# State, illegality and space production in Culiacán, Sinaloa, Mexico

## Estado, ilegalidade e a produção do espaço de Culiacán, Sinaloa, México

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**Abstract**

This article aims to analyze the configuration of urban space in the city of Culiacán, state of Sinaloa, Mexico, characterized by neoliberal processes of urban production, the private governance model, and an illegal economy. Based on interviews, newspapers articles, searches in local public archives, and a bibliographic review, it is shown that the urban-spatial evolution of Culiacán is subordinated to the introduction of illegal capital into the local and regional economic dynamics, to the urbanization demands of a global city model, and to the strategies and tools generated by criminal governance. This has produced spaces that allow us to see the hybridization of legal and illegal forms based on which the city has been constituted and reproduced.

**Keywords***:* space; city; illegalism; governance; money laundering.

**Resumo**

*O principal objetivo deste artigo é analisar a configuração do espaço urbano na cidade de Culiacán, no estado Sinaloa, México, caracterizada pelos processos de produção urbana sob a égide do neoliberalismo vinculados ao modelo de governança privada e da economia ilegal. Com base em entrevistas, revisão de acervo de jornais, pesquisas em arquivos públicos locais e revisão bibliográfica, além de estudos e publicações anteriores do tema em questão, foi possível desvelar as particularidades da evolução urbano-espacial de Culiacán, que se encontra subordinada a investimentos do capital ilegal nas dinâmicas econômicas locais e regionais, sintonizadas com as exigências de urbanização decorrentes de um modelo de cidade global e com as estratégias e ferramentas gestadas pela organização criminosa. Isso resultou em um espaço que nos permite ver a hibridização de formas legais e ilegais a partir das quais a cidade foi constituída e reproduzida.*

**Palavras-chave:** *espaço; cidade; ilegalismo; governança; lavagem de dinheiro.*

# Introduction

Following the implementation of neoliberal policies in the 1990s, Culiacán went from being a small city dedicated to agribusiness to a business to becoming a hub for commercial, manufacturing, and services. Demographic growth and urban expansion led to a new investment boom. The primary activities that had previously guaranteed Culiacan's economic stability were based on working the land and natural resource extraction in the region; these were displaced by other secondary and tertiary industries that led to substantial changes in the urban-spatial configuration.

So it is that Culiacán was introduced into a global dynamic of competitive cities: a process of urban transformation from which spaces are destroyed and rebuilt under the banner of urban renewal (Castells, 2012). In a globalized environment subject to economic determinism in which consumption is the basis for interaction, the city must generate that which undergirds it: profit.

With the advent of governance as the political form of neoliberal capitalism and the consequent deregulation and decentralization of state forms, public infrastructure particularly that related to urban issues, has been put in the hands of private actors through bidding mechanisms and concessions.

In Culiacán – which has historically been a node for criminal activity – this has meant the introduction of illicit capital into production in the city. The expansion of the economic influence of drug trafficking led to the consolidation of a business group with links to the so-called Sinaloa Cartel, that, together with politicians and businesses in the region, has intervened in the production of the city. Urban redevelopment has contributed, on one hand, to the intensification of socio-spatial inequalities; and on the other, to the consolidation of an urban imaginary of conspicuous consumption inherited from drug trafficking.

The key argument developed in this article is that the expansion of Culiacán is connected to a logic of production of abstract spaces: fragmented, commodified, made technical and functional for capitalist reproduction, and therefore, that geographic transformation depends on giving value to urban spaces. The particularity found in the dynamics of Culiacan's growth lies in the origin and the kind of capital involved. Following the implementation of neoliberal governance policy (characterized by flexibility, deregulation, and decentralization), illicit capital and illegal agents have been active in public infrastructure projects. As a consequence, Culiacán can be considered a space for the reproduction of licit and illicit

economic forms made possible through the joint participation of state and non-state actors in the processes of urban expansion.

# Methodology

The methodological procedures of this study were designed to foster an interpretative and analytical understanding of the reproduction of social space in the city of Culiacán. Culiacán is located in Sinaloa State, in the northwest, and has numerous particularities, which are pointed out in the introduction and throughout this article.

The information and data analyzed in this paper were collected in five phases: first, through a bibliographical and conceptual review of the topic. Second, through fieldwork conducted during four research visits to the city in December 2018, December 2019, October-December 2020, and from March to May, 2022. During these visits, three extended, structured interviews were conducted with key interlocutors: the Urban Planning Coordinator with Culiacán's Municipal Institute of Urban Planning, an investigative journalist of the city's Espejo magazine, and an interview with the Director of the civil society organization Iniciativa Sinaloa. Third, through a series of thirty discussions with teachers, merchants, truck drivers, students, security guards, domestic workers, employees, and other residents and citizens. Fourth, through a review of local and national newspapers (between 2018 and 2022) specifically local outlets *El Debate, Noroeste, Espejo Revista*; and national papers *El Universal, La Jornada, Milenio,* and *El Financiero*; in addition to audiovisual material. Fifth, through consulting land use files at Culiacán's City Hall, as well as the use of census and population databases from the National Institute of Statistics, Geography and Informatics of Mexico (Inegi).

