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# U.S. CUSTOMS

BEATEN AT THE BORDER



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*Of the Albuquerque Journal*

# DISTRUSTFUL AGENCIES, LURE OF CASH LET CORRUPTION THRIVE

By MIKE GALLAGHER *Of the Journal*

**E**L PASO — It was a classic “wave through.” For \$1 million, the Customs inspector agreed to give drug smugglers a free pass on a 1,000-kilogram load of cocaine.

The inspector, Jose Ramos, a seven-year veteran, had been introduced to the smugglers by another inspector and close friend, Eduardo Ontiveros.

According to an affidavit filed in federal court, Ramos and the smugglers agreed on \$1,000 a kilogram for 30 seconds worth of work.

During the negotiations, Ramos even gave tips on how to hide the cocaine, explaining how to conceal it in propane tanks to avoid detection, according to court documents.

It was decided the cocaine would be brought over the Paso Del Norte Bridge between Ciudad de Juarez and El Paso.

At 5:30 a.m. on April 10, Ramos called one of the smuggler's beeper numbers. He left the numbers 6600. The code told the smugglers they needed to exit the bridge through lane six shortly after 6 a.m.

At 6:01 a.m., the inspector opened lane six and was observed waving traffic through “very quickly.” Forty-five minutes later, the inspector left the lane, believing he was \$1 million richer.

Three weeks later, Ramos was arrested at a restaurant parking lot on his way to pick up his fortune.

The smugglers were “cooperating sources” working for undercover agents from Customs Internal Affairs and the Drug Enforcement Administration.

Ontiveros and Ramos have pleaded not guilty.

The sting operation, one of Customs' periodic crack-downs, illustrates the corruption problem at ports of entry.

From the largest smuggling cartels to the smallest, a bribe to Customs inspectors and supervisors can be the ticket to riches.

While allegations of corruption are common, investigations are rare. One reason is lack of cooperation among agencies involved in narcotics investigations.

Typically, one agency working a drug-smuggling investigation will develop information that a Customs inspector is taking bribes. But it won't tell Customs until its own investigation is complete. By that time, the bribery information is considered to be too old.

Federal law enforcement officials suspect that corruption on the U.S. side of the border may be a major reason for the lack of cocaine seizures by Customs from thousands of semitrucks that cross the border every day.

“Corruption is the major problem on the border today,” a high-ranking federal law enforcement official said. “There are investigations at every port of entry along the Southwest border.”

Customs hasn't seized any cocaine at its cargo inspection facilities in El Paso this year and none was seized last year.



**UNDER OBSERVATION:** A surveillance camera helps keep track of the hundreds of trucks that cross the border at the Ysleta Bridge port of entry inspection yard.

According to FBI and DEA reports, some of the smuggling groups that allegedly bought favors at the ports of entry are:

- Juan Garcia Abrego's Matamoros-based Gulf Cartel, which still operates along the entire Texas border despite Abrego's fugitive status in the U.S. and Mexico.

- The late Rafael Aguilar's Juarez Cartel, now headed by Amado Carrillo Fuentes, which laundered money in Ruidoso in the late 1980s.

- The Deming-based Gabriel Aguirre smuggling group, which was broken up by Customs, the FBI and other federal agencies.

- The Albuquerque-based smuggling group headed by Charles R. Aragon, who was jailed in 1990 after years of investigation by Customs agents.

In recent months, Customs inspectors have been indicted in El Paso and Southern California.

The inspectors indicted in California were assigned to a cargo-inspection facility. The inspectors indicted in El Paso were assigned to passenger inspections.

A high-ranking federal law enforcement official says corruption on the U.S. side of the border is getting worse.

“The profits involved in cocaine smuggling are so large that bribes are based on the number of kilograms allowed to pass through,” the official said. “When smugglers are making billions, a \$1 million bribe is pocket change.”

## Border-style business

**C**orruption is a daily fact of life along the border. An assistant U.S. attorney said the problem has a lot to do with border societies.

“You have people raised along the border,” the prosecutor said. “They have relatives on both sides of the

*Continued on* **NEXT PAGE**

from **PREVIOUS PAGE**

border. They do business on both sides of the border. They have bank accounts on both sides of the border.

"It's very hard to break up, and it's very difficult to investigate," the prosecutor said. "The smugglers know who they can approach and who not to approach."

Gurdit Dhillon, director of the El Paso ports of entry, says the allegations of corruption are disturbing.

"I'm quite familiar with the tarnished badge, but we take tremendous pride in policing our own," Dhillon said.

Dhillon credits inspectors with coming forward with allegations of corruption.

"The vast majority of inspectors don't want to work next to someone who is corrupt," Dhillon said.

Dhillon said Customs screens inspector applicants as well as any federal agency and has broadened its applicant base by recruiting people leaving the military.

But Customs hasn't adopted a recommendation by outside investigators and a panel set up to review Customs operations. For almost a decade, Customs has been told that inspectors should not work in the communities from which they were hired.

