



Reporters or cops? CONTACTO and the search for Paul Schaefer

In December 2003, Chilean investigative reporter Carola Fuentes received a call she never expected. The attorney for the victims of Paul Schaefer had a tip on where the No. 1 wanted man in Chile was hiding. Schaefer had set up *Colonia Dignidad*, an infamous German religious compound in southern Chile where he sexually abused children and helped the regime of military dictator Augusto Pinochet torture and kill dissidents. Schaefer had slipped the authorities and vanished without a trace in 1997, but the lawyer said he had a clue to his location.

Fuentes and her editors at CONTACTO, a television program known in Chile for its innovative investigations, were intrigued. It was a tenuous lead—there was no proof that the 83-year-old Schaefer was even alive. But if it led to something—tracing Schaefer’s escape from justice, or even his capture—it would be a major coup for CONTACTO, perhaps the biggest in the program’s 12-year history. Patricia Bazán Cardemil, CONTACTO’s executive editor, asked Fuentes to pursue the story.

As Fuentes began to investigate, she traced the lead to a small enclave of Schaefer’s bodyguards—and possibly Schaefer himself—in Chivilcoy, Argentina. However, Fuentes could pursue it no further because as a Chilean she might raise the Germans’ suspicions. So Bazán Cardemil assigned a veteran staff investigative reporter of Italian descent, Gustavo Villarrubia, to the story.

Under the supervision of Editor Pilar Rodríguez, the news team decided that, despite risks of discovery and some ethical qualms, it made sense to send Villarrubia to Chivilcoy undercover. He would pose as a sociologist researching Italian immigration to the area. When he arrived in January 2004, Villarrubia was able to win the trust of residents and lived for extended periods of time near La Solita, a ranch occupied by Germans where he suspected Schaefer was hiding.

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The next six months were frustrating, as dead ends multiplied; more than once Bazán Cardemil considered canceling the project. Moreover, as the danger mounted that Villarrubia might be discovered, the team repeatedly questioned whether it was wise to leave the reporter in harm's way. Was this a matter for police, or for reporters? Nor were all team members comfortable with undercover reporting. Did the end justify the means? Or was it a deceptive practice?

Finally in July 2004, Villarrubia stumbled across plausible proof that Schaefer was living in Chivilcoy and, by the end of the year, he and Fuentes had established Schaefer's location. The search was over, but now what? Should CONTACTO notify the police? If so, which police—Argentine? Chilean? International? Bazán Cardemil had always intended to involve police, but suddenly it seemed risky. In 1997, Schaefer had likely escaped Chile after an ally in the government or police force had tipped him off. The television news team had to assume that Schaefer had similar ties in Argentina. No one wanted to see him disappear a second time.

One option was to approach Interpol, the international police organization, but this posed a problem as well. What if Interpol did not allow CONTACTO to film the moment of Schaefer's arrest? After a year of laborious investigation, this seemed too high a price to pay. But to report on Schaefer's whereabouts without police involvement was also risky. If there was violence or he fled again, CONTACTO could be held responsible.

Meanwhile, Villarrubia's presence in Chivilcoy had finally awakened the suspicions of Schaefer's German entourage. CONTACTO had to move soon, or lose all it had worked toward for a year.

Paul Schaefer

Members of the CONTACTO team were already familiar with the broad outlines of Schaefer's unusual personal story, but they had to remind themselves of the details. Schaefer, the news team learned, was born in 1921 near the Dutch border in Troisdorf, Germany. At the start of WWII, Schaefer became a medic and served out the war in occupied France.

An evangelical Christian, Schaefer worked briefly as a youth leader for a church, but was fired on suspicion that he had abused some of the boys in his care. So Schaefer took to the road as a minister. He had considerable charisma, and within a few years had attracted several hundred followers and set up a religious commune for war widows and orphans at Siegburg, near Bonn.

In the early 1960s, however, two mothers complained to the German authorities that Schaefer was sexually abusing their sons. Schaefer fled before he could be arrested. His final destination: Chile, where he arrived in 1964 with several hundred men, women, and children who believed in Schaefer and a vision he advertised of an ideal German community.