## The city of Culiacán

Culiacán is one of the most important and productive cities in northwestern Mexico. It is the capital of Sinaloa state and state-level economic, administrative, legal, cultural, educational and social activities are based there (Figure 1). Culiacán has positioned itself as an economically competitive agro-commercial city thanks to large-scale vegetable sales. According to data from city council (2022a), Culiacán generates 48.4% of the state's total gross output. At the time of the most recent census, which was conducted in 2020 by the INEGI (2020b), there were 808,416 residents, or 27% of the state's total population.

Figure 1. Geographic location of Culiacán


Source: Inegi (2020a).

At the outset of the 20th century, commercial agriculture was the engine of economic growth in Sinaloa, with chickpea, tomato and sugarcane crops being the most important. Since then, specialized tomato production has been increasingly exported to the United States, making the Culiacán Valley Mexico's number one exporter and supplier of tomatoes to the U.S. market.

The beginning of World War II created new opportunities for agriculture in Sinaloa. The labor force that left for the war in the United States, plus that which was dedicated to the war industry, caused a sharp drop in the availability of agricultural foodstuffs. This meant "the demand for Mexican and particularly Sinaloan products was not long in coming" (Luna, 2002, p. 61). This created an opportunity for Sinaloa to increase export crops.

In addition, the demand for opiates for the manufacture of pain medication during the war boosted cultivation and trafficking to the United States (Astorga, 2016). After the end of the war, morphine consumption among U.S. ex-combatants rose and the demand for opium processing increased (Enciso, 2015). Sinaloan farmers, mainly those in mountainous areas, understood the commercial potential of the poppy plant, which, together with other crops considered illegal, such as marijuana,

would become one of the most lucrative, longlasting and most iconic businesses in Sinaloa over the long term. The cultivation and trafficking of drugs would eventually lead to the consolidation of the organization later known as the Sinaloa Cartel.[1]

For Fernández (2018, p. 9).

> The planting of poppy plants and marijuana in Sinaloa's highlands, as well as the production of opium, became a daily practice to the extent that it fostered the collective participation of residents from different villages, who found means of association through blood, neighborhood, and commercial links that contributed to the consolidation of this activity in the region.

This prompted the generation of regionally based illicit economies that interconnected with the legal economy on various levels, which allowed for the consolidation of a business elite that, together whit members of prominent families, began to participate in political activities in the city and the state. A network of hegemonic power was strengthened through this exchange, in which power players looked after their political and economic interests in environments in which legal and illegal activities converged and influenced institutions that defined and administered the regulation of legal and illegal activities and commodities (Flores, 2020).

The production of this political order allowed for the overlapping indistinction of legal and illegal activities in regional governance, creating a gray zone (Auyero, 2007; Trejo & Ley, 2020). With time, these alliances morphed into a network of macro-criminality between government, business, and criminal groups (Vázquez Valencia, 2022).

The production and commercialization of poppy and marijuana intensified in the 1970s. The U.S. government, in its eagerness to contain large quantities of drugs arriving there, promoted strict policies to stop illegal trafficking at its borders and pressured México as well as most other Latin American governments to do the same. In Mexico, a variety of federal anti-drug programs were implemented to control narcotics, efforts ranged from the burning of marijuana and poppy fields to the capture of regional leaders of the narcotics trade. So-called Operation Condor, which began in 1977, was likely the most impressive, invasive, and costly of these programs.[2]

As a result of these anti-drug programs, many families living in the mountainous areas of Sinaloa active in drug cultivation chose to settle in the growing city of Culiacán, initially moving to working-class neighborhoods, contributing to the emergence of the first local urban identities linked to illegal activity.

This migration allowed for the formation of family and business relationships that, over the years, linked the families long involved in the drug business with others involved in legal economic activities. "The urban life of the drug trafficker and their families, now recognized as members of Culiacan society, would establish a new dynamic in terms of how the city functioned" (Padilla, 2017, p. 105).

Over the medium term, the wealth generated by the growth of commercial agriculture in the Culiacán Valley spurred a massive migration from the countryside to the city.

