

process of being washed, narcotics police chief Col. Jorge Zarate told UPI April 2. The raids by his under-equipped and under-funded police forces destroyed 80 cocaine-decanting pits and several clandestine airstrips.

The latest part of Operation Condor III hit the core cocaine paste producing zone of Peru, the Huallaga River valley on the edge of the Amazon basin 300 miles northeast of Lima. Its well-drained slopes are ideal for coca bushes and its World Bank-built road system useful for the truck-loads of kerosene needed to turn the leaves into paste.

Carried by Peruvian air force helicopters, the strike force hit near the village of Sion, near the village of Tocache, near Uchiza and Paraiso. In the raids, they destroyed 28 tons of cocaine paste and 116 tons of coca leaves. They destroyed 12 cement-lined decanting pits, 3 airports, and 75 tons of coca bush seedlings.

Two DEA agents accompanied the raiding party. The U.S. State Department paid for the gas used by the helicopters, at \$500 per hour. Without the helicopters, effective anti-drug operations are nearly impossible, for police can hardly move in the jungle without air support. Hence, the miserly \$4 million per year in anti-drug aid provided by the United States does not go very far.

Peruvian Vice-Minister Mantilla suggested that U.S. national security could gain more from investing \$100 million into Peru's anti-drug efforts than giving the same to drug-running Nicaraguan mercenaries. While Peru is willing to take all the military steps it can afford against drugs, Mantilla believes that it will not be able to exterminate the industry until the tens of thousands of peasants who became dependent on cultivating coca bushes during the decade before García's presidency could be provided with equal economic opportunities, producing other crops.

### Police-free zones raided

The Huallaga zone was considered "liberated territory" by the narco-terrorists, where not even the police dared enter during the Belaunde regime. Under the protection of laws dictated by the evil Manuel Ulloa, money-laundering flourished. Billions in dollar bills were exchanged by banks and others in the valley's villages and shipped to Lima by the plane-load for exchange into soles on the black market there. Coca is the only significant industry in the zone.

One of the inhabitants of the Upper Huallaga, nicknamed "Mosca Loca," gained reknown when he made an offer to President Belaunde to pay Peru's foreign debt if he would be allowed to work in peace.

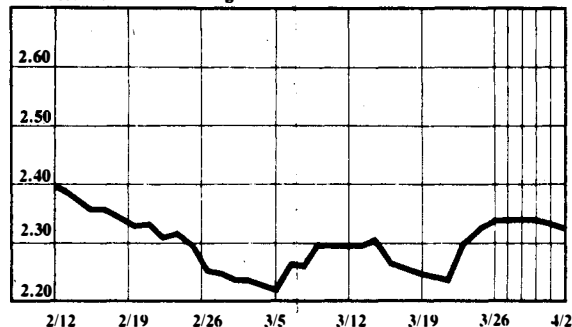
García has now damaged the cocaine-producing apparatus. The courts have shown that the top protectors of Dope, Inc., such as Ulloa, are no longer invulnerable. And a confrontation is brewing with the international bankers whose largest business is transferring narcotics revenues from one account to the next.

It may well be that the next blow against narcotics in Peru will be legislation which cripples money-laundering.

## Currency Rates

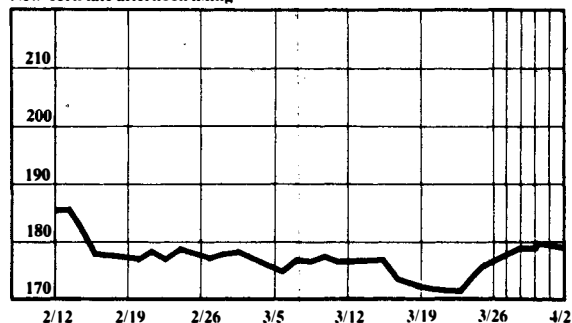
### The dollar in deutschemarks

New York late afternoon fixing



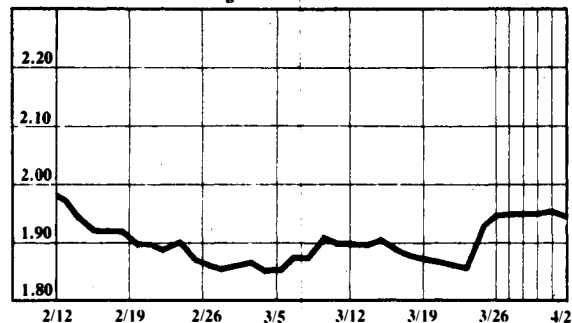
### The dollar in yen

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing

