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INFO LOG-00 ACDA-08 ACDE-00 INLB-01 AID-00 AMAD-01 ACQ-01
SMEC-00 INL-01 OASY-00 DODE-00 DOEE-00 SRPP-00 DS-00
EB-00 FBIE-00 H-01 TEDE-00 INR-00 IO-00 L-01
ADS-00 NEA-01 NSAE-00 NSCE-00 OIC-02 PM-00 PRS-00
P-00 SP-00 SSO-00 STR-00 TRSE-00 PMB-00 DSCC-00
PRM-10 PRME-01 PRMC-01 DRL-09 G-00 /039W
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FM AMEMBASSY LIMA
TO SECSTATE WASHDC IMMEDIATE 8727
INFO AMEMBASSY QUITO PRIORITY
AMEMBASSY BRASILIA
AMEMBASSY SANTIAGO
DEPT OF JUSTICE WASHINGTON DC
CIA WASHINGTON DC
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DIA WASHDC
USIA WASHDC 3681
AMEMBASSY TEL AVIV
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E.O. 12958: 07/25/2007
TAGS: PGOV PHUM KDEM PINR PE
SUBJECT: PERU'S WIRETAPS - WHY IT WON'T BE WATERGATE

REF: A) LIMA 6279, B) LIMA 6202, C) LIMA 6032, D) LIMA 4695

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UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: NORMAN M. BOUTON
DATE/CASE ID: 17 JAN 2002 200102972

DEPT OF STATE APPEALS REVIEW PANEL (ARP)

FOIA/PA	Mandatory Review
() Release	() Declassify
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Exemptions

ARP Action Cert

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1. (U) CLASSIFIED BY AMBASSADOR DENNIS JETT, EMBASSY LIMA, FOR REASON 1.5 (D).

2. (C) SUMMARY: ENTWINED WITH THE POLITICALLY CHARGED CASE OF THE GOP'S JULY 13 CANCELLATION OF CHANNEL TWO MAJORITY OWNER BARUCH IVCHER'S PERUVIAN CITIZENSHIP ARE CHANNEL TWO'S REVELATIONS, BROADCAST THE SAME DATE, OF THE GOP'S SYSTEMATIC AND APPARENTLY TECHNICALLY SOPHISTICATED TELEPHONE WIRETAPPING. AMONG THOSE WHOSE CONVERSATIONS WERE TAPED AND TRANSCRIBED WERE JOURNALISTS, OPPOSITION POLITICIANS, GOVERNMENT EMPLOYEES, AND BUSINESSMEN. PRESIDENT FUJIMORI'S RESPONSE, ESSENTIALLY THAT PRIVATE INDIVIDUALS WITH THEIR OWN "SCANNERS" HAD TAPED THE CONVERSATIONS AND THAT THE OPPOSITION WAS ONLY TRYING TO PORTRAY THE GOP AS A DICTATORSHIP FOR ITS OWN ENDS, SERVED ONLY TO FURTHER REDUCE HIS CREDIBILITY. A SECRET SESSION OF CONGRESS, ATTENDED BY ALL THE ARMED FORCES CHIEFS, HAD TO BE SUSPENDED BECAUSE AN OPPOSITION CONGRESSMAN WAS SHOWN TO HAVE ESTABLISHED A TELEPHONE LINK BETWEEN THE CLOSED SESSION AND A LIVE TELEVISION BROADCAST.

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WHO'S LISTENING TO WHOM?

4. (U) HOURS BEFORE NEWS BROKE OF THE CANCELLATION OF THE PERUVIAN CITIZENSHIP OF ITS OWNER JULY 13 (REFTEL A), A LOCAL TELEVISION STATION BROADCAST A PROGRAM HIGHLIGHTING ALLEGATIONS THAT PERUVIAN INTELLIGENCE SERVICES REGULARLY--AND ILLEGALLY--WIRETAP THE TELEPHONES OF A WIDE VARIETY OF PERUVIAN PERSONALITIES. CHANNEL

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TWO'S POPULAR SUNDAY MORNING SHOW, "COUNTERPOINT," AIRED RECORDED CONVERSATIONS OF WELL-KNOWN FIGURES AND PROVIDED THE NAMES OF 197 INDIVIDUALS WHOSE CONVERSATIONS THE INTELLIGENCE SERVICES HAD ALLEGEDLY TAPPED. THOSE LISTED INCLUDE RECENTLY RESIGNED FOREIGN MINISTER TUDELA AND OTHER GOVERNMENT OFFICIALS, OPPOSITION CONGRESSMEN, JOURNALISTS, BUSINESSMEN AND ENTERTAINERS. A PERUVIAN FSN WORKING IN EMBASSY LIMA'S USIS INFORMATION OFFICE AND THE LOCAL STRINGER OF THE NEW YORK TIMES ALSO APPEAR AMONG THE 197.

