In the early morning hours of January 1, 2012, three community activists were killed in Villa Moreno, a poor neighborhood located in Rosario, Argentina’s third largest city. Jeremías Trasante, Claudio Suárez, and Adrián Rodríguez were waiting for friends in a community playing field before going to a party when Sergio Rodríguez, known as ‘el Quemado’ (the burnt one), mistook them for rivals. The group led by el Quemado was looking for Ezequiel Villalba, the leader of a rival gang trying to control the local cocaine market. According to official investigations, Ezequiel Villalba participated in a shooting a few hours before where the son of el Quemado, Maximiliano Rodríguez, was seriously injured.¹ In search of revenge, el Quemado and his gang found the three activists in Villa Moreno, a group that broadly fit the description of the people that previously shot his son, and murdered them. Even though the press originally framed the event as part of a dispute between barras bravas,² groups of die-hard soccer fans, the investigations which followed the triple crime confirmed the connection between the rival gangs and the growing competition for the control of the cocaine market in Rosario.

The events of that evening in January shocked Argentina. The activists’ deaths led to local demonstrations, forcing both the press and the government to pay attention to drug trafficking and organized crime, even though local criminal organizations in Rosario were operating long before the triple crime. Argentina’s Minister of Defense Agustin Rossi, for example, declared that “what is happening in Rosario is a brutal confrontation between narco
organizations for the control of the territory and the local business.”¹³ By the same token, Santa Fe’s Minister of Security, Raúl Lamberto, observed that “we are facing a complex situation because there are gangs linked to drug-trafficking operating in our province. These gangs have power, money, and they are very violent. These gangs are destroying Rosario’s communal living.”¹⁴ Not surprisingly, drug-trafficking is considered “a threat to the rule of law,”¹⁵ according to Argentina’s president of the Supreme Court of Justice.

Although the expansion of drug-trafficking has become a concern in major cities like Cordoba and Buenos Aires, the situation in Rosario is by far the most critical. According to the Criminal Analysis Division of the Ministry of Security of Santa Fe, in 2012, there were 182 homicides in Rosario, implying a 15 percent increase from 2011.¹⁶ The upward trend continued in 2013 when Rosario registered 217 homicides, corresponding to a homicide rate of 21 per 100,000 inhabitants.¹⁷ Moreover, recent estimates suggest that by the end of 2014 there will be approximately 34 homicides per 100,000 inhabitants.¹⁸ The escalation of violence in Santa Fe’s capital city is also illustrated by the vast array of violent tactics available to local criminal organizations, including the intimidation of high political figures, the employment of hired assassins, the proliferation of death threats issued to journalists, and the increasing engagement of poor youth who serve as their labor force.¹⁹ Most importantly, the prosecution of the former police chief of Santa Fe province Hugo Tognoli, who was accused of ties to local criminal gangs, suggests that drug trafficking continues to infiltrate many aspects of society in Argentina.

What factors explain the radical escalation of drug-related violence in Rosario? How is this trend related to Argentina’s new role within the political economy of illicit drugs? In this chapter, I argue that violence in Rosario is explained, in part, by the ongoing transformation of the trafficking routes of illicit drugs in Latin America, as cartels are forced to move their
smuggling activities towards countries where the institutional setting is more favorable for the
development of their activities. The arrival of drug-related money due to the growing expansion
of the domestic market of illicit drugs has changed the nature of preexisting illicit activities,
altering the dynamics of power among local criminal networks, the state, and civil society. This
newly lucrative context in Argentina, in turn, fosters the territorial competition for the
distribution of gains among local criminal networks. Despite the fact that the transformation of
Argentina's drug trade has influenced the structure of domestic organized crime, the determinants
of violence are nonetheless located within the country’s institutional setting, often characterized
by the presence of weak law-enforcement, corruption, and economic instability. While Rosario
has most strongly felt this change, particularly due to its geographical location, the expansion of
drug-related violence to other cities seems highly likely if the Argentine government continues to
underestimate the problem.

The discussion is organized in two main sections. The first section examines the supply
and demand of illicit drugs in Argentina by applying a political economy approach. Empirical
evidence is presented to demonstrate that Argentina has become a ‘full-cycle-country:’ it
supplies, consumes, and serves as a transit route for narcotics smuggled to Europe and, to a
lesser extent, West Africa. The second and concluding section seeks to explain the consequences
of Argentina’s new role within the political economy of illicit drugs and its impact on the
structure of domestic organized crime, focusing on the new dynamics of power within and
among local criminal networks, the state, and civil society. The situation in Rosario, in
particular, is used to illustrate the ongoing transformation of domestic organized crime in
Argentina, paying special attention to one of the most powerful criminal networks operating in
Santa Fe’s largest city: los Monos (the monkeys).
Argentina’s New role Within the Political Economy of Illicit Drugs

Argentina has traditionally played the role of transit country within the political economy of illicit drugs. Bordered by Paraguay, Bolivia, and Peru, respectively marijuana and cocaine producers, the country was used as a corridor by large foreign cartels that smuggled illicit drugs, particularly cocaine, from the Andean sub-region to Europe and, to a lesser extent, West Africa. Argentina’s domestic market during the 1980s and mid-1990s was relatively small, as only a limited amount of the narcotics passing through the country remained for local distribution. The presence of a small-scale market, together with the overarching role of foreign cartels operating in Argentina, inhibited the rise of local criminal groups which maintained a low profile, helping limit the spread of drug-related violence across the country.

