

|VZCZXR03884
RR RUEHCD RUEHGD RUEHHO RUEHMC RUEHNG RUEHNL RUEHRD RUEHRS RUEHTM
DE RUEHME #3195/01 3140013
ZNY SSSSS ZZH
R 100013Z NOV 09
FM AMEMBASSY MEXICO
TO RUEHC/SECSTATE WASHDC 8962
INFO RUEHXC/ALL US CONSULATES IN MEXICO COLLECTIVE
RHMFISS/DEPT OF JUSTICE WASHINGTON DC
RUEHC/DEPT OF LABOR WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RHMFISS/CDR USSOUTHCOM MIAMI FL
RHMFISS/HQS USNORTHCOM
RUEAHLA/DEPT OF HOMELAND SECURITY
RUEABND/DEA HQS WASHINGTON DC
RHEHAAA/NSC WASHINGTON DC|S E C R E T SECTION 01 OF 05 MEXICO 003195

NOFORN
SIPDIS

NSC FOR DAN RESTREPO; DEPT FOR WHA DAS JACOBSON, MEX
DIRECTOR LEE, D STAFF CUE, AND INR HOHMAN.

E.O. 12958: DECL: 07/24/2019
TAGS: PREL, PGOV, PINR, MX
SUBJECT: MEXICO: MORE INTERAGENCY COOPERATION NEEDED ON
INTELLIGENCE ISSUES

Classified By: Political Minister Counselor Gustavo Delgado.
Reason: 1.4 (b),(d).

1. (S/NF) Summary. President Calderon\'s security strategy lacks an effective intelligence apparatus to produce high quality information and targeted operations. Embassy officers working with the GOM report that Mexico\'s use of strategic and tactical intelligence is fractured, ad hoc, and reliant on U.S. support. Despite their myriad inefficiencies and deficiencies, Mexican security services broadly recognize the need for improvement. Sustained U.S. assistance can help shape and fortify the technical capacity of institutions and can also create a more reliable, collegial inter-agency environment. End Summary.

GOM Intel Strategy Criticized

2. (C) Recent criticism of President Calderon\'s security strategy cites a poorly utilized and underdeveloped intelligence apparatus as a key obstacle to greater

improvements in the country's security environment. Calderon's political opponents from both the Institutional Revolutionary Party (PRI) and the Revolutionary Democratic Party (PRD) have told Poloff that large-scale joint military-police counterdrug deployments, notably Joint Operation Chihuahua, have failed to make real gains in the war against organized crime due to a reliance on overwhelming numerical superiority of troops absent the strategic and operational use of intelligence. Critics argue that the more effective use of intelligence would help the security services better cooperate on counterdrug issues, wrap-up more high-level traffickers, and, eventually, curb the country's escalating rates of narco-related violence. Embassies working with the GOM in counter-narcotics and intelligence matters similarly note that Mexico's use of strategic and tactical intelligence is often fractured, ad hoc, and heavily reliant on the United States for leads and operations.

The Players

3. (S/NF) A myriad of GOM agencies have a stake in counternarcotics intel issues, including the Secretariats of Defense (SEDENA) and Marines (SEMAR), the Mexican National Intelligence Center (CISEN), the Public Security Secretariat (SSP), which includes the federal police, and the Attorney General's Office (PGR). Each has a different intelligence mission and varying levels of development and professionalism. As Mexico's primary intelligence agency, CISEN is the natural choice to be the GOM's coordinator of intelligence and analytic efforts. Indeed, it technically has the lead on encouraging interagency coordination and is developing mechanisms to facilitate such endeavors. For the most part, however, CISEN lacks the capacity to effectively direct the inter-agency process, particularly when it includes such institutional giants as SSP, which bureaucratically overshadows CISEN in budget, personnel, and other resource issues. CISEN's inability thus far to serve as a real leader on intelligence operations and analysis has effectively left Mexico without an effective interagency coordinator.

4. (S/NF) SSP is increasingly becoming a major player on the intel block. It is exploring ways to take advantage of new authorities granted under the Federal Police reform legislation passed last year to develop its intelligence capabilities. SSP can now directly solicit telephonic information from phone companies with a judicial order, bypassing the PGR entirely. It is also interested in building its own complete telecommunications intercept

capability, the implementation of which has stalled over the past two years because of turf disputes between SSP and the Attorney General's Office. Moreover, as the keeper of Plataforma Mexico -- the massive new criminal database -- the SSP oversees one of the GOM's cornerstone and resource-heavy information-sharing projects.

