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FEATURED Q&A

Why Are Truck Drivers Being Targeted in Mexico?



Truck drivers held a nationwide strike earlier this month to protest increasing violence against truckers. // File Photo: pxhere.com.

Q Truck drivers in Mexico engaged in a nationwide strike on Feb. 15 to protest the increase in violence against freight transporters and cargo theft. Why are truck drivers being increasingly targeted in Mexico, and who is behind the attacks? How are truckers' protests affecting trade and commerce in Mexico, and how are authorities responding? To what extent are truckers and government officials working together to improve security?

A Ryan Berg, director of the Americas Program at the Center for Strategic and International Studies: "Truckers engaged in the Feb. 15 protest to highlight a perennial problem in Mexico: cargo theft and highway insecurity. 'The highways in Mexico are stained with blood,' read one sign, signaling a harrowing evolution in Mexico's criminal violence. Whereas once Mexico suffered mostly cargo thefts, criminal groups now resort to kidnapping or killing drivers, stealing cargo and stripping trucks for their parts. According to the Confederation of Industrial Chambers (Concamin), AMLO's sexenio has witnessed over 85,000 trucks targeted for cargo theft, resulting in billions in annual losses for companies. Highway theft has increased year after year during AMLO's term, and Mexico is second only to Brazil in suffering from the most cargo thefts of any country in the Western Hemisphere. (Rail theft is equally problematic in Mexico.) This dynamic threatens to convert one of Mexico's greatest advantages—its dense highway and rail network integrating it with the U.S. economy—into one of its major weaknesses. The country's astronomical number of highway incidents does not occur in a vacuum: companies are deterred from making near-

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Haiti's Henry Meets With Caribbean Leaders

Haitian Prime Minister Ariel Henry met Sunday with Caribbean leaders to discuss his country's crisis of gang violence.

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Brazil's Nubank Reports Nearly \$361 Mn in Profit for Fourth Quarter

Brazilian digital bank Nubank reported \$360.9 million in profit for last year's third quarter, a sixfold increase as compared to the same quarter a year earlier.

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POLITICAL

Supporters of Brazil's Bolsonaro Rally in São Paulo

Supporters of former Brazilian President Jair Bolsonaro rallied Sunday in São Paulo. An independent estimate put the size of the crowd at 185,000, though the military police estimated it was even larger.

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Bolsonaro // Photo: Facebook Page of Jair Bolsonaro.

POLITICAL NEWS

Supporters of Brazil's Bolsonaro Gather in Massive Rally

Supporters of former Brazilian President Jair Bolsonaro gathered in São Paulo on Sunday in a massive rally for the embattled former leader, the Associated Press reported. Bolsonaro loyalists filled blocks of the city's Paulista Avenue, with independent observers from a University of São Paulo research group estimating that 185,000 people took part in the rally, the AP reported. The country's military police estimated that the crowd was even larger. The demonstration came as Bolsonaro is facing an investigation into whether he incited a failed coup attempt after he lost the 2022 election to current President Luiz Inácio Lula da Silva in an effort to remain in power. At Sunday's rally, Bolsonaro, who has not been charged, denied that there was an attempted coup when his supporters broke into and ransacked the presidential palace, Congress and supreme court on Jan. 8, 2023, a week after Lula took office. "What is a coup? It is tanks on the streets, weapons, conspiracy. None of that happened in Brazil" said Bolsonaro, the AP reported. Bolsonaro also called for amnesty for the rioters and dismissed the allegations against him as politically motivated, BBC News reported. Last June, Brazil's Supreme Electoral Court barred Bolsonaro from running for office for eight years for falsely claiming that Brazil's electoral system was prone to hacking and fraud. Despite the ban, the right-wing former president remains active in Brazilian politics as the main adversary of Lula, a leftist, and is expected to be a force ahead of this year's mayoral elections in the South American country. "The conservative movement is here to stay, and conservatives will vote for candidates supported by Bolsonaro and his party in the municipal election," Rubens Barbosa, a former Brazilian ambassador to the United States, told the Advisor in a [Q&A](#) published Friday. "Bolsonaro's political influence will eventually fade, but the right will stay," he added.

Haiti's Henry Meets With Caribbean Leaders in Guyana

Haitian Prime Minister Ariel Henry met on Sunday in Guyana with leaders from across the Caribbean to discuss his nation's spiraling crisis of gang violence, the Associated Press reported. Protests against Henry's rule have been ongoing in Haiti, and some Caribbean leaders at the meeting criticized the embattled leader. Bahamian Foreign Minister Fred Mitchell told the AP that "there needs to be a political solution" to Haiti's crisis and noted that a number of groups in Haiti oppose Henry's leadership. Henry told the AP in turn that nothing can improve "unless we work together." The comments came ahead of a planned four-day summit in Guyana of the Caricom regional trade bloc in which Henry, Caribbean leaders and U.S. officials including Ambassador Linda Thomas-Greenfield and Assistant Secretary of State for Western Hemisphere Affairs Brian A. Nichols are expected to meet.

