

CONFIDENTIAL

JOINT STAFF
INFO SERVICE CENTER

LD3
S+AC

ek
Duck

R

PRIORITY
P 101734Z NOV 90
FM AMEMBASSY LIMA
TO SECSTATE WASHDC PRIORITY 2939
INFO AMEMBASSY BOGOTA 5863
AMEMBASSY LA PAZ 8358
USMISSION USUN NEW YORK 2322
DEAHOQ WASHDC

ZYUW RUEHPEA7143 3141806
AMEMBASSY CARACAS 0228
USCINCSO QUARRY HEIGHTS FM
SECDEF WASHDC
DIA WASHDC

CIVILIAN GOVERNMENT WORKERS DIED IN 1989 THAN IN ANY YEAR SINCE SENDERO INITIATED ITS ARMED STRUGGLE IN 1980. THE AREA OF PERU UNDER SENDERO INFLUENCE HAS ALSO GROWN STEADILY. THE FIRST EMERGENCY ZONE WAS DECLARED IN 1981. EACH YEAR SINCE, THE TOTAL NUMBER OF PROVINCES AND DEPARTMENTS UNDER EZ STATUS HAS INCREASED. DURING 1990, 73 PROVINCES (OF 184 TOTAL) OF 11 DEPARTMENTS (OF 24 TOTAL) HAVE BEEN IN EZ STATUS.

CONFIDENTIAL SECTION 01 OF 07 LIMA 17143

USCINCSO ALSO FOR POLAD

DEA FOR AO, DO, OF, OC, OISL, OIOC

DIA FOR OA-5/1D/DB-6D2/JS1-4B/DB3C1

E.O. 12356: DECL: OADR
TAGS: PTER, ASEC, SNAR, PHUM, PGOV, PE
SUBJECT: CAN THE GOVERNMENT OF PERU DEFEAT SENDERO LUMINOSO?

REF: A) LIMA 1054, B) LIMA 12787 C) 89 LIMA 12113
D) 89 LIMA 12463

1. CONFIDENTIAL - ENTIRE TEXT.

2. THIS IS PART THREE OF A SERIES ON SENDERO LUMINOSO AS IT ENTERS ITS SECOND DECADE OF ARMED REBELLION. IN PART ONE (REF A) WE REPORTED 1989'S TERRORISM TOTALS. IN PART TWO (REF B) WE EXAMINED ESTIMATES OF SL STRENGTH AND CURRENT TARGETING PATTERNS. IN THIS SECTION WE WILL ATTEMPT TO ANSWER THE QUESTION, "IS SENDERO LUMINOSO VULNERABLE TO A WELL-DESIGNED AND FINANCED ANTI-SUBVERSIVE STRATEGY?"

SUMMARY AND REVIEW OF PARTS ONE AND TWO:

3. BY MOST MEASURES 1989 WAS PERU'S WORST YEAR FOR TERRORISM: 3,198 PERSONS DIED IN TERRORIST-RELATED VIOLENCE. MORE POLICE, MILITARY, POLITICIANS AND

JOINT STAFF
ACTION

- INFO C3CS(1) DJS/(1) DIRM:SCD(1) J3(4)
- NIDS(1) J4(9) J5(2) QUAL CONTROL(1) USDEL IADB(1)
- USCINCSO LO(1) J1:PLANS-J(1) SECDEF-N(1) ASD:FM&P(1)
- ASD:PA(1) USDP:IA(3) USDP:DSAA(4) USDP:CIS(1)
- USDP:OUTREAC(1) USDP:EP(1) USDP:IEEA(1)
- USDP:SO-LIC(1) USDP:MA(1) DR(1) DD(1) ED(1) SEA(1)
- CS-1(1) NMIC(1) OSC-2D(1) DB-5C2(1) NWS(1) JSJ-J(1)
- DAT-5(1) CS-2A(1) VP(1) CS-2B3(1) CN(1) DE-2LA(1)
- DB-3C(1) DIA(1) CS-2N(1) DB-6D(1) DIO-LA(1)
- JS-CAJIT(1)
- +OCSA WASHINGTON DC
- +CNO WASHINGTON DC
- +CSAF WASHINGTON DC
- +USEUCOM AIDES VAIHINGEN GE
- +USCINCSO QUARRY HEIGHTS PM
- +CMC CC WASHINGTON DC
- +COMJSOC FT BRAGG NC//J2//
- +NATS NRRC PENTAGON WASH DC
- +USCINCSOC INTEL OPS CEN MACDILL AFB FL
- +MAC INTEL CEN SCOTT AFB IL//IN//
- +FOSIF SPEC INTEL CUBI PT RP
- +CDRUSAITAC WASHINGTON DC//KT//
- +CDRPSYOP GP FT BRAGG NC//ASOF-POG-SB//
- +1 SFOF FT BRAGG NC//DF-SB/ASE//
- +24COMPW INTEL HOWARD AFB PM//IN//
- +COMINSCOM WASHINGTON DC//NAVATAC//
- +SAFE
- +DITDS