This situation, however, changed dramatically in the first decade of the 21st century—empirical evidence suggests that the consumption and manufacturing of narcotics in the country has expanded dramatically. On the one hand, growing levels of prevalence and the diversification of drug consumption have transformed the country into one of the region’s biggest markets of illicit drugs. On the other hand, the expansion of the supply chains for chemical precursors, the proliferation of cocaine and ATS-related drugs’ clandestine laboratories, and the rise of the paco industry have nurtured the development of a thriving center for the manufacture of narcotics. The confluence of these factors suggests that Argentina has become a ‘full-cycle-country’ within the political economy of illicit drugs: it supplies, consumes, and serves as a transit route for narcotics smuggled to Europe and West Africa.

Similar to other sectors of the economy in which goods or services are traded among different parties, the market of illicit drugs is governed by the interaction of supply and demand, even though other factors such as the state’s interdiction policies, and the users’ addiction levels
have a direct influence on the market’s regular equilibrium. For the purpose of the discussion, therefore, the demand and supply of illicit drugs will be addressed separately. A comprehensive grasp of each of these facets would help to understand the changing structure of domestic organized crime in Argentina, particularly in Rosario.

Demand of Illicit Drugs in Argentina: a Growing and Diversified Consumer Market

As previously mentioned, Argentina was traditionally considered a transit country within the political economy of illicit drugs. From the total cocaine smuggled from the Andean sub-region to Europe and, to a lesser extent, West Africa, only a small volume was consumed within the domestic market during the 1960s, 1970s, and 1980s. Indeed, Argentina’s most popular illicit drug in the 1960s and 1970s was marijuana and the vast majority of its users were considered to be recreational rather than drug addicts. Other illicit drugs such as heroin, cocaine, and amphetamines joined marijuana at the beginning of the 1980s when the country entered a stage of increasing demand and multiplication of drug types. Cocaine, in particular, was often described as the ‘queen’ among all the illicit drugs used in Argentina, notably after the return to democracy when it became available to different social classes.11

The 1990s witnessed further transformations in the patterns of drug consumption. The economic reforms promoted by the ‘Washington Consensus’ that eventually drove the country into depression accelerated the polarization of the Argentine market of illicit drugs. While the population living in the urban margins, particularly in Buenos Aires, began using cheap and low-quality drugs such as cocaine pasta base (PBC) and glue, the upper classes tended to use synthetic drugs, including ecstasy, popper, ketamine, and different types of amphetamines.12 In other words, the Argentine market of illicit drugs became increasingly stratified, as social and economic factors influenced the country’s patterns of drug use and addiction.
The 2001 economic crisis represents a critical juncture in Argentina as the demand of narcotics proliferated among different sectors of society and the market of illicit drugs became widespread. Most importantly, the consolidation of *paco* changed dramatically the consumer market in Argentina, notably along the economically disadvantaged neighborhoods of the Gran Buenos Aires’ metropolitan area where the demand grew exponentially. As the 2005 High School Second National Poll shows, the prevalence of PBC among students between 13 and 17 years accounted for 1.4 percent in 2005, representing a 200 percent increase when compared to 2001. Similar trends were observed with regard to other illicit drugs available in the country. For example, cocaine and marijuana consumption increased 120 and 67.6 percent respectively. Although it is not often considered within the group of illicit drugs, glue-sniffing increased 380 percent in comparison with 2001.13

The 2010 *World Drug Report* echoed this tendency in Argentina. According to the United Nations’ control mechanism, the highest prevalence of cocaine use in South America’s population aged 15 to 64 was reported from Argentina with 2.7 percent, a figure comparable to the prevalence in the United States—the largest single consumer market in the world. Moreover, Argentina constitutes the second biggest cocaine market in South America in absolute terms, accounting for 600,000 users. However, Brazil outranks Argentina in terms of overall users with 900,000. This figure represents a 117 percent increase since 2000. Under these circumstances, Argentines consume five times more cocaine than the global average and have one of the highest usage rates in the world.14 The same trend was present in terms of other illicit drugs: Argentina exhibits the highest prevalence of ecstasy use with 0.5 percent, the highest prevalence of cannabis use with 7.2 percent, and the second highest prevalence of amphetamines with 0.6
percent, only surpassed by Brazil and Suriname.\textsuperscript{15} In short, Argentina has become a world leader in terms of drug consumption according to the 2010 \textit{World Drug Report} (Figure 1.0).

