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George Rodr guez

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Fifth Former President Arrested on Corruption Charges in Guatemala

by George Rodríguez

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Álvaro Colom is the newest member of Central America's presidential corruption hall of fame—an infamous collection of regional leaders who have been called to account for their actions while in office.

Colom (2008-2012) was arrested on Feb. 13, along with other officials in his administration, for his part in the contested purchase of a fleet of buses for Transurbano, a public transport system that operates in Guatemala City, the country's capital. The former president faces charges of graft and embezzlement in a case centered on the 25-year concessions auctioned off for city bus routes and the tax exemption later granted to the private companies that won the contracts, estimated at some US \$35 million.

Caudillos (political chieftains), whether civilian or military, have historically indulged in abuse of power in the region, covering anything from stealing government money to committing gross human rights violations. But more recently, Central American presidents and former presidents—in one case, even a former military dictator—have had to answer for their actions as revelations of presidential wrongdoing have become increasingly frequent.

Nine of the most recent 14 cases of presidential corruption are found in Central America's so-called Northern Triangle, made up of El Salvador, Guatemala, and Honduras.

Guatemala ranks first, with five former presidents either brought down while in office or charged and tried later (except for one who was allowed to leave the country). The first was Jorge Serrano (1991-1993), whose administration abruptly ended in 1993, about halfway into his five-year term. He left the country and ended up in Panama, where he settled as a real estate developer and investor, with businesses also in Miami ([NotiCen, Oct. 23, 1991](#), [Dec. 18, 1992](#), [Aug. 28, 1997](#)).

Seven years later, Alfonso Portillo (2000-2004) won elections based on a campaign promise to fight corruption, which led to a clash with powerful political and economic sectors. But in 2011, Portillo himself was locked up in a military installation in Guatemala, and extradited two years later to the US, where he pleaded guilty of money laundering through US banks. He was sentenced to five years and 10 months in prison, but since he had been jailed for two years in Guatemala and had pleaded guilty in the US, the sentence was reduced. Portillo was released in 2015, and immediately returned home ([NotiCen, June 2, 2011](#), [April 24, 2014](#), [June 26, 2014](#)).

Next in line was retired Gen. Efraín Ríos Montt (1982-1983), a former military dictator charged in 2012 with genocide and crimes against humanity committed during his brief and bloody regime. The following year, he was found guilty and sentenced to 80 years in prison—50 years for genocide, and 30 for crimes against humanity. Ríos Montt, however, had the backing of Guatemala's private sector leadership, the Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y

Financieras (the Coordinating Council of Agricultural, Trade, Industrial, and Financial Associations, CACIF), which requested that the sentence be annulled. Ríos Montt was freed by Guatemala's constitutional court, the Corte de Constitucionalidad, 10 days after the CACIF petition was filed ([NotiCen, Aug. 2, 2012, May 9, 2013, Jan. 23, 2014](#)).

The following case was that of Otto Pérez (2012-2015), another retired general who was held responsible by human rights organizations of atrocities committed during the Guatemalan civil war (1960-1996). At the height of a customs fraud scandal known as "La Línea," which also involved his vice president, Roxana Baldetti, and other government officials, Pérez saw his 2012-2016 term abruptly interrupted four months before its constitutionally designated end ([NotiCen, July 2, 2015, and Sept. 3, 2015](#)). Forced by local and international pressure to step down, Pérez was arrested in September 2015, charged with bribery, customs tax fraud, and racketeering. Baldetti, who had resigned by then, faces bribery, customs tax fraud, and illicit enrichment accusations.

The latest presidential arrest in Guatemala has international implications. Colom was detained along with his former finance minister, Juan Alberto Fuentes Knight, who has been the chairman of Oxfam International since 2015. It is the second time Oxfam has been placed in a negative light in recent weeks: Aid workers sent to Haiti by the charitable organization after the 2011 earthquake in Port-au-Prince were recently accused of hiring prostitutes while they were there ([NotiCen, March 8, 2018](#)).

El Salvador's presidents

Second in the regional list is El Salvador, which has seen three of its recent presidents face corruption charges. Francisco Flores (1999-2004) of the Alianza Republicana Nacionalista (Nationalist Republican Alliance, Arena) party, was arrested in 2014 under charges of graft, money laundering, and illicit enrichment. He was initially held under house arrest but was later placed in a cell of the Civilian National Police's Antinarcotics Division. His trial began in December 2015. Flores died before he could be sentenced, on Jan. 30, 2016 ([NotiCen, Feb. 4, 2016](#)).

