

O F P E R U

the herbicide in dry soil may prevent the growth of broadleaf and woody plants for up to seven years, eliminating the possibility of using the area to grow crops or allowing the jungle to reclaim the area. The high rainfall in the Upper Huallaga Valley, known as "the eyebrow of the jungle" because of its position between the low-lying rainforest and Andean highlands, may leach the long-lasting Spike into the Huallaga River, a tributary of the Amazon.

Added worries: Another danger of aerial applications of Spike in the region is that large patches of the land could be systematically slated for clearing as coca producers move from treated fields to nearby virgin soil, and then on again as their new fields are discovered.

The State Department has defended the herbicide, saying aerial spraying would be less risky because manual eradicators are sometimes fired upon as they work. The department also maintains that coca growers are destroying the Huallaga Valley anyway because they slash and burn the jungle to plant coca and dump acetone and ether, used to refine the plant, into the river.

Sandra Marquardt disagrees. "Adding a poison to a poison is not the answer," she says. "To heap further degradation on top of degradation is not the answer."

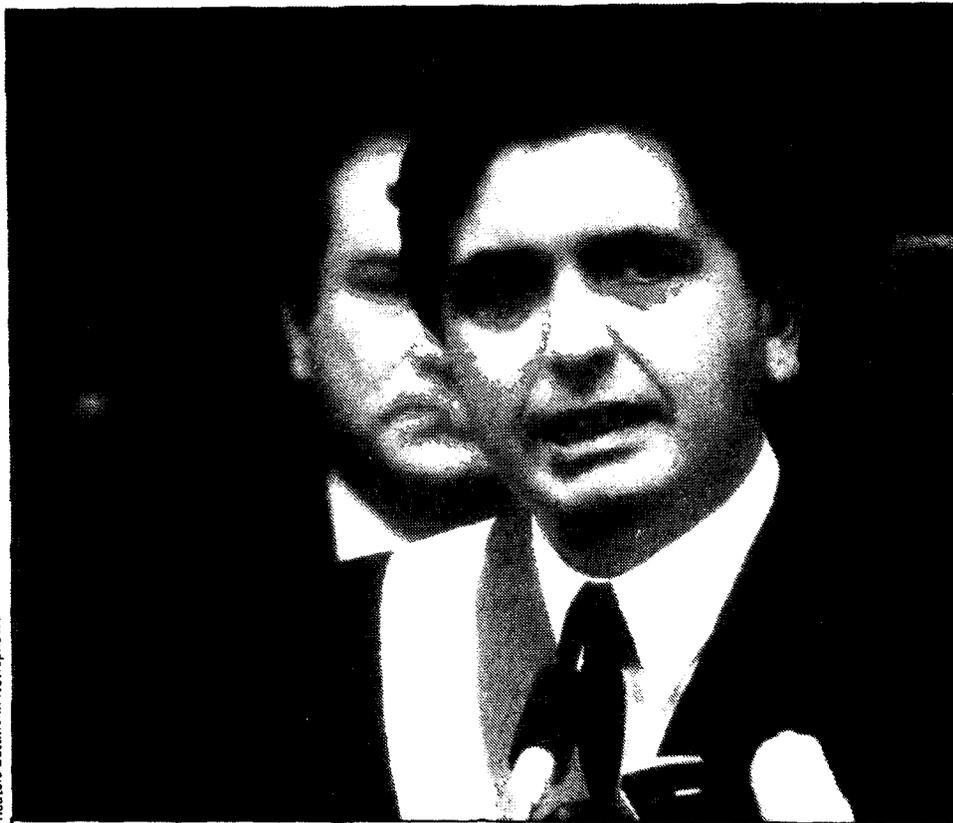
The State Department has also cited the presence of the Maoist guerrilla group Sendero Luminoso, or Shining Path, in the region as a reason for preferring herbicides sprayed from the air to groups sent in with machetes to clear the fields by hand. Shining Path's role in the Upper Huallaga is unclear, especially since the fiercely puritanical group has in the past targeted drug traffickers, along with prostitutes and homosexuals, as moral degenerates and executed them. Analysts say the rebel band has stepped between coca farmers and their Colombian buyers in order to get the farmers higher prices and extorted the Colombian cartel to finance their rebel activities.