\textbf{FIGURE 1.0}

\begin{center}
\textbf{Prevalence of use as a percentage of the population aged 15-64}\textsuperscript{16}
\end{center}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure1.png}
\caption{Prevalence of use as a percentage of the population aged 15-64.}
\end{figure}


Yet, the 2012 \textit{World Drug Report} indicates that most illicit drugs use in Argentina remained stable or decreased in 2010. This relative stagnation reflects the global stability of narcotics use and the performance of the bulk of the Latin American countries during the last years—an exception to this trend is the ‘crack cocaine’ market which may have expanded in South America.\textsuperscript{17} Similar figures are provided by the latest report developed by the United Nations Office on Drugs and Crime (UNODC), where no substantial change in the consumption of most illicit drugs was reported in Argentina.\textsuperscript{18}
Notwithstanding the high levels of prevalence of cocaine, opiates, and amphetamine-type stimulants (ATS), the 2013 International Narcotic Control Strategy Report (INCSR) indicates that marijuana—the bulk of which is imported from Paraguay—continues to be the most widely used illegal drug in the country. According to a recent study developed by the Argentine Drug Observatory (OAD), the prevalence of marijuana for the population between 12 and 65 years-old accounted for 8.1 percent, followed by cocaine with 2.6 percent. The use of marijuana is particularly high among the population between 12 and 65 years-old, corresponding to a prevalence rate of 17.0 percent.\(^\text{19}\)

As already noted, however, the most recent development in Argentina’s drug market is the rapid expansion of pac\(\text{\textit{c}}\)o.\(^\text{20}\) This trend was observed by Ignacio O’Donnell, who was the Sub Secretary of the state agency in charge of the fight against drug trafficking and drug addiction problems in Argentina (SEDRONAR). According to O’Donnell, the prevalence of pac\(\text{\textit{c}}\)o use grew from 0.2 percent in 2004 to 0.5 percent in 2010 among youth; and from 0.5 percent to 1.0 percent among intermediate-level students in 2011.\(^\text{21}\) Overall, in 2011 there were approximately 180,000 pac\(\text{\textit{c}}\)o addicts in the country, 85,000 of which were located in Buenos Aires city and the Greater Buenos Aires’ metropolitan area. Although the price of a dose is relatively cheap when compared to other illicit drugs that are currently available in the country, this business controls about $1,300 million pesos annually.\(^\text{22}\)

*Supply of Illicit Drugs in Argentina: the Thriving Manufacturing Complex*

Argentina is not a producer of illicit drugs per se. Unlike countries such as Colombia, Bolivia, and Peru, the climatic and geographical conditions of Argentina hamper the production of drug crops. Indeed, only small quantities of illicit drugs are produced in the northern region of the country, as well as in some areas of Cordoba, Santa Fé, and Buenos Aires. Nonetheless,
Argentina has played a key role in the global manufacturing industry\textsuperscript{23} of illicit drugs, particularly during the last decade. The evolution of this trend stemmed from at least five specific factors.

First, Argentina has developed an extensive chemical industry that provides the precursors necessary for the manufacturing of cocaine. Even though the traffic of these substances increased during the first decade of the twenty-first century, the market of chemical precursors was already present long before the 2001 economic crisis. The 1997 INCSR report, for example, indicated that “Argentina has a large and well-developed chemical industry that manufactures almost all the precursors necessary for the processing of cocaine.”\textsuperscript{24} Along with prior results, the 2012 INCSR report suggests that Argentina is currently one of the largest South American providers of chemical precursors necessary for the processing of cocaine.\textsuperscript{25} According to Blanco, several factors fostered the expansion of the chemical precursors market in Argentina. To begin with, the overall capability of the domestic chemical industry is of paramount importance to understand the nature of this phenomenon. Another element contributing to this tendency is the geographical condition of the country, notably the proximity to the main production centers of illicit drugs in the hemisphere, as well as the presence of a long and dry boundary with different routes and paths that hinder the control of chemical substances. Finally, this process has been also stimulated by the socioeconomic situation in Argentina that enabled foreign organizations to purchase chemical products at a favorable currency exchange rate, as well as the consequences of the 2001 economic crisis and the resulting availability of a qualified (or not) labor force.\textsuperscript{26}

Second, a growing number of clandestine laboratories—often referred as “kitchens”—refine raw cocaine smuggled from Bolivia, Peru, and Colombia before shipping it to Europe and,
to a lesser extent, West Africa. The last evaluation presented by SEDRONAR in 2011, for example, revealed that a total of 80 illicit processing centers, associated with the production/fabrication/adulteration/fractioning of cocaine derivate, were reported between 2000 and 2006—of which only two were capable for producing ecstasy (Figure 2.0). Most of the laboratories were located in Buenos Aires province (53), other 8 were found in the capital city, six in Salta province, five in Santa Fé province, and the rest were situated along the provinces of Córdoba, Tucumán, Entre Ríos, and Jujuy. The same pattern was depicted in different World Drug Reports where Argentina discovered 56 cocaine laboratories between 2008 and 2009. Not surprisingly, some pundits have suggested that approximately 250 such laboratories are currently hidden around the Argentine territory. The recent discovery of what the national Secretary of Security called “Argentina’s largest cocaine kitchen” in Rosario illustrate the power of drug-trafficking organizations operating in the country. This manufacturing laboratory, different reports suggest, was prepared to produce approximately 100 kilos of cocaine on a daily basis for 3 million pesos.

Third, the leftover cocaine, which often contains alkaloids and chemical residues, is progressively commercialized within the domestic market through different variants of PBC. Specifically, the most widespread cocaine residues are bazuco, merla, and paco. Reliable numbers, however, are hard to come by since most of the available data are rough estimates. As Rangugni, Rossi, and Corda pointed out, “too little is known about the arrival of PBC to Argentina, the elements that may have contributed to this trend, the specific modalities of trade and traffic of this substance, as well as the possible connections between the appearance of PBC and the general transformations of the political economy of illicit drugs ... the sources are ambiguous, contradictory, and elusive.” Nonetheless, the exponential rise of domestic
consumption and the extensive circulation of *paco* along the Greater Buenos Aires’ metropolitan area and its capital city suggest that the supply of this low-quality narcotic has increased considerably throughout the years.

