Mexican Drug Trafficking and Cartel Operations amid COVID-19

Updated April 2, 2021

Mexico is a primary foreign producer and transit country for illicit drugs destined for the United States. Policymakers, including many in Congress, have closely watched how the Coronavirus Disease 2019 (COVID-19) pandemic is affecting drug flow patterns out of Mexico, including the flow of potent opioids and other illicit drugs. Any changes could affect the extent to which Mexico-based transnational criminal organizations (TCOs), popularly described as cartels, pose a threat to U.S. national security. To date, U.S.-bound illicit drug supplies appear to be returning to pre-pandemic levels, despite early supply chain disruptions.

Illicit Drug Flows

According to various press, think-tank, U.S. government, and United Nations reports, the pandemic’s effect on Mexico-based drug production and trafficking has been mixed. COVID-19-related lockdowns and slowdowns in container trade and port activity, particularly in China and India, appear to have caused shortages in precursor chemicals used to synthesize methamphetamine and fentanyl, resulting in temporary product shortages and price increases. Some reports indicate Mexican traffickers stockpiled resources, including cash, uncertain of how COVID-19 would affect law enforcement attention on the illicit drug trade. Several high-profile seizures in 2020 suggest potential trafficker miscalculations as cartels adapted to the COVID-19 operating environment. Such seizures, however, also indicate that illicit drugs and money continue to flow along U.S.-Mexico trafficking corridors. Additionally, Mexican opium poppy cultivation and heroin production have been largely unaffected by COVID-19-related developments. The pandemic may motivate Mexico-based drug producers to find alternative precursor sources and further develop domestic production capabilities.

Such reports are consistent with early predictions that although pandemic-associated global mobility restrictions and trade declines could disrupt illicit drug supply chains and diversify drug trafficking patterns and routes, any disruptions to Mexican production and trafficking likely would be temporary. In October 2020, the U.S. Department of Homeland Security (DHS) assessed that the pandemic “has slowed the pace of drug trafficking into the United States” and disrupted some cartel operations but that cartels’ ability to move large quantities of drugs remained “largely intact.”
Cartel Operations

The pandemic does not appear to have diminished the extensive criminal and political power of Mexico’s criminal organizations. In 2020, President Trump exhorted the Mexican government to do more to contain the cartels, which he described as posing “a clear threat to Mexico and the Mexican government’s ability to exert effective control over parts of its country.” DHS also considers Mexican cartels a key threat to the U.S. homeland because of their ability to control territory and trafficking routes along the U.S. Southwest Border and to co-opt officials at various levels of government. Mexico’s cartels remain the primary source of heroin and fentanyl trafficking into the United States. According to the U.S. Drug Enforcement Administration, the Sinaloa Cartel and the Jalisco New Generation Cartel (CJNG) in particular “show signs of expansion in Mexico” and have increased their role in production and pill pressing.

Neither the risk of infection nor government-mandated mobility restrictions during the pandemic appear to have significantly deterred cartel activity. Since the pandemic’s onset, the range of criminality by smaller cartels has expanded as new opportunities for exploitation have appeared. Current conditions seem to have fostered intensified inter-cartel competition, favoring larger Mexican cartels’ territorial ambitions. As a result, crimes of assault and homicide have remained elevated during Mexico’s pandemic response, even as crimes of opportunity, such as robbery, appear to have declined.

Mexico’s homicide rate remains “stuck” at historically high levels, with 27 murders per 100,000 in 2020. During 2020, the most homicides in Mexico were reported in the central state of Guanajuato and the border state of Baja California, where rival groups jockeyed for drug routes, extortion rackets, and control of other illicit markets. Organized crime-related violence even encroached into the Mexican capital. There was a sharp increase in murders of public office holders and candidates for Mexico’s midterm elections scheduled for June 2021. Although Mexican President Andrés López Obrador retains high approval levels (above 60% in early 2021), his handling of the Mexican crime groups and his failure to reduce violence are frequently criticized.

Angling for the Pandemic Advantage

As predicted, the cartels seem to have exploited the pandemic for profit and territorial gain. Press interviews with cartel-aligned traffickers describe directives to increase drug prices. Some observers speculate that cartels are using the pandemic as pretext to collude and behave as price-setting cartels. Mexican crime groups reportedly distributed aid packages to the local populace, branded with cartel insignia, and enforced COVID-19-related lockdown measures. Such activities, amplified on social media, appear to be intended to win community support for their criminal enterprises and attract recruits. The aid packages reinforced the perception of a weak Mexican government, unable to exert territorial control, amid a forecast economic contraction of some 9% in 2020. Some observers also posit that the pandemic has motivated cartels to diversify and expand their use of submersible craft, drones, ultralights, tunnels, and cryptocurrencies.

U.S. Policy Outlook

As Congress considers the pandemic’s effect on Mexican drug flows and cartel activity, the future of U.S.-Mexico collaboration on drug matters remains a concern for many. Congress may consider whether Mexico can devote sufficient resources to joint counternarcotics priorities. A key question is how the Mérida Initiative, a joint security and governance partnership supported by U.S. foreign aid to Mexico, may be modified by the Biden Administration to target transnational crime. Observers also are watching closely as U.S.-Mexico anti-drug cooperation was severely buffeted in late 2020 by the surprise U.S. arrest (and subsequent release) of former Mexican Secretary of Defense Salvador Cienfuegos on drug and money-laundering charges and restrictions on U.S.-Mexico law enforcement cooperation approved by
Mexico’s Congress. The fifth North American Dialogue on Drug Policy, originally to be held in Mexico in December 2020, has been rescheduled for later in 2021. In March 2021, the State Department reported that, despite some successes, “the volume of dangerous drugs from Mexico and violent crime within Mexico … remain alarmingly and unacceptably high…. Mexico must, together with the United States, define shared goals to reduce impunity for TCOs and measure results in support of these efforts.”

Author Information

June S. Beittel
Analyst in Latin American Affairs

Liana W. Rosen
Specialist in International Crime and Narcotics

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS’s institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.