In any case, hand eradicators frequently destroyed old, non-producing plants, essentially clearing the land for the coca growers, Gentner says.

The future of the program rests with the Peruvian government. Because the result of this last round of tests will not be available until after the April 1990 presidential elections, the embattled government of President Alan Garcia Perez will be spared the painful decision. It is likely to fall to one of the front runners, author Mario Vargas Llosa or the former Marxist mayor of Lima, Alfonso Barrantes.

Peru and Bolivia appear to be in a no-win situation. While they have at times resented what they see as U.S. interference in a domestic problem, both countries look warily at the political upheavals in Colombia—where judges are killed or forced to flee the country after indicting major traffickers—and hope their lands can avoid that bloody fate. □

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Peru's President Alan Garcia Perez: a waning regime in a failing economy.

A sinking regime, a sick economy and the Shining Path

By Gregory N. Heires

LIMA, PERU

ALAN GARCIA PEREZ, PERU'S SOCIAL DEMOCRATIC president who was elected four years ago on an enormous wave of popular support, now faces widespread disenchantment. Peruvians are hoping that upcoming presidential elections next April will offer escape from the country's growing economic mess and political instability.

Thousands of shantytown dwellers, struggling to cope with an annual inflation rate of an estimated 4,000 percent, rely increasingly on communal kitchens to feed their hungry children.

Areas comprising 60 percent of the population are under a state of emergency imposed by the government in response to the Shining Path insurgency, which is stronger than ever since declaring its armed struggle nine years ago.

Angry public hospital doctors have re-

cently staged daily marches in Lima to protest their deteriorating standard of living. Their average monthly salary of \$80 is half of what it was a year ago.

Each month 15,000 people apply for exit visas. Having given up on the possibility of finding jobs with decent pay, they take one-way flights to Europe or the U.S.

"There isn't a middle class in Peru anymore," a Lima taxi driver said. "There's only the rich and the poor."

Although that comment stretches the truth, it also reflects the growing disillusionment that grips the country's 21 million people in the waning months of the Garcia administration.

Garcia enjoyed tremendous support when he came to power in 1985. But his current role seems to be reduced to caretaker of the country's democratic institutions until his successor takes over. Polls show that only 13 percent of the electorate still back him.

Through his inaugural pledge to limit payment of Peru's foreign debt to 10 percent of the country's export earnings, Garcia hoped to show his commitment to the country's poor majority, and to offer a democratic alternative to Cuba's Fidel Castro, who has called on Latin America to renounce its debt to international creditors.

Between 1985 and 1986, Garcia's govern-

ment pursued a "heterodox" economic program that aimed to stimulate demand-led growth. At first the plan succeeded in cutting inflation, spurring production and raising real wages.

But as Peru's dollar reserves ran down and local business chose to send their profits outside the country rather than invest in the local economy, the government was eventually forced to adopt austerity measures. These were implemented at an enormous political cost.

Garcia's bold policy on international debt led private creditors, the International Monetary Fund and the World Bank to cut off Peru's access to loans. Thus the government was no longer able to rely on borrowed dollars to sustain demand while the government held down prices and increased wages.

Soon the recovery fizzled, and the country became engulfed in the most serious economic crisis of its 165-year history. Last year inflation ran at 1,722 percent. Over the last year, purchasing power has been cut in half.

Message for Garcia: The economic crisis caused an erosion of support for Garcia's populist American Popular Revolutionary Alliance (APRA), the oldest existing political party in Peru and one with traditional support among the lower and middle classes. Garcia, who is now on his fourth Cabinet, has come under fire within the party, which came to power for the first time in its 65-year history when he took office.