5. (C) CHANNEL TWO ("FRECUENCIA LATINA"), WHOSE OWNER BARUCH IVCHER IS BATTLING TO RECOVER HIS PERUVIAN CITIZENSHIP AND RETAIN
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CONTROL OF THE STATION (REFTELS), CLAIMED THAT THE TAPES AND TRANSCRIPTS OF WIRETAPPED CONVERSATIONS ORIGINATED FROM THE NATIONAL INTELLIGENCE SERVICE ("SIN" BY ITS SPANISH ACRONYM) WHOSE DE FACTO CHIEF, VLADIMIRO MONTESINOS TORRES, IS PRESIDENT ALBERTO FUJIMORI'S CLOSEST ADVISOR. HOURS AFTER THE MORNING BROADCAST ON JULY 13, THE OFFICIAL GOVERNMENT GAZETTE PUBLISHED AN ADMINISTRATIVE DECREE REVOKING IVCHER'S 1984 NATURALIZATION AS A PERUVIAN CITIZEN.

6. (U) THE PUBLIC OUTCRY FROM POLITICAL, JOURNALISTIC, AND BUSINESS CIRCLES AGAINST THE NEWS OF THE WIRETAPPING AND THE ACTIONS AGAINST IVCHER WAS IMMEDIATE. AN OPPOSITION CONGRESSWOMAN, ANEL TOWNSEND, AND 13 JOURNALISTS WHO WERE AMONG THOSE WIRETAPPED, FILED A CASE PROTESTING THE VIOLATION OF THEIR CONSTITUTIONAL RIGHT TO PRIVACY. PROMINENT FIGURES WHO RARELY TAKE STANDS ON POLITICAL ISSUES, SUCH AS THE PRESIDENT OF THE NATIONAL COUNCIL OF INDUSTRIALISTS AND BUSINESSMEN, JORGE PICASSO, HIMSELF A TARGET OF THE WIRETAPS, PUBLICLY CONDEMNED THE TELEPHONIC ESPIONAGE. FOREIGN MINISTER FRANCISCO TUDELA SUBMITTED HIS "IRREVOCABLE" RESIGNATION FROM THE CABINET ON JULY 14; IT WAS ACCEPTED AND ANNOUNCED TWO DAYS LATER.

7. (C) PUBLIC QUESTIONING AND CRITICISM OF THE GOVERNMENT'S

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	EB-00	FBIE-00	H-01	TEDE-00	INR-00	IO-00	L-01
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	P-00	SP-00	SSO-00	STR-00	TRSE-00	PMB-00	DSCC-00
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ACTIONS AND ATTITUDE HAVE MOUNTED SINCE THAT TIME; THE JULY 17 MAJOR CABINET SHAKE-UP (REFTEL B) ONLY COMPOUNDED DOUBTS THAT THE FUJIMORI GOVERNMENT COULD OR WOULD RESPOND ADEQUATELY TO THE CHARGES. (COMMENT: THE CABINET SHUFFLE REFLECTED A CLOSING OF RANKS WITHIN THE GOVERNMENT AGAINST ITS DETRACTORS RATHER THAN AN EFFORT TO CHANGE DIRECTION OR BECOME MORE TRANSPARENT. END

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COMMENT.)

8. (C) DESPITE WIDESPREAD DISCUSSION OF PAST INSTANCES OF TELEPHONIC ESPIONAGE AND REFERENCES TO U.S.-PRODUCED EQUIPMENT, THERE HAS BEEN ALMOST NO DISCUSSION OF POSSIBLE USG INVOLVEMENT IN THE CURRENT SCANDAL. "SI," DID, HOWEVER, PUBLISH A BRIEF ARTICLE CLAIMING THAT THE INTERCEPTS AIRED ON THE JULY 13 "COUNTERPOINT" PROGRAM WERE MADE IN THE AMERICAN EMBASSY USING MODERN COMMUNICATIONS EQUIPMENT "BELONGING TO DEA AND CIA."