**FIGURE 2.0**  
**Discovered Laboratories 2000 - 2006**


Fourth, the chemical manufacturing complex in Argentina has not been restricted to the refinement of organic drugs such as cocaine. On the contrary, Argentina has recently reported the presence of different clandestine laboratories producing synthetic drugs such as ATS—notably ecstasy. In addition to the two laboratories prepared to fabricate ecstasy reported by SEDRONAR\(^{32}\) between 2000 and 2006, the 2010 and 2012 *World Drug Reports* indicated that Argentina informed to the United Nations’ control mechanism the existence of ATS operating
laboratories within the country in 2008 and 2010 respectively. This trend was confirmed by the recent discovery of two laboratories located in the Buenos Aires province. The first “kitchen” was found in September 2013 in the downtown Buenos Aires and, according to the national Secretary of Security, its production capacity reached 100,000 ecstasy tablets. The second laboratory was discovered in January 2014 in the coastal town of Mar de Ajó and its estimated production account for 600,000 tablets or an amount of money up to $40 million pesos. Not surprisingly, seizures of ecstasy tablets increase 2,900 percent between 2011 and 2013, suggesting that the domestic consumption of synthetic drugs is leading to a migration of production from Europe to Argentina.

Finally, the manufacturing of synthetic drugs has been buttressed by the flourishing market of ephedrine. Even though a small proportion of this chemical substance is destined to clandestine laboratories manufacturing methamphetamines in Argentina, several organized criminal networks have in Argentina in order to trafficking large volumes of ephedrine and pseudoephedrine through the Argentine territory toward the global market of illicit drugs. Since the market of ephedrine was unregulated before 2005, many organized criminal networks—especially Mexican cartels—bought ephedrine, particularly from India and China, at low costs (between U.S. $50 and U.S. $100) in order to utilize this substance for drug-trafficking. This trend has been visible since 2004-2005 when Argentina imported approximately 3.5 tons of ephedrine in 24 months. Indeed, between 2006 and 2008 the triangulation of ephedrine proliferated. While in 2006 the providers of ephedrine brought to the country approximately six tons, in 2007 Argentina imported approximately 19 tons, resulting in a total of almost 41 tons of ephedrine entering the country between 2006 and 2008. While the ephedrine business decelerated in 2009 due to counter-narcotic policies adopted after the ‘General Rodríguez triple
crime,’ where three pharmaceutical businessmen were killed in the context of the so-called mafia de los medicamentos (“medicament mafia”), in 2011 the flows reversed and bounced back to 18.6 metric tons to further stabilize in 2012. According to Douglas Farah, this is 17 times more ephedrine than could be absorbed by the legal industries in Argentina.39

To sum up, although Argentina does not produce illicit drugs per se, its role in manufacturing illicit drugs has been multiple: it constitutes one of the biggest continental providers of the chemical precursors necessary for the production of cocaine; it has developed a wide network of clandestine laboratories that manufacture cocaine as well as ATS-related drugs; some of the residues of the refinement process are commercialized within Argentina through the growing paco industry; and finally, many organized criminal networks traffic ephedrine and pseudoephedrine through the Argentine territory toward the global industry of illicit drugs. All these factors suggest that narcotics’ manufacturing in Argentina is robust and likely to endure.

The Changing Structure of Organized Crime: the Case of Rosario

Although the empirical evidence presented suggests that Argentina has become a ‘full-cycle-country’ within the political economy of illicit drugs, how the demand and supply of narcotics evolved vis-à-vis the structure of domestic organized crime was left largely unspecified. The goal of this final section, therefore, is to provide a more comprehensive examination of the nature of the main criminal groups operating in Argentina, particularly in the city of Rosario.

Rosario has become a prominent transit route for cocaine destined for Europe and for local consumption. Much of the product passing through the city has been historically dominated by foreign cartels, even though they are not directly involved in domestic micro-trafficking. More specifically, Mexican and Colombian cartels outsource business to partners in Argentina, establishing channels of cooperation with many local criminal groups. Since the cocaine market
in Argentina was relatively small during the 1990s, most of the narcotics passing through Rosario were subsequently shipped to Europe. This factor explains, in part, why Rosario escaped the violence that accompanied the rise of drug-trafficking in other Latin American countries. Indeed, organized criminal networks operating in Rosario during the 1990s maintained a relatively low profile, although they were involved in a wide variety of illicit activities, including the smuggling of marijuana from neighboring Paraguay.40

This situation, however, changed dramatically during the 2000s. The militarization of counter-narcotic initiatives in Latin America, particularly in Colombia and Mexico, forced major cartels to move their smuggling operations to countries such as Argentina.41 Large amounts of drugs began to circulate domestically both for consumption and export, increasing Rosario’s exposure to the drug trade. Between 1973 and 1988, for example, authorities in Rosario seized a total of three kilos of cocaine, whereas only in 2012 the total was 400 kilos.42 This process, of course, was facilitated by the institutional weakness that characterized the Argentine state after the neoliberal model promoted by the ‘Washington Consensus.’ The result was alarmingly high consumption levels, setting the stage for domestic drug-traffickers and other criminal organizations looking to take over the growing profits of this business.