BUSINESS NEWS

Former Oil Trader Convicted in Latin America Bribery Case

A U.S. federal court in Brooklyn, N.Y., on Friday convicted a former oil trader for the Vitol Group on charges related to bribery of state oil company officials in Ecuador and Mexico, The Wall Street Journal reported. Javier Aguilar, a Mexican commodities trader who worked from 2015 to 2020 for Vitol, a Swiss-based Dutch multinational energy and commodity trading company, was accused of paying bribes to officials at Petroecuador, leading to Vitol securing a \$300 million contract to buy fuel oil from the Ecuadorean state-run oil company. Prosecutors claim the bribes were paid through intermediaries, using shell companies in Curaçao, Panama and the Cayman Islands that entered into

NEWS BRIEFS

Catholic Clergy Helped to Arrange Truce Between Mexican Cartels: Report

Catholic clergy in Mexico's Guerrero state have helped to arrange a truce between two drug cartels that have been at war, the Associated Press reported Friday, citing a local priest. Rev. José Filiberto Velázquez told the wire service that the truce involved the Familia Michoacana cartel and the Tlacos gang. The previous week, a bishop in Guerrero said he and three other bishops spoke with gangs in an effort to strike a peace deal in another area.

Milei, Trump Meet at Conservative Conference Near Washington

Argentine President Javier Milei and former U.S. President Donald Trump met for the first time on Saturday at the Conservative Political Action Conference in Maryland, the Financial Times reported. Milei and Trump have traded praise on social media, and the meeting appeared to solidify their support for each other's similar agendas. "Don't let socialism advance," Milei said at the conference. Salvadoran President Nayib Bukele was also given an enthusiastic welcome at the conference earlier in the week, the Associated Press reported.

Enel Chile Gets Approval for 106-Megawatt Wind Farm

Enel Chile, the nation's largest electric utility company, has received approval to begin operation of a 106-megawatt wind farm the firm built in Araucania, in south-central Chile, Renewables Now reported Friday. The La Cabana wind farm has 22 direct-drive turbines that together Enel expects to generate 330 gigawatt-hours of electricity each year. The project is Enel Chile's first to incorporate a battery energy storage system.

fake consulting agreements, The Wall Street Journal reported. After about eight weeks on trial, a jury in Brooklyn found Aguilar guilty on three counts including money laundering and violation of the Foreign Corrupt Practices Act, Bloomberg News reported. “The people of Ecuador and Mexico deserved better, and companies that play by the rules should know that the process is not rigged,” U.S. Attorney Breon Peace said in a statement, Bloomberg News reported. Aguilar was also charged in a separate federal court in Texas of money laundering connected to the bribery of officials at Mexican state-owned oil firm Pemex, the AP reported. Prosecutors alleged those bribes helped Vitol secure a contract worth hundreds of millions of dollars to sell ethane gas to Mexico’s state oil company.

Brazil’s Nubank Sees Nearly \$361 Mn in Profit for Q4

Brazilian digital bank Nubank last Thursday reported that its net profit for the fourth quarter of 2023 increased sixfold, year-on-year, Reuters reported. Nubank’s net profit soared to \$360.9 million, though it missed the \$410.7 million average estimate of analysts in a survey compiled by LSEG, the wire service reported. Nubank also reported a 23 percent return on equity and said its revenues increased 57 percent year-on-year to a record \$2.4 billion, exceeding analysts’ estimates. Nubank added that its average monthly revenue per active customer in the fourth quarter rose 23 percent on a currency-neutral basis, Reuters reported. Nubank said it had nearly 94 million clients at the end of 2023, adding that it is seeking to exceed 100 million clients this year. At the end of December, the financial services provider had 87.8 million clients in Brazil, 5.2 million in Mexico and more than 800,000 in Colombia. Earlier this month, CEO David Vélez said Nubank, which is valued at \$44 billion, could become “the leading financial institution in Latin America and one of the leading financial institutions in the world over a number of decades,” the Financial Times reported.

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shoring investments, wary of endangering drivers and paying exorbitant fees for cargo insurance. If they make investments, they are more likely to place that investment in close proximity to the border, minimizing the risk of traversing highways in Mexico’s central states, thus thwarting the government’s efforts to diversify nearshoring investment away from border states. Highway robberies are a direct result of the Mexican government’s loss of territorial control—another example of how insecurity might scuttle the country’s nearshoring moment.”

