

PTQ0447

SECRET PTQ0447

PAGE 01 MEXICO 01676 202219Z  
ACTION ARA-01

INFO LOG-00 ACDA-10 ACDE-00 INLB-01 ACQ-01 SMEC-00 INL-01  
OASY-00 DOEE-00 SRPP-00 DS-00 EUR-01 OIGO-01 H-01  
TEDE-00 INR-00 IO-00 L-01 ADS-00 M-00 NSAE-00  
OMB-01 PA-00 PM-00 PRS-00 P-00 CIO-00 SP-00  
USIE-00 ASDS-01 PMB-00 DSCC-00 PRMC-01 DRL-09 G-00  
/030W

-----9C2404 202219Z /68

R 201155Z FEB 97  
FM AMEMBASSY MEXICO  
TO DEAHQS WASHDC  
SECSTATE WASHDC 2364  
DIRFBI WASHDC  
DOJ WASHDC  
INFO AMEMBASSY GUATEMALA  
AMEMBASSY BOGOTA  
IRS WASHDC  
USINS WASHDC  
EPIC EL PASO TX  
DIA WASHDC  
CIA WASHDC  
TREASURY WASHDC

RELEASED IN PART  
1.4(B),B1,B7(D),B7(C),B7(F),1.4(D),B7(A)

Classified by DAS MGrinfeld, A/GIS, DoS, 4/24/14 ~ Class: SECRET ~ Reason:  
1.4(B), 1.4(D) ~ Declassify on: 02/19/2022

DIRONDCP WASHDC  
AMCONSUL MONTERREY  
CUSTOMS WASHDC  
AMCONSUL CIUDAD JUAREZ  
SECDEF WASHDC  
AMCONSUL HERMOSILLO  
SECRET

REVIEW AUTHORITY: Oscar Olson, Senior  
Reviewer

SECRET

PAGE 02 MEXICO 01676 202219Z  
AMEMBASSY OTTAWA  
AMCONSUL NUEVO LAREDO  
AMCONSUL MATAMOROS  
AMCONSUL TIJUANA  
AMCONSUL GUADALAJARA  
AMCONSUL MERIDA

SECRET MEXICO 001676

E.O. 12958: DECL: 02/12/07

TAGS: PREL, KJUS, KCRM, SNAR, PGOV, PINR, MX

SUBJECT: ATTORNEY GENERAL MADRAZO EXPLAINS  
GUTIERREZ ARREST/DISMISSAL TO AMBASSADOR

REFS: MEXICO 1562

1. SECRET - ENTIRE TEXT. CLASSIFIED BY AMBASSADOR  
JAMES R. JONES, EMBASSY MEXICO. REASON: 1.5(B).

2. SUMMARY: AMBASSADOR URGED ATTORNEY GENERAL  
JORGE MADRAZO ON FEBRUARY 19 TO USE THE  
OPPORTUNITY PRESENTED BY THE DISMISSAL AND ARREST  
OF INCD COMMISSIONER GENERAL GUTIERREZ (SEPTTEL)  
TO PRESS FOR [REDACTED]

[REDACTED] RAPID ARREST OF TOP MEXICAN  
NARCOTRAFFICKERS AND A CONSTRUCTIVE GOM RESPONSE  
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3. MADRAZO SAID THAT GUTIERREZ WOULD FIRST BE  
TRIED IN A CIVILIAN FEDERAL COURT, THEN IN A  
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GUTIERREZ IS "WELL-DOCUMENTED." THE CIVILIAN  
TRIAL WILL BE MEXICO'S FIRST PROSECUTION UNDER  
THE RECENTLY-ENACTED ORGANIZED CRIME LAW. AT THE  
MOMENT, [REDACTED]

[REDACTED]

SECRET

B7(C)

Per DEA

B1  
1.4(D)

SECRET

PAGE 03 MEXICO 01676 202219Z

[REDACTED]

