engaged in illegal trade change the product line depending on the economic incentives dictated or due to practical considerations. [...] We definitely must forget the idea that we can distinguish between different types of illegal business, and must start thinking of those involved as commercial agents who have simply developed functional features without being permanently confined to them. Rather than distinguishing between drug traffickers, smugglers, pirates, “coyotes,” snakeheads, mules or camels, we should rather, when thinking about those involved in such illegal business activities, consider the role they actually play, for example, as investors, bankers, entrepreneurs, agents, carriers, storekeepers, wholesalers, logistics managers, distributors. [...] When we start to see them as commercial opportunists whose incentive is profit, it becomes clear that there is no reason for them to confine themselves to a single product. All illegal businesses are profoundly intertwined with legal ones. [...] traffickers find strong incentives to combine their illegal operations with legal business initiatives. The extraordinary profits they accumulate, exert, for example, a logical pressure towards diversification. This often means investing in activities that are legal and have nothing to do

with any unlawful business. And whether they are voluntary or involuntary accomplices, there are many professions and institutions of all kinds that eventually function as a support for illegal business, as there are banks, airlines, shipping lines, transport agencies, truck drivers, messenger services, jewellers, art galleries, physicians, lawyers, chemical and pharmaceutical laboratories, international money transfer companies and many more that provide the infrastructure which allows illegal trade to operate quickly, effectively and inconspicuously. (Naím 2006, 300-301)

This is the reason why the Financial Action Task Force has described 22 categories of offenses (Financial Action Task Force 2003) as terrorism, among them smuggling, sexual exploitation, and contract killing, as well as trafficking in persons, organs, weapons, and stolen property, theft, piracy, counterfeiting, environmental crime, illegal restraint, kidnapping, and extortion. The Task Force proposes that these crimes be combated in an integrated way. The criminal organizations are thought to work in collusion with government officials and entrepreneurs of all kinds. They depend on a broad social foundation and function through economies of scale that allow and oblige them to diversify their illegal market products and services.

The Knights Templar is one of the criminal organizations that, since its inception as The Michoacán Family, has consolidated itself most efficiently as described above. For its leaders, there is no social group or economic activity that cannot be subject to extortion, and there are no geographical or market boundaries. The organization functions in line with a global logic, in the same way as Coca-Cola or any other transnational corporation does. It has a sound social and territorial basis in its state of origin and in the neighboring states – Guanajuato, Jalisco, Colima, Guerrero, and the State of Mexico – where it has co-opted municipal, state, and federal authorities by corruption or terror, and where it employs hundreds of people in its illegal activities. Thus, the organization is not only involved in the sale, purchase, production, import, and export of marijuana, methamphetamines, heroin, and cocaine, but also in the trafficking of persons into the United States. It charges for “right of way” and collects tolls from traders, craftsmen, entrepreneurs, civil servants, and politicians. It buys and sells weapons. It massively produces and distributes pirated products. It steals and traffics fuel, and participates in or “expropriates” businesses, always relying on bribed or coerced notaries, in a wide range of industries, including the avocado business, mining, and transport, counting on networks both in the United States and in China.

In sum, it is a “criminal syndicate” – as Georges W. Grayson from the Center for Strategic and International Studies put it – that at its base commands a popular paramilitary force, and at its apex has executives with CEO profiles (Grayson 2010, 18). All this takes place under a charismatic leadership that not only manages the retail market for marijuana in the mid-west of Mexico, but is also responsible, to a great extent, for the extraction, transport, and export of minerals to China via the

port of Lázaro Cárdenas – a business that is associated with “legal” entrepreneurs of various nationalities.

Legitimized by a belligerent rhetoric, President Felipe Calderón militarized public safety as a core element of what he pathetically called a “war on drugs” from 2007 onwards – an effective bait for a news industry that is, to a large extent, submissive and uncritical toward the authoritarian nature of his public security policy. This war has exacerbated lawlessness and violence, which has led to tens of thousands of unsolved deaths, victims, massive human rights violations, and new spirals of crime and violence. It has also led to entire regions falling under the control of criminal groups that are usually associated with members of the state security forces, such as is the case with The Knights Templar.

