Case Mumber: 200102877

RELEASED IN PART

PTQ8130

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ACTION WHA-00

INFO LOG-00 CIAE-00 DODE-00 SRPP-00 EUR-00 VC-00 H - 0.1INR-00 TEDE-00 L-00 AC-01 NSAE-00 NSCE-00 OMB-01 PA-00 PM-00 PRS-00 ACE-00 P-00 SP-00 SS-00 TRSE-00 T 00 USIE-00 PMB-00 DRL-02 G-00 SAS-00 /005W

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FM AMEMBASSY LIMA

TO SECSTATE WASHDC IMMEDIATE 7389

INFO AMEMBASSY MADRID

AMEMBASSY QUITO

AMEMBASSY SANTIAGO

AMEMBASSY ASUNCION

AMEMBASSY BUENOS AIRES

AMEMBASSY BRASILIA

AMEMBASSY BOGOTA

AMEMBASSY LA PAZ

AMEMBASSY OTTAWA

AMEMBASSY MEXICO

USCINCSO MIAMI FL

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B.O. 12958: DECL 21/14/00 EXTEND CLASSIFICATION

TAGS: PGOV, PREL, PHUM, CAS, PE

SUBJECT: NOVEMBER 14 PERU CRISIS UPDATE

LIMA 06742 01 OF 02 142116Z 1. (U) CLASSIFIED BY AMBASSADOR JOHN R. HAMILTON FOR REASON 1.5(B) AND 1.5(D).

(U) SUMMARY: PRESIDENT FUJIMORI'S INCREASINGLY DIVIDED PERU 2000 COALITION LOST CONTROL OF CONGRESS NOVEMBER 13, BUT LEGISLATURE PASSED THE OAS ELECTORAL REFORM PACKAGE AND NAMED A COMMISSION TO INVESTIGATE FORMER INTELLIGENCE CHIEF VLADIMIRO MONTESINOS. PERCEIVED AS INCREASINGLY WEAK, FUJIMORI'S SCHEDULED DEPARTURE TO TWO INTERNATIONAL MEETINGS FUELED RUMORS THAT HE WILL RESIGN. REFERRING TO THE DECEMBER 9 DATE BY WHICH EXECUTIVE BRANCH OFFICIALS MUST RESIGN TO RUN FOR ELECTED OFFICE, PRIME MINISTER SALAS TOLD REPORTERS THAT THE PRESIDENT

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UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: MELVIN E. SINN DATE/CASE ID: 19 JUN 2002 200102877

CLASSIFICATION: CONFIDENTIAL REASON: 1.5(B), 1.5(D)

DECLASSIFY AFTER: NOV. 14, 2010

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IS NOT REQUIRED TO RESIGN SHOULD HE DECIDE TO RUN FOR CONGRESS. EVIDENCE IMPROPERLY SEIZED IN A RAID OF TWO MONTESINOS PROPERTIES HAS BEEN TURNED OVER TO THE PROPER AUTHORITIES, WHO HAVE SUBSEQUENTLY TOLD US THAT THAT THE EVIDENCE, WHILE TAINTED, MAY NOT BE A TOTAL LOSS. MONTESINOS, CONTINUING TO MOCK EFFORTS TO BRING HIM TO JUSTICE, DENIED INVOLVEMENT IN DRUG TRAFFICKING OR MONEY LAUNDERING IN AN INTERVIEW WITH A MEXICAN MAGAZINE. END SUMMARY.

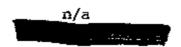
OPPOSITION SACKS PRESIDENT OF CONGRESS

3. (U) CONGRESS VOTED CONGRESSIONAL PRESIDENT MARTHA HILDEBRANDT OUT OF OFFICE NOVEMBER 13. SEVERAL LEGISLATORS CLOSELY IDENTIFIED WITH MONTESINOS AND OTHER "INDEPENDENTS" WHO HAVE ABANDONED FUJIMORI'S PERU 2000 JOINED OPPOSITION LEGISLATORS IN A 64 TO 51 VOTE. A CENSURE MOTION AGAINST FIRST CONGRESSIONAL VICE-PRESIDENT LUZ SALGADO WAS NARROWLY DEFEATED IN A TIBBREAKER, 55-56. SALGADO DOES NOT/NOT MOVE UP TO BECOME

PAGE 03 LIMA 06742 01 OF 02 142116Z CONGRESS PRESIDENT. A NEW CONGRESSIONAL PRESIDENT WILL BE BLECTED IN THE NOVEMBER 16 SESSION.

