Spanish Authorities Arrest Former Coahuila Governor on Money-Laundering, Other Charges

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Spanish authorities arrested Humberto Moreira, a former governor of Coahuila state and ex-president of the governing Partido Revolucionario Institucional (PRI), on charges of embezzlement, money laundering, and racketeering. Moreira was detained on orders from Spain’s Fiscalía Anticorrupción as he arrived at the Madrid-Barajas airport. Even though the ex-governor’s transgressions occurred in Mexico, Spanish authorities claimed jurisdiction because Moreira opened at least three bank accounts in Spain that received transfers equivalent to 200,000 euros (US$217,000) in illicit funds from two Mexican companies. In addition to a record of the transfer, authorities based the arrest order on police wiretaps.

Moreira’s case was scheduled for a hearing in Spain’s Audiencia Nacional during the last week in January, when Judge Santiago Pedraz Gómez was due to decide whether to keep Moreira in jail or release him on bail to await trial. Moreira could spend as long as 11 years in jail if found guilty by the Spanish courts.

**Moreira left Coahuila with major debt**

Moreira held the Coahuila governor’s office from 2005 until 2011 and left under a dark cloud, amid charges that he grossly mismanaged the state’s finances and left Coahuila in severe debt ([SourceMex, Oct. 12, 2011](#)). There were allegations that the governor borrowed heavily to fund ambitious public works programs, many of which were unsustainable. “[These projects] contributed to creating a network of political patronage,” said Javier Garza, a reporter for the daily newspaper El Siglo de Torreón.

The controversy surrounding Moreira included allegations that he used funds from the Coahuila state treasury to help finance several campaigns for the PRI around the country. Coahuila borrowed most heavily in 2010, a year in which more than a third of Mexico’s states elected new governors ([SourceMex, July 7, 2010](#)). “The next year, he was elected president of the PRI,” Garza said. “He was the only candidate. He didn’t get there without support.”

Moreira left his post as governor in 2011 just months before his term was due to expire in order to assume the presidency of the PRI. According to public opinion polls at the time, the party had a strong chance of winning the presidential election; the Partido Acción Nacional (PAN) had held the office for 12 years, or two terms. Moreira could not escape the controversy surrounding his legacy as governor and eventually resigned his post as president of the PRI ([SourceMex, Dec. 7, 2011](#)).

US authorities also investigated some of Moreira’s top aides on charges of corruption. The highest-profile investigation targeted former state treasurer Javier Villarreal, who was accused of amassing unexplained wealth. In 2014, Villarreal pleaded guilty in US federal court to two counts of money laundering conspiracy and one count of conspiring to transport stolen money in foreign commerce.
A black eye for the Peña Nieto government

Moreira’s arrest in Spain represents a black eye for President Enrique Peña Nieto’s administration, which did not take any actions against Moreira despite evidence that the former governor might have engaged in illegal activities. The Procuraduría General de la República (PGR) did conduct an investigation into some of Moreira’s dealings while in office, but federal prosecutors concluded there was no evidence to charge Moreira.

“Despite the charges filed in US courts against Moreira’s principal collaborators in the Coahuila government, and the connection of the governor to these investigations, the ex-governor was protected at all costs,” columnist Adela Navarro Bello wrote in Sinembargo.mx.

Moreira not only escaped charges in Mexico but also remained defiant against those who were seeking action against him. “Arrogantly, the ex-governor leveled accusations against others and threatened anyone who hinted he was under suspicion of any crime,” Navarro Bello added.

According to Navarro Bello, while Moreira was defending himself against the charges in Mexico, he was not aware that Spain had started an investigation against him in March 2014 on allegations of money laundering and other charges.

At the initial hearing after his arrest in Spain, Moreira defended himself by arguing that he was the owner of the businesses that transferred the money in question to Spain, and that the funds were intended to help with his living expenses. He said he moved to Barcelona in 2013 to obtain a master’s degree at the Universidad Autónoma de Barcelona (UAB).

Moreira’s lavish lifestyle also came into question. He claimed that he lived in a modest apartment, but there was evidence to the contrary. “Today we know that in reality he occupied a mansion with a covered swimming pool in one of the wealthiest neighborhoods in the city,” columnist Jorge Fernández Menéndez wrote in the daily newspaper Excélsior.

Even in a Spanish jail, Moreira appears to have received special treatment. “After his arrest, Humberto Moreira was taken to the Soto del Real, which is identified as a VIP facility because of the amenities provided to ‘guests,’” columnist Yuriria Sierra wrote in Excélsior. The jail features semi-private, comfortable rooms with a shower, a sink, a desk, a bookcase, and two chairs. The prison is also housing Luis Bárcenas, former treasurer of Spain’s Partido Popular, who is accused of acts of corruption within that party, Sierra wrote.

The Peña Nieto government has made few comments on the case, other than to request that Moreira receive legal and just treatment.

