authorities captured Evo Morales, together with the top leadership of CAPHC from both countries, who were ostensibly coordinating a new wave of resistance to coincide with the separatist efforts of six Bolivian states, occurring at precisely that moment. The foreign leaders, most of them Peruvian, were expelled and the Bolivians arrested.

Another deadly blow to CAPHC's base was delivered in June-July 1995, when joint anti-drug operations by the Clinton administration and Colombian law enforcement agencies virtually decapitated the Cali Cartel. Within weeks, the price of raw coca leaves in Peru and Bolivia had dropped by 95%—there was no one to buy their product. Nationalist anti-drug layers in Bolivia, Peru, and the United States all agreed: 200,000 families of Peruvian and other coca-producers were being left without income, and this was clearly the moment to move to replace coca with food production, and wipe out the problem once and for all throughout the Andean countryside.

But the CAPHC has also moved to exploit the crisis. On Aug. 10, a CAPHC spokesman threatened: "In [Peru's] Apurimac Valley, there are 25,000 people [from peasant self-defense groups] who fought Shining Path, and now they have been abandoned. . . . These people's misery can be the breeding ground for subversion. . . . This is a time bomb that can explode at any moment." On Aug. 10-11, CAPHC again met on the Peruvian side of the border and continued to threaten that uprisings would occur in Peru's two major coca-producing valleys, the Upper Huallaga and the Apurimac. The daily *La República* encouraged this with headlines such as "Less Coca, More Hunger."

The IMF and the narco-economy

The Andean Council of Cocoa Leaf Producers estimates that the combination of extreme poverty and corruption will push the peasant self-defense groups into confrontation with the State. Its spokesmen boast that the self-defense groups in what have now become coca-producing valleys, are infiltrated by the drug trade, to the point where they are protecting drug traffickers' activities in the same way that Shining Path used to do.

CAPHC strategy is premised on the expectation that the government of Peruvian President Alberto Fujimori will continue to implement the brutal economic policies of the International Monetary Fund. The IMF and World Bank have prohibited the creation of infrastructure, agricultural credit, or protection for agricultural production. CAPHC assumes, therefore, that no other crop can compete with coca, and that the drop in the coca leaf price will allow the rage and desperation of the coca-producers and self-defense groups to be directed against the State. Indigenist anthropologists have been patiently profiling this situation for a number of years, exemplified by the case of the American Otto Starn (see CAPHC profile, below).

Andean Coca Council: drugs and subversion

Name of group: Andean Council of Coca Leaf Producers (CAPHC); Andean Coca Council.

General headquarters and important fronts: Bolivia: Chapare region, La Paz. Peru: coca-producing valleys in the south, Lima.

Founding: early 1990s.

Locations of operations, areas active: Main base of operations is the Chapare region and the adjacent Esiboro-Secure National Park, in Bolivia, but it is spreading to other coca-producing valleys of Bolivia and Peru: La Convención (Cusco), Apurímac and Ené (Ayacucho, Junín, Cusco), Pichis Palcazu (Huánuco), Ucayali (Ucayali), Alto Huallaga (San Martín, Huánuco), Marañon (La Libertad, Huánuco, San Martín), and Mayo (San Martín). Also, along the border area are the coca valleys of Tambopata (Sandia, Puno) and the Manu National Park.

The Peruvian and Bolivian coca valleys form a nearly continuous corridor along the eastern slope of the Andes, surrounded by ecological reserves: the Esiboro-Secure National Park in Bolivia; the Tambopata Candamo Reserve, Manu National Park, and Pampas del Heath National Reserve in Peru

The CAPHC also includes coca groups from Brazil, Colombia, and Ecuador. Their coordinating meetings have been held in Bolivia, Peru, and Colombia.

Major terrorist actions:

- August 1994: CAPHC leader Evo Morales organized a march with thousands of coca-farmers from Villa Tunari (Chapare) to the capital of Bolivia, La Paz, to protest the coca-eradication efforts, assisted by the U.S. Drug Enforcement Administration, known as Operation New Dawn, in the Chapare, Cochabamba. The march ended violently, and Morales was arrested and charged by the authorities with encouraging the formation of a paramilitary guards with funds from non-governmental organizations (NGOs).
- April 18, 1995: The Bolivian government arrested 24 members of CAPHC, including Evo Morales, and declared the country under a state of siege to halt the "seditious subversive escalation." One day earlier, the government had used force to control a secessionist movement in the department of Tarija, arresting five leaders of that movement. The department created an "independent provisional government." On April 18, five departments joined Tarija.

88 Special Report EIR November 10, 1995

- April 23, 1995. Serious confrontations in Chapare, when the coca-farmers tried to stop coca-eradication efforts.
- July 22, 1995: More confrontations took place between coca-farmers and anti-drug forces in the Esiboro-Secure National Park. Evo Morales was arrested. Two months later, Morales—now free—announced that he has gone into hiding.