Even though many illicit activities existed prior to the point where Argentina became a ‘full-cycle-country’ within the political economy of illicit drugs, the structure of domestic organized crime that emerged in Rosario during the 2000s was particularly distinct compared to its predecessors.43 What changed, in particular, is the enormous amount of money and power these homegrown criminals amass, together with the increasing use of violence as a means to resolve their territorial disputes. Following Lupsha,44 these newly acquired features of domestic organized crime in Rosario coincides with the ‘window of opportunity’ created by the growing
domestic demand of narcotics and the transformation of the country into a prominent transit point of cocaine destined to Europe and, to a lesser extent, West Africa. In other words, although many organized criminal networks were already operating during the 1990s, and even before, they only emerged as a fully-fledged organization when Argentina became a ‘full-cycle-country.’

The arrival of drug-related money eventually changed the nature of preexisting illicit activities in Rosario, altering the dynamics of power among organized criminal networks, the state, and civil society in general. Evidence suggests that the annual value of micro-trafficking for Rosario is estimated between 1.8 and 2 billion pesos (approximately between 350 and 400 million dollars). This newly lucrative context, in turn, fostered the territorial competition for the distribution of gains by different organized criminal networks, resulting in unprecedented levels of violence. Not surprisingly, Rosario’s highest homicide rates coincide with an exponential increase in drug activity in the city. In 2013, for example, there were a total of 217 homicides, corresponding to a homicide rate of 21 per 100,000 inhabitants. This figure represents a 100 percent increase with respect to 2010 when UNODC published its report echoing an exponential growth of drug consumption in Argentina.

Despite some international-level variables have deteriorated the situation in Rosario, particularly the shift in the trafficking routes of illicit drugs due to different U.S.-backed law-enforcement initiatives in Latin America, the determinants of violence are nonetheless located within the domestic institutional setting, often characterized by the presence of weak institutions, corruption, and economic instability. As Varese observes, organized criminal networks emerge only when certain structural conditions are present. In other words, it is the nature of the domestic institutional setting that causes violence and permits the proliferation of organized

15
criminal networks rather than changes in drug-trafficking routes in Latin America, even though this factor has been a significant part of the explanation.

Organized Criminal Networks in Rosario

There are approximately four or five principal groups controlling the distribution of illicit drugs in Rosario.\textsuperscript{51} According to Del Frade,\textsuperscript{52} these criminal networks are \textit{los Monos}, \textit{Los Alvarado}, \textit{Los Pillines}, and the gang historically led by Luis Medina. Most of them operate along the impoverished peripheries of the city, which are commonly known as \textit{villas} (slums). Unlike other countries in Latin America, particularly Mexico, in Rosario it is difficult to pinpoint a leader or \textit{capo} that coordinates all the criminal activities in the city. Although the press has associated many transnational organized crime organizations with local gangs, the contacts remain still anonymous. In this context, what is commonly recognized as organized crime in Rosario refers to relatively fragmented structures, without much stability or hierarchical organization. The most powerful organizations are structured around family ties, even though the increasing recruitment of underprivileged teenagers has eventually distorted their original composition. The dynamics of organized crime resembles what the UNODC called ‘network structures,’ as opposed to ‘mafia like hierarchical structures.’ ‘Network structures,’ according to the UNODC, are loosely connected networks of ‘specialists,’ all playing a particular role in a large-scale criminal activity, without a true hierarchical ranking among them.\textsuperscript{53}

The main activity of organized crime in Rosario consists of micro-trafficking; that is, these gangs operate as retailers who sell drugs to local users while relegating the trafficking of cocaine destined to Europe and West Africa to international cartels. Certainly, these gangs are also involved in other venues. Although less frequent, domestic criminal networks have participated in the manufacturing of illicit drugs. This is the case, for example, of ‘delfín
Zacarías’ (the ‘dolphin’ Zacarías), the leader of a gang that owned “the country's biggest cocaine factory discovered in Argentina,” according to the National Secretary of Security. Less relevant activities include the extortion of local business, the levy of charges on other drug dealers operating in Rosario, and the reinvestment of money in local communities.

In terms of micro-trafficking, drugs in Rosario are usually sold by poor teenagers, who are commonly known as ‘soldaditos’ (little soldiers). They are locked inside kioscos (small bunkers), where cocaine, marijuana, tablets, and paco are sold through a little window or a small hole in a wall. According to a recent research developed by Universidad Nacional de Rosario, there are more than 400 kioscos in Rosario, each of them generating an average of 25,000 Argentine pesos daily (approximately 3,000 US dollars). Soldaditos earn about 400 Argentine pesos (approximately 40 US dollars) for one day of work, unless they are minors in which case their salary is reduced a half. Other soldaditos protect the territory where kioscos are located. If these teenagers have a gun they can earn 300 pesos daily (approximately 30 dollars), whereas unarmed soldaditos are paid the half. Dealers occupy the upper positions in the hierarchy of the micro-trafficking structure. They are in charge of connecting the manufacturing and distribution centers with the users of illicit drugs, particularly those who belong to the middle and upper classes. Finally, this structure is underpinned by capitalists who operate anonymously, earning most of the profits of this illegal business. Their role, in particular, consists in laundering the money from drug-trafficking.

