

The background of the cover features several stylized, light green leaf motifs scattered across a pale yellow-green gradient. These motifs are positioned in the top left, top center, top right, middle right, bottom right, and bottom left areas.

THE BULLET OR THE BRIBE

Taking Down Colombia's Cali Drug Cartel

Ron Chepesiuk

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PUBLISHING GROUP

The Bullet or the Bribe

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The Bullet or the Bribe

*Taking Down Colombia's
Cali Drug Cartel*

RON CHEPESIUK

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For my mother, Anne, and my sister, Diane. We miss you.

And so hubris turns to false certainties, everyone expects to be a winner, and each morning is a mind-blowing experience.

—Stephen Vizinczey, Hungarian novelist

Contents

| | |
|--|------|
| <i>Acknowledgments</i> | ix |
| <i>Abbreviations</i> | xi |
| <i>The Cast of Characters</i> | xiii |
| I. The Prologue | 1 |
| Introduction: The Labs That Made It Snow | 3 |
| II. The Rise | 15 |
| 1 Getting Started | 17 |
| 2 New York, New York | 31 |
| 3 Chepe Does His Thing | 45 |
| 4 Growing the Criminal Enterprise | 59 |
| 5 Heating Up | 75 |
| 6 Dirty Laundry | 93 |
| 7 Going Multinational | 109 |
| 8 The War of the Cartels | 123 |
| 9 Exit the King | 141 |

| | |
|--|-----|
| III. The Fall | 155 |
| 10 Breakthrough | 157 |
| 11 Submission to Justice | 173 |
| 12 The Narco Cassette Scandal | 187 |
| 13 A Man of Peace | 199 |
| 14 Exit the Señor | 215 |
| 15 Takedown | 233 |
| IV. The Epilogue | 251 |
| Conclusion: What Goes Around | 253 |
| <i>A Chronology of the Cali Cartel</i> | 265 |
| <i>Selected Bibliography</i> | 271 |
| <i>Index</i> | 285 |

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Finally, I have visited and written about Colombia and its nexus with international drug trafficking since 1987. During this period, many kind individuals have shared their knowledge on the subject. For that, I am extremely grateful.

Abbreviations

| | |
|------------|---|
| CI | Confidential Informant |
| CNP | Colombian National Police |
| DAS | Administrative Department of Security (El Departamento Administrativo de Seguridad) |
| DEA | Drug Enforcement Administration |
| FOI | Freedom of Information |
| GOC | Government of Colombia |
| KNEU-86055 | Cali Cartel investigation coordinated by NYSP and NYDETF (also "case 86055") |
| NSA | National Security Archive |
| NYDETF | New York Drug Enforcement Task Force |
| NYOCTF | New York Organized Crime Task Force |
| NYSP | New York State Police |

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The Cast of Characters

Michael Abbell. American lawyer and former U.S. Justice Department official who represented the Cali Cartel.

Harold Ackerman. Miami-based manager for the Cali Cartel, who was dubbed the “Cali Cartel’s ambassador to the United States.”

Alvaro de Jesus Aguela. Bodyguard to Pablo Escobar.

Freddie Aguilera. Cali Cartel operative who, under Santacruz Londono’s direction, supervised the cocaine processing labs that the Cartel began setting up in the United States in 1984.

Crescencio Arcos. U.S. State Department official who met with Ernesto Samper in the spring of 1994.

Fanor Arizabaleta. One of the Cali Cartel’s seven top leaders who was captured in 1995.

Tulio E. Ayerbe. The investigation of this Cali Cartel operative uncovered the Cartel’s operation in Alabama in 1981.

Virgilio Barco. President of Colombia from 1986 to 1990.

Belisario Betancourt Cuertas. President of Colombia from 1974 to 1978.

Alexandro Bernal-Madrigal (aka “Juvenal”). He was a Bogota-based drug transportation coordinator.

Alexander Blarek. American interior designer who worked for Chepe Santacruz and his wife and was later convicted of money laundering for the Cali Cartel.

Fernando Botero. Defense minister during the Ernesto Samper administration who was implicated in the narco cassette scandal.

Peter Bourne. Drug policy advisor and special assistant for health issues in President Jimmy Carter’s administration.

Bill Bruton. IRS agent assigned to Operation Dinero.

Morris Busby. U.S. ambassador to Colombia at the time that the existence of the narco cassettes was revealed.

George Bush. President of the United States from 1989 to 1993.

Guillermo Cano. Crusading Colombian journalist murdered by drug traffickers in December 1986.

Rafael Cardona. A Cali Cartel mole inside the Medellin Cartel who, in November 1986, tipped off police that Jorge Ochoa would be in the Cali area.

Amado Carrillo Fuentes (aka "Lord of the Skies"). Carrillo Fuentes was the Cali Cartel's most important contact in Mexico until his death in 1997.

Jimmy Carter. President of the United States from 1977 to 1981.

Tom Cash. DEA administrator in Miami in the late 1980s and early 1990s.

Carlos Castano. Brother of Fidel and a Colombian paramilitary leader.

