

Drug War Monitor

JULY 2004

A WOLA BRIEFING SERIES

Drug War Paradoxes: The U.S. Government and Peru's Vladimiro Montesinos

This *Drug War Monitor* is based largely on research carried out for WOLA's *Drugs, Democracy and Human Rights Project*, with additional research and writing by Lucien O. Chauvin, a U.S. journalist based in Lima, Peru. For additional analysis of U.S. drug policy toward Peru, see *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, edited by Coletta A. Youngers and Eileen Rosin, forthcoming from Lynne Rienner Publishers, Inc. in late 2004.

As the de facto head of Peru's intelligence services and the architect of counterinsurgency and counterdrug strategy during the government of Alberto Fujimori (1990–2000), Vladimiro Montesinos acquired broad powers and influence. He was the mastermind behind the deepening of the regime's authoritarian nature, which included the use of death squads against suspected insurgents. He also allegedly spun a web of corruption that both consolidated his control over key individuals in government and allowed him to amass a significant personal fortune.

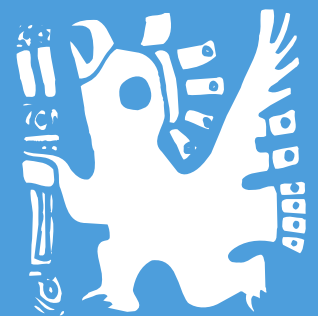
Yet until his fall from power, Montesinos maintained a working relationship with U.S. officials, and the Central Intelligence Agency (CIA) has long refused to comment on allegations that he was on its payroll. U.S. officials repeatedly failed to back calls for investigations into alleged wrongdoing by Montesinos, thereby providing him with important political support at crucial moments. He was seen both as a key power broker and the man to whom U.S. officials or private firms could turn to get things done. While the U.S. government did express concern about human rights violations and setbacks to Peru's democratic institutions during this period, continued coordination on drug control policies took precedence.

Montesinos now stands trial in Peru on a range of charges, including drug trafficking and selling arms to Colombian insurgents—the United States' "man in Peru" is accused not only of intimate involvement in the very drug trade he was supposed to be dismantling, but also of aiding and abetting the Colombian guerrillas precisely when the U.S. government was providing billions of dollars to combat them and the illicit drug trade. In short, Montesinos was apparently working at direct cross-purposes with the stated aims of U.S. drug policy.

The United States' attitude toward Montesinos is reminiscent of the cases of the Iran-Contra scandal and Panama's Manuel Noriega, where the United States turned a blind eye to its erstwhile allies' criminal activities when this helped to further the U.S.'s anticommunist efforts. Drug traffickers and gunrunners (including Noriega) received U.S. funds and were able to expand their own networks undisturbed while transporting supplies and troops for the Contra effort. While these practices may have been expeditious in the very short term, they undermined the pursuit of one of the primary goals of U.S. international policy—the spread of democracy—by encouraging corruption and validating the actions of powerful but anti-democratic forces.

A publication of WOLA's "Drugs, Democracy and Human Rights" project, which examines the impact of drug trafficking and U.S. international drug control policies on human rights and democratization trends throughout Latin America and the Caribbean

PERU





Montesinos and his lawyer, Estela Valvidia. Montesinos has refused to speak during nearly two years of court proceedings.

The story of Vladimir Montesinos should serve to remind U.S. policymakers to be more scrupulous in their choice of allies and not ignore or rationalize their despotism, brutality or criminal activity because of short-term objectives considered important by the United States.

The story of Vladimir Montesinos should serve to remind U.S. policymakers to be more scrupulous in their choice of allies and not ignore or rationalize their despotism, brutality or criminal activity because of short-term objectives considered important by the United States, whether these be anticommunism, as in the past, or today's drug control and antiterrorism. The contributions of some of these allies to U.S. policy objectives is extremely questionable, while the long-term effects of such alliances have included expanded and strengthened networks of organized domestic and international crime and the undermining of those institutions—the police, the military, the judicial system, and numerous others—vital to improved governance, economic health, and membership in the international community.

The charges

June 23 is a celebration of sorts in Peru, commemorating the day on which one of the country's most wanted criminals, Vladimiro Montesinos, was arrested. This year marks the third anniversary of Montesinos' arrest in Venezuela and his rapid extradition home to face charges ranging from petty theft to having ordered the assassination of a Catholic cardinal.

In the three years since his arrest, Montesinos has been found guilty of five minor crimes and faces over 50 other court cases. Under Peruvian law, criminal cases cannot be combined into a single trial for different crimes, so Montesinos is being tried simultaneously on four separate charges as this brief goes to print. Prosecutors estimate that Montesinos could be in court for another three to four years before all 60 trials are completed. On June 29, 2004, he was convicted for having used state funds to bribe the media to back Fujimori's 2000 election campaign and sentenced to 15 years, the longest sentence handed down to date. Another trial, and one with potentially far-reaching consequences for both Peru and the United States, involves accusations that he trafficked weapons to the Revolutionary Armed Forces of Colombia (FARC) guerrillas in exchange for cash and cocaine. Several witnesses have claimed that the CIA was aware of the deal and turned a blind eye.

Prosecutors continue to investigate allegations that Montesinos organized a death squad that operated in the early 1990s, acted as the principal link in Peru for Mexico's Tijuana drug cartel, and may have had a hand in the death of an outspoken former Lima cardinal, Augusto Vargas Alzamora, in 2000.¹ The prosecution is requesting a 25-year sentence in the FARC case, and similar prison terms will be sought at upcoming trials on the drug-trafficking and death squad cases.

The man

Despite the charges, Montesinos is no ordinary criminal. He was one of the most powerful men—some say the most powerful—in Peru for more than a decade, serving alongside President Alberto Fujimori as chief advisor on a variety of issues, including subversion and drug trafficking, from July 1990 to September 2000. But in spite of his seemingly innocuous title of advisor, he was the go-to man for politicians, judges, journalists, businesspeople and even sectors within the U.S. bureaucracy, which considered him a “Mr. Fix-it,”² someone who “could get things done.”³

Montesinos got his start on the road to the pinnacle of Peruvian politics upon graduation from the country's army academy in Lima. After a number of unimportant postings at several different army outposts, as a young captain in 1973 he landed a plum job at the side of Gen. Edgardo Mercado Jarrín, the prime minister under the left-leaning military government headed by Gen. Juan Velasco Alvarado (1968–75). While Montesinos was only a captain at the time, his job with Mercado gave him access to sensitive information and, according to some sources, an "in" with the CIA. "From that position," according to scholar Cynthia McClintock, "Montesinos had access to classified information, which he was soon suspected of selling to the CIA." Suspicions that he was operating as a CIA spy steadily increased over the next several years.⁴

Mercado's retirement in early 1975 and Velasco's replacement by a more conservative general later that year worked against Montesinos—he was sent to a distant outpost near the Ecuadorian border. Dissatisfied with his posting, Montesinos decided to take up a long-standing offer from the U.S. Embassy in Lima to take part in a visitor's program which would give him exposure to U.S. government agencies and academics working on Latin American issues.

However, he did not have permission to travel, so he forged the signatures of his superiors to get to the United States. Once in Washington, he met with representatives of U.S. government agencies, including the CIA, as well as academics and diplomats working on regional South American issues. While the two-week trip went well, he was arrested on his return home in September 1976 and charged with treason for allegedly passing military secrets to the United States. That charge, which could have gotten him the death sentence, was eventually changed to the minor offenses of falsification of documents and disobedience. He was sentenced to two years in prison and cashiered in March 1977. He was released in mid-1978.

