VS OFFICE Electronic Mail Tuesday 12/17/96 05:08 pm Page: 1

(19)

To: Henry Bisharat LIMA
From: Carlson, Robert W.
Subject: FW: CIA AND DRUGS, OUR MA Date: 12/17/96
Forwarded By: Carlson, Robert W.

Distribution:

Not Requested

Microsoft Mail v3.0 IPM.Microsoft Mail.Note
From: Carlson, Robert W.
To: Bisharat, Henry
Kaska, Edward
Subject: FW: CIA AND DRUGS, OUR MAN IN PERU
Date: 1996-12-17 15:14
Priority:
Message ID: ABF1D75C
Conversation ID: ABF1D75C

+ Bio Montesinos

FYI.

From: peru
To: carlson
Subject: CIA AND DRUGS, OUR MAN IN PERU
Date: Monday, December 16, 1996 10:37PM

CovertAction Quarterly #59 03-Dec-96

COVERT BRIEFS
By Terry Allen

CIA AND DRUGS, OUR MAN IN PERU

In late October, while the CIA was vigorously denying complicity with narcotraffickers here at home, drug czar Gen. Barry McCaffrey traveled to Peru and met with Vladimiro Montesinos, the head of that country's National Intelligence Service (SIN, in its ironic Spanish initials). Montesinos has links to both the CIA and international drug traffickers, as well as a history of human rights abuses. McCaffrey went not to bury Montesinos but, according the Peruvian press, to praise him as an "outstanding and knowledgeable strategist." It was the first time in six years that Montesinos, the second most powerful man in Peru after President Fujimori, was seen in public. He had been forced into a shadow role because of a particularly unsavory past: While in the army during the 1970s, he was caught spying and passing state secrets to the US and was convicted of desertion. After being released from prison, he became the lawyer-of-choice for Peru's drug kingpins, and used his army and political connections to work his way back to the back rooms of power.

It is widely assumed that he maintains a relationship with both the CIA and drug traffickers. Human Rights Watch/Americas and the Washington Office on Latin America also charge him with human rights abuses: "A death squad composed of members of the SIN and military agents and organized under Montesinos' direction has been responsible for some of the most serious rights violations attributed to the armed forces under Fujimori's administration, including disappearances, torture and illegal executions."

McCaffrey's public endorsement of Montesinos came at a crucial time: New allegations against Peru's "Rasputin" were prompting demands for a public inquiry. On trial for cocaine trafficking, drug lord Demetrio Chavez Pe$aherrera testified in August that he paid Montesinos $50,000 a month during 1991 for unhampered use of a clandestine airstrip to export drugs to Colombia. Ch vez also said Montesinos had communicated with him by radio at his remote hideout, had warned him when counternarcotics operations were scheduled for the Huallaga valley, and once attended a payoff in person. "I saw him; his group arrived in two black cars," Chavez said. "I saw how they gave him the money."

The drug lord said that he left Peru for Colombia soon after Montesinos demanded that he double the monthly bribe to $100,000. When Chavez was finally arrested, it was not for trafficking, but for collaborating with terrorists. This charge pushed his case into the secretive military justice system, which was able to hold him in isolation, thus spurring complaints that the military was trying to shut him up.

When he finally appeared at the trial, Chavez dropped the bombshell kickback charges against Montesinos. A week later, in a barely coherent statement, Ch vez recanted, saying he had been "confused." His lawyer, Pablo Castro, suspected that the retraction and the quick deterioration in his client's mental and physical health were the result of mistreatment by SIN.

The Chavez affair is the latest in a series of drug-related incidents that have embarrassed the Peruvian government but done nothing to dampen US enthusiasm and support. In one incident, more than 380 pounds of coca paste were found in a former presidential plane. Soon after, more than 200 pounds were found on-board two navy ships, one in the Canadian port of Vancouver.

Officially, the police are in charge of antidrug operations. In fact, it is the military that plays the key role, blending counterinsurgency and counternarcotics in a potent cocktail of corruption. Up to 300 military personnel have been investigated or charged in connection with drugs since 1990. Regional commanders overseeing clandestine airstrips allegedly got a $10,000 kickback per shipment of drugs loaded by soldiers under their command onto Colombia-bound planes. The airstrip from which Ch vez's drug cargoes were flown to Colombia was only a few kilometers from a counterinsurgency base in the upper Huallaga Valley.

In this case of military involvement in narcotrafficking, as in many others, the runway leads to Montesinos.According to Ricardo Soberon, a narcotics expert at the Andean Commission of Jurists, "He controls the military establishment for Fujimori."

McCaffrey's visit to bestow Washington's seal of approval on Fujimori and Montesinos was preceded by US praise for Peru's human rights record and by a personal letter to Fujimori from Pres. Clinton, praising Peru's admirable progress in the war on drugs. While the two top Peruvians basked in McCaffrey and Clinton's warm approval, some Peruvian officials suggest that US leniency reflects the fact that Montesinos may still be on the US payroll.

Meanwhile, CIA Director John Deutch continues to deny US complicity in narcotrafficking.

FUNDING DRUG DEALERS AND HUMAN RIGHTS ABUSERS

That same confusion of the role of the police with that of the military, and of counterinsurgency with counter- narcotic strategies, has pervaded US policy in Colombia,where some 20,000 civilians have been killed since 1986. According to Amnesty International (AI) and the military's own paper trail, US aid allocated for counternarcotics has been diverted to fund counter-insurgency and used by units implicated in human rights abuses.

On August 18, 1991, for example, members of the XIII Brigade, tasked with counterinsurgency, burst into the home of political activist Antonio Palacios Urrea, murdered him and three of his children, and tortured other family members. US military documents, leaked to AI via journalist Frank Smyth, confirm that counternarcotics funding was going to this unit. US Defense Department (DoD) documents confirmed that all but one of the brigades that AI implicated in gross human rights violations turned out to have received US aid. The paper trail also shows that the Clinton administration knew of the violations and repeatedly told Congress and the public that it was not funding and arming units implicated in atrocities.

The administration insists that US aid funds anti-drug not counterinsurgency efforts, but US Southern Command (SOUTHCOM) documents reveal that attempts to separate the two operations are farcical. Col Warren D. Hall staff judge advocate to Gen. Barry McCaffrey (then SOUTHCOM commander and now Clinton's drug czar) admitted as much in an internal memo: "It is unrealistic to expect the military to limit use of the equipment to operations against narcotraffickers. ... The light infantry skills US special operations forces teach during counterdrug deployments ... can be used by the Colombian armed forces in their counterinsurgency as well." Hall also admitted that US-supplied equipment "may be used in counter- insurgency operations during which human rights violations might occur."

SOUTHCOM worried about being "vulnerable to criticism because of the similarities inherent in counter- drug [CD] and counter- insurgency [CI] efforts in Colombia." But since "disengaging from the CD effort in Colombia is not a viable option," a DoD memo noted, "... USSOUTHCOM must adhere to policies that minimize the possibility of US culpability for human rights violations" as opposed to minimizing the violations themselves.

In 1996, Congress banned aid to any military unit about which there is credible evidence of human rights violations. Since DoD admits that those violations will likely continue, and since confusion between CI and CD roles is unavoidable, we can look forward to an immediate cessation of aid to Colombia. Or not.

[...]