There have been numerous suggestions on how this can be done, but most are expensive, requiring Customs to pay for moving expenses. And inspectors don't like the idea of moving from their hometown.

"When you work in your hometown, you have some tough choices to make," Dhillon said.

Some Customs agents question the agency's commitment to uncovering corruption.

Customs doesn't have a proactive program to ferret out corruption such as random lie detector tests or personal financial audits of inspectors, agents and supervisors.

According to an internal document, Customs Internal Affairs launched an operation called Solemn Honor last spring. It was supposed to provide inspectors with an opportunity to discuss allegations of corruption.

But according to the Customs memo, inspectors believed the operation had another purpose.

"Some inspectors have recently spoken with reporters saying operations Solemn Honor is an attempt by Customs management to identify officers who provided internal documents and classified law enforcement intelligence to the news media," a Customs memo written in March states.

Inspectors said some were accused of leaking information and threatened with dismissal or prosecution.

Customs officials said the program was successful in providing information on corrupt inspectors and wasn't designed to identify leaks.

### 'We have control'

**J**uan Garcia Abrego has been indicted twice in the U.S. on drug-smuggling charges, and he's on the FBI's 10 most-wanted list.

The U.S. government has seized more than \$30 million of his cash in a money-laundering investigation.

But Abrego is still in business, smuggling cocaine and

*Continued on* **NEXT PAGE**



RICHARD PIPES / JOURNAL

**OPEN TO SCRUTINY:** A Customs inspector checks papers of a truck leaving the Ysleta Bridge inspection yard for semitrucks. About 10 percent of the half-million trucks crossing the border at El Paso each year are inspected.

from **PREVIOUS PAGE**

marijuana along the Texas border from his base on the Gulf Coast of Mexico.

According to the DEA, Abrego's independent smuggling cells bring in tons of cocaine by air, sea and land. Each cell is a stand-alone operation reporting to Abrego.

Abrego's smuggling cells have one thing in common — corrupting Customs inspectors on both sides of the border, according to FBI documents.

A longterm FBI investigation of Abrego illustrates how the lack of cooperation between agencies allows corruption to continue.

Based on conversations with high-ranking Abrego aides, undercover FBI agents learned that Abrego's Gulf Cartel felt safest bringing dope through U.S. ports of entry.

In one conversation, a personal aide to Abrego bragged, "There (Customs), we have control."

FBI agents learned the names of Customs inspectors and supervisors on Abrego's payroll. The smugglers also claimed to have members of local U.S. law enforcement agencies in their employ.

FBI agents, according to their reports, also learned that Abrego was making payments to several Mexican Federal Judicial Police commanders along the border, members of the Mexican Attorney General's Office and other high-ranking officials in Mexico City.

Some of the information came from Abrego, the rest from key aides.

The FBI investigation, which began in the mid-1980s, was considered too sensitive to let Customs in on. Abrego was allowed to think he had successfully bribed an FBI agent assigned to South Texas.

Some of the corruption came to light in the early 1990s when Customs agents, investigating one of Abrego's smuggling cells, were allowed to review some FBI reports.

Even though the specific allegations were old, their disclosure to Customs agents led to investigations by Congress, the resignation or reassignment of Customs supervisors and promises of reform.

But few Customs officials were charged with wrongdoing and those who were faced only minor charges that didn't involve bribery or drug

smuggling.

No one focused on the FBI's failure to pass on the information in a timely fashion so the allegations could be investigated.

And in the interim, according to DEA reports, Abrego was able to solidify his position in Mexico to become virtually untouchable by law enforcement there.

Abrego's continued freedom is a sore point in U.S.-Mexico relations.

A senior DEA supervisor in El Paso went public last year with his complaints about Mexico's failure to arrest Abrego. He was transferred to Washington, D.C.

### Whims, hunches work

**B**ribing a Customs inspector at a point of entry is only part of a successful drug run.

The vehicles have to be in the right lane at the right time, because Customs randomly changes inspector lane assignments during a normal shift.

If the drug smuggler gets into the wrong lane, there is a possibility the vehicle will be sent to a secondary inspection area for a thorough search.

Customs uses a variety of computer systems for determining which cars and trucks are stopped and searched at random. Inspectors must conduct searches ordered by the computer.

But discretionary searches rely on the integrity of the uniformed inspectors.

Under federal law, inspectors can search a car or truck on a whim or hunch. They don't need search warrants to open trunks, order cargo unloaded, X-ray luggage or take apart a car.

Those whims and hunches pay off in discovering contraband twice as often as computer-generated random searches.

When smugglers bribe an inspector they are paying for a "wave through"



**ABREGO: Cartel chief and one of the FBI's 10 most-wanted fugitives**

into El Paso.

Smugglers know that the odds of any vehicle coming into this country being searched by U.S. Customs Inspectors are low.

While figures vary at each port, inspectors in El Paso say that less than 10 percent of cargo trucks and 5 percent of passenger vehicles are searched on a weekday.

