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Drug Trafficking and the Presidential Family in Venezuela: The Narco Nephews

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At around 9:30 in the morning, two young men from a South American country enter a big wooden-wall room, from a side door. Today is the day of the verdict of their trial. They are shaved and well dressed.

Tall windows offer a unique view of New York City in a cold November day. In the back of the room are two rows of five wooden benches for the attendees, 16 seats on a platform to the right for the jury, and a big U.S flag stands in the left corner of the room. High ceilings and a green carpet completes the picture of a courtroom that seems to be taken from a Hollywood film.

The two men smile, greet their six attorneys—each one is represented by three lawyers from the two of the best law firms of the U.S (Boies, Schiller & Flexner and Sidley Austin LLP)—and take a seat.

“You never see this,” says Elizabeth Williams, courtroom artist for more than 30 years. “You see federal defenders representing these people... generally (...) I mean unless these people have money and these two have access to money.”

Minutes later, the judge, a white-haired man wearing a black gown enters the courtroom. One of the defendants bows his head, mutters a prayer and crosses himself.

The two men are Efrain Antonio Campo Flores, 30, and Franqui Francisco Flores de Freitas, 31. They are charged of conspiring to import hundreds of kilograms of cocaine into the U.S through the presidential hangar at the Simon Bolivar International Airport in Venezuela.

Campo and Flores are the nephews of Nicolas Maduro, President of Venezuela, and Cilia Flores, the First Lady.

CHAPTER ONE: INTRODUCTION

“They live in a country (...) where the murder rate is about a hundred times what the murder rate is in New York. People just die,” said Campo’s defense attorney [Randall Jackson](#) in his closing statements to a jury on November 17. “It is a fact that Mr. Campo and Mr. Flores did have bodyguards at different points. They were provided to them because the State provided bodyguards to everyone who is family members of the president and that’s because of the risk of being kidnapped is so high that you have to be insane to walk around Caracas without some protection (...) In Venezuela people are around guns.”

An explosive combination of political turmoil, a deep economic crisis and critical security situation has Venezuela on the verge of collapse.

Despite the alarming situation in the country, not everyone is doing so bad, especially those close to the ruling power. Ferraris, access to private aircrafts and bodyguards are only some of the privileges that only few can get access to in this impoverished South American nation.

Venezuela is located in the northern coast of South America. It has been ruled under what is known as socialism of the 21st century, for more than a decade when late president Hugo Chavez came to power in 1999. When he died in March 2013, his Vice President Nicolas Maduro temporarily assumed power, narrowly winning the presidential elections that were held a month later against the opposition candidate Henrique Capriles.

In response to the country's crisis, opposition leaders have called for a referendum to remove Maduro from power while thousands of Venezuelans have taken to the streets demanding his resignation.

In order to call to anticipated presidential elections, the referendum would have to take place before January 10, which is not likely to happen any time soon as the Vatican-backed talks between the opposition and the government are deadlocked. News reports say that the government is trying to buy time to pass the January 10 deadline to either keep Maduro or the Chavismo in power until 2019, when new elections will take place.

Venezuela has the world's largest oil reserves, but a poor management and a sharply drop in the oil prices has hardly hit the economy. Food, medicine and electricity shortages, coupled with a 76 percent poverty rate and a triple-digit inflation rate—the highest in the world—have exacerbated the already faltering and weak economy. The situation has turned into a real humanitarian catastrophe.

“The country has lost a lot of money because basically the economy can't develop,” says Luis Cedeño, executive director of Paz Activa and the Observatorio de Delito Organizado. “There is not night economy, the businesses don't open, people don't go out.” He also says that migration has also had an impact on the economy because there is a brain drain of middle-class professionals that are important for the country's development.

Venezuela is also one of the most dangerous places in the world, with a murder rate of 90 homicides per 100,000 inhabitants in 2015. The capital of the country, Caracas, ranks first in a list of the most violent cities in the world, with about 120 homicides per 100,000 inhabitants last year, [according to figures](#) published by the Citizen's Council for Public Security and Criminal Justice, a Mexican non-governmental organization.

“The regime promotes crime by action or omission and has definitely foster the germination of organized crime structures in all the levels,” says Javier Ignacio

Mayorca, member of the Observatorio Venezolano del Crimen Organizado and a journalist specialized in criminology.

