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U.S. CUSTOMS

BEATEN AT THE BORDER



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Of the Albuquerque Journal

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WHY WE DID THE SERIES

Turf wars, corruption, funding cuts and bureaucratic bungling are tearing huge holes in the U.S. Customs drug net along the border. More than 200 tons of cocaine flowed into the U.S. from Mexico last year — drugs that found their way into this country's streets and neighborhoods.

The inability of Customs to stop the flood of drugs across our border poses a serious threat to our nation's well-being.

We hope this will be of interest.



T.H. Lang
Publisher,
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Mike Gallagher has been an investigative reporter at the Albuquerque Journal since 1986. Prior to that he worked for newspapers and television. In addition to covering border issues, Gallagher has investigated narcotics trafficking, state prisons, gambling and organized crime.

DRUG RUNNERS RUN ROUGH SHOD OVER CUSTOMS

BEDEVILED U.S. AGENCY LOSING BORDER VERSION
OF HIDE-AND-SEEK WITH SAVVY SMUGGLERS

By **MIKE GALLAGHER**

Of the Journal

EL PASO — Amado Carrillo Fuentes is winning the drug war. Running rings around the U.S. Customs Service, the 40-year-old Carrillo and his Juarez Cartel smuggled up to 150 tons of cocaine through the El Paso port of entry in just 13 months.

Carrillo can change his plan of attack faster than Customs can modify its defenses. Earlier this year, Customs moved to close Carrillo's main smuggling route — only to discover that Carrillo already had changed his modus operandi.

From 1993 until earlier this year, Carrillo's organization took the direct approach in its El Paso/Ciudad de Juarez operation.

His underlings hired a motley assortment of young street thugs as drivers. In Juarez, the cocaine was loaded into trunks of high-performance cars and driven past Customs inspectors at the Rio Grande bridges.

If a Customs inspector at a primary inspection booth waved the car out of line for a thorough search, the driver would hit the gas and flee into the side streets of El Paso.

Customs inspectors and agents usually endured the middle-fingered salutes of the speeding smugglers. Occasionally, Customs agents in underpowered, older model cars gave chase.

On those rare occasions when the agents caught one of the "port runner" vehicles, the driver would abandon both car and contraband. The 100 to 150 kilograms of cocaine left behind — worth as much as \$3 million — was hardly enough to discourage Carrillo, who nets billions of dollars a year.

Port running to smuggle drugs is nothing new. And it can be dangerous.

Several years ago, a Customs inspector was killed by a port runner. More recently, a 12-year-old girl was injured in a port-running incident in El Paso.

Last year, a 20-year-old driver was shot and killed when he abandoned a small truck with 275 pounds of marijuana in the back. The driver ran the port, then hit heavy traffic and was attempting to re-enter Mexico when he was shot and killed by U.S. Customs agents.

The incident is still a cause of friction between Mexican and U.S. officials.



CARRILLO:
Leader of successful Juarez Cartel

Earlier this year, the inspectors and agents finally got some relief when Customs began "hardening" the El Paso port of entry to cut down on port running.

That had little effect on Carrillo's operation, however. He already had switched routes and tactics — sending the drugs by semitrucks.

Agents say it takes Customs too long to react. The agency, they say, is a step behind smugglers — at best.

In fact, an estimated 260 tons of cocaine was consumed in this country last year. About 70 percent of that came across the Southwest border.

And although he's been indicted in the U.S., Carrillo remains free in Mexico to continue his drug-running operation.

The Carrillo case is just one example of problems hindering Customs' war against drug smuggling. An investigation by the Journal also revealed:

- Agents and documents say tons of cocaine are entering the country from Mexico in semitrucks — yet Customs failed to make a single bulk cargo seizure at the El Paso ports of entry last year.

- The budget for Customs Air Branch has been cut based on the agency's assessment that it has won the war against air smugglers — a scenario that is, at best, fictional.

- Informant funds have been misused and auditors have been prevented from reviewing financial records.

