



PARAGUAY

JOURNALISTS ALONE
FACING TRAFFICKING

INVESTIGATION REPORT - JULY 2011



By Benoît Hervieu of the Reporters Without Borders Americas Desk, with help from the Forum of Paraguayan Journalists (FOPEP)

Last February, Reporters Without Borders released its first-ever thematic report on organized crime, the main source of physical danger for journalists since the end of the Cold War. Produced with the help of our correspondents and specialists in several countries, that report underlined how difficult it is for the media to investigate the criminal underworld's activities, networks and infiltration of society. Aside from covering bloody shootouts between rival cartels, news media of any size usually seem ill-equipped to describe organized crime's hidden but ubiquitous presence.

Paraguay, which a Reporters Without Borders representative visited from 3 to 10 July, is a good example of these problems. Overshadowed by Brazil and Argentina, its two big neighbours in the Southern Common Market (Mercosur), it has long received one of the world's worst rankings in Transparency International's corruption index. It is also a major way station in the trafficking of cocaine from the Bolivian Andes to the Southern Cone.

While the level of violence is not as high as in Mexico, Colombia or some Central American countries, the persistent corruption, judicial impunity and influence of mafia activity on political and business activity prevent the media and civil society from playing a watchdog role. Although elections brought about a real change of government for the first time in 2008, Paraguay is still struggling to free itself from the code of silence and complicity that prevailed during the decades of dictatorship and affects the media as well. This was clear from interviews with journalists, observers and state officials in Asunción and Concepción, in the border cities of Ciudad del Este and Encarnación, and the Argentine border city of Posadas.



STUCK BEHIND TRAFFIC

The following story from Encarnación is more than just an anecdote. It says a lot about the weakness of the state's customs controls. It was told with a mixture of amusement and disillusion by Raúl Cortese, the Encarnación correspondent of the Centre for Multimedia Information (CIM), which groups the national daily *Ultima Hora*, the radio station *Radio Monumental* and two TV stations, *Telefuturo* and *La Tele*. "A prosecutor was kidnapped in this city four years ago. The authorities assigned a lot of resources to locate him. In the course of the police deployment, a police car collided with a taxi, ripping its bodywork open and exposing a hidden consignment of 700 kg of marijuana. It was a windfall for us journalists, and at the same time, just a grain of sand in the desert." An average of five tons of marijuana are seized every year at the point where the far-south Paraguayan province of Itapúa is connected to the Argentine province of Misiones by the river bridge between Encarnación and Posadas. "This is barely 10 per cent of the actual amount being trafficked," said Cortese, who complains of having to censor himself. "When you calculate the capacity of the authorities to intervene, imagine what ours is like. We have no choice but to wait to be told of seizures."

This pessimistic account is unfortunately typical of Paraguay, where journalists wonder not only about their ability to do their job but also whether there is any point to

what they are trying to do. These are fair questions in a country where trafficking in drugs, weapons and humans have taken hold in a political system that was always venal. The trafficking is now poisoning the entire economy. "This country has long been notorious for running cigarettes across the Brazilian border," said Alvaro Caballero, the head of the Centre for Development Information and Resources (CIRD) and a prime mover behind a 1997 law on money laundering. "During the dictatorship, this smuggling favoured the development of corruption networks that later grew into full-blown business holdings with all kinds of economic outlets. And political outlets too, because Paraguay has no laws regulating private donations to political parties. So, organized crime's influence on society is considerable. In the old days, criticizing the Stroessner regime could cost your life. Now you take the same risk when you dare to criticize those who have guns. Starting with the drug traffickers."

A sad precedent was set just two years after the dictatorship fell in 1989. Santiago Leguizamón, the owner and presenter of *ZP 31 Radio Mburucuyá*, was gunned down in the eastern border city of Pedro Juan Caballero on 26 April 1991. A former correspondent of the national dailies *ABC Color* and *Ultima Hora* and the privately-owned *TV station Canal 13*, he dared to speak out about the endemic corruption and the growing presence of Brazilian cartels in Amambay, a department adjoining Brazil that produces marijuana. As a tribute to him, 26 April is celebrated as Day of the Journalist in Paraguay. But his murder is still unpunished and its chilling impact on journalists is still being felt 20 years later. "Santiago's murder was the first one to be clearly attributed to what we now call the narcotraffickers,"