Montesinos used his jail time well, continuing to study law and keeping abreast of the political and military changes taking place in the country. After his release from prison, he immediately took a job in a law firm headed by one of his cousins.

His client base reflected his past connections to the military, as well as Peru's burgeoning new industry—drug trafficking. Production of coca leaf, the raw material used to make cocaine, began a steady climb starting in the 1970s, as Colombia's nascent cocaine cartels needed more and more raw material to feed spiraling demand in the United States. Montesinos defended military and police personnel caught up in drug-related scandals, and took on the case of Evaristo Porras Ardiles, a major player in Colombia's Medellín cartel. Montesinos' deft handling of the Porras case allegedly helped cement a long-lasting business arrangement with Medellín kingpin Pablo Escobar, according to Escobar's brother Roberto.

Roberto Escobar claims that Montesinos was a frequent visitor to his brother's famed Napoles ranch and that Montesinos received between \$100,000 and \$120,000 for each drug flight from Peru to Colombia. He says that Pablo Escobar eventually came to see Montesinos as his Peruvian partner in the drug trade.⁵ In a separate interview published in a Peruvian daily, Roberto Escobar claimed that his brother "donated" one million dollars to Montesinos to bankroll the 1990 presidential campaign of Alberto Fujimori, at the time an unknown mathematics professor.⁶

While he grew rich in the 1980s, what Montesinos wanted was power. Fujimori's sudden emergence from obscurity into the race for the Peruvian presidency gave him just the opportunity he needed. Montesinos grabbed a chance to help Fujimori

Montesinos was the "go-to" man for politicians, judges, journalists, businesspeople and even sectors within the U.S. bureaucracy, which considered him a "Mr. Fix-it," someone who "could get things done."



Terraced coca fields.

deal with legal problems early on in his candidacy. The problems were solved and the partnership that was established between the two men would last throughout Fujimori's decade in power.⁷

The myth

Montesinos held sway over the National Intelligence Service (SIN) from the time Fujimori took office and was the president's chief advisor on drawing up a new policy to combat the country's subversive groups—the Communist Party of Peru/Shining Path and the Tupac Amaru

Revolutionary Movement (MRTA). The Shining Path had spread greatly during the final years of the 1980s, and early in the Fujimori administration there were growing national and international fears that the Maoist-inspired rebels posed a serious threat to the Peruvian state.

As de facto national security advisor, Montesinos is credited with crafting draconian antiterrorism legislation that Fujimori's government attempted to rush through Congress. Lawmakers balked at the proposed laws and at new economic measures, and voted to strike down key components of the legislation. In response, Fujimori, in a three-way partnership with Montesinos and armed forces chief Gen. Nicolas Hermoza Rios, closed Congress and the judiciary on April 5, 1992, in what was known locally as the *autogolpe*—in effect, Fujimori staged a coup d'état against his own government.

In the months that followed, Montesinos took credit for orchestrating the arrests of MRTA founder Víctor Polay Campos and Shining Path leader Abimael Guzmán. In the meantime, he also took charge of the country's antidrug strategy, successfully muscling out Hernando de Soto, Fujimori's first drug czar.

During this time and throughout most of Fujimori's presidency, Montesinos remained in the shadows. He was almost never seen in public and rarely photographed. His only public appearances were well choreographed and meant to heighten the myth he had created for himself as the man capable of designing strategies to address Peru's many ills.

His power grew not only over the Fujimori administration, but also within the armed forces, judiciary and Congress. As national security advisor, Montesinos was allowed to restructure the armed forces, particularly the way commanding officers were chosen. As a result, by the end of the 1990s, Montesinos' colleagues from his 1966 graduating class at the military academy were in charge of all the major divisions of the armed forces.⁸ He also managed to place allies, including long-serving Attorney General Blanca Nélida Colan, in key posts in the judiciary and, as video evidence has helped show, used state funds to keep lawmakers in line.⁹

As declassified documents from the United States have also demonstrated, the former advisor managed to extend his influence to different sectors within the U.S.

Throughout most of Fujimori's presidency, Montesinos remained in the shadows. He was almost never seen in public and rarely photographed. His only public appearances were well choreographed and meant to heighten the myth he had created for himself as the man capable of designing strategies to address Peru's many ills.

bureaucracy, cultivating his image as the man who could get things done within the Fujimori government.¹⁰

The Montesinos myth began to unravel in September 2000—just months after Fujimori embarked upon an unconstitutional third term in office through a fraudulent electoral process—when one of the thousands of videos he secretly taped at his SIN office was made public. The video showed Montesinos paying an opposition lawmaker thousands of dollars to switch political sides in Congress; it revealed how the government had obtained its majority in Congress through bribery. Fujimori announced that he was dismantling the SIN and firing Montesinos. The president also said that he would cut short his third term and step down the following July.

Fujimori eventually fled Peru much earlier than planned, in November 2000. In the eight weeks between the firing of Montesinos and the president's flight to Brunei and then Japan, where he still lives, Fujimori's crumbling administration revealed the existence of multimillion-dollar bank accounts held by Montesinos overseas and at home, as well as a vast cache of videos implicating more than a thousand people in a wide and intricate network of corruption.

In the three years since Montesinos' arrest, various investigations have exposed a well-planned operation that enabled him to earn vast sums of money on a number of fronts, including drug trafficking, while maintaining his image as the man behind Peru's successful antidrug and antisubversive policies. "Vladimiro Montesinos created a mechanism that allowed him to earn millions, but he used the same mechanism to earn political capital, especially with the United States. It is a pattern that is now clear," said Victor Ivachine, a co-defendant with Montesinos in the FARC trial.¹¹

The military and corruption

Following the launch of the Andean Initiative in 1989, the U.S. government actively encouraged direct military involvement in counterdrug operations and offered resources and training toward that end. The militarized counterdrug approach adopted by Washington coincided with the militarization of the Peruvian state being carried out by Fujimori and Montesinos. In bringing the military into the "drug war," the Peruvian government gained needed political support from the United States. The cost to Peruvian democracy, however, was high.

When Fujimori first came to power, the military was involved in an intense battle with the Shining Path for control of the jungle regions, including the Upper Huallaga Valley, while the National Police were in charge of the antidrug policy. Under the new strategy, the armed forces were given the green light to go after drug traffickers while simultaneously battling Shining Path insurgents. This close proximity to drug trafficking, however, led to the worst levels of military corruption in Peru's modern history. It also provided Montesinos with leverage—and scapegoats—when he needed to demonstrate progress in the antidrug efforts. Several factors contributed to this phenomenon.

First, corruption during the Fujimori administration became a tool for exerting political control over the armed forces. High-ranking officers were allowed to commit a series of crimes so that they could be blackmailed and therefore controlled.¹² Montesinos managed this system of co-opting through corruption, using the intelligence services to keep an eye on the armed forces to ensure loyalty and, more importantly, to curtail dissent.

In the three years since Montesinos' arrest, various investigations have exposed a well-planned operation that enabled him to earn vast sums of money on a number of fronts, including drug trafficking, while maintaining his image as the man behind Peru's successful antidrug and antisubversive policies.



Second, the militarization of antidrug efforts not only allowed the armed forces to continue pursuing their ultimate goal—defeat of the Shining Path—but gave them a new way to accomplish it. As demonstrated by the case of Demetrio Chávez Peñaherrera, known as “Vaticano,” the military established alliances with drug traffickers and coca growers to isolate the Shining Path.

