The Fall of Fujimori: A Diplomat's Perspective

JOHN R. HAMILTON

On November 20, 2000, President Alberto Fujimori of Peru—facing imminent removal from office by a congress that had just come under opposition control—faxed in his resignation from Japan. Invoking a claim to Japanese citizenship, Fujimori stayed in Tokyo, where the government, still grateful for his rescue of its citizen-hostages four years earlier, appeared prepared to stall Peru's requests for the ex-president's extradition indefinitely. Fujimori seemed to have resolved the perennial difficulty of authoritarian rulers fearful of being investigated after leaving office—how to make a safe exit from power. But in November 2005, Fujimori lived up to his reputation for unpredictability by abruptly flying from Japan to Chile, from where he apparently hoped to overcome the formidable legal and political obstacles to his participation in Peru's April 2006 national elections. Detained by Chilean authorities, however, Fujimori is now fighting Peru's renewed efforts to extradite and try him on a variety of human rights and corruption grounds.

I was the U.S. ambassador to Peru from 1999 to 2002, a period that in its first 15 months included the badly flawed elections in April and May of 2000, the establishment of a national dialogue for reform directed by the Organization of American States (OAS), and the implosion of Fujimori's regime when he proved unable to contain a crisis of political corruption. My embassy staff and I observed and reported on this final crisis. We also sought to influence the outcome—by supporting both

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Fujimori's firing of chief of intelligence Vladimiro Montesinos, and new elections that would be genuinely free and fair.

Drawing on the U.S. embassy's own reporting, this article is a short history of the unraveling of the regime from the United States' twin perspective as observer and advocate. It illustrates how a crisis can create opportunities for U.S. policy—in this case to break with Montesinos definitively. In giving our perspective that Fujimori's struggle to fire Montesinos was genuine, it seeks to explain why—to the puzzlement of the democratic opposition—the United States "stuck so long with Fujimori." The article also provides an example of how reforms are usually inadequate tools to contain a situation that has become radicalized.

FUJIMORI'S MIXED RECORD

Fujimori's faxed resignation was a pathetic ending to a government that in some aspects had rendered great service to Peru. Fujimori had taken office in 1990 under inauspicious circumstances, but confounding all expectations, his government stabilized Peru's shrinking and hyperinflated economy, defeated two guerrilla-terrorist organizations, reduced coca cultivation by 70 percent, and resolved long-standing conflicts with Ecuador and Chile. The agreement with Ecuador in 1998, in particular, demonstrated uncommon courage.

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At the same time, Fujimori had systematically eviscerated Peru's democratic institutions. In April 1992, he suspended congress and the judiciary and assumed extraordinary powers. Some 80 percent of the Peruvian public approved, but with Peru's democratic opposition and civil society protesting, the United States and OAS pressed for a return to democracy. Relenting only partially, Fujimori held elections for a Constituent Assembly, which drafted a new constitution better suited to his style of governing. In 1995, following a year of spectacular economic growth, Fujimori won reelection and control of the congress with nearly 65 percent of the vote, defeating Peru's foremost public figure, former Secretary General of the United Nations Javier Perez de Cuellar.

Fujimori's authoritarianism assumed even greater vigor in his second term. When Peru's Constitutional Tribunal ruled in favor of a national referendum that could have blocked his third run for the presidency,

Fujimori's majority in congress removed three judges from the court and adopted legislation that "reinterpreted" the Constitution to permit a third term. Under the guise of reform, the Fujimori government wrested administration of the judiciary from the Supreme Court. Although most of the establishment print media remained independent, the government acquired enormous influence over the tabloid press and broadcast media. Even so, in the April/May 2000 elections, and as the international community and opposition press exposed the government's manipulation of the political process, opposition candidate Alejandro Toledo forced elections to a runoff. When Toledo withdrew days before the second round, however, Fujimori won a third five-year term and took office amid violent protests.

