

Businessman in Mexico Says Top Officials Hid Millions

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MEXICO CITY, July 3 — The Mexican government vigorously denied this week the accusations of a Chinese-Mexican businessman who is wanted on drug charges here but who asserts that \$150 million found hidden in his mansion came from members of President [Felipe Calderón](#)'s party, including the secretary of labor.

Zhenli Ye Gon, a naturalized Mexican citizen who owns a pharmaceutical company, rocked the political world here recently by suggesting, through his lawyer in New York City, that the labor secretary, Javier Lozano Alarcón, had threatened to kill him last year unless he agreed to hide duffel bags stuffed with tens of millions of dollars in his house.

On Tuesday, Mr. Lozano Alarcón issued a statement calling the charges “false, absurd, untrue, crooked and perverse.” A spokesman for Mr. Calderón, speaking on the condition of anonymity because the president had yet to make an official statement, said Mr. Zhenli appeared to be making false accusations as part of a strategy to broker a deal with prosecutors here.

[Mexico](#)'s attorney general, Eduardo Medina Mora, said in a televised interview on Monday that the idea that someone from Mr. Calderón's campaign or cabinet would force Mr. Zhenli to hide money seemed “ridiculous and fantastic.”

“Evidently the man dedicated himself to the illicit importation of pseudoephedrine, and this was sold to drug traffickers,” the attorney general said. “This money was the product of that activity.”

He said the government had evidence that Mr. Zhenli, 44, had illegally imported 19 tons of pseudoephedrine, a decongestant, and intended to sell it to drug dealers who use it to manufacture methamphetamine.

Mr. Zhenli denied the charge in an interview with The Associated Press published Saturday; the news agency said the interview was given in the New York office of his lawyer, Ning Ye.

Mr. Zhenli said that various party officials delivered money for him to hide, but he did not provide their names.

The Mexican authorities began investigating Mr. Zhenli in December, after discovering an illicit shipment of pseudoephedrine on a boat in the port of Lázaro Cárdenas, prosecutors say. The chemical was being shipped to Unimed, a pharmaceutical company Mr. Zhenli started in 1997, they said.

On March 15, federal agents raided his home in an affluent section of the capital. There they found about 205 million American dollars and \$22 million in other currencies and traveler's checks. The money was stuffed in walls, suitcases and closets. They also seized eight luxury cars and seven high-powered firearms.

At the time, Karen Tandy, the head of the United States [Drug Enforcement Administration](#), called the raid “the largest single drug-cash seizure the world has every seen.”

Mr. Zhenli, who was born in Shanghai and became a Mexican citizen in 2002, had disappeared before the raid. Eleven other people, among them several of Mr. Zhenli's relatives, have been arrested and charged with drug trafficking in connection with the seizures.

Over the weekend, the Mexican government said Mr. Zhenli's lawyers had sent a letter to the Mexican Embassy in Washington threatening to expose an alleged link between the cash found at his house and Mr. Calderón's campaign unless prosecutors made a deal beneficial to the accused businessman.

“These lawyers are unscrupulously and uselessly looking to blackmail the Mexican government with absurd and untrue statements,” the attorney general's office said in a statement on Sunday.

In the A.P. interview, Mr. Zhenli said the labor secretary, an important member of Mr. Calderón's campaign last year, gave him about \$150 million for safekeeping in May 2006, during the heat of the electoral battle. He also denied the chemical he had imported was pseudoephedrine, saying it was another chemical used in cough medicines.