Written Testimony Submission
Oversight and Government Reform and Committee on Natural Resources
April 15, 2011
Room 2154 Rayburn House Office Building
By
George Zachary Taylor
National Association of Former Border Patrol Officers

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There is a tremendous difference of opinion between what the Law Enforcement Officers working along the Arizona-Mexico Border believe is the current state of National Security and Public Safety there and what the Department of Homeland Security Officials represent as the current state of National Security and Public Safety along that very same border.

In this written testimony I will cover some important points that the time constraints at the hearing do not permit in my oral presentation.

I entered on duty with the U.S. Border Patrol in 1976 at Brackettville, Texas, transferred to McAllen, Texas, in 1979, and was then promoted and transferred to Nogales, Arizona, in 1988, where I was again promoted in 1988. I retired as a Supervisory Border Patrol Agent at Nogales, Arizona in 2003. I continue to live north of Nogales overlooking the dual Cities of Nogales and the Mexican Border. During my entire tenure with the U.S. Border Patrol I was a field agent and field supervisor. Working the field provides insights and experience that cannot be developed in any other assignment in the Border Patrol. In that capacity no one needs to tell you what is happening along the border you live it on a day to day basis. I always found it somewhat amusing that apparently intelligent people that were visiting the border area for the first time would tell me what was taking place in my world. Primarily, I saw the wide disparity between what perceptions as a whole were concerning the border and what reality on the ground actually was. As time has gone by that disparity has widened to the point where we find ourselves today.

Today I am writing as a founding member of National Association of Former Border Patrol Officers which is a non-partisan, non political group of former officers dedicated to protecting America by giving Americans the facts as we see them. We support legislation that will help America and we oppose legislation that will hurt America. We support Mr. Bishop's Bill, cited as the "*National Security and Federal Lands Protection Act.*" This legislation is necessary to promote the securing of the external borders of the United States and to protect our Border Patrol Agents while they engage in that endeavor. This bill is needed to protect the Agents working on the federal public lands along the border.

After living and working on the Mexican Border for approximately 35 years I have not seen a better representation of the impact illegal immigration has on the environment than does the oral presentation by Rosemary Jenks of Numbers USA that was presented at the Brownsville, Texas, Field Hearing on April 28, 2008. For our purposes today this view of the situation is timeless: http://www.youtube.com/watch?v=N-FPUGibvqI

Also at that hearing was testimony that I presented regarding the situation at the border: http://www.youtube.com/watch?v=LJqqwcKn81w , or, http://www.youtube.com/watch?v=5ukMz2Q49sE , in 2008.

These presentations are highly recommended to anyone seeking to better understand the origins of why we are here today. The problem is historic, apparent, it is ongoing and it must be addressed effectively by Congress.

Some useful information can be gleaned from radio, television, newspapers and various blogs. The problem is that so much of what is available is biased to the extent that it is useless because it is written with a political motive rather than presenting the whole picture. Politicizing the situation makes it more difficult to draw a distinction between fact and fiction and therefore fact is more difficult to discern by the ordinary observer. Good or bad these are the mediums we are working with today. Occasionally the alert eye can spot a dot on the radar screen that connects with a corresponding dot observed elsewhere. Once a collection of these dots are assembled a picture begins to emerge on the landscape when viewed by the experienced eye. In some pursuits this is called intelligence gathering. It is descriptively called connecting the dots. Unfortunately, this process takes time and diligence and few people having both resources available to them over time. I have been connecting the dots from my perspective with a law enforcement officer's point of view for about 43 years now and will share some insights with you about the situation on the border. What I am going to relate to you is not a secret at all but it is obviously hidden in plain sight. To illustrate this phenomenon I am attaching 15 current news articles that provide a glimpse into the extent of the problems that currently exist.

It is true that foreign nationals and citizens alike are using our public lands in the United States to grow marijuana, principally U.S. Forest Service lands. It is true that illegal alien smugglers and illegal drug smugglers heavily use the federal public lands along the external borders of the United States. It is true that they are causing extensive damage to the ecosystems and the various attractive features of these federal public lands. It is also true that no one is saying they want this destruction to continue. So, why is the smuggling, violence and destruction increasing at such a rapid pace? You already know that drug and alien smuggling is an evil enterprise. It involves rape, prostitution, human slavery, kidnapping, extortion, robbery, assault and murder on a daily basis within the United States. The evidence is everywhere of this evil. So why does it continue? I will follow with some snapshots of what the root of the problem is.

The answer, in a word, is money. If love of money is the root of all evil, logically it is at the heart of the extreme evil that takes place along our southern border on a daily basis.

Drug and illegal alien smuggling is a for profit business. The drug and illegal alien smuggling business feeds the demand of a service and commodity market which in our case is located in the interior of the United States. It is fueled by greed. The point of sale is inside the United States to the market where the demand for these services and commodities exists. This is where the sale is made. To avoid tortuous details I will simply say that demand drives supply and price for the commodity or service is determined by demand. Inside the United States, where the financial transaction is consummated, are interests that are making huge amounts of money from this business and never directly interact with the service or the commodity. To them, it is a tremendously profitable, low risk business enterprise. It is in their best interest for our borders to remain open and no one else's. It is an organized, criminal enterprise.

This situation has created two polarized factions. On one side you have the people that want these evil businesses to stop. On the other side you have people that want their highly profitable businesses to continue. The organized, criminal enterprise has amassed huge amounts of money and can influence public opinion by buying people to support issues that will allow their enterprise to continue. This is a simplification of the origin of the how problem came about and why it continues to grow.

As Americans we naturally look for solutions to these evil enterprises in our federal government. In the federal government are agencies. Governing the illegal alien smuggling business through these agencies, in this case, now is principally centered in the Department of Homeland Security.

We know 19 mid-eastern aliens that should not have been in the United States brought down the World Trade Center which lead to the creation of the Department of Homeland Security. The Department of Homeland Security was born and justified in crises created by the illegal immigration situation. Illegal Immigration is the reason DHS exists.

We know that a considerable amount of the funds granted to the Department of Homeland Security by Congress are to address the illegal alien situation in the United States by enforcing immigration law.

Commissioner Bersin of Bureau of Customs and Border Protection has said that the function of his agency is to manage the illegal immigration situation. Note, he did not say the agency function is to put these evil businessmen out of business. Yet, our Border Patrol Agents are being slaughtered while patrolling on the southern border as he presides over the management of the illegal immigration situation from Washington, D.C.

Moreover, no town, city or state within the United States is safe from the influence of these criminal enterprises flowing from drug and illegal alien smuggling that are allowed to exist and prosper in America.

From a strictly political and agency management point of view, why would Commissioner Bersin or Secretary Napolitano want to solve the illegal immigration situation in the United States and remove the primary purpose for their agency and jeopardize a significant part of their budget, especially when they see the escalating situation as an opportunity to justify increased funding? Managerially speaking, to DHS, isn't illegal immigration a cash cow? Without illegal immigration, how large would the DHS budget be?

Next we have to factor in the various other agencies that have a 'budgetary' interest in the illegal immigration situation on Public Lands. The first hint as to the extent of this problem is the laundry list of laws that Congressman Bishop's Bill specifically enumerates.

Various agency representatives are keenly aware of 'the cash cow' of congressional funding and how to pull the teat. They too do not want to give up their seat at the table of funding distribution when illegal immigration is the subject.

Witness the mitigation funds DHS negotiated with Department of Interior to mitigate damages done by Border Patrol Agents in southwestern Arizona while they were attempting to secure the border. Were those funds transferred improperly? Surely they were not appropriated for that purpose, were they?

Then we have the issue of an MOU. A Memorandum of Understanding is nothing more than a piece of paper. It is a distraction from the real issue. The real issue is unencumbered access to all federal public lands along the border. Unencumbered access is necessary to secure the border. These agencies do not want to release any of their influence or authority through legislation so they appear to solve this issue indirectly. That is how and why this MOU was invented. Any one could sue either signer or group of signers to an MOU, citing a violation of the controlling statute and win their case in court. Not only that, the federal government would probably reimburse their costs after they won in court. Beware anyone advocating an MOU that contradicts statute.

There is the snapshot of some of the forces that are moving and shaking around the issue of the drug and illegal alien smuggling across federal public lands. Obviously the real issue here that is at stake is National Security and Public Safety which the Congress and these agencies have been fully aware of for years.

Now I am going to cut to the chase and talk about cause and effect and how certain events take place from the point of view of an experienced Field Supervisory Border Patrol Agent. I am going to present part of my view of the Border Patrol Agent Brian Terry murder that you probably will not hear anywhere else. For ongoing operational security concerns there are some details that I will not divulge. Please pay attention.

West of Nogales, Arizona, on the U.S. Mexico border lies the Pajarita Wilderness. The Pajarita Wilderness is an open corridor to criminals seeking to operate in the Tumacacori Highlands to the north. Immediately to the North of the Pajarita Wilderness is the Proposed Tumacacori Highlands Wilderness area, comprised of the Atascosa Mountains and the Tumacacori Mountains. Peck Canyon, from Corral Nuevo through Hells Gate, to Peck Well and eastward separates the two mountain ranges, north to south. House of Representatives Bills HR-3287 and HR-2593 sought to make these mountains permanent Wilderness designations and basic protections were being considered and to some extent implemented in 2007-2008.

Wilderness does not permit use of any mechanized equipment, not even a helicopter or bicycle. Wilderness is supposed to not reflect the hand of man. Several years before the temporary Wilderness designation was granted to this area the drug and alien smugglers had already established a relatively tenuous presence. When law enforcement was essentially removed a vaccum was created. The criminals quickly filled the vacuum in their absence when temporary Wilderness designation was granted. Problem is, in filling the vacuum they attracted other drug and alien smugglers who began to contest the access rights through the area. With law enforcement out of the equation violence ensued, the law of the gun emerged and the area became lawless. The violence continued to escalate. Thousands of pounds of illegal drugs and thousands of illegal aliens from all over the world were traversing the area and the smugglers saw it was good for their business and they hired armed criminals to protect their interests which prompted a similar response from the criminals preying on the drug and illegal aliens smugglers. Something like predators fighting over a territory for the rights to wreak mayhem in that territory. But the official reports touted by Homeland Security ignored these federal public land issues.

As the violence became more common it began to spread out and become more prevalent. Wounded, robbed, raped and murdered humans began showing up in the periphery, on streets, in yards and at homes. God only knows what atrocities those mountains hold secret for we are only aware of a small fraction of the carnage and human suffering, and even that which is known is under reported by the press and public agencies.

The enforcement absence because of lack of access in the Pajarita Wilderness facilitates the occupation of the Tumacacori Highlands by an emboldened criminal element. While they were robbing, raping and murdering they one day shot at a few agents near Pena Blanca Lake, then in Bellatosa Canyon, then near Wise Mesa, reportedly near Rock Corral Canyon and eventually they shot another agent December 2009 in Ramanote

Canyon and nothing happened. Then they shot and killed Agent Brian Terry at Peck Well in December 2010. Their expectation at that time, based on past practice, would likely be that nothing would happen. All of these places are on federal public land.

Consider this: Brian Terry's team knew the night of December 14, 2010, that the people they were looking for had been in gun fights with the Border Patrol on previous occasions. Brian Terry's team knew these were ruthless killers. Brian Terry's supervisors knew how dangerous these criminals were based on what they had already done. The agency knew how remote and difficult the terrain in Peck Canyon and the surrounding area was because in the December 2009 agent shooting it took them several hours to lift out the wounded agent after the helicopters arrived on scene. Reasonable preparations should have been made and put in place before Brian Terry and his team went out on December 14, 2010. Specifically, training and preparations should have been made and put in place to extract wounded by helicopter in a very short time frame. Such preparations were not made and I understand they were not even considered.