CONGRESS PASSES OAS ELECTORAL REFORM PACKAGE

- 4. (U) AFTER THE CENSURE VOTES, CONGRESS MOVED TO THE OAS RECOMMENDED ELECTORAL REFORM PACKAGE. IN THE EARLY MORNING HOURS OF NOVEMBER 14, IT PASSED THE PACKAGE (80 TO 17). THE PACKAGE INCLUDES THE FOLLOWING AMENDMENTS TO THE ELECTORAL LAW:
- -- REDUCE THE SIGNATURE REQUIREMENT TO REGISTER A POLITICAL PARTY TO 1% OF THE ELECTORATE (APPROXIMATELY 120,000); SIGNATURES MAY HAVE BEEN OBTAINED AT ANY TIME SINCE 1998.
- -- PARTIES WITH REPRESENTATION IN CONGRESS WILL AUTOMATICALLY BE ELIGIBLE TO PARTICIPATE.
- -- NATIONAL TELEVISION STATIONS WILL BE REQUIRED TO PROVIDE PREE AIR TIME TO CANDIDATES.
- -- EXIT POLLS WILL BE PROHIBITED.
- -- PUBLIC OPINION SURVEYS WILL NOT BE ABLE TO BE PUBLISHED THE WEEK PRECEDING ELECTIONS.



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THE LEGISLATORS REFERRED THE QUESTION OF MULTIPLE ELECTORAL DISTRICTS AND WHETHER TO HAVE CLOSED OR OPEN PARTY LISTS BACK TO COMMITTEE.

5. (U) THE ELECTORAL LAW PROHIBITS CHANGES IN ELECTORAL

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PROCEDURES AFTER THE CONVOCATION OF ELECTIONS, WHICH TOOK PLACE
NOVEMBER 10. LEGISLATORS HAVE TOLD US THAT CHANGING ELECTORAL
PROCEDURES AFTER CONVOCATION, HOWEVER, IS NOT WITHOUT PRECEDENT.
THEY ALSO ASSERT THAT ALL THE PARTIES IN CONGRESS AGREE WITH THE
CHANGES AND WILL NOT CHALLENGE THEM. THOUGH A LEGAL CHALLENGE
IS POSSIBLE, THE HOPE IS THAT ELECTIONS WILL COME AND GO BEFORE
A CHALLENGE CAN BE PROCESSED TO CONCLUSION.

FIVE-MEMBER CONGRESSIONAL COMMISSION TO INVESTIGATE MONTESINOS

6. (U) CONGRESS ALSO NAMED A FIVE-MEMBER COMMISSION TO INVESTIGATE MONTESINGS. THE COMMISSION IS COMPRISED OF THREE OPPOSITION AND TWO PERU 2000 MEMBERS. IT WILL REPORT BACK TO CONGRESS IN 45 DAYS. (COMMENT: WE EXPECT THE COMMISSION WILL REQUEST USG ASSISTANCE IN PROVIDING INFORMATION ON MONTESINGS INVOLVEMENT IN ILLICIT ACTIVITIES: SPECIFICALLY MONEY LAUNDERING AND ILLICIT ENRICHMENT.)

