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PANAMA

Former police chief Herrera's allegations prompt high profile denials

According to editor Eric Jackson of *The Panama News*, a lot of politicians are furious at the daily *El Panama America* these days. Some of them are even a lot angrier with Eduardo Herrera, the former director of the National Police.

Herrera was accused of trying to foment a coup against Guillermo Endara in Dec '90, and was thrown into a jail cell at the National Maritime Service's Naos Island prison with a Colombian named Alberto Torres, who found himself incarcerated over a drug-related matter. The cellmates allegedly struck up a long-standing friendship that continued after they were released.

Now Torres finds himself accused of being one of the principal front men for alleged drug lord Pablo Rayo Montaña (see Vol. 25, No. 6), and Herrera finds himself called as a witness about the connections and activities of his alleged friend. *El Panama America* obtained information about Herrera's sworn declaration to prosecutors, and it's a potential blockbuster, if any substantial part of the hearsay testimony can be corroborated.

Herrera said that his friend, who in the ordinary course of things should have been deported from Panama like any other foreign drug suspect, cultivated friendships with many leading politicians and through these contacts pulled the strings to normalize his immigration status in Panama. Among the people Herrera said that Torres said he befriended were former President Mireya Moscoso, Panama City Mayor Juan Carlos Navarro, legislator and former Portobelo Mayor Nelson Jackson, Supreme Court magistrate and former legislator Alberto Cigarruista and former legislator Abelardo "Lalo" Antonio.

Not all the allegations in Herrera's testimony were hearsay, however. He said that he saw Torres and Cigarruista together in a restaurant. Moreover, there are certain circumstances that add a certain amount of weight to the hearsay that Herrera passed on to prosecutors. It is known, for example, that Pablo Rayo Montaña's organization became the largest landowner in Portobelo while Jackson was mayor of that municipality, accumulating some 10 kilometers of beachfront and a number of luxury homes on the Caribbean coast. One might reasonably believe that Jackson must have known something about rich

Colombians buying up beachfront property in his district and might have had suspicions about what was happening.

Through a press spokesman Navarro blasted Herrera for irresponsible gossip, and Moscoso denied that she knows Rayo Montaña. Other politicians named have been silent about the matter.

What about getting to the source of the hearsay? Police and prosecutors in several countries would like to do that, but Alberto Torres went underground as soon as he learned that law enforcement people were asking questions about him. According to *El Panama America*, he may have learned this from Eduardo Herrera.

Meanwhile, the list of properties seized because they were allegedly owned or controlled by the Rayo Montaña organization continues to grow, and when one considers the political ties of the principal owners and managers of some of Panama's leading banks the seizures raise yet more questions. So far, prosecutors have frozen 94 accounts in 14 banks, most of them in Banistmo, Banco General, Banco Cuscatlán, Banco Continental and HSBC. It seems that someone had inside information that the law was approaching, because by the time that the accounts were frozen most of them had been emptied or closed. This in turn raises more suspicions that somehow the Rayo Montaña criminal organization had infiltrated the law enforcement agencies that were on its trail.

So far 60 companies are under investigation, several of them involved in one way or another with maritime transportation or real estate. Thirty-five real estate properties were seized, about half of them obtained from the old Interoceanic Regional Authority, another governmental institution. Fleets of motor vehicles and boats also have been confiscated.

The properties described above are just the assets in Panama. The Rayo Montaña group is alleged by law enforcement authorities to have moved 15 tons of cocaine into the US every month and to have laundered the proceeds of this business in at least six countries. Rayo Montaña himself was arrested in Brazil as part of the multinational Twin Oceans drug raids in May '06 (Vol. 25, No. 6).

Public Ministry investigators Raid Judicial Technical Police Offices

On the afternoon of 11 Aug, about a half-hour before most of the technicians and detectives who work at the Judicial Technical Police (PTJ) crime lab would ordinarily go home after a day's work, a team of prosecutors swept into the Ancon PTJ headquarters and ordered the people in the lab to step back from their work stations and leave the premises.

That night it was reported on TV stations that the raid was about false certifications. A few weeks earlier, some PTJ officers had been caught in the act of falsifying a foreigner's criminal record, thereby erasing criminal convictions that would create problems obtaining a residency visa. This, however, was apparently not the sort of false certification about which this particular raid was concerned. Instead, the first thing that the prosecutors reportedly did was to dust certain pieces of lab equipment for fingerprints.

It appears that the false certificates were diplomas issued by the Colombian Academy of Criminal and Photographic Investigation. Prosecutors had learned of the problem when a PTJ lab technician complained to them of paying \$400 for a course there, then learning that what was involved did not

include study or classes or tests, but just the issuance of a certificate. Upon further review, it turned out that a number of PTJ officers were working with certifications from that Colombian academy, and that the Ministry of Education had certified the institution as a legitimate school. The prosecutors were dusting various pieces of lab equipment to build a series of cases in which the allegation would be in the nature of "you were working on that apparatus, but the diploma you used to qualify you to work on it was bogus."

Prosecutors also seized a number of computers from PTJ headquarters, which might shed light on any number of situations in addition to fake credentials.

A scandal of this nature could hold the potential of producing terrible chaos in the legal system, as persons convicted on evidence that includes lab tests by people with bogus credentials could challenge the verdicts.

Attorney General Ana Matilde Gómez told *El Panama America* that along with the raids at PTJ her people also were conducting judicial inspections at various PTJ branch offices, the nation's detective academy and at various offices of the Ministry of Education.

In the past three years, 93 PTJ officers have been fired on various charges of misconduct, generally involving corruption in the performance of their duties. The Attorney General is known to be unhappy with the current PTJ chief, Jaime Jacomé, who for his part complains of a vendetta against himself and the force that he leads. The PTJ chief is technically part of the Public Ministry that the Attorney General heads but is appointed by the Supreme Court. The Attorney General can only remove the chief with the court's permission.

Panama and Colombia Working to Improve Bilateral Relations

As of 22 Aug, representatives of the governments of Panama and Colombia have begun to accelerate negotiations aimed at resolving commercial conflicts, establishing an interconnection for electrical energy and natural gas, improving border security and migratory problems between the two nations.

In July, the Panamanian government presented a protest to the World Trade Organization regarding "trade restrictions" imposed by the Colombian government for certain products exported from the Colón Free Trade Zone (CFTZ) in Panama. However, Colombian officials argued that these measures were taken to prevent contraband and money-laundering from "commercial activities" originating from the CFTZ.

On 21 Aug, during a one-day visit to Panama, the Colombian Minister of Foreign Relations, María Consuelo Araujo, told reporters that presidents Alvaro Uribe (Colombia) and Martín Torrijos (Panamá) "have demonstrated their willingness to resolve these problems as soon as possible."

Presidents Torrijos and Uribe have delegated to their respective trade ministers the task of negotiating a resolution to the issue of "commercial restrictions" dealing with products from the CFTZ.

Araujo stated that representatives of both countries are scheduled to meet on 20-21 Sep to further discuss the projects to establish electrical and gas interconnections between the two countries, to improving border security and to resolve migratory problems.

—*Clifton L. Holland*