- Other agencies distrust Customs so much they don't pass on information that could help it seize drugs and ferret out corruption.

- Customs employees are suspected of stealing money seized in two highly publicized Customs cases in New Mexico.

- Customs has lost significant amounts of cocaine through theft and bungled undercover investigations.

- Agents say complaints about corruption of inspectors and higher-ups are ignored or covered up. And agents who blow the whistle say their cases are killed and they are hounded out.

Congressional staffers reviewing the Customs' budget say they've heard similar allegations from agents and inspectors.

In the last six months, inspectors in El Paso and California have been indicted for allegedly taking bribes to allow drugs into the country.

The corruption investigations are continuing and Congress is getting involved.

Earlier this year, Republican Rep. Brian Bilbray of San Diego asked the House Ways and Means trade subcommittee to look into allegations of corruption and the decrease in cocaine seizures along the Southwest border.

Bilbray's request was forwarded to the General Account-

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ing Office, the investigative arm of Congress, which already was conducting an investigation.

Bilbray spokesman John Woodard said his boss was contacted by Customs special agents with sufficiently credible information about corruption and cover-ups that the congressman felt an investigation was warranted.

In his request, Bilbray said there were "allegations of widespread corruption."

And he pointed out that in fiscal year 1993, Customs agents seized 7,708 pounds of cocaine from commercial vehicles at the Southwestern U.S. border. In fiscal year 1994, that fell to 1,765 pounds.

"There is obviously a problem," he said.

Changing tactics

Customs officials generally defend the agency and say they have addressed the port-running problem.

Under a program called Operation Hard Line, traffic barriers were erected so cars leaving initial inspection stations slowly snake through the port before entering El Paso.

In January, a federal task force led by Drug Enforcement and Customs agents moved against a loose-knit ring of 40 port runners who were part of Carrillo's organization. Many were former members of El Paso and Juarez street gangs.

As a result, the number of port-running incidents in El Paso dropped from almost 260 last year to 61 in the first half of 1995.

George McNenney, special agent in charge of Customs' El Paso office, said he considers the arrests and the reduction in port-running incidents a success.

But he concedes, "A mule is a mule."

Agents point out that by the time the concrete barriers were erected, Carrillo had changed tactics — smuggling cocaine in bulk-cargo shipments.

Federal agents believe that transition started more than a year ago and that it will take Customs several years to catch up.

"The reality of what goes on along the Southwest border is met with disbelief in Washington," retired military intelligence officer Jim Holden-Rhodes said in an interview.

Holden-Rhodes headed a Los Alamos National Laboratory team that studied cocaine production and smuggling for federal law enforcement and military agencies. He is the author of "Sharing Secrets," a book highly critical of law enforcement and military intelligence in the so-called war on drugs.

"The suits in Washington don't want to hear anything critical," he said. "They are so divorced from reality that responding within three years would be reacting at great speed."

Airborne threat

According to Phil Jordan, director of the DEA's intelligence center in El Paso, Carrillo's organization smuggles by land, sea and air.

"Our intelligence shows Carrillo is among the most powerful narcotics traffickers, if not the most powerful, operating in Mexico today," Jordan said. "The organization's strongest base of operations is in the El Paso-Juarez corridor, but they will smuggle cocaine, marijuana, heroin and methamphetamine at any point along the border."

Jordan was asked earlier this year to postpone his scheduled retirement and accept a transfer to revitalize DEA's

intelligence center in El Paso.

A few years ago, the center had to be moved to a building on the Fort Bliss army base because Carrillo's organization was tailing center employees and electronically monitoring its telephone communications.

Carrillo, charged in two federal indictments with trafficking in heroin, marijuana and cocaine, is known as "Lord of the Skies" by the Mexican press.

He picked up that moniker after switching his strategy for smuggling narcotics from Colombia into Mexico.

Carrillo introduced the use of modified 727 passenger jets to carry 10,000-pound loads of cocaine. The pilots file flight plans for routes used by airlines and try to blend in with legitimate air freight and passenger jets.