Chávez was arrested in 1994 in Colombia and extradited to Peru. He operated the Campanilla airstrip, one of the most important airstrips in the Upper Huallaga Valley for trafficking drugs to Colombia, from 1990 to 1992. During his trial, Chávez claimed to have received protection from Montesinos, high-ranking military officers including Gen. Nicolas Hermoza Ríos, and military personnel stationed at the Punta Arenas base. Chávez stated that during those two years, he organized 280 flights to Colombia, paying Montesinos \$3,000 per flight in 1990 and 1991 and \$5,000 in 1992. The monthly payments to Montesinos increased from \$30,000 to \$50,000 between July 1991 and May 1992.¹³

Chávez told investigators that the deal also included his collaboration in the fight against the Shining Path, which had made strong inroads into many of Peru’s coca-growing valleys by the end of the 1980s. Chavez’s men, allied with the military, blocked the armed group from penetrating the zone and imposing its own collection system on drug flights to earn money for its war against the state. While the Shining Path had a strong presence in the Upper Huallaga Valley, it was never able to get a foothold in Campanilla. “With the help of high-ranking army officers, Chávez (Vaticano) became a dangerous threat to the hegemony exercised by the Shining Path in the drug business.”¹⁴

The arrangement with Chávez at the airstrip in Campanilla was not the only one of its kind. The Peruvian Truth and Reconciliation Commission (TRC) stated that at the beginning of the 1990s, nearly all of the counterinsurgency bases in the Huallaga River Valley (including the upper, middle and lower valleys) were located near clandestine airstrips used by drug traffickers. Between 1992 and early 1993, there were 18 airstrips like the one in Campanilla.¹⁵ This suggests that the armed forces’ political and military control of the coca-growing zones allowed them access to drug-trafficking money by controlling the territory containing the routes between Peru and Colombia. The military crowded out the Shining Path from the business and in some cases, such as in Uchiza, the army “acted as the referee for drug trafficking and distributed the spoils.”¹⁶

Third, the military needed to finance its counterinsurgency operations. According to a report from the Army Inspector General’s office cited by the TRC, in Uchiza, for example, the money received from each drug flight was distributed proportionally among officers and personnel on the base, and what was left over was used to improve the military installations. Troop rations were “donated” by the drug trafficking “firms,” and the head of the Army’s Huallaga Front authorized these “donations.” The counterinsurgency bases in Saposoa, Bellavista and Barranca also received food and payments in exchange for protecting the drug traffickers. “All of this was done with the full knowledge of the unit commander who ... permitted these activities.”¹⁷

Corruption during the Fujimori administration became a tool for exerting political control over the armed forces. High-ranking officers were allowed to commit a series of crimes so that they could be blackmailed and therefore controlled.

Gens. Jaime Ríos Araico and Eduardo Bellido Mora were in charge of the Huallaga Front during these years. In an extremely unusual move, Bellido Mora was allowed to serve two consecutive tours, in 1992 and 1993. He was named to and maintained in the post by General Hermoza Ríos who, as head of the army, appointed the generals who headed the military regions. Ríos Araico and Bellido Mora were eventually accused of drug trafficking. While Ríos Araico was tried in a civilian court (apparently because he denounced military corruption), Bellido Mora was not tried, but was relieved of his commission and quickly dispatched to a military posting overseas. Hermoza Ríos and Montesinos were not accused of drug trafficking until 2001, after Fujimori fled and a transitional government had been put in place.¹⁸

The administration of President George H. W. Bush (1989–93) was aware of the military corruption in the Upper Huallaga Valley. A report from as early as May 1991 stated that while corruption associated with drug trafficking was endemic in Peru, it was rampant in the Upper Huallaga and involved police officers, judicial authorities and army officers. In the case of the army, the report stated that the corruption “was the most organized. The heads of the military units offer protection at the airstrips and safe transit for the drug traffickers. ... The bribes can come from local merchants linked to drug trafficking or through direct payments from the traffickers.”¹⁹

Washington perceived that corruption weakened counterdrug efforts by distorting law enforcement and the administration of justice. The Bush administration, however, maintained that while corruption was extensive, it was a problem of individuals, not the institution as a whole. It was an argument similar to the one used by Peruvian authorities to downplay accusations of human rights violations when they claimed that abuses were also “excesses” committed by individuals, not institutional policy.

A valuable U.S. ally

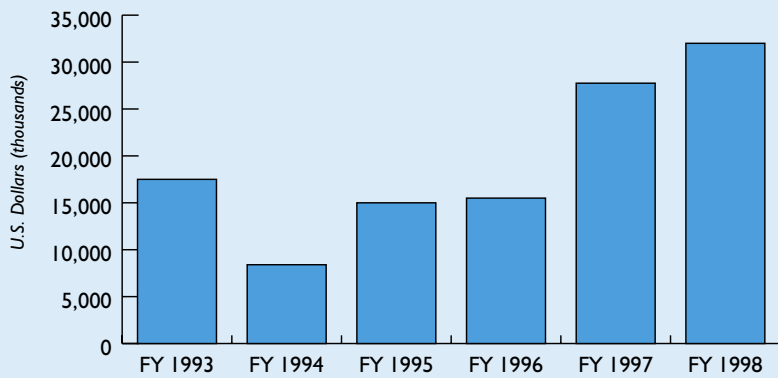
While the relationship between Montesinos and Washington on the antidrug front was tense and ambiguous at the start of the 1990s—largely due to allegations of Montesinos’ involvement with drug traffickers—by the middle of the decade the de facto national security advisor was increasingly seen as a valuable drug war ally. The Clinton administration in particular took a critical view of high-profile human rights violations and the increasing setbacks to Peru’s democratic institutions. However, the concern over human rights abuses or the increasingly authoritarian nature of the government was never sufficient to outweigh the importance of drug control policy in U.S. government discussions on Peru.

Nonetheless, internal debate within the Clinton administration on the relationship with Montesinos continued. At the request of Rep. Dan Glickman, then head of the Permanent Select Committee on Intelligence in the U.S. House of Representatives, an interagency working group was created in late 1994 to examine the United States’ relationship with Montesinos and the SIN. The administration officials participating in the group weighed the benefits of ongoing collaboration—continued access to the most powerful elements in the Fujimori administration and intelligence information—against the risks stemming from U.S. association with individuals and agencies implicated in human rights abuses, drug trafficking and other forms of corruption.

The CIA, which defended the working relationship with Montesinos, won the debate. Guidance was issued to “downgrade slightly” the relationship and to exert greater control over U.S. officials’ contact with Montesinos by going through the ambassador.

Concern over human rights abuses, corruption, or the increasingly authoritarian nature of the Peruvian government was never sufficient to outweigh the importance of drug control policy in U.S. government discussions on Peru.

State Department (INL) Drug Control Funding for Peru, 1993–1998



Source: Fact sheet released by the Bureau for International Narcotics and Law Enforcement Affairs, "International Narcotics and Law Enforcement Affairs FY 1993–FY 1999."

Administration (DEA), the CIA, the U.S. Customs Service, and the National Security Agency. While the U.S. State Department was the primary channel of U.S. drug control assistance to the Peruvian police, the Pentagon supported the operation of counterdrug bases and riverine interdiction programs, trained local forces and maintained equipment, working primarily with the Peruvian air force and navy. More than 100 U.S. personnel were assigned to the air interdiction program and "as many as 175 U.S. military and intelligence personnel were deployed for short intervals in order to train Peruvians for antidrug missions."²¹

In public statements, the Clinton White House reiterated the view that the Peruvian government showed the political will to cooperate with U.S. antidrug policy, and administration officials pointed to a steep drop in coca production in Peru that began in mid-1995 as the principal sign of success. The reduction in coca production, however, coincided with Peru's emergence as an important source not only of coca but of cocaine, and the integration of the Mexican cartels into the country's illicit drug trade.

