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How the drug underworld creates a separatist movement: the history of the PAN

by Timothy Rush

The vast chain of underworld narcotics, prostitution, and smuggling operations along the Pacific Coast—from Los Angeles to Acapulco—traces back in both the United States and Mexico to the Prohibition era. It was then that the first great mob fortunes were made, and the networks established which later moved into drug and arms running when America went "wet" again.

The National Action Party (PAN), created just as these networks were first consolidated, has been chosen by these networks as their standard-bearer in their home base of Baja California. This is the story of how the PAN and the drugs came together.

In Mexico, the mogul of bootleg liquor was **William Jenkins**, an American, born in 1878, who settled in the city of Puebla at the turn of the century. After accumulating a moderate amount of personal wealth, he pulled off one of the great stunts of his era in 1919, when he arranged to have himself kidnapped by followers of guerrilla leader Emiliano Zapata. Some officials of the U.S. State Department and members of Congress maneuvered to have the United States declare war to rescue the hitherto unknown Jenkins; in the end, the U.S. government put up a handsome ransom, most of which found its way back into Jenkins's pockets the minute he was released.

Jenkins immediately used the loot to take control of all the sugar cane plantations of Matamoros Valley in the state of Puebla, the richest sugar cane region of the country. Over the next decade, as Prohibition in the U.S. made bootleg liquor the hottest commodity in the hemisphere, Jenkins built

his central sugar refinery, Atencingo, into the largest and most efficient in Latin America.

The bootleg liquor was sold all along the border. But it was in Tijuana that the most glamorous Mexican showcase of the "roaring 20s" was built. The **Agua Caliente** casino and race track opened its doors in 1928, and for the next seven years, was a mecca for an international crowd that a generation later would become the "jet setters." **Abelardo Rodríguez**, a general in the Mexican Revolution who became governor of Baja California from 1923-26 and would run almost everything in the state for several decades, ran the show.

All the big time Hollywood stars flocked down to Agua Caliente, looking for the action that was banned back home. It was an overlay of the Hollywood and the Mexican underworld, joined at Tijuana, which would blossom over the next 20 years.

The Mexican film industry

Exactly as the big time Prohibition liquor fortunes of the United States—some, such as Joseph Kennedy's, acquiring a veneer as "legit"; others, such as Meyer Lansky's, not—migrated to become the dominant forces in Hollywood beginning in the 1930s, so the big liquor and drug fortunes in Mexico went into the Mexican movie industry.

William Jenkins' first move, in combination with partner **Gabriel Alarcón**, was to establish a monopoly over the theaters in his home base of Puebla. His basic persuasion tactic was deployment of goons; even his favorable biographers

note that the means he used were “not recommendable.” Gov. Maximino Avila Camacho lent a hand—of particular usefulness when his brother, Manuel, later became president of Mexico.

In 1938 Jenkins disposed of his leading opposition. He arranged a deal with rival Puebla movie theater owner **Manuel Espinoza Yglesias**; Espinoza Yglesias became one of Jenkins’ principal lieutenants, eventually converting Jenkins’ fortune into the base of Mexico’s **Banco de Comercio (Bancomer)** financial empire, the largest in the country.

By the beginning of the World War II, Jenkins controlled 50 percent of all the movie theaters in Mexico; by the end of the decade, 90 percent. This gave him an absolute control over all the Mexican movie industry, then developing into the most active in Latin America; no film produced without his blessing was shown. He set up powerful deals with Hollywood’s new mob masters for the exclusive rights to distribute U.S. movies south of the border.

Agua Caliente’s Abelardo Rodríguez followed the same track into movie theater ownership; he eventually sold out to Jenkins/Espinoza Yglesias in 1953, for a handsome profit.