MEXICO 00003195 002 OF 005

The Challenges

5. (S/NF) The GOM faces a number of institutional challenges to more effectively develop, analyze, and use information for intelligence-based operations. One of the most critical of these is the lack of trust between and within GOM institutions. Emboffs report that SEDENA, for example, has well-established intel units that develop targeting packages on cartel kingpins. In general, they do not share information or analysis with forces on the ground deployed to fight counternarcotics, like in Ciudad Juarez. These units will share threat information against military components, but also see local military commands as often penetrated by organized crime. Locally deployed SEDENA forces rarely develop or utilize tactical intelligence. In fact, they have no true intel units that collect information, nor do they have professional intel corps. Military units deployed to hotspots operate virtually blind except for anonymous tips. Particularly given the fallout from the high-level corruption cases uncovered last year, PGR and SSP suffer from similar internal suspicions as SEDENA.

6. (S/NF) Institutions are fiercely protective of their own information and equities and are reluctant to share information with outsiders, in part because of corruption fears, but also because they would rather hoard intelligence than allow a rival agency to succeed. They are under enormous pressure to produce results. Moreover, bureaucratic culture in Mexico is generally risk averse, so intelligence entities would rather do nothing than do something wrong. Corruption fears are well-founded given the number of operations that have been compromised or foiled because of leaks. Emboffs note that constructing an effective intelligence structure in Mexico's northern border area is particularly difficult, as many of the region's security forces are compromised. The rivalry between Attorney General Medina Mora -- recently replaced by Arturo Chavez Chavez -- and SSP, Genaro Garcia Luna dramatically diminished

cooperation and information-sharing between the two services. Leadership and personality conflicts may, in fact, be one of the most significant drivers of whether or not agencies set themselves up as rivals or allies in sharing important information. Some observers see the new federal police and PGR reforms as unlikely to resolve the zero sum competition, and it is too early to know whether the Chavez appointment will mitigate the specific PGR-SSP problem.

7. (S/NF) There are also some legal and institutional unknowns: SSP, which receives the bulk of the GOM's security budget, now has the legal backing it needs to allow Garcia Luna to move ahead in building a large new intelligence and investigative program. With such indigenous capabilities, SSP probably would have even less incentive to cooperate with PGR. SEDENA, meanwhile, tends to work better with PGR than with SSP, but the Army's efforts are still highly limited and compartmentalized and it remains to be seen how better vetting practices and a stronger SSP will impact those relations. Secretary of Defense Galvan Galvan in a recent meeting with U.S. officials expressed little interest in bolstering cooperation with other agencies. Because of internal strife and mistrust in GOM institutions, Mission law enforcement agencies say that USG elements tend to work with GOM counterparts separately, which may end up indirectly contributing to stovepiping.

Taking Steps to Get Smart

8. (S/NF) There is broad recognition among Mexican security and intelligence agencies, as well as political leadership, that they must do better in developing sources, analyzing information, and using it operationally. They also know that the effective use of intelligence requires more complete collaboration between involved bureaucracies. Despite its deficiencies, the GOM does have some intelligence capabilities, and Emboffs note that when they are deployed in full force, as in Michoacan, they can do good work.

MEXICO 00003195 003 OF 005

9. (S/NF) The GOM is working hard to improve communication among agencies with a stake in intelligence. CISEN is trying to develop mechanisms to facilitate coordination. For example, CISEN has established at its Mexico City headquarters a fusion center that has representatives from every involved agency, including the Finance Secretariat,

SSP, PGR, SEMAR, SEDENA, and state and local investigators when they can be trusted. Mexico is also in the process of establishing a series of Tactical Operations Intelligence Units (UNITOS) at military bases in each state throughout the country. The GOM has established a number of units (reports range from 9 to 27) with participation from the Army, Navy, SSP, PGR, and CISEN, comprising a command section, tactical analysis group, investigations group, operations sector, and a cadre of judicial experts. When properly functioning, the UNITOs provides a centralizing platform for federal forces to work together, share information, and plan operations. It is still unclear as to whether these would be short or long term units, but if implemented correctly, they might serve as a key piece of a revamped GOM intel and operational architecture. So far, the UNITOs are plagued by the same interagency rivals and mistrust that characterize the broader institutional relationships and have not yet reached the point of being effective.

10. (C) The state-level C-4 centers (command, control, communications, and coordination) are, at the low end, glorified emergency call centers. At the high end, they include more professional analytic cells that produce useful analysis and planning documents and also have a quick response time. The more complete C-4s include representatives from national and regional entities, and are the nerve centers for day-to-day information flow, intelligence, and directing operations in the state. They are often also the link to national databases, such as Plataforma Mexico. Huge disparities between state C-4s exist, but many states are working to move their units from merely housing emergency dispatchers to being functional hubs of operations and intelligence. The UNITOs often rely on information fed from good C-4s, in addition to federal databases and platforms.