WEAKENED FUJIMORI FUELS SPECULATION



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INFO	LOG-00 TEDE-00 PA-00 SS-00 SAS-00	CIAE-00 INR-00 PM-00 TRSE-00 /005W	DODE-00 L-00 PRS-00 T-00	SRPP-00 AC-01 ACE-00 USIE-00	EUR-00 NSAE-00 P-00 PMB-00	DRL-02 DRL-00 DRC-00	H-01 OMB-01 SSO-00 G-00
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O 141954Z NOV 00 FM AMEMBASSY LIMA TO SECSTATE WASHDC IMMEDIATE 7390 INFO AMEMBASSY MADRID

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AMEMBASSY QUITO

AMEMBASSY SANTIAGO

AMEMBASSY ASUNCION

AMEMBASSY BUENOS AIRES

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AMEMBASSY BRASILIA

AMEMBASSY BOGOTA

AMEMBASSY LA PAZ

AMEMBASSY OTTAWA

AMEMBASSY MEXICO USCINCSO MIAMI FL

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E.O. 12958: DECL 11/14/00

TAGS: PGOV, PREL, PHUM, OAS, PE

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7. (U) PRESIDENT FUJIMORI DEPARTED NOVEMBER 13 FOR BRUNEI TO
PARTICIPATE IN THE NOVEMBER 15-16 APEC MEETING AND FROM THERE
WILL TRAVEL TO PANAMA TO ATTEND THE NOVEMBER 17-18 IBEROAMERICAN SUMMIT. ALTHOUGH THIS TRIP WAS PLANNED FOR SOME TIME,
FUJIMORI'S DEPARTURE DURING A TIME OF POLITICAL CRISES HAS
ENGENDERED SPECULATION IN THE MEDIA THAT HE WILL RESIGN SOON.

8. (U) REFERRING TO THE DECEMBER 9 DATE BY WHICH EXECUTIVE BRANCH OFFICIALS MUST RESIGN TO RUN FOR ELECTED OFFICE, PRIME MINISTER SALAS TOLD REPORTERS THAT FUJIMORI HAD NOT DISCOUNTED THE POSSIBILITY OF RUNNING FOR CONGRESS. AS PRESIDENT, HE SAID, FUJIMORI WOULD NOT BE REQUIRED TO RESIGN TO BE ELIGIBLE. ECONOMIC MINISTER BOLONA SAID HE MAY RESIGN IN ORDER TO BE A PRESIDENTIAL CANDIDATE. (NOTE: AT LEAST ONE CYNICAL FUJIMORI OPPONENT HAS ALREADY SUGGESTED THAT A RUN BY THE PRESIDENT FOR CONGRESS COULD BE IN ORDER TO RETAIN IMMUNITY FROM FUTURE PROSECUTION.)

MONTESINOS

9. (C) THE EVIDENCE SEIZED DURING FAULTY SEARCHES OF TWO MONTESINOS RESIDENCES WAS TURNED OVER TO THE ATTORNEY GENERAL'S OFFICE LATE NOVEMBER 10 AND AUTHORITIES BEGAN CATALOGUING IT NOVEMBER 13. THE GOP'S

HAVE TOLD US THAT THOUGH THE EVIDENCE IS TAINTED AND MAY BE SUBJECT TO CHALLENGE, NOTHING

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CRUCIAL TO THE INVESTIGATION HAS BEEN LOST.

10. (U) MONTESINOS FOUND TIME TO GRANT AN CLANDESTINE INTERVIEW WITH THE MEXICAN MAGAZINE EPOCA. THE AUTHOR STATED THAT THE

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INTERVIEW WAS CONDUCTED OVER THE TELEPHONE AND THAT THE
QUESTIONS WERE CAREFULLY SCREENED. NO QUESTIONS WERE ALLOWED
REGARDING MONTESINOS' POSSIBLE TIES TO DRUG TRAFFICKING OR THE
CIA. IN THE INTERVIEW, MONTESINOS STATED THAT HE WAS BEING
OFFERED UP AS A SACRIFICIAL LAMB, DENIED ANY CONNECTION TO DRUG
TRAFFICKING AND RETORTED THAT FUJIMORI COULD NOT CONVENIENTLY
ESCAPE THEIR COMMON HISTORY.

CIA

HAMILTON

<< END OF DOCUMENT >>

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