The Alemán-Alessio era

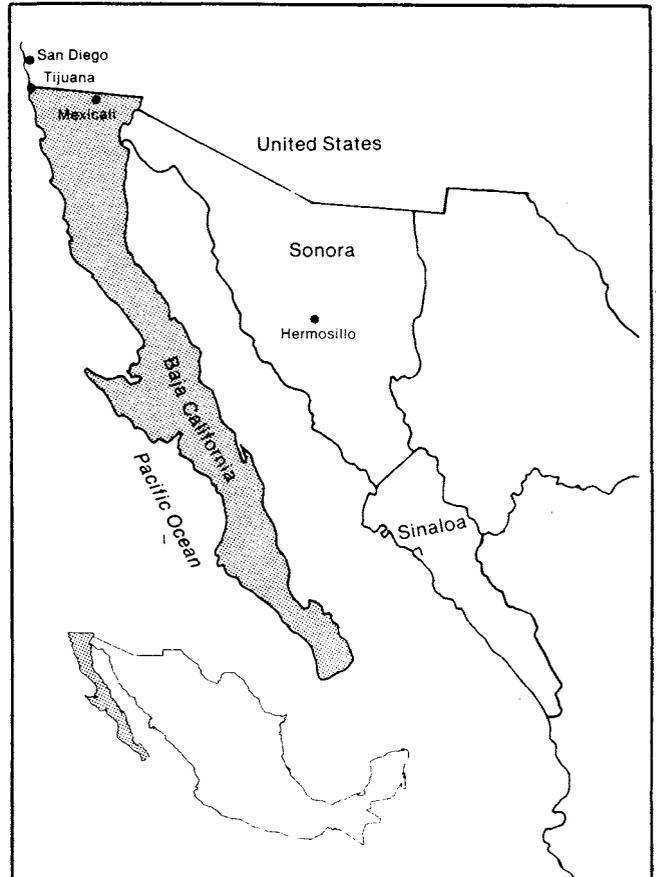
Lázaro Cárdenas (president of Mexico from 1934-40), put a crimp in the gangsters’ expansion plans. He banned casino gambling. On July 22, 1935, Agua Caliente casino was padlocked, never to reopen.

However, the mob found a back door in Mexican horse-racing and tourism. A Los Angeles business partner of **Benjamin “Bugsy” Siegel**, Meyer Lansky’s West Coast lieutenant, reopened the Agua Caliente race track in 1937. The track did a booming business during the war, as the leading California tracks were closed for the duration.

Official Mexico thawed for the mob when Manuel Avila Camacho became president in 1940. It became a paradise under **Miguel Alemán**, president from 1946-52.

Facing extortion and tax evasion charges in New York, mobster **Alfred Cleveland Blumenthal** moved to Mexico permanently in 1947. He built up the posh Ciró’s as the “in” restaurant/nightclub of Mexico City, La Reforma as the city’s gala hotel, and El Mirador and the Casablanca as the first big elegant hotels of Acapulco. **Virginia Hill**, mafia moll of Bugsy Siegel (before his gangland killing in 1947) and of other leading figures in the Lansky mob, was the chief “runner” to Mexico to make the emerging deals stick.

No one profited more from the Alemán welcome mat than **Johnny Alessio**. A poor Italian boy from San Diego, Alessio was picked up by one of the top mob-linked financial operatives in the region and magnate for the tuna industry, **C. Arnholt Smith** of the Bank of Italy and the U.S. National Bank, and deployed across the border to establish himself in Tijuana. By 1947, he was manager of the Banco del Pacífico in Tijuana.



The Avila Camacho brothers had muscled their way into control of Agua Caliente in 1945. Now, just two years later, Alemán wanted his own piece of the action. After negotiations with the Siegel mob in California Alessio was tapped for the job. The racetrack manager suddenly got a telegram from Mexico City, telling him “Don’t sell to anyone else ’til I get there.” It was signed by Alessio. The mystified manager, who had had no intentions of selling, checked back with his partners in Mexico City. They had just sold out themselves to Alessio.

Over the succeeding years, Alessio built up an empire of drug and gambling activity on the Mexican side of the border, and real estate and hotel activity in San Diego. Today, as dirty as he ever was, and after numerous brushes with the law, he is “Mr. San Diego.”