"STRONATO", GANGSTER TOTALITARIANISM

Of the six dictatorships linked by the sinister Operation Condor in the 1970s – Argentina, Bolivia, Brazil, Chile, Paraguay and Uruguay – Paraguay's endured the longest by far. Exhausted by the Triple Alliance war against Brazil and Argentina (1865-1870) and the Chaco War against Bolivia (1932-1935), Paraguay came under Gen. Alfredo Stroessner's iron control when he staged a coup on 4 May 1954. Thirty-five years of repression and almost feudal – some say totalitarian – rule ensued, rule based on a contraband economy. The media were closely controlled, only one party, the Colorado Party, was allowed and meetings of more than four people were banned. The country's leading daily, *ABC Color*,

had to stop publishing during the last five years of Stroessner's rule, known as the "Stronato." A coup d'état on 3 February 1989 by Gen. Andrés Rodríguez, Stroessner's son-in-law, ended the dictatorship, officially at least. Civil liberties were gradually restored but the Colorado Party remained in power until Fernando Lugo was elected president in 2008. "The dictatorship fell, but contraband and its political ramifications survived it," an NGO representative said. An effort to record the facts of what took place during the dictatorship is now under way. According to the CIRD, which has launched project with this as its goal, a million documents about the "Stronato" have been released.

said Candido Figueredo, *ABC Color's* correspondent in Pedro Juan Caballero for the past 16 years. "This tragedy highlighted two things. Firstly, the decline of the old Paraguayan smuggling clans, such as the Fahd Yamil and Morel families, compared with traffickers operating at the international level. Secondly, the impossibility of doing truly independent investigative journalism in this country, which is still the case today."

Far from ending the ties between organized crime on the one hand, and business and political sectors on the other, the fall of the dictatorship had spawned many new threats for media that had only just been freed from state terror.

MEDIA FOR SALE

Targeted or bought. That is the cruel alternative often confronting journalists, who are aware that "organized crime rarely warns before acting." In Ciudad del Este, Mariana Ladaga thinks the risk of being killed "comes second" after the risk of being bribed. Argentine by birth and Paraguayan by adoption, Ladaga, 35, has worked for the past eight years as correspondent for the Paraguayan daily *La Nación* (not to be confused with the Argentine daily of the same name) and for *Radio 9.70 AM*, which belongs to the same group.

CIUDAD DEL ESTE, 20,000 VISITORS A DAY

Formerly called Puerto Stroessner and a hive of activity where 50 nationalities rub shoulders in a population of 300,000, Ciudad del Este is ranked third in the world, after Miami and Hong Kong, as a centre of tax-free commerce thanks to the Friendship Bridge which links it with the Brazilian city of Foz de Iguaçu on the other side of the River Paraná. "An average of 20,000 visitors come every day from Brazil to shop in Ciudad del Este," said Andrés Colman, former *Ultima Hora* correspondent and now head of the Forum of Paraguayan Journalists (FOPEP). "As the Brazilian federal tax department sets a limit of 300 dollars per person per month in duty-free purchases, smugglers are used to handle the rest. This city has adapted to trafficking and you can understand why Brazilian cartels such as *Comando Vermelho* from Rio de Janeiro and its São Paulo rival, the *Primeiro Comando da Capital*, have set up bases here, if not their headquarters."



EVERY DAY, 20,000 PEOPLE CROSS THE FRIENDSHIP BRIDGE TO VISIT CIUDAD DEL ESTE

"Providing full, thorough coverage of trafficking is impossible," she said. "We have neither the time nor the resources. And even if we did, where would we begin? In Ciudad del Este, trafficking in drugs or firearms is just one aspect of an enormous contraband activity that also involves legal products such as electronic goods. No one should have any illusions about all this intense activity. The city is still small, the ramifications of trafficking affect the press and I am just a correspondent."

Ladaga added: "It is very easy to fall into the trap of corruption. After I covered the seizure of a drug consignment at a clandestine airstrip, a man came to seek my husband and offered him 30,000 dollars for my silence. It turned out he had gone to the same school as my husband and knew other members of my family. I had to give up covering the story. I can risk my own life but not the lives of my loved-ones." She nonetheless refuses to be discouraged and is pleased to have contributed to the recent publication of a list of *Comando Vermelho* members in Ciudad del Este. "No reprisals so far," she whispered.



ABCCOLORREPORTERCANDIDOFIGUEREDOGOES
NOWHERE WITHOUT AN ESCORT

CORRESPONDENT IN HELL

The situation seems to be even more precarious for journalists based in the 500-km-long northern stretch of territory consisting of the departments of Concepción, Amambay and Canindeyú. Adjoining Amambay's marijuana plantations, Concepción's arid, deserted and uncontrolled plains are ideal for trafficking. Almost bereft of tarmac highways, the region is full of dirt roads and clandestine air-strips that make it a major waypoint in the illegal import-export trade. The physical risks for journalists here are almost as great as the difficulty of pinning down the trafficking.