Rosario’s ongoing economic instability, of course, has provided fertile ground for the proliferation of drug-trafficking organizations. This process began in the 1990s when the ‘Washington Consensus’ promoted a series of economic measures that eventually contributed to the destruction of Rosario’s local industry—once part of the most powerful industrial belts in the
region. Although the city also witnessed economic improvements during Argentina’s economic recovery after the 2001 crisis, phenomena such as unemployment, poverty, deficient housing conditions, and increasing school dropout rates have all paved the way for the infiltration of drug-trafficking organizations in Rosario. Moreover, the city’s general degradation of living conditions has disproportionately fallen on the young.58

As already noted, the growing power of these organized criminal networks is illustrated by the recently acquired repertoires of violence, including the intimidation of high political figures, the employment of hired assassins, and the proliferation of death threats issued to journalists. Perhaps the most indicative episode was the shooting of the governor’s house, which targeted Antonio Bonfatti, while he and his wife were at home. Moreover, following the Bonfatti attacks, the judge involved in the investigation received a text message warning they would attack the governor again. Similar episodes include the armed attack to the retired police commissioner Alejandro Franganillo, who was the head of the former Drogas Peligrosas (Dangerous Drugs Division) in Rosario; the car chase of the Secretary of Public Security Matías Drivet supposedly by drug-traffickers; and other threatening text messages to high public officials involved in the ongoing fight against drug-trafficking and organized crime.59 As a judge participating in the prosecution of some members of a leading criminal network operating in Rosario declared, these are groups dedicated to “the business of violence.”60

Most important, the growing sophistication of these newly empowered homegrown criminal networks is based on their ability to corrupt police. According to Sain,61 the state, through the illegal practices of powerful sectors of the police, has not only been a part of the drug trade but a prominent factor in the expansion and current configuration of drug-trafficking in Rosario. Police involvement in the drug trade, Sain further notes, is the inevitable
consequence of a specific type of crime management known as ‘doble pacto’ (double agreement), which emerged in Argentina during the 1980s. On the one hand, this double agreement implied the delegation of public security issues by government authorities to police forces (the ‘police-political pact’). On the other hand, the double agreement also guaranteed the control of crime by corrupt police forces, particularly with regard to their regulation and participation in drug-trafficking (the ‘police-criminal pact’).

The prosecution of 13 members of the security forces for conspiracy, bribery, weapons possession, concealment, and breach of official duties confirms the growing infiltration of state structures by drug-trafficking organizations in Rosario. Moreover, similar charges were filed against high rank law-enforcement officials, including the former Santa Fe police commissioner Hugo Tognoli and the head of the former Drogas Peligrosas division (Dangerous Drugs) Diego Comini. Altogether, these recent episodes support the idea that corruption is paving the way for the expansion and further consolidation of organized crime in Rosario.

The Case of los Monos

The signal case of los Monos (the monkeys), perhaps the most powerful organized criminal network operating in Rosario, illustrates the general evolution of organized crime in Argentina. Los Monos were born in the neighborhood of Las Flores and Villa La Granada during the 1990s, even though they emerged as a fully-fledged organization after they defeated a rival gang known as Los Garompa in a bloody war that shocked Rosario’s population at the beginning of the 2000s. This brutal confrontation, resulting in approximately 30 homicides, is often considered the beginning of the ongoing wave of violence the city of Rosario is experiencing.

Structured around family ties, the group has been historically led by the Cantero family. Although los Monos own their name to Juan Carlos Fernández, also known as ‘el Mono Grande’
(the big monkey), the organization began to gain power only after Ariel Máximo Cantero, alias ‘el Ariel,’ took control of los Monos in 2003 when el Mono Grande disappeared in the Paraná River. The growing power of the Cantero family, which eventually incorporated both sons of ‘el Ariel’—that is, Claudio ‘el Pájaro’ Cantero (the bird) and Máximo Ariel ‘Guille’ Cantero—led los Monos to a war against Los Garompas for the control of Rosario’s market of illicit drugs. Indeed, the Cantero family became the most powerful criminal organization after the death of Fernando Corso, also known as ‘el Gordo Pel’ (the fat Pel), who was the leader of Los Garompas.

After the elimination of los Monos’ main contender in 2004, the organization led by the Cantero family took control of the distribution of marijuana to ultimately regulate the cocaine market in Rosario.

Los Monos operate in the Southeast of the city, particularly along the streets of La Granada neighborhood, which is commonly known as the operation center of this gang. Although the internal organization of los Monos is far from the pyramidal structure typical of some Colombian and Mexican cartels, there are certain patterns of hierarchy among los Monos—as opposed to the rest of the criminal networks in Rosario. Therefore, in addition to the leadership of the organization, which is commonly reserved to the members of the Cantero family, los Monos also includes a network of soldaditos, hired assassins, money launderers, and they operate interlinked with Rosario’s ‘barras bravas’ (soccer fans).64 Most important, the organization’s connection with the police has contributed dramatically to their expansion. Not surprisingly, 36 members of los Monos have been detained. Out of them, 23 are civilians, 10 belong to Santa Fe police, 2 are Federal policemen, and there is 1 member of Prefectura.