If Alessio became “Mr. San Diego,” the “Mr. Acapulco” of the period was **Teddy Stauffer**. It was a perfect case of the Hollywood drift south. Swiss by birth, Stauffer first began working Hollywood in the 1930s. Just before Pearl Harbor, he set up shop in Tijuana, where he served as part of **Errol Flynn**’s Nazi spy network. From there he made his way to Acapulco. He picked up the Casablanca hotel franchise from Alfred Cleveland Blumenthal, installing the first Acapulco nightclub and floorshow on the premises, and went on to

become the preeminent empresario of Alemán's gold coast.

The symbol of the whole period was the marriage of Alemán lieutenant **Bruno Pagliai** to Hollywood's **Merle Oberon**, one of the gala events of the decade. Pagliai had originally arrived in Mexico in 1945, a poor Argentine-Italian relation of Italian nobility. He quickly made his way up in the services of the man increasingly known as "the *gringo* president." In 1949 Alemán sent him to Agua Caliente in Tijuana to be trained by Alessio in the secrets of money laundering at the race tracks; he returned to head up the operations of the largest track anywhere in Mexico, the Hipódromo de las Américas, on the outskirts of Mexico City. He later set up business arrangements with central figures of the Permindex (Permanent Industrial Expositions) international assassination bureau and the Propaganda-2 Freemasonic Lodge of Licio Gelli in Italy.

Drugs and arms

The big money did not come from horseracing, however. It was only laundered there; the big money came from drugs, arms smuggling, real estate scams, and myriad mob shake-down operations along the way.

The corridor for Mexican production of marijuana and heroin began in the Pacific Coast state of Sinaloa, and proceeded up through the two border states of Sonora and Baja California. It was first developed by the Mexican branches of the Chinese opium syndicates famous in both San Francisco and Los Angeles. The heyday of the opium traffic under Chinese control was the 1920s. Then in the early 1930s, the Chinese colonies in Sonora and Sinaloa were broken up, their properties confiscated. The situation was ripe for the now-combined Hollywood and Mexican mafias to move in directly.

This drug trade gradually increased during the 1940s and 1950s, to explode in the 1960s and early 1970s. By the 1960s, Mexico's northwest drug corridor represented an integrated drug production and distribution district that began with large fields of marijuana and poppy in the Sierra Madre mountains. The poppies were refined into opium paste or heroin in over 100 laboratories in Culiacán, capital of the state of Sinaloa; the city became such a processing center that in 1972, when the heroin route through Turkey was shut down, Culiacán became an important transshipment center for South American heroin and cocaine heading for the United States. Almost the entirety of the police forces of Mexico's northwest and a considerable portion of the customs agents were on the drug traffickers' payroll.

Arms shipments came back the other way along the same routes.

Though the drugs flowed over into the United States all along the border, it was at the Baja gateway cities of Tijuana and Mexicali that the really big deals were made, and overall control kept on the operation. It was in Tijuana that **Alberto Sicilia Falcón**, the "boss of bosses" of the Mexican drug

trade, first got established in 1969. A Cuban who was enrolled in CIA-directed activity against Castro in Miami in the 1960s, Sicilia Falcón hooked up with Alessio in Tijuana and took over the worldwide networks of **Juan Hernández Chavira**, when Hernández was busted in the late 1960s. Sicilia Falcón's business cover was in tourism and tuna export.

The heroin king went on to establish himself first in Guadalupe and then in Mexico City, where he became the close friend of one of Alemán's former mistresses, **Dolores Olmedo**. It was in Mexico City that he was finally busted in 1975 on the basis of a trail of information that began with the arrest of a Culiacán drug ring three months before, led to top officials of Espinoza Yglesias's Bancomer branch in the same city, and from there reached top officials of the Bancomer branch in Tijuana. When it was discovered that hundreds of millions of dollars of his fortune had been stashed away in numbered accounts in Switzerland, his became a test case for breaking Swiss secrecy laws. The Swiss made some token concessions, but kept the basis for their managing of the world's hot money flows intact.