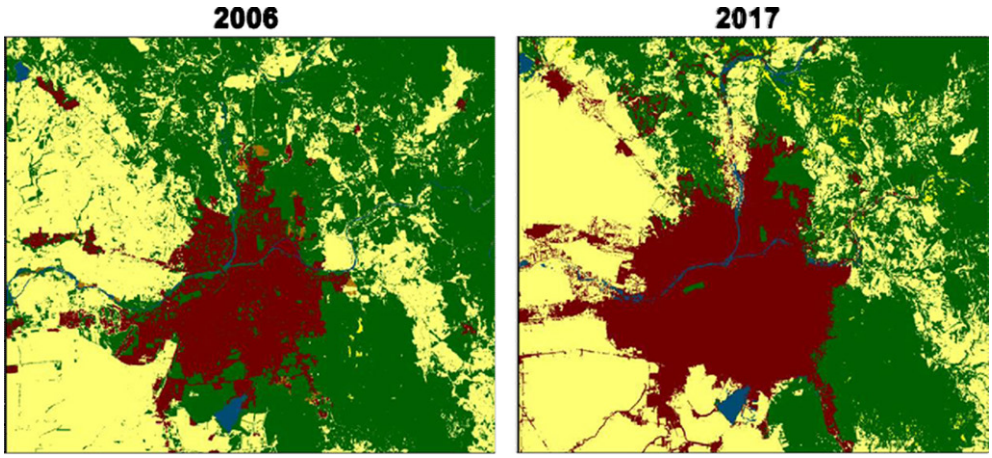
"Between 1970 and 1990, the consolidation of the city as the main center of commerce, services and administrative operations in Sinaloa, required the expansion of the urban footprint" (Padilla, 2017, p.100). But subpar services, the accelerated population increase and the lack of policies and planning measures led to a differentiation among spaces. The expansion of residential areas exacerbated inequalities.

In the early 1990s, Culiacán's urban nature was advantageous in terms of industry and service provision. Over the following decade, it went from being a small city dedicated almost exclusively to agribusiness to becoming a business, commercial, manufacturing and service hub.

This urbanization process required taking advantage of resources and space. Urban modifications responded to the shifting economic activities available to different segments of the population. Large shopping malls, cinema chains, housing complexes, luxurious hotels, schools, top bars and restaurants, recreational facilities, banks, government and business buildings wired with technological infrastructure, car dealerships, and sports stadiums were built, avenues were widened, streets were remodeled, and so forth. All the infrastructure necessary to support a diversified economy—that went from being primarily agricultural to service based—was created.

By 2015, the geographical size of the city was 4.5 times larger compared to the original settlement of 1531. During the preparation of the Urban Development Program for Culiacán's Population Center (PDUCPC) in 2021, the Municipal Planning Institute (Implan), documented the increase in urbanized land through analysis of satellite images (Implan, 2021). Their document notes a decrease in the percentage of farmland used for mostly agricultural activities; which fell from 48.53% in 2006 to 37.15% in 2017. In contrast, the size of the urbanized area increased from 15.08% in 2006 to 25.26% in 2017. Culiacán's urban footprint has grown by approximately 7,905 hectares in just over 10 years (Figure 2).

Figure 2 – Evolution of the urbanized area of Culiacán (2006-2017)




Source: Urban Development Program for the Population Center of Culiacán, Municipal Planning Institute (Implan, 2021).

## The production of space and illegality

We propose a reading that allows us to understand the type of city Culiacán has become due to its specific history, as mentioned above. In addition, we will propose some ideas about how space is produced in the context of multiple illegalities. This analysis operates from three axes, which have converged and shaped the city. First is a spatial approach based on the expansion of urbanization in Culiacán; second is an economic approach characterized by its illegal economic base; and third is a political approach that seeks to understand the role of governance. These axes take place in a globalized scenario of strategies and dynamics of neoliberal capitalist production and reproduction. From an external perspective, linking these axes could be understood as a chaotic, rough, and somewhat wild exercise. But these links have been assimilated by residents through the resignification of spatial forms, making them functional as they go about their daily lives.

Harvey (2003) and Lefebvre (2013) note that spaces are produced as points of confluence for capital flows.[3] Given their material characteristics, cities are the main nodes for the expansion and reproduction of capital, and the reproduction of space is linked to specific forms of social organization within a given geographical context (Harvey 2012). In this sense, it can be argued the shift of Culiacán toward becoming a global urban node – within a context of deregulation, privatization, and re-location – which allowed for the emergence of a tertiary economy, cannot be separated from the consolidation of a regional and local economic base driven by the transnational business of illegal drugs.

In this regard, it should be noted that:

> As drug trafficking networks globalized and transnational mafias emerged alongside the development of the global arms market, the advance of telecommunications, and the obsolescence of political and justice institutions that previously functioned in a rigid society, in Sinaloa, and in many parts of México, drug trafficking created a new generation of entrepreneurs with a global competitive spirit. (Ibarra, 2015, p. 317)

Thus, the dynamics of the neoliberal city, including the attraction of investments; the quality of the labor force; its insertion in global circuits; and the adoption of transnational lifestyles are what have allowed the deployment and strengthening of operational strategies of groups linked to drug trafficking, all of which has had an impact on the production of urban space.

