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Honduran Cattle Thieves Turned Drug Traffickers Go on Trial in U.S.

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“Los Cachiros” did not take long to jump from stealing cattle to becoming one of Honduras top narco families—an immensely wealthy crime élite that, among other major-scale activities, supplied drugs to none other than Joaquín “El Chapo” Guzmán and his Sinaloa cartel.


The Cachiros’ top echelons also included the leaders’ parents—father Santos Isidro Rivera and mother Esperanza Caridad Maradiaga—as well as Bismarck Antonio Lira Jirón, who led a linked structure in Nicaragua, his country of origin. The gang amassed its vast assets while the Riveras kept an extremely low, almost invisible, profile.

The clan was involved in a gamut of criminal activities, mainly drug trafficking and money laundering, that included numerous front companies in several economic fields, from cattle raising and farming, to mining, real estate, and even a zoo they named Joya Grande (Big Jewel). The Cachiros are suspected of having laundered money through the vast financial and banking structure owned by one of the wealthiest and most influential Honduran families, the Rosenthals (NotiCen, Dec. 3, 2015), one of whose members was arrested last year—and charged, precisely, with money laundering—upon arrival at Miami’s International Airport.

Singled out

Despite their ample criminal empire, no member of the Cachiros has been indicted in Honduras, although according to local media, they are under investigation. But in September of 2013, the US Department of the Treasury singled them out as a dangerous drug-trafficking organization operating mainly in the departments of Atlántida, Colón, and Gracias a Dios, on the northern Caribbean coast of Honduras, the latter bordering Nicaragua.

Adam Szubin, then-director of Treasury’s Office of Foreign Assets Control (OFAC) and now acting under secretary for terrorism and financial intelligence, at the time described the gang as “a violent drug trafficking organization in Honduras, whose members plow illicit drug proceeds into businesses and properties in order to gain public legitimacy and launder their wealth.” Szubin also promised that the Treasury Department would “continue its work to disrupt the criminal activities of Los Cachiros members and expose them for what they are—drug traffickers and money launderers.”

The clan’s downfall was beginning. Hours after Szubin’s statement, Honduran Police Chief Juan Carlos “El Tigre” (“The Tiger”) Bonilla announced that officers of the police strike force “Cobra,” along with Army troops, had secured more than 100 assets worth over US$500 million in a successful
seven-year intelligence investigation labeled Operación Neptuno (Operation Neptune). A series of asset confiscations ensued, dealing a string of severe financial blows to the clan.

A little over a year after the OFAC announcement and the first police-military crackdown, and following the chain of confiscations, two of the gang’s top leaders—the brothers Javier Eriberto and Devis Leonel Rivera Maradiaga—turned themselves in to US authorities.

“Both drug traffickers clandestinely left Honduras, and then reached the Bahamas, where American authorities were waiting to take them” to the US, the local newspaper El Heraldo reported in June. “Although a US extradition request existed against the accused, they stealthily negotiated their surrender in order to thus obtain a sentence reduction.”

Quoting Honduran intelligence reports, the daily added that “one of the members of Los Cachiros underwent or tried to undergo plastic surgery in Mexico to change his facial features, a surgical intervention for which the amount of US$50,000 had been agreed.”

As rumors of the brothers’ surrender grew in late January of last year, the official confirmation came from Honduran President Juan Orlando Hernández. “I can confirm the persons with the following names are in custody of US authorities: Javier Eriberto Rivera and Devis Leonel Rivera Maradiaga,” he told a Feb. 4, 2015, press conference held at the Casa Presidencial (Presidential House).

“They’re in the hands of US authorities, to be duly tried,” the president said. “I can also assure you that a series of operations continue regarding the arrest of members of this gang of drug traffickers, and they’ll be taken to court.”

Almost simultaneously, James Nealon, US Ambassador to Honduras, wrote a Twitter message echoing Hernández, to the effect that Honduras was “becoming a hostile ground for narcos and criminal networks.” He added that Honduras-US anti-crime coordination had gangs “on the defensive.”

Reasons for the surrender

Shortly after the brothers surrendered, the English edition of the Nicaraguan monthly magazine Envío carried an in-depth analysis titled “The rise and fall of Los Cachiros cartel,” suggesting a possible reason for their decision to surrender.