IS|FPC|CDR Date: 12/15/94

MR Cases Only
EO Citations

TS authority to:
() CLASSIFY as () S or () C OADR
() DOWNGRADE TS to () S or () C OADR

DEPARTMENT OF STATE

X RELEASE
() EXCISE
() DENY
() DELETE Non-Responsive Info
FOIA Exemptions
PA Exemptions

DECLASSIFY ()
DECLASSIFY IN PART

(U,P,6,7,8)

4. ANTI-TERRORISM POLICE AND MILITARY INTELLIGENCE ANALYSTS ESTIMATE THAT SL MANPOWER LEVELS ARE ALSO HIGHER NOW THAN AT ANY OTHER TIME. THE BEST ESTIMATES WE HAVE SEEN OF SL NUMBERS INDICATE THAT THERE ARE 2,000 UNDER PERMANENT ARMS, ANOTHER 3,000 TRAINED MILITIA, AND PERHAPS 17,000 DEDICATED NON-COMBATANT SUPPORTERS. THE FOCUS OF SL ACTIVITY REMAINS THE ANDEAN SIERRA (1169 INCIDENTS IN 1989), BUT LIMA IS NOW THE AREA OF SECOND HIGHEST SL ACTIVITY (515 INCIDENTS). THE EASTERN JUNGLE SUFFERS FEWER INCIDENTS (193) THOUGH THE SL IS NOW USING THE JUNGLE AS ITS PRINCIPAL TRAINING AND STAGING ZONE. END REVIEW.

SUMMARY TO PART THREE:

5. SENDERO'S RECENT SUCCESSSES MUST BE MEASURED AGAINST RECENT GOP FAILURES: THE ABSENCE OF DECENT INTELLIGENCE, THE DISCONTINUITY OF MILITARY COMMAND, THE PAUCITY OF RESOURCES IN A SEVERELY DEPRESSED ECONOMY TO WAGE A HEALTHY ANTI-TERRORIST WAR, AND THE LACK OF A STRATEGY AND A UNIFIED ANTI-SENDERO DOCTRINE. BUT INCREASED SL VIOLENCE IN 1989 DISGUISES SIGNS OF TERRORIST WEAKNESS. DESPITE THE MISERY HERE, THERE IS LITTLE POPULAR SUPPORT FOR SENDERO. EVEN WHILE SENDERO DEATH-TOTALS RISE, IT APPEARS THAT SL'S TOP LEADERSHIP IS DISORGANIZED, ITS CADRE EXHIBITS LESS IDEOLOGICAL COHERENCE, AND ITS RANK AND FILE ARE POORLY TRAINED. BY DILUTING ITS QUALITY CONTROL IN ITS BID TO SWELL THE RANKS OF ITS MILITIA, SL HAS PAID A STEEP PRICE FOR RECENT SUCCESSSES.

6. WE ALSO BELIEVE THAT SL IS POTENTIALLY WEAKENED BY ITS DEPENDENCE ON THE JUNGLE FOR COVER AND THE COCA LEAF FOR FINANCES. SL HAS LARGELY ABANDONED GUZMAN'S VISION OF ESTABLISHING THE FINANCIAL AND BT

CONFIDENTIAL SECTION 02 OF 07 LIMA 17143

USCINCSO ALSO FOR POLAD

DEA FOR AO, DO, OF, OC, OISL, OIOC

DIA FOR OA-5/1D/DB-6D2/JS1-4B/DB3C1

E.O. 12356: DECL: OADR
TAGS: PTER, ASEC, SNAR, PHUM, PGOV, PE
SUBJECT: CAN THE GOVERNMENT OF PERU DEFEAT SENDERO

LOGISTICAL SUPPORT BASIS FOR THE PEOPLE'S REVOLUTION FIRST IN THE MOUNTAINS. IN SUM, THOUGH SL IS SPREADING AND GROWING, WE ARE CONVINCED THAT IT IS NOT DEVELOPING. DESPITE SL WEAKNESSES, THE CHALLENGE TO THE FUJIMORI GOVERNMENT IS DAUNTING. TO WAGE A SUCCESSFUL ANTI-SUBVERSIVE STRATEGY THE GOVERNMENT MUST ELIMINATE THE ATTITUDINAL BARRIERS THAT CONTINUE TO HOBBLE THE FIGHT AGAINST SENDERO. END SUMMARY.

THE GOP'S RECENT ANTI-TERRORISM EFFORT

7. MEASURED AGAINST SL'S APPARENT SUCCESSSES (REFS A & B), 1989 SAW TWO FAILED GOP ANTI-TERRORISM

CONFIDENTIAL

CONFIDENTIAL

JOINT STAFF
INFO SERVICE CENTER

INITIATIVES: AN EFFORT TO INSTITUTIONALIZE MILITARY/POLICE INTELLIGENCE AND OPERATIONS COOPERATION (REF C) AND A BRIEFLY SUCCESSFUL ANTI-SENDERO OFFENSIVE IN THE UHV BY THE ARMY (REF D). BOTH FIZZLED.