Fidel Castano. Brother of Carlos and a Colombian paramilitary leader who played a major role in the PEPES.

Jorge Castillo. Secretary and driver for Miguel Rodriguez.

Bill Clinton. President of the United States from 1993 to 2001.

Tom Constantine. Head administrator of the DEA from 1994 to 1997.

Ken Cook. NYSP detective who investigated the Minden lab explosion in 1984.

Rich Crawford. DEA agent who played a major role in the investigation of the Cali Cartel, first as Group Five's detective and later as a DEA agent assigned to the agency's Tampa office.

Alfredo Cervantes. Chepe Santacruz's right-hand man in the United States from 1981 to 1984.

Victor Crespo. Alias for Jose Santacruz Londono.

Oscar Cuevas. Money launderer for the Cali Cartel.

Manuel de Dios Unanue. Crusading New York City investigative journalist whom authorities believe Santacruz Londono murdered in 1992.

Gustavo De Greiff. Colombia's Prosecuting Attorney General from 1992 to 1994.

General Guillermo Diettes. The director of the Colombian National Police (CNP) whom General Rosso Jose Serrano replaced in 1994.

Juan Pablo Escobar. Son of Pablo Escobar.

Manuela Escobar. Daughter of Pablo Escobar.

Pablo Escobar. Founding godfather of the Medellin Cartel and a bitter rival of the Cali Cartel.

Roberto Escobar. Brother of Pablo Escobar.

Victoria Escobar. Wife of Pablo Escobar.

Juan Carlos Esguerra. Colombian Foreign Minister in Ernesto Samper's presidential administration.

Carlos Espinosa (aka "Pinchalito"). Espinosa headed the Cali Cartel's communications operation.

- Giovanni Falcone.** Crusading Italian prosecutor who investigated the Italian Mafia until he was murdered in May 1992.
- Chris Feistl.** DEA agent in the agency's Colombia office who was involved with the hunt for the Cali Cartel leaders.
- Flaco.** The nickname for Alberto Madrid Mayor, Gilberto Rodriguez Orejuela's personal secretary.
- Myles Frechette.** U.S. ambassador to Colombia from 1994 to 1997.
- Luis Carlos Galan.** Leading Colombian presidential candidate murdered by drug traffickers in 1989.
- Fernando and Mario Galeano.** Brothers and drug traffickers murdered by Pablo Escobar in 1993.
- Juan Garcia-Abrego.** Major Mexican drug trafficker who collaborated with the Cali Cartel until his arrest in January 1996.
- Edgar Garcia Montilla.** Money launderer for the Cali Cartel who was arrested in Luxembourg in 1989.
- Rafael Gaviria Herreros.** Colombian priest who met Pablo Escobar when he surrendered in June 1991.
- Cesar Gaviria Trujillo.** President of Colombia from 1986 to 1990.
- Robert Gelbard.** Assistant secretary of state for Latin American Affairs at the time of the hunt for Pablo Escobar and during Ernesto Samper's presidential administration.
- Alberto Giraldo.** A Colombian journalist who was a close associate of Miguel Rodriguez.
- Hernando Giraldo Soto.** The Cali Cartel associate that Gilberto Rodriguez sent to New York City in the early 1970s to lay the groundwork for the Cali Cartel's distribution network.
- Nelson Gomez (aka "McCarthy").** Gomez was the Cali Cartel operative whose arrest in 1978 gave law enforcement its first indication of the extent of the Cali Cartel's operation in New York City.
- Bernardo Gonzalez.** Colombian lawyer for the Cali Cartel.
- Nelson Gonzalez.** Agent in the DEA's Quito, Ecuador office who met with Ruben Prieto in Bogota in 1995.
- Octavio Gonzalez.** DEA agent murdered by Thomas Charles Coley in November 1976.
- Lee Granato.** U.S. customs agent who investigated the financial aspect of Operation Cornerstone.
- Jose Gusto Guzman.** A regional cell manager for the Cali Cartel in the 1990s.
- Jesse Helms.** U.S. senator for North Carolina and chairman of the Senate Foreign Relations Committee during the time of Colombia's narco cassette scandal.
- Archangel de Jesus Henao-Montoya.** Head of a drug trafficking group operating out of the Valle del Cauca region.
- Orlando Henao-Montoya.** Drug trafficker believed to be involved in Jose Santacruz's murder in 1996.

Helmer Herrera-Buitrago (aka "Pacho"). He was one of the four major godfathers in the Cali Cartel hierarchy.

Ramon Herrera-Buitrago. Brother of Pacho Herrera and the manager of Pacho's New York drug distribution cell.

Michael Horn. Former DEA agent and current director of the National Intelligence Center in Johnston, Pennsylvania.

Carlos Mauro Hoyos Jiminez. Colombian attorney general murdered by drug traffickers in January 1988.

Frank Jackson. American lawyer who represented Cali Cartel operative Gustavo Naranjo after his arrest in 1991.

Orlando Jaramillo. A Cali Cartel operative based in New York City until his arrest in December 1992.

