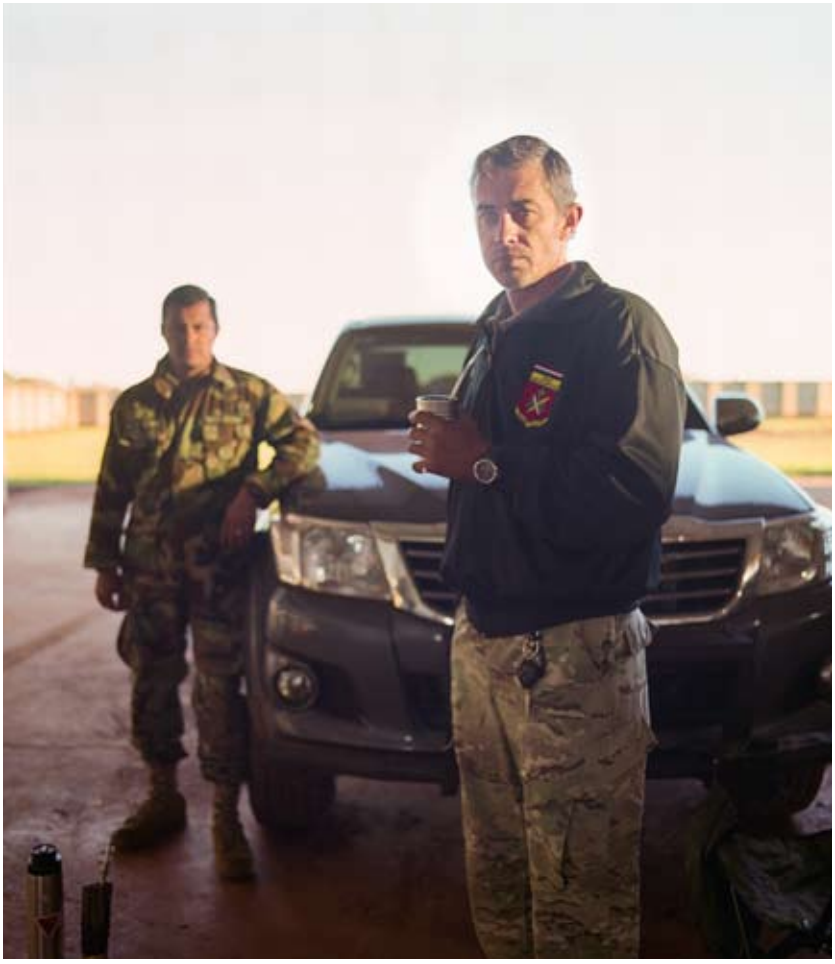

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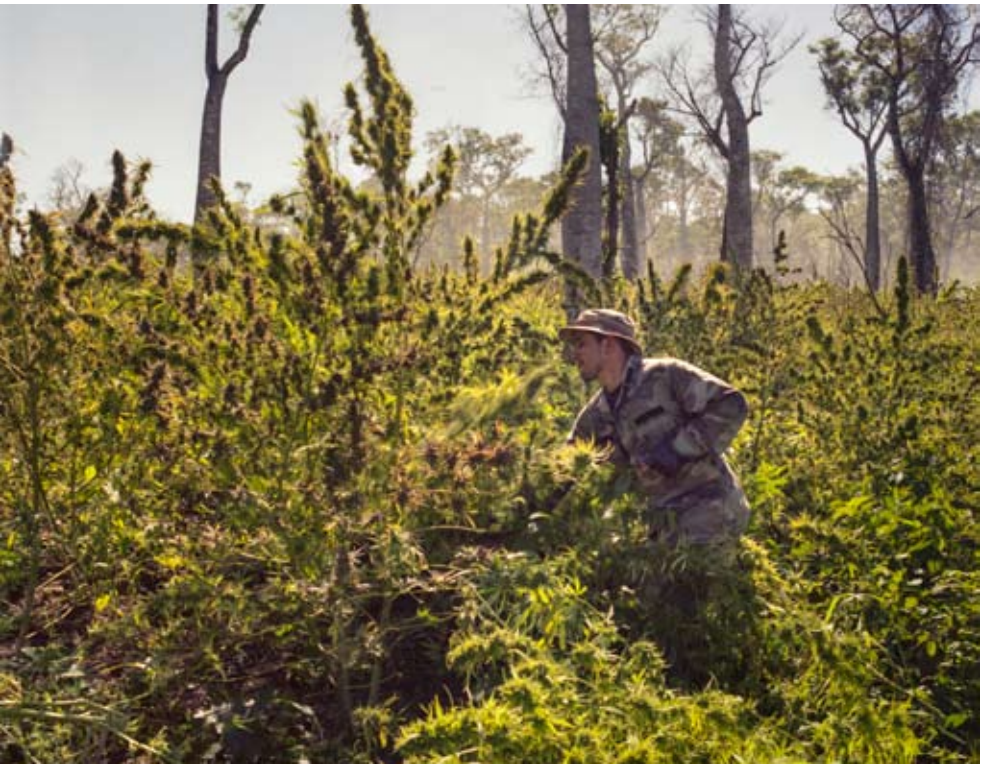

