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Ecuador Judge Says He Inflated Bribery Claims to Chevron

By Christie Smythe - Oct 26, 2013

A former Ecuadorean judge who testified he and a colleague received bribes from plaintiffs who won a \$19 billion pollution judgment against [Chevron Corp. \(CVX\)](#) told a U.S. court he initially exaggerated those claims.

The former judge, Alberto Guerra, testified in a trial in Manhattan federal court yesterday that he wasn't truthful about some details when he first discussed the bribery allegations with Chevron representatives in 2012.

Guerra, a key witness for Chevron in a racketeering case against lawyers for Ecuadorean plaintiffs who claim the company polluted their communities, has testified to receiving as much as \$40,000 to ghostwrite rulings for another judge who presided over the Chevron case, as well as editing and polishing the \$19 billion judgment. The other judge, Nicolas Zambrano, was promised \$500,000 from the proceeds of the 2011 judgment, Guerra said in his testimony.

When first discussing those bribery allegations with Chevron, Guerra falsely told company representatives the plaintiffs promised him \$300,000 to help steer the case in their favor, according to his testimony yesterday.

"It was an exaggeration on my part in order to secure a better position for myself," he said through a translator, under questioning by [Zoe Littlepage](#), a lawyer for the Ecuadorean plaintiffs' lead attorney, Steven Donziger. "It was not true."

'Shake Down'

Chevron is trying to prove in a non-jury trial before U.S. District Judge Lewis Kaplan that Donziger and his associates schemed to "shake down" the second-largest U.S. energy company by pursuing a case over pollution at a drilling site in the Ecuadorean Amazon, in part by taking advantage of corruption in the South American country's judiciary.

Donziger, a Harvard Law School-educated Manhattan lawyer, denies he did anything illegal in Ecuador. He argues the judgment is valid and that Chevron used tactics similar to those it claims he engaged in.

Donziger claims Guerra cut a deal with Chevron in which the company agreed to pay the former judge at

least \$326,000 through 2015 for his testimony.

Under an agreement filed with the court, the San Ramon, California-based company said it would provide Guerra for a two-year period with \$10,000 a month in living expenses, a \$2,000 monthly housing allowance, health insurance coverage for himself and family members, a leased automobile, payment for an independent attorney, payment for an immigration attorney, and moving expenses.

Ecuador Threat

The money is intended to allow Guerra to be available to testify and remain safe, according to the agreement. Guerra and his family, who now live in the U.S., face the threat of harm in [Ecuador](#), according to the agreement. Guerra denied being paid for his testimony.

Guerra's former colleague, Zambrano, may also testify in the trial, Donziger's spokesman, Christopher Gowen, said in an e-mail.

In testimony earlier this week, Guerra told the Kaplan that he received money from the plaintiffs' lawyers sometimes through deposits in his bank account and sometimes in envelopes stuffed with \$20 and \$50 bills. Throughout the pollution case, Guerra said he made sure some of the rulings he ghostwrote favored Chevron so as "to not have it look suspicious."

In the underlying 20-year-old environmental dispute, Donziger and other lawyers for indigenous people in Ecuador's Lago Agrio region sought damages for Texaco Inc.'s alleged dumping of toxic drilling wastes from 1964 until about 1992. The lawsuit continued against Chevron when it acquired Texaco in 2001.

Chevron contends that state-owned Petroecuador, a former Texaco joint-venture partner, is responsible for most of the pollution and that Texaco already paid to clean up its share.

In the racketeering case, Chevron is seeking a ruling barring the environmental plaintiffs' lawyers from seeking to enforce the Ecuadorean judgment in courts around the world.

The racketeering case is *Chevron Corp. v. Donziger*, 11-cv-00691, U.S. District Court, Southern District of New York ([Manhattan](#)). The appeals court case is *In re Naranjo*, 13-00772, U.S. Court of Appeals for the Second Circuit (Manhattan).

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