8. POLICE/MILITARY COOPERATION AS WELL AS INTRA-SERVICE COOPERATION WITHIN THE MILITARY, ARE CRITICAL TO A SUCCESSFUL ANTI-SUBVERSIVE EFFORT. ALL BRANCHES OF THE SECURITY SERVICES RECOGNIZE THIS. SENDERO AND MRTA BATTLEFIELDS CROSS URBAN/RURAL AND EZ/NON-EZ BOUNDARIES. BUT THE GOVERNMENT HAS NO EFFECTIVE CENTRAL COMMAND OR INTELLIGENCE GATHERING STRUCTURE TO UNIFY ITS ANTI-TERRORISM CAMPAIGN. FOR EXAMPLE, SENDERO COLUMNS COME UP OUT OF THE UPPER HUALLAGA VALLEY (UHV) TO STRIKE TARGETS IN THE VALLEYS OF ANCASH. WHILE IN THE UHV IT IS AN ARMY PROBLEM. WHILE IN ANCASH IT IS OFFICIALLY A POLICE ONE. THERE IS NO STRUCTURE IN PLACE TO ENSURE THAT IT IS DEALT WITH AS A NATIONAL PROBLEM. WITHIN THE MILITARY THE NOTION OF A CENTRAL MILITARY COMMAND IS A HOLLOW SHELL REPRESENTED BY THE "COMANDO CONJUNTO." THE THREE SERVICE COMMANDERS MEET ONLY ONCE WEEKLY AND INTERSERVICE COOPERATION IS AD HOC. THE GAP IS EVEN MORE DRAMATIC BETWEEN THE POLICE AND MILITARY.

9. THE ARMY'S INABILITY TO CONTROL THE UHV DEMONSTRATES THE LIMITATIONS UNDER WHICH THE MILITARY OPERATES. IN 1989, AFTER A BRIEF SPURT OF ACTIVITY, INCLUDING SEVERAL IMPORTANT STRIKES AGAINST THE SL, BUDGET REALITIES CAUGHT UP WITH GENERAL ARCINIEGA AND THE ARMY; HE HAD NO MONEY FOR HELICOPTER REPAIRS. NO FUEL, NO GROUND VEHICLES, AND ONLY LIMITED FIELD RATIONS. (340 OF THE 646 SL KILLED BY THE MILITARY IN 1989 DIED IN THE UHV IN THE MONTHS OF JUNE AND JULY. ARCINIEGA ARRIVED IN MAY.) SINCE DECEMBER 1989 THE ARMY HAS LOST PERSONNEL IN AT LEAST FOUR UHV AMBUSHES IN WHICH ON-DUTY SOLDIERS WERE TRAVELING IN CIVILIAN VEHICLES - HITCHING RIDES IN A WAR ZONE. THE LATEST INCIDENT OCCURRED NOVEMBER 6, 1990 NEAR TINGO MARIA. FIVE SOLDIERS DIED.

10. DURING THE FIRST HALF OF 1990, THE ARMY ONCE AGAIN BECAME MORE ACTIVE IN THE VALLEY. BUT AGAIN THE MONEY RAN OUT. THE MILITARY ATTITUDE NATIONWIDE IS STILL MORE DEFENSIVE THAN OFFENSIVE. WITH AS MUCH AS 82 PERCENT OF ARMY OPERATIONS AND MAINTENANCE FUNDS DEDICATED TO THE UHV BEING SIPHONED OFF IN KICK-BACKS AND GRAFT (LIMA DAO 13286), TROOP COMMANDERS SIMPLY LACK THE RESOURCES TO WAGE AN EFFECTIVE WAR AGAINST THE TERRORISTS.

BUT THE PEOPLE'S REVOLUTION IS FAILING
BT

C O N F I D E N T I A L SECTION 03 OF 07 LIMA 17143

USCINCSO ALSO FOR POLAD

DEA FOR AO, DO, OF, OC, OISL, OIOC

DIA FOR OA-5/1D/DB-6D2/JS1-4B/DB3C1

E.O. 12356: DECL: OADR
TAGS: PTER, ASEC, SNAR, PHUM, PGOV, PE
SUBJECT: CAN THE GOVERNMENT OF PERU DEFEAT SENDERO

11. PERUVIAN TERRORISM CANNOT BE UNDERSTOOD OUTSIDE THE CONTEXT OF THE DESPERATE POVERTY AND NEGLECT IN THE PERUVIAN HIGHLANDS AND THE NEARLY EQUALLY DISASTEROUS ECONOMIC SITUATION IN THE REST OF THE NATION. TENS OF THOUSANDS IN LIMA'S PUEBLOS JOVENES

DO NOT HAVE ELECTRICITY OR WATER. FARMERS ARE NOT PAID FOR THEIR CROPS. THE ROADS ARE FALLING APART. TRASH IS PILING UP IN THE STREETS. UNEMPLOYMENT AND UNDEREMPLOYMENT TOTAL A STAGGERING 80 PERCENT. THE NUMBER OF STREET VENDORS GROWS VISIBLY EACH DAY AS THE ECONOMY SHIFTS TO THE SIDEWALKS. THE UNIVERSITIES ARE A MESS. THOSE WHO DO GRADUATE HAVE 40 PROSPECTS.