Modus operandi: The CAPHC in a coalition of cocafarmers' unions and federations, funded and controlled by a network of NGOs and extreme-left political parties. In Bolivia, the unifying feature is the active resistance to eradication of illegal coca crops. They organize regional strikes, highway blockages, marches, and confrontations with anti-drug forces. In Peru, the eradication programs have not yet begun, so that all the CAPHC forces are dedicated to supporting Morales.

The coca-farmer federations are organized by valley, generally unifying coca-farmers in each village. There are valleys where the major agricultural activity is coca-growing, such that the agrarian federations are run by the coca-farmers. In the case of Peru, there are "peasant self-defense" groups in each valley, initially armed and organized by the Army to fight the Shining Path, which in some cases (e.g., the Apurimac Valley) are largely made up of coca-growers. The CAPHC is trying to attract all of these self-defense groups to its cause.

The leadership is constantly traveling through the Andean countries, the United States, and Europe.

Leaders' names and aliases: Nearly the entire leadership of CAPHC was arrested for "sedition" by Bolivian authorities in Copacabana, Bolivia, when they met on April 18, 1995. The majority have been released. They include:

Evo Morales Ayma, Bolivia, president; Genaro Cahuana Serna, Peru, vice president.

Peruvians: Hugo Cabieses Cubas, economist; Ricardo Soberón García, lawyer; Roger Rumrrill, journalist; Baldomero Cáceres Santa María, psychologist; Alberto Quintanilla Chacón, former United Left congressman; Antonio Moreno Vargas, general secretary of the Peruvian Peasant Federation (CCP); Augusta Tejada Huallpa, secretary of the CCP; Eliseo Condori, representative of the Provincial Peasant Federation of Sandia, Puno; Abel García Luna; Jorge Luis Vásquez Espinoza; Juvenal Mercado.

Bolivians: Segundo Montevilla; Juan Bautista Quispe; Maruja Machaca; Dante Lorini; Crisólogo Mendoza; Miguel Calisaya Montalvo; Modesto Condori; Sabino Arroyo.

Others: María Margarita Gonçalvez, Brazil; Lucio Hurtado, Colombia; Luis Fernando Giraldo Soto, Colombia; Ellen Cross, North America.

Groups allied nationally or internationally:

National: Peruvian Peasant Federation (CCP), linked to the ultra-leftist Mariátegui Unified Party (PUM); United Left (IU), founding member of the São Paulo Forum; Pro-Human Rights Association, linked to the PUM; National Executive Committee of the Peasant Self-Defense Movements.

International: São Paulo Forum; Society for Endangered Peoples (GfBV).

Religious/ideological/ethnic motivating ideology: The nativist ideology spread among the peasant federations by institutions like the South American Indian Council, the American Indigenist Institute, Cultural Survival-USA, and others. They consider coca a basic ritual element of the Indian religion of Mother Earth (Pachamama), in which coca is "paid" to the earth. Thus, defending coca, which they call the "sacred leaf of the Incas," is defending the indigenous cultural identity against the "invader" West. They consider the eradication of coca as "imperialism" and "foreign occupation."

Known controllers/mentors/theoreticians:

- Orin Starn, American anthropologist from Duke University (North Carolina), primary strategist behind the mobilization of the Peruvian self-defense groups (*rondas campesinas*) to insurrection. In 1991 and 1994, Starn published profiles of the 4,500 existing self-defense groups nationwide, including interviews with their leaders.
- Roger Rumrrill, Peruvian adviser to CAPHC, propagandist for the GfBV, linked to Stefano Varese, the indigenist anthropologist-ideologue and member of the board of directors of Cultural Survival, whose brother Luis is a cofounder of the Tupac Amaru Revolutionary Movement (MRTA). Varese worked in the 1970s with Marc Dourojeanni, a World Wide Fund for Nature (WWF) operative in Peru, to create the conditions for terrorist warfare in the 1980s.
- Carlos Tapia, former Peruvian congressman from the United Left, predicted on April 9, 1995, that the self-defense groups would head up the "new Peruvian Chiapas."
- Virgilio Roel, member of the Institute of Peruvian Studies (IEP), promoter of the South American Indian Council. Encourages a "Marxist interpretation" of Peruvian history, and especially of the "indigenous uprisings." Headed the mobilization against the 1992 Quincentenary of the Evangelization of the Americas.
- Baldomero Cáceres, Peruvian adviser to CAPHC, expelled from Bolivia. Leading promoter of drug legalization, linked to the activities of the U.S. Drug Policy Foundation.
- Rodrigo Montoya, Peruvian, indigenist anthropologist close to the MRTA, defends consumption of *ayahuasca*, another native hallucinogen.
- Max Hernández, Carlos Alberto Seguín, and Moisés Lemlij, British-trained Peruvian psychiatrists who have profiled the use of hallucinogens by the Indians, for British intelligence's Tavistock Institute.

Current number of cadres: Morales claims to have mobilized 5,000 coca-farmers for his 1994 march; an unknown number have been arrested in confrontations with anti-drug forces. In Chapare alone, there are some 50,000 coca-

EIR November 10, 1995 Special Report 39

farmers.