Jose Franklin Jurado Rodriguez. Money launderer for the Cali Cartel who was arrested in Luxembourg in 1989.

Ed Kacerosky. U.S. customs agent who worked the Operation Cornerstone investigation.

Michael Kane. Head of the DEA's Medellin office from 1981 to 1984.

John Kerry. U.S. senator from Massachusetts and critic of Gustavo De Greiff, Colombia's Prosecuting Attorney General.

Yair Klein. Israeli mercenary who provided weapons and ammunition to Rodriguez Gacha and trained some of his men.

Michael Kuhlman. DEA agent who worked in the agency's Cali office in the early 1980s.

Robert Lafferty. A pilot for the Cali Cartel who worked as a CI for the DEA until his death in 1986.

Francisco Laguna. American lawyer who represented the Cali Cartel and played an important role as an interpreter and a translator of documents from English to Spanish.

Heidi Landgraf. DEA agent assigned to Operation Green Ice.

Rodrigo Lara Bonilla. Colombian justice minister murdered by drug traffickers after he successfully launched a raid on the mega cocaine-processing lab at Tranquilandia.

Skip Latson. DEA agent assigned to Operation Dinero.

Carlos Lehder. Founding member and leader in Medellin Cartel.

Carlos Lemos. Colombian vice-president in the Ernesto Samper presidential administration.

Roberto Levy. El Salvadoran air force colonel who met with the Cali Cartel's Jorge Salcedo in El Salvador.

Henry Loiaza (aka "The Scorpion"). Loiaza was a Cali Cartel godfather until his capture in 1995.

Jorge Lopez (aka "Tio"). A Cali Cartel operative who replaced Carlos Torres as the Cartel's cell-head in Miami.

Alfonso Lopez Michelsen. President of Colombia from 1974 to 1978.

- Alberto Madrid Mayor (aka "Flaco" ["Skinny"])**. Personal secretary to Gilberto Rodriguez Orejuela.
- Richard Mahecha-Bustos**. Money launderer for the Cali Cartel who was arrested in Luxembourg.
- Bill Mante**. A NYSP detective who was a principal investigator on KNEU-86055.
- Raul Marti**. He replaced Harold Ackerman as the Cali Cartel's chief cell-head in Miami after Ackerman's arrest in 1992.
- Miguel Masa**. The head of Colombia's DAS whom Escobar tried to kill.
- Juan Ramon Matta Ballesteros**. Honduran drug trafficker who collaborated with the Cali Cartel.
- Santiago Medina**. The campaign manager for Ernesto Samper who later testified against Samper.
- Robbie Michaelis**. DEA agent assigned to the money laundering investigation of the Cali Cartel's operation in Luxembourg.
- Dave Mitchell**. DEA agent in the agency's Colombia office who was involved with the hunt for the Cali Cartel leaders.
- Giraldo and William Julio Moncada**. Brothers and drug traffickers whom Pablo Escobar murdered in 1993.
- Maria Montoya**. An important Cali Cartel distributor in Queens, New York in the 1980s.
- Diego Montoya Sanchez**. Colombian drug trafficker who worked closely with the Mexicans.
- Robert Moore**. One of the many American lawyers who represented the Cali Cartel's interests in the United States.
- William Moran**. American lawyer who represented the Cali Cartel's interests.
- Jaime Munera**. A Cali Cartel operative who oversaw the Cartel's operation in Alabama in 1981.
- Daniel Munoz-Mosquera**. A sicario for the Medellin Cartel responsible for bombing a Colombian airliner in 1989.
- Robert Nieves**. Head of International Operations for the DEA from 1988 to 1995.
- Marta Nieves Ochoa Vasquez**. Sister of the Ochoa brothers who was kidnapped by Colombian guerillas in 1981 and subsequently released.
- Richard Nixon**. President of the United States from 1969 to 1974.
- Jorge, Fabio, and Juan David Ochoa**. Brothers and godfathers in the Medellin Cartel.
- Jaime Pabon**. A major cocaine distributor for Pablo Escobar.
- Julio Palestino**. Leader of the Palestinos, a violent group of sicarios from Medellin who acted as enforcers for the Cali Cartel.
- Guillermo Pallomari**. The Cali Cartel's chief accountant who testified against his former bosses.
- Rodrigo Pardo**. Colombian foreign minister during the Ernesto Samper presidential administration.

Andres Pastrana. Former mayor of Bogota, Colombia and president of Colombia from 1998 to 2002.

Victor Patino. The Cali Cartel's reputed number-five leader who was captured in 1995.

Gonzalo Paz. Colombian lawyer for the Cali Cartel.

William Pearson. Assistant U.S. attorney general for South Florida who was assigned to the Operation Cornerstone investigation.

Frank Pellechia. Interior designer and partner of Alexander Blarek who was convicted of money laundering for the Cali Cartel.

Javier Pena. DEA agent in Colombia who investigated Pablo Escobar.

Pina. An associate of Jaime Pabon, a major distributor for Pablo Escobar.

