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The Real War in Mexico

How Democracy Can Defeat the Drug Cartels

Shannon O'Neil

BRAZEN ASSASSINATIONS, kidnappings, and intimidation by drug lords conjure up images of Colombia in the early 1990s. Yet today it is Mexico that is engulfed by escalating violence. Over 10,000 drug-related killings have occurred since President Felipe Calderón took office in December 2006; in 2008 alone, there were over 6,000. Drug cartels have begun using guerrilla-style tactics: sending heavily armed battalions to attack police stations and assassinating police officers, government officials, and journalists. And they have also adopted innovative public relations strategies to recruit supporters and intimidate their enemies: displaying *narcomantas*—banners hung by drug traffickers—in public places and uploading videos of gruesome beheadings to YouTube.

Washington is just waking up to the violence next door. Last December, the U.S. Joint Forces Command's *Joint Operating Environment, 2008* paired Mexico with Pakistan in its discussion of "worst-case scenarios"—states susceptible to "a rapid and sudden collapse." In January, Michael Hayden, the departing CIA chief, claimed that Mexico could become "more problematic than Iraq," and Michael Chertoff, the departing secretary of homeland security, announced that the Department of Homeland Security has a "contingency plan for border violence, so if we did get a significant spillover, we have a

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surge—if I may use that word—capability.” The U.S. media breathlessly proclaims that Mexico is “on the brink.”

This rising hysteria clouds the real issues for Mexico and for the United States. The question is not whether the Mexican state will fail. It will not. The Mexican state does, and will continue to, collect taxes, run schools, repair roads, pay salaries, and manage large social programs throughout the country. The civilian-controlled military has already extinguished any real guerrilla threats. The government regularly holds free and fair elections, and its legitimacy, in the eyes of its citizens and of the world, is not questioned.

The actual risk of the violence today is that it will undermine democracy tomorrow. What has changed in Mexico in recent years is not the drug trade but that a fledgling market-based democracy has arisen. Although an authoritarian legacy persists, power now comes from the ballot box. This transformation has coincided with the rise of Mexico's middle class, which, now nearly 30 million strong, has supported more open politics and markets.

But Mexico's democratic system is still fragile. And by disrupting established payoff systems between drug traffickers and government officials, democratization unwittingly exacerbated drug-related violence. The first two freely elected governments have struggled to respond, hampered by electoral competition and the decentralization of political power. Yet in the long run, only through true democratic governance will Mexico successfully conquer, rather than just paper over, its security challenges. For the safety and prosperity of Mexico and the United States, Washington must go beyond its current focus on border control to a more ambitious goal: supporting Mexico's democracy.

DRUG PARTIES

MEXICO'S ESCALATING violence is in part an unintended side effect of democratization and economic globalization. The chaos, anarchy, and violence of the Mexican Revolution—which began nearly a hundred years ago—scarred the country and enabled the rise of a strong state dominated by a single political party. Created in 1929, the National Revolutionary Party, later renamed the Institutional Revolutionary Party (PRI), systematically extended its control over Mexico's territory

and people. It quelled political opposition by incorporating important social groups—including workers, peasants, businesspeople, intellectuals, and the military—into its party structure.

The PRI's reach went beyond politics; it created Mexico's ruling economic and social classes. Through an inwardly focused development model (and later by giving away oil money), the government granted monopolies to private-sector supporters, paid off labor leaders, and doled out thousands of public-sector jobs. It provided plum positions and national recognition for loyal intellectuals, artists, and journalists. Famously called "the perfect dictatorship," the PRI used its great patronage machine (backed, of course, by a strong repressive capacity) to subdue dissident voices—and control Mexico for decades.

Ties between the PRI and illegal traders began in the first half of the twentieth century, during Prohibition. By the end of World War II, the relationship between drug traffickers and the ruling party had solidified. Through the Mexican Ministry of the Interior and the federal police, as well as governorships and other political offices, the government established patron-client relationships with drug traffickers (just as it did with other sectors of the economy and society). This arrangement limited violence against public officials, top traffickers, and civilians; made sure that court investigations never reached the upper ranks of cartels; and defined the rules of the game for traffickers. This compact held even as drug production and transit accelerated in the 1970s and 1980s.