Los Monos are involved in a wide variety of illicit activities, including drug manufacturing, micro-trafficking, extortion, money laundering, and private security services.65
Moreover, their businesses have expanded to further participate in the administration of a fleet of taxis and even the investment in some soccer players in Argentina. According to an investigation developed by Clarín, los Monos make around 100 thousand pesos (10 thousand dollars) on a daily basis. This amount of money not only includes the drug trade but also the protection of other gangs involved in drug trafficking in other sectors of Rosario city. In 2010, for example, the organization controlled one third of Rosario’s cocaine market. This proportion, however, has expanded dramatically vis-à-vis- the growth of the domestic market of illicit drugs and the gradual elimination of los Monos’ main contenders.

Yet, los Monos lost part of their original strength after the death of its main leader, Claudio Ariel Cantero, the son of el Ariel, who was also known as ‘El Pájaro’ (the bird). Other members of the organization were arrested, including Máximo Ariel ‘Guille’ Cantero, the other direct descendant of the family. Moreover, Ariel Máximo Cantero, Ramón ‘Monchi Cantero’ Machuca, and Mariano Salomóm, three heads of the organization, are fugitives in the prosecution led by Juan Carlos Vienna aimed at solving the murder of Martin ‘el Fantasma’ Paz (the ghost Paz). The organization, however, regenerates constantly, according to different sources cited in the investigation developed by Clarin.

Prosecutor Guillermo Camporini, for example, declared that with the detainment of many members of los Monos the police only breakup “an arm of the organization.” Not without good reason, and despite the organization went through several transformations, los Monos have rested in power without any discussions for a decade.”

Why Rosario?

The levels of violence in Rosario are significantly higher than the national average. While Argentina accounted for approximately 5.5 homicides per 100,000 inhabitants, Rosario
registered 21 homicides per 100,000 inhabitants, a 400 percent increase with respect to the national average. Moreover, recent estimates suggest that by the end of 2014 there will be approximately 34 homicides per 100,000 inhabitants. The situation in Rosario is not even comparable to Cordoba or Buenos Aires, where there are 6.5 and 7.7 homicides per 100,000 inhabitants respectively. In this context, what factors explain the increasing levels of violence in Rosario compared to the rest of the country? Broadly speaking, four factors are of paramount importance to understand the situation in Rosario.

First, there is a geographical reason. Santa Fe’s largest city lies at the end of the Ruta 34 highway, a major transit route for the cocaine smuggled primarily from Bolivia but also from Peru and Colombia. Beginning on the border with Bolivia, the so-called ‘ruta blanca’ (white route) connects the provinces of Salta and Santa Fe, respectively the main entry point and hub for drug-trafficking in Argentina. The relevance of this corridor was highlighted, for example, by former Santa Fe Governor Hermes Binner when he declared that “regardless of its origins, everyone knows that drugs come through Ruta 34.” Similarly, Ruta 11 plays an analogous role with regard to marijuana trafficking from neighboring Paraguay. Another geographical factor influencing Rosario’s levels of violence is related to its proximity to Cordoba and Buenos Aires, the other two largest cocaine markets in Argentina. Not surprisingly, U.S. State Department experts claimed that Rosario’s geography made it particularly vulnerable to drug-trafficking.

Second, there is an economic factor. The presence of a large and export-oriented market has facilitated the transformation of Rosario into a transshipment hub for large volumes of illicit drugs. Similar to the economic growth that characterized the beginnings of the twentieth century, where the city flourished due to grain exports, since the late-1990s Rosario has witnessed a rapid expansion of soy exports that ultimately contributed to the circulation of illicit drugs. Located on
the western shore of the Paraná River, home to 21 private ports and 4 public ports that are equipped to ship huge volumes of illicit drugs to the international market, Rosario’s economy has not only favored the economically more dynamic and politically powerful sectors producing exportable goods but also drug-traffickers willing to place their products internationally.

Third, there is a factor related to the overall organization of law-enforcement in Argentina. Because Rosario is not the country’s capital city, it does not have a large number of national security forces operating on a regular basis, including the Federal Police, the National Gendarmerie, and the Argentine Naval Prefecture. Unlike Buenos Aires, therefore, Rosario has with limited resources to fight against well-equipped criminal networks such as los Monos. This situation was observed, for example, by some members of Santa Fe’s government when they declared that Rosario “faces certain vulnerability to combat drug-trafficking” due to the fact that the city does not have all the national security forces.  

Fourth, the prosecution of many members of Santa Fe’s police may indicate that the levels of corruption in Rosario are significantly higher than the rest of the country. Nevertheless, as Sain notes, this trend may suggest indeed the end of the political and social invisibility of the ‘police-criminal pact’ rather than a situation that is only present in Rosario. In other words, the links between law-enforcement officials and organized criminal networks were present long before the city’s violence levels began to increase. What changed, indeed, was the capacity of the police to regulate crime in Rosario.