Colonia Dignidad. At *Colonia Dignidad*, Schaefer recreated a fantasy version of the German village of his youth.

[Video] Fuentes on the set up of the *Colonia*

Residents retained their German citizenship, wore traditional German clothing and everyone, including Chilean children adopted from neighboring communities, spoke German.¹ *Colonia Dignidad*, on 33,000 acres, became a state within a state.² Residents, who had to confess their sins to Schaefer daily, were not allowed outside the *Colonia*, where they worked long hours without compensation. They owed complete fealty to Schaefer, who regularly sexually abused the young boys living in the colony.

[Video] Fuentes on the mechanism of sexual abuse

Schaefer and the Chilean Authorities

Schaefer and his deputies, many of whom had served in the Waffen-SS and Gestapo during World War II, set up an elaborate security system: a network of tunnels and bunkers, watchtowers, guard stations, vicious watchdogs, and military training for the *Colonia's* men, each of whom carried a sidearm. *Colonia Dignidad* also had its own airport and airplanes, internal telephone system, power plant, brick factory, and a chemical-weapons laboratory.³

The public knew little about the *Colonia*, which became quite prosperous through sales of bread, vegetables, and cheese in the community. Interest was piqued in the late 1960s, when details began to trickle out of the closed compound (one resident escaped in 1966 on his third attempt). But Schaefer had protection beyond his security system. He cultivated relationships with the authorities, showered them with gifts and sponsored charitable projects. Media were rarely allowed into *Colonia Dignidad*. When they were, journalists were treated to a highly choreographed image of wholesomeness.

Schaefer's most powerful protector was his good friend, Augusto Pinochet, who seized power in Chile on September 11, 1973, and set up an authoritarian military dictatorship. Pinochet's

¹ Shirley Christian, "Santiago Journal: At a Chilean 'Utopia,' Dark Tales of Dread Doing," *New York Times*, March 26, 1988, <http://www.nytimes.com/1988/03/26/world/santiago-journal-at-a-chilean-utopia-dark-fo-dread-doings.html?scp=1&sq=At%20a%20Chilean%20%E2%80%98Utopia,%E2%80%99Dark%20Tales%20of%20Dread%20Doing&st=cse>.

² "Rights group seeks protection for secret Chilean enclave," *Agence France Presse*, September 19, 1997.

³ Charles A. Krause, "Colonia Dignidad: Nobody Comes Goes. Mystery Veils Colony in Chile," *Washington Post*, February 11, 1980.

regime rounded up thousands of Chileans on suspicion of opposition; many were tortured and killed. *Colonia Dignidad* was one place Pinochet could count on for cooperation.⁴

[Video] Fuentes on the role of *Colonia's* hospital

By the late 1980s, Schaefer had freely abused minors within the *Colonia* for over 20 years. Under the guise of a charitable program for local youth, he even extended his reach into the surrounding community.

[Video] Fuentes on Schaefer's abuse

Schaefer's flight. But when Pinochet in 1990 was replaced by a democratic government, Schaefer's protection network suffered a major blow. Pinochet's successor, Patricio Aylwin, in 1992 revoked the *Colonia's* status as a non-profit after Schaefer was charged with tax evasion. Then in 1997, two young colonists escaped. They claimed Schaefer had abused them, as well as children as young as eight.⁵ In May 1997, Judge Hernán Gonzalez issued an arrest warrant for Schaefer as well as 10 deputies in relation to some 40 investigations.⁶ Chilean and Interpol police went to the *Colonia* to arrest him, but Schaefer had vanished.

[Video] Rodríguez on Schaefer's escape

Schaefer was gone, but his hold on the Chilean imagination only grew with the years. What, Chileans wondered, had really gone on inside *Colonia Dignidad*? How had Schaefer kept hundreds of people enslaved? Was it true that Nazi fugitives like Joseph Mengele had hidden and undergone plastic surgery at *Colonia Dignidad*? How had such voracious pedophilia gone unpunished for decades? Who had helped him escape? Where was he now?