### Know-how for sale

**I**nspectors aren't the only Customs employees subject to bribery.

There have been allegations dating back to the mid-1980s that smugglers were able to buy information about Customs air patrol patterns, use of electronic tracking devices and radar coverage.

■ According to FBI reports, members of Charles R. Aragon's group received information from various law enforcement sources including Customs about investigations of the group's air smuggling activities.

■ According to Customs agents and court records, convicted cocaine smuggler Thomas K. Edenfield of Corrales is believed to have paid Customs employees for information concerning radar patrols.

■ According to FBI reports, an electronics expert on contract with Customs was also in the employ of Barry Seal, a famous smuggler who was killed by Colombian gunmen in 1986.

One of the key tools in investigating air smuggling is the use of court-ordered radar transponders secretly placed on planes used by suspected smugglers.

The transponders send out a radar signature that allows Customs to track the plane.

The electronics expert was providing Seal's organization with a device that detected Customs' transponders, allowing the smuggler to change tactics to evade radar tracking.

Seal was associated with smugglers from Florida to California and agents believe he passed on the technological developments to his associates — a huge setback for interdiction efforts. ■

# AGENTS: INTERNAL AFFAIRS SEVES TO SAFEGUARD CUSTOMS' IMAGE

By MIKE GALLAGHER *Of the Journal*

Few in Customs were terribly surprised when two government investigations concluded in 1991 that Customs Internal Affairs was doing a lousy job. After all, agents from Internal Affairs were alleged to have broken into the General Accounting Office in the 1980s to steal a report critical of the Customs Service.

A Treasury Department investigation concluded in 1991 that Customs Internal Affairs failed to investigate Customs supervisors alleged to have been involved in wrongdoing ranging from misuse of government funds to accepting bribes.

And a GAO report, also issued in 1991, found that an inept Internal Affairs had contributed to personnel problems in the Southwest Region, which includes Texas, New Mexico and Arizona.

Customs promised to overhaul the operation.

But Customs agents, including two formerly assigned to Internal Affairs, told the Journal recently that IA was often assigned to protect the agency's image — rather than to root out corruption.

For example, in 1991 federal agents seized \$1.7 million in cash during the investigation of the Gabriel Aguirre organization in Deming.

The cash was stored overnight, unguarded, in a clothes closet at the Customs office in Deming. A civilian employee apparently took several thousand dollars and started buying a new wardrobe.

The employee was allowed to resign, and no action was taken against the supervisors who failed to secure the cash.

In Albuquerque last year, a Customs pilot was allowed to resign when it was discovered that he was negotiating a drug-smuggling venture with people in California.

The pilot claimed he was trying to work an undercover operation. A full-blown investigation was never conducted.

During 1991 congressional hearings on Customs problems, congressional staffers received information that eight senior officials had misspent or misappropriated \$1 million.

Congressional staffers involved in the investigation told the Journal that they were stymied in trying to find out how the money had been misused.

One staffer noted that all eight of the officials received promotions.

According to documents obtained by the Journal, only one of those eight cases brought to congressional attention appeared to receive any sort of investigative review from Customs Internal Affairs.

The special agent handling that investigation was transferred before he could complete his work.

"Customs is the never-ending story around here," said one congressional committee staffer who has been involved in three different congressional investigations of Customs. "They never stop doing this sort of thing."

## Customs Bungles Some Evidence Handling

The burglars removed the ornamental iron bars, bypassed the single alarm system and walked out of the Customs evidence warehouse in El Paso with boxes of cocaine.

It wasn't exactly a one-of-a-kind incident.

The theft took place in the summer of 1993 — apparently a bad year for evidence handling by Customs.

That year in Los Angeles, Customs loaned several hundred pounds of cocaine to a local narcotics task force. The cocaine was supposed to be used for a reverse sting — an undercover investigation in which police pose as drug suppliers.

Local police lost the cocaine when the buyers slipped through surveillance.

And the same year in Miami, Customs agents on a "loose" surveillance lost sight of several drug smugglers and the cocaine.

The dispute over who was at fault led to a federal grand jury investigation that ended without issuing indictments. But an elaborate undercover operation involving a flying school was shut down, agents were put out to pasture and careers were ruined.

Just before these incidents, the Treasury's Office of Inspector General issued a scathing report on Customs' evidence handling around the country.

The report, obtained under the Freedom of Information Act, shows Customs' evidence warehouses often didn't know how much heroin, cocaine, marijuana and other drugs were in its vaults.

The OIG found the weights and purity of seized narcotics were not checked before evidence was destroyed.

"As a result, District Directors did not have reasonable assurance that narcotic seizures that were destroyed with an estimated street values of \$58.5 million, were of the same weight and purity as when seized. Customs also would not have known if the substances were tampered with or pilfered," the report states.

The report also found extensive problems in how Customs handled money seized in drug cases.

Customs promised wide-ranging reforms.

But the problems haven't ended.

In 1994, Customs found about \$14,000 missing from more than \$400,000 seized in Albuquerque in 1990. No one at Customs would comment, but sources say Customs isn't sure whether the money is missing or whether a bookkeeping error occurred.