Mexico's political opening in the late 1980s and 1990s disrupted these long-standing dynamics. As the PRI's political monopoly ended, so, too, did its control over the drug trade. Electoral competition nullified the unwritten understandings, requiring drug lords to negotiate with the new political establishment and encouraging rival traffickers to bid for new market opportunities. Accordingly, Mexico's drug-related violence rose first in opposition-led states. After the PRI lost its first governorship, in Baja California in 1989, for example, drug-related violence there surged. In Chihuahua, violence followed an opposition takeover in 1992. When the PRI won back the Chihuahua governorship in 1998, the violence moved to Ciudad Juárez—a city governed by the National Action Party (PAN).

With the election of Vicente Fox, the PAN candidate, as president in 2000, the old model—dependent on PRI dominance—was truly broken.

Drug-trafficking organizations took advantage of the political opening to gain autonomy, ending their subordination to the government. They focused instead on buying off or intimidating local authorities in order to ensure the safe transit of their goods.

Democratic competition also hampered the state's capacity to react forcefully. Mexico's powerful presidency—the result of party cohesion rather than institutional design—ended. As Congress' influence grew, legislative gridlock weakened President Fox's hand, delaying judicial and police reforms. Conflicts also emerged between the different levels of government. Federal, state, and local officials—who frequently belonged to different parties—often refused to coordinate policies or even share information. At the extreme, this led to armed standoffs—not with drug dealers but between federal, state, and local police forces, such as the one that occurred in Tijuana in 2005.

THE HIGH TIDE

AS DEMOCRATIZATION tilted the balance of power from politicians to criminals, the economics of Mexico's drug business also changed. Mexico has a long history of supplying coveted but illegal substances to U.S. consumers, beginning at the turn of the twentieth century with heroin and marijuana. It continued through Prohibition, as drinkers moved south and Mexican rumrunners sent alcohol north. The marijuana trade picked up in the 1960s and 1970s with rising demand from the U.S. counterculture. In the late 1970s and 1980s, U.S. cocaine consumption boomed, and Mexican traffickers teamed up with Colombian drug lords to meet the growing U.S. demand.

In the 1980s and 1990s, the United States cracked down on drug transit through the Caribbean and Miami. As a result, more products started going through Mexico and over the U.S.-Mexican border. In 1991, 50 percent of U.S.-bound cocaine came through Mexico; by 2004, 90 percent of U.S.-bound cocaine (and large percentages of other drugs) did. Like other Mexican industries, the drug cartels learned to maximize the comparative advantage of sharing a border with the world's largest consumer. As the transit of drugs to the United States grew, Mexican traffickers gained more power vis-à-vis the Colombian cartels.

These changes in business and enforcement accelerated the consolidation and professionalization of Mexico's drug-trafficking organizations. Rising profitability meant larger operations and more money, and as political and market uncertainty grew, the cartels developed increasingly militarized enforcement arms. The most famous of these branches is the Zetas, who were recruited from an elite Mexican army unit in the 1990s by the Gulf cartel. This group now acts independently, supplying hired guns and functioning as a trafficking organization itself. For many Mexicans, its name has come to signify terror and bloodshed.

From this increasingly sophisticated operational structure, Mexico's drug-trafficking organizations aggressively moved into the markets for heroin and methamphetamine in the United States, as well as the expanding European cocaine market. They extended their influence down the production chain into source countries such as Bolivia, Colombia, and Peru. They established beachheads in Central American and Caribbean nations—which in many cases have much weaker institutions and democracies than Mexico—where they worked their way into the countries' economic, social, and political fabric, to devastating effect. They widened and deepened their U.S. distribution route. In the words of a recent Justice Department report, Mexican drug cartels now represent the “biggest organized crime threat to the United States,” with operations in some 230 U.S. cities. They also diversified their domestic operations, with participants expanding into kidnapping, extortion, contraband, and human smuggling.

A HISTORY OF VIOLENCE

THE CURRENT surge in violence is largely a result of these long-term political and economic processes, but President Calderón's self-proclaimed war on drug trafficking has also contributed. Soon after coming into office in December 2006, Calderón sent the army to Nuevo León, Guerrero, Michoacán, and Tijuana, beginning a new phase of government action that now involves some 45,000 troops. Record numbers of interdictions, arrests, and extraditions to the United States have interrupted business as usual. With the older kingpins gone, the second and often third generations of criminal leaders are

now vying for territory, control, and power. Many of these aspiring leaders come from the enforcement arms of the cartels—and are accordingly inclined to use even more violence as they try to gain control of fragmented markets. Both the rewriting and the enforcement of illicit contracts mean blood in the streets.