CONTACTO

In December 2003—six years after he disappeared—a reporter at the investigative television documentary program CONTACTO was offered a tantalizing lead in the Schaefer case. CONTACTO was one of the first fruits of democracy in Chile. Founded in 1991, CONTACTO was a prime-time program dedicated to investigative television reporting both in Chile and abroad. It was broadcast on Channel 13, and affiliated with the Universidad Católica.

⁴ “57th lawsuit filed against Pinochet in Chile,” *Agence France Presse*, January 18, 2000; Larry Rohter, “Chilean Mystery: Clues to Vanished American,” *New York Times*, May 19, 2002, <http://www.nytimes.com/2002/05/19/international/americas/19CHIL.html?pagewanted=all&position=bottom>. In 1977, Amnesty International released a report alleging that *Colonia Dignidad* was a base of operations for DINA, the Chilean secret police. (Schaefer was also close friends with General Miguel Contreras, who ran DINA.) Schaefer sued Amnesty International for libel and blocked a West German investigative delegation from entering the colony. Gustavo Gonzalez, “Chile-Politics: Net tightens on shady settlement,” *IPS-Inter Press Service*, April 11, 1997.

⁵ “Two youths in Frankfurt after escaping Colonia Dignidad,” *Agence France Presse*, August 2, 1997.

⁶ “Chilean judge orders arrest of leaders of former Nazi enclave,” *Agence France Presse*, May 10, 1997.

Its small team of 12 producers and reporters had investigated complex sociological and human-interest stories, including segments on child abuse, drug trafficking, post-Cold War Berlin, missionaries in Africa, Parkinson's disease, and the poor's lack of access to the judicial system. A story on foreign pedophiles who fled to Chile and lived there with impunity had brought about a change in legislation. All of this earned CONTACTO a reputation for serious and in-depth journalism, as well as many awards for its work.

A tip. In December 2003 Carola Fuentes, an investigative reporter at CONTACTO, received a phone call. Hernán Fernandez was the lawyer for Schaefer's victims, and someone well known to CONTACTO. Over the years, he had provided a wealth of information about the *Colonia*, as well as contacts with surviving members. Now he had a tip from an anonymous source about Schaefer's whereabouts, and wanted to pass the tip on to CONTACTO.

[Video] Fuentes on the phone call

Fuentes was interested, but knew she would need more information. Nonetheless, she took the lead to her executive editor. Patricia Bazán Cardemil was intrigued, but skeptical. The lead was so tenuous that she was wary of sending a reporter on what could easily prove a wild-goose chase. On the other hand, she knew that Fernandez, at least, was a sterling source.

Even if the search proved futile, Bazán Cardemil reasoned, it might be worth the risk. Schaefer had become such a mythical and reviled figure in Chilean society that, if Fuentes managed to find him, audiences would be riveted. Bazán Cardemil gave Fuentes the green light to pursue the story. Her editor would be Pilar Rodríguez.

First steps. Through Fernandez, Fuentes first interviewed two *ex-colonos*. She realized that while they did not know Schaefer's exact location, they did have a lot of useful information. They knew, for example, that Schaefer was incapable of living alone. Old and sick, wherever he was he was likely surrounded by a protective phalanx of caretakers. The couple provided names of several of Schaefer's most trusted deputies, all of whom had disappeared at the same time as Schaefer. Among them were an elderly nurse, a cook, Schaefer's adopted daughter, and a security specialist named Peter Schmidt.

They warned that Schmidt, Schaefer's right-hand man and bodyguard, was a dangerous man. Trained in karate and marksmanship, Schmidt had grown up at Schaefer's side, and his loyalty was unconditional. Fuentes realized that this was her first tangible lead: find Peter Schmidt or the rest of Schaefer's inner circle, and she might find Paul Schaefer.