Reasonably experienced Border Agents obviously did not have a hand in planning or executing the operations plan that lead to Brian Terry's murder. That operation appears to me to have been a token effort to appease critics or give the impression of dealing with an inconvenient problem by throwing resources at the problem. What else would you expect from an agency that seeks to manage the drug and illegal alien smuggling situation rather than resolve it?

All of these events are inconvenient for the Department of Homeland Security because their mere existence speaks volumes against their assertion that the border is safe by any measure. However, when it was discovered that non lethal force was encouraged for use by the agents, (Bean Bags), and the military rifles found at the scene used by the criminals were walked into Mexico by Agents of the Department of Justice, the whole matter predictably went into protecting the government mode and away from the investigation mode and will be there until as much of the truth as can be discerned is pried out of those agencies.

In the meantime the root problem remains, Federal Wildlife Refuges, Wilderness and Designated Wildernesses of various varieties serve to keep Border Patrol Agents from effectively and safely securing the border and apprehending those that have already crossed the border. A reading of the statutes creating these variously protected public lands clearly reveals that these rules and laws prevent agents from engaging in the work necessary to secure the border on federal public lands. The concept is so simple it is painful to observe that anyone can misunderstand it. To secure the border, agents must have necessary unencumbered access to federal public lands. That is why Congressman Bishop's Bill has a long list of laws that are in the way of securing the border.

Agents need unencumbered access to all federal public lands within 100 miles of the external border to safely patrol them. This is why Congressman Bishop's Bill must pass and send a clear message that Americans want the border secured and they are willing to give the Border Patrol Agent on the ground the tools necessary to secure the border.

Attachments:

1.- Federal Agents Told to Reduce Border Arrests, Arizona Sheriff Says, One Page
2.- Sheriff Larry Dever article from AFGE Local 2544 website, One Page
3.- Undercover Agent Shot by Drug Suspects in Peoria, Arizona, One Page
4.- Feds Finding It Harder and Harder to combat escalating presence of Mexican drug cartels in New York City, Three Pages
5.- Gwinnett County, Georgia is experiencing an illegal alien crime wave, Four Pages.
6.- Barriers aren't just for the border now, Four Pages
7.- Danger on the U.S.-Mexico Border, Three Pages.
8.- 2 Suspected Immigrants Found Dead, One Page.
9.- Police fired at during chase involving suspected human smugglers, One Page.
10.- Mexican Woman Has Foot Severed by Train in Rio Rico, One Page.
11.- The Washington Times, Human Bondage Hits U.S. Heartland, Four Pages.
12.- Tucson Weekly, Spilling Over? As federal officials talk tough, local officers express concern about cartel violence, Three Pages.
13.- The Best and Worst of FOIA gate, Two Pages.
14.- Fox News Phoenix, Sheriff Calls "Operation Desert Sky" a Success, One Page.

And Last But Not Least by Far

15.- How a Big U.S. Bank Laundered Billons from Mexico's Murderous Drug Gangs, Eight Pages of prescient information.

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EXCLUSIVE: Federal Agents Told to Reduce Border Arrests, Arizona Sheriff Says

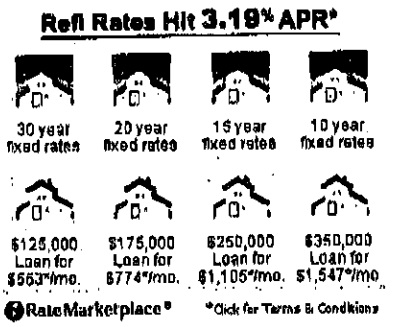
By Jana Winter

Published April 01, 2011 | FoxNews.com

An Arizona sheriff says U.S. Border Patrol officials have repeatedly told him they have been ordered to reduce – at times even stop – arrests of illegal immigrants caught trying to cross the U.S. border.

Cochise County Sheriff Larry Dever told FoxNews.com that a supervisor with the U.S. Border Patrol told him as recently as this month that the federal agency's office on Arizona's southern border was under orders to keep apprehension numbers down during specific reporting time periods.

"The senior supervisor agent is telling me about how their mission is now to scare people back," Dever said in an interview with FoxNews.com. "He said, 'I had to go back to my guys and tell them not to catch anybody, that their job is to chase people away. ... They were not to catch anyone, arrest anyone. Their job was to set up posture, to intimidate people, to get them to go back."



Dever said his recent conversation with the Border Patrol supervisor was the latest in a series of communications on the subject that he has had with various federal agents over the last two years. Dever said he plans to relay the substance of these conversations when he testifies under oath next month before the Senate Committee on Homeland Security and Governmental Affairs.

"I will raise my hand to tell the truth and swear to God, and nothing is more serious or important than that," he said. "I'm going to tell them that, here's what I hear and see every day: I had conversation with agent A, B, C, D and this is what they told me."

Dever's charges were vigorously denied by a commander with the U.S. Customs and Border Protection.

"The claim that Border Patrol supervisors have been instructed to underreport or manipulate our statistics is unequivocally false," Jeffery Self, commander of the U.S. Customs and Border Protection Joint Field Command in Arizona, said in a written statement.

"I took an oath that I take very seriously, and I find it insulting that anyone, especially a fellow law enforcement officer, would imply that we would put the protection of the American public and security of our nation's borders in danger just for a numbers game," he said. "Our mission does not waiver based on political climate, and it never will. To suggest that we are ambiguous in enforcing our laws belittles the work of more than 6,000 CBP employees in Arizona who dedicate their lives to protect our borders every day."

In recent days, Homeland Security Secretary Janet Napolitano has said the U.S.-Mexican border is more secure than ever, and Homeland Security officials have used recent statistics to support those claims.

"There is a perception that the border is worse now than it ever has been," Napolitano said at the El Paso border crossing last week. "That is wrong. The border is better now than it ever has been."

Dever doesn't agree.

"Janet Napolitano says the border is more secure than it's ever been. I've been here for 60 years, and I'm telling you that's not true," he said.

The sheriff of Santa Cruz County, which borders Dever's Cochise County to the west, said, "This is news to me," when asked about reports that border agents were being told to turn illegal immigrants back to Mexico rather than arrest them.

"It comes as a complete surprise that that would be something that's going around," Santa Cruz County Sheriff Tony Estrada said. "I meet with Dever all the time and I have great respect for him, so I expect he'd come forward and say what he knows and give the source.

"Not knowing who the source is, how reliable that source is, I really don't have much of a position," Estrada said. "I've been around a real long time and haven't heard anything like this. By the same token, you learn new things every day."

Both sheriffs are elected officials. Dever is a Republican, Estrada, a Democrat.

Others have questioned the methodology and conclusions of the Homeland Security numbers showing the border is more secure.

Larry Dever

04-07-11 Update: Sheriff Dever is now under assault from BP management. It is likely that management has already launched an intensive "investigation" directed at finding the source of Dever's information. If that person is found, he or she will be faced with giving a statement under oath about his or her dealings with Sheriff Dever. Low-level managers have very little protection, and speaking out on a topic that is unpopular with upper management is career suicide. Just remember, for years now we have been told from the highest ranking managers in our agency that "every apprehension is a FAILURE" (Johnny Williams - former INS Western Region Director), and that we "are NOT immigration officers" (current CBP Deputy Commissioner David Aguilar to Border Patrol agents when he was the Chief of the Border Patrol).

Aguilar crony and then Laredo Sector Chief Carlos Carrillo echoed that it wasn't our job to catch illegal aliens. An uproar ensued, and Carrillo promptly retired. Aguilar has been more careful about what he says since his famous nationwide tour a few years ago, but the cat was out of the bag with us at that point. We have been told that - Apprehensions = failure, we are not "immigration" officers, we should not "lower" ourselves to the status of an immigration officer, and our primary job is not apprehending illegal aliens. Couple all this with Secretary Napolitano's recent public announcement about what she expects our apprehension numbers to be this fiscal year, and it's not hard to figure this thing out. Dever will be faced with exposing his source or eating crow. We fully expect that his source is wishing he or she hadn't said anything about now.

Lastly, it is appalling when como managers trot out the old tired line about how conversations about these topics somehow hurt the reputation of the "hard working" and "dedicated" agents. We have news for them. We don't make the rules. We have to follow all the rules made by the politicians and management. We don't like many of their rules. We don't like the constant political gamesmanship that goes on in regards to illegal immigration. We don't like that we are so closely tied to political bureaucrats who often aren't interested in truly letting us do our jobs effectively and succeeding at our mission.

Read the latest here.

04-01-11 Sheriff Dever is right. We have seen so many slick shenanigans pulled in regards to "got-aways" and entry numbers that at times it seems David Copperfield is running the Border Patrol. Creating the illusion that all is well and you can start having family picnics in the areas where we work has been going on far too long. Has there been improvement in some areas? Absolutely. Is the border anywhere near "under control"? Absolutely not. Do some in management play games with numbers and cater to the wishes of politicians like Janet Napolitano and David Aguilar? Resoundingly, yes. Time for the foolish political games to stop. Read the article here.

Undercover agent shot by drug suspects in Peoria

April 11, 2011 | 9:51 am | 61°

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Undercover agent shot by drug suspects in Peoria

by Lisa Halverstadt and Mary Shinn - Apr. 8, 2011 06:50 PM
The Arizona Republic

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A special agent of the state Attorney General was shot late Friday while following two cars believed to be involved in a Mexican drug cartel, the Arizona Department of Public Safety said.

The undercover agent was shot in the shoulder and neck around 4:15 p.m by one of the suspects he was following in the area of 91st Avenue and Mountain View Road in Peoria, DPS Capt. Steve Harrison said.

When the suspects realized they were being followed, they began driving aggressively, Harrison said. The driver of a white pickup truck circled back behind the officer and began ramming the agent's car. The second car, a gold Chrysler Pacifica, remained in front of the agent. The truck then pulled parallel with agent's car and the driver shot the agent, Harrison said. The agent was treated and released from the hospital, said Amy Rezzonico, an AG's spokeswoman.

Harrison said the agent is part of a multi-agency drug task force and that other officers in the area were monitoring him and responded when he was shot.

The driver of the white truck has been arrested, and police were still looking for the occupants of the Pacifica late Friday.

Peoria police and DPS are investigating the shooting.

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Exclusive

Feds finding it harder and harder to combat escalating presence of Mexican drug cartels in New York

BY Edgar Sandoval
DAILY NEWS STAFF WRITER

Monday, April 11th 2011, 4:00 AM

Menaghini/AP
Federal officers escort accused drug trafficker and two other alleged drug cartel members in Mexico City in November.

New York feds have more than doubled the time spent breaking up the growing network between local gangs and Mexican drug cartels.

U.S. Immigration and Customs Enforcement agents went from spending 13,472 hours in 2009 to more than 30,000 hours last year looking into street criminals-turned-lackeys of Mexican drug rings, officials said.

ICE also added three agents in the past few years to fight the drug gangs' escalating presence.

The shift in manpower and time was based on intelligence showing local gangs' illicit activities had evolved into more sophisticated and businesslike enterprises.

ICE agents also have seen a rise in dirty money and weapons confiscated in the New York area.

Last year, the feds seized more than $35 million and 57 firearms, a record number in New York, according to ICE figures.

"We spent these hours investigating violent, transnational street gang members who are now working closely with sophisticated drug-trafficking organizations," said James Hayes, special agent in charge of Homeland Security Investigations in New York.