Mario Playo. An alias for Harold Ackerman, the Cali Cartel's "ambassador to the United States."

Ruben Prieto. DEA agent assigned to the agency's Colombia office who was involved in the hunt for the Cali Cartel leaders.

Jamie Ramirez Gomez. Head of the Colombian National Police who was murdered in November 1986.

Luis "The Shrimp" Ramos. A Cali Cartel associate in the 1980s.

Ronald Reagan. President of the United States from 1981 to 1989.

Alma Beatriz Rengifo. Colombian justice minister during Ernesto Samper's administration.

Janet Reno. U.S. attorney general in the Clinton administration.

Hernando Rizzo (code name "Tio"). Rizzo was, until his capture, an important Cali Cartel cell manager in New York City in the 1980s.

Ken Robinson. NYSP detective and later DEA agent who worked on Group Five's investigation of the Cali Cartel and who investigated the Cartel from 1978 to 1994, which was longer than any other law enforcement officer.

Jorge Elicer Rodriguez. Brother of Gilberto and Miguel Rodriguez Orejuela, who was captured in 1994.

Jose Gonzalo Rodriguez Gacha (aka "The Mexican"). A Medellin Cartel godfather until his death in 1989.

Gilberto Rodriguez Orejuela (aka "The Chess Player"). One of the Cali Cartel's three principal founders who played an important role in the mafia's strategic planning.

Miguel Rodriguez Orejuela (aka "El Señor" [The Boss]). One of the three founders of the Cali Cartel who was responsible for its overall operation from about 1990 onward.

William Rodriguez Orejuela. Son of Miguel Rodriguez Orejuela.

Joel Rosenthal. American lawyer who represented the Cali Cartel.

Andres Ruiz Rios. A Cali Cartel money laundering expert who became a key DEA informant in the Cali Cartel investigation.

Ed Ryan. Assistant U.S. attorney general for South Florida who was assigned to Operation Cornerstone.

Jerry Salameh. DEA agent assigned to the agency's Bogota office who was involved in the hunt for Cali Cartel leaders.

Hoover Salazar-Espinosa. An important Cali Cartel transportation coordinator and money launderer, who was also a close associate of Amado Carrillo Fuentes.

Jorge Salcedo. Cali Cartel operative who was a major CI against the Cali Cartel.

Orlando Sanchez. Drug trafficker and reputed "Overalls Man" who is believed to have tried to kill William Rodriguez.

Amparo Santacruz. The wife of Chepe Santacruz.

Ana Milena Santacruz. Daughter of Chepe Santacruz.

Lucho Santacruz Echeverria. Half brother of Jose Santacruz Londono.

Jose Santacruz Londono (aka "Chepe"). One of the Cali Cartel's three founders, he played a key role in establishing the Cartel's U.S. drug distribution network in the late 1970s and early 1980s.

Bob Sears. DEA agent who investigated the Minden lab explosion in 1984.

General Rosso José Serrano. The head of the Colombian National Police (CNP) who led the assault on the Cali Cartel beginning in 1994.

Ed Shohat. American lawyer who replaced Harold Ackerman.

Gabriel Silva. Colombian ambassador to the United Nations during the Ernesto Samper presidential administration.

Michael Skol. U.S. State Department official who met with Ernesto Samper in the spring of 1994.

Alberto Soto-Ochoa. A major Colombian money broker who worked with Carrillo Fuentes.

Joseph Stroh. Currency broker for the Cali Cartel.

Joe Toft. Head of the DEA office in Colombia from 1988 to 1995 who exposed the existence of the narco cassettes.

Carlo Torres. Replaced Harold Ackerman as the Cali Cartel's Miami cell-head after Ackerman's arrest in 1992.

Michael Tsalickis. A Florida importer-exporter who trafficked drugs for the Cali Cartel in the 1980s.

Julio Cesar Turbay. President of Colombia from 1978 to 1982.

Jairo Ivan Urdinola-Grajales. A Cali drug trafficker who had a close working relationship with Miguel Rodriguez.

Alvaro Uribe. President of Colombia from 2002 to the present.

Alfonso Valdivieso Sarmiento. He followed Gustavo de Greiff as Colombia's prosecuting attorney general and launched Process 8000 in the wake of the narco cassette revelations.

El Pibe Valderama. Famous Colombian soccer player who, in Colombian television ads, wore T-shirts supporting Ernesto Samper's presidential campaign.

John Gavi Valencia. Boyfriend of Pacho Herrera.

Jorge Enrique Valesquez (aka “The Navigator”). Valesquez was the Cali Cartel operative responsible for Rodriguez Gacha’s death in 1989.

Luis Valez. A NYSP officer who headed KNEU-86055’s wiretapping operations.

Freddie Viva Yangas. An assistant to Patricia Cardona, both of whom, it is believed, the Cali Cartel murdered.

Alexander Watson. U.S. State Department’s top official for Inter-American Affairs when he and a group of U.S. State Department officials met Ernesto Samper in the spring of 1994.

Lou Weiss. DEA agent assigned to the Operation Cornerstone investigation.