The number of drug-related deaths in 2008 far surpassed those for any other year in Mexican history. Disputes between rival criminal organizations have led to open gun battles on major city streets, often in broad daylight. Death threats have forced dozens of law enforcement and government officials to resign. Extortion rings in many cities prey on businesses, forcing owners to pay to protect their operations and employees. The fear of kidnapping plagues the upper, middle, and working classes alike.

But as concern mounts on both sides of the border, the current situation should be put into perspective. Although unparalleled in scale, today's bloodshed is not unprecedented in type. In the early 1990s,

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conflict between the Tijuana and Sinaloa cartels engulfed not only the city of Tijuana but also the entire country in violence—including the assassinations of Cardinal Juan Jesús Posadas Ocampo, a Catholic archbishop, and Luis Donaldo Colosio, the PRI's presidential candidate. These events stirred up fear in both Washington and Mexico City, spurring the United States to strengthen

border controls and revive security collaboration with Mexican counterparts (which had all but disappeared in the wake of the murder of the U.S. Drug Enforcement Administration agent Enrique "Kiki" Camarena in 1985). The violence did not decline until 1997, when the Tijuana cartel successfully solidified its hold over the border crossing to San Diego.

As the carnage subsided in Tijuana, it skyrocketed in Ciudad Juárez, which borders El Paso, Texas. There, the violence initially reflected intracartel fighting following the demise of the Juárez cartel leader Amado Carrillo Fuentes, who died while undergoing plastic surgery to change his appearance. It escalated as both the Tijuana and the Sinaloa organizations attempted to take over the territory of the shaken cartel.

This wave of bloodshed did not end until 1999, when Vicente Carrillo Fuentes, Amado's brother, gained clear control of the Juárez cartel.

Simmering narco-conflicts again exploded in 2005, this time in the border town of Nuevo Laredo, when the Sinaloa cartel tried to take over the U.S.-Mexican crossing there (the busiest land border between the two countries), which the Gulf cartel had controlled for years. Shootouts in broad daylight with automatic rifles and rocket-propelled grenades prompted the temporary closing of the U.S. consulate in Nuevo Laredo, and the body count quickly rose to over 180. Among the dead were the editor of the largest daily newspaper in the city and the new police chief—who was killed just six hours after his swearing in. President Fox sent in the army, and Secretary Chertoff revived Operation Stonegarden, an initiative to provide up to \$400 million in funding to local law enforcement agencies on the U.S. side of the border. Stability returned when the cartels reached a truce in 2007, with the Sinaloa cartel paying the Gulf cartel for access to the Laredo border crossing.

THE LAST WAR

THIS HISTORY does not diminish the current danger. It does, however, highlight the inefficacy of rehashing past policy approaches. This is not the first time Mexico has brought out the military to quell drug-related violence. President Miguel de la Madrid mobilized troops in the mid-1980s to fight drug gangs, and every subsequent Mexican president has followed suit (although Calderón's current effort far surpasses former shows of force). The United States, too, provided equipment, training, and capacity building at various points throughout the 1980s and 1990s. If history is any lesson, these approaches will neither stem the violence nor provide real border security.

Instead, the United States needs to develop a comprehensive policy to bolster North American security—one that treats Mexico as an equal and permanent partner. Mexico must continue to challenge the drug cartels, and the United States, in turn, must address its own role in perpetuating the drug trade and drug-related violence. But more important, Mexico and the United States need to work together to broaden their focus beyond immediate security measures—fostering

Mexico's democracy and growing middle class. Only then can they overcome the security challenges facing both nations.

To start, the United States needs to take a hard look at its own role in the escalating violence and instability in Mexico. This means enforcing its own laws—and rethinking its own priorities. When it comes to the gun trade, U.S. law prohibits the sale of weapons to foreign nationals or “straw buyers,” who use their clean criminal records to buy arms for others. It also forbids the unlicensed export of guns to Mexico. Nevertheless, over 90 percent of the guns seized in Mexico and traced are found to have come from the United States. These include not just pistols but also cartel favorites such as AR-15s and AK-47-style semiautomatic rifles. To stop this “iron river” of guns, Washington must inspect traffic on the border going south—not just north—and increase the resources for the Bureau of Alcohol, Tobacco, Firearms and Explosives. (Even with recent additional deployments, a mere 250 ATF officers and inspectors cover the 2,000-mile border.) This effort should also include a broader program of outreach and education, encouraging responsible sales at gun shops and shows and deterring potential straw buyers with more explicit warnings of the punishment they would face if caught. Reducing the tools of violence in Mexico is a first step in addressing U.S. responsibility.

