

10-28-1998

Switzerland Seizes US\$114 Million in Raul Salinas de Gortari's Bank Accounts

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/sourcemex>

Recommended Citation

LADB Staff. "Switzerland Seizes US\$114 Million in Raul Salinas de Gortari's Bank Accounts." (1998).
<https://digitalrepository.unm.edu/sourcemex/3992>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in SourceMex by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.

Switzerland Seizes US\$114 Million in Raul Salinas de Gortari's Bank Accounts

by LADB Staff

Category/Department: Mexico

Published: 1998-10-28

In mid-October, the Swiss government confiscated more than US\$114 million from Raul Salinas de Gortari's bank accounts in Switzerland and the London branch of a Swiss bank. The Swiss action followed a three-year investigation that showed Salinas used the Swiss accounts to deposit payments obtained from drug traffickers. Approximately US\$90 million of the drug profits are deposited in Switzerland and about US\$23 million in a branch of Swiss bank in London.

Report says money obtained from drug traffickers

In a press conference announcing the results of the investigation, Switzerland's chief drug-enforcement officer Valentin Roschacher said Raul Salinas used his connections and influence during the tenure of his brother, former president Carlos Salinas de Gortari, to protect drug shipments from South America to the US via Mexico in exchange for substantial bribes. Raul Salinas went as far as to allow drug traffickers to use government-owned trucks and railroad freight cars to ship cocaine into the US, the Swiss report said.

The investigation found that Raul Salinas at first received US\$300,000 for each shipment, but later increased his fees to 30% to 40% of the shipment's value. "All the evidence showed [Raul Salinas] was a very important and very powerful man," said Roschacher. "With all his contacts and power, he could guarantee those loads. He was very well paid." Salinas used six false identities and two false passports, and laundered the payments through a complex network of bank and credit-card accounts in Mexico, Switzerland, the US, and seven other countries, Roschacher said.

Raul Salinas started laundering drug profits through the Swiss accounts at the start of Carlos Salinas' term in office in 1988 and continued the practice until his arrest in 1995 on charges of planning the murder of Jose Francisco Ruiz Massieu, a high-ranking officer in the governing Partido Revolucionario Institucional (PRI). Ruiz Massieu, then secretary general of the PRI, was gunned down in Mexico City in October 1994 (see SourceMex, 10/04/94).

Roschacher said the investigation was based on interviews with 78 witnesses, many of whom remain in custody in US prisons on charges of drug trafficking. Swiss Attorney General Carla del Ponte said her office will not take any action against Raul Salinas other than to confiscate the money in his accounts. She said the government will not pursue criminal charges against the former president's brother because he is already in custody in a Mexican federal prison on charges of illicit enrichment and for his role in the Ruiz Massieu case.

Furthermore, del Ponte said, Mexico's Attorney General Jorge Madrazo Cuellar has reassured Swiss authorities that the Mexican government will conduct its own investigation of Raul Salinas' connections to drug traffickers, based on the Swiss information. Raul Salinas calls Swiss charges

"narco-fiction" Raul Salinas and his attorneys immediately denounced the Swiss actions and questioned the credibility of the witnesses.

In a letter written from his cell in the Amoloya federal prison and published in Mexican newspapers, Salinas accused Swiss authorities of creating an "absurd novel of narco-fiction" based on the testimony of convicted criminals seeking shorter prison sentences, "with the sole intention of discrediting Mexican people and institutions."

Salinas also appealed to the Mexican government not to become "accomplices" in untrue Swiss allegations. Eduardo Luengo Creel, one of Salinas' attorneys, said he would file an appeal with the Swiss Supreme Court seeking the return of Salinas' funds. Luengo denied that the funds were obtained from drug traffickers, but said they were part of an investment fund created by Salinas for wealthy Mexicans, including Roberto Gonzalez Barrera, chairman of Grupo Industrial Maseca; Carlos Hank Rhon, principal shareholder in the airline Transportes Aereos Ejecutivos (TAESA); and Carlos Peralta, a principal owner of the cellular telephone company Grupo Iusacell. Peralta has filed a lawsuit in Switzerland, claiming ownership of US\$50 million of the funds in Salinas' accounts.

