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Guatemala: Ex-president Arrested On Corruption Charges

by David Agren
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After three days on the run, former President Alfonso Portillo (2000-2004) was captured by security forces in a house belonging to a close friend in Punta Palma an exclusive tourist resort in the Atlantic Coast department of Izabal. Having flown 350 km to the capital, Portillo arrived at La Aurora airport handcuffed and escorted by police officers. His arrival in Guatemala City and subsequent appearance in court were given widespread coverage by the local media. Portillo's capture by prosecutors from the Ministerio Publico (MP) and the Comision Internacional Contra la Impunidad en Guatemala (CICIG) followed accusations by federal prosecutors in New York that Portillo had embezzled US$1.5 million from a Taiwanese donation to buy school library books. The US charges carry a possible 20-year prison sentence. The former president is accused of endorsing checks drawn from a New York bank and depositing them in a Miami account. The money was then transferred to a Paris account in the name of his ex-wife and daughter. Prosecutors said that, in 2001, Portillo conspired with two members of the Guatemalan Army, retired Gen. Luis Francisco Ortega Menaldo, director of military intelligence during the administration of former President Vinicio Cerezo (1986-1991), and Manuel Antonio Callejas, head of the Estado Mayor del Ejercito, to embezzle millions of dollars of government money (see NotiCen, 2004-02-19, 2004-02-26). Portillo, 58, belonged to the Frente Republicano Guatemalteco (FRG), the party founded by retired Army Gen. Efrain Rios Montt, who still serves as a congressman despite accusations of genocide against the Mayan population during Guatemala's 36-year civil war. Portillo's term in office ended amid the embezzlement charges, and he fled to Mexico where he obtained a visa and began working as a financial advisor for construction-materials company Bahena S.A. de C.V., in Chilpancingo, Guerrero state. This is the same town from which he had fled 22 years earlier after being accused of murdering two students Gustavo Cabrera Encarnacion and Arturo Visoso. During the 1999 election campaign, his criminal past returned to haunt him as the Guatemalan media seized on the Chilpancingo killings. However, in his usual caudillo style he brushed off the allegations pledging to defend Guatemala in the same way as he had defended his own life in Mexico (see NotiCen, 1999-09-23). In 2008, Mexico agreed to extradite Portillo back to Guatemala only to have the disgraced former politician walk free after being granted a 1-million quetzal (US$132,450) bail (see NotiCen, 2008-10-09). Despite the charges against him, Portillo's flamboyant populist rhetoric gained him a sizeable following. During his administration, he increased teachers' wages, forced large corporations to pay taxes, and introduced a subsidized electricity tariff for the poor, all of which turned the business elite against him. Portillo still enjoys considerable support, particularly among the rural poor. Prior to his arrest, he had toured the eastern departments of the country with Mario Estrada, leader of the Union del Cambio Nacionalista (UCN), and was expected to run for a seat in Congress in next year's general elections. "Portillo still has a considerable following. For many, he's the embodiment of the macho, especially in the east and among the working and lower-middle classes because he always talked of putting the rich in their place. Many still remember the minimum-wage increase," remarked political analyst Marco Antonio Barahona of the Asociacion de Investigacion y Estudios Sociales (ASIES) a few weeks before Portillo's detention, when he still received standing ovations during UCN rallies. Setting a precedent This is the first time in Guatemalan history that a former president has been arrested and imprisoned. Political analyst
Gustavo Porras said both Portillo's arrest and CICIG's investigation into the murder of high-profile lawyer Rodrigo Rosenberg in May last year (see NotiCen, 2009-05-14, 2010-01-21) will set an important precedent. "In both cases we have seen that the wall of impunity can be brought down. The Rosenberg case proved that you can't just hire a gang of assassins to kill someone, and Portillo is the first former president to be put on trial on embezzlement charges," said Porras.

Manfredo Marroquin, director of Accion Ciudadana (AC), the Guatemalan chapter of Transparency International (TI), agrees with Porras but stresses that "there's more to fighting corruption than arresting isolated individuals," as corruption "is like an intricate web embedded in all spheres of society." Portillo, says Marroquin, is just "the tip of the iceberg" in a complex criminal plot to commit fraud, which involved government officials and retired Army officers. Barahona said it is important to remember that Portillo's detention occurred as a result of strong pressure from the US government in an operation led by CICIG. So what will happen when CICIG's mandate comes to an end? "We now face the challenge of improving the quality of the country's institutions so that when CICIG leaves we don't lapse back into the country's state of chronic impunity," said Marroquin, adding that the election of the new fiscal general de la republica (attorney general) will be crucial to determine the direction that the MP will take after CICIG leaves. The current Fiscal General Amilcar Velasquez has built a positive relationship with CICIG, as opposed to his predecessor Juan Luis Florido, who was accused of covering up evidence in a number of high-profile cases, such as the murder of four Salvadoran congressmen and their driver in February 2007 (see NotiCen, 2007-02-22).

Virgilio Alvarez, a political scientist at the Facultad Latinoamericana de Ciencias Sociales (FLACSO), believes that Guatemalan institutions are on the right track but are still unprepared to take on the tasks that CICIG has begun. "Portillo's capture has proven that the country's institutions are becoming stronger and more effective," he said. "However, it was something that occurred at the behest of another country and with strong guidance from CICIG. This means that we're unable to walk on our own, but we will be able to do so in the future". Alvarez adds that the Portillo case has exposed the fragility of Guatemalan political parties. "There are no mechanisms to avoid the rise of parties led by caudillos. Parties are weak and our parliamentary system has no long-term perspective."

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