His immediate successor and fellow Arena member, Elías Antonio "Tony" Saca (2004-2009), was detained on Oct. 29, 2016 and charged with money laundering, unlawful association, and illicit enrichment. Saca is also accused of having diverted public funds worth US\$246 million ([NotiCen, April 28, 2016](#)).

Mauricio Funes (2009-2014), of the Frente Farabundo Martí para la Liberación Nacional (Farabundo Martí National Liberation Front, FMLN), was charged on Feb. 10, 2016, with illicit enrichment and money laundering. He has so far avoided arrest, as he fled to Nicaragua immediately after the ruling and asked for asylum there ([NotiCen, Sept. 22, 2016](#)).

Scandal in Honduras

In Honduras, Rafael Leonardo Callejas (1990-1994), who became a top soccer official after he left the presidency, was exposed three years ago as one of several individuals involved in a top-level bribery network at the International Federation of Association Football (FIFA). Callejas, who years before had been charged with—and acquitted of—corruption during his term as the country's president, was indicted in US Federal Court in New York in connection with the FIFA case. He turned himself in to US authorities, and pleaded guilty to a variety of charges on March 27, 2016. In December 2016, the FIFA Ethics Committee banned Callejas from soccer for life ([NotiCen, Jan. 28, 2016](#)).

Outside the Northern Triangle

Known for having the region's most stable democracy, in 2004 Costa Rica saw three of its former presidents—Rafael Ángel Calderón (1990-1994), José María Figueres (1994-1998), and Miguel Ángel Rodríguez (1998-2002)—accused of corruption dating back to their respective terms.

Separately but almost simultaneously, Calderón and Rodríguez were arrested, imprisoned, tried, convicted, and acquitted, while Figueres had previously left for Europe, remaining abroad for seven years, until the charges were no longer actionable.

Calderón, of the Social Christian Unity Party (Partido Unidad Social Cristiana, PUSC), faced charges for receiving illegal commission and for influence peddling around the purchase of medical equipment for the country's social security fund, the Caja Costarricense de Seguro Social (CCSS) ([NotiCen, Oct. 7, 2004](#)).

Rodríguez, also of the PUSC, who was a month into his term as secretary-general of the Organization of American States (OAS), was charged with influence peddling and with having received bribes from the French telecommunications company Alcatel ([NotiCen, Oct. 7, 2004](#)). In a separate case, Figueres, of the Partido Liberación Nacional (National Liberation Party, PLN) was accused of having received illegal payments also from Alcatel ([NotiCen, Nov. 4, 2004](#)).

Nicaragua and Panama have seen one former president each charged and arrested. In Nicaragua, Arnoldo Alemán (1997-2002) of the Partido Liberal Constitucionalista (Constitutionalist Liberal Party, PLC), was accused by his former vice president and immediate successor, Enrique Bolaños (2002-2007), of widespread corruption. He was formally charged in December 2002 with a series of crimes including corruption, embezzlement, and money laundering ([NotiCen, April 4, 2002](#), and [Jan. 9, 2003](#)). A year later, Alemán was sentenced to a 20-year prison term that he began serving under house arrest, due to health reasons. His sentence was overturned in 2009 by Nicaragua's highest court, the Corte Suprema de Justicia (CSJ) ([NotiCen, Jan. 22, 2009](#)).

And Panama's former president Ricardo Martinelli (2009-2014), of the Cambio Democrático (Democratic Change, CD) party, is in prison on charges of financial corruption. In October 2015, Panamanian authorities requested that Martinelli be tried for interception of communications as well as persecution, tracking, surveillance without judicial authorization, and embezzlement. Two months later, authorities ordered his arrest, leading Martinelli to hide abroad, his whereabouts unknown until his 2017 arrest in Miami, where he remains under custody ([NotiCen, Feb. 19, 2015](#), and [Jan. 14, 2016](#)).

The main case against Martinelli—whose extradition Panama has requested—was the illegal phone and personal computer tapping he allegedly ordered against more than 150 individuals. The surveillance was carried out with a sophisticated system he funded with over US\$10 million taken from a government program designed to improve the life of persons in need.

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