

## Andean Report by Valerie Rush

### Election games in Peru

*The Wall Street Journal gives the signal, the country burns under terrorist onslaught—and the politicians fiddle.*

**S**hining Path (*Sendero Luminoso*) terrorists completely paralyzed the city of Huancayo, the departmental capital of Junín, on Dec. 20, when a strike call—circulated by word of mouth and leaflets, and backed by the threat of sheer terror—drove Peruvian businessmen, workers, and local officials behind locked doors for the 48-hour duration. A heavy military and police deployment to the area was unable to coax the citizens out. One bus driver who attempted to defy the strike call had his ears sliced off by the terrorists.

The Huancayo “strike” follows a similar one which shut down the neighboring department of Ayacucho just two weeks earlier, and has now itself been followed by a new strike in La Oroya, Junín’s second most important city, a copper and silver mining center six hours from Lima. At least 25 nearby Junín communities are said to be under Shining Path’s narco-terrorist domination.

The fact that Shining Path has been able to demonstrate virtually total control of Peru’s central highlands in recent weeks is intended to send a chilling message to the authorities that Lima’s links with the rest of Peru depend largely on the whim of the terrorists. That message was first delivered on Dec. 2, when Lima was draped in blackness for a full week because of simultaneous dynamite attacks on more than a score of electricity towers supplying the capital city—and much of the interior, as well.

Shining Path’s messages are getting through to the terrified Peruvians,

who have increasingly lost any confidence in the government’s ability to protect them from the ravages of the narco-terrorists. However, not so Peru’s political class, which appears to be too immersed in the dirty game of presidential politics to concern itself with whether or not there will be a nation to preside over by 1990.

The just-concluded congress of the ruling APRA party is a case in point. When President Alan García appeared at the podium to give the keynote speech, an orchestrated scenario of boos and chants by anti-García forces within the APRA party turned the congress into a virtual free-for-all. Already seriously weakened in popularity by his repeated capitulation to the austerity pressures of the financial community, President García ultimately tendered his resignation as president of the party, and the post created especially for him was dissolved.

The ensuing battle to capture party positions never once addressed the life-and-death issues facing the nation.

In the aftermath of the APRA party congress, García’s enemies smell blood and are already demanding that he resign from the presidency of the republic to make way for those who, as they put it, are prepared to “re-insert Peru into the world financial community.” It is, perhaps, no accident that the APRA congress was preceded by a series of violent *Wall Street Journal* articles which identified García’s “failure” as his refusal to impose the most draconian austerity. They give

as an example his insistence on maintaining mere 800% interest rates in the face of 1,200% inflation! The articles endlessly quote “economists” insisting that massive new currency devaluations, price hikes, and an end to all subsidies are the country’s “only alternative.”

What the *Journal* never says is that the hyperinflationary spiral which has eaten away the nation’s meager reserves and left it with only enough to buy food through January 1989, is a product of the vengeful financial cut-off to which García’s Peru has been subject ever since his declaration of a 10% ceiling on foreign debt payments.

Those who want García made an example of, and Peru back in the fold of the financial oligarchy, are by no means limited to the APRA party. Newly announced presidential candidate and gnostic kook Mario Vargas Llosa, best known for his support of the so-called “informal economy” or “the other path,” recently told the press that García has “lost his war” against the international financial system, and that Peru’s solution lies in establishing relations with the foreign banking community once again.

Reflecting the deterioration of Peru’s constitutional rule under the combined assault of the creditor banks and the narco-terrorists, former President Gen. Francisco Morales Bermúdez has openly begun demanding a military coup against President García. In an interview with UPI news service, the general, who seized power in 1975 and opened the door both to the rise of drug trafficking and to the birth of Shining Path during his five-year rule, said the armed forces “must not remain in their barracks. . . . If policies are not redirected, the country will go out of whack; if that means being a coup-maker, I am one.”