“When Enrique Peña Nieto was asked his opinion on the Moreira case, he responded that he was unable to make any comments because he did not have any information,” said Sergio Aguayo, a human rights activist and respected political expert who writes a column in the daily newspaper Reforma.

“How long do we have to wait, Mr. President, until your government begins to incarcerate those public officials who ransack budgets or turn over inflated contracts to favored businesses?” Aguayo asked. “Do you have a date when the electoral watchdog [the Instituto Nacional Electoral] takes a serious look at the corruption of the political parties?”
Aguayo noted: “The lack of clear responses to these questions on the part of the Mexican state is what makes it so admirable that foreign judges are the ones who go after corrupt Mexicans.”

Observers suggest that an extended trial could expose some connections to the PRI hierarchy and reopen unwanted scrutiny to the cases of corruption that dogged Peña Nieto and his family during the early years of his administration, including the infamous Casa Blanca case, in which the president’s wife was accused of receiving access to a luxury home owned by a Mexican company in exchange for a government contract (SourceMex, April 29, 2015, and Aug. 26, 2015).

“The prospect of a long trial in Spain that opens up Mr. Moreira’s finances to scrutiny could refocus public attention here on official corruption, an issue that has dogged the government since scandals in late 2014 over luxury homes that Mr. Peña Nieto’s wife and finance minister bought from a government contractor,” said The New York Times.

Moreira’s arrest came just days after the administration recaptured notorious drug trafficker Joaquín El Chapo Guzmán Loera (SourceMex, Jan. 20, 2016). On the day of El Chapo's arrest, Peña Nieto sent out a tweet with a hashtag declaring #misióncumplida (mission accomplished).

Using that same theme, Spain’s national police sent out a tweet with the hashtag #misióncumplida shortly after Moreira’s arrest at the Barajas airport.

“The message was considered a mockery to the Mexican president in some circles in Mexico,” Aguayo wrote in his Reforma column. “Nevertheless, this tweet in Spain was seen as a combination of humor and poor judgment... [and reflected] the lack of respect for the Mexican government in international circles. The contempt is justified because Mexican institutions did not apply sanctions against Moreira for leaving Coahuila with such a high level of debt.”

**Opposition legislators want Moreira to be tried in Mexico**

Some opposition legislators are demanding that Spain extradite Moreira so he can face trial in the country where he committed the transgressions. By holding the trial in Mexico, they say, some of the funds that Moreira has sent to Spain could be repatriated instead of remaining in the hands of the Spanish government.

“We ask the PGR to reopen the case against Moreira, and also to file an extradition request to Spain,” said PAN Senators Javier Lozano and Silvia Garza and Deputies Federico Döring and Juan Pablo Piña. “He has to pay his debts here in Mexico as well as return the patrimony and funds that belong to the people of Coahuila.”

A similar statement came from the center-left Partido de la Revolución Democrática (PRD). “I ask that Humberto Moreira be extradited to Mexico and be processed according to our laws,” said Sen. Miguel Barbosa, PRD floor leader in the upper house.

Others also regretted that Moreira was not facing trial in Mexico. “The good news is that a former president of the PRI, and a person who is close to [President Peña Nieto] will be facing trial,” columnist Adrián López Ortiz wrote in Sinembargo.mx. “The bad news is that the trial will take place in Spain.”

Moreira is the latest in a list of former governors to face charges of corruption, mismanagement, and impunity. Many of those governors were charged after they left office, and some have spent time in jail. They are affiliated with all the major parties in Mexico, although most are members of the PRI.
The PAN members on the list include Guillermo Padrés from Sonora (SourceMex, July 15, 2015), Luis Armando Reynoso Femat from Aguascalientes (SourceMex, May 21, 2014) and Marco Antonio Adame from Morelos (SourceMex, June 19, 2013). The former governors from the PRD include Pablo Salazar Mendiguchía (SourceMex, Sept. 21, 2011) and Juan Sabines (SourceMex, June 19, 2013), both from Chiapas, and Narciso Agúndez Montaño from Baja California Sur (SourceMex, May 21, 2014).

The list of PRI governors charged with corruption and other related crimes is lengthy, partly because that party has controlled many more state houses. They are Jesús Reyna García from Michoacán (SourceMex, April 30, 2014), Andrés Granier from Tabasco (SourceMex, June 19, 2013), Mario Villanueva Madrid from Quintana Roo (SourceMex, May 12, 2010), Fidel Herrera from Veracruz (SourceMex, June 19, 2013), Tomás Yarrington from Tamaulipas (SourceMex, May 30, 2012), Ulises Ruiz of Oaxaca (SourceMex, Oct. 28, 2009, and June 19, 2013), Mario Marín of Puebla, (SourceMex, Feb. 22, 2006), and Rodrigo Medina de la Cruz of Nuevo León (SourceMex, July 15, 2015)

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