Swiss authorities declined to say whether their investigation had uncovered any direct connection of Carlos Salinas with Raul Salinas' illicit activities. "Raul Salinas was the focus of our investigation, not Carlos Salinas," del Ponte told reporters. Carlos Salinas has repeatedly denied any wrongdoing. Several Mexican newspapers have reported that Carlos Salinas has left his exile in Dublin, Ireland, to join members of his family in Cuba to plan a legal strategy to defend his brother. Swiss authorities disputed Raul Salinas' statements regarding the credibility of the witnesses. Many of the witnesses who did not know each other provided very similar information, which "adds up to a homogeneous picture," said the Swiss investigation.

Similarly, the Swiss government dismissed Raul Salinas' contention that the money in the Swiss banks was obtained from legitimate business transactions, including an investment fund. The descriptions of these business transactions were "threadbare and rather implausible," said the report. Mexico's Procuraduria General de la Republica (PGR), meanwhile, has filed a petition with the Swiss government to turn over Raul Salinas' seized assets to the Mexican government.

PGR deputy prosecutor Jose Luis Ramos Rivera acknowledged that Mexican authorities have initiated an investigation into Raul Salinas' drug connections. At the same time, Ramos told the weekly news magazine Proceso he was uncertain whether the information in the Swiss report and the PGR's investigations provided sufficient solid evidence to win a conviction of Raul Salinas on drug charges. The PGR plans to seek testimony from former attorneys general Enrique Alvarez del Castillo, Ignacio Morales Lechuga, Jorge Carpizo, Diego Valades, and Humberto Benitez Trevino. All five men held the post during Carlos Salinas' presidency (1988-1994).

Mexico charges Raul Salinas in 1994 assassination

The announcement of the Swiss investigation overshadowed the PGR's move in mid-October to seek the maximum penalty of 50 years in prison for Raul Salinas for his role in the assassination of Ruiz Massieu. In documents presented to a federal court, the PGR said Salinas ordered the murder of Ruiz Massieu because of political differences. "Jose Francisco Ruiz Massieu wanted to bring

a more democratic process to the PRI, while Raul Salinas wanted the party to remain in power indefinitely," the PGR report said.

The report said Salinas was angry at Ruiz Massieu for other reasons, including the former PRI official's divorce from Salinas' sister Adriana. Furthermore, the PGR said, Salinas was still bitter at Ruiz Massieu because of a power struggle regarding operations of the state-run foodstuffs company CONASUPO in Guerrero state. Ruiz Massieu, who was Guerrero governor in 1987-1993, questioned several CONASUPO transactions while Raul Salinas was head of the agency. The PGR and a special legislative commission have used records of these transactions to bring charges of illegal enrichment against Raul Salinas (see SourceMex, 05/21/97 and 11/19/97).

The PGR charges prompted Raul Salinas to write a letter to Mary Robinson, the UN's High Commissioner on Human Rights, accusing the PGR of violating his individual rights. In particular, he accused former attorney general Antonio Lozano Gracia, a member of the opposition Partido Accion Nacional (PAN), of "paying witnesses" to testify against him in the Ruiz Massieu case. (Sources: San Antonio Express-News, 10/15/98; The New York Times, 10/12/98, 10/21/98; Spanish news service EFE, 10/14/98, 10/21/98; Associated Press, 10/15/98, 10/19/98, 10/21/98; The Dallas Morning News, 10/16/98, 10/20/98, 10/21/98; The Chicago Tribune, Los Angeles Times, 10/21/98; La Jornada, 10/14/98, 10/15/98, 10/16/98, 10/20- 22/98, 10/23/98; Excelsior, 10/21/98, 10/22/98, 10/23/98; The News, 10/13/98, 10/15/98, 10/16/98, 10/22/98; El Economista, 10/14/98, 10/15/98, 10/19/98, 10/20/98, 10/21/98, 10/22/98, 10/23/98; El Universal, 10/15/98, 10/19/98, 10/20/98, 10/21/98, 10/22/98, 10/23/98; Proceso, 10/25/98; El Financiero International, 10/19/98, 10/26/98; Novedades, 10/21/98, 10/22/98, 10/28/98)

-- End --