[REDACTED] MADRAZO WILL BE APPOINTING A BLUE-  
RIBBON OVERSIGHT COMMISSION OF TOP MEXICAN LEGAL  
SCHOLARS. MADRAZO FEARS THAT SOME IMPORTANT PGR  
INVESTIGATIONS MAY BE COMPROMISED BY GUTIERREZ,  
AND SAID THAT WHOMEVER IS CHOSEN AS NEW INCD  
COMMISSIONER WILL BE SUBJECTED TO AN EXTENSIVE  
VETTING PROCESS. FOR THE MOMENT, THE CENDRO  
DIRECTOR, GENERAL TITO VALENCIA, WILL SERVE AS  
INTERIM COMMISSIONER OF THE INCD. END SUMMARY.

4. AMBASSADOR WAS JOINED IN THE FEBRUARY 19  
MEETING AT PGR HEADQUARTERS BY [REDACTED]

[REDACTED]

A GOLDEN OPPORTUNITY FOR SWEEPING REFORM

B7(C)

B7(F)

Per DEA

B1  
1.4(D)

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5. AMBASSADOR SUMMARIZED WASHINGTON REACTION TO THE GUTIERREZ FIRING. HE EXPLAINED THAT HE HAD EARLIER SUGGESTED TO SRE UNDER SECRETARY REBOLLEDO AND PRESIDENTIAL CHIEF OF STAFF TELLEZ THAT A CANDID AND COMPREHENSIVE SECTION ON CORRUPTION BE ADDED TO THE DRAFT DIAGNOSTIC PAPER SLATED TO BE RELEASED IN WASHINGTON FEBRUARY 21 HE POINTED OUT THAT [REDACTED]

[REDACTED] THE GUTIERREZ INCIDENT PROVIDES MADRAZO AND THE GOM A GOLDEN OPPORTUNITY FOR SWEEPING STRUCTURAL REFORMS, A CLEAN BREAK WITH THE PAST. BY EFFECTING SUCH REFORMS, AMBASSADOR EXPLAINED, MADRAZO COULD TAKE  
SECRET

B1  
1.4(D)

SECRET

PAGE 04 MEXICO 01676 202219Z  
A NEGATIVE-SEEMING EVENT AND TURN IT INTO A POSITIVE ONE.

6. AMBASSADOR POINTED OUT THAT NOW WOULD ALSO BE THE IDEAL MOMENT FOR MEXICO TO ARREST THE LEADERS OF THE MAJOR CARTELS. SUCH DRAMATIC ARRESTS WOULD HAVE THE SAME POSITIVE EFFECT ON U.S. OPINION IN THE AREA OF BILATERAL LAW ENFORCEMENT AS MEXICO'S EARLY REPAYMENT OF U.S. LOANS HAS HAD IN THE FINANCIAL AREA.

FIRST CASE UNDER NEW ORGANIZED CRIME BILL  
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7. MADRAZO BEGAN BY EXCUSING HIS EXHAUSTION, EXPLAINING THAT HE HAD BEEN WORKING FOR DAYS WITHOUT SLEEP ON THE GUTIERREZ MATTER. HE

OBSERVED THAT THE 120 PAGE INDICTMENT AGAINST UTIERREZ CONSTITUTES THE FIRST CASE TO BE TRIED UNDER MEXICO'S NEW ORGANIZED CRIME LAW. AMONG THE CHARGES AGAINST GUTIERREZ WILL BE "CRIMES AGAINST HEALTH" (COUNTERNARCOTICS) AND "CRIMES AGAINST THE ADMINISTRATION OF JUSTICE" PROVISIONS CONTAINED IN THE NEW LAW.