Despite this public policy – which prejudices human rights, civil security, criminal justice, welfare in the public space, and social peace – and despite President Calderón’s justifications of this policy’s tragic social costs, corruption and impunity in Mexico allow, encourage, and empower not only organizations with the profile of The Knights Templar, but also any other organization opting for extortion, even “on a small scale.” All of these activities certainly involve public civil servants at all levels, as can be seen from Mexican prisons, police institutions, prosecution agencies, and courts, as well as from events like the criminal attack against the Casino Royale in Monterrey, Nuevo León, in August 2011, in which 52 people were killed. Another example is the police operation that cost the lives of 12 people in the News Divine discotheque in June 2008, which happened in the north of the federal district.

A third truism within “punitive populism” is that security, justice, and peace can only be achieved if “violent elements” are exterminated, whatever that means. According to this preconception, the violation of human rights may become legitimate, and even vital, if this allows the government to fulfill its responsibility of guaranteeing public welfare.

In the regulatory criminal framework, there is no such criminal type as “violent.” According to the law, the competent public institutions are obliged to prosecute and punish a person or group of people who have committed a crime – in a fair, appropriate, and proportionate manner – and to ensure, above all, that the violated rights of the victims are reinstated. In contrast, “punitive populism” proposes in its medieval, *reloaded* perspective that there are citizens who – because of their acts, or alleged acts – must be eliminated, while ignoring victims’ interests at the same time. This is a breeding ground for extortion and other crimes that are usually committed surreptitiously. Since it is often impossible to effectively punish those responsible, institutions opt to punish those who are within their reach, further encouraging impunity and allowing extortion to continue. The expert Guillermo Zepeda Lecuona thinks that the inquisitorial criminal justice system “does not seek the one who did it, but the one who pays for it” (Lecuona 2010, 21).

The detrimental impact such a state of affairs has on the quality of democracy is overwhelming. As has been shown, extortion not only damages the victims

materially and submits them to criminal pressures that might severely damage of their physical and emotional integrity, resulting in their complete helplessness, it also fails to punish habitual offenders, because, in principle, the crime is not even reported. All this causes a permanent state of collective alarm and disrupts coexistence in the public space.

A couple of years ago, the International Bar Association published a revealing document about the full observance of human rights as a prerequisite for democracy: *In Human Rights in the Administration of Justice. A Manual on Human Rights for Judges, Prosecutors and Lawyers*. In this it is stated that: “[I]f the state pursues a deliberate policy of denying fundamental rights [...] this will endanger the internal security of the state.” While on the other hand, “[A]n effective protection of human rights promotes peace and stability at a national level, meaning both that people may enjoy their rights and basic freedoms, and providing a basic democratic, cultural, economic, political and social framework in which conflicts may be resolved peacefully” (IBA 2010).

This is not to argue that violence or crime may cease to exist – nor organized crime and the violence that is inherent to it – but that respecting human rights is an “essential prerequisite for peace and justice at an international level, as it [the effective protection of human rights] provides a rooted safeguard, offering people ways to reduce social tension at home before it reaches dimensions which create a threat of a major scale.” And, moreover, this protection must come about from the lowest institutional level, the municipal level, simply because it is “the basis for justice, peace and economic and social development throughout the world” (OHCHR 2003, 5).

When explaining his reasons for seeking exile in Poland, with the experience still fresh, a Mexican businessman who had been persecuted mercilessly by the extortion branch of the criminal organization Zetas in Xalapa (Veracruz), stated: “I did not want to waste my life on that damn dream that I could find a place for myself in Mexico. Here, I found a way out. Mexico, in fact, did not allow me to have long-lasting dreams. All that we were and had is gone. If I had stayed in Mexico, I would have had to hide like a rat, a rat with money: I couldn’t be at home, drive my car, stay in my office or see a brother because all that would be dangerous, so to hell with it!” (Klahr forthcoming).

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