## Land use and value

The impact on urban development and the uses and enjoyment of land in the city make visible the dynamics of both capitalism and violence and of control and socio-territorial order that are imposed on residents by various – legal and criminal – actors.

The characteristics defining urban expansion in Culiacán can be summarized as made up of three primary elements.

First, housing construction in the city has taken place along two paths. On the one hand, residential housing construction,[4] is generating an inflationary effect and real estate and security speculation, as it is presumed to be built for purchase by criminal actors.[5] In addition, there is an oversupply of affordable housing.[6]

Second, as a result of restructuring of policies linked to the compatibility of spaces due to the establishment of the neoliberal city model (1980s - 1990s), and in an attempt to encourage and strengthen the commercial and service economies in Culiacán, urban planning has been subordinated to the development of commercial corridors in different parts of the city. Doing so has made it necessary to change how land is used, mainly in the downtown area, which represents the largest commercial hub.[7]

Third, instrumentalization and commercialization have conditioned the urban development of Culiacan. Projects developed in the city in the name of modernization and competition always carry the seal of land values. They aim to align Culiacan with the UN Sustainable Development Goals.[8] This does not negate the existence of other forms of urban development that, due to neoliberal policies, emerge from poverty and marginality, and therefore escape state regulation: areas inhabited by squatters or informal constructions built with little or no planning, which constitute segmented, precarious and stigmatized spaces that tend to be distant from the city's downtown.

Culiacán is considered a 'violent city,' and urban interventions are managed and planned with an eye to creating the potential for a secure environment that allows citizens to re-appropriate public space.[9] Or at least that has been the justification behind several million dollar spatial transformation projects. This aspect of public policy is connected to notions of urban renewal (Vásquez, 2014), which seeks to promote social harmony through function and aesthetics.

The Municipal Urban Development Plan 2021-2024, which is currently in force in Culiacán, includes a series of actions for the reconstruction, renovation or rehabilitation—whatever the term du jour may be—of certain spaces in the city so as to separate them from the reputation of insecurity that characterizes them. Specifically, Axis 6: Construction of Peace, has as its main objective the realization of actions that promote security and respect for the law, including as a particular goal the rescue of abandoned public spaces through a program for the recovery of public spaces and the prevention of violence (H. Ayuntamiento de Culiacán, 2022b). This begets a strategy that attempts to destigmatize spaces through their transformation and beautification, but which also assumes the social cleansing of marginalized populations. This kind of urban renewal has, in some scenarios, been possible thanks to the articulation between power brokers in the city, namely, the government, businessmen and drug trafficking groups.

This allows us to think through how governance processes intersect with the production of space, as non-governmental actors – including criminal actors – intervene by operationalizing power networks, which condition urban space with the objective of increasing its value and extracting increased economic benefits from it.[10]

The Parques Alegres (PA) was created by the Private Assistance Institution (IAP) in Culiacán following this logic. Founded in 2011 with the aim of promoting parks in the city through the renewal of spaces, this project is financed by the Coppel business conglomerate.[11] Among other things, its methodology consists of establishing a differentiation of spaces, in order to prioritize intervention in those areas of the city that are not stigmatized and where the social strata includes lower-middle, middle and upper-middle classes, as well as guiding citizens overseeing the financing that will allow these interventions to be carried out. Although organized in partnership with the municipal government, these projects are developed mainly with the business sector that considers the feasibility of creating public parks through a business model. In sum, these interventions become self-sustainable because they generate value through the sale of services and products and the creation of added value.

## Neoliberal-illegal urbanization

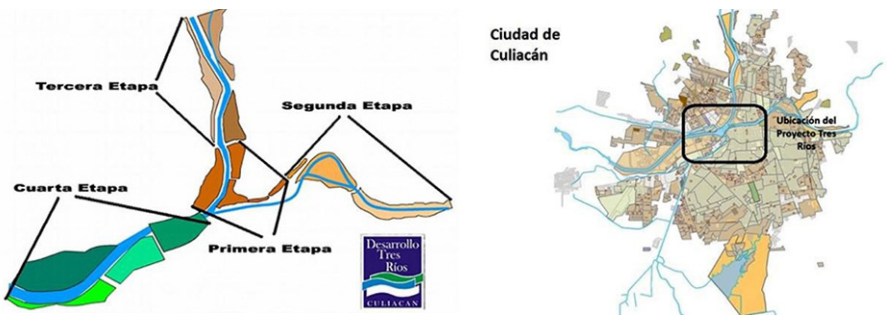
The example that best summarizes the relationship between space, illegality and governance in Culiacán is represented by the so-called Tres Ríos Urban Development Project. In 1991, the decentralized autonomous agency Desarrollo Urbano Tres Ríos (DUTR) was created with the purpose of developing and commercializing around 1500 hectares of land expropriated from private owners, from communal and *ejido* lands, and from land reclaimed along the banks of the Tamazula, Humaya and Culiacán rivers, which converge in the city's downtown.