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GOVERNMENT RESPONSE: TOO LITTLE, TOO LATE

9. (C) AS "COUNTERPOINT" WAS AIRING THE WIRETAPPED CONVERSATIONS ON JULY 13, MIGUEL ALJOVIN SWAYNE, PERU'S "FISCAL DE LA NACION" (HEAD OF THE PUBLIC MINISTRY, AKIN TO AN ATTORNEY GENERAL), PLEDGED ON TELEVISION TO APPOINT A SPECIAL PROSECUTOR TO INVESTIGATE THE ALLEGATIONS OF OFFICIAL WIRETAPPING. AT THE SAME TIME, BLANCA
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NELIDA COLAN, ALJOVIN'S PREDECESSOR AND CURRENT HEAD OF THE EXECUTIVE COMMISSION OF THE PUBLIC MINISTRY--WHICH HAS MANAGED TO USURP MOST OF THE ATTORNEY GENERAL'S POWERS--CONVENED HER COMMITTEE MEMBERS FOR THAT AFTERNOON TO APPOINT HER OWN SPECIAL PROSECUTOR. THE AD HOC PROSECUTOR, VICTOR HUGO SALVATIERRA,

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10. (C) PRESIDENT FUJIMORI'S RESPONSE HAS BEEN ONE OF DENIAL AND BLAME SHIFTING, WHICH HAS BEEN POORLY RECEIVED IN PRESS AND POLITICAL CIRCLES. IN HIS FIRST PUBLIC STATEMENT ABOUT THE WIRETAPPING, FUJIMORI TOLD A LOCAL TELEVISION INTERVIEWER ON JULY 15 THAT THE PERUVIAN INTELLIGENCE SERVICES DID NOT CONDUCT THE TELEPHONE SURVEILLANCE PRESENTED BY CHANNEL TWO. FURTHERMORE, FUJIMORI ASSERTED, THE TYPE OF WIRETAPPING GOING ON IN PERU COULD BE CARRIED OUT BY ANYONE WHO OWNS A "SCANNER," AVAILABLE, HE SAID, IN MIAMI FOR USD 30-40,000. ATTEMPTING TO TURN THE TABLES, FUJIMORI REMINDED HIS INTERVIEWER THAT THE PRESIDENT HIMSELF HAD

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BEEN THE VICTIM OF TELEPHONE INTERCEPTS IN NOVEMBER 1992. ACCORDING TO FUJIMORI, THIS CONSTITUTED PROOF THAT ANYONE COULD WIRETAP TELEPHONES. NOT SATISFIED WITH THIS WEAK DEFENSE, HOWEVER, THE PERUVIAN PRESIDENT WENT ON TO SAY THAT THE OPPOSITION WAS ATTEMPTING TO BRAINWASH THE NATION INTO THINKING THAT PERU WAS A POLICE STATE IN WHICH NO ONE HAD ANY PRIVACY. HE PROTESTED AT LENGTH DURING THE INTERVIEW THE OPPOSITION'S SUGGESTION THAT PERU

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WAS LIVING UNDER A DICTATORSHIP.

11. (C) PRIME MINISTER ALBERTO PANDOLFI ARBULU ASSURED A BUSINESS GROUP THAT THE MATTER WOULD BE THOROUGHLY INVESTIGATED AND THE CULPRITS BROUGHT TO JUSTICE. NO OTHER PERUVIAN OFFICIAL HAD ATTEMPTED A FULL-COURT PRESS TO DEFEND OR EXPLAIN AWAY THE WIRETAPPING. INDEED, IN THE DAYS IMMEDIATELY FOLLOWING THE REVELATIONS, THE CLOSEST ANYONE CAME TO DEFENDING WHAT WAS WIDELY SEEN AS THE INDEFENSIBLE WAS DIE-HARD FUJIMORI SUPPORTER DANIEL ESPICHAN, HEAD OF THE CONGRESSIONAL HUMAN RIGHTS COMMISSION, WHO CALLED FOR CHANNEL TWO TO REVEAL ITS SOURCE(S) FOR THE WIRETAP TAPES AND TRANSCRIPTS IN ORDER TO ASSIST IN THE INVESTIGATION.