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CRACK TEAM —*Pedro Juan Caballero*

Preface
The seemingly innocuous Paraguayan city of Pedro Juan Caballero, perched on the border with Brazil, is one of the region's drugs capitals. Monocle meets the team charged with leading the fightback.

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In Pedro Juan Caballero, paperwork can seem trivial. Despite the imposing immigration office on Avenida Rodríguez de Francia, the Paraguayan city's main thoroughfare, it is far less hassle to cross over to the other side of the road – and into Brazil. In the country's extreme northeast, borders are fluid concepts. Here, territorial integrity doesn't seem to be a huge concern: there is no border guard, no perimeter fencing and no river to deter would-be migrants. Spanish segues into Portuguese, Paraguayan *guaraníes* into Brazilian *reales*, and TV screens are quickly switched over from the local news when Brazilian chat-show king Silvio Santos's evening programme airs.

Pedro Juan Caballero, a city of just over 100,000 residents, should be an unremarkable place; at most an eccentric anomaly due to the border it hugs. But the tinted SUVs, armed guards and *barrios* of ostentatious residences point to the unregulated drugs cash that flows through a city that

has one of the worst violent-crime rates in the region.

Paraguay, a landlocked nation of orange earth and tropical vegetation, doesn't make the headlines very often. Decimated by two savage wars with its neighbours and rocked by Alfredo Stroessner's dictatorship (the continent's longest, ending in 1989 after 35 years) the country is one of the poorest in the region. A combination of this poverty and weak institutions makes it a key component in the South American drug trade. Geography also plays a part: Paraguay is in the heart of the continent. A transit country for Bolivian cocaine that leaves for Europe via Brazilian and Argentinean ports, the country is also one of the world's largest producers of marijuana, feeding the appetite of its wealthier and more populous neighbours.

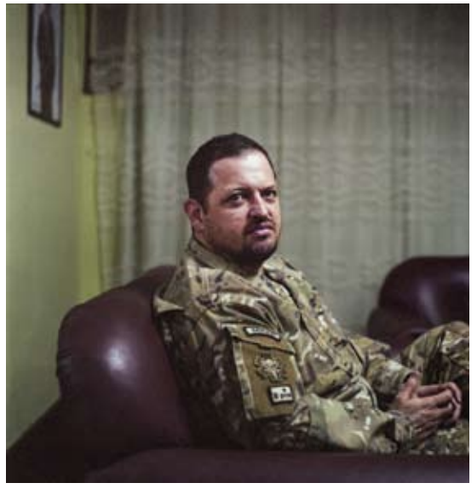
Pedro Juan Caballero is located in the district of Amambay, one of the main growing areas for marijuana. With police often suspected to be part of the problem, the job of tackling traffickers has fallen to Paraguay's National Anti-Drugs Secretariat (Senad). And while nearby Uruguay is the first country to approve the state regulation of cannabis (*see panel on page 49*) Paraguay's benchmark policy is crop eradication, war-on-drugs style.