[REDACTED]

B7(C)

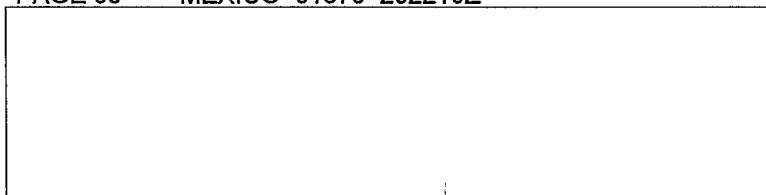
Per DEA

8. MADRAZO SAID THAT THE ARRESTS OF GUTIERREZ  
[REDACTED]

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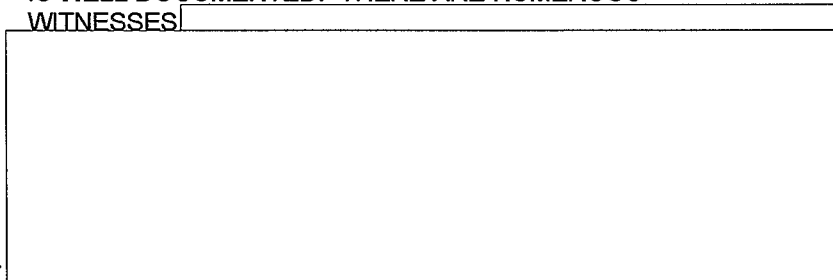


B7(C)

Per DEA

"OUR CASE AGAINST GUTIERREZ IS WELL-DOCUMENTED"

9. MADRAZO SAID THAT THE CASE AGAINST GUTIERREZ IS WELL DOCUMENTED. THERE ARE NUMEROUS WITNESSES



B1  
1.4(D)  
B7(A)  
B7(F)

10. THIS TESTIMONY, MADRAZO EXPLAINED, WILL CONFIRM THAT DRUGLORD AMADO CARRILLO FUENTES'S ASSOCIATE EDUARDO GONZALEZ PERSONALLY PASSED TO GUTIERREZ KEYS TO A MEXICO CITY APARTMENT -- THE APARTMENT WHICH GUTIERREZ USED AS HIS MEXICO CITY RESIDENCE. THE EVIDENCE IS THAT GUTIERREZ RECEIVED THREE SEPARATE PAYMENTS FROM CARRILLO FUENTES WHILE INCD COMMISSIONER, ONE OF USD 3,000, ONE OF USD 50,000, AND ONE OF USD 300,000.

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SECRET

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CERVANTES HIMSELF BEGAN THE INVESTIGATION

11. MADRAZO SAID THAT SECRETARY OF DEFENSE

CERVANTES PERSONALLY BEGAN THE INVESTIGATION OF GUTIERREZ ON DECEMBER 9, ONLY A FEW DAYS AFTER BEING APPOINTED INCD COMMISSIONER. THE INVESTIGATION WAS COMPLETED ON FEBRUARY 6. HE SAID THAT THE PGR'S ORGANIZED CRIME UNIT HAD SPENT THE LAST FIVE DAYS AND NIGHTS WITHOUT LEEP FORMULATING THE FEDERAL INDICTMENT.

TWO TRIALS: CIVILIAN FEDERAL, THEN MILITARY  
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12. MADRAZO STATED THAT THERE WOULD BE TWO TRIALS: A CIVILIAN CRIMINAL TRIAL IN A FEDERAL COURT, THEN A MILITARY TRIAL. THE MILITARY TRIAL WILL DEAL WITH THE NUMEROUS ALLEGATIONS CONCERNING GUTIERREZ' AND HIS ASSOCIATES' ACTIVITIES WHILE HE WAS COMMANDER OF MEXICO'S FIFTH MILITARY ZONE IN GUADALAJARA, HIS POSITION BEFORE BECOMING INCD COMMISSIONER.

13. MADRAZO CONCLUDED RUEFULLY THAT GUTIERREZ HAD "DECEIVED A LOT OF PEOPLE IN THE ARMY AND THE SECRETARIAT OF DEFENSE. OUR FIRST IMPRESSIONS OF HIM WERE ALL VERY POSITIVE." HE ADDED THAT THE PUBLIC MESSAGE SENT BY HIS FIRING WAS MEANT TO BE  
SECRET

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PAGE 07 MEXICO 01676 202219Z  
VERY STRONG -- THAT EVEN AT THE HIGHEST LEVELS, MEXICAN OFFICIALS CANNOT CARRY OUT CRIMES WITH IMPUNITY.