"Working in these departments is like being a correspondent in hell," jokes Candido Figueredo, one of the two *ABC Color* journalists currently receiving armed protection. The other is Pablo Medina, who is based in Canindeyú. Jovial, eccentric and sometimes described as reckless, Figueredo is ready to live with a permanent police escort after two bomb attacks on his home and two on his car.

A Concepción-based journalist working for the same newspaper, Aldo Rojas has not requested the same kind of protection but does not play down the danger. "The presence of journalists at the seizure of a consignment is rarely welcomed by the authorities in this area," he said. "We are often the witnesses of their sometimes serious abuses against isolated rural communities that are suspected of complicity in the trafficking, a suspicion that can also be levelled at the authorities themselves. The situation was exacerbated by the EPP's emergence."

"I just have to do a report about the police officers specialized in combating the EPP to get a warning from the EPP in the form of a leaflet," said Justiniano Riveros, the CIM

GANGSTERS POSING AS GUERRILLAS

It was in the department of Concepción that the Paraguayan People's Army (EPP) emerged at the start of the previous decade. With a core of about 15 members, this small guerrilla group quickly moved from revolutionary struggle to trafficking, hold-ups and abduction. Its evolution is similar to that of the Brazilian cartels *Comando Vermelho* and *Primeiro Comando da Capital*, also originally urban guerrilla groups, and to a large extent to Colombia's FARC, to which it pays a percentage of its ransom earnings in exchange for weapons. The EPP's accumulated capital is estimated at around 5 million dollars. Its most notorious "feat" continues to be the abduction and subsequent murder of former President Raúl Cubas' daughter, Cecilia Cubas, in 2004. It does not like being described as gang of ordinary criminals and includes the "bourgeois press" in its targets. It was the EPP that was blamed for the bomb attack on the Asunción headquarters of the privately-owned TV station *Canal 9* on 12 January 2011.

media group's correspondent in Concepción, who gets police protection (in the form of surveillance) by night but not by day because he says it restricts his freedom of movement. "The fight against the EPP has increased our dependence as journalists on the authorities, especially the police. We live on the front line, without protection adapted to journalistic work."

Rojas of *ABC Color* shares this view and wonders whether the security forces really want to protect journalists. "Ever since the police and army began stepping up their efforts to combat the EPP, they have been recommending that we do not go around in vehicles bearing our media's logo. How can they give us such advice, when it is a way for us to identify ourselves to the public and therefore to protect ourselves?"

The comment is indicative of a lack of trust in the security forces which, like judges and politicians, are often accused of conniving with organized crime's various ramifications. Some people in Concepción suspect that the EPP serves as a convenient scapegoat for the authorities' own questionable activities. In the complete absence of a proper investigation, two explanations continue to circulate about the murder of Martín Ocampos Páez, the head of community radio station *Hugua Ñandú FM*, in a locality of the same name in Concepción department on 12 January 2009.

"Some say it was an act of political revenge by the local authorities after embarrassing allegations by the radio station about their links with drug traffickers," said one local journalist. "Others talk of the victim's alleged links with the EPP, for whom he supposedly provided logistic services." A relative of Ocampos who spoke to Reporters Without Borders on condition of anonymity was outraged by the second hypothesis and the fact that the media mentioned it. "Such allegations suit those whom Martin denounced and gives them an additional reason for not investigating," the relative said.

IMPUNITY AND INFLUENCE

The lack of results in the investigation into the Ocampos murder is matched in the case of Chilean journalist Tito Palma, who was murdered two years before Ocampos in Itapúa. Like Ocampos, Palma criticized organized cri-



A SELF-STYLED "GUERRILLA" GROUP, THE EPP QUICKLY TURNED TO ORGANIZED CRIME

me's sway over the judicial system in his reports for *Radio Mayor Otaño* and *Radio Chaco Boreal*.

Gabriel Bustamante, a journalist based in the southern city of Ayolas who reports for the dailies *La Nación* and *Crónica* and edits *ADN*, a small magazine with a print-run of 7,000 copies, is still waiting to be compensated for three murder attempts in July 2010. They were allegedly carried out by persons close to a representative of the Argentine-Paraguayan state-owned power company Yacypetá whom Bustamante had linked to alleged corruption.

"After low-level police protection for two weeks, I sought refuge at the home of one of my sisters for a month," Bustamante said. "At first I was able to count on the support of *Radio FM Ayolas*, for which I also worked, but in the end political pressure put an end to my job at the station. The regional media depend so much on state advertising, itself fed by corruption and trafficking, that is impossible for them to resist this kind of influence."