An entire substructure in Mexico was created around the nexus of interests associated with the Alemán forces, which continued, with few changes in personnel at the top, through to the deaths of Alemán and Pagliai within a month of each other in early 1983. Among the most important of these associated forces was a group of top latifundists in Sinaloa and Sonora, all with their fingers in the drug trade till. These latifundists, with pretensions to being aristocrats, were financially and ideologically controlled from Monterrey, the seat of power of the **Monterrey Group** of intermarried business families (Garzas, Sadas, Lagueras, Zambranos), which thus indirectly took its cut of the drug trade.

Also integral to the Alemán empire were the entertainment monopolies exercised by Jenkins, Alarcón, and Alemán partner **Emilio Azcárraga** (who set up Churubusco Studios on the outskirts of Mexico City in 1947 in partnership with RKO studios of Hollywood); and a series of lucrative car dealerships exemplified by the Ford franchise operated by **Pablo Bush Romero** in Mexico City. Bush, according to several sources, was reputed to be heavily involved in drug dealings.

FBI's Division Five

The war years brought more than the Hollywood mafia to Mexico; they brought the FBI. Far from serving as a law enforcement agency, the FBI's history in Mexico is that of a scandalous adjunct to the drug and terrorism rings which grew up over the succeeding decades.

In 1940 J. Edgar Hoover, together with the Office of Naval Intelligence (ONI) and British Intelligence, presented Franklin Roosevelt with a report urging that a special capability be set up to counter Axis espionage in the Western Hemisphere. Roosevelt approved, and the new unit, called

Special Intelligence Service (SIS), was run out of the espionage and counterespionage division of the FBI, Division Five, headed by Canadian Louis Mortimer Bloomfield.

Personnel from this same Division Five, together with Walter Sheridan associates from the Justice Department's "anti-crime taskforce" operations, became, two decades later, Intertel—the private intelligence arm of Resorts International which helped administer the major expansion of the Lansky mob into the Bahamas and then Atlantic City.

When the KGB challenged Division Five's mandate for operations south of the border, Roosevelt "directed that the FBI continue to have sole responsibility for the civilian intelligence operation in the Western Hemisphere," according to a study of the FBI of the period. The SIS/Division Five agents sent in were both undercover and open, as "legal attachés" to the embassies involved. This arrangement was kept up in the case of Mexico even after the war, and remains in effect to this day. FBI operations in Mexico exceed those of the CIA—and the CIA office in Mexico is the largest in the hemisphere.

A crucial clue to FBI activity in Mexico is provided as a by-product of investigations into the assassination of President John F. Kennedy. These investigations unearthed south

Texas court records of 1952 which showed that "there were 25 to 30 professional assassins kept in Mexico by the espionage section of the U.S. Federal Bureau of Investigation; [and] that these men were used to commit political assassinations all over North, South and Central America, the East European countries and Russia. . . ." The man in charge of the unit, back to 1943, according to one source, was **Albert Osborne**—an intelligence agent operating under cover of Protestant missionary work in the state of Puebla from 1942-62, and the man identified by six witnesses as the traveling companion of Lee Harvey Oswald in Mexico in September 1963.

The FBI gradually wound down some of its "legal attaché" work in the 1960s, until **Henry Kissinger** put the screws on the Bureau, and insisted that all FBI foreign operations be revitalized with a heavy emphasis on the Latin American side. Kissinger placed one of his own men in charge of the program and had him report directly.

President Luis Echeverría (1970-76), determined to return the Mexican economy to a nationalist course of basic investment and production, became the first president to tackle the drug empire, which was operating with its own private armies in the Sierra Madre mountains. He knew that nothing

PAN leader would rather fight than retract support for Nazi economics

The campaign by a 15-member squad of organizers from the Mexican Labor Party (PLM) to expose the treasonous activities of the PAN party in Baja California had PAN leaders on the verge of nervous collapse as election day approached. The PLM has created a major snafu in PAN expectations of walking off with an easy victory against the ruling PRI party in the state.

PAN leader José Angel Conchello called an emergency press conference Aug. 19 to counter the PLM campaign. On arrival at the Mexicali Holiday Inn for his presentation, Conchello threw a punch at PLM press spokesman Ricardo Olvera when Olvera asked him whether he would care to retract his stated support for the policies of Adolf Hitler's finance minister Hjalmar Schacht.