WHO WILL BE THE NEXT INCD COMMISSIONER?  
-----

14. MADRAZO TOLD AMBASSADOR THAT NO DECISION HAD YET BEEN REACHED ON WHO WOULD NEXT BE NAMED INCD COMMISSIONER. CENDRO DIRECTOR, GENERAL TITO VALENCIA, WILL SERVE AS ACTING DIRECTOR IN THE INTERIM. HE STATED THAT "WHOEVER IT IS WILL BE SUBJECTED TO THE MOST DEMANDING TESTS. HE WILL UNDERGO POLYGRAPH TESTING, URINE TESTING FOR DRUG USE, A FULL INVESTIGATION OF HIS PROPERTY AND BACKGROUND, AS WELL AS ADDITIONAL TESTS AND INVESTIGATIONS."

OTHER TOP PGR MILITARY NOT INVOLVED  
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15. MADRAZO TURNED TO TWO OTHER ARMY GENERALS IN TOP PGR POSITIONS, VALENCIA AND FEDERAL JUDICIAL POLICE COMMANDER GENERAL GUILLERMO ALVAREZ NARA. HE SAID THAT ALVAREZ NARA WAS NEVER CLOSE TO GUTIERREZ; DURING THEIR PREVIOUS MILITARY EXPERIENCE, THE TWO OPERATED IN "VERY DIFFERENT AMBITS." (GENERAL ALVAREZ NARA, REFTEL, WAS PREVIOUSLY HEAD OF THE MILITARY JUDICIAL POLICE.) AS FOR VALENCIA, ALTHOUGH HE AND GUTIERREZ HAD BEEN ASSOCIATES, MADRAZO IS  
SECRET

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PAGE 08 MEXICO 01676 202219Z  
CONVINCED THAT HE WAS NEVER CONNECTED TO OR AWARE OF GUTIERREZ' CRIMINAL ACTIVITIES.

A NEW PGR OVERSIGHT COUNCIL  
-----

16. MADRAZO AGREED WITH [REDACTED] THE NEED FOR SWEEPING OVERHAUL OF THE PGR. HE SAID THAT A COUNCIL OF OVERSIGHT WILL BE APPOINTED. MADE UP OF TOP MEXICAN LEGAL SCHOLARS (MADRAZO MENTIONED HECTOR JOSE LUIS SOBERANES FERNANDEZ, UNAM LAW SCHOOL DIRECTOR OF JURIDICAL STUDIES; HECTOR FICKS ZAMUDIO, PRESIDENT OF THE INTERAMERICAN COURT OF JUSTICE; AND IGNACIO BURGOA ORIGUELA, CONSTITUTIONAL LAW SCHOLAR AT UNAM), IT WILL MAKE RECOMMENDATIONS ON STRUCTURAL CHANGES IN THE PGR. BUT HE POINTED OUT THAT MAJOR STRUCTURAL REFORM CANNOT BE BROUGHT ABOUT "IN A DAY." [REDACTED]

B1  
1.4(B)  
1.4(D)

B1  
1.4(D)

"MY ASSOCIATES ARE CLEAN"  
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17. MADRAZO THEN STATED THAT THE CIVILIAN OFFICIALS HE HAD BROUGHT INTO THE PGR (REFTEL) HAD BEEN THOROUGHLY INVESTIGATED. "MY ASSOCIATES ARE ALL CLEAN."

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SECRET

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NECESSARY REFORMS TO BE TAKEN AT THE INCD  
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18. MADRAZO SAID THAT, IDEALLY, THE INCD SHOULD  
  
OPERATE MORE AND MORE INDEPENDENTLY OF THE PGR.  
HE SAID THAT THROUGH BETTER TRAINING, HIGHER  
SALARIES, AND THE LIKE, HE INTENDED TO MAKE THE  
INCD "A CELL OF EXCELLENCE."