The election had nonetheless been so flawed that, with the United States pressing unsuccessfully for an even stronger reaction, the OAS sent a high-level mission to Peru. By August 2000, this had led to the creation of an OAS-mediated "national dialogue" on democratic reform. Also by this time, the government had engineered the defection of enough members of the opposition (promptly labeled *transfugas*, or turncoats) to give Fujimori effective majority of the congress. This meant the government could thwart opposition plans to force a referendum on new national elections. More importantly, the government would also be safe from Article 114 of the constitution, an unusual provision that permitted the congress by a simple majority vote to remove the president on grounds of physical or moral incapacity. The defection of the *transfugas* was widely viewed as induced by coercion and bribery. On this point, the embassy reported to Washington that "more than political horse-trading" was involved. We also noted the Fujimori government's adroitness at covering its tracks, and that we would "probably never know" the truth of what had transpired. The first comment was an ironic allusion to the bribery we suspected, and proved truer than we could have imagined; the second was far off the mark.

MONTESINOS AND HIS RELATIONSHIP WITH THE UNITED STATES

Even a cursory description of Fujimori's first two terms must emphasize the role of his intelligence chief and top political operative. With the possible exception of economic policy, Vladimiro Montesinos advised Fujimori on every aspect of national policy. As the *de facto* head of Peru's National Intelligence Service (SIN), he came to exercise a power second only to Fujimori's. Montesinos was widely viewed both within and outside of Peru as close to the United States; many thought he was a CIA agent. The latter was not true, and our relationship with him was uneasy. We did

CAST OF CHARACTERS, AUGUST TO NOVEMBER 2000

The Americans	
Madeleine Albright	Secretary of State
Sandy Berger	National Security Council Director
John R. Hamilton	Ambassador to Peru
Roberta Jacobson	Deputy Chief of Mission
Peter Romero	Assistant Secretary of State for Western Hemisphere Affairs
Arturo Valenzuela	National Security Council Director for Latin America and the Caribbean
The Peruvians	
Carlos Bergamino	Defense Minister, Army General (ret.)
Alberto Bustamante	Justice Minister
Walter Chacon	Interior Minister and Army General; Chief of Army
Alberto Fujimori	President of Peru
Keiko Fujimori	Daughter of President Fujimori, serving as First Lady
Alan Garcia	Former President and Presidential Candidate in 2001
Antauro Humala	Leader of a Military Outpost Mutiny
Alberto Kouri	Opposition Congressman turned *transfuga*
Ricardo Marquez	Second Vice President
Vladimiro Montesinos	*De facto* head of Peru's National Intelligence Service (SIN)
Fernando Olivera	Leader of the Independent Moralizing Front (FIM), a small opposition party
Alberto Pandolfi	Transportation Minister
Valentin Paniagua	Congressman, Popular Action Party; elected President of the Congress; later elected President for the eight-month transitional period following Fujimori's resignation
Federico Salas	Prime Minister
Alejandro Toledo	Opposition Candidate and later elected President of Peru (June 2001)
Fernando de Trazegnies	Foreign Minister
Francisco Tudela	First Vice President
Others	
Fernando Henrique Cardoso	President of Brazil
Hugo Chavez	President of Venezuela
César Gaviria	OAS Secretary General
Ricardo Lagos	President of Chile
Mireya Moscoso	President of Panama
Gustavo Noboa Bejarano	President of Ecuador

deal with Montesinos, primarily on intelligence and narcotics, but considering that he was the second most influential person in Peru, our contacts with him were sparing. In 1995, concerned by his unsavory reputation and his alleged involvement in human rights abuses, the Clinton administration had considered whether to refuse to deal with him altogether, but concluded that it did not have that luxury. On taking up my assignment in September 1999, I felt that Montesinos was too influential to be avoided and, over the next eight months, met with him four times before ending my own contact with him.

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By the spring of 2000, and as the extent to which Montesinos was behind the dirty tricks that had marred the national elections became clear, the Clinton administration took up the issue of our relationship with him again. In the second half of July, I attended an inconclusive meeting on the subject chaired by Assistant Secretary for Western Hemisphere Affairs Peter Romero and National Security Council (NSC) Director for Latin America and the Caribbean Arturo Valenzuela. In August, back in Lima, I sent my own views to Washington: persuading Fujimori to fire Montesinos, which would be in our interest, would be difficult to achieve, as Fujimori appeared convinced that he could not govern without Montesinos and would be fearful of moving against him. Fujimori likely believed that he could wait out the Clinton administration (at this point in its last six months in office), and seemed prepared to endure a prolonged period of rocky relations if we got tough. If we decided to try to persuade Fujimori to remove Montesinos, I recommended that the message be delivered convincingly, at a high level, and jointly by a State Department, NSC, Department of Defense (DOD), and CIA team. Fujimori would otherwise conclude that he was dealing with a divided U.S. government and that Montesinos, as he claimed to Fujimori, had allies in the U.S. military, law enforcement, and intelligence agencies.