A Rubén Olmos, president of Global Nexus: “In the first half of February, two nationwide truck driver strikes affected key arteries throughout the country’s landscape. The first occurred on Feb. 5, despite an alleged agreement between the transport unions and the federal government to suspend the demonstrations. The main request to the authorities was security, given the increasing number of hijackings of cargo trucks, in which violence against drivers was reported in several cases. In fact, according to authorities, there were more than 9,000 reported cases last year, and the numbers are probably higher as many go unreported. Another national strike took place on Feb. 15, as truckers cited a lack of progress in commitments made by authorities for security strategy and coordination with the transport sector. The increase in direct attacks on cargo trucks can be explained by the current government’s plan to crack down on fuel theft, leading many criminal networks to shift their focus to areas not monitored by authorities due to the lack of personnel in the National Guard and by a lack of coordination between the private sector and Mexican authorities. The security issue must be addressed with a deeper understanding of the impacts on trade. The National Guard and the Interior Ministry have issued measures to accompany and monitor cargo theft events. It is still unclear if these

actions will be sufficient to provide security for cargo drivers.”

A Amy Glover, president and founding partner of Agil(e): “Truck drivers are certainly at risk, but they are not the only sector of the economy that is suffering from the lack of rule of law in Mexico. Organized crime has taken over large swaths of the country, including states beyond Zacatecas, Michoacán and Guerrero, to others that only a few years ago were generally at peace, such as Oaxaca and Chiapas. Extortion of business (derecho de piso)—sometimes referred to as a ‘criminal tax’—has increased during this administration, reaching a

“Organized crime has taken over large swaths of the country...”

— Amy Glover

peak of more than 11,000 reported victims in 2022; most cases are never officially recorded. President Andrés Manuel López Obrador has accused opposition parties of being behind the recent trucker protests, but driver concerns are more than justified. Official government figures show that more than 13,000 violent assaults occurred in 2023, more than one assault every hour. Via the National Guard, AMLO has militarized the police force nationally, but to very little effect. The Interior Ministry recently agreed with transportation associations to increase highway patrols by 2,000 units, but truck drivers frequently report being victims of extortion by these same authorities. According to transportation associations, highways around Mexico City that run along important industrial corridors (the State of Mexico and the highways connecting the cities of Querétaro and Puebla) are highly vulnerable to cargo theft. Unless the state starts fulfill-

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ing its primary obligation to protect lives and merchandise, the situation could become a major obstacle to seizing the full potential of nearshoring.”

A **Raúl Benítez Manaut, professor at the National Autonomous University of Mexico (UNAM):** “The Feb. 15 strike was organized by the Alianza Mexicana de Organizaciones de Transportistas, or AMOTAC. Companies that transport merchandise put together this strike because theft of cargo has increased significantly. Forty percent of Mexico’s GDP is transported along the so-called ‘NAFTA highways.’ Additionally, 85 percent of theft cases include violence against the drivers. The AMOTAC asked for the attention of the populations that use these roadways, and the government responded angrily, saying that the strike had ‘political motivations.’ In the past, the security of these highways was controlled by the Ministry of Communications and Transportation along with the federal police. Since 2019, with the dissolution of the federal police, their security is now in the hands of the National Guard and the army. In 2023, there were almost 30 armed robberies a day, affecting 9,181 drivers in total. This number increased four percent in comparison to 2022. The products that are most stolen are chemicals, food, cars, medicines, construction supplies and shoes. The principal demands are an increase in security, through security systems and cameras, an end to the extortion and the termination of the use of semi-truck double trailers that are the cause of accidents. This protest is a call to authorities regarding the increase in violence across all levels, with drivers signaling that thefts are better organized and, because of the violence, they suspect these thefts involve the country’s largest criminal actors, such as the Jalisco and Sinaloa cartels.”

A **Rodrigo Abud, managing director at Panorama:** “Mexico’s freight truck sector, grappling with a surge in insecurity, witnessed a pivotal moment on Feb. 15 as truck drivers, exasperated by escalating robberies and violent assaults, launched nationwide protests, blocking key highways, demanding more decisive government action to curb this peril. The strike’s economic implications are profound, considering that approximately 80 percent of Mexico-U.S. trade relies on trucks. With almost 50 daily assaults and losses up to \$400 million per year, this pervasive threat has also led to a staggering shortage of approximately 56,000 truck drivers, primarily due to safety concerns. Contributing 3.7 percent to Mexico’s GDP and supporting six million families, the freight trucking sector’s vitality is undeniable. Yet, it faces a sophisticated adversary in organized crime. The preference for high-demand, easily marketable stolen goods like beverages, food and construction materials hints at a deeply entrenched criminal network, extending beyond mere theft to broader economic distortions. Federal authorities have responded with promises of increased highway patrols and have engaged in countless meetings with transport representatives to craft specific solutions. However, gaps remain, notably in intelligence gathering and judicial reform to combat impunity. Future strikes could imply wide economic disruptions, jeopardizing Mexico’s economic stability. Public safety concerns could also limit Mexico’s aspiration to become a haven for nearshoring. The stakes are high. This situation calls for an alliance marked by collaboration, transparency and a collective dedication to fortifying Mexico’s freight truck sector. Only through such unity can we ensure both immediate relief and long-term security for this crucial industry.”

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