A PAGE ON CORRUPTION IN THE DIAGNOSTIC DRAFT  
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19. MADRAZO AGREED WITH AMBASSADOR THAT A PAGE  
ON CORRUPTION IN THE DIAGNOSTIC DRAFT WOULD BE  
APPROPRIATE. HE SAID HE WOULD REVIEW CAREFULLY  
WHATEVER REBOLLEDO DRAFTED ON THE SUBJECT.

A GOOD TIME TO MOVE AHEAD ON AOJ  
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20. AMBASSADOR OBSERVED THAT, IN ADDITION TO  
MAJOR STRUCTURAL REFORMS AND ARREST OF THE MAJOR  
DRUGLORDS, NOW WOULD BE A GOOD TIME FOR MADRAZO  
TO PROVIDE A RESPONSE TO DRAFT USG  
ADMINISTRATION OF JUSTICE (AOJ) PROPOSAL. HE  
SAID THAT THE GOM SHOULD WORK QUICKLY TO IDENTIFY  
AREAS IN WHICH IT DESIRES SUCH ASSISTANCE.

STATUS OF THE SPECIAL INVESTIGATIVE UNITS (SIU)  
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21. MADRAZO SAID THAT THE MILITARY WOULD SOON BE  
COORDINATING ITS INVESTIGATION WITH THE ORGANIZED  
CRIME UNIT. HE SAID VETTING AND INVESTIGATION OF  
THE 36 ORGANIZED CRIME UNIT MEMBERS WOULD SOON BE  
FINISHED. HE EXPLAINED THAT MANY OF THE NEW  
UNIT'S MEMBERS ARE FROM THE MEXICO CITY DISTRICT  
ATTORNEY'S OFFICE. THE ORGANIZED CRIME SECTION  
WILL BE DIVIDED INTO SIX UNITS, KEYED TO THE

MAJOR DRUGLORDS. WHEN [REDACTED] SUGGESTED THAT THE SIU REPORT ORGANIZATIONALLY TO THE ORGANIZED CRIME UNIT, MADRAZO REPLIED HE WOULD CONSIDER THE SUGGESTION, ALONG WITH RECOMMENDATIONS ON THE SUBJECT FROM THE NEW OVERSIGHT COUNCIL.

B7(C)  
B7(F)

Per DEA

[REDACTED]

B7(D)

Per DEA

22. AMBASSADOR ASKED TO WHAT DEGREE GUTIERREZ HAD COMPROMISED CONFIDENTIAL SOURCES AND METHODS. MADRAZO SAID THAT HE DID NOT YET KNOW. HE OBSERVED THAT GUTIERREZ HAD BEEN ON THE JOB ONLY 76 DAYS. AMONG THE GOM'S "VERY SENSITIVE INVESTIGATIONS" POSSIBLY COMPROMISED ARE TWO TAKING PLACE IN THE STATES OF MORELOS AND AGUASCALIENTES, HE NOTED. IN THIS REGARD, HE SAID THAT HE HAD RECOMMENDED TO THE JUDGE HEARING THE CASE THAT ALL OF GUTIERREZ'S CALLS FROM ALMOLOYA BE RECORDED.

JONES

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SECRET PTQ8400

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ACTION ARA-01

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SECRET SECTION 01 OF 04 MEXICO 001676

E.O. 12958: DECL: 02/12/07  
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SECRET

B1  
1.4(D)

B7(C)

Per DEA

SECRET

B7(C) Per DEA

PAGE 03 MEXICO 01676 01 OF 04 201305Z

[REDACTED]

[REDACTED] MADRAZO WILL BE APPOINTING A BLUE-RIBBON OVERSIGHT COMMISSION OF TOP MEXICAN LEGAL SCHOLARS. MADRAZO FEARS THAT SOME IMPORTANT PGR INVESTIGATIONS MAY BE COMPROMISED BY GUTIERREZ, AND SAID THAT WHOMEVER IS CHOSEN AS NEW INCD COMMISSIONER WILL BE SUBJECTED TO AN EXTENSIVE VETTING PROCESS. FOR THE MOMENT, THE CENDRO DIRECTOR, GENERAL TITO VALENCIA, WILL SERVE AS INTERIM COMMISSIONER OF THE INCD. END SUMMARY.