12. DESPITE THIS ECONOMIC AND SOCIAL DISRUPTION, THERE IS NO EVIDENCE OF ANY POPULAR UPRISING IN THE CUBAN OR SANDINISTA SENSE OF THE WORD. THE MASSES ARE YET NOT READY TO TAKE UP ARMS AGAINST THEIR GOVERNMENT. THE ANGER THAT IS PRESENT HERE HAS NOT YET TRANSLATED INTO SUPPORT FOR THE TERRORISTS. AFTER 10 YEARS THE PEOPLE'S REVOLUTION IS A FAILURE. IN THE UNIVERSITIES, SL-SUPPORTED SLATES HAVE LOST RECENT STUDENT GOVERNMENT ELECTIONS, THOUGH SL CONTINUES TO EXERCISE AN INFLUENCE DISPROPORTIONATE TO ITS NUMBERS ON SEVERAL RADICALIZED CAMPUSES. SL EFFORTS TO TAKE OVER THE MINING UNIONS HAS ALSO BEEN THWARTED, BY THE LEGAL LEFT. IN THE COUNTRYSIDE, SL CONTINUES TO RECRUIT AMONG POOR CAMPESINO YOUTH. BUT THE MAJORITY OF PEASANTS RESIST THE "REVOLUTION", SOME PASSIVELY, OTHERS BY TAKING UP ARMS IN LOCALLY ORGANIZED "RONDAS CAMPESINAS."

THE DILEMMA OF THE RONDAS

13. A NOTE ON THE RONDAS (WE WILL EXPLORE THE ISSUE MORE FULLY IN A COMING REPORT). THE IDEA OF FURTHER ARMING THE "RONDAS" UNDER GOVERNMENT COORDINATION TO DENY THE TERRORISTS UNOPPOSED ACCESS TO SCATTERED RURAL COMMUNITIES IS ONE WHICH IS SLOWLY GAINING CURRENCY HERE ACROSS THE POLITICAL SPECTRUM. EVEN THE LEFT, WHICH ARGUES THAT THE GOVERNMENT'S ANTI-TERRORISM STRATEGY SHOULD BE DEMILITARIZED, NOW ADMITS THAT "POPULAR" ORGANIZATIONS, SUCH AS THE CAMPESINO FEDERATIONS, SHOULD BE GIVEN A LARGER ROLE IN THE SELF-DEFENSE OF THEIR COMMUNITIES.

14. BUT THE RONDAS ARE SELDOM GIVEN ARMS AND THERE IS NO NATIONAL APPROACH TO THE CONCEPT. THERE ARE INSTANCES OF RONDAS, SPONSORED AND TRAINED BY THE POLICE, BEING ATTACKED BY THE MILITARY. AND VICE VERSA. IN MANY PLACES (SUCH AS EASTERN JUNIN) EXPERIMENTS WITH THE RONDAS MAY ACTUALLY BACKFIRE. THERE THE GOP CREATED A FALSE SENSE OF SECURITY WITHOUT PROVIDING SUFFICIENT ARMS. THEN THE RONDAS WERE ATTACKED AND THEIR LEADERS SLAUGHTERED BY SL. THE SURVIVORS OFTEN BLAME THEIR SPONSORS.

15. THE RONDAS STRATEGY HARBORS OTHER GRAVE RISKS. SOME OF THE RONDAS ARE INVOLVED IN COCA CULTIVATION, INCLUDING THE MOST SUCCESSFUL RONDAS VILLAGES ALONG THE APURIMAC RIVER. SHOULD THESE BE ARMED? THERE ARE RELIABLE, ANECDOTAL REPORTS THAT SOME RONDAS ARE AS BRUTAL AND INDESCRIMINATE IN THEIR KILLINGS AS THE TERRORISTS THEY ARE FIGHTING. LASTLY, ONCE THE RONDAS ARE TRAINED, ARMED, AND BECOME A TRULY EFFECTIVE FORCE, AND AFTER THE TERRORISTS ARE DEFEATED, THE GENIE IS OUT OF THE BOTTLE. LEGITIMIZING THE RONDAS MEANS UNDERCUTTING THE
BT

C O N F I D E N T I A L SECTION 04 OF 07 LIMA 17143

USCINCSO ALSO FOR POLAD

DEA FOR AO, DO, OF, OC, OISL, OIOC

DIA FOR OA-5/1D/DB-6D2/JS1-4B/DB3C1

E.O. 12356: DECL: OADR
TAGS: PTER, ASEC, SNAR, PHUM, PGOV, PE
SUBJECT: CAN THE GOVERNMENT OF PERU DEFEAT SENDERO

CONFIDENTIAL

JOINT STAFF
INFO SERVICE CENTER

COHESIVE FORCE OF THE CENTRALIZED STATE, A CAUSE FOR DISCOMFORT AMONG MANY LIMENO ELITE.