The land was expropriated by the state government under the argument of public utility and granted to DUTR for development and commercialization. Early on, the project operated publicly as a flood control and ecological rescue project, given that it was promoted as an effort to canalize the rivers and recover the banks for the creation of Las Riberas Park. Later, through the Partial Urban Development Plan of the Tres Ríos Zone, the land uses and destination of the entire area were set out (Achoy, 2008), and contemplated commercial, housing and tourism. Designed in four stages (Figure 3), the project meant an investment of millions of dollars in the construction of an entire housing, leisure and, of course, consumer complex, in order to turn Culiacán into a 'modern' city of international standing.

The first stage of the project was characterized by a more or less uniform distribution of land uses. A total of 225 hectares (ha) were included, of which 40.8 were for residential use, 63.5 were for commercial use and 41.4 hectares were vacant land,[12] representing 18.4% of the total area. During the second stage, which concerned 238 hectares that were distributed for transformation and use as follows: 42.9 housing; 20.9 commercial; 9.8 services; finally, vacant land, which corresponds to 109.5 hectares. In the third stage, 9.7 hectares, or 3.4% of the area were allocated for commercial use and 2.4 hectares for services and equipment. The largest proportion of the area, 83.45%, was designated as vacant land (232.6 hectares). In the fourth stage, which concerns the largest extension of land, the land was distributed as follows: residential use 31 ha; commercial use 72.7 hectares; equipment and services 345 hectares; and vacant land 485 hectares. One particularity of this project is that most of the housing developments are private subdivisions oriented towards a social group with medium-high purchasing power (Cebreros, 2021).

The development of this project took place in the midst of many controversies connected both to – mainly environmental – laws in its execution and from the nature of the investments, as there was speculation that some of the businessmen involved in the Urban Development of the Tres

Figure 3 – Stages of land transformation according to the Partial Urban Development Plan of the Tres Ríos zone (1993-2024)




Spirce: Achoy (2018).

Ríos Zone managed money coming from illicit activities. The local Noroeste newspaper ran an investigation by México City's *Diario Reforma*, that included a series of accusations against Aarón Rivas Loaiza, the director of the project and later candidate for congressman of District 12 in Culiacán. The report mentioned he was favoring Antonio Sosa Valencia's company, who allegedly received money from Héctor Beltrán Leyva to be laundered.[13] When the article was published, representatives of other political parties in Sinaloa demanded a thorough investigation. The allegations pointed to the former governor of the state, Jesús Aguilar Padilla (2005-2010). There is an inference of a relationship between the illegal economy and money laundering via urban investment. The city, then, is produced through flows that consolidate the criminal accumulation of capital (Estrada & Moreno, 2007) within a broader process of narco-accumulation[14] (Williams, 2021).

## Money laundering and investment

According to the National Money Laundering Risk Assessment[15] (NMLRA, 2015), the management of economic income from illegal activities that are incorporated into the legal economy is implemented through the mechanism of commercially based money laundering, in two ways.[16]

The first is the introduction/circulation of cash locally, through a currency exchange; and the second is manifested on a larger scale, reflected in urban transformations, through the purchase of goods, in this case real estate or land for construction.

According to reports from the NMLRA (2015), the largest flows of cash to date moved through Arizona, a route allegedly dominated by the Sinaloa Cartel. In Mexico, Foreign Exchange offices can act as money transmitters/receivers. In Culiacan they have established themselves as a straightforward option of doing so.

Benito Juárez Street in downtown Culiacán is home to most of the foreign exchange offices, both formal and informal, a notable peculiarity in the local landscape. A series of umbrellas line the streets, protecting the young women who change dollars from the sun. With a calculator or cell phone in hand, they make transactions directly with customers who approach in their vehicles. This is done without the need for IDs or filling out forms, and in some cases without caps on the amounts exchanged, (Fieldwork notes, 2019).

Because the Law of Credit Institutions,[17] which is the legal framework regulating the functioning, activities and operations of credit institutions, only obliges the reporting of operations for an amount greater than US$10,000, there is a trend of carrying out smaller operations, which are usually untraceable because they are done informally.

This is one of the advantages that foreign exchange offices enjoy in comparison to banking institutions. This also makes it easier to buy and sell real estate directly. A common way to obtain sale/purchase records in this area is to carry out the bureaucratic procedures via third parties who operate as fronts that are apparently not linked to illegal activities and will be registered as responsible for the goods consumed (NMLRA, 2015).