B1  
1.4(D)

4. AMBASSADOR WAS JOINED IN THE FEBRUARY 19 MEETING AT PGR HEADQUARTERS BY [REDACTED]

B7(C)  
B7(F) Per DEA

A GOLDEN OPPORTUNITY FOR SWEEPING REFORM

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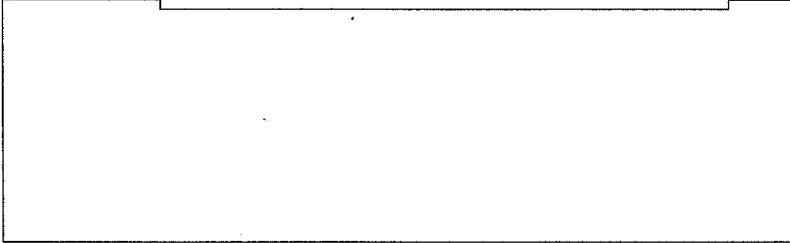
[Redacted]

"OUR CASE AGAINST GUTIERREZ IS WELL-DOCUMENTED"  
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PAGE 03 MEXICO 01676 02 OF 04 201307Z

9. MADRAZO SAID THAT THE CASE AGAINST GUTIERREZ IS WELL DOCUMENTED. THERE ARE NUMEROUS WITNESSES



B1  
1.4(D)  
B7(A)  
B7(F)

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CERVANTES HIMSELF BEGAN THE INVESTIGATION

11. MADRAZO SAID THAT SECRETARY OF DEFENSE CERVANTES PERSONALLY BEGAN THE INVESTIGATION OF GUTIERREZ ON DECEMBER 9, ONLY A FEW DAYS AFTER BEING APPOINTED INCD COMMISSIONER. THE

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TWO TRIALS: CIVILIAN FEDERAL, THEN MILITARY  
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13. MADRAZO CONCLUDED RUEFULLY THAT GUTIERREZ

SECRET

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AMCONSUL MONTERREY  
CUSTOMS WASHDC  
AMCONSUL CIUDAD JUAREZ  
SECDEF WASHDC  
AMCONSUL HERMOSILLO  
SECRET

SECRET

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AMEMBASSY OTTAWA  
AMCONSUL NUEVO LAREDO  
AMCONSUL MATAMOROS  
AMCONSUL TIJUANA  
AMCONSUL GUADALAJARA  
AMCONSUL MERIDA

S E C R E T SECTION 03 OF 04 MEXICO 001676

E.O. 12958: DECL: 02/12/07  
TAGS: PREL, KJUS, KCRM, SNAR, PGOV, PINR, MX  
SUBJECT: ATTORNEY GENERAL MADRAZO EXPLAINS  
GUTIERREZ ARREST/DISMISSAL TO AMBASSADOR

HAD "DECEIVED A LOT OF PEOPLE IN THE ARMY AND THE  
SECRETARIAT OF DEFENSE. OUR FIRST IMPRESSIONS OF  
HIM WERE ALL VERY POSITIVE." HE ADDED THAT THE  
PUBLIC MESSAGE SENT BY HIS FIRING WAS MEANT TO BE  
VERY STRONG -- THAT EVEN AT THE HIGHEST LEVELS,  
MEXICAN OFFICIALS CANNOT CARRY OUT CRIMES WITH  
IMPUNITY.