Experts say that for the most part, violence in Venezuela is related to drug trafficking, with criminal bands involved in turf wars to control the business in specific areas.

Another worrisome trend is the use of military weapons, including rifles and grenades, by these criminal groups. Cedeño says the reason is the corruption within the armed forces who have the monopoly of the use of these weapons.

But there is more. Pervasive corruption—the country scores 17 (cero means highly corrupt) in the [Transparency International index](#)—and a lack of independence of the judicial system from the executive rounds up the dire panorama.

Corruption, impunity, a hard hit freedom of the press and a strategic geographic location are all elements that in this drug trafficking case come together to give a picture of what is happening in Venezuela, in a context of political, economic and social crisis.

CHAPTER TWO: DRUG TRAFFICKING AND THE POLITICAL POWER

“Campo explains [to one of the DEA’s confidential sources, captured in an audio file] that it is important to be careful because a lot of people don’t know that he, as a member of the presidential family, is involved in drug business,” said Assistant U.S. Attorney Brendan F. Quigley’s in the summation.

Over the last 17 years of socialist rule, Chavez and Maduro have turned a blind eye on the illegal activities of their allies, in order to remain in power at the expense of the country’s security.

The result: The development and strengthening of a criminal and corrupted network involving high-ranking military and top government officials in the country.

More than a decade ago, the work of the U.S Drug Enforcement Administration (DEA) in the country had already started to uncover the involvement of the military and government officials in the drug trade, but its work became a rock in the shoe for Chavez’s regime. This led to DEA’s expulsion from Venezuela in 2005.

The Vice President at the time, José Vicente Rangel, told Mildred Camero, former judge and then president of CONACUID—Venezuela’s Antinarcotics Office—(now ONA), to “stay away from that issue and to leave that people alone,” when she presented him the latest report on drug trafficking in the country.

The report revealed details of the activities that members of the Venezuelan Bolivarian National Guard (Guardia Nacional Bolivariana—GN) and the army were carrying out. She was later removed from the post.

Diosdado Cabello—often referred to as the country’s “Number Two”—is a member of Venezuela’s National Assembly and allegedly the person in control of the Armed Forces. He is currently under investigation on drug trafficking charges in the US.

The arrest of drug trafficker Walid Makled in 2010 in Colombia brought to light the names of politicians as well as police and military officers from the GN who were in his payroll. The role of the law enforcement officers was to facilitate the drug trade by protecting his drug shipments from *tumbes* and the routes through which the illegal loads would be transported.

Although both the U.S. and Venezuela had requested Makled’s extradition, Colombia extradited him to Venezuela, where he is now in jail. Colombian President [Juan Manuel Santos](#) said at the time that he had given his word to Chavez that Makled would be extradited to Venezuela and that that country had requested his extradition long before the U.S.

In July 2014, [Hugo “El Pollo” Carvajal Bernal](#), former director of the Military Intelligence Directorate (DGIM) was arrested in Aruba at the U.S request. Since 2008, he has been accused of assisting the Revolutionary Armed Forces of Colombia (FARC) and other Colombian criminals in their drug trafficking activities in Venezuela and of providing weapons to the FARC.

Maduro called the arrest a kidnapping and demanded his release. He had been appointed as Venezuela’s Consul General in Aruba, six months before his arrest. Although the Dutch government—Aruba is part of the Kingdom of the Netherlands—had not officially approved his post, he was released under claims of diplomatic immunity.

He flew back to Venezuela, where he is currently deputy of the National Assembly. But was declared “*persona non grata*” by Amsterdam.

In the most recent case of corruption, Maduro appointed Nestor Luis Reverol Torres, former General Director of the ONA and former commander of Venezuela’s GN, as Interior and Justice minister.

The appointment came two days after the United States District Court in Brooklyn had [unsealed an indictment](#) charging Reverol with “participating in an international cocaine distribution conspiracy.”

The involvement of military officers in the drug trade gradually increased throughout the years. Their participation went from charging a fee to let the drug shipments pass through Venezuela and protect the land, maritime and aerial routes,

to becoming the main players in the illegal business in the country, according to Camero.