Ann M. Wells. U.S. State Department official who met with President Ernesto Samper in the spring of 1994.

Lucipida Zuniga. Miguel Rodriguez’s maid.

PART I

The Prologue

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Introduction:

The Labs That Made It Snow

It's similar to, maybe, baking a cake.

—David Karasiewski, forensic chemist, DEA

The call that launched the biggest drug trafficking investigation in New York State Police (NYSP) history came on April 12, 1985. Bob Sears, a DEA agent in the Albany office of the U.S. Drug Enforcement Administration (DEA), groped for the switch on the bed lamp and squinted at the alarm clock on the end table. It was a little past 2 A.M. Sears fumbled with the phone and blurted, "This better be important."

The caller was Ken Cook, a longtime friend, but Cook was also an investigator assigned to the Major Crime Units of Troop Six, NYSP, and he had worked with Sears on many joint investigations. This was no social call.

"There has been an explosion at a farmhouse in Minden," Cook explained. "We don't know what happened. It could be a bomb factory... a meth lab. Barrels of chemicals are all over the place. It's a mess. Maybe the DEA needs to go out and take a look."¹

Sears yawned and rubbed his warm bed. He had a better idea. "Come on, Ken, it's almost morning. Can't we sleep on it till tomorrow?"²

But Cook persisted. "No, we need to go out there tonight while the scene is still hot." Sears knew well what Cook meant. Often, he would go out to a crime scene only to find that some young cop fresh out of the academy had left his hoof- and paw-prints all over the place.³

Sears dragged himself out of bed, got dressed, and drove out to the state police barracks in downtown Albany to rendezvous with Cook. During the one-hour drive to the farm, Sears and Cook speculated about what had happened. A bomb explosion did not make much sense, but neither did

the meth lab theory. Minden was a small, sleepy hamlet of a few thousand inhabitants in upstate New York that seldom gave law enforcement much trouble.⁴ In fact, Cook could not recall when an incident in the Minden area looked serious enough to have an officer forsake his sleep and come out in the dead of night to investigate. Yeah, it was some other kind of accident, all right, but what?

At the scene, the bitter smell of chemicals permeated the air and almost singed the hair in their nostrils. About 50 to 75 yards away from their car, a house or some kind of dwelling was on fire, and firemen were still trying to hose it down. It was mass confusion, and none of the professionalism they hoped to see was in evidence. The firemen, Cook and Sears learned, were volunteers from the local county. Sure enough, the cops, who seemed to be auditioning for a remake of a Keystone Cops movie, had not yet secured what could be a crime scene. Meanwhile, no crime scene investigators, akin to those seen on the popular TV series "CSI," had yet arrived to find the cause of the chaos and to see if there had been any loss of life.⁵

Sears and Cook began poking around for themselves. In the wooden shed adjacent to the farmhouse they saw dozens of 55-gallon drums filled with chemicals they did not recognize. They took a quick peek inside a couple of the drums. Sears pulled out a pen and began to write down the names of the labels on his notepad. Some labels said acetone; others, ether. Several drums had no labels. Nearby, they found case after case of what was labeled hydrochloric acid. There were also fire extinguishers, filter paper, gas masks, and bunches of hoses. They checked around the back of the shed and spotted a forklift.

They inspected a double-wide trailer about 50 yards away and observed a pot burning on the stove. The pot was hot and the liquid inside was still steaming. Something had been cooking within the last couple of hours. When the two investigators reached the farmhouse, they found walkie-talkies, drying racks, and what looked like financial ledgers.⁶

"What the hell do we have here?" Sears asked Cook. "It's time I call the lab back at headquarters to see if they can tell us what the chemicals are." Sears marched back to the car and made the call. He described the scene and read off the names from his notepad. "What is it? What are we dealing with?" he asked. The answer made Sears wish he had not left his warm bed that night: "Jesus Christ, you're in a cocaine-processing lab! Don't touch anything or smell anything! Get the hell out of there! You can die!"⁷

Sears and Cook lived. Later in the day, the NYSP got a search warrant. During the next several days, the NYSP and DEA worked closely together and began an extensive, professional investigation. DEA lab analysts examined the hundreds of pounds of the brown, burnt sludge found in the double-wide trailer, as well as several pounds of the white, snowy-looking material made soggy by the water from the firemen's hoses. They had a

pretty good idea what it was, but it was always good procedure to be thorough.⁸

Their conclusion stunned the two law enforcement agencies. They had uncovered a massive cocaine-processing lab right in their backyard. Based on the amount of chemicals present, the lab could process about 250 kilos of cocaine, but as David Karasiewski, supervisory chemist at the DEA's Mid Atlantic Laboratory in Washington, D.C., later testified, "Ether and acetone, the organic solvents used in the cocaine manufacturing process, can be used more times or several additional times. What I mean by this...if you have the proper glassware, you can continue to recycle these organic solvents."⁹

But who was responsible for the cocaine lab? Who had the nerve, the organization, the know-how, the distribution network, and the criminal enterprise to radically change the way drug trafficking was done? Cocaine, after all, was processed at labs in Colombia where the big drug-trafficking syndicates known as cartels operated, not in the rural United States. Traffickers had set up an extensive set of labs in the plains and jungle regions of Colombia, which they used to convert cocaine base to cocaine hydrochloride, or powdered cocaine.¹⁰ The realization that the drug traffickers, wherever they came from, had transported cocaine paste to upstate New York to manufacture cocaine was mind-blowing. Hadn't they got it backward? Shouldn't they first make the cocaine in Colombia and then ship the finished product to the United States?