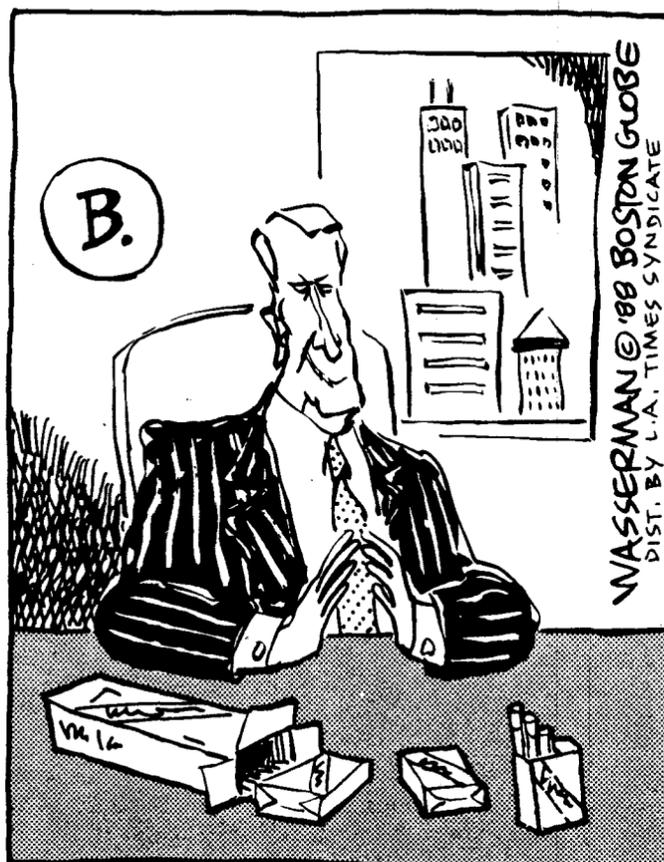
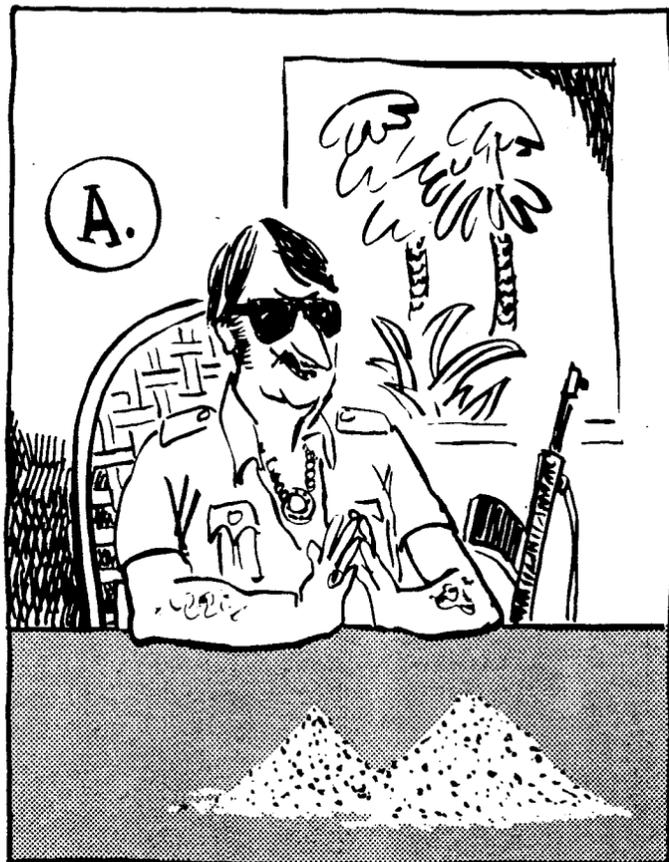
The government faces perhaps its stiffest opposition from a coalition that includes the country's traditional right-wing parties, former President Fernando Belaunde Terry's Popular Action Party (AP) and Luis Bedoya Reyes' Popular Christian Party (PPC). In recent months the two parties joined with independents from the business sector to form the Democratic Front (FREDEMO), which supports novelist Mario Vargas Llosa for president. After briefly renouncing his candidacy in June amid right-wing infighting, Vargas Llosa is back in the race. Polls show him running ahead of the former Marxist mayor of Lima, Alfonso Barrantes, who is expected to be the candidate of the United Left, a fragile coalition of seven leftist parties.

"You can really mark the downfall of the Garcia government with his move to nationalize the banks," said Coletta Youngers, who heads the Peru desk at the Washington Office on Latin America, an organization that monitors human rights and U.S. policy in the region.