Even more important than guns, although less discussed, is money. Estimates of illicit profits range widely, but most believe some \$15 billion to \$25 billion heads across the U.S. border into the hands of Mexico's drug cartels each year. This money buys guns, people, and power. Compiled from thousands of retail drug sales in hundreds of U.S. cities, much of this money is wired, carried, or transported to the U.S.-Mexican border and then simply driven south in bulk. Mexican criminal organizations then launder the funds by using seemingly legal business fronts, such as used-car lots, import-export businesses, or foreign exchange houses. Laundered money not used to fund criminal operations or pay off officials in Mexico is often sent back to the United States and saved in U.S. bank accounts.

Targeting illicit funds is one of the most effective ways of dealing with drug trafficking. (Incarcerating individuals only briefly disrupts criminal operations, since people are swiftly replaced.) Washington has begun working with Mexican authorities to stop the flow of illicit

funds. There have been some successes, such as the passage of an asset-forfeiture law in Mexico, the addition of Mexican cartels to the U.S. drug kingpin list, and the strengthening of Mexico's financial intelligence unit. The United States should continue and deepen this bilateral cooperation, further developing financial tools and infrastructure to increase the information and intelligence sharing needed to dismantle money-laundering schemes. At home, the United States should work to replicate the successes of the interagency Foreign Terrorist Asset Tracking Center, which was ramped up after 9/11 to thwart terrorist financing, by creating a similar structure to go after drug-related money.

Law enforcement, however, is not enough. The supply of drugs follows demand. The United States needs to shift the emphasis of its drug policy toward demand reduction. Studies show that a dollar spent on reducing demand in the United States is vastly more effective than a dollar spent on eradication and interdiction abroad and that money designated for the treatment of addicts is five times as effective as that spent on conventional law enforcement. The United States needs to expand its drug-treatment and drug-education programs and other measures to rehabilitate addicts and lessen drugs' allure for those not yet hooked. Reduced demand would lower the drug profits that corrupt officials, buy guns, and threaten Mexico's democracy.

THE OTHER SIDE

AS THE United States deals with the problems in its own backyard, it should also be helping Mexico address its challenges. Until just last year, the United States provided less than \$40 million a year in security funding to its southern neighbor—in stark contrast to the \$600 million designated for Colombia. This changed last June with Congress' passage of the Merida Initiative, which called for supplying \$1.4 billion worth of equipment, software, and technical assistance to Mexico's military, police, and judicial forces over three years.

Despite its many laudable elements, the Merida Initiative does not go far enough fast enough. For one thing, it is just too small. The current budget for Plan Colombia is twice as large as Mexico's 2009 allotment—and that is for a country that does not share a border with the United States. And even the support for Plan Colombia pales next

to the billions of dollars U.S. drug consumers supply to Mexico's enemies in this confrontation. Compared to other U.S. national security threats, Mexico remains an afterthought.

The spending has also been far too slow. Although \$700 million had been released by Congress as of April 2009, only \$7 million had been spent. Despite the touted urgency, a cumbersome consultation process between the two countries, combined with a complicated disbursement process (since all of the assistance is in kind, not cash), has meant little headway even as the deaths mount. Most important, the focus of this aid is too narrow, reflecting a misunderstanding of Mexico's fundamental challenge. Unlike Colombia, which had to retake vast swaths of territory from guerrilla groups, paramilitary organizations, and drug cartels, the Mexican state has been able to quell the rising violence when it has deployed large and well-armed military units. So far, the cartels have put up limited resistance in the face of true shows of force by the state—for instance, when the government sent in 7,000 troops to Ciudad Juárez in March 2009. Firepower is not the main issue; sustainability is.

Mexico's Achilles' heel is corruption—which in an electoral democracy cannot be stabilizing the way it was in the days of Mexico's autocracy. Under the PRI, the purpose of government policy was to assert power rather than govern by law. The opacity of court proceedings, the notorious graft of the police forces, and the menacing presence of special law enforcement agencies were essential elements of an overall system of political, economic, and social control. Rather than acting as a check or balance on executive power, the judiciary was often just another arm of the party, used to reward supporters and intimidate opponents. Law enforcement, too, was used to control, rather than protect, the population.