The PLM had saturated the cities of Mexicali, Ensenada and Tijuana with leaflets and posters denouncing Conchello and his Nazi proclivities, and warning the population "Don't vote for the mafia, vote for Mexico—don't support the PAN."

Once Conchello escaped from the crowd that witnessed his tantrum, he began his press conference in a

packed room in the hotel. PLM Secretary General Mari-vilia Carrasco asked to be given the microphone to ask Conchello a question, upon which the following exchange took place:

"Mr. Conchello," Carrasco said, "I would like to ask you. . . ."

Conchello, again out of control, pointed to the PLM leader. "That woman, I know her, she ran against me in my district in Mexico City, she is the Secretary General of the PLM, the party connected to that man in the U.S., that man LaRouche."

"Yes," Carrasco replied, "the PLM is a co-thinker of LaRouche's organization. But this is known all over Mexico and the world. What is not so well known either here or in the rest of the world, is that the PAN takes orders from the U.S. State Department. . . ."

The press conference broke up in pandemonium, and the major TV news in Mexico, "24 Horas," interrupted its evening broadcast to read a flash reporting on Conchello's violent attack against Olvera, who filed a formal complaint for physical assault against the PAN leader. Major Mexico City newspapers like *Excelsior* and dailies in Conchello's home state of Nuevo León gave prominent coverage to the incident, not neglecting to report that it was at the point that Conchello was asked to retract from his support for Hitler that he lost control of himself.

less than a virtual military occupation could do the trick, and correspondingly mandated Attorney General Pedro Ojeda Paullada to draw fully on the Mexican military for the crack-down. This was known as "Operation Condor."

Sicilia Falcón was one of the first to fall in the dragnet established in 1974. By 1977, an estimated 80 to 90 percent of the drug production in the region had been eliminated—one of the most successful anti-drug crackdowns anywhere in the world.

In 1976 Echeverría followed up with a campaign of land expropriations against the Sinaloa and Sonora latifundists, who had been holding land far in excess of legal limits.

Enter the PAN

The *Alemanista* nexus suddenly began to doubt its ability to protect its interests within the ruling PRI (Institutional Revolutionary Party). They began to look for "institutional alternatives" that could be used to replace the PRI on the local level in the areas where the drug and related operations needed protection most, and to force the PRI into line on the national level with this local clout.

The PAN was precisely the vehicle the Alemanistas had kept in readiness. Nationally, it sported such luminaries as Pablo Bush, the Mexico City Ford dealer, Knight of Malta, and reputed drug trafficker; and **José González Torres**, the PAN presidential candidate in 1958, who went on to handle insiders' investment portfolios for Espinoza Yglesias at the drug-linked Bancomer conglomerate.

Since 1972, the leadership of the PAN had been taken over by the hardline faction of Monterrey's **José Angel Conchello**, an overt Nazi ideologue wedded to a combination of radical British/Viennese "free enterprise" ideology and "small is beautiful" environmentalism. Conchello's Monterrey faction, based in the Vitro conglomerate and including **Pablo Emilio Madero**, Conchello protégé who ran for president on the PAN ticket in 1982, had the closest of ties to the Sinaloa-Sonora-Baja corridor.

The landowners and mafiosi reacted to Operation Condor and the expropriations with an explosion of opposition activity. The centerpiece was a series of "tractor strikes"—road caravans and blockades. The leaders of the "strikes" were **Manuel Clouthier**, the wealthiest latifundist of northern Sinaloa, with such close ties to Monterrey that Monterrey later named him to head the strongest of the national anti-government business federations, the Businessmen's Coordinating Council (CCE); **Carlos Sparrow Sada**, a relative of the Sada family of Monterrey who had set up shop in the center of the agricultural district of southern Sonora, Ciudad Obregón; **Adalberto Rosas López**, one of the leading latifundists of Ciudad Obregón, in-law of the oligarchic **Mazon** family of Hermosillo, and head of the local PAN activity; and **Carlos Amaya**, yet another Ford dealer and a close associate of Rosas's who currently is state director of the PAN.