IS SENDERO DIVIDED?

16. MANY SENDERO-WATCHERS ARE ALSO CONVINCED THAT THE MATURE, WELL-EDUCATED LEADERSHIP WHICH FOUNDED THE MOVEMENT IS BEING SUPPLANTED BY A YOUNGER, LESS EXPERIENCED, MORE MILITARY-ORIENTED CADRE. THESE NEW LEADERS ARE NOT STEEPED IN THE IDEOLOGY THAT NURTURED SENDERO FROM 1965 TO ITS SHIFT TO CLANDESTINITY IN 1979. SOME SAY THE MOVEMENT IS IN INTERNAL CRISIS. POLICE TELL US THEY ARE HAVING GREATER SUCCESS IN INTERCEPTING SL OPERATIONS AND IN PICKING UP SL CADRE WHO HAVE PARTICIPATED IN SUCH OPERATIONS. POLICE ALSO TELL US THEY ARE MORE SUCCESSFUL THAN EVER IN PENETRATING SL CELLS. THE TOP LEADERSHIP REMAINS A MYSTERY, BUT THE MIDDLE AND LOWER TIERS ARE LESS PROFESSIONAL AND POORLY TRAINED.

17. RECENTLY SEIZED SL DOCUMENTS ASSERT THAT THE REVOLUTION IS NOW IN ITS FIFTH AND FINAL PHASE, THE CONQUEST OF POWER. THAT IS UTTER FOOLISHNESS. WE FIND IT IMPOSSIBLE TO BELIEVE THAT SL LEADERSHIP BELIEVES THIS. BUT THE FACT THEY ARE PUBLISHING SUCH A CLAIM FOR DISTRIBUTION TO THE CELLS MAY BE MORE INDICATIVE OF SL'S LEADERSHIP'S VIEW OF ITS FAILURES THAN OF ITS SUCCESS.

18. DESPITE THE SPECULATION OF SOME SENDERO-WATCHERS HERE, WE HAVE SEEN NO PERSUASIVE EVIDENCE OF ANY CIVIL WAR INSIDE SENDERO. AS ONE MILITARY ANALYST REMINDED US, SENDERO, LIKE ALL REVOLUTIONARY MOVEMENTS, UNDERGOES PERIODIC, AND OCCASIONALLY VIOLENT, PURGES. RECURRENT CLAIMS THAT SENDERO IS IN CIVIL WAR ARE LARGELY A PRODUCT OF MILITARY OR INTERIOR MINISTRY PSY OPS. THERE IS NO HARD INTELLIGENCE, EITHER FROM INFORMANTS OR FROM SEIZED OR INTERCEPTED INTELLIGENCE FROM WITHIN THE MOVEMENT, THAT SENDERO LUMINOSO IS SUFFERING A MAJOR INTERNAL CRISIS.

19. HOWEVER, THERE IS NO DOUBT THAT SL LEADERSHIP HAS COMMITTED SERIOUS BLUNDERS, ESPECIALLY DURING THE PAST TWO YEARS. SL IS OCCASIONALLY SUCCESSFUL IN RUNNING BRILLIANT AND DARING OPERATIONS. BUT ITS REPEATED FAILURES IN CALLING ARMED STRIKES IN LIMA, ITS MISGUIDED BRAVADO IN SEEKING TO HALT THE 1989/90 NATIONAL ELECTIONS, AND THE HIGH COST IN PERSONNEL LOSSES OF ITS OPERATIONS IN THE JUNGLES OF JUNIN AND AYACUCHO, IS PERSUASIVE EVIDENCE OF ERRORS IN JUDGMENT WITHIN SL LEADERSHIP.

THE JUNGLE FACTOR

20. SENDERO'S PRESENCE IN THE JUNGLES ALONG THE EASTERN SLOPE OF THE ANDES IS A SEPARATE AND PARTICULARLY IMPORTANT ISSUE. IN PART, IT WAS THE ARMY WHICH DROVE SENDERO INTO THE EASTERN JUNGLES IN 1983 AND 1984. FLEEING THE MILITARY OFFENSIVE IN THE MOUNTAINS, THE TERRORISTS SOUGHT THE FOREST AS COVER. BUT SL'S ARRIVAL COINCIDED WITH A BURST IN THE PRODUCTION OF COCA LEAF IN THE UHV. THE SUDDEN GROWTH IN THE COCA INDUSTRY ALSO DREW THOUSANDS OF PEASANTS FROM THE SIERRA WHO CAME TO PLANT AND HARVEST THE LEAF. QUITE BY ACCIDENT, WE BELIEVE, SENDERO'S TACTICAL RETREAT PRESENTED IT WITH A NEW STRATEGIC OPPORTUNITY, BUT ONE WHICH DIVERTED IT FROM THE ORIGINAL STRATEGY DESIGN OF ABIMAEEL GUZMAN.