CONGRESSIONAL BROUHAHA OVER "LIVE FEED" FROM SECRET SESSION

12. (U) ON JULY 22, PRESIDENT OF CONGRESS VICTOR JOY WAY CONVOKED AN UNUSUAL "SECRET" SESSION OF CONGRESS AT THE PRIME MINISTER'S REQUEST TO HEAR VARIOUS CABINET MEMBERS' EXPLANATIONS OF THE GOP'S POSITIONS ON BOTH THE WIRETAPS AND THE IVCHER CITIZENSHIP CASE. IN A PUBLIC SESSION PRECEDING THE CLOSED DOORS MEETING, FUJIMORI'S MINISTERS ECHOED HIS PREVIOUS EXPLANATION, WITH EDUCATION MINISTER DOMINGO PALERMO DEMONSTRATING A "SCANNER" TO SHOW THAT ANYONE COULD

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ADS-00	NEA-01	NSAE-00	NSCE-00	OIC-02	PM-00	PRS-00
P-00	SP-00	SSO-00	STR-00	TRSE-00	PMB-00	DSCC-00
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INTERCEPT TELEPHONE CONVERSATIONS. PRIME MINISTER PANDOLFI
DEFENDED THE PRESIDENT'S SUCCESSES AND ACCUSED THE OPPOSITION OF
TRYING TO TORPEDO THEM BY SOWING DOUBT AMONG INVESTORS ABOUT PERU'S
ECONOMIC PROSPECTS. PANDOLFI SUGGESTED THAT THE MINISTERS WOULD
PRESENT EVIDENCE TO SHOW THAT NATIONAL SECURITY ISSUES WERE AT
STAKE IN THE IVCHER DECISION.

... AND THE MILITARY BRASS' SURPRISE APPEARANCE

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13. (U) IN AN UNPRECEDENTED SHOW OF STRENGTH, THE HEAD OF PERU'S ARMED SERVICES, GENERAL NICOLAS DE BARI HERMOZA RIOS, AND THE OTHER SERVICE CHIEFS, ATTENDED BY SOME 30 OTHER UNIFORMED PERSONNEL, ACCOMPANIED THE NEW DEFENSE MINISTER, GENERAL CESAR SAUCEDO SANCHEZ, TO THE CONGRESSIONAL HEARING. PREDICTABLY, THE OPPOSITION BENCH VOCIFEROUSLY REJECTED THE PRESENCE OF THE TOP-RANKING MILITARY CONTINGENT IN THE HALLS OF THE CIVILIAN LEGISLATURE. THE EVENT THAT PRECIPITATED THE SUSPENSION OF THE SESSION UNTIL A LATER DATE, HOWEVER, WAS THE DISCOVERY THAT UNITED LEFT (IU) CONGRESSMAN JAVIER DIEZ CANSECO WAS USING HIS CELLULAR PHONE DURING THE CLOSED SESSION TO INFORM A PROMINENT OPPOSITION JOURNALIST OF WHAT WAS TRANSPILING IN THE CLOSED SESSION. OUTRAGED AT DIEZ CANSECO'S VIOLATION OF THE GROUND RULES, GOVERNMENT AND OPPOSITION CONGRESSMEN ALIKE ASKED THAT THE SESSION BE RESCHEDULED FOR A LATER

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DATE, BUT PREFERABLY IN A FEW DAYS.

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COMMENT

16. (C) WIRETAPS OF POLITICAL AND PRESS OPPONENTS LACK ANY LEGAL JUSTIFICATION AND REPRESENT THE EXCESSES OF AN AUTHORITARIAN REGIME UNABLE TO ACCEPT THAT, IN A DEMOCRACY, THERE IS A ROLE FOR LEGITIMATE OPPOSITION. MOREOVER, THE DEDICATION OF SIGNIFICANT INTELLIGENCE RESOURCES TO TRACKING PROMINENT PERUVIANS' CONVERSATIONS CAN ONLY DETRACT FROM GOP ATTENTION TO LINGERING PROBLEMS OF TERRORISM AND NARCOTICS TRAFFICKING. PRESIDENT FUJIMORI'S INABILITY TO MODIFY HIS EVASIVE AND AUTHORITARIAN REACTION TO THE PERUVIAN PUBLIC'S LEGITIMATE ASPIRATIONS FOR LESS PERSONALIZED, BETTER GOVERNANCE CAN ONLY LEAD TO FURTHER CYNICISM AND CONTINUED LOW RATINGS IN POPULARITY POLLS. FUJIMORI IS NOT ALLOWING ANY SPACE TO DEVELOP BETWEEN HIM AND THE MILITARY AND, AS LONG AS THEY SUPPORT HIM, HE CAN SURVIVE. WHETHER DEMOCRACY CAN, EVEN THE LIMITED PERUVIAN STYLE OF IT, IS ANOTHER QUESTION.

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