Conclusions

Argentina’s role within the political economy of illicit drugs has changed dramatically in the first decade of the 21st century. On the one hand, the expansion and diversification of drug
consumption has transformed the country into one of the region’s biggest illicit drug markets. On the other hand, the rapid growth of the supply chains for chemical precursors, the proliferation of clandestine laboratories, and the rise of the *paco* industry have contributed to the development of a thriving center for the manufacture of a wide variety of illicit drugs. All these factors suggest that Argentina has become a ‘full-cycle-country’ within the political economy of illicit drugs: it supplies, consumes, and serves as a transit route for narcotics.

The transformation of Argentina’s drug trade has been accompanied by major changes in the structure of organize crime within the country. The case of *los Monos* in Rosario, in particular, has been illustrative in this respect. This organization, mostly dedicated to micro-trafficking, has prospered simultaneously to the expansion of the drug trade, particularly after the crackdown of major smuggling routes forced international cartels to move their smuggling operation to countries such as Argentina. In 2014, criminal networks such as *los Monos* amass an enormous amount of money and power, contributing to Rosario’s rising homicide rates. Despite the relevance of some international trends, the determinants of violence are nonetheless located within the country’s institutional setting, often characterized by the presence of weak law-enforcement, corruption, and economic instability. Moreover, other factors such as Rosario’s geographical location, infrastructure, corruption, and Argentina’s organization of law enforcement have reinforced the city’s ongoing levels of violence.

Notwithstanding Rosario is the city that most intensely felt this change, violence is likely to spread throughout Argentina’s biggest metropolitan areas. Indeed, cities such as Buenos Aires, Córdoba, and Mendoza are already witnessing a rapid increase in their levels of violence. Buenos Aires governor Daniel Scioli, for example, declared a ‘security emergency’ in April 2014 after a wave of homicides shocked the province. By the same token, Security Minister Alejandro
Granados recognized that crime is a ‘problem’ and called all mayors and political parties to coordinate efforts in the fight against crime in Argentina.\textsuperscript{79} Like the statements by Argentina’s president of the Supreme Court of Justice, these words coincide with a document released by the Catholic Church where a group of bishops urged the national government to address the problem of drug-trafficking in Argentina. Indeed, while the Kirchner administration seems to be determined to tackle the growing levels of drug consumption,\textsuperscript{80} no systematic effort has yet been made to address the problem of drug-trafficking in Argentina. The consequences, of course, are not difficult to predict if the national government continues to underestimate the situation.

\begin{footnotesize}
\begin{enumerate}
\item The exact nature of paco is a matter of debate among specialists in Argentina. While some believe that paco is the most widespread version of PBC and, therefore, a product of sulfate of cocaine; others argue that paco neither includes sulfate of cocaine nor hydrocarbon since it is made of pure alkaloid cocaine, residue, and other aggregates. According to a documented published by SEDRONAR/OAD in 2007, paco should not be considered PBC—it rather resembles crack. Despite the alleged differences, in this paper I will use the terms interchangeably.
\end{enumerate}
\end{footnotesize}


The information presented by UNODC in its 2010 World Drug Report is based on data from the period 2002-2008. In other words, not all the measures were taken at the same point in time among the different countries listed in this chart.


The 1961 Single Convention on Narcotic Drugs distinguishes between “production” and “manufacture” of illicit drugs. While “production” means the separation of opium, coca leaves, cannabis and cannabis resin from the plants from which they are obtained; “manufacture” refers to all processes, other than production, by which drugs may be obtained and includes refining as well as the transformation of drugs into other drugs.


Cohen, “The New Narco State.”


SEDRONAR, Centros de Procesamiento Ilícitos de Estupefacientes en Argentina.

The Government of Argentina enhanced its precursor chemical regulatory framework through the Chemical Precursor National Registrar (RENAPRE) created in 2005 by Law 26,045. Broadly speaking, the norm requires the registration of all manufacturers, importers or exporters, transporters, and distributors of chemical precursors. Moreover, in 2010 the control of chemical precursors was further restricted by the adoption of the International Narcotics Control Board’s online Pre-Export Notification (PEN) system. The three pillar precursor chemical control system requires registration, reports, and control by SEDRONAR’s Precursor Chemical Diversion Control and Prosecution Unit.


45 Eventon, “Eyes Wide Shut.”


47 “En Rosario se Registraron en 2013 más del doble de Crímenes que en Córdoba.”


50 Varese, *Mafias on the Move*.

51 Eventon, “Eyes Wide Shut.”


54 Pablo Formero, “La Cocina de Drogas más Grande del País.”

55 Eventon, “Eyes Wide Shut.”

56 More recently, some of the gangs that were in charge of the bunkers turned to the mode of delivery as an attempt to avoid the police. In other words, the same soldadito who was locked inside Rosario’s different bunkers is now delivering a wide variety of illicit drugs on a bike along the city’s most relegated neighborhoods.


58 Eventon, “Eyes Wide Shut.”


According to Eventon (2013), *barras bravas* are in charge of selling drugs inside the stadium during soccer matches and giving gangs access to a large group of *soldaditos*.


“Aguilar, “Droga y Crímenes Mafiosos.”


“Aguilar, “Droga y Crímenes Mafiosos.”


The term ‘white road’ was coined in reference to the massive quantities of cocaine smuggled through the highway.


Sain, “Las Grietas del Doble Pacto.”


See, for example, the ‘Recovery Inclusion Programme’ launched by the President in April 2014.