WHO WILL BE THE NEXT INCD COMMISSIONER?  
-----

14. MADRAZO TOLD AMBASSADOR THAT NO DECISION HAD



YET BEEN REACHED ON WHO WOULD NEXT BE NAMED INCD COMMISSIONER. CENDRO DIRECTOR, GENERAL TITO VALENCIA, WILL SERVE AS ACTING DIRECTOR IN THE INTERIM. HE STATED THAT "WHOEVER IT IS WILL BE SUBJECTED TO THE MOST DEMANDING TESTS. HE WILL UNDERGO POLYGRAPH TESTING, URINE TESTING FOR DRUG USE, A FULL INVESTIGATION OF HIS PROPERTY AND BACKGROUND, AS WELL AS ADDITIONAL TESTS AND INVESTIGATIONS."

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OTHER TOP PGR MILITARY NOT INVOLVED

15. MADRAZO TURNED TO TWO OTHER ARMY GENERALS IN TOP PGR POSITIONS, VALENCIA AND FEDERAL JUDICIAL POLICE COMMANDER GENERAL GUILLERMO ALVAREZ NARA. HE SAID THAT ALVAREZ NARA WAS NEVER CLOSE TO GUTIERREZ; DURING THEIR PREVIOUS MILITARY EXPERIENCE, THE TWO OPERATED IN "VERY DIFFERENT AMBITS." (GENERAL ALVAREZ NARA, REFTEL, WAS PREVIOUSLY HEAD OF THE MILITARY JUDICIAL POLICE.) AS FOR VALENCIA, ALTHOUGH HE AND GUTIERREZ HAD BEEN ASSOCIATES, MADRAZO IS CONVINCED THAT HE WAS NEVER CONNECTED TO OR AWARE OF GUTIERREZ' CRIMINAL ACTIVITIES.

A NEW PGR OVERSIGHT COUNCIL

16. MADRAZO AGREED WITH [REDACTED] THE NEED FOR SWEEPING OVERHAUL OF THE PGR. HE SAID THAT A COUNCIL OF OVERSIGHT WILL BE APPOINTED. MADE UP OF TOP MEXICAN LEGAL SCHOLARS (MADRAZO MENTIONED HECTOR JOSE LUIS SOBERANES FERNANDEZ, UNAM LAW SCHOOL DIRECTOR OF JURIDICAL STUDIES; HECTOR FICKS ZAMUDIO, PRESIDENT OF THE INTERAMERICAN COURT OF JUSTICE; AND IGNACIO BURGOA ORIGUELA, CONSTITUTIONAL LAW SCHOLAR AT UNAM), IT WILL MAKE RECOMMENDATIONS ON STRUCTURAL CHANGES IN THE PGR. BUT HE POINTED OUT THAT MAJOR STRUCTURAL REFORM

1.4(B)  
1.4(D)  
B1

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CANNOT BE BROUGHT ABOUT "IN A DAY." [REDACTED]

[REDACTED]

B1  
1.4(D)

"MY ASSOCIATES ARE CLEAN"  
-----

17. MADRAZO THEN STATED THAT THE CIVILIAN OFFICIALS HE HAD BROUGHT INTO THE PGR (REFTEL) HAD BEEN THOROUGHLY INVESTIGATED. "MY ASSOCIATES ARE ALL CLEAN."

NECESSARY REFORMS TO BE TAKEN AT THE INCD  
-----

18. MADRAZO SAID THAT, IDEALLY, THE INCD SHOULD

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SECRET PTQ8411

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ACTION ARA-01

INFO LOG-00 ACDA-10 ACDE-00 INLB-01 ACQ-01 SMEC-00 INL-01  
OASY-00 DINT-00 DOEE-00 SRPP-00 DS-00 EUR-01 OIGO-01  
H-01 TEDE-00 INR-00 L-01 ADS-00 M-00 NSAE-00  
OMB-01 PA-00 PM-00 PRS-00 P-00 CIO-00 SP-00  
USIE-00 PMB-00 DSCC-00 PRMC-01 DRL-09 G-00 /029W  
-----9BE2FF 201307Z /38