"We see more and more a correlation between Mexican drug organizations and gangs here in New York," Hayes added.

"New York is a big market for drugs. Mexican cartels want to increase their presence here."

For decades, New York was a Colombian drug playground. But when federal agents caught on to their Caribbean corridor, Colombian drug cartels had to rethink smuggling routes and enlisted their Mexican counterparts, who had access to porous border towns, officials said.

Mexican kingpins established roots in the city by recruiting local gangs - like MS 13 and the Latin Kings - with the promise of hefty paydays, feds say.

"Mexican cartels went from being relatively small players to playing a much larger role in the transportation of drugs into the country," said Michael Sanders of the Drug Enforcement Administration.

Some former drug gang members said the money pushes many idle youth into working for gangs hired by Mexican cartels.

"These kids have no future. The promise of money seems like a good way out, and next thing you know you're involved in a dangerous drug world," said Frank Hernandez, 53, of the Bronx, who spent several years in prison for selling drugs.

Paco, a former gang member who won't use his real name for fear of rival drug gangs, said New York's appetite for drugs kept him hooked.

"It's hard to stay clean and away from the gangs and the easy money," Paco said.

"The drugs come from Mexico, and we sell them here. It never ends."

esandoval@nydailynews.com

From NYDailyNews.com

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Gwinnett County, Georgia is experiencing an illegal alien crime wave

By Dave Gibson, Immigration Reform Examiner
March 18th, 2011 11:45 pm ET

Last month, two very high profile crimes in which children were killed occurred in Gwinnett County, Georgia. In addition to the tragic loss of young lives, both cases had something else in common...both of the suspects charged in each of the horrific crimes were illegal aliens.

-On February 9, Gwinnett County police responded to a gruesome crime scene and found two boys, 1-year-old Edward Garcia and 3-year-old Bradley Garcia stabbed to death, and the boys' father and 3-year-old brother also suffering from severe stab wounds.

The surviving toddler was taken by helicopter to Children's Healthcare of Atlanta at Egleston, and the father, Elvis Garcia, 23, was also taken to a local hospital. Both survived.

Police arrested Antonio Cardenas-Rico, 28, and charged him with two counts of murder.

However, the father's story quickly unraveled and police soon charged Garcia with killing his own sons.

Elvis Garcia is now awaiting trial, charged with two counts of murder and one count of aggravated assault.

While the murder charges against Antonio Cardenas-Rico (also an illegal alien) were dropped, he is also currently being held in the Gwinnett County Detention Center on unrelated drug charges.

-On February 17, firefighters responded to a house fire in Lilburn in which three children, ages 18 months to 4 years, died from smoke inhalation. It was quickly determined that the deadly fire was the result of an explosion from chemicals used to make methamphetamine.

Narcotics investigators also found more than $192,000 hidden in the walls of the home, nine pounds of liquid meth and one pound of "finished" product.

Gwinnett County police are now searching for Ivan Gonzalez, 26, who has been charged with murder and arson. He was apparently living with the children's mother, Neibi Brito, 22, who has been charged with drug trafficking.

Gonzalez is believed to be hiding in Mexico.

The two cases have highlighted how Gwinnett County has been overrun with illegal aliens in recent years, and the ensuing crime wave that has county residents understandably worried.

On November 16, 2009, the Gwinnett County Sheriff's Department (GCSD) joined the federal program which allows local law enforcement to identify and report illegal aliens in their custody, known as 287 (g).

Since that day, the GCSD has identified 3,918 illegal aliens in their custody. Those detainees accounted for a total of 8,641 various charges.

What follows is a list of the most serious crimes with which those illegal aliens were charged:

-Felony drug charges...321
-Rape...31
-Child molestation...61
-Other sex crimes...40
-DUI...627
-Aggravated assault...97
-Robbery...49
-Battery...222
-Murder...5

Mexico represents the country of origin for most of the illegal aliens arrested in the county since the GCSD began identifying and reporting them, with 2,[illegible]. Honduras follows with 358, then Guatemala with 357 and El Salvador with 219.

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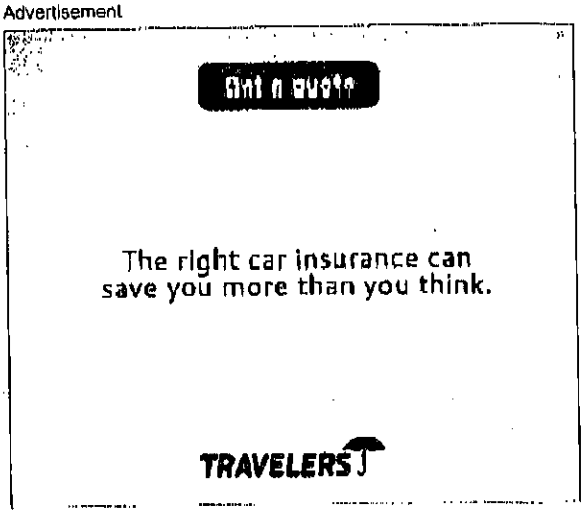

An examination of GCSD's online records showed that between March 16-18, immigration holds were placed on the following inmates:

-Julio Cesar Picasso-Sanchez...charged with passing emergency vehicle, failure to yield after stop sign.

-Santiago Arnaldo Domingo...charged with driving without a license, open container of alcohol, DUI.

-Jose Alfredo Gutierrez-Munoz...charged with driving without a license, HOV lane violation.

-Freddy Manuel Suarez...charged with passing emergency vehicle, driving while license suspended/revoked.

-Gregoria Lara-Gomez...charged with driving without a license.

-Juan Jaime Martinez...charged with driving without a license.

-Gabriel Nava-Garcia...charged with DUI, driving without a license, driving witho...ut headlights.

-Juan Martin Rendon...charged with improper equipment, driving without a license.

-Armando Basilio-Castro...charged with driving without a license.

-Jorge Barajas...charged with failure to appear.

-Moises Reyes-Oxlaj...charged with failure to appear, driving without a license.

-Rudy Lopez-Cabrera...charged with open container of alcohol, DUI, driving without a license.

-Luis Albarran...charged with DUI.

-Silvano Guillen...charged with improper equipment, driving without a license.

-Seung Woo Park...charged with three counts of armed robbery, 11 counts of unlawfully entering an automobile, 11 counts of possession of tools for commission of crime, probation violation.

The fact that 15 arrestees were identified as suspected illegal aliens over a three day period in a county jail that is 1,600 miles from the Mexican border is truly amazing, and speaks to how illegal immigration is no longer a problem isolated to the American southwest, but is now a national crisis.

If there is any one group of Americans who have the right to be angry with the federal government, it is the people of Gwinnett County who are being victimized by illegal aliens on a daily basis.

They are being robbed, their children are being raped, they are being over-burdened financially with undoubtedly higher auto insurance rates and on top it all off—they have to shoulder the costs of incarcerating these criminal aliens who should not have been in the country in the first place.

Tags: Illegal Alien Crime

From around the web

About Camping at National Parks (USA Today)

Betty on the News: Randy Quaid and Wife Arrested Over Hotel Bill (Betty Confidential)

Mom Brings Dead Son to Soccer Game (The Stir by CafeMom)

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70 miles north of the line, they protect sensitive lands from illegal crossers' trash

Barriers aren't just for the border now

Brady McCombs Arizona Daily Star | Posted: Tuesday, January 25, 2011 2:00 pm

Editor's note: This story first appeared Sunday as an exclusive for our print readers.

TABLE TOP WILDERNESS AREA - The landscape of saguaros, mesquite trees and prickly pear cactus here has a new feature - steel railroad rails welded into crisscrosses and connected by flat rails.

This rusting structure is a vehicle barrier designed to stop drug and people smugglers who barrel across the desert in trucks. The barriers are common at the international line - there are more than 139 miles of them along Arizona's stretch of U.S.-Mexico border.

But this isn't the border.

This 1.3-mile stretch of "Normandy-style" vehicle barriers was recently erected 70 miles north of the border on the Bureau of Land Management's Sonoran Desert Monument, just south of Interstate 8 and southwest of Casa Grande.

It is likely the first time border barriers have been used this far north, and the latest example of how managing public lands along the U.S.-Mexico border is now as much about dealing with trash and trails left behind by illegal border crossers as it is about monitoring endangered animals or watering holes.

BLM officials put up the barrier to redirect traffic around the federally protected Table Top Wilderness Area, where cars are prohibited. They know it won't stop drugs from reaching cities across the United States, but they couldn't sit back and watch the beautiful landscape get trampled.

Skinny, knee-high signs proclaim Table Top as protected wilderness.

"The public might respect our little signs, but they are not an issue for the smugglers," said Damian Hayes, a BLM law enforcement ranger who patrols the area.

The barrier is on the southern boundary of Table Top, which borders the northern edge of the Tohono O'odham Nation. Smugglers have carved a grid of illegal roads through the wilderness area as they cross the O'odham land and cut through Table Top on their way toward Phoenix, inflicting serious damage to the habitat.

The recently completed barrier has already diverted vehicle smuggling around the wilderness area, and BLM crews have begun restoring the lands damaged by the roads, Hayes said.

"It's been amazing that it's done exactly what it was intended to do," said Hayes, who has patrolled the area for four years. "It's hard to gauge exactly where they are going, but they are definitely not using the wilderness area."

The problem isn't unique to the Table Top Wilderness. From Organ Pipe Cactus National Monument in Southwestern Arizona to Buenos Aires National Wildlife Refuge southwest of Tucson to the multiple patches of Coronado National Forest across Arizona's border, land managers grapple with a multitude of issues related to being the busiest stretch of border for illegal immigration and drug smuggling. Including the Tohono O'odham Nation, nearly 86 percent of the Arizona-Mexico borderlands are federal or tribal lands.

Dealing with border issues is nothing new - Arizona has been the route of choice for a decade. But the national attention about

how federal public-land managers deal with the cross-border traffic and work with federal law enforcement agencies has amplified in the past year with two high-profile killings in which suspects may have passed through federal lands.

BLM officials put up signs south of I-8 in the Table Top Wilderness Area warning visitors that the area was an active human- and drug-smuggling corridor and that they may encounter "armed criminals and smuggling vehicles." The signs became political fodder in the 2010 election and became a symbol to some that the United States had ceded territory to smugglers.

When BLM officials took them down and replaced them in October with toned-down notices, they were criticized for trying to make it seem that the problem had gone away. The irony - similar signs have been up for years across Southern Arizona.

The agency is considering putting up more vehicle barriers in Ironwood Forest Monument just northwest of Tucson. There are already vehicle barriers or fences up along the international border in the Organ Pipe Cactus National Monument, Cabeza Prieta National Wildlife Refuge, Buenos Aires National Wildlife Refuge and the Coronado National Forest.

Materials to build vehicle barriers are plentiful - hundreds of miles of old barriers were uprooted in the past three years to make way for Department of Homeland Security border fences and walls. Some of that excess supply went into the Table Top barriers, which cost the BLM about $66,000 each, said spokesman Dennis Godfrey.

Threat to employees

"The United States and Mexico border is 1,969 miles long," says a woman narrating over vaguely Mexican-sounding music and video of cactus and mesquite at the border. "It is a land that is both beautiful and fragile with a rich diversity of plants and animals.

"The management and protection of many of these areas has been entrusted to federal and state agencies," she says, as logos of the U.S. Fish and Wildlife Service, the BLM and the National Park Service, among others, flash on the screen.