According to Envío, the Cachiros’ power—stemming from their connections with some of the country’s top police and military brass, as well as political, religious and business leaders and justice officials—could have actually been at the origin of the Cachiros’ downfall. “Sources who move in the subterranean world of organized crime have revealed that the Cachiros affair has really backfired on these politicians and businesspeople,” Envío wrote. “An alleged plan to murder the two brothers and thus erase all connections that might prove any links with them was aborted when they turned themselves in to the US government.”

The magazine added: “It’s difficult to separate speculation from truth in the Cachiros case. What is certain is that on Jan. 22, 2015, days before the surrender … hitmen murdered Juan Gómez Meléndez, their main money laundering partner, in broad daylight right in the center of the city of Tocoa. … It is rumored to have been a hit that, if not negotiated, was at least tolerated by the US as a concession to the brothers in the negotiations for being turned over to the DEA (Drug Enforcement
According to the magazine, its sources said that Javier and Leonel Rivera negotiated their surrender with the US for months, including the fate of their properties, the conditions of the handover, and the sentences they would receive.

“If it’s true that the brothers had been negotiating their surrender in exchange for ratting out some of their main partners … it could also be true that they decided to eliminate Gómez … and one reason could have been to get his properties confiscated by the state in exchange for respecting those belonging to their father, mother and sister,” Envío wrote, speculating that the brothers “couldn’t just abandon their principle of not leaving alive anyone who has betrayed them, and they knew that Gómez had become the DEA’s main informer on their cartel’s activities.”

The magazine interprets the fact that the brothers’ surrender came so quickly after the murder of Juan Gómez as “the most evident sign that their partners and friends, politicians and businesspeople were willing to kill them to keep any information about the collusion with them from getting out.”

More than a year after the brothers’ surrender to US authorities, Los Cachiros came up with a new strategy: renouncing to assets that had been confiscated in Honduras, El Heraldo reported on June 20. According to local media, between 2013 and 2014, the Fiscalía Especial Contra el Crimen Organizado (the special prosecutor for organized crime, FESCO) had confiscated assets the Cachiros had obtained with profits from cocaine sold in the span of a decade—including 118 real estate properties, 71 bank accounts, 26 vehicles, and 11 trading companies. The assets are said to be worth some 18.3 billion lempiras (around US$800 million). But the Cachiros’ initiative seems to have backfired, since two months after the Honduran general prosecutor, Fiscal General Óscar Fernando Chinchilla, received the proposal from the Rivera family’s legal team, a government source described the move as “irrelevant.”

According El Heraldo, the Cachiros’ general strategy included the two brothers’ voluntarily surrendering to US authorities, initially pleading not guilty to drug-trafficking charges and later reaching an agreement with Justice Department officials to plead guilty, cooperate with authorities, and renounce the assets confiscated in Honduras as proof of their intent to abandon criminal activities, all as a means to reduce their sentences.

Quoting an unidentified FESCO source, El Heraldo further reported that Los Cachiros’ lawyers sent Chinchilla, the chief prosecutor, a note stating that the clan would not fight for their confiscated assets. But “the FESCO source said the Cachiros’ offer is ‘irrelevant,’” because the legal proceedings regarding the assets would continue in Honduras parallel to the US trial against the defendants.

Nevertheless, the fact that “Los Cachiros are renouncing to the assets facilitates the proceedings, since there won’t be any opposition,” added the source.

According to what “an expert source” told the daily, the Ley de Privación de Dominio (Asset Forfeiture Law) “doesn’t speak of renouncing to an asset, only of criminal proceedings during which it’s determined whether the State is entitled to it or if it’s handed to its owner … In forfeiture proceedings there’s no crime … only measures when an asset can’t be justified, but that doesn’t
mean a crime in itself,” and “the forfeiture trial can’t be stopped because of the offer to renounce to an asset,” it added.

According to US criminal lawyer Jay White, also quoted by the paper, such agreements between narco defendants, judges and prosecutors are frequent as a means to seek a sentence reduction, although this is not always the case.

“Often, in order to accept charges and cooperate [a defendant] has to give up assets without any promise about anything. It’s part of the agreement with the prosecutor,” said White, adding that “it could help because it’s a good thing, and the judge could admit it, but I doubt it would mean the promise of a shorter sentence.”