The lawyer for the latifundists in their efforts to regain their lands, **Ignacio Burgoa Orihuela**, had just finished defending the top PAN leader of Baja California, **Salvador Rosas Magallón** from charges that he had headed a network of legal services for the leading drug mafiosi of the state.

Sonora: The test case

Sonora had a number of advantages for the interests pushing the PAN forward.

- It was a state in which, since 1968, there were a number of deep splits in its ruling PRI elite.

- Since the same year, the U.S. consulate in Hermosillo, staffed in part by FBI agents, had pioneered covert counter-intelligence operations, with an emphasis on the burgeoning student movement. According to local experts, the consulate helped create and run a right-wing paramilitary shocktroop force on the campus of the University of Sonora, called the **Micos**, and then infiltrated a number of the leftwing groups that proliferated in reaction. The consulate was notoriously cozy with the local PAN apparatus.

- It was common knowledge that the state's banking system, centered in the **Banpacífico** empire of one of Sonora's ranking latifundists, **Arcadio Valenzuela**, was shot through with drug money, and could be counted on to support the PAN political insurgency.

- Finally, the local Catholic archbishop, cultist **Carlos Quintero Arce**, was fully behind the PAN.

The PAN had previously won the mayorship of the state capital of Hermosillo for one term. In 1979, it placed Rosas as mayor of Ciudad Obregón through traitorous manipulations of Rosas's friends who had remained behind to work against the PRI from the inside. In 1982 the operation repeated itself, only this time with even greater success (capture of the city halls of Hermosillo plus two key cities on the border used for drug- and arms-shipments, San Luis Río Colorado and Agua Prieta) and even more flagrant involvement of the U.S. consulate. Rosas, who stage-managed the PAN victories, immediately launched his candidacy for governor in elections to be held in 1985.

Local sources report that with the PAN takeover of the Hermosillo mayoralty, a large number of FBI agents have virtually set up office in the town hall. Investigators are watching the activities of the former FBI chief in Mexico City, reputed to be involved in dirty drug and other dealings, who has recently shifted his base of operations to Arizona, across the border from Sonora.

With the PRI on the defensive in Sonora, the local PAN leaders—in tandem with representatives of the U.S. State Department—toured the other northern states to map out the next campaigns. On July 4, 1983, the PAN swept local elections in the state of Chihuahua, including the arms- and drug-shipment point of Ciudad Juárez. The Chihuahua Group of **Eloy Vallina** played a critical part in the PAN victory—the

Chihuahua Group's bank, Comermex, had been the center of the Tijuana scandals which led to the downfall of Sicilia Falcón in 1975.

The PAN is now gunning to take control of the heroin haven of Culiacán in the drug state just below Sonora, Sinaloa, with the candidacy of "tractor striker" Clouthier's cousin, **Jorge del Rincón**. This past spring, its national deputy for the Sinaloa port of Mazatlán, **Andrés Cáceres**, opened the first-ever direct PAN attack on Operation Condor. Cáceres adopted the ultra-left litany that the program "trampled on the human rights of the peasants."

On to Baja

But the focus of the most intense PAN activity is the heart of the mafia operations since the 1930s, Baja California.

The underworld had a free hand in Baja, through generous patronage doled out to a number of different factions nominally in both the PRI and the PAN. In 1959, when Alessio made a short-lived attempt to re-establish casino gambling in the state, the local authorities raised no objections. Objections were, however, raised both in Las Vegas, which did not want to see competition, and in Mexico City. It was national army units, sent in in sealed planes, which abruptly shut the Rosarito adventure down.

Just as in Sonora across the Gulf of Cortez, it was during the Echeverría period that the Alessio mob first ran into problems. Echeverría moved to place a figure committed to straightening out the crime rings, Gen. Hermenegildo Cuenca Díaz, in as PRI candidate in 1976. As Defense Minister during the Echeverría presidency, Cuenca Díaz had played a leading role in the successful execution of Operation Condor. The assets of the Hollywood mob in the state reacted with backstage efforts to secure the PRI nomination instead for **Mario Hernández Maytorena**.