The Peruvian "success" story

The amount of land used for coca crops began declining in the mid-1990s, and by the end of the decade, Peru had lost its title as the world's number one coca-leaf producer. While there may be discrepancies about the size of the reduction and the way the measurements were made, there is no denying the massive difference between the 130,000 hectares recorded in 1992 and 40,000 hectares a decade later, shown in figure 2.²²

Montesinos was widely credited with creating the conditions that led to this decline, but a detailed analysis of the reduction of land used for coca production shows that the process was much more complex than the implementation of a more rigorous drug control policy.

U.S. and Peruvian authorities attributed the success in coca reduction to a combination of the Air Bridge Denial Program, which curbed flights transporting Peruvian cocaine to Colombia,²³ stepped-up interdiction efforts, and renewed coca eradication. The

However, for all practical purposes, the relationship was maintained and continued to flourish over the next five years. The internal debate over Montesinos within the administration largely subsided.²⁰ It was not until September 2000, when the regime was collapsing, that the U.S. government sought to distance itself from Montesinos and the SIN.

Over the course of President Fujimori's second five-year term, which began in 1995, U.S. counterdrug assistance to Peru steadily increased (see figure 1). A plethora of U.S. agencies were then operating in the country, including the Drug Enforcement

conclusion was that these programs forced a collapse in coca prices and led farmers to abandon the crop.²⁴

An analysis of the U.S. statistics, however, shows the minimal impact of eradication on the reduction of coca crops. While coca crops declined by 20,900 hectares between 1995 and 1996 when eradication was reintroduced, only 1,250 hectares were eliminated through forced eradication. Between 1996 and 2000, the total reduction was 60,300 hectares. Forced eradication accounted for 32,537 hectares during this period, or just over 50 percent of the total. If the numbers include total amounts dating back to 1992, eradication accounts for less than 25 percent of the overall decrease in coca fields.

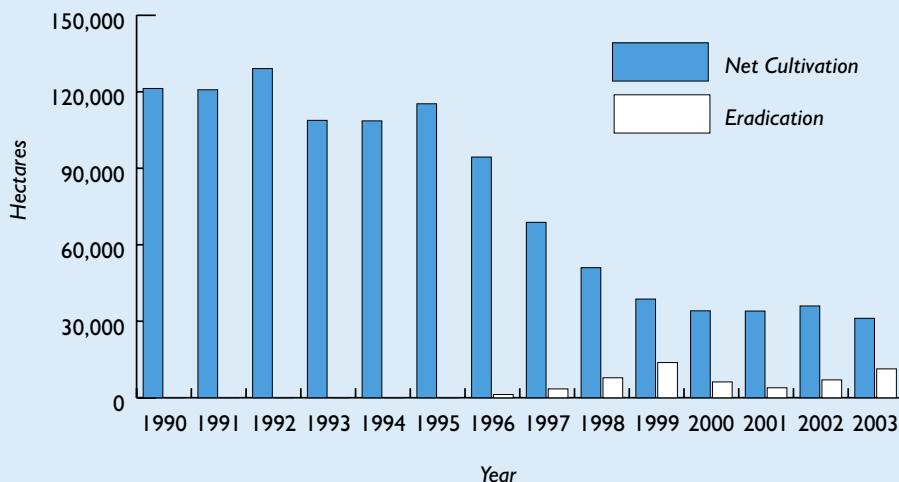
Farmers did indeed voluntarily abandon their crops because of the drop in prices paid for coca leaf beginning in the mid-1990s. This drop was felt most strongly in the Upper Huallaga, where farmers received \$1.25 per kilogram of coca leaf in 1995 but only \$0.85 per kilogram in 1997. In addition, a strain of the soil fungus known as *Fusarium oxysporum* began to spread in the early 1990s, affecting thousands of hectares of coca in the Huallaga Valley.

However, the key factor in the drop in prices was not air interdiction or eradication; it was the end of the Colombian drug mafias' dependence on Bolivian and Peruvian coca. With the demise of the larger cartels, smaller Colombian trafficking organizations emerged. Starting in the early 1990s, they began to plant their own coca, and by midway through the decade, the Colombian cartels no longer needed to get the raw materials from outside of the country, thereby reducing their risks and costs and achieving a sort of self-sufficiency in the production of cocaine.²⁵

Drug traffickers who continued to obtain coca leaf in Peru found alternative transport methods, using land and river routes instead of the airways. When air transport was used, the traffickers adopted new strategies, moving larger shipments on fewer flights, flying at night and using more circuitous routes. They took advantage of new technologies to elude air and ground surveillance, and flew in zigzag patterns or directly behind legitimate commercial flights.²⁶

U.S. and Peruvian authorities attributed the success in coca reduction to stepped-up interdiction efforts and renewed coca eradication. However, the key factor in the drop in prices was not air interdiction or eradication; it was the end of the Colombian drug mafias' dependence on Bolivian and Peruvian coca.

Coca Cultivation & Eradication in Peru 1990–2003



Source: U.S. State Department, Bureau for International Narcotics Control and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2002 and 2003*.

While Peru was no longer the world's number one coca producer, it became a source of cocaine for European markets. The successes attributed to the Fujimori government were, in the end, illusory.

A report from the U.S. General Accounting Office (GAO) from August 1994 found no evidence that suspension of the Air Bridge Denial Program in May of that year had led to an increase in clandestine flights between Peru and Colombia. In fact, the report found that there actually had been a decline in the number of flights in June 1994 compared to the previous month.²⁷ The program was halted again in April 2001 after Peruvian and U.S. pilots mistook a missionary group's plane for drug traffickers and opened fire. Veronica Bowers and her infant daughter were killed. Her husband and son and the plane's pilot survived. As of May 2004, the program had yet to be reactivated.²⁸

Another factor contributing to the decline in prices was the disruption of Colombia's major cartels starting in the mid-1990s. The Medellín cartel collapsed with the death of Pablo Escobar, and the Cali cartel, the main buyer of Peruvian coca paste, also lost its principal leaders. This had two major effects on the drug business in Peru. First, as noted, the large cartels gave way to smaller organizations that specialized in the different phases of producing and trafficking cocaine. Second, the changes opened the door for the participation of Mexican drug mafias in the South American market, and small Peruvian cartels linked to the Mexicans began operating at the local level. The U.S. State Department reported that in 1995 there was evidence that cocaine was being produced for Mexico and other destinations bypassing the Colombian connections, and in 1996, traffickers had found alternative methods for transporting drugs.²⁹

In sum, many factors contributed to the reduction in Peru's role as a major supplier of coca leaf to the cocaine industry. However, market forces and shifts in agricultural production, rather than counterdrug policies and programs, were the primary factors that led to the reduction in prices and coca production, while readjustments in the international drug market created a new division of labor in cocaine production, distribution and consumption. While Peru was no longer the world's number one coca producer, it became a source of cocaine for European markets. The successes attributed to the Fujimori government were, in the end, illusory.

The man "above the law"³⁰

The contradictions and paradoxes of the antidrug strategy are even more evident when it comes to Montesinos himself. There are several charges of direct and indirect involvement in the drug trade among Montesinos' more than 60 judicial investigations.³¹ The most serious accusation is that Montesinos was the head of Peru's drug-trafficking business between 1994 and 2000. Initial court proceedings on these charges got underway in 2003. The case is expected to go to trial in late 2004 and extend into 2005.