Leads to Argentina

Fuentes soon obtained a second piece of evidence that suggested Schaefer might be in Argentina: the names of three of Schaefer's inner circle—Peter Schmidt, Renate Freitag, and Friedhelm Zeitner—appeared on a log of ferry departures from Argentina to Uruguay. With this second mention of Argentina, Fuentes was persuaded: it was time to take a look for herself. So in mid-January 2004, she approached Editor Rodríguez to propose a trip to Buenos Aires. Because the flight was inexpensive, Rodríguez said yes. With the log and a photo of Schmidt as her only clues, Fuentes and a cameraman traveled to Buenos Aires.

By analyzing the dates in the travel log, they determined that Schmidt and the others were traveling to Uruguay every three months, most likely to renew their tourist visas. Excited to find that their arrival in Argentina coincided with the date of the Schaefer associates' next probable trip, Fuentes and her videographer staked out the ferry landing, surveying everyone boarding the ferry for 10 days. Schaefer and his entourage never appeared.

But using her time to keep researching, Fuentes discovered something else: a man named Peter Schmidt had purchased a truck in Buenos Aires, and to do so he had provided an address. This Peter Schmidt lived in a small town called Chivilcoy, in southern Argentina. Though there was no guarantee that this was the same Peter Schmidt they were looking for, this was another enticing lead. The trip was already getting expensive, but Fuentes had a feeling this was worth following. With permission from her supervisors back in Santiago, Fuentes and her cameraman went to Chivilcoy.

[Video] Fuentes goes to Chivilcoy

Chivilcoy

Arriving at the address listed in the registration, Fuentes was surprised to discover that it was not a residence, but a business called Calandrino's Auto Shop.

[Video] Fuentes on the auto shop

Discouraged, Fuentes and her cinematographer returned to Calandrino's auto shop and decided to wait.

[Video] Fuentes on following Schmidt

Fuentes thought she had pinpointed where Schmidt lived, but what was she to do next? She had hoped to get visual evidence of Schaefer's whereabouts, and then report him to the

authorities. But she still had not seen him, much less filmed him. Should she try to get more information from Calandrino?

What next? Unsure of how to proceed, Fuentes called the news office in Santiago. Her editors were delighted with her breakthrough. But they also realized that this could well be only the start of a long, arduous investigation. Fuentes decided to return to Santiago to consult with Executive Editor Bazán Cardemil and Editor Rodríguez.

[Video] Fuentes about their dilemma

The group had an idea: why not send someone who was not Chilean and who would thus not seem suspicious to the Germans? Bazán Cardemil already had someone in mind—a Spanish/Italian investigative reporter on the CONTACTO staff named Gustavo Villarrubia. Villarrubia had lived all over the world and spoke several languages; better yet, his accent was not Chilean. Rodríguez proposed that Villarrubia go to Chivilcoy disguised as someone else. The team was leaning toward this option, but all three had concerns: Should a journalist go undercover?

Is undercover justified?

Rodríguez convened a meeting with Bazán Cardemil, Fuentes, and Villarrubia. Villarrubia was eager to get to Argentina. He was an old hand at undercover journalism, and had no hesitations about this project. But going to Chivilcoy to investigate Paul Schaefer under false pretenses raised some serious questions for the editors. Villarrubia would have to deceive people in the community in order to find Schaefer. Was that fair? What was the problem if Villarrubia simply identified himself as a journalist?

[Video] Fuentes on ethical doubts

Bazán Cardemil added that, while this was not the way she preferred to conduct CONTACTO investigations, it may have been justified by the bigger picture.

[Video] Bazán Cardemil on disguises

Moreover, like Fuentes she was worried about the ethical implications of tipping off Schaefer so he could escape again.

[Video] Bazán Cardemil on doubts

Which cover? So Bazán Cardemil came around. Villarrubia could go to Chivilcoy undercover. She did, however, have one condition: if the investigation was a success, before airing the final story they would return to Chivilcoy and tell their informants the truth. They would explain the reasons for the deception and ask for consent from those who appeared on film.

That still left a practical dilemma: how to concoct a credible disguise? Villarrubia came up with a good one. He had Italian roots, and they knew that over 80 percent of the population in the Chivilcoy region was of Italian descent. After debating various options, it was decided that Villarrubia would assume the identity of a sociologist researching the backgrounds of the Italian families in the region. For the investigation, he decided to use his Italian father's last name, Sburlatti.