Vassyly Kotosky Villarroel Ramirez, is a former Captain in the GN who “allegedly used official government vehicles to transport more than seven metric tons of cocaine from the Colombian border to various airports and seaports in Venezuela for ultimate importation into the United States,” according to U.S court records.

He also provided protection to cocaine loads from Mexico that were smuggled from or into Venezuela’s Maiquetia International Airport. He was captured in July 2015 in Venezuela.

The participation of Campo and Flores in a multimillion-dollar drug deal is only the tip of the iceberg of a corrupt and criminal network in the country.

CHAPTER THREE: “A WALL OF IMPUNITY”

Under the socialist regime, corruption and impunity have reached levels not seen before, with the Venezuelan Supreme Court responding to the executive’s interests.

Some Venezuelan military and government officials have open investigations in Florida and in New York on alleged drug trafficking and money laundering. Others are [listed](#) in the Specially Designated Nationals List of the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury.

Yet, the judiciary in Venezuela has done little to investigate their cases and hold them accountable. They have been able to avoid prosecution in the country.

“The Attorney’s Office has become a wall of impunity,” says Mayorca.

The Public Ministry selects the cases to which apply the law, leaning in favor of the regime. Campo and Flores were well aware of that.

“The defendants thought they were above the law,” said Assistant U.S. Attorney Brendan F. Quigley’s in the summation on November 17, a day before the verdict. “They thought they could operate with impunity in Venezuela because of who they were and who they are related to.”

Regarding the case of the nephews, Mayorca says that the silence from the Public Ministry has been absolute, amid the efforts of the National Assembly to open an investigation.

The National Assembly—controlled by a coalition of opposition parties after winning two-thirds in the December 2015 legislative elections—approved on a November 22

plenary session, the establishment of a special commission to investigate influence peddling and abuse of power.

The commission, which was set up in early November, will send questionnaires to Cilia Flores and Diosdado Cabello, both mentioned in the recordings played in the trial of Campo and Flores, to know their versions on the nephews' case.

The drug trafficking case comes at a time when the opposition in Venezuela is promoting a referendum to oust Maduro and call for anticipated elections.

Maduro's popularity has dropped to the lowest levels since he came to power in 2013—78,5 percent of the survey respondents disapproves Maduro's tenure, [according to a Datanálisis survey](#).

CHAPTER THREE: A SILENCED MEDIA

In any regular democracy, the news of a criminal conviction involving the relatives of the presidential family would have captured the front page and headlines of all the national media. But not in Venezuela.

The coverage of the case of Campo and Flores by the official or pro-government media has been little or non-existent.

On November 18, Campo and Flores were found guilty on drug charges, around a year later of being arrested in Port-au-Prince, Haiti by the Haitian police.

The official media omitted one of the most relevant details of the story: The relationship of the defendants with the presidential couple.

In the last decade, freedom of speech has suffered from serious blows in Venezuela. Reporters without Borders [ranks Venezuela](#) 139th out of 180 countries in the most recent ranking on freedom of the press.

Around 80 percent of the traditional media is owned by the State or by government supporters including Globovision and Últimas Noticias.

The government has resorted to different strategies to silence the media and control the information that is published, including filing defamation lawsuits, intimidation, physical attacks, controlled newsprint supply and “antimedia rhetoric from the government,” [according to Freedom House](#), a nonprofit that focuses on free speech issues.

Between 2013 and 2015, 25 judicial proceedings were documented for informative and opinion reasons, of which 13 were reports for defamation and injury, according

to the Instituto Prensa y Sociedad (IPYS) Venezuela—an NGO that advocates for freedom of speech in the country.

In March, a criminal judge convicted the director of the Correo del Caroní newspaper, David Natera Febres, [to four years in jail](#) for covering a corruption case in 2013, [reported IPYS](#). He [was charged with](#) defamation and injury.

The few independent media left in the country have moved to online platforms and social media, an area that so far was outside of the spectrum of the regime’s control. But the regime is now aware of the impact it is having on the public opinion and civil unrest.

Andrés Eloy, director of CONATEL, the Venezuelan governmental entity that regulates, supervises, and controls the telecommunications in the country, set out in late November the need to regulate the use of social media.

