INQUIRE=DOC7D ITEM NO=00028719 **ENVELOPE** CDSN = LGX713 MCN = 88349/05403 TOR = 883490302 PTTSZYUW RUEKJCS4478 3490302- - RUEALGX. HEADER P 140302Z DEC 88 FM JCS WASHINGTON DC INFO RUEALGX/SAFE P 140001Z DEC 88 FM DIA WASHINGTON DC//DB-50// TO DIAUWCDA AIG 913 AIG 7008 RUCKDDA/TWO SIX MEU SOC RUCLAKA/3RD BN 5TH SFGA FT BRAGG NC//ASOF-SFA-TB-SB//

BT

CONTROLS

SECTION 01 OF 03

PE: SL ACTIVITY. (U)

1. (U) PERU: SL ACTIVITY.

A. THE SENDERO LUMINOSO (SL) IS MAINTAINING A HIGH LEVE6 OF ACTIVITY THROUGHOUT MUCH OF THE COUNTRY. ON 7 DECEMBER, THE SL DID MAJOR DAMAGE TO THE NATIONAL ELECTRICAL GRID IN ITS THIRD SUCH ATTACK SINCE 22 NOVEMBER. THE GROUP BOMBED AT LEAST A DOZEN TOWERS SOUTHEAST OF LIMA, BLACKING OUT THE CAPITAL AND CAUSING FURTHER RATIONING OF POWER.

B. DECEMBER, SL TERRORISTS ASSASSINATED TWO FRENCH DEVELOPMENT WORKERS AND TWO PERUVIAN TECHNICIANS AT THE SITE OF A RURAL AGRICULTURAL PROJECT AT HAKIRA IN THE SOUTH-CENTRAL DEPARTMENT OF APURIMAC. FOLLOWING AN INFAMOUS SL "PEOPLE'S TRIAL" IN THE LOCAL VILLAGE SQUARE, THE FOUR VICTIMS WERE REPORTEDLY BEATEN WITH HAMMERS AND STABBED TO DEATH IN FRONT OF THE ASSEMBLED VILLAGERS.

C. COMMENT: THE SL HAS BEEN INCREASINGLY ACTIVE, PARTICULARLY IN THE RURAL AREAS, OVER THE PAST COUPLE MONTHS.

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OPERATIONS HAVE RANGED FROM AMBUSHES OF ARMY PATROLS TO ATTACKS ON LOCAL GOVERNMENT OFFICIALS. REPORTEDLY, NOVEMBER HOLDS THE RECORD FOR THE MOST DEATHS DUE TO POLITICAL VIOLENCE SINCE THE SLEEGAN ITS ARMED ACTIVITY IN 1980.

D. ALTHOUGH THE SL HAS BEEN RELATIVELY INACTIVE INSIDE LIMA SINCE THE ARREST OF A TOP GROUP LEADER LAST JUNE, IT CONTINUES TO HAVE A SERIOUS IMPACT ON LIFE IN THE CAPITAL. OVER THE PAST THREE WEEKS, THE SL ATTACKS ON THE ELECTRICAL SYSTEM HAVE BROUGHT ABOUT CONTINUING POWER BROWNOUTS AND A SHORTAGE OF POTABLE WATERIN LIMA. SOME NEIGHBORHOODS HAVE SUFFERED DAILY OUTAGES OF UP TO 20 HOURS DUE TO POWER RATIONING. GIVEN THE SUCCESS OF ITS LATEST ATTACKS AGAINST THE POWER GRID, THE SL IS LIKELY TO CONTINUE THE CAMPAIGN AND TO TAKE ADVANTAGE OF THE DETERIORATING ECONOMIC SITUATION.

THE ASSASSINATION OF THE TWO FRENCH CITIZENS ON 5
DECEMBER HAS RAISED CONCERNS ABOUT THE DELIBERATE TARGETING OF
FOREIGNERS BY THE SL. AT THIS TIME, HOWEVER, IT APPEARS THAT THE
TWO FRENCHMEN WERE KILLED BECAUSE OF THEIR OCCUPATION RATHER THAN
THEIR NATIONALITY. ON NUMEROUS OCCASIONS, THE SL HAS ATTACKED
DEVELOPMENT PROJECTS AND PERSONNEL IN AN ATTEMPT TO FURTHER
UNDERMINE THE ECONOMY. LAST JUNE, A US AGENCY FOR INTERNATIONAL
DEVELOPMENT SUBCONTRACTOR WORKING ON A PERUVIAN-SPONSORED PROJECT
WAS PRESUMABLY MURDERED BY SL TERRORISTS. THESE INCIDENTS
HIGHLIGHT THE HIGH RISK TO WORKERS IN DEVELOPMENT PROJECTS IN
PERU.

THE 1 DECEMBER BOMBING OF FOUR HOTELS IN THE CITY OF HUARAZ, A POPULAR TOURIST SITE 300 KM NORTH OF LIMA, HAS ALSO RAISED CONCERN OVER THE THREAT TO FOREIGNERS. THE US EMBASSY HAS TEMPORARILY PROHIBITED TRAVEL TO THE CITY WHILE IT INVESTIGATES THE SITUATION. THE SL, WHICH IS BELIEVED RESPONSIBLE FOR THE BOMBINGS, MAY BE ATTEMPTING TO ATTACK THE LOCAL TOURIST INDUSTRY AS PART OF ITS OVERALL EFFORT TO DESTABILIZE THE ECONOMY AND TO UNDERMINE CONFIDENCE IN THE GOVERNMENT. CURRENTLY, IT DOES NOT APPEAR THAT THE HUARAZ INCIDENT REPRESENTS THE INITIATION OF A NATIONWIDE SL TERRORIST CAMPAIGN SPECIFICALLY DIRECTED AGAINST TOURISTS. NONETHELESS, TRAVEL IN MANY AREAS OF PERU WILL CONTINUE TO BE DANGEROUS.

G. THE THREAT TO US INTERESTS REMAINS HIGH. BOTH THE SL AND THE TUPAC AMARU REVOLUTIONARY MOVEMENT HAVE CONDUCTED ANTI-US TERRORIST OPERATIONS IN THE PAST AND HAVE INDICATED THEIR INTENTION TO CARRY OUT SUCH ATTACKS, IN THE FUTURE. THE DETERIORATION IN THE OVERALL SECURITY SITUATION, PARTICULARLY AS A RESULT OF SL ACTIVITY, HAS LED US EMBASSY OFFICIALS TO IMPOSE NEW IN-COUNTRY TRAVEL REGULATIONS.