Digging In

In March 2004, Fuentes briefly returned to Chivilcoy with Villarrubia to show him what she had already found there. The two rented a plane and did one more flyover of the ranch, a trip that revealed only how isolated and unapproachable the property was. When Fuentes returned to Santiago to continue background research on the story, Villarrubia stayed behind in Chivilcoy. His first goal was to build a relationship with Juan Carlos Calandrino, the owner of the auto shop where Peter Schmidt's car was registered. Villarrubia hoped that Calandrino would provide valuable information on the Germans. But befriending Calandrino would also help him maintain the façade that he was investigating Italian immigration to the area.

Villarrubia approached an Italian notary who, judging by the size of the advertisement he had placed in the phonebook, appeared to be a pillar of the community. Basic Internet research revealed that the man's family, the Gardellas, had probably emigrated from Naples, a fact that he enthusiastically confirmed when Villarrubia paid his office a visit.

[Video] Villarrubia on the Italian community

The notary willingly allowed Villarrubia to use his name in approaching others in town, including Calandrino. Eventually, Villarrubia was able to approach Calandrino and befriend him.

[Video] Villarrubia on Calandrino

Over the next few days, Villarrubia spent most of his time either with Calandrino or researching the genealogies of locals, as if he really were an Italian sociologist. In the meantime, he wondered how he could get close to the neighbors of the German ranch, called La Solita.

Hugo Placente

Soon, Calandrino mentioned that his old friend, Hugo Placente, lived next door to the Germans. Villarrubia immediately saw the opening he had been waiting for.

[Video] Villarrubia visits Placente

Feeling that he now had a reason to visit Placente, Villarrubia drove to his home again the following day.

[Video] Villarrubia returns

Villarrubia was elated.

[Video] Villarrubia on Placente's story

Treading carefully, Villarrubia decided to press Placente on what he knew of the Germans.

[Video] Villarrubia

During this visit, Villarrubia also befriended a young couple who worked on Placente's ranch. They were friendly and welcomed Villarrubia, who saw that their house was situated on the edge of the property and offered clear views of La Solita.

In April 2004, pleased with his research, Villarrubia returned to Santiago to report on his findings.

Dangerous People

In Santiago, Villarrubia described everything, including the extensive security measures the Germans had put in place. This made Bazán Cardemil nervous. She had overseen reporters—including Villarrubia—who worked in dangerous places, and she believed that reporters who agreed to such assignments bore some of the risk. But she knew that, if anything happened, the responsibility was ultimately hers.

[Video] Bazán Cardemil: we don't need heroes

Bazán Cardemil made sure that, after this first trip, Villarrubia didn't go to Chivilcoy alone again. For her part, Pilar Rodríguez trusted Villarrubia, but also had concerns about his "no limits" attitude.

[Video] Rodríguez on Villarrubia

The Second Trip – an Unmasking

In May 2004, Villarrubia returned for a short stay in Chivilcoy, this time accompanied by a videographer. He continued to spend time with Placente and Calandrino, with whom he had become particularly close. To his fellow reporter Fuentes, this was troubling.

[Video] Fuentes: Villarrubia going native?

As it happened, in the course of his confessions Calandrino revealed something Villarrubia found troubling.

[Video] Villarrubia on the grandson

Villarrubia did not know what to do. Calandrino was friendly with the Germans, and Villarrubia was not sure how loyal he felt towards them. If he told Calandrino the truth, Calandrino could easily relay that to the Germans, thereby jeopardizing not only the CONTACTO investigation but any chance of bringing Schaefer to justice for his crimes. On the other hand, Villarrubia felt strongly that the safety of the child was paramount. Villarrubia, unable to reach his editors in Santiago, had to make the call on the spot.

[Video] Villarrubia tells Calandrino

When Villarrubia was finally able to contact Fuentes and Rodríguez and tell them what he had done, they were at first furious.