"It happened right after he had been holding discussions with the so-called apostles, or leading business families, on reaching an agreement on domestic policies," she said.

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Q: WHICH DRUG DEALER KILLED OVER 300,000 AMERICANS LAST YEAR?



The drug war is a battle against symptoms

War, it has been said, is the health of the state. Certainly Cold War has been the health of the American state since the end of World War II. It has been the rationale for a military-based economy that provided short-term prosperity but contributed to the long-term decline of American industry. And it provided a Red scare that was the excuse for vastly increased federal powers of intervention and disruption of left political activity and social movements. But now the Cold War really seems to be over. Even the most dedicated warriors against the non-existent Communist menace find it difficult to convince most Americans that our security is threatened by the Soviet Union, Cuba or Nicaragua.

This, of course, should be cause for rejoicing, especially by those who believed their own Cold War rhetoric. But every silver lining has a dark cloud. And the cloud hanging over the U.S. ruling class is that without an external threat, the American people might turn their political attention to solving the multitude of social ills and problems bequeathed to our nation by the Cold Warriors.

Enter the war on drugs. It's not the Cold War: it isn't big enough and it doesn't have as clearly defined an enemy. And unlike the Cold War, which one could argue was won by the American corporate elite, it can't be won. In fact, this new war seems a lineal descendant of the Vietnam War, the contra war and the pseudo-war against Manuel Noriega—each of which was lost and each of which was fought against a successively smaller and less-formidable "enemy." But the war against drugs does serve a similar ideological purpose. It serves to divert popular attention from the underlying ills of our society, of which excessive drug consumption is a merely a symptom.

Concession to reality: The administration's new approach—to go after mid-level drug-industry figures like couriers, pilots and money handlers—reflects a more realistic assessment of the difficulties in stopping the production of cocaine, heroin and marijuana in Latin America and Asia. But this approach will also prove futile.

Any free marketeer knows why. In a freely competitive system, when the prospects for profit are great and the amount of capital necessary to enter the business is small, there will be an endless supply of entrepreneurs ready to enter the trade. So, as others are temporarily taken out of service—assuming that they are—replace-

ments will be legion. Indeed, it's surprising that our free-market politicians in Washington don't seem to understand their own philosophy. Since greed is the operative principle on which their economics is based, it should have been obvious to the free marketeers that drug-running and pushing would be an unstoppable success, which from a business point of view it clearly has been.

To stop the spread and increased use of drugs—especially cocaine—drug use must be legalized and regulated, much as alcohol is. This argument has been made before, including on these pages, but has been largely dismissed by policymakers and the mainstream media. Every day, however, its logic becomes more compelling.

It would be better, of course, if it were possible to end the use of all destructive substances, including tobacco and alcohol. But our society—and maybe all societies—requires means of escape from the oppressions of everyday life. The total failure of Prohibition proved that simply making a narcotic illegal only gives birth to the kind of illegal and murderous gangs of traffickers that are once again growing in our midst. In the end, it was clear that the cure was worse than the original disease. Alcohol was again made legal, with restrictions placed on its sale and use.

Something like that is going to have to happen in order to remove the motivation for thousands of people in all walks of life, especially the poor, to take the terrible risks involved in entering the drug trade. Arresting them won't do it. The best that can be done short term is to take the profit out of street sales and to put the money going into interdiction into treatment centers and education.

The social context: Of course, in the long run the craving for drugs must be addressed as the social problem it is. Drug use, including alcoholism, is in large part a reflection of hopeless, meaningless lives. Desperate poverty, with little or no hope for leading a productive and comfortable life, is the major cause of our current drug crisis. But a society devoid of social purpose and obsessed with material gain and personal "success" creates a widespread demand for narcotics—from Valium and alcohol to cocaine—among all sectors of our society.

The drug crisis, in short, is not a thing in itself. Trying to stop the use of drugs through the attempted enforcement of narcotics laws is like trying to kill grass by mowing it. Ultimately the drug crisis is the product of the anti-social priorities that have governed our public policies since the end of World War II, and especially in the past decade. The crisis is of a piece with the Cold War, our military-oriented economy and our official deification of corporate profit. When we begin changing these priorities and begin to put the needs of all our people first, drug use will abate on its own.

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