In addition, financial channels remain a relevant area of money laundering. The Mexican subsidiary of the HSBC financial group (The

Hongkong and Shanghai Banking Corporation)[18] has been involved in scandalous episodes of handling money from organized crime. The institution is reported to have demonstrated deficiencies in its anti-money laundering protocols.[19] According to Drug Enforcement Administration (DEA) estimates, approximately $881 million belonging to the Sinaloa, Juarez and Zetas cartels were "laundered" by HSBC over a period of four years (2006-2010) (Gonzalez, 2016). The case against Wachovia Bank was one of the most notorious in this regard (Efe, 2010). Between 2004 and 2007, more than 378 million dollars were allegedly laundered through Wachovia Bank on behalf of Sinaloa traffickers (Vázquez, 2018).

In an interview conducted on May 5, 2022, Luis Omar Espinosa, the planning coordinator at Implan Culiacán, explained that in terms of urban development, the city demonstrates two key interconnected phenomena which, due to their characteristics and effects, suggest the involvement of organized crime. However, he stated it is difficult to obtain accurate information on the subject due to the illegal nature of the dynamics in play.

The first phenomenon he referred to is the disparity that exists between the optimization of housing construction and urban expansion, in contrast with population increase. Espinosa explained that, according to INEGI data, Culiacán's population density over the last five years (2019-2024), does not correspond with the exponential increase in the housing supply.[20] This suggests two things: first, an obvious imbalance in market forces in that supply exceeds demand; and second, that the supply of housing is not sustained by demand from a legitimate economic base.

The second phenomenon mentioned by Espinosa has to do with land tenure and private property. There are large plots of vacant land, unoccupied lots located in residential areas that have infrastructure and services like drinking water, paving and public lighting. These areas are ready to be developed but their owners do not seem to be interested in selling, donating, or transferring the land, or building on it themselves. Espinosa suggested that although it is possible that these vacant lots have titles, information regarding their owners is hard to come by. For some Implan officials and journalists in Culiacán, these vacant lands could be part of schemes to purchase lands as an investment for money laundering.

## Criminal governance and profitability

On October 17, 2019, the so-called *Culiacanazo* took place in the Tres Ríos Urban Development area. It was one of the most violent episodes in the contemporary history of Culiacán, and consisted of an operation carried out by the Secretary of National Defense and the National Guard that to capture Ovidio Guzmán López, son of the drug trafficker and alleged leader of the Sinaloa Cartel, Joaquín "el Chapo" Guzmán. The result of the operation was not as expected. After five hours of armed confrontations in different points of the city between soldiers and armed civilians at the service of the so-called Sinaloa Cartel (CNN Español, 2023), the armed group put the city under siege under the order to prevent the arrest of their "boss." Students and entire families were forced to take refuge in offices, schools, plazas,

restaurants and other people's homes. Armed civilians dispersed to strategic points of the city, blocking access with burned vehicles and closing the military, federal agents and the population of Culiacán within the same perimeter. To prevent the arrival of reinforcements of federal forces by land, they blocked the highways connecting the city to the north and to the south of Sinaloa state (Infobae, 2022).

Once he was captured, Ovidio was released in order to "avoid human losses and the creation of a war zone", according to President Andrés Manuel López Obrador. Members of the Sinaloa Cartel surrounded the housing units where military families reside in Culiacán, threatening to arson their properties and detonate their weapons if Ovidio was not released. Whatever actually happened in this confusing maelstrom of events, there is one factor that cannot be ignored: the capacity of armed groups in the state of Sinaloa, and particularly in Culiacan, to control the city. Perhaps even more disconcerting is the alleged relationships among authorities – in this case the military – and members of armed groups.

According to Lessing (2020) and Sampó (2021), the active participation of criminal groups in the imposition of rules or restrictions that condition social behavior can be understood as a form of criminal governance. The deployment of coercive power by these groups allows them to control the territory, and is exercised using different mechanisms under different circumstances with relation to different groups of victims.

The Culiacanazo was a flashpoint that illuminated irregularities rooted in space that were not necessarily being taken into account in public opinion. In the Tres Ríos Urban Development, there are plans for new residential housing units, nightclubs, restaurants, clothing stores, bars and a hotel and a world class shopping mall. The district is promoted as one of the best areas to live in the city, and is one of those with the highest increases in property value, despite the fact that it was the scene of sustained crossfire during the October 17 confrontations.

According to journalist Marcos Vizcarra,[21] a year after the Culiacanazo, you could be forgiven for thinking that it never happened. After the declarations – justifications – were made by the federal government, the case was closed and archived; the infrastructural damage was repaired; economic activity was reestablished; students went back to classes, and the media published other articles. Just one week after the ambush, Quirino Ordaz Coppel (2017-2021), then governor of Sinaloa, met with media outlets to 'request' – demand – they stop covering the issue, since doing so could undermine the tourism and potential investments in the city and the state. Not even a month later, few in the media still asking questions about what took place.