It is a cloudless morning when MONOCLE visits Senad's base, eight kilometres from the border. Captain Oscar Chamorro is sucking *mate* – a steaming herbal infusion – through a metal straw to stave off the morning chill. "Every year we remove around 6,000 tonnes of marijuana from circulation," he says, "and an average of 3,500 tonnes of cocaine."

Chamorro is head of Senad's special forces, a multidisciplinary unit cherry-picked from Paraguay's armed services. The breast-pocket crest on his camouflaged fatigues gives an indication of the work: a helicopter hovers over a marijuana leaf, criss-crossed by a machete and a thunderbolt. Chamorro says that Senad is dedicated to tackling supply *and* demand. "If we were to stop operations to reduce the offer – if the world stopped intercepting drugs – would the situation get better or worse?"

Previous page
01 Senad's special forces head Captain Oscar Chamorro at base
02 Identifying clandestine marijuana plantations

This spread
01 Senad minister Luis Rojas in Concepción
02 Illegal marijuana in a jungle clearing
03 Harvested cannabis discovered at a makeshift camp
04 Senad special forces at their Pedro Juan Caballero base
05 Moving out for an eradication operation
06 Senad convoy snaking through Amambay



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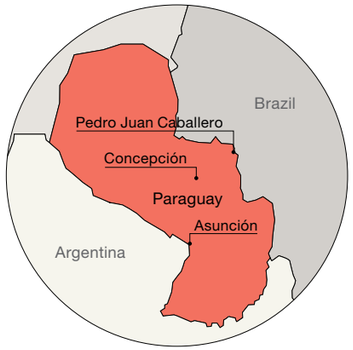

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Loaded with *torta frita* – a carb-heavy deep-fried dough cake eaten to maintain energy levels during the day – the unit gets ready to leave base in a convoy of vehicles for an eradication operation, bookended by Senad trucks, lights flashing. After a short journey on an asphalt highway the procession veers right onto a mud track before entering the gates of an *estancia*. Overhead, a Brazilian-built Helibras HB-350 helicopter tracks the convoy's movements.

Northeastern Paraguay is one of the country's farming epicentres, dominated by the livestock and soya bean industries. Most of the *estancia* proprietors here are *Brasiguayos*: Brazilian-born Paraguayans. And this is a country where 1 per cent of all landowners control nearly 80 per cent of the fertile land.

The vehicles park behind one of the farm's outbuildings. Ranches here can occupy thousands of hectares, vast mini-republics that stretch as far as the eye can see. A Paraguayan conservation law dictates that all farms in wooded areas and

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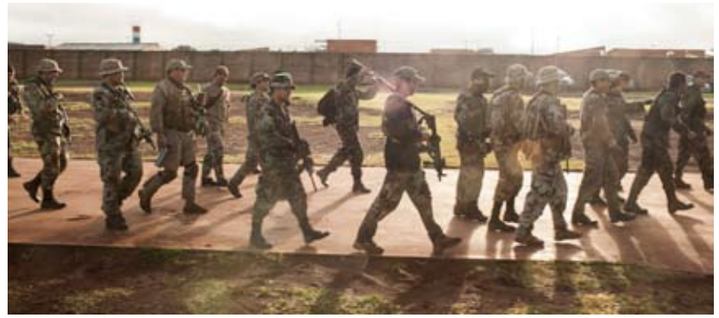