"The employees working for these agencies not only have to protect the land and serve the public, but also have to deal with a unique situation: a tremendous amount of drug smuggling and illegal immigration in a harsh desert environment. These illegal activities pose a very real threat to employees."

This video - titled "Working along the United States-Mexico border" - is shown to federal employees and volunteers to make them aware of the situation and how to protect themselves.

Though illegal crossings have dipped along with the economy in recent years, federal lands in Arizona continue to be high-risk areas for illegal immigration and drug smuggling, says a November report from the Government Accountability Office.

The number of apprehensions by the Border Patrol on federal lands has not kept up with the number of estimated illegal entries there, the report found. Border Patrol agents made more than 91,000 apprehensions on federal lands in the Tucson Sector in fiscal 2009, but the agency estimated there were nearly three times as many illegal entries on these lands, the report said.

There's no way around it - working or volunteering on public lands near Arizona's border carries a level of risk.

At Organ Pipe, where ranger Kris Eggle was fatally shot in 2002 by a drug smuggler, about half the 330,000-acre park is closed to the public. That's an improvement over 2007, when the park was 97 percent closed, but still nothing like the 1980s, when park starters planned their work around the seasons - not law enforcement schedules.

The monument is divided into three zones: red zones where staffers can go only with security escorts; blue zones where staffers must go with at least one other person and call hourly to check in; and white zones that are open to the public and where the staff can work freely.

When staffers need to work in the red zones and none of the monument's 20 law enforcement officers is available, Organ Pipe Superintendent Lee Baiza has to contract security officers to escort them.

"It adds to the cost of doing business," Baiza said.

And it prevents or delays the staff from getting regular land-management work done. The Quitobaquito natural spring, about 100 yards north of border on the monument, is prime habitat for the endangered pupfish. Monument staffers sometimes have to travel

18 miles from the visitor center to make sure water levels there are adequate.

But since the spring is in the monument's red zone, staffers can't go alone without being accompanied by law enforcement officers. Staffers have to inform officers days ahead of such trips, too, so the officers can patrol the area one or two days before to make sure it's safe.

Monument officials outline these security concerns in recruitment material sent out to college students considering participating in field work at the monument, Baiza said. For some, it's not a big deal; for others, it's a deal-breaker.

"It's not just anybody that comes," Baiza said.

Federal law enforcement officers at the six border public lands visited by GAO officials this year said they spend 75 to 97 percent of their time responding to threats from illegal cross-border activity, the report found. At Organ Pipe, drug smugglers regularly use the visitor center parking lot as a staging area, says a Border Patrol threat assessment in the GAO report.

Keeping up with all the trash left behind keeps the BLM's Kathy Pedrick busy. Since 2002, the BLM has run an organized a trash-pickup program called the Southern Arizona Project. In fiscal 2009, the project picked up 234 tons of trash.

"They'll leave backpacks, food, whatever they want to jettison before a vehicle takes them," said Pedrick, special assistant to the BLM state director and chairperson of the Borderland Management Task Force, a group of officials from federal agencies that meets every two months to discuss border issues.

The estimated 2,000 tons of trash left behind by smugglers and illegal immigrants has harmed the fragile Sonoran Desert, landing Buenos Aires, Organ Pipe and Cabeza Prieta on lists of most imperiled federal lands at different points this decade.

There is even a website devoted to the trash (www.azbordertrash. gov). The site, run by the Arizona Department of Environmental Quality, is designed to coordinate cleanups and track results.

Under more pressure

While the strain of dealing with illegal cross-border activity is nothing new, the pressure on border land managers has escalated in the last year, led by a Republican lawmaker from Utah.

A month after Robert Krentz was killed on his Cochise County ranch, U.S. Rep. Rob Bishop introduced a bill that would give Border Patrol agents total access to public lands, where they now must adhere to some restrictions. He justified the legislation based on authorities' belief that the person who killed Krentz fled into Mexico through the San Bernardino National Wildlife Refuge, 17 miles east of Douglas.

Bishop was the ranking member of the House Natural Resources subcommittee on national parks, forests and public lands. He was recently named chairman.

In June, Bishop's office sent a press release saying the Buenos Aires National Wildlife Refuge had just days earlier announced the closure of 3,500 acres to the public due to dangers posed by Mexican drug smugglers. The press release missed a key fact: This section of the Buenos Aires Refuge has been closed since October 2006.

The erroneous report prompted several national media outlets to report a 4-year-old story as if it were new. The office of Buenos Aires refuge manager Sally Gall was flooded with inquiries, forcing the refuge to issue a press release to clarify things. The increased pressure from Bishop and others and the spreading of inaccuracies has given border public lands in Arizona a bad image, Gall said.

"Yes, there probably is increased drug traffic and the drug issue is definitely a concern, but I just think it's created a lot more fear in people than what was needed," Gall said. "It portrayed this area as really dangerous and that people should fear coming here."

In fact, illegal immigration has slowed so much through the refuge that Gall and the refuge staff will consider reopening the closed section later this year, after National Guard troops stationed there leave, she said. The estimated number of illegal crossings has dropped to about 100 per day, compared with more than 1,000 a day just a few years ago, she said.

Since last fall the GAO has been evaluating the relationship between federal land managers and federal law enforcement, issuing

two reports in the past four months about an improving but flawed relationship.

The first report concluded that federal rules governing public lands along the border cause some delays but do not prevent the Border Patrol from handling its assignment to secure the border.

The Dec. 14 fatal shooting of Border Patrol agent Brian Terry near Peck Canyon northwest of Nogales added fuel to the fire, too, since it apparently occurred within the Coronado National Forest. The exact location of the shooting has not been made public by the FBI or the Border Patrol.

Bishop sent out a statement the day after, lamenting the murder: "It's no secret why criminal organizations entering the U.S. from Mexico strategically target federal lands as the most ideal and secure route to traffic drugs, smuggle humans and carry out a host of other criminal acts. Strict environmental regulations are enabling a culture of unprecedented lawlessness that has led to numerous deaths on federal lands, including yesterday's tragic death of agent Terry."

All the increased attention on the border creates an opportunity for federal officials in Arizona to educate people across the country about the reality on the ground, Pedrick said.

"The fact that people are aware and recognizing the problem," Pedrick said, "can help solve the problem."

Contact reporter Brady McCombs at 573-4213 or bmccombs@azstarnet.com

On StarNet: Find extensive coverage of border and immigration issues at azstarnet.com/border

Danger on the U.S.-Mexico border

By Sheriff Clint McDonald, Thursday, March 31, 7:34 PM

There is a storm brewing along our border with Mexico, and our nation is relegating responsibility for quelling that storm to some of our poorest communities. In a visit to El Paso last week, Homeland Security Secretary Janet Napolitano claimed that there has been no "spillover" violence from Mexico into the United States. Regardless of the veracity, her point is irrelevant.

It is not spillover violence but spillover *effects* of hostilities in Mexico that pose the real threat to the United States.

Spillover effects are the direct results of Mexican violence that influence U.S. citizens living in communities along the border. For example, Mexican gangs fighting to control territory around the frontier village of El Porvenir, in Chihuahua, have threatened for almost a year to kill its residents. To escape the violence, nearly the entire village eventually relocated to Texas border communities — without, of course, being screened or processed. The results include schoolchildren fearing for their safety as their Mexican schoolmates talk of violence and murder, school buses "tailed" by armed private security guards and criminals relocating to the United States with their families and conducting their operations from this country. The single greatest spillover effect: U.S. citizens living in fear.

While border security is undeniably a federal responsibility, spillover effects are principally dealt with by local jurisdictions — and along the U.S.-Mexico border, this is mostly sheriff's offices operating in large, sparsely populated county areas supported by small tax bases.

Border counties are among the poorest in the United States and can barely afford to hire and equip sufficient, qualified law enforcement personnel to meet citizens' needs.

While billions of federal dollars are spent each year to increase the number and technical capabilities of Border Patrol agents, little is being done to improve security beyond the border area. An increase in border patrol agents gives the appearance of more security. But what about the soil past those agents' narrow jurisdiction?

Consider: Together, the seven West Texas counties to the east of El Paso County comprise 27,370 square miles, some 3,140 square miles larger than the state of West Virginia. Yet they employ fewer than 70 law enforcement officers year-round. This translates to one officer to patrol 396 square miles. And these are the counties that endure the greatest spillover effects of Mexican violence, as innocents and others seek refuge.

Much is said about the need for immigration reform, but comprehensive reform remains stalled. Border security is promoted as an aspect of this issue, but no one is taking on the real deficiencies. Efforts among all agencies — federal, state, local and tribal — must be aligned and provided adequate resources. A unified effort requires interagency adherence to a comprehensive national border security strategy that outlines goals, measurable objectives, well-defined priorities and common methods.

Without a comprehensive security plan from which officials at all levels can draw, we cannot create the conditions for true security. When Congress appropriates emergency funds, as it did in August, it sounds like a lot is being done. But in the absence of an agreed-upon plan, lawmakers will continue to spend on projects that fail to contribute efficiently to progress, and it's not clear how we justify the resources needed to adequately staff, train and equip law enforcement agencies for coordinated border security operations.

U.S. border security cannot continue to be left to various law enforcement agencies that employ different procedures, lexicons and equipment, and whose objectives and priorities may conflict. Conducting operations in jurisdictional stovepipes precludes interagency coordination and cooperation. Maintaining the status quo means we will continue to give up miles of U.S. territory to criminals who threaten our citizens as they pass through our border counties to the depths of our country.

Napolitano announced on her El Paso trip that the Department of Homeland Security will deploy as many as 550 more border agents in the next year. Meanwhile, a handful of deputies and I will be the principal non-federal law enforcement within a border county of nearly 2,400 square miles. We will not have the benefit of the new technologies developed for Customs and Border Protection agents, nor the information they process.

In short, our nation is not developing the law enforcement teams capable of securing our borders.

Americans rightly expect a unified effort among all law enforcement agencies operating along the border. We will not get there until our leaders in Washington recognize that need.

The writer is sheriff of Terrell County, Tex., and a past president of the Texas Border Sheriff's Coalition.

http://www.washingtonpost.com/opinions/danger-on-the-us-mexico-border/2011/03/30/AFQp4KCC_print.html

2 suspected immigrants found dead

By JB Miller
For the Nogales International
Published Friday, March 25, 2011 11:10 AM CDT

The sheriff's office is investigating the reported assault of a migrant woman from El Salvador and the deaths of two suspected border-crossers, one found by chance when deputies responded to a report of another set of human remains discovered near Tubac.

At 5:33 a.m. on March 17, the U.S. Border Patrol asked deputies to respond to the vicinity of Ruby Road and Tres Bellotas Road after agents found a woman on Dead Horse Ridge, a half-mile northeast of Tres Bellotas Ranch in Arivaca. Haydee Alvarado-Rodriguez, 38, of Santa Ana, El Salvador, was subsequently transported to University Medical Center in Tucson for treatment of injuries she allegedly received from her guide after she crossed into the United States illegally the day before.

Alvarado-Rodriguez told investigators at approximately 2 p.m. the guide struck her on the head with a rock after she refused his advances. She then lost consciousness and awoke a short time later.

"In an interview conducted with Ms. Alvarado-Rodriguez she denied and is certain she was not sexually assaulted," said Lt. Raoul Rodriguez of the Santa Cruz County Sheriff's Office.

Later that morning at 11:35 a.m., sheriff's dispatch received a call from a hiker who reported finding skeletal remains approximately 5 miles south of Arivaca Road. Deputies responded to Hunter's Access Road and Forest Service Road 3146 in Tubac where they proceeded to the location and retrieved the remains.