“We can’t allow that in this field reigns the violence and instigation,” said Eloy in an interview. “Our society requires mechanisms and these will not be different from what other countries have done.”

In a blow to online media, Braulio Jatar Alonso, director and editor of the news outlet Reporte Confidencial, was arrested by the Bolivarian National Intelligence Service (Servicio Bolivariano de Inteligencia—SEBIN) and charged on alleged money laundering, in early September. The arrest, however, came one day after the website covered a protest against Maduro in Isla Margarita.

A public consultation to establish the legal framework that will regulate the use of social media will start this month, according to Eloy.

CHAPTER 4: A TRANSNATIONAL DRUG BUSINESS, BIG PLAYERS

“You are going to learn a lot about drug trafficking in the Americas region, South America, Central America and the U.S,” said Assistant U.S. Attorney Emil Bove in the opening of the trial on November 7. “You will learn that most of the cocaine in this region is provided around Colombia and that a lot of it is shipped north to Central America.”

Carrying out an international drug trafficking operation requires a very detailed logistics plans and contacts in each of the countries along the route. Big players have become to dominate the lucrative business in the Latin American region.

In six meetings, in three different countries, Campo and Flores met with DEA’s confidential sources, cooperating witnesses, and other drug traffickers from Colombia, Honduras and Mexico, to plan a multimillion dollar business, involving the shipment of hundreds of kilograms of cocaine into the U.S.

This case brings to light the illegal schemes in the country as well as the extent of the criminal networks' operations throughout the region.

COLOMBIA: WORLD'S MAIN SOURCE OF COCAINE

The cocaine that Campo and Flores were planning to smuggle into the U.S was allegedly provided by the FARC a year ago through intermediaries, some of whom so far are only known by their alias.

Colombia is considered the [main coca producer](#) in the world and [a major source country for cocaine](#), with the Revolutionary Armed Forces of Colombia (FARC)—the biggest rebel group in the country and considered a terrorist group by the U.S. government—controlling [up to 70 percent](#) of the all the coca grown in Colombia.

Cocaine is the most trafficked drug from South America to the U.S in terms of volume and in terms of worth, according Eric Olson, an expert on drug trafficking in Latin America and Associate Director of the Latin American Program at the Woodrow Wilson International Center for Scholars in Washington, DC.

Colombia recently reached a peace agreement with the FARC, after more than four years of negotiations. The third point of the agenda addresses the problem of the illicit drugs and drug trafficking in the country. As part of the agreement, the FARC has committed to end its involvement in the illegal activity. The parties also agreed to intensify the fight against the organized crime groups and break up their support networks.

One of the main FARC units operating along the Venezuelan-Colombian border is the Armando Rios First Front, which is deeply involved in drug trafficking, according to Camero. The First Front [said in early July](#) that it would not demobilize and will continue its armed fight.

VENEZUELA: A NARCO REGIME

“The criminal organizations need the protection of the State [to operate],” says Javier Osorio, expert on criminal violence in Latin America with a specific focus on Mexico, Colombia, and Central America. “Protection understood as free crossing. ‘Don’t carry out law enforcement operations against me.’”

He says that the more authoritarian or less democratic a country is, the more suitable it is for criminals to operate and adds that the more homogenous the political structures are, the more higher up are the deals.

“At high level, there are political relationships of power and mutual benefit,” explains Osorio. “And that implies corruption. ‘You let me operate and I channel you resources of the drug trade.’”

In the late 1990s, the U.S and Colombia set up a program, called Plan Colombia, to increase Colombia’s counternarcotics capabilities, expand and consolidate government presence, and improve the livelihoods of the most vulnerable Colombians.

The results of the plan [have been mixed](#) in Colombia but it had a negative effect in Venezuela. It pushed the Colombian criminal and illegal groups to the borders of the country, particularly to the Venezuelan-Colombian border.

In addition, the ideological sympathy between the Chavez government and the FARC opened the door for this group to operate with relative impunity in Venezuelan territory.

In 2005, Chavez expelled the DEA from the country, asserting that it was not necessary to fight against the drug trade, accusing it of supporting the illegal trade and carrying out intelligence surveillance against the government.