That was the way it had been traditionally done. But in 1984, as revealed by the investigation following the Minden lab explosion, the Colombian drug traffickers were changing their strategy, the result of intense pressure from the Colombian and U.S. governments. Rodrigo Lara Bonilla, the Colombian justice minister, had authorized a spectacular raid on a major cocaine-processing plant known as Tranquilandia, located in Colombia's barren southeast Llanos area in the Amazon region and run by the powerful and violent Medellin Cartel.¹¹ The DEA had heard of a major shipment to Colombia of ether, a solvent-like acetone, which was one of the essential ingredients in cocaine production. They secretly attached radio transmitters to two of the drums in the shipment and followed the signal via satellite from Chicago to Tranquilandia. The raid caught the traffickers by surprise. Forty workers were arrested, and 10,000 barrels of chemicals and a billion dollars worth of cocaine were confiscated. Soon afterward, the price of cocaine on the street shot up, a sweet indication that the Tranquilandia operation had hurt the bad guys.¹²

The Medellin Cartel leadership was furious, and it ordered *sicarios*, hired Colombian contract killers, to murder Lara Bonilla. Colombian president Belaisario Betancourt Cuertas declared a state of siege in Colombia and a "war without quarter" on the criminals. The Medellin Cartel, with its swagger and high profile, was the obvious target of Colombian gov-

ernment action, but the Cali Cartel's operations were disrupted as well. The leaders of Colombia's two biggest drug-trafficking organizations went into hiding and began moving their drug-processing operations to neighboring countries. The DEA received information that Jose Santacruz Londono, one of the founding members of the Cali Cartel—and, as the DEA had learned, a key figure in the Cartel's distribution network—was in Mexico, where he was trying to establish new cocaine-processing laboratories.¹³

The U.S. government attacked the cocaine supply by placing restrictions on the number of chemicals used in cocaine-manufacturing processes that could be exported outside the United States. The Colombian drug traffickers adapted when they realized the chemicals were easier to get in the United States than to smuggle into Colombia. In 1985, ether was selling for approximately \$400 to \$600 per 55-gallon drum in the United States. In South America, the price was somewhere between \$1,000 and \$2,000. The United States, moreover, had no reporting requirements for chemicals that were manufactured in the United States and stayed there. United States businesses that made shipments to foreign countries, on the other hand, had to report them.¹⁴

In early June 1984, the Santacruz Londono organization sent a team to the rural town of Gibsonville, North Carolina, about 20 miles from Greensboro, to build a cocaine-processing lab. A lab in the Eastern United States would work out nicely because the biggest market for cocaine was in New York City, and Santacruz and his associates in Cali, Colombia, controlled the distribution in the city. Like any good businessman, Santacruz treated the Gibsonville lab project as an experiment to see if it could work.

The Santacruz Londono organization put Freddie Aguilera in charge of the project. In February 1984 Aguilera sent underling Carlos Gomez and his associate Pedro Canales (a car salesman at the Rosenthal Chevrolet Dealership in Alexandria, Virginia) to see Al Ditto, a farmer in Gibsonville. Julio Harold Fargas, a petty drug dealer, had introduced Canales to Gomez. In early 1983, Fargas came by the Chevy dealership to look at cars. He could not speak good English, but that was no problem. He was introduced to Pedro Enrique Canales, a car salesman who spoke fluent Spanish. Canales sold Fargas a car; they chatted some more and became friends. Eventually, Fargas persuaded Canales to help him sell a "little" cocaine. Canales would give Fargas the keys to a car on the lot, and he would put the cocaine in the trunk. A customer would "test drive" the car, and the cocaine would be gone when the car was brought back to the lot.

One day, Fargas was at the dealership when Al Ditto from North Carolina came by to see his nephew and sell a few T-shirts, moonshine, and other odds and ends he had in his truck. Fargas began to ask a lot of questions about Ditto and the area where he lived. Was North Carolina a farming place? Did Ditto have a farm? Did he grow his own vegetables?¹⁵

Not long after the Ditto interrogation, Fargas offered Canales \$3,000 to arrange a meeting between Al Ditto and Carlos Gomez so they could discuss a business deal. Canales agreed, and in February 1984 he and Gomez hopped a plane in Washington, D.C. and headed to see Ditto. Gomez toured Ditto's entire farm, checking every detail out thoroughly. "This is perfect for the lab, but we'll need to install an exhaust fan to carry away the fumes made by the chemicals," Gomez told Canales.¹⁶

Gomez did not speak English, so he asked Canales to tell Ditto upfront what the farm was going to be used for. "No problem," said Ditto, and he agreed to do the work that had to be done to install the fan and convert the outbuildings into a cocaine-processing lab. Aguilera paid \$110,000 in cash for the property, no questions asked. Two to three weeks later, Carlos drove to Allentown, Pennsylvania to pick up the acetone for the lab.