Special investigative commissions established by the Peruvian Congress to investigate crimes committed during the Fujimori administration—the Herrera, Townsend and Waisman Commissions—have also laid blame on Montesinos.³² According to the commission headed by Rep. Ernesto Herrera, "the National Intelligence Service played an important role in the network used by the state apparatus to commit drug-trafficking crimes." The commission also stated that Fujimori "consented to the development of this network that linked the state to illicit drug trafficking."³³

It is hard to know if Montesinos would have been investigated and brought to trial, even with pressure from Washington, if Fujimori's administration had not collapsed. It was precisely his role as one of the most powerful men in the regime—if not the most powerful, given his control over the state apparatus and his support within at least some sectors in Washington—that shielded Montesinos from any serious investigation into

his activities. Washington's ambiguous attitude toward the former advisor helped keep him alive politically at crucial moments in spite of the existence of sufficient evidence for opening a serious and independent investigation.

One of these moments came during the trial of Demetrio Chávez, the drug trafficker who testified that he had paid Montesinos \$50,000 a month to operate the Campanilla airstrip; he also claimed that the money bought him timely information that allowed him to evade DEA operations.³⁴ At the end of 1994, a high-ranking Peruvian naval intelligence officer gave the media transcripts and an audiotape of Naval Intelligence Service intercepts of drug traffickers' radio communications in the Upper Huallaga Valley. The intercepts were recorded between 1991 and 1992, and among the conversations taped were those between army personnel and drug traffickers. The intercepts showed how the drug traffickers operated and the amount of information about these operations that was known to people like Montesinos. On one of the tapes, a meeting of Chávez with Montesinos and Hermoza Ríos at Campanilla was discussed.

It is not clear whether or not U.S. intelligence agencies reviewed that particular intercept or had similar information. In 1992, the CIA had reached an agreement with Peru's Navy to tape radio transmissions of subversives operating the Upper Huallaga. The agreement between the Navy and the CIA was that the Peruvians would hand over copies of the tapes in exchange for infrastructure resources.³⁵

The U.S. Embassy pronounced Chávez's charges against Montesinos spurious, saying they were inconsistent and that "it was hard to believe that someone as astute as the 'doctor' would contact a known drug trafficker using an open radio signal." A U.S. Embassy cable to Washington made it clear that embassy personnel knew of Montesinos' personal participation in the investigations into Chávez and apparently interpreted this as precluding any criminal involvement by the former with the latter.³⁶

The Mexican cartel connection

The Chávez case was not the only example of how Montesinos manipulated the law and the institutions in charge of applying and enforcing the law at whim. Several drug-trafficking gangs began to fall in the mid-1990s. After Chávez's arrest, authorities dismantled the organizations run by "Cachique" Rivera and Luis López Paredes. These arrests allowed Montesinos to portray himself as a firm ally in the U.S.-led war on drugs, while in reality the opposite was true, according to Ricardo Vega Llona, Peru's former drug czar. Vega Llona stated that Montesinos used the arrests to channel the drug business to rival gangs with which he preferred to work.³⁷

A case opened in May 2003 by anticorruption judge Magaly Báscones Gómez Velásquez charges Montesinos with being the head of Mexico's Tijuana cartel in Peru. The case suggests that Montesinos got involved with the Mexican cartels precisely during the readjustment in the international drug market described earlier. According to the charges, Montesinos was the Tijuana cartel's chief representative in Peru for trafficking cocaine to Europe (Bulgaria, Italy, Portugal, Spain and Russia), which was done through legal exports by phantom companies. Montesinos is charged with using army helicopters to transport cocaine and precursor ingredients between the Peruvian coast and coca-growing valleys. In the court case, he is also charged with using army installations and the SIN headquarters to meet with the leaders of the "Peruvian firms" and international cartels, particularly representatives from Tijuana.³⁸

There are several charges of Montesinos' direct and indirect involvement in the drug trade among the more than 60 cases against him. The most serious accusation is that he, Peru's supposed "drug czar," was the head of Peru's drug-trafficking business between 1994 and 2000.

Montesinos also used his power to manipulate the judiciary and thwart investigations into his alleged wrongdoing. He also controlled the divisions within the justice system that dealt with drug trafficking.

The judge based the case on testimony from numerous drug traffickers and former DEA informants, which were also received by the congressional commissions and the Truth and Reconciliation Commission. The consistency of the accusations led the commissions to conclude that there was sufficient evidence to link Montesinos to drug trafficking. For example, the Townsend Commission recommended transferring its findings to the attorney general's office to initiate legal proceedings because it had established "reasonable indications linking Vladimiro Montesinos to the crimes of drug trafficking and money laundering."³⁹

Circumventing investigations

Montesinos also used his power to manipulate the judiciary and thwart investigations into his alleged wrongdoing. Allegations about his million-dollar bank accounts were never followed up on, despite ample evidence of their existence. The first press investigation into his undeclared earnings was made public in 1997 and ended with the owner of the television station that aired the report losing his Peruvian citizenship and his network. New accusations were made in 1999; Attorney General Miguel Aljovin not only dismissed the case, but also ordered an investigation of the people who had made the accusation. This move prompted then-U.S. Ambassador Hamilton, who was not known as a critic of the Fujimori administration, to send an internal cable stating that the case showed that Montesinos was "above the law."⁴⁰ Hamilton, however, never made this opinion public.

Montesinos also controlled the divisions within the justice system that dealt with drug trafficking. In September 1996, the government created a system of special courts to deal with drug-trafficking cases.

The courts were run by judges who demonstrated independence in the courtroom. These courts, however, were quickly deactivated and replaced by a special court headed by Judge Alejandro Rodríguez Medrano, Montesinos' point man in the court system. Using this connection to gain control over the antidrug courts, Montesinos created an extortion network that basically doled out judicial favors. Both the Herrera Commission and the Townsend Commission listed cases involving drug cartels as examples of this network, such as the "Norteños" and the "Camellos" cartels as well as the Hayduk fishing company. The people accused in these cases handed over massive amounts of cash to obtain special privileges while in prison or shorter sentences.⁴¹

This control also ensured that there were no independent investigations of cases involving drug shipments found aboard Peruvian navy vessels or the presidential plane. On May 10, 1996, a shipment of 170 kilograms of cocaine was discovered on the air force plane that served as Fujimori's presidential aircraft and whose pilot was close to the president. Shortly thereafter, on July 3, 45 kilograms of cocaine were seized from a Peruvian navy ship in Vancouver, Canada, and another 92 kilograms were found when the ship returned to Peru.⁴²



JEREMY BIGWOOD

A healthy coca plant.

Despite evidence pointing to the participation of high-ranking officers in these cases, only low-ranking personnel were charged.⁴³ The Herrera Commission concluded that these cases constituted an example of how Montesinos used the power of the state to “progressively [create] a network to commit the crimes of drug trafficking and money laundering.”⁴⁴

The arms-trafficking scandal

The most compromising case for Montesinos may very well be the accusation that he masterminded a plan to traffic weapons to the Revolutionary Armed Forces of Colombia (FARC) guerrillas. Among the testimony linking him directly to the FARC deal is that of Lebanese arms trader Sarkis Soghanalian, who was the intermediary with the Jordanian government for the weapons purchase. Soghanalian has stated that he dealt directly with Montesinos, believing that the weapons were being legally acquired by the Peruvian government.⁴⁵ According to statements from former FARC guerrilla José Jair Gonzales Loayza, who is a witness in the case against Colombian guerrilla leader Tomás Medina Caracas, known as “Negro Acacio,” in a U.S. court, the FARC paid for the weapons with cocaine in an operation that also involved Brazilian drug traffickers. Montesinos was allegedly paid \$8 million to carry out the operation.⁴⁶ Montesinos denies any participation in the case and has told prosecutors that he does not know Sarkis Soghanalian or the other major players.

