

## Andean Report by Manuel Hidalgo

### Coca economy flags in Peru

*The São Paulo Forum is setting coca-growers against the State as the cocaine economy flounders.*

**T**he fall of the Cali Cartel's top drug lords, and of many of their Peruvian counterparts, could destroy the coca economy, which has trapped more than 200,000 Peruvian peasant families. Peru produces nearly 80% of the raw material for cocaine that is sold in the world, and the drug trade itself would dramatically decline if there was decisive action to sow the 200,000 hectares now producing coca, with food crops instead.

On Aug. 9, only hours after the arrest of Cali's Miguel Rodríguez Orjuela, the Peruvian press reported on the collapse in price of Peruvian coca: from \$80 to a mere \$4 per *arroba* (roughly 25 lbs.). The sale of basic cocaine paste has already fallen 60% so far this year. Since the first major arrests in Colombia, drug planes have ceased to land on the nearly 300 clandestine airstrips in the Peruvian jungle. The semi-processed cocaine already purchased by the Cali Cartel is not being shipped, and bags of coca leaf sit untouched at roadsides, because intermediaries have stopped buying them. The government has even suspended its own legal purchases of coca, and has called on coca-growers to change crops.

Playing an important part in the ongoing war on drugs in the region, which is having this dramatic impact on the Peruvian cocaine trade, has been the decision of the Clinton administration to undertake a deliberate policy reversal from the previous Bush government, and to provide genuine assistance to "producer" countries such as Colombia and Peru. Exemplary is the fact that the Pentagon is now providing radar-tracking and

other data to the interdicting aircraft of both nations' Air Forces, under the U.S. Southern Command's counter-drug operations directorate.

According to the Aug. 14 issue of *Aviation Week & Space Technology*, 17 suspected drug-smuggling aircraft have been downed in those two territories, since the United States revived its data-sharing on March 1 of this year. The 17 planes, according to *Aviation Week*, include those "tracked to a landing site and intercepted, and destroyed, as well as those that were forced to land or shot down."

According to a spokesman for the U.S. Southern Command cited by the weekly, "The fact that the 'air bridge' has been impeded is as much a result of the multi-regional approach to business down there" as it is to the revived provision of U.S. tracking data.

The narco-terrorist symbiosis is also in crisis; the military chief of Peru's Huallaga Valley has warned that Shining Path is in a "financial emergency," because the drug planes that bring them money and weapons in exchange for protection have ceased to land. On Aug. 9, the Lima daily *Expreso* reported on Shining Path's efforts to replace its partnership with the Cali Cartel with Mexican mafiosi. The Peruvian military is clear on how to handle this. Apart from continuing operations against the last redoubts of Shining Path concentrated in the Upper Huallaga Valley "[anti-drug] operations will continue daily, as the best moment to wipe out the drug traffickers has come."

Those who have taken the brunt of it are the peasants, who are forced to sow coca at gunpoint, or because of

the low prices for traditional agricultural products. The economies of Peru's coca-growing departments of Ucayali, Huanuco, San Martín, and the coca valleys of Cusco, Junín, and Ayacucho (which depend on the narco-dollars the Colombian planes no longer bring), are now languishing, and the coca-growers are facing starvation.

The pro-terrorist São Paulo Forum and pro-drug Andean Commission of Jurists (the local branch of George Soros's "human rights" outfit, Americas Watch) rushed into the breach to try to defend what they could of the narco-terrorist industry. On Aug. 10, the so-called Andean Coca Council (CAC) met in the city of Puno, on Peru's border with Bolivia, and threatened to lead desperate coca-growers in an armed uprising against the State. At the same time, the federations of Peruvian coca-growers, affiliates of the CAC, announced regional strikes in Huallaga and other areas.

Roger Rumrill and Gustavo Mohme, local mouthpieces of the São Paulo Forum, explained their strategy Aug. 11: "In the Apurímac Valley, there are 25,000 *ronderos* [members of armed self-defense groups] who fought for democracy by fighting Shining Path, and who are now abandoned. . . . This people's misery is the breeding ground for subversion. . . . It is a time bomb that could blow at any moment." Mohme blamed the government, saying, "Now the coca-growers of Cusco feel . . . defrauded, and are announcing regional strikes that could explode in violence." Mohme's newspaper, *La República*, cynically summed up the situation: "less coca, more hunger." On Aug. 13, it headlined its first page, "More than 25,000 *ronderos* on a War-Footing. They Will Defend Their Coca Crops."