BT

CONFIDENTIAL SECTION 05 OF 07 LIMA 17143

USCINCSO ALSO FOR POLAD

DEA FOR AO, DO, OF, OC, OISL, OIOC

DIA FOR OA-5/10/DB-602/JS1-4B/DB3C1

E.O. 12356: DECL: OADR

TAGS: PTER, ASEC, SNAR, PHUM, PGOV, PE

SUBJECT: CAN THE GOVERNMENT OF PERU DEFEAT SENDERO

21. LIKE MAO, GUZMAN PLANNED A POPULAR REVOLUTION BASED ON WINNING THE SUPPORT OF THE RURAL PEASANTS. HE KNEW THAT FOR HIS GUERRILLAS TO SUCCEED, THEY WOULD HAVE TO RELY ON THE SIERRA CAMPESINO FOR SHELTER FROM THE ENEMY, AND FOR FOOD, FINANCING AND RECRUITS. THE REVOLUTION WORKS ONLY IF SL SUCCEEDS IN ESTABLISHING TRUE "SUPPORT BASES" IN THE MOUNTAINS (AS OPPOSED TO "RESISTANCE BASES" IN NON-LIBERATED AREAS, SUCH AS THE URBAN COAST). IN GUZMAN'S WRITING, THE SIERRA WAS KEY TO THE WAR.

22. THAT HAS CHANGED. THE SIERRAS IS STILL SL'S PRINCIPAL TARGET, BUT THE JUNGLE AND ITS COCA PRODUCTION ARE NOW KEY TO SENDERO'S WAR. THE FOREST NOW PROVIDES COVER FOR TERRORIST CAMPS, TRAINING SITES, AND RETREAT AND RECREATION, NOT THE SIERRA CAMPESINO. THE COCA LEAF INDUSTRY PROVIDES A STEADY SOURCE OF INCOME, NOT THE SIERRA CAMPESINO. AND THE COCA FARMERS, NOT THE MOUNTAIN FARMERS, PROVIDE A RECRUITMENT POOL FOR THE PEOPLE'S GUERRILLA ARMY (EGP). THE PNP ESTIMATES THAT AT LEAST TWO-THIRDS OF SL'S FULL-TIME GUERRILLAS ARE BASED IN THE EASTERN JUNGLES.

23. BUT THE EASTERN VALLEYS ARE LARGELY IRRELEVANT TO SENDERO'S GRAND STRATEGY TO CONQUER PERU. THE SENDERO REVOLUTION SUCCEEDS ONLY TO THE EXTENT THAT SL WINS TERRITORY AND ADHERENTS IN THE SIERRA. THE MOUNTAINS ARE CRITICAL BOTH TO THE GOP AND TO THE TERRORISTS. MOST OF PERU'S FOOD IS GROWN THERE. THERE LIES THIS NATION'S MINERAL WEALTH, THE LARGEST SOURCE OF LEGAL EXPORT EARNINGS. ALL OF THE POWER FOR THE COAST AND ITS INDUSTRIES COMES FROM THE SIERRA. FROM THE MOUNTAINS, SAID GUZMAN, SL WILL CONTROL THE COAST AND THEN ENCIRCLE LIMA. THE EGP WOULD HIDE AMONG VILLAGERS OF THE SIERRA AND FROM THEM WOULD DRAW THE RESOURCES TO WAGE THE WAR. THAT WAS THE ORIGINAL SENDERO STRATEGY. IT WAS MILITARILY SOUND 20 YEARS AGO AND IT REMAINS THE KEY TO THE GOP-SENDERO STRUGGLE.

24. THAT IS WHY SL CONTINUES TO LAUNCH ITS ATTACKS UP INTO THE MOUNTAINS, AND FROM THE MOUNTAINS DOWN TO THE COAST IN SUPPORT OF PERMANENT CADRE THERE. DESPITE THE CONCENTRATION OF SENDERO PRESENCE IN THE UHV AND IN THE JUNGLES OF JUNIN AND AYACUCHO, THE DECISIVE COCKPIT OF THE WAR IS IN THE MOUNTAINS AND THE COAST. DESPITE THE VAST UNTAPPED WEALTH OF THE EASTERN JUNGLES, THE GOP COULD ESSENTIALLY CEDE THE JUNGLE TO SL AND THIS NATION WOULD RETURN TO SOME KIND OF PRE-SENDERO NORMALCY.