The Herrera Commission stated that there was sufficient evidence to establish that the weapons deal with the FARC was “designed, planned and carried out by the National Intelligence Service (SIN) with the direct participation of Vladimiro Montesinos,” and that it was done using state funds from “reserved budget items or ... illegally diverted from the armed forces to the SIN.” The commission stated that the operation employed people and networks with ties to the armed forces that were used by Montesinos for “illicit activities.” These operators, according to the Herrera Commission, “were suspected of involvement in drug-trafficking activities” and were under investigation by agencies such as the DEA. The commission also found Fujimori partly responsible, charging him with “cover-up,” “omission” and “illicit association to commit a crime.”⁴⁷

Several witnesses also claim that the CIA was aware of—and in fact approved—the deal, though it is not clear if they knew in whose hands the arms would end up.⁴⁸ Soghanalian has stated that the U.S. Embassy in Amman knew about the arms sale.⁴⁹ In fact, during U.S. State Department briefing on November 6, 2000, spokesman Richard Boucher told journalists: “The fact is, the U.S. government heard about the sale originally from the Jordanian government. They asked us if we had any objection to what looked like a legitimate arms sale to the government of Peru. We, at the time—the U.S. government went back and said it was okay; we had no reason to believe that there was anything illegitimate about the sale.”⁵⁰

Other witnesses, such as Charles Acelor, the go-between for Soghanalian and Montesinos’ men, have stated that the CIA knew about the deal 18 months before



JEREMY BIGWOOD

A farmer with coca plants destroyed by the fungus *Fusarium oxysporum*.

The Herrera Commission concluded that these cases constituted an example of how Montesinos used the power of the state to “progressively [create] a network to commit the crimes of drug trafficking and money laundering.”



Fujimori and Montesinos held their own press conference on August 21, 2000 to announce that Peru had single-handedly broken up an international arms-trafficking ring involving the FARC.⁵¹ Acelor has been extradited to Peru from Germany and is currently standing trial with Montesinos in this case.

Montesinos, who has refused to speak during his trials except to invoke his constitutional right to remain silent, has also implicated the CIA, but on a different level. In late January 2004, shortly after the trial got under way, Montesinos' defense attorney

petitioned the court to call CIA director George Tenet and former CIA Lima station chief Robert Gorelick as witnesses. The prosecution agreed to the request and added its own list of names, including Thomas Sanchez, a former embassy employee, and John Stewart, a special FBI agent stationed in Miami who had interviewed a number of the co-defendants in the FARC case in Lima.

In March 2004, brothers Luis Frank and Jose Luis Aybar Cancho, who were pointed to by Montesinos and Fujimori as the ringleaders of the arms deal with the FARC, testified during the trial that Montesinos financed the arms-smuggling operation. On May 21, Lima's 49th Criminal Court approved a request by the U.S. government to extradite the brothers, although only after the Lima trial ended.

Other defendants, such as Victor Ivachine, a Russian pilot arrested on August 21, 2000—the morning of the press conference during which Fujimori and Montesinos announced that they had broken up the arms-trafficking ring—claims the Aybar Cancho brothers and the other 30-plus codefendants were simply pawns in a game created by Montesinos. Ivachine, who had been hired as a translator and technician to service the Ukrainian planes that allegedly dropped the 10,000 assault rifles to the FARC rebels, said his involvement in the case had been planned by Montesinos from the start to create a cover if the operation went awry. Ivachine's arrest was played up at the Fujimori-Montesinos press conference as "evidence" that they had broken up an "international" mafia. They labeled the sting operation that allegedly snared the traffickers "Operation Siberia."

Ivachine, testifying in May 2004, said:

Montesinos didn't deal directly with the Aybar Canchos. He set it up so that he could eventually claim to have uncovered an international mafia and build his reputation as a security expert who could work beyond the borders of Peru. The operation was carefully planned, including my participation and the name used, to create the image that this was an important international arms deal that he discovered and stopped.⁵²

Montesinos allegedly masterminded a plan to traffic weapons to Colombian guerrillas, who supposedly paid for the weapons with cocaine. He was allegedly paid \$8 million to carry out the operation.

The extradition question

While the U.S. government has started the extradition process for the Aybar Cancho brothers and others involved in the wider corruption network organized by Montesinos, including one of his key frontmen, no request has been made so far to extradite Montesinos himself—and, despite ongoing investigations in the United States, such a request does not appear likely at the present time. While such a request might provide greater assurances that Montesinos would serve significant jail time, it would not serve the broader democratization process underway in Peru. Uncovering the truth about the corruption and abuses prevalent under the Fujimori regime and ensuring that the Peruvian justice system is capable of effective prosecutions now and in the future are fundamental steps forward to put Peru firmly on a democratic path.

In addition, extraditing Montesinos could prove politically dicey for the United States. Relations between U.S. authorities, particularly the CIA, and Montesinos have already sparked comparisons to former Panamanian strongman Manuel Noriega, deposed during the 1989 U.S. invasion. Like Noriega, Montesinos is accused of collaborating with the CIA while simultaneously taking advantage of the relationship to build illegal networks, including ties with drug traffickers.

For Montesinos, extradition to the United States would no doubt mean the end of his ability to maintain some level of political influence and power in Peru. Based on the convictions to date, if he is found innocent of the charges of drug trafficking and homicide, Montesinos will be a free man in 2011. His longest sentence so far—15 years—is for a minor crime, and he enjoys special privileges, such as the possibility of serving only two-thirds of his sentence for good behavior. All sentences run concurrently, including those for the more serious crimes, and even if he is found guilty in the drug-trafficking case, there are loopholes built into the system that could allow him to go free after serving only 12 years.

Apart from these lenient sentences, Montesinos also benefits from Peru's slow-paced and antiquated justice system. The anticorruption courts are overwhelmed by the magnitude and complexity of the cases, now directly involving more than 1,400 individuals. The trials are long and cumbersome, and Montesinos and his legal team are compiling their own evidence to later claim that due process was not served during his trials. One minor example is the decision of prison authorities to build interview booths at the prison where he is being held. The booths allow him to receive family members and his lawyer but prevent physical contact with them. His lawyer, Estela Valdivia, has filed several motions against the use of the booths, saying that in preventing face-to-face contact, they violate his right to an adequate defense and are discriminatory, as they are used only for the eight prisoners held at the Callao Naval Base. In late May, Peru's antiterrorism court ruled that the booths were unconstitutional in a case filed by MRTA leaders; Montesinos' defense team argued that the ruling also applied to him, and their use was discontinued in early June.

Charges Faced by Vladimir Montesinos in Court

Charge	Maximum Sentence
Drug trafficking	35 years
Homicide	35 years
Arms trafficking	15 years
Illegal use of state funds	10 years
Bribery	15 years
Association to commit crimes	8 years
Corruption of authorities	6 years
Influence peddling	4 years

Similar to the case of Panama's Manuel Noriega in the late 1980s, Montesinos is accused of collaborating with the CIA while simultaneously taking advantage of the relationship to build illegal networks, including ties with drug traffickers.

In addition, it appears that Montesinos still has some leverage over the judiciary. While the judges in the anticorruption courts are beyond reproach, they must work with a range of others within the system — including court investigators, administrative personnel and the like — who could easily have been part of the Montesinos corruption network in the 1990s. Other judges have issued rulings that could indicate the ongoing influence of the Montesinos mafia, and even the attorney general is not above suspicion. The corruption network was vast, meaning that scores of public functionaries and officials were tainted by the Fujimori regime.

During the Fujimori government, Washington allied itself with a regime that turned out to be more sinister and corrupt than even its harshest critics imagined in order to pursue U.S. drug policy and other national security objectives.

However, both U.S. and Peruvian interests will be best served by a stable, democratic government in Peru.