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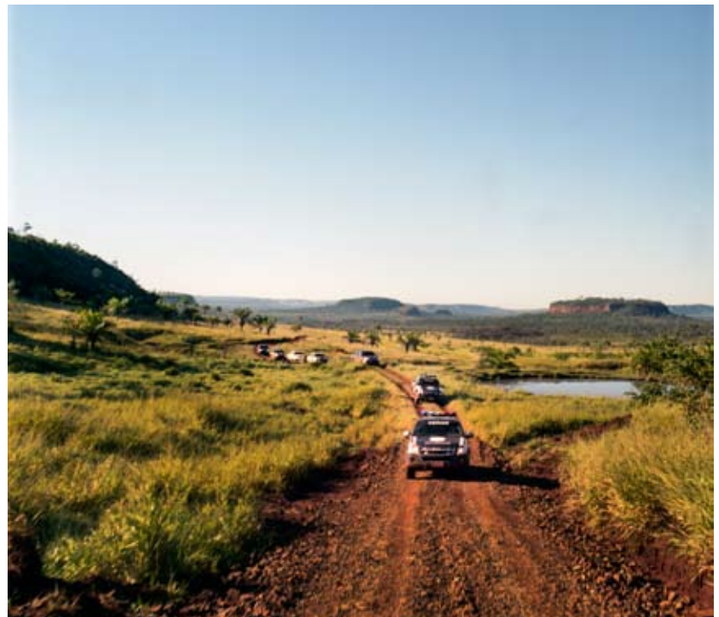

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over 20 hectares in size need to have a quarter of their property set aside as a natural reserve. Landowners often have no idea what is happening in these overgrown portions of their estate, more concerned with the profitable side of their businesses. Marijuana growers step into the vacuum, cutting down trees and planting small plots visible only from the air.

The Senad troops wait around for the helicopter, making jokes and smoking. "What's nice about this job is that you lose weight at the same time," says 30-year-old Petty Officer Carlos Iglesias. Temperatures in the summer can climb to over 40C; not pleasant when hacking away at marijuana with a machete.

Conversing with the Portuguese-speaking part of the contingent are three officers from Brazil's Polícia Federal, which often take part in joint operations. Brasilia contributes some $150,000 (€110,000) on top of Senad's annual budget of $11m (€8m) but is also heavily involved in logistics and intelligence. "We're here as observers," says Ivando Faria, a Brazilian agent who, unlike his

Paraguayan counterparts, is unarmed. "The drugs that are produced here enter Brazil so it's in our mutual interests to exchange information." Indeed, Senad estimates that 80 per cent of the cannabis that is produced in Paraguay ends up on the other side of the border, saturating the market south of Bahía.

Armed with US-made Colt APC rifles, troops climb into the helicopter in small groups as an advance party heads out to secure an area. The helicopter skims low over farmland and into woodland where the pilot points out patchwork plots of felled trees and abundant marijuana plants.

The chopper lands in a clearing where the advance party has already discovered a pile of harvested marijuana covered with plastic sheeting to hide it from aerial identification. The stash is torched under the supervision of 34-year-old Lieutenant Carlos López before the troops march off, armed with a GPS locator and battling the thick vegetation in search of a previously identified field.

"The groups here in the jungle are armed because they are rivals," says López. "They often rob each other." But the confrontations between special forces and growers – normally poor peasants – are rare, he points out. The growers know they're outgunned and Senad's priority is destroying the financial gains of the criminal groups rather than catching the lowest rung in the chain. It still feels strange – voyeuristic almost – when we stumble across a makeshift camp later that day with black beans still cooking in a pot on an open fire. The disturbed diners can't be far away.

The unit again sets about destroying the camp and burning nine bags of processed marijuana. Each weighs around 30kg, the sickly-sweet smoke licking around the sun streaming through the trees. The prize catch of the day is the group's press, including a set of metal hydraulic instruments – used by growers to compact the cannabis into blocks – buried in the ground. A nearby clearing, meanwhile, reveals a vast field of head-high marijuana, just days away from being ready to harvest; the troops start chopping down the plants.

Senad members aren't the only ones with firsthand experience of fighting the drugs trade; in Pedro Juan Caballero, its violent fallout has embroiled walks of public life from politics to journalism. Newspaper correspondent Cándido Figueredo, for example, doesn't lead a normal life. In fact, his house – also the regional office of *ABC Color*, the daily he works for – is a fortress. For almost 20 years, the 57-year-old has lived with seven armed guards due to the types of stories he covers on his beat. They watch for anything suspicious on a television screen that displays 16 different camera angles from inside and outside his house.