Similar influence may account for the arson attack that forced *Radio Yuty FM* off the air in the southern department of Caazapá during the Reporters Without Borders visit. Owned by former Liberal Party parliamentarian Nelson Vera Villar, the station was really irritating his Colorado Party rival. The police investigation lost no time in attributing the fire to "ordinary theft."

ABC Color's Encarnación correspondent, Augusto Roa,

said: “The local Paraguayan media cannot cover trafficking or other subjects that are very sensitive. It is both politically dangerous and economically counter-productive.” Andrés Colman, the president of the Forum of Paraguayan Journalists (FOPEP), went further, blaming certain regional media “that are complicit in gangster methods, practicing extortion journalism and using the threat of publication to blackmail people.”

Although the charge is serious and hard to verify, it highlights a dilemma for Paraguayan journalists in the interior. Either opt to work for media that censor themselves from the outset, under pressure. Or work as the correspondents for national media, exposed to the fashion for abusive lawsuits as well as security risks.

Most of the journalists that Reporters Without Borders met in the provinces complained of being isolated. Many of them also deplored the fact that the public was inured to the existence of trafficking and seemed indifferent to their fate. With the partial exception of *ABC Color*’s correspondents, all of them deplored the lack of support from the media for the idea of insurance coverage against the risks to which they are exposed.

Carry a gun? Roa never goes anywhere without a revolver in his car but this limited “protection” does not help to defuse the tension and mistrust which makes it hard to find sources. “There is not always a direct threat, but a latent threat is always present, we have internalized it,” Roa said. “One day I learned that a Colorado Party politician had hired an individual living in Ciudad del Este to kill me. The politician ended up falling from power and the case did not go any further. Nonetheless, I do not rule out the self-censorship option completely, for my family’s sake.” Or seeking support from the other side of the Paraná.

POOLING INFO ACROSS THE RIVER

Whether approved, tolerated or opposed by their editors, the pooling for information among rival journalists often takes place when they are exposed to threats. “We do not go out alone and we swap information and sources even if we sometimes keep certain exclusives to ourselves,” said one correspondent in a typical comment. This is especially the case in the border areas, where colleagues from the other side are often less concerned for their physical safety.

In Posadas, the capital of the Argentine province of Misiones, Matías Falconi seems more relaxed. He works for the crime and general news section of *El Territorio*, the region’s leading daily with a print-run of 20,000 copies. Out of a total of 32 salaried employees, his section has four reporters, two of them specialized in organized crime. He spoke of the difficulties of covering this complex and often hidden phenomenon.

“It’s true, the physical threat is much less for us than our Paraguayan colleagues,” he said. “But we encounter the same problems as them. We also lack the human resources to fully cover this reality. Our sources have difficulty talking and do not necessarily have any interest in doing so. We have also had a lot of surprising cases like the interception of a prison service truck carrying two tons of marihuana, which says a lot by about the possible complicity of certain officials. We are also told about consignments that have been abandoned without anyone being arrested. That prompted the federal government to react and demand more concrete results.”

As well as cooperation between government agencies on either bank of the River Paraná, there are also regular contacts between news media. “We are a bit like war correspondents,” said *El Territorio* editor Roberto Maack. “We cannot do without this solidarity between Argentine, Paraguayan and Brazilian journalists. This pooling of information needs to be developed but should not lead to a greater concentration of media ownership. It could nonetheless follow the example of the special pull-outs that the leading newspapers sometimes produce.”

Maack added: “For example, *Folha de São Paulo* in Brazil and *Clarín* in Argentina organized a joint team to follow trafficking from one end of the chain to the other. This initiative resulted in an eight-page special report. This example should be followed by journalists like us, who are on the ground every day, although it should obviously be adjusted to the scale of our resources and should take account of our different readership.”

DELAYED ACCESS

Do the Paraguayan media have the means to do this? In Argentina, Falconi of *El Territorio* is tempted to envy the fact that they deal with a single drug agency. “Paraguay has a specialized agency, the National Anti-Drug Secre-

tiariat (SENAD)," he said. "It is not the same in Argentina, where the federal police, the prefecture (maritime police), the gendarmerie (border police) and Misiones provincial police are all rivals along the 150 km of river border between the two countries. Which of these official sources do we trust?"

The reasons for envy stop there because Argentina has legislation ensuring public access to official information but similar legislation is still pending in Paraguay, where the authorities fear that it would encourage media audacity and sensationalism.