[Video] Fuentes and Rodríguez react

For his part, Villarrubia felt confident he had done the right thing.

[Video] Villarrubia: did the right thing

The Hidden Camera Dilemma

Meanwhile, Villarrubia had another problem. His research would eventually result in a documentary, and for that he needed compelling images. But neither the villagers in Chivilcoy nor the Germans living at La Solita were likely to agree to be filmed. So the CONTACTO editorial team decided that both the videographer and Villarrubia would carry hidden cameras.

The use of hidden cameras was a common tactic in CONTACTO investigations, and was widely used in Chilean journalism in general. Chilean law technically prohibited capturing private images and conversations. However, the courts had generally found in the journalist's favor if the resulting report benefited the public. The point, proponents argued, was to capture images that could prove the otherwise unprovable. At CONTACTO, their use was subject to the discretion of the editor in charge.

[Video] Bazán Cardemil on hidden cameras

Admittedly, there were problems. What happened if a journalist using a hidden camera was discovered by the authorities or, worse, by someone armed and dangerous? How could a reporter know in advance whether his story would be of vital public importance? Rodríguez acknowledged that the lines were somewhat fuzzy, and subjective.

[Video] Rodríguez on the dilemma

Undercover in Chivilcoy

In Chivilcoy, Villarrubia and his cameraman continued to investigate who lived at La Solita. To do this, the pair used some innovative methods to track the activities of Peter Schmidt and his accomplice, Friedhelm Zeitner (alias Felipe). With the cameraman stationed in town and Villarrubia near La Solita, they spoke in code over the phone to signal the Germans' comings and goings. They took turns following them by car, and soon patterns began to emerge. Anyone leaving the house for Chivilcoy, Villarrubia noticed, always followed a circuitous route, and their trips to town often included a stop at a phone center.

[Video] Villarrubia on tactics

But neither Villarrubia nor his videographer ever confronted the two men. It was unlikely that they would cooperate, and Villarrubia did not want to tip them off and make them flee La Solita—which was conveniently located near an airstrip. Moreover, Villarrubia knew that the two men were well-trained in martial arts and armed. This was a period of increased violence in the Argentine countryside; homicides and armed robberies were up sharply. Villarrubia did not want to run the risk of becoming just another data point.

On the other hand, how long could he secretly trail Schaefer's bodyguards? His editors back in Santiago began to question whether this approach would ever bear fruit. It was already May, and Villarrubia had made several trips to Chivilcoy. He had ascertained many of the bodyguards' habits, but had still not located Schaefer.

Cops and Robbers?

Villarrubia was a veteran investigative reporter who had worked all over the world on stories about drug smuggling and arms trafficking. The work was often secretive and dangerous. But as the investigation in Chivilcoy continued, Villarrubia's methods increasingly began to resemble those of a detective. In Santiago, Executive Editor Bazán Cardemil returned to a question raised by much of CONTACTO's work: what was the line between a journalistic investigation, and a police one?

[Video] Bazán Cardemil on the line

But Bazán Cardemil's team was willing to go further in pushing this line.

[Video] Rodríguez and Fuentes on the line

Doubts in Santiago

Meanwhile, Executive Editor Bazán Cardemil and Editor Rodríguez were growing impatient. It was already July, and the segment they had intended to air on Schaefer was still not ready. Villarrubia was six months into an increasingly expensive investigation, yet had no real proof that Schaefer was even at the compound in Chivilcoy. Tension at CONTACTO began to mount. From his position in the field, Villarrubia had strong feelings.

[Video] Villarrubia on the pressure

Rodríguez was one of those pressing Villarrubia for results. She wondered just how much longer it would take to find something—and whether there was anything to find at all.

[Video] Rodríguez on results so far

But there was no Plan B. Histories of *Colonia Dignidad* had been done before. In order to justify airing a new story about Paul Schaefer, CONTACTO would have to find him. Fuentes and Villarrubia would not relent; they steadfastly defended the investigation and advocated it continue.