Vizcarra contacted the owners and/or managers of the businesses located in the Tres Rios area to request interviews. But having agreed to participate, many later rejected the proposal without further explanation. Only one of them dared to reveal his motives for canceling the interview via telephone. According to the journalist, what led the witness to withdraw from the interview, and what likely motivated the others as well, was that 'he was forbidden from speaking.' According to local media reports, the majority of the businesses that have prospered in the area are linked to drug trafficking and work under the protection of the authorities. That is why in an editorial

note made for the newspaper Reforma, Vizcarra calls the Tres Ríos sector, the den of crime, characterizing it as "a zone of terror taken over by the narco" (Vizcarra, 2019).

## Final considerations

This article set out to analyze the production of urban social space in the city of Culiacán, Sinaloa, Mexico, based on globalized models that emphasize technical and functional planning in terms of the distribution and application of space that is produced as part of the neoliberal city. This process is carried out and framed by three major actors: the private business sector, the state, which manages and regulates public space, and criminal groups.

This paper argues that the expansion of Culiacán as a result of a neoliberal urbanization logic that requires the increase in the value of spaces in order to progress. Given the particularity of economic dynamics that sustain the city, which are historically linked to the circulation of illicit capital. The influence of drug trafficking in the region leads us to believe part of the fluctuating capital generated through criminal activities is invested in urbanization projects for the purposes of laundering.

Spatial production in Culiacán is based on networks between businessmen, government and criminal groups – what have been called networks of macro-criminality – and has been sustained by the flexibility of public policy as it is set out under neoliberal governance. This model of government has favored the deregulation and decentralization of the state and encouraged the participation of both private capital and private actors in public infrastructure projects; a looseness in these mechanisms has made it possible for criminal actors to participate with illicit capital. The injection of proceeds from illicit activities in public infrastructure so as to launder money and return it to the legal economy has been documented. This has produced a gray area in which governance allows multiple channels of criminal-legal action that can be exploited by networks of businessmen, politicians and criminal groups. In summary, the spatial-territorial arrangement has been determined by a well established licit-illicit economic apparatus. This can be considered an urban form that is on the rise, and that points to the production *of social life* and the *processes of territorialization* under the growing influence of criminal accumulation of capital that connects crime with the logic of neoliberal business.

Since these activities are carried out outside state regulation, they are difficult to trace. Many of the links that are traced are made on the basis of inferring correlations that can be verified due to the outcomes they produce. Some of the data presented by so-called official sources – including international anti-money laundering organizations – are estimates obtained from mechanisms designed with the establishment of institutional criminal typologies in mind (Giménez-Salinas, Requena and De la Corte, 2011). These estimates allow agencies to establish their own version of this phenomenon, pointing to trends and presenting particular cases and facts, and by doing so legitimizing the imposition of certain practices on the private sector that strengthen the position of global financial actors (Andreas, 2005; Tsingou, 2010).

The intention of this paper is to demonstrate a different manner of approaching a study of the city of Culiacan based on linking

seemingly unrelated variables. The addition of any other variable materialized in this territory—be it violence, culture, political activity, citizen participation, or otherwise—can open up new areas of reflection that explore the complexity of the city and its forms and practices.

It is clear that the urban-spatial evolution of Culiacán cannot be sustained only by the good will and action of the city's businessmen and the government, rather, it must consider the impact of the illegal economy and criminal activity in terms of criminal governance. This, of course, has an immediate impact on how life is lived in the city. It remains paradoxical that public infrastructure projects promoted in Culiacán to 'promote security' are potentially being financed with money from criminal, illicit and violent activities.

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# Notes

(1) The concept of cartel, used to designate criminal organizations, does not exist as a legal concept in Mexican law. Its widespread use came about through U.S. security agency propaganda since the 1980s. However, not all criminal organizations take the organizational form of a cartel. For a critique of this narrative see Osvaldo Zavala (2018). The same applies to the concept of "organized crime," for which the technical concept in Mexican law is "organized delinquency," as stated in the 1996 Federal Law against Organized Crime. For a critique of this concept as a "paradox" and a "typological platypus" see Letizia Paoli (2013) and De Oliveira & Nunes (2022).

(2) Operation Condor was the name given to one of the most important strategies of cooperation between the U.S. and Mexican governments in the fight against drug trafficking. It was a police and military campaign, focussed on the destruction of marijuana and poppy crops in Sinaloa, through the burning of crops and the spraying of chemical pesticides. What characterized this operation with reference to other U.S. interventions was the use of intelligence work not only to detect planted hectares, but also to locate those responsible for the trafficking (Fernández, 2018).

(3) For Lefebvre (2013), in the capitalist city a type of urbanization that serves as a strategy to undermine the crisis of capitalist production surplus through the valorization of space is privileged. This is connected to a particular understanding of the city as an enclave of neoliberal capitalist expansion, in which the logic of reproduction compels the maximization of its qualities in order to become internationally competitive.