The decline of the PRI and the onset of electoral competition transformed the workings of the executive and legislative branches quite quickly, but the changes have had much less influence over the judicial branch or over law enforcement more generally. Instead, even after the transition to democracy, accountability mechanisms remain either nonexistent or defunct. Most of Mexico's various police forces continue to be largely incapable of objective and thorough investigations, having never received adequate resources or training. Impunity

reigns: the chance of being prosecuted, much less convicted, of a crime is extremely low. As a result, Mexicans place little faith in their law enforcement and judicial systems. And as today's democratic government struggles to overcome this history through legislative reform, funding new programs for vetting and training and creating more avenues for citizen involvement, it faces a new threat: increasingly sophisticated, well-funded, and autonomous criminal organizations intent on manipulating the rule of law for their own benefit.

The Merida Initiative provides some funding for institution building, but that is dwarfed by the amount spent on hardware. Furthermore, although Mexico's lawlessness is most intractable at the state and local levels, the Merida funding focuses almost solely on the federal level. This neglects some 325,000 officers—90 percent of the nation's police. It leaves out those on the frontlines who are most likely to face the ultimate Faustian bargain—money or death—from organized crime. The United States should expand Merida's focus to incorporate local and state-level initiatives and training, including vetting mechanisms similar to those envisioned for federal agents, training for local crime labs, training for judges and lawyers, and support for community policing programs. In the end, all lasting security is local.

DISORDER ON THE BORDER

IMPROVING SECURITY will depend above all, however, on other dimensions of the complex U.S.-Mexican relationship—including trade, economic development, and immigration. To really overcome Mexico's security challenges, the United States must move beyond a short-term threat-based mentality to one that considers all these elements in the strategic relationship with its southern neighbor.

The foremost challenge in Mexico today, at least according to most Mexicans, is in fact the growing economic crisis. Even during Mexico's protectionist days, its fortunes rose and fell along with those of its northern neighbor. Today, the economies and general well-being of Mexico and the United States are even more linked. Some 80 percent of Mexico's exports—well over \$200 billion worth—go to the United States. Mexico's tourism industry—which brings in \$11 billion annually—depends on 15 million American vacationers each year.

The large Mexican and Mexican American populations living in the United States—estimated at 12 million and 28 million, respectively—transfer nearly \$25 billion a year to family and friends in Mexico.

This relationship runs the other way as well. After Canada, Mexico is the second most important destination for U.S. exports, receiving one-ninth of U.S. goods sent abroad. It is either the primary or the secondary destination for exports from 22 of the 50 U.S. states. Hundreds of thousands—if not millions—of American jobs depend on consumers and industries in Mexico. And increasingly, U.S. citizens depend on Mexico for even more, as over one million individual Americans—from young professionals to adventurous snowbirds—now live there.

The U.S. recession is hitting Mexico's economy exceptionally hard. In January, Mexico's GDP shrank by nearly ten percent year on

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year as manufacturing tumbled. In March, the peso skidded to a 16-year low against the dollar. The government now predicts a three-and-a-half percent decline in GDP for 2009, and many private economists are bracing for an even greater fall. Policymakers are beginning to worry about rising unemployment, poverty, and even social unrest. Some ten million Mexicans still live on just

\$2 a day, and economists predict that the downturn will push more Mexicans into poverty.

Nowhere else are the asymmetries between two such interlinked neighbors so severe. In its own self-interest, the United States should work with Mexico on a new economic development strategy. The United States can start by lessening the barriers to trade with Mexico. This will require resolving the current trucking dispute (fulfilling U.S. obligations under the North American Free Trade Agreement [NAFTA] by allowing Mexican trucks to operate on both sides of the border) and avoiding protectionist measures, such as the recent "Buy American" provision in the stimulus package. It will also require investing in the border itself. Nearly one million people and \$1 billion in trade cross the border every day, overwhelming the existing infrastructure and border personnel and leading to long and unpredictable

border delays, which limit Mexico's competitiveness. The U.S. Department of Transportation currently estimates that \$11 billion more will need to be spent on the U.S. side of the border to catch up with the growing traffic.

The United States should also help create opportunities within Mexico. This means expanding development assistance, rather than just security assistance. At less than \$5 million for 2009, current U.S. development aid to Mexico is paltry. Increased assistance should focus on supporting Mexico's efforts to expand its education and infrastructure programs and encourage local entrepreneurship and job creation.

Intertwined with both the economy and security is immigration. Economic opportunities in the United States, and their absence at home, draw millions of Mexicans north. Subsequent remittances provide a lifeline for millions of Mexican households and have brought many families out of poverty and into the bottom rungs of Mexico's middle class. At the same time, immigration to the United States pulls away many of Mexico's best and brightest, limiting the spillover benefits of their work on the larger economy and society.