R 201155Z FEB 97  
FM AMEMBASSY MEXICO  
TO DEAHQS WASHDC  
SECSTATE WASHDC 2367  
DIRFBI WASHDC  
DOJ WASHDC  
INFO AMEMBASSY GUATEMALA  
AMEMBASSY BOGOTA  
IRS WASHDC  
USINS WASHDC  
EPIC EL PASO TX  
DIA WASHDC  
CIA WASHDC  
TREASURY WASHDC

DIRONDCP WASHDC  
AMCONSUL MONTERREY  
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OPERATE MORE AND MORE INDEPENDENTLY OF THE PGR.  
HE SAID THAT THROUGH BETTER TRAINING, HIGHER  
SALARIES, AND THE LIKE, HE INTENDED TO MAKE THE

INCD "A CELL OF EXCELLENCE."

A PAGE ON CORRUPTION IN THE DIAGNOSTIC DRAFT  
-----

19. MADRAZO AGREED WITH AMBASSADOR THAT A PAGE ON CORRUPTION IN THE DIAGNOSTIC DRAFT WOULD BE APPROPRIATE. HE SAID HE WOULD REVIEW CAREFULLY WHATEVER REBOLLEDO DRAFTED ON THE SUBJECT.

A GOOD TIME TO MOVE AHEAD ON AOJ  
-----

20. AMBASSADOR OBSERVED THAT, IN ADDITION TO MAJOR STRUCTURAL REFORMS AND ARREST OF THE MAJOR DRUGLORDS, NOW WOULD BE A GOOD TIME FOR MADRAZO TO PROVIDE A RESPONSE TO DRAFT USG ADMINISTRATION OF JUSTICE (AOJ) PROPOSAL. HE SAID THAT THE GOM SHOULD WORK QUICKLY TO IDENTIFY  
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AREAS IN WHICH IT DESIRES SUCH ASSISTANCE.

STATUS OF THE SPECIAL INVESTIGATIVE UNITS (SIU)  
-----

21. MADRAZO SAID THAT THE MILITARY WOULD SOON BE COORDINATING ITS INVESTIGATION WITH THE ORGANIZED CRIME UNIT. HE SAID VETTING AND INVESTIGATION OF THE 36 ORGANIZED CRIME UNIT MEMBERS WOULD SOON BE FINISHED. HE EXPLAINED THAT MANY OF THE NEW UNIT'S MEMBERS ARE FROM THE MEXICO CITY DISTRICT ATTORNEY'S OFFICE. THE ORGANIZED CRIME SECTION WILL BE DIVIDED INTO SIX UNITS, KEYED TO THE MAJOR DRUGLORDS. WHEN [REDACTED] SUGGESTED THAT THE SIU REPORT ORGANIZATIONALLY TO THE ORGANIZED CRIME UNIT, MADRAZO REPLIED HE WOULD CONSIDER THE SUGGESTION, ALONG WITH RECOMMENDATIONS ON THE SUBJECT FROM THE NEW OVERSIGHT COUNCIL.

B7(C)  
B7(F)

Per DEA

[REDACTED]

B7(D)

Per DEA

22. AMBASSADOR ASKED TO WHAT DEGREE GUTIERREZ HAD COMPROMISED CONFIDENTIAL SOURCES AND METHODS. MADRAZO SAID THAT HE DID NOT YET KNOW. HE OBSERVED THAT GUTIERREZ HAD BEEN ON THE JOB ONLY 76 DAYS. AMONG THE GOM'S "VERY SENSITIVE

INVESTIGATIONS" POSSIBLY COMPROMISED ARE TWO  
TAKING PLACE IN THE STATES OF MORELOS AND  
AGUASCALIENTES, HE NOTED. IN THIS REGARD, HE  
SAID THAT HE HAD RECOMMENDED TO THE JUDGE  
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HEARING THE CASE THAT ALL OF GUTIERREZ'S CALLS  
FROM ALMOLOYA BE RECORDED.

JONES

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