Hernández was one of the most powerful businessmen in Baja, a major shareholder of both Unibanco and Espinoza Yglesias's Bancomer, and boss of a commercial and real estate empire centered in Mexicali, Tijuana, and San Luis Río Colorado.

Despite Mario Hernández's most intense pressure, Echeverría would not budge. But when Echeverría's candidate, Cuenca Díaz, suddenly died in early 1977, the mob was able to regain control. They secured the nomination and the election for "one of their own": **Roberto "Bobbie" de la Madrid**.

No relation to current President Miguel de la Madrid, Bobbie had prepared the ground for his bid for power with a 1976 deal cut with two of the biggest Hollywood Mafia operatives, **Lew Wasserman** of the \$5 billion holding company MCA, and the perennially investigated **Sidney Korshak**, charitably described as "the interface between the mob and legitimate business." The terms of the deal: keeping casinos out of Baja, in return for cutting de la Madrid into a series of Mafia-controlled business ventures in southern California. De la Madrid, who steps down from the governorship later this year, is reported to maintain his principal residence and most of his financial assets in San Diego; he is said to com-

mute by plane to work in the governor's office in Mexicali.

Because "Mr. San Diego" Alessio has an interest in keeping the image of that city clean, the drugs cleared through Tijuana are stored in depots at National City and Chula Vista, on the coast road to San Diego, according to sources familiar with the deals.

After buying his way into the governorship, de la Madrid dispensed with the PRI machinery and has been ruling the state directly through his own business associates and related networks. His state minister of development is his right-hand business partner, **Carlos Bustamante**, the subject of an international political scandal in 1979 when sweetheart gas and oil contracts with companies of former state governors **Edmund** and **Jerry Brown** in California were exposed.

Just as in 1976-77, the issue in the elections Sept. 4 is whether the mafia machinery stays in place or comes under attack. The PAN is a refuge when the drug runners cannot stay in the PRI.

In the number-three city in Baja California Norte, Ensenada, the Mario Hernández-Bob de la Madrid forces managed to secure the PRI nomination for one of their men, **Roberto Swain**. Thinking they had the situation sewn up, they nominated a total unknown as the token PAN opposition. But the rest of the PRI machine rebelled and, with the popular David Ojeda at the lead, adopted the label of the Socialist Workers Party (PST) and may take the elections.

For the other major nominations, for mayors of Tijuana and Mexicali, and governor, more reform-minded candidates tied to President Miguel de la Madrid within the PRI gained the upper hand. The colors of the mafia apparatus are correspondingly the blue and white of the PAN in those areas. The tightest races will be for governor, where the PAN's **Hector Terán** has the *sotto voce* backing of part of the Mario Hernández machine (Hernández is astutely keeping one foot in each of the PRI and PAN camps); and for mayor of the capital city, Mexicali, where **Eugenio Elorduy** is the mafia's choice on the PAN ticket. Elorduy, like other key elements in the PAN machinery around the country, rose to business prominence on the basis of a Ford dealership. Working quietly to ensure his victory is the current PRI mayor of Mexicali, **Eduardo Manuel Martínez Palomera**.

Isidro Miranda Araujo, Mexicali activist who moved over last year to serve as the top aide to the new PAN mayor of Hermosillo in neighboring Sonora, is now coordinating a flow of PAN cadres trained in martial arts to Baja for the elections, as well as funds skimmed from the public coffers of his adopted city, according to sources in Hermosillo. Both PAN heavyweights in Sonora, Adalberto Rosas and Carlos Amaya, have been making non-stop trips into Baja to unofficially advise the Elorduy and Terán campaigns, while in the final weeks national pro-Nazi leaders Conchello and Madero arrived on the scene.

The PAN forces feel they are on "home ground," and that if they can win Baja, the entire north will be reestablished as the drug-and-crime haven the Alemán-Hollywood Mafia forces originally carved out.