Rodriguez said as officers were leaving the area, they discovered additional skeletal remains one mile away from the initial reported location. He said the remains included a skull, vertebrae, and a portion of a hip, all of which were transported to the Medical Examiner's Office in Tucson to determine the cause of death.

Rodriguez said that due to the location of the remains, they are believed to belong to undocumented border-crossers. If confirmed, they would be the fifth and sixth undocumented immigrants found dead in Santa Cruz County so far in 2011

http://www.nogalesinternational.com/articles/2011/03/25/news/doc4d8cbb12de3dd821713206.txt

SIERRA VISTA THE HERALD
Published on *The Sierra Vista Herald* (http://www.svherald.com)
Home > BREAKING NEWS: Police fired at during chase involving suspected human smugglers

BREAKING NEWS: Police fired at during chase involving suspected human smugglers

March 15, 2011

SIERRA VISTA — Individuals involved in a suspected human smuggling operation eluded local police and other assisting authorities after fleeing from a home on Swan Drive on Tuesday afternoon.

The investigation is still unfolding, but law enforcement radio traffic indicated that the pursuit took officers onto Quail Run Drive, Avenida Cochise and Buffalo Soldier Trail. Spike strips were laid at several locations before the suspects managed to get west of Buffalo Soldier Trail onto Fort Huachuca and into the Garden Canyon area.

Fort Huachuca Military Police were called in to assist in locating the SUV, as was a U.S. Border Patrol helicopter. Scanner traffic indicated shots were fired at the helicopter.

The suspects remain at large late Tuesday night with the search and investigation continuing through the night.

Sierra Vista Police Sgt. Brett Mitchell said officers were unsure if any other suspects remained inside the residence on Swan Drive after the two suspects in the SUV fled. Officers were gearing up to prepare to enter the residence at about 5 p.m.

More information is expected to be made available Wednesday.

Mexican woman has foot severed by train in Rio Rico

By the Nogales International
Published Monday, March 14, 2011 8:15 PM CDT

Share An 18-year-old woman from Mexico was flown to University Medical Center in Tucson on advanced life support Saturday after her foot was severed by a train in Rio Rico.

At 7:14 p.m. on Saturday, Union Pacific Police called sheriff's dispatch to report two people carrying a third person along the railroad tracks in the area of Ojo Court. The person being carried appeared to have an injured or severed foot, the caller said.

The Santa Cruz County Sheriff's Office later identified the victim as Ines Flores-Melo, 18, from Coicoyan de las Flores, Oaxaca, Mexico, and said she was traveling with a group of illegal immigrants when she tried to board a northbound train, fell and lost her left foot.

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The Washington Times

House panel subpoenas ATF for documents on gun program

Human bondage hits U.S. heartland

Illicit trade for labor, sex generates billions in profits

By Chuck Neubauer

The Washington Times

8:18 p.m., Sunday, March 27, 2011

People were shocked when federal prosecutors charged the owners of a motel in Oacoma, S.D., a town of fewer than 500, with keeping Philippine women in virtual slavery, forcing them to work 20-hour days under the threat of violence and taking back their paychecks after they had been endorsed to deposit in their own accounts.

Prosecutors said the enslaved women performed cleaning and front-desk duties at the motel and were expected to work second jobs at fast-food restaurants. Every aspect of their lives, according to records in the 2007 case, was controlled, including what they ate, where they lived, what they wore and to whom they spoke.

Human traffickers had crept unnoticed into the small Lyman County community, located on the west bank of the Missouri River 80 miles southeast of Pierre, the state's capital. But the townsfolk soon learned that Interstate 90, which roars right by Oacoma, is part of the "Midwest Pipeline," the superhighway used to deliver trafficking victi to cities across the country.

In November, federal prosecutors struck again in South Dakota, this time bringing sex-trafficking charges against couple in Tea, a city of 4,600 also just off Interstate 90. They were convicted of using coercion and threats to force underage girls, some as young as 15, into prostitution.

"It was a shock to me to learn that people had been trafficked through South Dakota," said state Sen. Joni Cutler, a Sioux Falls Republican who sponsored legislation in January making human trafficking a state crime. She said South Dakotans like to think of the state as a place "where everybody knows everybody or is related."

"We don't want a quiet, rural area like South Dakota to become a place where people are trafficked," she said.

South Dakota Gov. Dennis Daugaard signed the Cutler bill into law on March 16.

Human trafficking generates billions of dollars each year in illicit profits, in the United States and globally, throug the entrapment and exploitation of millions of people, mostly women and children. The growing illegal trade in human beings for sex or forced labor isn't limited to either rural outposts or the world's largest cities.

Young women have been forced into prostitution over the past year through deception, fraud, coercion, threats and

physical violence in Denton County, Texas; rural Tennessee; St. Paul, Minn.; Norcross, Ga.; Memphis, Tenn.; Fremont, Calif.; Harrisburg, Pa.; New York City; Los Angeles; Honolulu; Woodbridge, Va.; Gaithersburg; Annapolis; and many other cities.

Just last week, a 36-year-old Mexican national was sentenced to 40 years in prison by a federal judge in Georgia o charges that he tricked girls into leaving their families in Mexico, beat them and forced them into more than 20 act of prostitution a night in Atlanta. The man had promised to get them jobs in restaurants. Five co-defendants previously pleaded guilty in the case.

In Columbus, Ohio, dozens of illegal immigrants from Russia, Estonia, Belarus and Ukraine were forced to work a housekeepers and laundry workers after their passports were seized. In Buford, Ga., Nigerian women were forced work as nannies and housekeepers after being threatened and physically abused. In Falls Church, 20 Indonesian women were sold as housekeepers after their passports were seized; some were sexually assaulted and their famili were threatened.

Tougher laws

Texas state Sen. Leticia Van de Putte, San Antonio Democrat, introduced legislation this month to strengthen laws against human trafficking. She said 25 percent of the people trafficked into the United States pass through the state

"We are trying to get at those who profit from selling our children," she said, adding that she became interested in the issue in 2004 when two runaways from Oregon - a 16 year-old-boy and his 14 year-old-sister - were forced into prostitution.

"Nobody wants to think there is human slavery in their neighborhood," she said.

Attorney General Eric H. Holder Jr. said nearly every country is affected by human trafficking, either as a source f or destination of the many victims. He told a human trafficking conference in Arlington last year that the problem was "an affront to human dignity" and warned that in the United States, "it is, unfortunately, growing."

"Human trafficking has become big business - generating billions of dollars each year through the entrapment and exploitation of millions," Mr. Holder said. "The poorest and most vulnerable among us are being robbed of basic rights to dignity, security and opportunity."

Assistant Attorney General Thomas E. Perez, who heads the Justice Department's Civil Rights Division, compared human trafficking to drug and gun smuggling in that it frequently involves complex organized-crime cartels. In October, during the 10th anniversary celebration of the passage of the Trafficking Victims Protection Act, he said, the number of prosecuted cases has risen from four in 2001 to more than 50 last year.

"We're not just bringing more cases, we're bringing cases of unprecedented scope and impact, taking on international organized criminal networks," he said. "But this work isn't about how many cases we've charged or how well we work together; it's about the human lives restored to freedom and dignity."

Nathan Wilson, creator of the Project Meridian Foundation, which seeks to assist law enforcement in identifying tl traffickers and their victims, said the illegal trade in human beings for sexual exploitation or forced labor has reached epidemic proportions.

"Sex trafficking has become so widespread that no country, no race, no religion, no class and no child is immune," he said, adding that 1.6 million children younger than 18 - native and foreign born - have been caught in the sex trade in the United States. But, he said, the actual number of victims is hard to quantify because of the lengths to which traffickers go to keep their crimes hidden.

Billions in profits

The Washington, D.C.-based Polaris Project, which advocates stronger federal and state laws on human trafficking and provides help to victims, has said traffickers generate billions of dollars in profits by victimizing millions of people around the world and in the United States. It has said human trafficking is one of the fastest-growing criminal industries in the world.

With an estimated annual revenue of $32 billion, law enforcement authorities, government agencies and others hav said human trafficking is tied with arms dealing as the second-largest criminal industry in the world - behind only drug smuggling.

U.S. Immigration and Customs Enforcement (ICE), the lead agency for investigating and dismantling human-trafficking organizations, has estimated that 800,000 people are trafficked into commercial-sex trade and forced-labor situations throughout the world every year.

ICE Deputy Assistant Director James C. Spero described human trafficking as "a global problem ... driven by profit." He said the agency opened 650 trafficking investigations during fiscal 2010, up from 560 in 2009 and 430 2008, and he is still trying to determine the scope of the trafficking problem.

"You don't know what you don't know," he said.

In a 2010 report, the State Department also said human trafficking claimed 800,000 victims every year. Earlier reports estimated that 80 percent of the victims were female and half of them were minors. The department also sa in the 2010 report that 17,500 people were thought to be trafficked into the United States each year.

Secretary of State Hillary Rodham Clinton has said some Americans are trapped by abusive employers and others are held in sexual slavery and that the department has sent "a clear message to all of our countrymen and women: Human trafficking is not someone else's problem."

The report, for the first time, ranked the United States as a "Tier 1" country, meaning it fully complies with the Trafficking Victims Protection Act, but also identified it as a "source, transit and destination country" for human traffickers.

Lucrative way

The complex criminal nature of human trafficking as noted by Mr. Perez also has been reported by the Congressional Research Service, which said last year that in many parts of the world, "trafficking in money, weapons and people is largely conducted by criminal gangs or mafia groups." The research service called human trafficking a "lucrative way" for organized criminal groups to fund other illicit activities.

"In Latin America, Mexican drug cartels are increasingly involved in the trafficking of people as well as drugs," th report said. The Congressional Research Service also said the links between organized crime and terrorism may be significant, noting that the language school that provided some visas for the Sept. 11, 2001, hijackers also is reported to have provided visas for prostitutes of a human trafficking ring.

A Department of Health and Human Services fact sheet said that after drug dealing, human trafficking is tied with the illegal arms industry as the world's second-largest criminal industry and is the fastest growing.

That rapid rise is worrisome to Mr. Wilson, who said he is concerned that profits from human trafficking could be used to fund terrorists. He said trafficking profits were used to fund terrorists in Iraq and that some of the proceeds from businesses such as prostitution "may be diverted toward supporting terrorist groups."

Mr. Spero said ICE had not found any evidence that terrorists were benefiting from human trafficking, but acknowledged that any financial crime has the potential to be exploited by terrorists.

The Justice Department also has identified human trafficking as one of the threats posed by international organize

crime networks. It said in a 2010 report that global crime cartels were involved in Asian massage parlors in Massachusetts, Ukrainian criminal networks exploited janitorial service workers in Pennsylvania, and an Uzbek organized-crime ring exploited Philippine, Dominican Republic and Jamaican guest workers in 14 states.

The department said human traffickers know no boundaries or borders. It said the crimes exploit men, women and children, whether they be citizens, guest workers or illegal immigrants - extracting profit from the toil of others in farm fields, factories, strip clubs, suburban mansions, brothels and bars.

Major piece

William Carroll, a former district director for the now-defunct U.S. Immigration and Naturalization Service, said human trafficking is a "major piece of operating income for the cartels and other organized criminal organizations. He said the cartels are attracted to its lucrative nature and because it does not require a distribution system like drugs.

Justice brought 52 human trafficking cases in fiscal 2010, its largest single-year total. It noted in its latest report th human traffickers often prey on those who are poor, frequently unemployed or underemployed, and who may lack access to social safety nets.