This sent the message to other Colombian groups, including the National Liberation Army (ELN) and the criminal groups that appeared after the demobilization of the paramilitaries between 2003 and 2006—known as Criminal Bands—that Venezuela was an open territory to operate, according to experts.

That same year, the reform of the law related to drugs in Venezuela gave competence to all the forces of the military in the country—the army, navy, air force, and GN—to combat the drug trade; a task that was previously and exclusively carried out by then GN, which was in charge of protecting the borders.

The result was a deeper involvement of the military in the drug trade, according to Camero.

In one of the most notable cases, 1.3 tons of cocaine from Colombia were packed in 31 suitcases and sent to the Charles de Gaulle Airport in Paris, France, in an Air France commercial flight, from the Simon Bolivar International Airport in Maiquetia, Venezuela, in 2013.

Three officials of the GN were arrested for alleged involvement in the operation. [In August](#), 10 individuals, some of them members of the GN, were sentenced 22.5 years in prison. None of them were high-level military officials.

Campo and Flores were planning to use the International Airport to load 800 kilograms of cocaine, packed in suitcases, in a private aircraft. But this time the cocaine was going to be sent from the presidential hangar (the ramp 4). Something not seen before, according to Camero.

“You will hear Flores brag that he had complete control of the airport in Venezuela,” said Bove in the opening of the trial. “And he assured the people at the meeting that the drugs would be sent from the presidential hangar at the airport. The hangar controlled by the President of Venezuela.”

Since the expulsion of the DEA, the [regime has said](#) that the country has shown [achievements](#) in its fight against the drug trade through drug seizures and arrests of drug traffickers. But experts have another reading of the [results](#).

“It simply means that the drug trafficked through the country has increased exponentially,” says Cedeño. “And as in any business, there is an index loss that will fall into the authorities hands to satisfy those structures within the State.”

Venezuela is today a key transit route for drugs heading to Central America, the United States, Europe and West Africa, [according to a 2015 U.S Department of State](#) report.

HONDURAS: JUMPING-OFF POINT FOR NARCOTICS

In early November, Campo and Flores traveled to San Pedro Sula, Honduras to plan a drug trafficking operation. They were interested in sending an aircraft with legitimate-seeming flight plans, laden with cocaine from Venezuela to Honduras.

On November 15, the drug was going to be received at the Juan Manuel Galvez International Airport in Roatan island in the afternoon. If something went wrong, a plan B was already set in place. The drug flight would land in a clandestine airstrip in La Mosquitia region, eastern Honduras.

Honduras is a midway point of the path between South America (the main coca producer) and the U.S (the main drugs consumer).

“The U.S only has five percent of the world population and consumes 25 percent of all the drugs,” according to Osorio. “It is an incredibly valuable, big, very resilient market to any sort of intervention to the supply.”

It’s geography and the inaccessibility into remote areas, corrupt law enforcement authorities and lack of resources make the country an ideal place for drug traffickers to operate.

Honduran National Police and military officers were in the payroll of the drug traffickers operating at Roatan’s airport, according to the testimony of Carlos Gonzalez—an air traffic controller at the airport who was involved in the drug trafficking venture. The role of the security forces was to turn a blind eye on the drug operation.

The coastal areas in Honduras are pretty remote and the country has very limited capacity to monitor them, according to Olson. "Those are kind of the vulnerable entry points," he says.

Once in the country, the drugs are either transported overland or by the river networks up north.

The Central American country has served as a key transit point for drugs going north, with around 80 percent of the drugs passing through the country ending up in the U.S.

MEXICO: AN INTERNATIONAL DRUG CARTEL

Two drug traffickers, acting as DEA's confidential sources and posing as members of the Sinaloa Cartel, met with Campo and Flores in Caracas, Venezuela, to plan the drug trafficking venture.

The Sinaloa Cartel is the biggest and strongest Mexican organization with presence on a global scale, according to Osorio. They are present in South America, Europe, Central America and Africa and have established relationships in the Pacific, in the Philippines.

In Mexico, drug cartels pay bribes to law enforcement officers and [politicians](#) in exchange of protection to drug shipments in Mexico and across the border with the U.S.

Campo and Flores now face a minimum sentence of ten years to life in prison, unless they decide to cooperate to receive a reduced sentence.