[Video] Villarrubia on the campaign

La Solita

Villarrubia decided to step up his examination of La Solita. Except for movement he had observed on its fields, the ranch was still a mystery. It was closed to visitors. Neighbors who wanted to visit had to call the house in advance to arrange an appointment—and give the Germans time to activate their security mechanisms. The main house was hidden deep on the large property and surrounded by tall trees, which made movement in the house impossible to see. In fact, Villarrubia's only glimpse of the main ranch house had been from the air, when he and Fuentes rented an airplane in March.

Frustrated at his lack of progress after months of investigation and acting on a whim, Villarrubia decided on a more radical course of action: enter La Solita. Perhaps, he reasoned, he could spot Paul Schaefer. An opportunity arose when Villarrubia suggested to one of Hugo Placente's laborers that they take his new calf to La Solita to be vaccinated. The Germans had both the knowledge and the equipment to handle such matters, so the farm worker quickly agreed.

[Video] Villarrubia on entering La Solita

Finally, the two men were allowed onto the grounds.

[Video] Villarrubia on the La Solita visit

Terrified, Villarrubia consulted with friends in Buenos Aires to figure out what had happened to his camera. The Germans, it turned out, as soon as Villarrubia rang the doorbell had activated an electro-magnetic field around La Solita to neutralize any recording activity.

A Breakthrough

Throughout the fall of 2004, Villarrubia continued to defy his editors' skepticism and visit Chivilcoy. In October, he spent time at Hugo Placente's ranch, where he was able to piece together more of the puzzle of Schaefer's entourage. He was certain that all the major figures were currently at La Solita. He discovered, for instance, that a young man who looked more Hispanic than the German bodyguards was actually "Martin," the alias of Matthias Gerlach, an adopted Chilean who was Schaefer's favorite. His presence at the ranch was significant.

Bodyguard Felipe had always seemed suspicious of Villarrubia, and apparently went to some lengths to avoid him. But on occasion, Felipe came by with gifts of cheese from La Solita in order to talk business with Placente. In early November 2004, one of these visits bore fruit.

[Video] Villarrubia convinced Schaefer is alive

Furthermore, Villarrubia's painstaking observation of movements at La Solita was proving useful.

[Video] Villarrubia knows they're all at La Solita

By mid-November, Villarrubia knew it was time to move.

Nowhere to Turn?

Villarrubia returned to Santiago and described his findings to the rest of the team. Bazán Cardemil knew it was time to approach the authorities. The CONTACTO investigation, she felt, could go no further on its own. But the team members were wary of approaching the authorities, for several reasons.

[Video] Rodríguez and Villarrubia on police

Reporter Fuentes was afraid to trust the Argentine authorities. After all, the Chilean police had likely helped Schaefer escape arrest in 1997. Who was to say the Argentine police were any more reliable? Instead, she and the Schaefer victims' lawyer, Fernandez, explored other avenues, such as two human rights organizations—but to no avail.

Another option was to approach Interpol, a politically neutral, international police agency that could track criminals across borders. But what if Schaefer had protection there, too? Schaefer was, after all, skilled at cultivating support where he needed it. Even if the police organization were untainted, what if Interpol investigators accepted the evidence CONTACTO had gathered for the past year, yet did not allow them to film the moment of arrest? Without this moment on tape, any resulting documentary would be significantly weakened. Could CONTACTO risk hobbling itself after all the time and resources it had dedicated to the project?

As they debated their options, Villarrubia had returned yet again to Chivilcoy to keep an eye on the situation. When he arrived, he found the situation had become significantly more tense. The Germans at La Solita had become suspicious about his inquiries and began asking their neighbors about Villarrubia. Soon they began telling the neighbors that Villarrubia was a spy for the CIA. Then, Villarrubia had an alarming encounter with Peter Schmidt, the chief bodyguard and most dangerous of La Solita's residents.

[Video] Villarrubia on the confrontation

Clearly, time was running out for Villarrubia and his undercover investigation. The CONTACTO team knew that now was the time to take action, before Schaefer slipped away again. Just what that action should be, however, was far from clear.