"Victims are often lured by traffickers with false promises of good jobs and better lives, and then forced to work under brutal and inhumane conditions," the department said, noting that Somali gangs forced girls younger than 14 into prostitution in Minnesota, Tennessee and Ohio - passing them around like chattel for sex with other gang members or to paying customers.

Calling the trafficking of children for sex as "intolerable," U.S. Attorney Jerry E. Martin, whose office brought the case against the Somali gangs, said the problem is widespread and difficult to prosecute. The victims, he said, "are not likely to complain to the police."

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Tucson Weekly

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March 31, 2011

Spilling Over?

As federal officials talk tough, local officers express concern about cartel violence

by Leo W. Banks

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Marijuana backpacks wrapped in burlap.

We have a mess on the Arizona-Mexico border, and the people of Arizona can't make an honest assessment of it without pondering the concept of spillover.

The word has become a mantra that appears in just about every pronouncement by the feds, and it gets repeated by a compliant mainstream media.

In a speech in January, Alan Bersin, commissioner of U.S. Customs and Border Protection, said he's thought a lot about why so many Americans think the border is out of control.

"The answer has to be," he said, "that the violence in northern Mexico is real and unprecedented. Because of that violence, the threat that it will spill over is there. While we haven't seen the spillover violence, the risk is clearly there."

Last week in El Paso, Homeland Security Secretary Janet Napolitano repeated the no-spillover canard. This came on the heels of the bizarre challenge she issued to the drug cartels in January, saying, "Don't even think about bringing your violence and tactics across this border. You will be met by an overwhelming response."

If by "violence and tactics," Napolitano means the shootouts and mass murders that have become commonplace in Mexico's drug war, fair enough; violence of that proportion has not spilled over here.

But otherwise, this mantra presents a misleading image—of a federal phalanx at the border capable of preventing anything bad from entering this country.

However, the whole reason the Arizona-Mexico border today is fraught with danger is *because* of spillover.

"I don't know how people are defining spillover, but it's here now and ongoing," says Nogales Police Chief Jeff Kirkham. "The fingers of the cartels reach all the way to the Tucson and the Phoenix metropolitan areas, and other states."

The conflict in Southern Arizona is a fight to control American land. We're experiencing constant incursions by armed cartel soldiers. In a *Washington Post* story last May, Robert Boatright, deputy chief of Border Patrol's Tucson Sector, said border agents here have "close to daily" encounters with armed smugglers.

These are hardened men—mostly "prior deports," as Border Patrol calls them—who know Arizona's borderlands as well as their own faces. They're motivated enough to use our remotest lands as contraband highways, and athletic enough to vanish into the canyons when agents give chase.

And if challenged on the hugely profitable routes they've fought and shed blood to "own" for their particular gang, they will shoot. This became clear with the murder of Border Patrol agent Brian Terry, part of an elite BORTAC team sent into the Peck Canyon Corridor outside of Nogales on Dec. 14.

"Certainly, most Americans don't know these incursions go on all the time, but they do,"

says Kirkham. "It's sad that conditions on our border have gotten to where we have to send in special interdiction teams. But these incursions are a significant threat that needs to be solved."

A dramatic example of spillover occurred in Tucson on Aug. 5, 2009, when 15-year-old Brenda Arenas was murdered in an attempted southside carjacking. In late January 2011, three Mexican nationals, admitted drug-smugglers suspected in the slaying, surrendered to American officials at Nogales.

Why? One of the men told a Tucson TV station that their cartel bosses told them they were bringing too much attention, and they had a choice: Turn yourselves in, or we'll kill you. They chose to roll the dice with American jurisprudence. They were dropped off at the border crossing and booked into the Santa Cruz County Jail.

"I've never heard of anything like that happening in my 43 years in law enforcement in Nogales," says Sheriff Tony Estrada.

The spillover is everywhere. In the past year in Pinal County, Sheriff Paul Babeu reports that violent crimes related to drug-smuggling include two-officer involved shootings, two cartel hits in Casa Grande, the killing of two illegals transporting drugs, and the shooting of a Phoenix kidnap victim unable to meet a ransom demand. In Maricopa County, authorities recently confirmed that a man found beheaded in a Chandler apartment in October had been murdered for stealing from a cartel.

In Cochise County, Sheriff Larry Dever counts the unsolved March 27, 2010, murder of rancher Rob Krentz as spillover, along with break-ins and home invasions along the Chiricahua Corridor above Douglas.

The toll from these crimes, he says, falls on more than the immediate victims and involves more than material possessions. They damage the sense of security and well-being of everyone in the area. And violent episodes in Mexico compound the impact, because so many Southern Arizonans have friends, acquaintances or family in Sonora.

"These events are changing lives forever, and I count that as spillover, too," says Dever.

The 262-mile-wide Tucson Sector is prime spillover country, especially on federal lands. Last November, the Government Accountability Office, the watchdog arm of Congress, issued a report stating that Border Patrol agents had arrested 91,000 aliens on federal land in Arizona in fiscal 2009.

But entries outpaced arrests by three to one. The report stated that not only is illegal cross-border activity "a significant threat" to federal lands in Arizona, but it "may be increasing."

Another GAO document, released in mid-February, said Border Patrol had achieved "varying levels of operational control"—defined as a high likelihood of crossers being apprehended—over only 44 percent of the roughly 2,000-mile Southwest border.

The good news is that the border land under control increased by 126 miles per year from 2005 to 2010. About 68 percent of the Tucson Sector is under control—but that still leaves 32 percent, or about 86 miles, relatively open to illegal activity.

The drug cartels are exploiting the gaps, and they're a different beast from a few years ago, says Richard Valdemar, a retired Los Angeles County sheriff's detective now living in Bullhead City. They've become more militarized, and include elements of former police and the Mexican army and marines.

"Having a military presence on the border loyal to the cartels is a whole different thing from a law-enforcement presence," says Valdemar, former supervisor of Los Angeles County's prison gang unit who now works training police on gang activities. "We're not talking about some guy with a Saturday-night special popping a few rounds off at Border Patrol."

On the weaponry, Kirkham agrees: "It's amazing how much firepower they have. We're talking AK-47s; we're talking MAC-10s, fully auto."

Valdemar says this militarization—and the apparent end to the taboo against killing American law enforcement—requires a strong response to stop incursions at our border. Instead, he says, we erect signs warning citizens about

traveling on heavily trafficked federal lands, or we close lands to the public because of the danger.

At present, as GAO noted, Organ Pipe Cactus National Monument is 55 percent closed, and the chief ranger at the Sonoran Desert National Monument proposed closing that entire 480,000-acre preserve, on the Interstate 8 smuggling corridor. Border sheriffs call those lands "almost America."

"To the cartels, that's weakness," Valdemar says. "They already think we're decadent, soft and unmanly. Then to cede parts of our own country only encourages them to be more violent. They think we're fucking punks."

As for the future, Valdemar, Dever and Kirkham all say they expect more spillover violence.

"There are certainly going to be more incidents, because we now have interdiction efforts meeting it head-on," says Kirkham. "Whether it's human beings or drugs, they're becoming more desperate to get their product across, one way or another."

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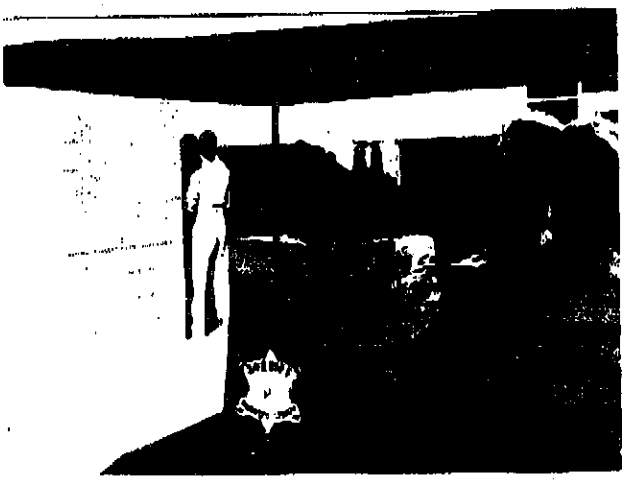
Fox News: March 31, 2011

My good friends, Maricopa County is not a border county. Yet, relatively untrained civilians worked with the Maricopa County Sheriff's Office to make significant border related arrests. Obviously, they only interdicted a fraction of the illegal activity present north of the border counties.

Zack Taylor, NAFBPO.org



Sheriff Calls "Operation Desert Sky" a Success

Updated: Thursday, 31 Mar 2011, 5:47 PM MDT
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PHOENIX - Just days after Maricopa County Sheriff Joe Arpaio announced a plan to have posse members search for drugs by air, he's calling the mission a success.

On Monday, Sheriff Arpaio announced "Operation Desert Sky."

About 30 posse members volunteered their time and aircraft to help deputies patrol the desert.

On Thursday, Arpaio showed off the mission's haul so far: more than a ton of marijuana, 115 arrests.

Six of those arrests were illegal immigrants smuggling drugs.

"So it is a big problem when you talk about drugs (slash) illegal immigration, it's getting more connected every day," said Arpaio.

Of the 115 arrests, 80 of the suspects were illegal immigrants.

guardian.co.uk TheObserver

How a big US bank laundered billions from Mexico's murderous drug gangs

As the violence spread, billions of dollars of cartel cash began to seep into the global financial system. But a special investigation by the Observer reveals how the increasingly frantic warnings of one London whistleblower were ignored

Ed Vulliamy
The Observer, Sunday 3 April 2011

A larger | smaller

A soldier guards marijuana that is being incinerated in Tijuana, Mexico. Photograph: Guillermo Arias/AP

On 10 April 2006, a DC-9 jet landed in the port city of Ciudad del Carmen, on the Gulf of Mexico, as the sun was setting. Mexican soldiers, waiting to intercept it, found 128 cases packed with 5.7 tons of cocaine, valued at $100m. But something else – more important and far-reaching – was discovered in the paper trail behind the purchase of the plane by the Sinaloa narco-trafficking cartel.

During a 22-month investigation by agents from the US Drug Enforcement Administration, the Internal Revenue Service and others, it emerged that the cocaine smugglers had bought the plane with money they had laundered through one of the biggest banks in the United States: Wachovia, now part of the giant Wells Fargo.

The authorities uncovered billions of dollars in wire transfers, traveller's cheques and cash shipments through Mexican exchanges into Wachovia accounts. Wachovia was put under immediate investigation for failing to maintain an effective anti-money laundering programme. Of special significance was that the period concerned began in 2004, which coincided with the first escalation of violence along the US-Mexico border that ignited the current drugs war.

Criminal proceedings were brought against Wachovia, though not against any individual, but the case never came to court. In March 2010, Wachovia settled the biggest action brought under the US bank secrecy act, through the US district court in Miami. Now that the year's "deferred prosecution" has expired, the bank is in effect in the clear. It paid federal authorities $110m in forfeiture, for allowing transactions later proved to be connected to drug smuggling, and incurred a $50m fine for failing to

monitor cash used to ship 22 tons of cocaine.

More shocking, and more important, the bank was sanctioned for failing to apply the proper anti-laundering strictures to the transfer of $378.4bn – a sum equivalent to one-third of Mexico's gross national product – into dollar accounts from so-called *casas de cambio* (CDCs) in Mexico, currency exchange houses with which the bank did business.

"Wachovia's blatant disregard for our banking laws gave international cocaine cartels a virtual carte blanche to finance their operations," said Jeffrey Sloman, the federal prosecutor. Yet the total fine was less than 2% of the bank's $12.3bn profit for 2009. On 24 March 2010, Wells Fargo stock traded at $30.86 – up 1% on the week of the court settlement.