Conclusions

The ongoing trials on weapons and drugs charges involving Montesinos are unfolding during one of the most turbulent periods in Peru's antidrug effort. Organizations of coca growers, who have been calling for a change in coca policy since the final days of the Fujimori administration, have significantly increased their protests in recent months. Coordinated marches left from several northern valleys in April 2004, and several hundred growers camped in Lima throughout May, calling on the government to agree to a five-point list of demands, including an end to all U.S.-supported eradication efforts and the deactivation of Peru's antidrug agency, DEVIDA.⁵³ The growers returned to their home valleys in early June to await the results of their efforts.

During the Fujimori government, Washington allied itself with a regime that turned out to be even more sinister and corrupt than even its harshest critics imagined in order to pursue U.S. drug policy and other national security objectives. Now, the transitional government of Alejandro Toledo is seeking to right the wrongs of the Fujimori/Montesinos years and keep Peru on a democratic path. Although that transition remains extremely fragile, and the Peruvian government's popularity remains in the single digits, Washington has dug in its heels, insisting on "zero coca" even as political protests and confrontations intensify and the coca growers' movement becomes increasingly radicalized. Although U.S. officials have publicly expressed support for Peru's democratic transition, U.S. drug control policy holds a significant place among the many factors destabilizing the Toledo government.

The U.S. Congress should consider initiating a thorough investigation into U.S. drug control policy in Peru over the course of the 1990s, the alliances made and the deals struck, and whether that policy served or in fact undermined U.S. counterdrug and broader foreign policy goals. Both Peruvian and U.S. citizens deserve a full accounting of United States' role in Peru, while such an investigation could help both countries to move toward an urgently needed reassessment of U.S. drug control policy in Peru. In the long run, both U.S. and Peruvian interests will be best served by a stable, democratic government in Peru.

Edited and produced by Coletta A. Youngers and Eileen Rosin.

Notes

- ¹ Rick Vecchio, "Murder rumors have Peru abuzz," *The Miami Herald*, 25 Apr 2004.
- ² Karen de Young, "The Doctor Divided U.S. Officials," *The Washington Post*, 22 Sep 2000.
- ³ U.S. Embassy, Lima, to the State Department, "Intelligence Chief Montesinos Accused of Protecting Drug Traffickers," 6 Sep 1996, p. 7.
- ⁴ Cynthia McClintock and Fabian Vallas, *The United States and Peru: Cooperation at a Cost* (New York and London: Routledge, 2003), p. 55.
- ⁵ Sally Bowen and Jan Holligan, *The Imperfect Spy: the Many Lives of Vladimir Montesinos* (Lima: Peisa, 2003), pp. 77–81.
- ⁶ *La Republica*, "Fujimori habló dos veces con Escobar: Hermano del desaparecido capo del Cartel de Medellín ratifica denuncia," 13 Nov 2000.
- ⁷ Sally Bowen, *The Fujimori File: Peru and its President, 1990–2000* (Lima: Peru Monitor, 2000), p. 51.
- ⁸ McClintock and Vallas, p. 57.
- ⁹ Since late 2000, more than 2,000 videos secretly taped by Montesinos have been catalogued and many have been shown publicly in Congress. The videos reveal that virtually every public sector was bought off, including members of Congress, journalists, generals, and electoral and judicial authorities.
- ¹⁰ The National Security Archive has compiled an extensive record of declassified U.S. documents related to U.S. policy toward Peru and to Montesinos. See their electronic briefings book web page at www.gwu.edu/~nsarchiv/NSAEBB/ to find "Montesinos: Blind Ambition" and "Fujimori's 'Rasputin.'"
- ¹¹ Victor Ivachine, interviewed by Lucien O. Chauvin, 19 May 2004.
- ¹² Enrique Obando, "Las Relaciones Civiles Militares en Perú en la Década de los 90: Lecciones para el Futuro," in Martin Tanaka, ed., *Las Fuerzas Armadas en la Región Andina. ¿No Deliberantes o Actores Políticos?* (Lima: Comisión Andina de Juristas, 2001).
- ¹³ Statements by "Vaticano" to the congressional investigatory commission headed by David Waisman. Cited by Obando in "Lecciones," pp. 298–99.
- ¹⁴ Final Report of the Truth and Reconciliation Commission (TRC), Lima, Sep 2003, p. 755.
- ¹⁵ Ibid.
- ¹⁶ The Army Inspector General's office, report #001/BCS 26 of 29 Jan 1992, signed by Col. Luis Aparicio Manrique and sent to the head of the Upper Huallaga Front. Cited in the TRC Final Report, p. 754.
- ¹⁷ Ibid.
- ¹⁸ Case File 28-2001 being handled by Judge Sara Mayta. Special Prosecutor Jorge Chávez Cortina has accused Montesinos and Hermoza Ríos of "complicity" in drug trafficking between 1990 and 1993 as leaders of a network that collected bribes from drug traffickers in the Upper Huallaga during this time (*La República*, "Montesinos y Hermoza cobran cupos a 'narcos,'" 12 Nov 2002). In December 2002, Judge Mayta absolved the two for lack of evidence in the crime of "complicity," but did find evidence for the charge of "covering up" for drug trafficking (*La República*, "Absuelven otra vez a Montesinos," 31 Dec 2002). Bellido Mora was declared an "absentee defendant."
- ¹⁹ U.S. Embassy, Lima, to the State Department, "Narcotics Corruption in Peru: Several Shades of Black," 22 May 1991. References to the "endemic" character of corruption in Peru are found in nearly all the counterdrug reports from the 1980s through the mid-1990s.
- ²⁰ During this same time, however, the Peruvian army intelligence service, SIE, came under scrutiny because of its suspected ties to death squad activity, and a decision was made to suspend all U.S. support for the unit.
- ²¹ McClintock and Vallas, p. 125.
- ²² According to analyst Hugo Cabieses, the satellite system used by the U.S. Embassy in Peru to measure the extent of coca crops is employed only in certain valleys and does not take into account the complex and rapidly changing dynamics of coca crops. Hugo Cabieses, "Peru: Cultivos de Coca, Éxito Virtual y Mesa de Donantes," (Lima: Jan 2000), p. 5, <http://cepes.org.pe/alternativo/principal.html>.
- ²³ The U.S.-funded aerial surveillance program was launched in 1990 and ground radar equipment was installed along the Colombia border in 1991. The program was temporarily suspended in 1992 but then functioned until 1994, when it was again suspended due to legal concerns. It was reinitiated in 1995 and continued until 2001.
- ²⁴ U.S. State Department, Bureau for International Narcotics Control and Law Enforcement Affairs (INL), *International Narcotics Control Strategy Report (INCSR) 1997*.
- ²⁵ For more details, see Theo Roncken (ed.) et al., *The Drug War in the Skies: The US "Air Bridge Denial" Strategy* (Cochabamba, Bolivia: Transnational Institute, 1999).
- ²⁶ Ibid, p. 8.
- ²⁷ Letter from Joseph E. Kelley, Director-in-Charge of the U.S. General Accounting Office, International Affairs Issues, to Alfred A. McCandless, Legislation and National Security Subcommittee, Committee on Government Operations, House of Representatives, 16 Aug 1994.