In Peru, the targets for recruitment are the 20,000 cocagrowing families in the above-mentioned valleys, and in particular the 240,000 members of some 4,200 armed peasant self-defense groups. A large number of these are in the cocagrowing valleys. CAPHC has fluid relations with the leaders of these groups.

Training:

No information on Bolivia.

In Peru, the self-defense groups in the coca valleys have received training from the Peruvian Army.

Known drug connections/involvement: Nearly 95% of the production of the coca-farmers goes to the illegal drug trade, the rest to "traditional consumption."

In Bolivia, the government has accused Morales of being financed by the drug traffickers to arm paramilitary guards to protect him.

In Peru, spokesmen for the CAPHC have expressed their intention to mobilize the self-defense groups in the coca valleys, which have been infiltrated by the drug trade and have received weapons from drug traffickers.

Known arms suppliers/routes:

Bolivia: No information.

Peru: The 240,000 members of the self-defense groups possess some 16,500 rifles received from the Armed Forces to fight Shining Path. These *ronderos* have bought more weapons with money from the drug traffickers, particularly in the coca valleys like Apurimac.

Known political supporters/advocates:

- Rigoberta Menchú: In September 1994, the CAPHC announced that Menchú would present an "urgent action" before the U.N. Human Rights Commission in defense of the coca leaf, to be prepared by CAPHC.
- Bolivian Workers Federation (COB): In September 1994, they suspended wage talks with the government, to force the release of Evo Morales.
- Congressmen Gregorio Lanza (Bolivia) and Julio Castro Gómez (Peru, United Left), toured Europe in April 1994, together with CAPHC leaders and advisers.
- Gustavo Mohme Llona, São Paulo Forum member, congressman, and director of the daily *La República*, the main mouthpiece for the CAPHC.
- Ricardo Soberón Garrido, CAPHC adviser expelled from Bolivia, member of the Andean Commission of Jurists, correspondent for Human Rights Watch/Americas.
- Javier Diez Canseco, member of the editorial board of São Paulo Forum magazine *América Libre*, former secretary general of the PUM, three-term congressman, and most recognized leader of the violent ultra-left.
- Antonio Moreno Vargas, of the Peruvian Peasant Federation, linked to the PUM, also arrested and expelled from Bolivia:
 - Labor Advisory Council of Peru (CEDAL), an NGO

on labor affairs, one of whose members, Farid Matuk, was convicted of terrorism for belonging to the MRTA;

- Peruvian Forum of International Relations (FOPRI);
- Peruvian Center of Social Studies, an NGO on agrarian matters:
 - Drug Policy Foundation, United States;
 - Cultural Survival-USA;
 - Andean Commission of Jurists:
 - Wenner Gren Foundation.

Financing: The Bolivian government has accused Morales of being financed by the drug trade and by the NGOs. Among these: Society for Endangered Peoples, U.S. Drug Policy Foundation.

Thumbnail historical profile: CAPHC inherited the work of forming peasant federations in the eastern slope of the Andes since the 1960s. The ultra-left was involved full-time in this effort, and collaborated with the Peruvian guerrillas in 1962-65. In the 1970s, the work was taken up by local organizers of Cultural Survival-USA. The majority of the peasant federations formed joined the Peruvian Peasant Federation (CCP), linked to the ultra-leftist Mariátegui Unified Party (PUM), advocates of armed struggle.

In July 1983, a column of Shining Path guerrillas attacked the offices of a coca-leaf eradication program financed by U.S. AID, in Tingo María (Alto Huallaga). Two thousand inhabitants, backed by Shining Path, defended their right to grow coca. The eradication program was suspended. In March 1989, sixteen police agents were assassinated by Shining Path in the occupation of Uchiza (Alto Huallaga). Shining Path announced in wall paintings throughout the area: "Stop the eradication of coca crops!"

In the late 1980s, the ultra-leftist Popular Democratic Unity—the predecessor of the PUM—organized for the separation of the Alto Huallaga area from the La Libertad region, to create the San Martín region, with an autonomous regional government. The main operatives in that were convicted in 1992 for belonging to MRTA.

In the 1990s, they begin to organize the coca-growers, under the political protection of Hernando de Soto (founder of the Liberty and Democracy Institute, ILD, financed by Oliver North's National Endowment for Democracy, and the primary promoter of the theories of the Mont Pelerin Society in Peru), and of Gen. Alberto Arciniega Huby, then head of the Huallaga military front, who sponsored the formation of coca-grower cooperatives, supposedly to "break" the narcoterrorist alliance and to put the State on the side of the coca-growers.

CAPHC began to organize the "legal" coca-growers in the traditional cultivation areas. As the valleys gradually began to turn to coca-growing, the peasant federations began to join the CAPHC, the majority of them illegal. In 1992, a group of CAPHC advisers toured the United States to promote legalization of the coca leaf.

Special Report EIR November 10, 1995