The conclusion to the case was only the tip of an iceberg, demonstrating the role of the "legal" banking sector in swilling hundreds of billions of dollars – the blood money from the murderous drug trade in Mexico and other places in the world – around their global operations, now bailed out by the taxpayer.

At the height of the 2008 banking crisis, Antonio Maria Costa, then head of the United Nations office on drugs and crime, said he had evidence to suggest the proceeds from drugs and crime were "the only liquid investment capital" available to banks on the brink of collapse. "Inter-bank loans were funded by money that originated from the drugs trade," he said. "There were signs that some banks were rescued that way."

Wachovia was acquired by Wells Fargo during the 2008 crash, just as Wells Fargo became a beneficiary of $25bn in taxpayers' money. Wachovia's prosecutors were clear, however, that there was no suggestion Wells Fargo had behaved improperly; it had co-operated fully with the investigation. Mexico is the US's third largest international trading partner and Wachovia was understandably interested in this volume of legitimate trade.

José Luis Marmolejo, who prosecuted those running one of the *casas de cambio* at the Mexican end, said: "Wachovia handled all the transfers. They never reported any as suspicious."

"As early as 2004, Wachovia understood the risk," the bank admitted in the statement of settlement with the federal government, but, "despite these warnings, Wachovia remained in the business". There is, of course, the legitimate use of CDCs as a way into the Hispanic market. In 2005 the World Bank said that Mexico was receiving $8.1bn in remittances.

During research into the Wachovia Mexican case, the *Observer* obtained documents previously provided to financial regulators. It emerged that the alarm that was ignored came from, among other places, London, as a result of the diligence of one of the most important whistleblowers of our time. A man who, in a series of interviews with the *Observer*, adds detail to the documents, laying bare the story of how Wachovia was at the centre of one of the world's biggest money-laundering operations.

Martin Woods, a Liverpudlian in his mid-40s, joined the London office of Wachovia Bank in February 2005 as a senior anti-money laundering officer. He had previously served with the Metropolitan police drug squad. As a detective he joined the money-laundering investigation team of the National Crime Squad, where he worked on the British end of the Bank of New York money-laundering scandal in the late 1990s.

Woods talks like a police officer – in the best sense of the word: punctilious, exact, with a roguish humour, but moral at the core. He was an ideal appointment for any bank

eager to operate a diligent and effective risk management policy against the lucrative scourge of high finance: laundering, knowing or otherwise, the vast proceeds of criminality, tax-evasion, and dealing in arms and drugs.

Woods had a police officer's eye and a police officer's instincts – not those of a banker. And this influenced not only his methods, but his mentality. "I think that a lot of things matter more than money – and that marks you out in a culture which appears to prevail in many of the banks in the world," he says.

Woods was set apart by his modus operandi. His speciality, he explains, was his application of a "know your client", or KYC, policing strategy to identifying dirty money. "KYC is a fundamental approach to anti-money laundering, going after tax evasion or counter-terrorist financing. Who are your clients? Is the documentation right? Good, responsible banking involved always knowing your customer and it still does."

When he looked at Wachovia, the first thing Woods noticed was a deficiency in KYC information. And among his first reports to his superiors at the bank's headquarters in Charlotte, North Carolina, were observations on a shortfall in KYC at Wachovia's operation in London, which he set about correcting, while at the same time implementing what was known as an enhanced transaction monitoring programme, gathering more information on clients whose money came through the bank's offices in the City, in sterling or euros. By August 2006, Woods had identified a number of suspicious transactions relating to *casas de cambio* customers in Mexico.

Primarily, these involved deposits of traveller's cheques in euros. They had sequential numbers and deposited larger amounts of money than any innocent travelling person would need, with inadequate or no KYC information on them and what seemed to a trained eye to be dubious signatures. "It was basic work," he says. "They didn't answer the obvious questions: 'Is the transaction real, or does it look synthetic? Does the traveller's cheque meet the protocols? Is it all there, and if not, why not?'"

Woods discussed the matter with Wachovia's global head of anti-money laundering for correspondent banking, who believed the cheques could signify tax evasion. He then undertook what banks call a "look back" at previous transactions and saw fit to submit a series of SARs, or suspicious activity reports, to the authorities in the UK and his superiors in Charlotte, urging the blocking of named parties and large series of sequentially numbered traveller's cheques from Mexico. He issued a number of SARs in 2006, of which 50 related to the *casas de cambio* in Mexico. To his amazement, the response from Wachovia's Miami office, the centre for Latin American business, was anything but supportive – he felt it was quite the reverse.

As it turned out, however, Woods was on the right track. Wachovia's business in Mexico was coming under closer and closer scrutiny by US federal law enforcement. Wachovia was issued with a number of subpoenas for information on its Mexican operation. Woods has subsequently been informed that Wachovia had six or seven thousand subpoenas. He says this was "An absurd number. So at what point does someone at the highest level not get the feeling that something is very, very wrong?"

In April and May 2007, Wachovia – as a result of increasing interest and pressure from the US attorney's office – began to close its relationship with some of the *casas de cambio*. But rather than launch an internal investigation into Woods's alerts over Mexico, Woods claims Wachovia hung its own money-laundering expert out to dry. The records show that during 2007 Woods "continued to submit more SARs related to the *casas de cambio*".

In July 2007, all of Wachovia's remaining 10 Mexican *casa de cambio* clients operating through London suddenly stopped doing so. Later in 2007, after the investigation of Wachovia was reported in the US financial media, the bank decided to end its remaining relationships with the Mexican *casas de cambio* globally. By this time, Woods says, he found his personal situation within the bank untenable; while the bank acted on one level to protect itself from the federal investigation into its shortcomings, on another, it rounded on the man who had been among the first to spot them.

On 16 June Woods was told by Wachovia's head of compliance that his latest SAR need not have been filed, that he had no legal requirement to investigate an overseas case and no right of access to documents held overseas from Britain, even if they were held by Wachovia.

Woods's life went into freefall. He went to hospital with a prolapsed disc, reported sick and was told by the bank that he not done so in the appropriate manner, as directed by the employees' handbook. He was off work for three weeks, returning in August 2007 to find a letter from the bank's compliance managing director, which was unrelenting in its tone and words of warning.

The letter addressed itself to what the manager called "specific examples of your failure to perform at an acceptable standard". Woods, on the edge of a breakdown, was put on sick leave by his GP; he was later given psychiatric treatment, enrolled on a stress management course and put on medication.

Late in 2007, Woods attended a function at Scotland Yard where colleagues from the US were being entertained. There, he sought out a representative of the Drug Enforcement Administration and told him about the *casas de cambio*, the SARs and his employer's reaction. The Federal Reserve and officials of the office of comptroller of currency in Washington DC then "spent a lot of time examining the SARs" that had been sent by Woods to Charlotte from London.

"They got back in touch with me a while afterwards and we began to put the pieces of the jigsaw together," says Woods. What they found was – as Costa says – the tip of the iceberg of what was happening to drug money in the banking industry, but at least it was visible and it had a name: Wachovia.

In June 2005, the DEA, the criminal division of the Internal Revenue Service and the US attorney's office in southern Florida began investigating wire transfers from Mexico to the US. They were traced back to correspondent bank accounts held by *casas de cambio* at Wachovia. The CDC accounts were supervised and managed by a business unit of Wachovia in the bank's Miami offices.

"Through CDCs," said the court document, "persons in Mexico can use hard currency and ... wire transfer the value of that currency to US bank accounts to purchase items in the United States or other countries. The nature of the CDC business allows money launderers the opportunity to move drug dollars that are in Mexico into CDCs and ultimately into the US banking system.

"On numerous occasions," say the court papers, "monies were deposited into a CDC by a drug-trafficking organisation. Using false identities, the CDC then wired that money through its Wachovia correspondent bank accounts for the purchase of airplanes for drug-trafficking organisations." The court settlement of 2010 would detail that "nearly $13m went through correspondent bank accounts at Wachovia for the purchase of aircraft to be used in the illegal narcotics trade. From these aircraft, more than 20,000kg of cocaine were seized."

All this occurred despite the fact that Wachovia's office was in Miami, designated by the US government as a "high-intensity money laundering and related financial crime area", and a "high-intensity drug trafficking area". Since the drug cartel war began in 2005, Mexico had been designated a high-risk source of money laundering.

"As early as 2004," the court settlement would read, "Wachovia understood the risk that was associated with doing business with the Mexican CDCs. Wachovia was aware of the general industry warnings. As early as July 2005, Wachovia was aware that other large US banks were exiting the CDC business based on [anti-money laundering] concerns ... despite these warnings, Wachovia remained in business."

On 16 March 2010, Douglas Edwards, senior vice-president of Wachovia Bank, put his signature to page 10 of a 25-page settlement, in which the bank admitted its role as outlined by the prosecutors. On page 11, he signed again, as senior vice-president of Wells Fargo. The documents show Wachovia providing three services to 22 CDCs in Mexico: wire transfers, a "bulk cash service" and a "pouch deposit service", to accept "deposit items drawn on US banks, eg cheques and traveller's cheques", as spotted by Woods.

"For the time period of 1 May 2004 through 31 May 2007, Wachovia processed at least $$373.6bn in CDCs, $4.7bn in bulk cash" – a total of more than $378.3bn, a sum that dwarfs the budgets debated by US state and UK local authorities to provide services to citizens.

The document gives a fascinating insight into how the laundering of drug money works. It details how investigators "found readily identifiable evidence of red flags of large-scale money laundering". There were "structured wire transfers" whereby "it was commonplace in the CDC accounts for round-number wire transfers to be made on the same day or in close succession, by the same wire senders, for the ... same account".

Over two days, 10 wire transfers by four individuals "went though Wachovia for deposit into an aircraft broker's account. All of the transfers were in round numbers. None of the individuals of business that wired money had any connection to the aircraft or the entity that allegedly owned the aircraft. The investigation has further revealed that the identities of the individuals who sent the money were false and that the business was a shell entity. That plane was subsequently seized with approximately 2,000kg of cocaine on board."

Many of the sequentially numbered traveller's cheques, of the kind dealt with by Woods, contained "unusual markings" or "lacked any legible signature". Also, "many of the CDCs that used Wachovia's bulk cash service sent significantly more cash to Wachovia than what Wachovia had expected. More specifically, many of the CDCs exceeded their monthly activity by at least 50%."

Recognising these "red flags", the US attorney's office in Miami, the IRS and the DEA began investigating Wachovia, later joined by FinCEN, one of the US Treasury's agencies to fight money laundering, while the office of the comptroller of the currency carried out a parallel investigation. The violations they found were, says the document, "serious and systemic and allowed certain Wachovia customers to launder millions of dollars of proceeds from the sale of illegal narcotics through Wachovia accounts over an extended time period. The investigation has identified that at least $110m in drug proceeds were funnelled through the CDC accounts held at Wachovia."

The settlement concludes by discussing Wachovia's "considerable co-operation and remedial actions" since the prosecution was initiated, after the bank was bought by

Wells Fargo. "In consideration of Wachovia's remedial actions," concludes the prosecutor, "the United States shall recommend to the court ... that prosecution of Wachovia on the information filed ... be deferred for a period of 12 months."

But while the federal prosecution proceeded, Woods had remained out in the cold. On Christmas Eve 2008, his lawyers filed tribunal proceedings against Wachovia for bullying and detrimental treatment of a whistleblower. The case was settled in May 2009, by which time Woods felt as though he was "the most toxic person in the bank". Wachovia agreed to pay an undisclosed amount, in return for which Woods left the bank and said he would not make public the terms of the settlement.