"This is a life I can't go back on," he says with a grin. "Has it been worth it? When you decide to speak out against the mafia, you have two options: you either stay the course and maintain your position or you get out of the game and they kill you. The mafia isn't in a rush."

On the other side of town, Liberal senator Robert Acevedo is another who has been caught up in the city's violence. Also living with armed protection, Acevedo was shot some 60 times by a hitman in April 2010, gunned down for what he calls his anti-drugs "struggle". Miraculously, he survived.

Acevedo, who also chairs the Senate's drug commission, says the crux of the problem is corruption in a country that is ranked 150 out of 177 in Transparency International's 2013 corruption perceptions index. It goes to the heart of Paraguay's political system, he claims, where MPs are profiting from the lucrative business.

Acevedo has concrete examples: politician Rubén Sánchez Garcete of the Colorado party was arrested in the border town of Capitán Bado last year for supposed money laundering and cocaine trafficking. Allegations have also surrounded president Horacio Cartes, who is from the same party and once lived in Pedro Juan Caballero.

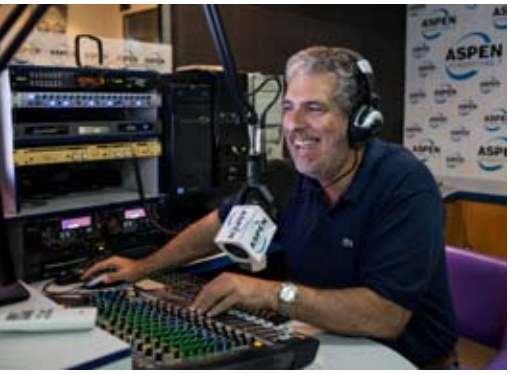
Accusations and counter accusations swirl the border city, a torrent of gossip and intrigue that makes it near impossible to know who is telling the truth. Everyone defends their credentials while muddying others; if they're not a drug

01

Uruguay's policy

Paraguay's drug laws focus on punishing the producer and not the consumer: individuals are allowed to possess up to 2g of cocaine or heroin for personal use and up to 10g of marijuana. However, that doesn't change the fact that drugs are illegal here – and the country remains an awfully long way from following nearby Uruguay's lead.

At the end of 2013, Uruguay's Congress, prompted by president José "Pepe" Mujica, passed a law allowing the state production and sale of marijuana; in addition, individuals will be allowed to grow up to 480g per year. The law is yet to be implemented but the government expects sales to begin by the end of the year.



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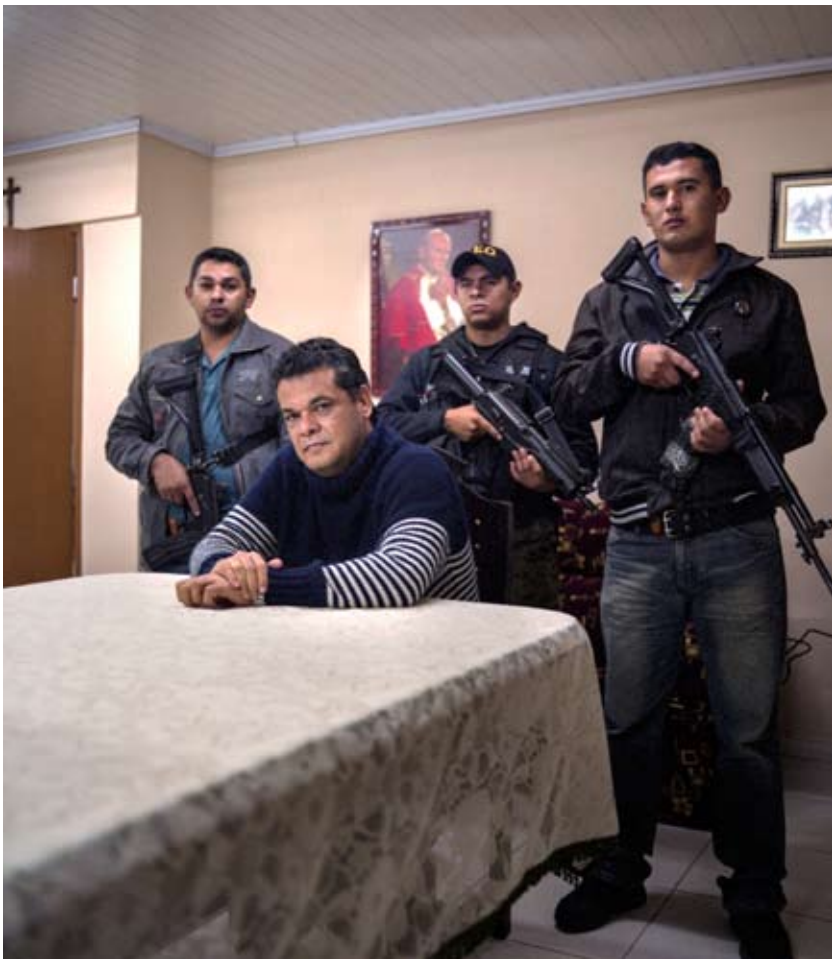
dealer, they're involved in the city's other illicit businesses, from peddling contraband cigarettes to running stolen cars or trafficking arms.

