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## **Guatemalan Ex-president Portillo Flees**

*by LADB Staff*

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Stripped of his mantle of immunity from prosecution (see NotiCen, 2004-02-19), Alfonso Portillo, erstwhile president of Guatemala from 2000 to 2004, has fled the country. His hasty exit coincides with revelations of scams and malfeasance allegedly perpetrated by several officials within the Frente Republicano Guatemalteco (FRG).

Scarcely one month into his ex-presidency, "the lid has started to come off the abuses, injustices, and lack of respect for the rule of law that they committed," said Marco Antonio Barahona, political analyst for the Asociacion de Investigacion y Estudios Sociales (ASIES). Among the accused ex-officials cum perpetrators are:

Byron Barrientos. The former minister of government is accused of having diverted about US\$11 million from the ministry. He is currently free on bail.

Former vice ministers Luis Garcia and Alberto Davila are thought to have been involved and to have fled.

Manuel Maza. The ex-minister of finance has been linked to the fraudulent manipulation of funds to the now defunct Promotor and Metropolitano banks. The amounts are said to approach US \$190 million. He is also accused of complicity in a multimillion-dollar fraud within the Ministry of Communications, Infrastructure, and Housing.

Luis Rabbe. This former communications minister allegedly, in cooperation with Maza, defrauded the government of some US\$8 million through no-bid contracting, with some of those contracts never executed but nevertheless billed, sometimes twice.

Patricia Ramirez. The former minister of economy is said to have embezzled about US\$287,000 through telephone bill overcharges and inflated contracts with FRG-linked businesses.

Armando Llort. He was president of the Credito Hipotecario Nacional (CHN). This former close friend of Portillo is now in the US, in a witness-protection program, and naming names on demand. He is also accused of having been involved in activities leading to the loss of an uncertain number of millions of dollars from the CHN.

Oscar Dubon. He was, and still is because his term extends to 2006, comptroller general (contralor general de cuentas). He is accused of having defrauded the social security system (see NotiCen, 2003-06-19) of about US\$30 million and of having fraudulently received certain payments. He remains in his elected position although several legislators have asked him to resign.

Marco Tulio Abadio. The ex-director of the Superintendencia de Administracion Tributaria (SAT) first came to fame when he falsely accused an opposition newspaper publisher of tax evasion. Now he is being investigated for crimes of his own, including money laundering and responsibility for about US\$50 million gone missing from SAT, according to the Public Ministry. Immigration records indicate that he has fled to Miami. Attorney General Carlos de Leon Arqueta has been implicated in the failure to prevent Abadio from leaving the country. Also absent from their homeland is his entire family, including his sons and their wives, all suspected in the elaborate scheme that netted millions.

So Portillo left, feigning a trip to El Salvador and then emplaning for Mexico. He left just moments before the government issued a retention order that would have prevented him, or at least made it illegal for him, to leave the country. It is widely suspected, but remains unproven, that Portillo had advance notice of the order to keep him in the country and that he was told of it by or through the office of de Leon Arqueta.

"It was predictable that he would flee as he saw danger when he lost the immunity. I believe that the attorney general had something to do with it because it seems they would have planned it," said Carmen Rosa de Leon Escribano, director of the Instituto de Ensenanza para el Desarrollo Sostenible (IPADES). From the safety of Mexico, Portillo told the Guatemalan media, "I had to leave and think about staying out of Guatemala because a defense wasn't possible when they had everything set up. Everything was prepared." The statement drew jeers.

Director of Incidencia Democratica Enrique Alvarez commented, "Nobody runs away if they're not guilty of the accusations against them." FRG is not unique The FRG is for the moment the premier producer of alleged criminals in the political sector, but this cannot be taken to mean the other parties are clean. Oscar Dubon's activities included fraudulent acts that benefitted both the Partido de Avanzada Nacional (PAN) and the Unidad Nacional de la Esperanza (UNE). The machinations that diverted the taxpayers' quetzales to the other parties involved setting up a civil-society front organization, Amigos en Accion, to transfer funds through contracting for the preparation of reports.

Officials of both parties have admitted having received the money but denied knowing that it came from the FRG. "It is not the obligation of the secretary general to look into all the funds that come into the party," said Leonel Lopez Rodas of the PAN. The sheer number of accused high-ranking officials is impressive even in Guatemala, where corruption is an old story.

A veteran observer of these things, Helmer Velasquez, director of the Coordinacion de ONG y Cooperativas (Congecoop), reflected, "During this [last] week, the country has been in suspense, and institutional feebleness, particularly in the justice system, has been demonstrated. The behavior of the attorney general, Carlos de Leon, is very suspect, because he has been very compliant with ex-President Alfonso Portillo. What we're left with is for justice to evolve and for the present government to make some decisions."

## *Berger moves*

On Feb. 24, Berger made some decisions. The president told the press, "His [de Leon's] inefficiency is proven by any measure, and we haven't received any response to questions we've put to him.

Therefore we are going to proceed with his removal from office." As a procedural matter, Berger had given de Leon 24 hours to answer questions on three specific cases.

De Leon in turn announced on the radio that he would neither answer nor resign. "There has been a legal flaw here," he said, referring to the steps Berger had taken, "[therefore] I'm going to utilize the mechanisms the law prescribes to defend the Constitution of the Republic." Unimpressed, Berger quickly announced the appointment of Juan Luis Florido to the post of attorney general. Florido has been a lawyer for 22 years and is a congressional deputy in Berger's Gran Alianza Nacional (GANAN).

Florido told reporters that he thought the most important thing he had to do was to "return credibility to the institution and faith to the people." He said his job would be to "comply with the basic functions of the attorney general, not only in investigations but by contributing throughout the penal phase in all cases. Guatemalans have lost faith in the institution and this must be restored."

On the matter of the accused former officials, Florido recognized that "there has been a lot of criticism for the lack of action in the cases related to the ex-officials accused of corruption. The investigation will be based on objectivity and impartiality, as the law says." He said he would also see it as his duty to do an internal evaluation of the personnel in his office as part of the drive to restore public confidence and to answer widespread accusations of internal corruption.

Berger comes to the presidency with a reputation for honest government as mayor of Guatemala City and a reputation for effectiveness as a technocrat. But when a reporter asked an analyst for an assessment of the prospects for real change coming out of investigation and prosecution of these crimes, he was told, "Look, no one wants to go too far with this. The system that makes this corruption possible is the system that has run this country forever. They are in no position to dismantle it." Portillo remains in Mexico, exact location unknown, according to the Mexican Instituto Nacional de Migracion. No one but the press is looking for him, despite about 12 charges pending against him back home. Unless Florido makes him one, Portillo is not a fugitive.

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