After years of tribulation, Woods was finally formally vindicated, though not by Wachovia: a letter arrived from John Dugan, the comptroller of the currency in Washington DC, dated 19 March 2010 – three days after the settlement in Miami. Dugan said he was "writing to personally recognise and express my appreciation for the role you played in the actions brought against Wachovia Bank for violations of the bank secrecy act ... Not only did the information that you provided facilitate our investigation, but you demonstrated great personal courage and integrity by speaking up. Without the efforts of individuals like you, actions such as the one taken against Wachovia would not be possible."

The so-called "deferred prosecution" detailed in the Miami document is a form of probation whereby if the bank abides by the law for a year, charges are dropped. So this March the bank was in the clear. The week that the deferred prosecution expired, a spokeswoman for Wells Fargo said the parent bank had no comment to make on the documentation pertaining to Woods's case, or his allegations. She added that there was no comment on Sloman's remarks to the court; a provision in the settlement stipulated Wachovia was not allowed to issue public statements that contradicted it.

But the settlement leaves a sour taste in many mouths – and certainly in Woods's. The deferred prosecution is part of this "cop-out all round", he says. "The regulatory authorities do not have to spend any more time on it, and they don't have to push it as far as a criminal trial. They just issue criminal proceedings, and settle. The law enforcement people do what they are supposed to do, but what's the point? All those people dealing with all that money from drug-trafficking and murder, and no one goes to jail?"

One of the foremost figures in the training of anti-money laundering officers is Robert Mazur, lead infiltrator for US law enforcement of the Colombian Medellín cartel during the epic prosecution and collapse of the BCCI banking business in 1991 (his story was made famous by his memoir, *The Infiltrator*, which became a movie).

Mazur, whose firm Chase and Associates works closely with law enforcement agencies and trains officers for bank anti-money laundering, cast a keen eye over the case against Wachovia, and he says now that "the only thing that will make the banks properly vigilant to what is happening is when they hear the rattle of handcuffs in the boardroom".

Mazur said that "a lot of the law enforcement people were disappointed to see a settlement" between the administration and Wachovia. "But I know there were external circumstances that worked to Wachovia's benefit, not least that the US banking system was on the edge of collapse."

What concerns Mazur is that what law enforcement agencies and politicians hope to achieve against the cartels is limited, and falls short of the obvious attack the US could

make in its war on drugs: go after the money. "We're thinking way too small," Mazur says. "I train law enforcement officers, thousands of them every year, and they say to me that if they tried to do half of what I did, they'd be arrested. But I tell them: 'You got to think big. The headlines you will be reading in seven years' time will be the result of the work you begin now.' With BCCI, we had to spend two years setting it up, two years doing undercover work, and another two years getting it to trial. If they want to do something big, like go after the money, that's how long it takes."

But Mazur warns: "If you look at the career ladders of law enforcement, there's no incentive to go after the big money. People move every two to three years. The DEA is focused on drug trafficking rather than money laundering. You get a quicker result that way – they want to get the traffickers and seize their assets. But this is like treating a sick plant by cutting off a few branches – it just grows new ones. Going after the big money is cutting down the plant – it's a harder door to knock on, it's a longer haul, and it won't get you the short-term riches."

The office of the comptroller of the currency is still examining whether individuals in Wachovia are criminally liable. Sources at FinCEN say that a so-called "look-back" is in process, as directed by the settlement and agreed to by Wachovia, into the $378.4bn that was not directly associated with the aircraft purchases and cocaine hauls, but neither was it subject to the proper anti-laundering checks. A FinCEN source says that $20bn already examined appears to have "suspicious origins". But this is just the beginning.

Antonio Maria Costa, who was executive director of the UN's office on drugs and crime from May 2002 to August 2010, charts the history of the contamination of the global banking industry by drug and criminal money since his first initiatives to try to curb it from the European commission during the 1990s. "The connection between organised crime and financial institutions started in the late 1970s, early 1980s," he says, "when the mafia became globalised."

Until then, criminal money had circulated largely in cash, with the authorities making the occasional, spectacular "sting" or haul. During Costa's time as director for economics and finance at the EC in Brussels, from 1987, inroads were made against penetration of banks by criminal laundering, and "criminal money started moving back to cash, out of the financial institutions and banks. Then two things happened: the financial crisis in Russia, after the emergence of the Russian mafia, and the crises of 2003 and 2007-08.

"With these crises," says Costa, "the banking sector was short of liquidity, the banks exposed themselves to the criminal syndicates, who had cash in hand."

Costa questions the readiness of governments and their regulatory structures to challenge this large-scale corruption of the global economy: "Government regulators showed what they were capable of when the issue suddenly changed to laundering money for terrorism – on that, they suddenly became serious and changed their attitude."

Hardly surprising, then, that Wachovia does not appear to be the end of the line. In August 2010, it emerged in quarterly disclosures by HSBC that the US justice department was seeking to fine it for anti-money laundering compliance problems reported to include dealings with Mexico.

"Wachovia had my résumé, they knew who I was," says Woods. "But they did not want to know – their attitude was, 'Why are you doing this?' They should have been on my side, because they were compliance people, not commercial people. But really they were commercial people all along. We're talking about hundreds of millions of dollars. This is the biggest money-laundering scandal of our time.

"These are the proceeds of murder and misery in Mexico, and of drugs sold around the world," he says. "All the law enforcement people wanted to see this come to trial. But no one goes to jail. "What does the settlement do to fight the cartels? Nothing – it doesn't make the job of law enforcement easier and it encourages the cartels and anyone who wants to make money by laundering their blood dollars. Where's the risk? There is none.

"Is it in the interest of the American people to encourage both the drug cartels and the banks in this way? Is it in the interest of the Mexican people? It's simple: if you don't see the correlation between the money laundering by banks and the 30,000 people killed in Mexico, you're missing the point."

Woods feels unable to rest on his laurels. He tours the world for a consultancy he now runs, Hermes Forensic Solutions, counselling and speaking to banks on the dangers of laundering criminal money, and how to spot and stop it. "New York and London," says Woods, "have become the world's two biggest laundries of criminal and drug money, and offshore tax havens. Not the Cayman Islands, not the Isle of Man or Jersey. The big laundering is right through the City of London and Wall Street.

"After the Wachovia case, no one in the regulatory community has sat down with me and asked, 'What happened?' or 'What can we do to avoid this happening to other banks?' They are not interested. They are the same people who attack the whistleblowers and this is a position the [British] Financial Services Authority at least has adopted on legal advice: it has been advised that the confidentiality of banking and bankers takes primacy over the public information disclosure act. That is how the priorities work: secrecy first, public interest second.

"Meanwhile, the drug industry has two products: money and suffering. On one hand, you have massive profits and enrichment. On the other, you have massive suffering, misery and death. You cannot separate one from the other.

"What happened at Wachovia was symptomatic of the failure of the entire regulatory system to apply the kind of proper governance and adequate risk management which would have prevented not just the laundering of blood money, but the global crisis."

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The best and worst of FOIAgate

By Mike Riggs - The Daily Caller 4:00 PM 03/30/2011

1.) DHS attorney Reid Cox attempted to "steal" evidence from a FOIAgate hearing (page 107)
After months of investigating, the House Oversight Committee has released its report on allegations of FOIA abuse in the Department of Homeland Security. At 160 pages (PDF), "A New Era of Openness? How and Why Political Staff at DHS Interfered with the FOIA Process" is chock-full of testimony and evidence to make your jaw drop. In order to help our readers get to the juiciest parts, The Daily Caller has compiled a list of the most fascinating facts from the committee's report, including evidence of incompetence, theft, and intentional deceit.
"After a witness interview on March 4, 2011, a Department lawyer attempted to remove Committee documents from the interview room. All documents entered as exhibits during the interview were obtained by the Committee in the course of its investigation into political interference with the Department's FOIA function," reads the Oversight Committee's report.
"After the interview concluded and the court reporter packed her equipment, Attorney Reid Cox attempted to leave the room with the Committee's exhibits in his bag. Committee staff asked Cox if he had the exhibits in his bag, and he confirmed that he did. Cox was admonished by Republican and Democratic staff that [sic] he was not permitted to leave with the exhibits. Democratic staff advised Cox that the exhibits are Committee documents and as such, they are the property of the Committee and cannot be removed without permission. Cox explained that the Department disagreed with that position and he moved toward the door."
Cox later returned to the committee room to give the following statement:

As counsel for DHS, I object to counsel for the committee's refusal to allow exhibits they had shown to the witness and that all are e-mail messages from DHS personnel to DHS personnel on their official DHS-issued accounts and use of e-mail services. These are not committee records, these are, rather, DHS records; and so there is no reason the committee should be able to prevent us from taking them, since they have shown them to the witness and used them in this interview.

I mean, I guess I would note also for the record that because the committee – because the records have no origination nor creation or editing by the committee, other than redactions, it seems to me the committee has no reason to be able to exercise any control over those documents, and that they retain the nature of being DHS documents.

2.) Napolitano's personal FOIA team has no idea how FOIA works (page 24)

Front office staff know very almost nothing about the Freedom of Information Act according to various testimonies.
One front office staffer describer her colleagues' grasp of the act thusly: "And they [sic] were questions, you know, what does this exemption mean? What does this processing mean? Questions about – again, the weekly report standard was the same since 2006, but asking, this request came in on Tuesday, when is the response due? When are we going to send the response out? So, again, it was a basic explanation of what the Freedom of Information Act requires and what it does not require."

Meanwhile, a career FOIA staffer explained to the Oversight Committee that the Front Office wanted to be able to redact or deny FOIA requests based on the politics of the requester.
"Do you know anything about this investigation or why it is of interest/significant," a Napolitano aide asked a career FOIA staffer. The career FOIA staffer responded that requesters' identities are moot, telling Oversight, "Typically disclosure to one is a disclosure to all. So why a requester wants them doesn't – can't factor into our analysis of whether or not they are releasable. Whether or not the requester falls – the identity of the requester, for example, doesn't matter with respect to releasability."

When the front office's questions persisted, a career FOIA staffer scheduled a meeting to help the political staff learn more about FOIA. The political staff treated the meeting as a joke. "This woman is a lunatic," wrote Napolitano staffer Amy Schlossman to colleague John Sandweg. "You have to attend this mtg–if nothing else, for the comic relief."

3.) Secretary Napolitano's political staff encourage FOIA underlings to deceive their direct supervisors (page 86)

Mark Dorgan is a career DHS employee and a FOIA specialist. His boss, Catherine Papol, is a FOIA chief, meaning she supervises the FOIA process for career DHS employees (career means "non-political"). .

"In January 2010, Dorgan was detailed to the Office of the Secretary to serve as the point of contact for FOIA requests with Front Office equities (Political employees and those closest to Napolitano comprise the front office.) Dorgan's move to the Front Office was intended to help 'streamline the Front Office processing,' decrease delays, and help answer Front Office questions on FOIA."

Shortly after joining Napolitano's team, Dorgan requested a transfer. According to Papol, Dorgan was repeatedly asked by Napolitano's team to route requests around his FOIA colleagues in order not to raise their suspicions about inappropriate redactions. "They repeatedly asked him to go around my office, to not make waves, statements of that nature," Papol testified.

In July 2010, after just six months working in the front office at DHS, Dorgan was transferred back to his old job.

Read more: http://dailycaller.com/2011/03/30/the-best-and-worst-of-foiagate/#lxzz1lFs1yb6T