Most studies show that immigration provides net benefits to the United States, including providing flexible workers to labor-scarce economic sectors, lowering the prices of domestically produced labor-intensive goods and services, and contributing to entitlement programs such as Social Security. The illegality of these human flows, however, has its costs. It depresses local wages and puts pressure on local health and education services, and it can undermine labor rights. In terms of security, the presence of millions of unauthorized workers in the United States gives unsavory elements a place to hide among a larger population forced to live underground. Illicit profits can be hidden in the flow of honestly earned money going back to Mexico, complicating efforts against money laundering.

The United States views immigration as a domestic concern, but when it comes to Mexico, this perspective is both inaccurate and counterproductive. During her April 2009 visit to Mexico, Janet Napolitano, the U.S. secretary of homeland security, announced, with Patricia Espinosa, the Mexican foreign secretary, a new high-level joint working group to make immigration safer and more orderly. This is a step toward greater consultation and cooperation. Still, fundamental

and comprehensive immigration reform in the United States is necessary to address the economic and security concerns on both sides of the border. New policies should be designed not only to improve border security and management. They should also regularize the status of the unauthorized work force already in the United States, ensure employer verification and responsibility, and create an expanded flexible worker program to meet changing U.S. economic demands.

Finally, U.S. policy toward Mexico must become more coherent. The U.S. diplomatic presence in Mexico—which includes an embassy, nine consulates, and 14 consular agencies—is one of the largest diplomatic missions in the world. It houses representatives from not only enforcement and investigative agencies, such as the ATF, the Drug Enforcement Administration, and the Department of Homeland Security, but also 37 additional agencies and departments, ranging from the Department of Agriculture to the U.S. Agency for International Development. Disorganization has led to a lack of policy coherence, as no organization is able or willing to take the lead in guiding the overall bilateral relationship. Washington needs to strengthen coordination among the agencies, bringing together the multiple interests and agendas they represent into a more coherent strategy.

MENDING FENCES

U.S. LEADERS and the press commonly tout President Calderón's commitment to fighting the Mexican cartels as something exceptional. Congressman Connie Mack (R-Fla.) has said, for example, "This is a president who has taken the drug cartels head-on, and has not flinched in the fight to rid Mexico of these cowards." Although true, this image misses the real political dynamic behind Calderón's fight. Rather than a quixotic lone crusader, he is a shrewd politician responding to voter demands.

Like his predecessor, Calderón was elected by Mexico's burgeoning middle class—now nearly one-third of the population. Long noted for the disparities between the extremely wealthy and the desperately poor, Mexico now has an economic center that is rapidly expanding. The middle class has grown thanks to NAFTA and Mexico's broader economic opening, a boom in immigration to the United States

that has sent billions of dollars back to families at home, and a decade of economic stability and growth that has enabled average citizens to work, save, and plan for the future. Mexico's middle-class families work in small businesses, own their cars and homes, and strive to send their children to college. And as voters, they threw out the PRI in 2000, bringing an end to its 70-year rule. Since then, they have been behind halting steps to create new civil-society organizations and to demand public transparency, judicial reform, and safety. It is these voters who tilted the election in Calderón's favor in 2006—and it is to them he is responding.

Security ranks second only to the economy in terms of voter priorities. Polls show that the middle class (as well as other segments of society) wants the government to take on the narcotraffickers, even if it creates more violence in the short run—and even though many think the government cannot win. Calderón's ratings have risen as he has confronted organized crime, with fully two-thirds of the public supporting his actions.

Mexican middle-class preferences for law and order, fairness, transparency, and democracy benefit Mexico, but they also benefit the United States. Although hardly an antidote for all challenges, a secure and growing middle class would help move Mexico further down the road toward achieving democratic prosperity and toward an increasingly able partnership with the United States. But if this center is diminished or decimated by economic crisis, insecurity, or closing opportunities, Mexico could truly descend into crime-ridden political and economic turmoil.

The best the United States and Mexico can hope for in terms of security is for organized crime in Mexico to become a persistent but manageable law enforcement problem, similar to illegal businesses in the United States. But both the United States and Mexico should hope for more in terms of Mexico's future, and for the future of U.S.-Mexican relations. U.S. policies that help increase accountability, expand economic and social opportunity, and strengthen the rule of law in Mexico will all encourage a more inclusive and more stable democracy there. This will require a difficult conceptual shift in Washington—recognizing Mexico as a permanent strategic partner rather than an often-forgotten neighbor. 🌐