(4) In areas close to downtown, such as the Tres Ríos neighborhood, there are properties for sale ranging from 250 thousand to 1.5 million dollars. Accessed October 15, 2023 https://www.vivanuncios.com.mx/s-casas-en-venta/desarrollo-urbano-tres-rios/v1c1293l15059p1

(5) On October 17, 2019, national security agents found and captured alleged drug trafficker Ovidio Guzmán López, son of Joaquín 'el Chapo' Guzmán in one of these houses. This led to an armed confrontation between members of the Sinaloa cartel and national security agents.

(6) According to the PDUCPC, as of 2022, 277,963 homes have been built in Culiacán, of which 36,768, that is, 13.23%, are uninhabited, mostly in peripheral neighborhoods of the city (Implan, 2021).

(7) Culiacán's Downtown area has grown the least in the last 10 years, going from 2647 to 2862 houses. This is due to a mix of land uses and commercial dynamics (Implan, 2021).

(8) This is set out in the "Plan Municipal de Desarrollo de Culiacán 2021-2024." Available at: https://docs.culiacan.gob.mx/s/bskfmgSXSiNXfBe. Accessed on: Dec 12, 2023

(9) Doing so under state tutelage, not in an autonomous or self-managed manner.

(10) The notion of governance implies coordination between political and social actors to generate political decisions toward general wellbeing, "providing a new perspective from which to analyze the complexity of decision-making, generated by the plurality of actors involved who interact to formulate, promote and achieve common goals" (Zurbriggen, 2011). This plurality can also include criminal actors whose interaction with political actors can generate predatory governance activity in a territory, as will be discussed below (Arias, 2017; Duque, 2021).

(11) Grupo Coppel is a family business conglomerate comprising three areas of business: a department store chain of the same name (Coppel) that has a presence in Mexico and Latin America; banking and financial services (BanCoppel), and pension fund services (Afore Coppel). Since 2008, Francisco Agustín Coppel Luken has been the group's Chairman and CEO. For more information, see: https://www.coppel.com/informacion-corporativa Accessed on: December 10, 2023.

(12) “Urban void” refers to the expanse of land that does not yet have a stipulated land use destination.

(13) The Beltran Leyva Cartel was a criminal organization from Sinaloa. It was originally led by four brothers of that surname. It began as part of the so-called Sinaloa Cartel and went on to form its own organization in 2008. They were linked to cocaine, heroin and marijuana trafficking, as well as human smuggling, money laundering, extortion, kidnapping and arms trafficking (Insight Crime, 2021).

(14) For Williams, "narco-accumulation is the name for the movement of the commodity form - drugs, weapons, bodies- unconfined by the legal restrictions of the modern state form... The astronomical wealth it generates is estranged entirely from labor value and is then either hoarded offshore or reinvested - laundered across the entire “legitimate” global banking economy- into the spawning of more surplus value across and beyond national borders” (2021, p.112). In this sense, drug trafficking is "indistinguishable from the technical, self-globalizing, sense-making expediency of accumulation itself" (ibid, 113).

(15) 2015 National Money Laundering Risk Assessment, prepared by the U.S. Department of the Treasury.

(16) Trade-based money laundering (TBML) refers to a form of money laundering that involves disguising its illegal origin by trading commodities or conducting financial transactions linked to such trading. It is one of the most complex methods of money laundering (NMLRA, 2015).

(17) Law of Credit Institutions. Available at: https://www.diputados.gob.mx/LeyesBiblio/pdf/LIC.pdf Accessed on: October 15, 2023.

(18) The Hongkong and Shanghai Banking Corporation (HSBC) is a multinational banking and financial services company headquartered in London. By assets, it is the eighth largest bank in the world. See: https://web.archive.org/web/20150212014318/http://www.hsbc.com/about-hsbc/company-history Accessed on: October 16, 2023.

(19) See: El Heraldo de México (2019). HSBC y sus escándalos de lavado de dinero en México - El Heraldo de México (heraldodemexico.com.mx) and La Razón (2020).Los escándalos de lavado de dinero de HSBC en México (razon.com.mx)

(20) According to the PDUCPC 2021, population density in the urban area of Culiacán decreased from 57.8 residents per hectare in 2015 to 50.1 residents per hectare in 2020. This is due to the acceleration in the rate of urban area growth (13,044 to 16,116 hectares of urbanized area) versus the slow increase in population growth (it went from 754, 092 in 2015 to 808, 416 in 2020). The specialists that prepared the PDUCPC, are projecting an important increase in the number of residents in the territory (Implan, 2021).

(21) Interview conducted on May 3, 2022. Vizcarra, along with other journalists, participated in the making of a documentary on the Culiacanazo titled: "El día que perdimos la ciudad", available at: https://www.youtube.com/watch?v=gSzqiQqXRMA Accessed on: October 10, 2023

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