25. ITS NEW RELIANCE ON THE JUNGLE REPRESENTS SL'S GREATEST VULNERABILITY. WITH THE PROPER RESOURCES AND TRAINING, IN THE MEDIUM TO LONG-TERM, THE PERUVIAN MILITARY AND POLICE COULD SIGNIFICANTLY REDUCE SENDERO ACCESS TO THE MOUNTAINS. THE ONLY COVER IN THE MOUNTAINS ARE THE PEOPLE. SENDERO CAN HIDE AMONG THE INDIANS OF AYACUCHO, BUT THE LAST FEW YEARS HAVE SHOWN THAT SENDERO CANNOT PROSPER AND GROW THERE. FOR THAT IT NEEDS THE JUNGLE. AND CROSSING THE BOUNDARY BETWEEN THE JUNGLE CANOPY AND THE BARREN SIERRA, THE MOVEMENT OF TERRORIST COLUMNS FROM THE JUNGLE UPWARD, WILL CONTINUE UNIMPEDED ONLY SO LONG AS THE SUPERIOR AIR AND ARMS POWER OF THE PERUVIAN

CONFIDENTIAL

JOINT STAFF
INFO SERVICE CENTER

MILITARY IS HAMPERED BY A LACK OF RESOURCES.

THE ANTI-NARCOTICS STRATEGY

BT

C O N F I D E N T I A L SECTION 06 OF 07 LIMA 17143

USCINCSO ALSO FOR POLAD

DEA FOR AO, DO, OF, OC, OISL, OIOC

DIA FOR OA-5/1D/DB-6D2/JS1-4B/DB3C1

E.O. 12356: DECL: OADR

TAGS: PTER, ASEC, SNAR, PHUM, PGOV, PE

SUBJECT: CAN THE GOVERNMENT OF PERU DEFEAT SENDERO

26. ONE OTHER TERRORIST WEAKNESS: SENDERO HAS BECOME DEPENDENT ON COCA RESOURCES. THEY ARE RELIANT UPON THE MATERIEL AND PERSONNEL SUPPORT THEY DRAW FROM THE FARMERS. THEY NEED THE CASH THEY TAX FROM COCA PRODUCTION. THESE FACTORS ARE ESPECIALLY IMPORTANT GIVEN SL'S ISOLATION FROM INTERNATIONAL SOURCES OF FUNDING, WEAPONS AND TRAINING.

27. WE DO NOT KNOW EXACTLY WHERE SL SPENDS THE SUMS IT COLLECTS FROM THE COCA INDUSTRY, ESTIMATED BY SOME AT USD 30 MILLION A YEAR. BUT THE ARMED CONFLICT AND SL'S MAINTENANCE OF ITS "GENERATED ORGANIZATIONS" ARE EXPENSIVE. SL RUNS A CLANDESTINE NEWSPAPER. "SOCORRO POPULAR" PAYS LIVING EXPENSES OF THE IMMEDIATE FAMILIES OF CAPTURED OR KILLED TERRORISTS. "DEMOCRATIC LAWYERS" PROVIDES FREE LEGAL SERVICES TO ALL ACCUSED SL. IN THE UHV SL RUNS HEALTH CLINICS, SCHOOLS, MUNICIPAL SERVICES. THESE ARE EXPENSIVE OPERATIONS. SL HAS CREATED A WELFARE SYSTEM IT CAN NO LONGER AFFORD NOT TO PROVIDE.

28. SO SL NEEDS THE COCA GROWERS AND THEIR PRODUCT. BUT THE COCA GROWERS ARE NOT IDEOLOGICAL ALLIES OF SENDERO. IN FACT, THEY ARE THE OPPOSITE. THE COCA GROWER BY NATURE IS A FREE ENTERPRISER WHO UNDERSTANDS THE VALUE OF PRIVATE LAND OWNERSHIP. HE IS A CAPITALIST. HE IS ALSO AN OPPORTUNIST WHO WILL USE ANYONE, INCLUDING THE SL, TO PROTECT HIS INCOME. IF FOR ECONOMIC OR OTHER REASONS THESE FARMERS CHOSE TO ABANDON COCA CULTIVATION, THE GULF BETWEEN THE FARMER AND THE SUBVERSIVE COULD GROW IMMEASURABLY.

29. SL IS ATTEMPTING TO WIDEN ITS CONTROL OVER COCA PRODUCTION OUTSIDE THE UHV, AN AREA WHICH SL HAS LARGELY "PACIFIED." THAT EFFORT IN THE COCA-GROWING AREAS ALONG THE UCAYALI, TAMBO, ENE AND APURIMAC RIVERS IS COSTING THE SL LIVES AND BAD PRESS. IN THE JUNGLES OF PASCO, JUNIN, AYACUCHO AND CUZCO, LOCAL RESIDENTS, THOSE WHO GROW COCA AND THOSE WHO RAISE TRADITIONAL CROPS, ARE RESISTING SL'S EXPANSION. SL HAS RESPONDED TO THIS RESISTANCE WITH MORE BRUTALITY, BRUTALITY THAT SL'S PROPAGANDA MACHINE CANNOT BEGIN TO COVER UP OR BLAME ON THE GOP.