Pedro Juan Caballero isn't the Mexican *frontera*. And although the eve of MONOCLE's visit coincides with editorials in both of Paraguay's leading newspapers about a wave of murders in recent months – numbering about 60 in the Amambay department by mid-2014 and almost all of them hitman executions – the city maintains an air of normality.

Shopping China, a vast altar to consumerism and one of the world's largest malls, is full of Brazilians looking for cut-price electronic goods while *sertaneja* country music blasts from speakers. Stocking the shelves is 28-year-old Simone Dos Santos, who is keen to dismiss the bad reputation her city has. "If you don't get involved in illegal activities it's not dangerous here," she says. "Lots of Brazilians come to study, especially medicine because it's much cheaper than over there."

What Pedro Juan Caballero does represent is a microcosm of a state whose institutions are failing. Senad remains one of the country's more credible organisations yet the salaries it pays are low and its annual budget hampers the extent of what it can achieve.

Luis Rojas, head of Senad, isn't convinced that legalisation or state regulation is the way forward and doesn't buy the idea that it will end the cycle of violence. He is set to meet us in the capital, Asunción, but a last-minute change of plans means he is called to the city of Concepción, where the anti-drugs organisation is trying to rescue a young *Brasiguayo* kidnapped by the Paraguayan People's Army (EPP). It is one of the continent's last remaining guerrilla movements – and one that Rojas says receives funding through "taxing" cocaine and marijuana traffickers.



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We end up meeting on the edge of a motorway. "To hell with a tie," says the politically incorrect Rojas, who worked his way up from special agent and still chooses fatigues over a suit. He is armed to the teeth, his air-conditioned 4x4 filled with enough weaponry – from pistols to grenades – to trigger an international incident. Like other Senad members, Rojas believes marijuana is a gateway drug. Yet he points out that his organisation's approach to it has become more nuanced recently, with plans to open a National Cannabis Institute for further study.

Still, Rojas knows that there is a long way to go. "Sadly my country is suffering the consequence of corruption," he says, eyes fixed on the road. "It's opened up the gates of hell." — (M)

Previous spread
01 Thick jungle makes policing difficult

This page
01 Radio host Raúl Melamed in Asunción
02 Senator Robert Acevedo – and his guards

The grass is greener

Raúl Melamed is Paraguay's most high-profile legalisation voice. The writer and radio presenter, who has previously run for the nation's lower house, published a book about marijuana in 2009. "If you're an open and free society, why can't you choose what you eat or smoke?" asks the campaigner – who, despite his stance, says he is not a consumer.

Melamed argues that marijuana is an integral part of society, used for over a century as a popular skin lotion. He also points to how other natural plants have been illegal in the past – such as *yerba mate*, the main ingredient in *mate* and *tereré*, which happen to be the country's two most popular drinks.

"Criminalisation makes good business out of the black-market trade," says Melamed, suggesting that taxing a legal trade could bring in much-needed funds for Paraguayan infrastructure projects.