In the summer, Gomez, his mistress Evelyn Dubon, and Fargas, who acted as the interpreter for the group's non-English-speaking members, journeyed to Gibsonville to set up the lab and do a trial run. They were joined by two other Americans: John Wesley Martin, a handyman who was hired to make improvements to the barn and outbuildings, and Thomas Warren Hall, Ditto's brother-in-law, who had brought in seven keys of cocaine paste from Miami for processing. The lab was not sophisticated, but it could get the job done. Later, Karasiewski told a court that an elaborate lab isn't needed to manufacture cocaine. "It's similar to, maybe, baking a cake," was how the forensic chemist described the process.¹⁷ Once the farm was readied, the lab was set to go. Workers wrapped the processed cocaine in plastic bags and carried it to a U-haul trailer, where it was hidden behind a wooden panel. The cocaine was then moved to New York City and sold for \$6,000 a kilo.¹⁸

The amount of cocaine processed and sold was small, but the Cartel knew the lab concept could work. They had caught the cops asleep. In no time they would be flooding New York with thousands of kilos of snow. By January 1985, a larger team of at least 15 workers from Colombia and the United States were working at the Gibsonville lab and manufacturing 200 kilos of cocaine paste that was sold in the Big Apple.¹⁹

The Cali Cartel was now convinced the project should go big-time, and Freddie Aguilera began looking for a location closer to New York City. Why not near his sister, Consuela Donovan, who lived with her American husband, Thomas, in Amsterdam, New York? Aguilera recruited Thomas Donovan, and he arranged a meeting with Aguilera's point man, Carlos Gomez, and a local real estate agent to look at farms in the area around Amsterdam. Shortly afterward, Gomez settled on a 220-acre farm and gave \$2,000 to Dubon, instructing her to make the deal. Before the closing, Aguilera gave Gomez an additional \$110,000 in cash to pay off the property. Thomas Warren Hall would act as the frontman, and the Cartel officially registered the farm in his name.²⁰ Hall was a U.S. citizen and his ownership of the property would raise little suspicion. Besides, the

arrangement would also help shield Aguilera from potential evidence against him should the operation be exposed. He planned to use the farm to raise horses, Hall told his neighbors.²¹

The Hauber family, who lived on Staten Island, owned the farm and had used it as a summer home, but they were ready to sell it. Fred Hauber met with Evelyn Dubon, who claimed to be an exile from Nicaragua, and Thomas Warren Hall, who posed as her infirm gringo uncle from North Carolina. The transaction took place in the second-floor office of an Amsterdam lawyer. The meeting went smoothly until it came time for Dubon to make the payment. She pulled out \$110,000 from a cheap-looking airline travel bag and stacked the small denomination bills on the lawyer's desk. Not the brightest of ideas. "At that point everything went out of the window because it was definitely out of the ordinary for that area," Hauber later explained.²²

Hauber hesitated and then refused to leave with the cash, fearing he might be robbed by the group or somebody working for it as he left the office. "Relax," Dubon said. "I'll deposit the money in an Amsterdam bank and write you [Hauber] a cashier's check."²³

The Cartel could not have settled on a better place to run a clandestine and illicit operation involving many Hispanic workers, almost all of whom did not speak English. The Minden locals kept to themselves, minded their own business, and did not normally contact authorities if something suspicious happened.

"I know it's kind of unusual to have people who looked Hispanic and did not speak English to show up in a small town like Minden," said Pat Hynes, a NYSP officer, who investigated the Minden lab. "The strangers from the farm would show up at the local hardware store and nobody paid them any attention. So yes, it was a perfect place for a cocaine-processing lab."²⁴

After the closing in December 1984, the drug traffickers rented a big Ryder truck in Burlington, North Carolina. They loaded it with the chemicals, instruments, equipment, cooking racks, and some processed cocaine and took it to Minden. They built a shed to store the chemicals and a double-wide trailer to house the workers, and they also brought 230 55-gallon drums of ether, acetone, and other highly hazardous precursor chemicals used in cocaine manufacturing.²⁵ Aguilera directed his workers to buy the building supplies needed to convert the farm into a lab. He called Bralda International and World Consultants Documentation, the storage company in New York City, where the organization stored the cocaine base and huge barrels of precursor chemicals. The gang outfitted a white 1985 Chevy van with false paneling and began transporting the materials and supplies from the storage companies to the Minden farm.²⁶

One day Aguilera called a meeting at the New York City apartment of his mistress, Elizabeth "Nena" Andrade-Londono, and told his associates

that the police had followed him on the highway on one of his trips to Minden hauling cocaine base. He was lucky not to get caught, Aguilera told the gathering. In the future, they would have to be careful what they said and where they said it, he warned. Aguilera instructed them to always use pay phones; the cops could be tapping the lines.²⁷