Carrillo's new tactics threw a wrench into a fairly successful Customs program that attempted to track cocaine smuggling from Colombia to Mexico.

According to sources within Customs, the agency still has difficulty sorting out Carrillo's cocaine-laden jets from other air traffic.

Those sources believe Carrillo has enjoyed similar success in using tractor-trailer rigs to smuggle cocaine through ports of entry in El Paso for more than a year.

They say one way of thwarting him would be the installation of a full-cargo X-ray machine at the Ysleta Bridge Port of Entry in El Paso. And they criticize Customs for taking so long to get one.

The port, designed to handle most truck traffic from Mexico, averages more than 500,000 trucks a year. The full-cargo



VOTE OF CONFIDENCE: "In the scheme of things, we are doing well," says George McNenney, special agent in charge of Customs' El Paso office.

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X-RAYS MARK THE SPOT: A box of lettuce is X-rayed by Customs inspectors searching for narcotics. The object in the center of the photograph is an electric hand drill used to test the machine.

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X-ray machine would allow inspectors to do a complete X-ray search of a tractor-trailer rig in two minutes.

Gurdit Dhillon, the new director of the El Paso Customs District, said the El Paso Port of Entry is on the list to get one of the \$500,000 machines. But he estimated that it would take at least nine months for the machine to be in place.

"It looks optimistic," Dhillon said.

Agents and inspectors say the slow reaction of the Washington bureaucracy on the port-running and cargo-hauling threats is typical of how it handles problems facing the 205-year-old Customs Service.

Publicly, officials say Customs is doing its job.

"In the scheme of things, we are doing well," McNenney said.

Dhillon said the Customs Service is up to the challenge of stopping the drug flow.

But others say the agency is overwhelmed by increased demands of the North American Free Trade Agreement, corruption on both sides of the border and Mexican drug lords who appear to be untouchable.

An unwitting ally

Amado Carrillo Fuentes couldn't have timed his ascension to the leadership of the Juarez Cartel any better.

His predecessor, former Mexican lawman Rafael Aguilar, was gunned down in Cancun in 1993. Aguilar's assassination followed his threat, in the Mexican press, to expose corruption in the government.

Aguilar's organization was in a shambles. The Juarez Cartel had been hit hard by the seizure of 20 tons of cocaine in a Sylmar, Calif., warehouse in 1989, and the 1991 indictment of the Deming-based smuggling organization headed by Gabriel Aguirre.

While Carrillo started to rebuild, Customs was his unwitting ally because its resources were refocused away from drug interdiction to assisting trade between Mexico and the United States.

The agency also has responsibility for enforcement of 400 criminal laws for 40 different departments of the U.S. government.

It's not unusual for Customs to have its priorities juggled.

Critics complain that under Presidents Reagan, Bush and Clinton the agency's mission switched from child pornography to drug interdiction to facilitating free trade.

In presenting the Customs budget for this year, Customs Commissioner George J. Weise outlined the mission. Narcotics interdiction ranked fifth behind trade issues.

In outlining accomplishments, Weise noted the top criminal enforcement concern about NAFTA involved textiles. He didn't mention drugs, even though Customs intelligence believes Mexican smugglers are buying NAFTA-related businesses to assist in the storage and movement of drugs.

Former and current Customs officials say their concerns about NAFTA and its effect on the agency's drug interdiction mission were ignored by presidents of both political parties.

But members of the Senate subcommittee that handles



STOP FOR QUESTIONING: A Customs inspector questions a driver from Mexico at the Bridge of the Americas.

appropriations for Customs focused on narcotics interdiction when Weise appeared before them.

He apparently got the message, instituting operation Hard Line to stop port runners.

Dhillon, the El Paso district director, said hardening the ports of entry is evidence that narcotics interdiction is the top priority.

But critics point out that priorities change with political parties and pressures. How long the renewed emphasis on drug interdiction will last is anybody's guess. ■