30. THERE IS THE ADDITIONAL ISSUE OF THE POTENTIAL CORRUPTING INFLUENCE WHICH THE NARCOTICS INDUSTRY MIGHT HAVE ON THE PURITANICAL SL. WE HAVE SEEN PERSUASIVE EVIDENCE THAT THE DOLLARS AND POWER OF THE COCA TRADE ARE INSINUATING THEMSELVES INTO THE NORMALLY RIGID SL LIFESTYLE. THIS IS AN ISSUE WE WILL DISCUSS IN A SEPARATE REPORT.

OUTLOOK AND CONCLUSIONS

31. 1989 WAS A BAD YEAR FOR THE GOOD GUYS. WE EXPECT THE REST OF 1990 AND 1991 TO BE THE SAME.

SENDERO BY ITSELF IS ONLY A LIMITED THREAT TO THE ESTABLISHED ORDER. BUT IT IS A PART OF, AND PARTLY A PRODUCT OF, AN ACCUMULATION OF PROBLEMS THAT THREATEN PERUVIAN DEMOCRACY. PERU'S NEW PRESIDENT FACES TWO ESSENTIAL CHORES: TO REBUILD THE ECONOMY AND TO RESTRAIN THE TERRORISTS. SUCCESS IN MEETING THE FIRST CHALLENGE IS ESSENTIAL TO DEALING WITH THE SECOND.

32. BUT FOR AN ANTI-TERRORISM STRATEGY TO WORK, THE GOP WILL NEED MORE THAN MONEY. IT WILL NEED A COHERENT DOCTRINE, CONTINUITY OF COMMAND IN CRITICAL WAR ZONES, EFFECTIVE COORDINATION OF INTELLIGENCE AND OPERATIONS, AND A REDUCTION OF CORRUPTION SO THAT A FAIR PORTION OF LIMITED RESOURCES REACHES THE TROOPS

BT
C O N F I D E N T I A L SECTION 07 OF 07 LIMA 17143

USCINCSO ALSO FOR POLAD

DEA FOR AO, DO, OF, OC, OISL, OIOC

DIA FOR OA-5/1D/DB-6D2/JS1-4B/DB3C1

E.O. 12356: DECL: OADR

TAGS: PTER, ASEC, SNAR, PHUM, PGOV, PE

SUBJECT: CAN THE GOVERNMENT OF PERU DEFEAT SENDERO

IN THE FIELD. ALBERTO FUJIMORI HAS NOT PROVEN SHY IN TAKING ON TOUGH ISSUES, INCLUDING THE MILITARY. HE MAY BE JUST THE MAN PERU NEEDS TO SHAKE UP THE SYSTEM.

33. PARTS ONE AND TWO OF THIS REPORT LEAVE NO DOUBT THAT SENDERO LUMINOSO WIELDS RELATIVELY GREATER INFLUENCE IN THE PERUVIAN BODY POLITIC NOW THAN IN ANY YEAR SINCE 1980. BUT WE ARE CONVINCED THAT THE REAL OBJECTIVE OF THE REVOLUTION, THE KEY TO ABIMAE GUZMAN'S VISION, IS YET FAR BEYOND THE REACH OF SL. THE PEOPLE ARE NOT GRAVITATING TO THE REVOLUTION. SENDERO IS EXPANDING, BUT THE SUPERSTRUCTURE OF THE MOVEMENT IS BUILT OVER A FRAGILE FOUNDATION. SL IS NOT TEN FEET TALL. ITS FIVE TO 7,000 TRAINED FIGHTERS ARE SERIOUSLY OUTGUNNED BY THE GOP'S 140,000 MAN MILITARY AND A MODERATELY WELL-ARMED POLICE FORCE. SL IS ALSO POLITICALLY ALIEN TO MOST OF THE POPULATION, ESPECIALLY THE 85 PERCENT WHO LIVE OUTSIDE AREAS OF DIRECT SL INFLUENCE. SL IS GROWING, BUT IT IS NOT DEVELOPING.

34. THE SHORT-TERM OUTLOOK FOR PERU'S FIGHT AGAINST SL IS NOT GOOD. EVEN PERUVIANS MAY REACH THE LIMIT OF THEIR PATIENCE WITH THE FAILED POLICIES OF ELECTED GOVERNMENTS AND EVENTUALLY EMBRACE THE TERRORISTS AS A FINAL ALTERNATIVE. BUT WE ARE CONVINCED THAT THE BALANCE OF POWER ON THE MILITARY AND POLITICAL FRONTS STILL FAVORS THE GOP, ESPECIALLY IF PERU GETS ITS ECONOMY ON TRACK. THE COMMUNIST PARTY OF PERU OF THE SHINING PATH IS VULNERABLE.

QUANTON
BT