On April 1, 1985, the Minden lab was ready. For nine days Aguilera and his associates processed about 1,539 kilograms of cocaine, which, in 1985 value, was worth more than 100 million dollars before being cut or otherwise diluted for street sales. DEA chemists later determined that enough chemicals remained at Minden to produce 5,000 kilograms without restocking.²⁸

The Cali Cartel believed it had hit the drug traffickers' pot of gold. It could be months, or even years, if ever, before law enforcement would be on to them. But they never factored in bad luck. On its tenth day of operation, an electrical short sparked a fire. The workers frantically tried to put it out, but the extinguishers failed to operate. In a panic they fled on foot into the countryside. When the fire spread to some of the precursor chemicals, the lab exploded. Luckily, only a small portion of the 230 55-gallon drums were in the lab at any one time. Most of the chemicals were stored in a nearby shed, which the firemen managed to reach just ahead of the flames.²⁹

"It could have been a disaster," said Craig A. Benedict, assistant U.S. attorney general for the Northern District of New York. "The chemicals at the lab had the explosive power of 63,000 sticks of dynamite. Had they exploded, the workers, firemen, and anybody else in the area would have died."³⁰

The police picked up three of the workers trying to flag down passing motorists for a ride. All had cocaine residue on their clothing. Gomez fled on foot to Aguilera's sister's house, and from there, he drove to his apartment in Queens, New York. Aguilera had left minutes before the fire to call his bosses in Cali and report on how well the lab was doing. Returning to the farm, he spotted the fire and immediately headed for the big city.³¹

A fire, an explosion, and cops crawling around their former cocaine lab was not going to deter the Cali Cartel. Go ahead and find a good place for another lab, Santacruz instructed Aguilera. The lieutenant gathered the remnants of his Minden team and met in Gomez's apartment. He paid off the members and began making plans for another lab. He directed Fargas to find a new farm. Within two-and-a-half weeks of the Minden disaster, Aguilera had bought another site for \$160,000 in rural Orange County, Virginia, under the name of an American, Robert Michael Cadiz. As with the Gibsonville and Minden farms, the traffickers made renovations on the Virginia property. This time workers installed sophisticated surveillance cameras at the farm's entrance, as well as putting exhaust fans into the barn's roof to release the ether and acetone fumes. They installed a large metal building to store the 55-gallon chemical drums.³²



During its 20 year investigation of the Cali Cartel, U.S. law enforcement will uncover a seemingly endless supply of cocaine to the streets of America. Courtesy of New York State Police and William Mante.

From mid-May to mid-January, the Virginia lab ran smoothly, producing about 3,864 kilos of cocaine, but now the authorities were hot on Aguilera's trail. The traffickers left plenty of evidence behind at Gibsonville and Minden for the authorities to analyze. Investigators found Santacruz Londono's Cali phone number in the records.³³ They had confiscated record books and computer disks containing the names and addresses of dealers and customers and revealing how the product was being distributed. Evidence at Minden led authorities to Gibsonville. In analyzing the evidence found at the two places, the authorities were able to deduce that another lab was being built somewhere in Orange County, Virginia.³⁴

The DEA and the NYSP tipped off police in Orange County, telling them to look for Colombian individuals who had bought a farm in their county between the time period of May and early June 1985, probably in the name of an American. Local police investigated and quickly discovered that a farm fitting the profile had been sold on May 22. They checked out court records to determine who had bought the property and flew over the property to take photographs. They found changes had been made to the property. It looked as if the new property owners had installed two air vents on the roof of the large metal shed.

The police set up surveillance from a fire tower close to the farm and began using binoculars and 30- and 60-power spottoscopes to observe activity on and about the farmhouse and metal shed. One day, they spotted workers taking boxes out of the shed and putting them in the back of a pickup truck.

The police had seen enough. On July 1, they obtained a search warrant and the next morning raided the farm. A Virginia state police armored vehicle sped up to the farmhouse, policemen jumped out, and everyone in the house was ordered to get out. When only three people obeyed the order, police used tear gas to force out three others. The police later learned that one person escaped. Inside, police found a computer; telephone; typing equipment; weapons, including a shot gun, an MM-1 rifle, a .9mm pistol, and a 25 automatic pistol; and a telescope pointed in the direction of the farm's front entrance. In the shed they discovered 86 barrels of ether and acetone, more than 55 pounds of cocaine base, and a small amount of processed cocaine. Police later learned that, shortly before the raid, the most recent batch of processed cocaine, about 1,000 pounds, had been delivered to Aguilera.³⁵

As the investigation continued, the authorities discovered other processing labs. Two days later, they arrested 10 Colombian nationals in clandestine cocaine labs in New York State and Virginia: a 47-acre tract at 6805 Sound Avenue in Baiting Hollow, Long Island; a 66-acre site in Fly Creek, New York, located about 90 miles west of Albany; and another property in Gordonsville, Virginia. The labs all fit the same pattern, and the authori-