The news director of *Radio 1 de Marzo 780 AM*, a privately-owned national radio station based in Asunción, Vladimir Jara produces the only weekly radio programme – called "Punto Rojo" – that is solely about organized crime and drug trafficking. As such, he was the target of threats and illegal phone-tapping by SENAD officials in 2007.

"I took the risk of reporting a case of internal corruption and I suspected there could be an attempt by anti-drug agents to compromise me," Jara said. "The threats against me did not have the expected judicial follow-up, but the

matter subsequently subsided. Now criticized above all by the EPP, Jara recognizes that the SENAD has evolved positively in terms of results and image in the past two years.

Appointed as head of the SENAD on 26 April 2011 (Day of the Journalist), Mercedes Castiñeira is the first woman to run the agency. In a show of a concern for transparency, she listed annual seizures but went on to criticize "media that are in a rush and are guilty of inaccuracy and even of jeopardizing our credibility."

Referring to the recent seizure of 370 kg of cocaine, she said: "The media had heard talk of 400 kg so they started asking the inevitable question, namely, where had the difference gone. But as far as my agency was concerned, it was just the difference between the initial estimate and the actual amount seized. The difference between media time and our time generates this kind of problem and complicates the job for us. Too many journalists want spectacular results at once, and, if necessary, are ready to sacrifice their sources."



ARGENTINE JOURNALIST MATÍAS FALCONI ACKNOWLEDGES THAT HIS PARAGUAYAN COLLEAGUES RUN GREATER RISKS



SENAD CHIEF MERCEDES CASTIÑEIRA: "JOURNALISTS OFTEN MAKE OUR JOB MORE COMPLICATED."

MODEST HOPES, FEAR OF "MEXICANIZATION"

Carmelo Caballero, a lawyer who was deputy security minister from August 2008 until last month, praised the government for launching a systematic intelligence effort to trace trafficking networks back to their source, something that had not been done in the past. He also praised efforts to provide more information to the media, which "often tends to imagine that the situation in Paraguay is comparable to Kosovo at the height of the war."

There was recognition of the government's efforts from CIRD director Alvaro Caballero, who said: "The government has acted with more openness towards civil society since Fernando Lugo took office in 2008 and has fostered more awareness of the problems, especially this year as part of the country's bicentenary."

The new mood also seems to be affecting journalists. FOPEP, which was founded five years ago and now has 80 members, joined the Forum of Argentine Journalism (FOPEA) and the Brazilian Association of Investigative Journalism (ABRAJI) in organizing an unprecedented international meeting at the Triple Frontier on organized crime and the media's coverage of the subject. The challenge of investigating such a subject is not one that can be tac-

kled alone. The lesson applies both to the media and to the governments that are supposed to respond to it. Caballero, the former deputy minister, is aware of this. "The intelligence work cannot be done without help from other countries and will never be able to make up for the lack of control at the borders, for which we do not have the human resources," he said. The challenge of providing security and protection will be all the more daunting in the run-up to the 2014 Football World Cup and the 2016 Olympic Games in neighbouring Brazil.

"There is a danger that the police sweeps being carried out in Rio de Janeiro's favelas ahead of these events could prompt an exodus of Brazilian traffickers to their Paraguayan bases," said the Ciudad del Este-based journalist Ladaga. She even talked of a future "Mexicanization" in a region that the Mexican cartels are already beginning to penetrate. The Asunción-based Jara thought such fears were exaggerated but he predicted "increased competition between crime organizations." That, however, is exactly what plunged Mexico into chaos, to the great misfortune of its population and journalists.

RECOMMENDATIONS

Together with the FOPEP representatives who participated in this fact-finding mission, Reporters Without Borders believes that the following initiatives should be undertaken urgently with the aim of improving the ability of journalists to operate in Paraguay:

■ A reform of the judicial and penal systems leading to better administrative supervision of the activities of judges and police officers with the aim of ending impunity in cases of murders of journalists and the most serious violations of media freedom

■ Adoption of an access to information law that ensures that journalists and the general public are able to question and audit government policies.

■ Passage of legislation ensuring better regulation of the financing of the media and any other entities or organizations that produce news and information of public interest, with the aim of protecting them from any kind of infiltration or money-laundering by organized crime.

■ Restrictions on lawsuits in which exorbitant damages are demanded as they endanger the personal economic situation of journalists and sometimes the survival of their news media. Reporters Without Borders hopes that a precedent will be set by *ABC Color* journalist Sandra López's acquittal on 1 July on charges of defaming and insulting a CEO whose management she had questioned.



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