- ²⁸ Anthony Faiola and Scott Wilson, "The U.S. Took Risks In Aiding Peru's Antidrug Patrols," *The Washington Post*, 29 Apr 2001, p. A1.
- ²⁹ *INCSR 1995*, "Peru," and *INCSR 1996*, "Peru."
- ³⁰ U.S. Embassy, Lima, to the State Department, "As New Attorney General Assumes Duties, Outgoing Attorney General Dismisses Case Against Montesinos," 27 Jan 2000, p. 5.
- ³¹ For an analysis of the complexities of the judicial processes against Montesinos and other authorities from the former regime, see "Cómo Juzgar a Montesinos," by Gustavo Gorriti and Graciela Villasís in *ideele* no. 153, Mar 2003.
- ³² The Waisman Commission functioned from 2000 to 2001, the Townsend Commission from 2001 to 2002, and the Herrera Commission from 2002 to 2003.
- ³³ Herrera Commission, pp. 3921–3923.
- ³⁴ *AgenciaPerú*, "Habla 'Vati,'" interview with Demetrio Chávez Peñaherrera, 6 Feb 2001.
- ³⁵ Obando, "Lecciones," p. 298.
- ³⁶ U.S. Embassy, Lima, to the State Department, "Intelligence Chief Montesinos Accused of Protecting Drug Traffickers," 6 Sep 1996, p. 4.
- ³⁷ Ricardo Vega Llona cited in *Caretas*, "Otra Vez Coca Perú," 17 Jan 2002.
- ³⁸ *La República*, "Montesinos Representaba en el Perú al Cartel de Tijuana de México," 28 May 2003.
- ³⁹ From the Townsend Commission.
- ⁴⁰ U.S. Embassy, Lima, to U.S. State Department, cable, "As New Attorney General Assumes Duties, Outgoing Attorney General Dismisses Case Against Montesinos," 27 Jan 2000, p. 4.
- ⁴¹ Herrera Commission, *Final Report of the Townsend Commission*, 25 Jun 2002, p. 3,925.
- ⁴² Terry Allen, "CIA and Drugs, Our Man in Peru," *Covert Action Quarterly*, no. 59, Dec 1996.
- ⁴³ *Caretas*, "¿Dónde están los capos?" no. 1414, 16 May 1996.
- ⁴⁴ Herrera Commission, p. 3921.
- ⁴⁵ The International Consortium of Investigative Journalists, "U.S. Shrugged Off Corruption, Abuse in Service of Drug War (Peru)," in Special Report, *U.S. Military Aid to Latin America Linked to Human Rights Abuses*, on the website of the Center for Public Integrity, 12 Jul 2001.
- ⁴⁶ *Cambio*, "El hombre que vio llover fusiles," Bogota, 16–22 Dec 2002; *La República*, "Narcotraficantes brasileños dieron US\$ 8 millones para tráfico de armas a las FARC," 15 Nov 2002.
- ⁴⁷ Herrera Commission, pp. 3408–09.
- ⁴⁸ McClintock and Vallas, p. 87.
- ⁴⁹ Various newspaper accounts provide testimony by Soghanalian. See, for example, William C. Rempel and Sebastian Rotella, "Arms Dealer Implicates Peru Spy Chief in Smuggling Ring," *Los Angeles Times*, 1 Nov 2000.
- ⁵⁰ U.S. State Department press briefing with Richard Boucher, 6 Nov 2000, reported by Lucien O. Chauvin.
- ⁵¹ *Caretas*, "Tráfico de armas a las FARC: La CIA lo sabía," no. 1768, 16 Apr 2003.
- ⁵² Victor Ivachine, interviewed by Lucien O. Chauvin, 19 May 2004.
- ⁵³ For background information, see the earlier *WOLA Drug War Monitor*: Isaías Rojas, "The push for zero coca: Democratic transition and counternarcotics policy in Peru," Feb 2003; also, The Transnational Institute, *Cocalero Movements in Peru and Bolivia: Coca or Death?* Apr 2004.

WOLA's "Drugs, Democracy and Human Rights" project

WOLA's "Drugs, Democracy and Human Rights" project, which began in 2001, examines the impact of the drug trade and U.S. international drug control policy on human rights and the consolidation of democracy throughout Latin America and the Caribbean. Looking at both production and transit, researchers from Argentina, Bolivia, Colombia, Ecuador, Mexico, Peru, Puerto Rico and Central America have documented and analyzed a number of themes, including:

- ▶ whether security forces receiving U.S. funding and/or training for drug control activities are committing human rights abuses, and if so, how the perpetrators are called to account;
- ▶ whether the judiciary is effectively pursuing such cases, or if they are handled by military courts;
- ▶ the definition of the military's mandate, the relationship between military and police forces, and whether drug control funding is empowering the military to expand into activities normally reserved for the police;
- ▶ the functioning of civilian institutions, including mechanisms for oversight of drug control activities through legislation and congressional committees;
- ▶ in addition, U.S. authors have laid out the involvement and functioning of U.S. military and law enforcement in international drug control in Latin America.

Drugs and Democracy in Latin America: The Impact of U.S. Policy, which will be published in late 2004 by Lynne Rienner Publishers, Inc, draws together studies on individual countries, the Caribbean, and the U.S. forces, and WOLA has provided an overview and conclusions. Please see our website for news on the publication date, and also to access country or thematic briefs and timely "special updates," at www.wola.org/ddhr.

Joy Olson

Executive Director

Kimberly Stanton

Deputy Director and
Director of Studies

Gastón Chillier

Senior Associate, Human Rights
and Public Security

Geoff Thale

Senior Associate for El Salvador,
Cuba and Nicaragua

Jeff Vogt

Senior Associate for Rights and
Development

John Walsh

Senior Associate for the Andes
and Drug Policy

Adriana Beltrán

Associate for Guatemala and
Media Coordinator

Laurie Freeman

Associate for Mexico and
Drug Policy

Eileen Rosin

Manager, Drug Policy Project

Rachel Farley

Program Officer for Cuba

Elsa Falkenburger

Program Assistant for Central
America, Cuba and Economic Issues

Katie Malouf

Program Assistant for Mexico, the
Andes, and Public Security

Rachel Neild

Senior Fellow

Coletta Youngers

Senior Fellow

Tanya Aguilar

Director of Operations

Nadia Malley

Finance Manager

Lori Piccolo

Associate for Financial Development

Ana Paula Duarte

Development Coordinator



We need your support!

Yes, I want to contribute to WOLA's work to advance human rights, democracy, and social justice in Latin America. Enclosed is my tax-deductible donation of:

\$200 \$100 \$75 \$50 \$35 \$ Other

Name

Address

City

State

Zip

Phone

Fax

E-mail

WOLA is a 501(c)3 charitable organization. Please make checks payable to **WOLA** and send to: 1630 Connecticut Avenue, NW, Suite 200, Washington, DC 20009. You may also contribute through our website, www.wola.org. Thank you!

About WOLA

The Washington Office on Latin America (WOLA) is a nonprofit policy, research and advocacy organization working to advance democracy, human rights and social justice in Latin America and the Caribbean. Founded in 1974, WOLA plays a leading role in Washington policy debates about Latin America. WOLA facilitates dialogue between governmental and non-governmental actors, monitors the impact of policies and programs of governments and international organizations, and promotes alternatives through reporting, education, training and advocacy.

To Order More WOLA Publications

WOLA has a wide range of publications available on human rights in Latin America and U.S. policy. WOLA also publishes a quarterly newsletter: "Cross Currents" in English and "Enlace" in Spanish. See our website for a complete list of publications and contact our office to order.

To Contact Us

Washington Office on Latin America
1630 Connecticut Avenue, NW, Washington, D.C. 20009
Telephone: 202.797.2171 • Facsimile: 202.797.2172
Email: wola@wola.org • Web: www.wola.org

Volume 3, Number 3 ISBN: 09295-1355X

This WOLA briefing series is supported in part by grants from the Open Society Institute, the Ford Foundation, the John Merck Fund, and the General Service Foundation.

WOLA 2004 30 Years!



WOLA

Washington Office on Latin America

1630 Connecticut Avenue, NW, Washington, D.C. 20009