11. (C) Plataforma Mexico is another important piece of the intel puzzle and continues to expand its presence throughout the country. The mega-criminal database has a wide array of information-sharing and analytical tools that help to track and share information on individuals and organized crime cells, vehicles, air movements, and is linked with an increasing number of surveillance and security cameras. The database is housed at SSP and is being deployed to an increasing number of states, with different tiers of access that are controlled through the vetting system. Not all states have access, mostly because they have yet to comply with federal standards in order to be connected, and some states with access have complained that the system is too slow to be of any use to them. Additionally, Project

Constanza is PGR\'s new case tracking system for the judicial system, and will include all data related to individual cases of persons apprehended and later charged. Some pieces may be made available to Plataforma Mexico, and PGR would like to have a system for tracking detentions that can be made available to police units when apprehending a suspect. The Mission is actively engaged in trying to plug E-Trace, ATF\'s powerful arms tracing software, into both systems.

12. (S/NF) Despite myriad challengece, cooperation with the USG on intelligence and counternarcotics issues has never been better. Indeed, Embassy experts say that Mexican authorities often rely on tips from U.S. law enforcement and intelligence organizations, and that many successful captures of important cartel figures are often backed by U.S. assistance. Mexico has indicated interest in improving its collection and use of intelligence with additional U.S. help. For example, in early 2009 the director of the National Security Information Center came to Mexico to, among other things, meet with CISEN Director Valdez (NSIC runs the Merida Culture of Lawfulness project but also works in the field of

MEXICO 00003195 004 OF 005

intelligence structures in democratic societies). He pitched to Valdez a program developed by NSIC to divide a hostile zone into a series of quadrants and assign a team to each that contains four specialties - interviewers (Humint), signals interceptors (Sigint), analysts, and operators - as well as an adequate security contingent to keep the members secure in their safe area and during movement. The teams take up residence in the area, as clandestinely as possible, and begin to develop sources and information that is used to make arrests. At the same time, the team filters raw and semi-processed information to the next level, which has a parallel structure, but more robust operations capabilities and higher level skill sets, especially for analyzing the information. The ideas is to develop strategic, as opposed to tactical, information that can be used to take apart whole networks. Valdez was impressed by the concept, and directed his deputy, Gustavo Mohar, to meet with the Embassy\'s NAS Director to discuss its viability in U.S. programming. NAS Director and Legatt met with Mohar and suggested that in the training line of Merida it would be possible to pursue such a program.

COMMENT

13. (S/NF) Mexico is a long way from developing a self-sufficient and expert intelligence apparatus, but the creation of a coherent system is critical for the sustained success of its anti-organized crime efforts. USG-GOM cooperation, while not flawless, has never been better. Close collaboration and assistance in training and improving Mexican security agencies\' ability to produce and use intelligence in key counterdrug operations undoubtedly is critical and will pay dividends over time. Perhaps the greatest challenge to lasting progress on intelligence matters is cultivating an environment of trust -- based on high standards of security -- among Mexico\'s law enforcement, military, and intelligence agencies to ensure that information is appropriately collected, shared, protected, and acted upon. Reducing institutional rivalries and encouraging agencies to move past the zero-sum mindset that one entity\'s success in catching a high-value target is another\'s loss is also critical to reducing rivalries and distrust on intelligence issues. The growing SSP footprint on intelligence matters has the potential to seriously impact the information-sharing dynamic, a factor that will have to be integrated into our assistance programs to ensure that we do not exacerbate existing institutional tensions, particularly with the PGR. While our Mexican interlocutors recognize the need for greater interagency cooperation, they are reluctant to address the problem: the solution will require sustained U.S. help in fortifying institutions against the corruption, inefficiencies and backbiting that have bred distrust amongst GOM partners.

14. (S/NF) The USG can help Mexico develop inter-agency capabilities, and there are a number of line items in the Merida Initiative that can be employed in this effort. For example: the polygraph program properly pushed out to the states and consistently applied to special units could help produce the core integrity and trust that all good intelligence will depend on; the state-level law enforcement C-4 coordination centers, when done right, can bring all agencies and information together; Plataforma Mexico, the core database for law enforcement information-sharing, is rolling out across Mexico with new resources in 2009 that will enhance its capabilities and accessibility; through law enforcement professionalization, we are training investigators who will be a key piece of the intelligence puzzle as they serve as front-line collectors; we will be supporting vetted units -- among the highest yielding entities in the GOM for intelligence -- with USD 5 million of FY2009 funding. Perhaps most importantly, these programs can serve as effective carrots to resolve the entrenched mistrust and parochialism of Mexican institutions by ensuring that

organizations come to the table together when necessary to support the GOM's efforts to combat rife corruption within its institutions.

MEXICO 00003195 005 OF 005

Visit Mexico City's Classified Web Site at <http://www.state.sgov.gov/p/wha/mexicocity> and the North American Partnership Blog at <http://www.intelink.gov/communities/state/nap/> / PASCUAL