Secretary of State Madeleine Albright and NSC Director Sandy Berger met with Fujimori on September 8, 2000, in New York, on the margins of the UN General Assembly. I did not attend the meeting, but according to those who did, Albright clearly indicated our view that Montesinos should be removed from office. After Albright left, Berger reinforced her point by appealing to Fujimori's presumed wish to be judged positively by history. The United States had thus privately conveyed an anti-Montesinos

message to Fujimori by the time the final crisis began; we had not, however, made an equivalent public statement or ended all contact with him.

THE CRISIS BEGINS

On September 14, 2000, Fernando Olivera, the leader of a small opposition party, the Independent Moralizing Front (FIM), released a videotape showing Montesinos paying opposition congressman Alberto Kouri $15,000 to join government ranks. In June, Kouri had been one of the first of the so-called *transfugas* to announce his change of party allegiance; the meeting in the video was subsequently dated to May. In the days following its release, the clearly authentic tape, filmed in Montesinos' office by a system he had installed, was shown over and over again on Peruvian television. Its effect was electric. It had been one thing for Peruvians to infer that the desertions from opposition ranks had likely been induced by bribery, it was quite another to see the 56-minute sordid exchange on television.

We immediately conveyed this news to Washington and suggested that we publicly call for a full investigation and for the government to take "immediate action to restore public confidence." I asked several Peruvian friends how such a statement would be understood. They replied: "That Montesinos has to go." But to be even clearer, the State Department rephrased the call to "restore public confidence in the intelligence services," and our position was reported widely in the Peruvian media. The United States had thus used the onset of the crisis to make public its break with Montesinos. I also recommended that a high-level State Department or NSC official phone Fujimori to make the point even more explicit in private: We could not continue to work with a person who had so demonstrably subverted the political process. Again, knowing that Fujimori thought Montesinos had support in U.S. intelligence, military, and law enforcement agencies, I suggested the call make clear that this position was fully supported by all U.S. government agencies.

FUJIMORI ANNOUNCES NEW ELECTIONS

There had been no time for such a call, however, when Fujimori on Saturday, September 16, 2000, shocked the Peruvian nation by announcing new elections within a year—elections in which he would not be a candidate. He also announced the "deactivation" of the SIN, of which Montesinos was the *de facto* chief. It was soon clear that Fujimori had

resorted to this Samson-like destruction of his government because it was the only way he could force Montesinos out. It also became evident that Fujimori hoped thereby to make a safe exit from power for himself.

The next day, after telephone consultations with Washington, I conveyed U.S. support for Fujimori's decisions to senior Peruvian civilian officials. I also spoke with the Defense Minister, Army General (ret.) Carlos Bergamino, to let him know that Fujimori's decision had complete U.S. backing—by all agencies. Bergamino assured me that the military fully supported the decision, too. I also spoke with Fujimori's 25-year-old daughter Keiko who, after Fujimori's divorce in 1994, served as his First Lady.

During the previous three months, Keiko had emerged from the traditional First Lady role to express her political views publicly. More importantly, we had begun to hear in August 2000 that Keiko was attempting to organize support within Fujimori's new cabinet for moving Montesinos out of intelligence and political work altogether. When word of her activity reached him, a furious Fujimori ordered her to desist, on pain of estrangement. Fujimori had reportedly told Keiko that he owed his re-election to Montesinos, that Montesinos had "three times saved his life," and that Montesinos was staying. A chastened Keiko relented. On Sunday morning, the day after Fujimori called for new elections, she was proud of her father's decision to break with Montesinos; it was ". . .the most democratic thing my father has ever done," she told me. Fujimori was to tell me later that Keiko was the only person who knew in advance of his decision to end his government. Indeed, in several meetings I had with Fujimori during the next several weeks, Keiko was often present and Fujimori indicated she was now one of the few people he trusted.

Later in the day, on Sunday the 17th, a SIN official called to say he would be reporting as usual for work the next day. And on Monday morning, the titular head of the SIN phoned that it was business as usual at the SIN, speaking dismissively of Fujimori's intention to deactivate it. These probes to gauge our reaction were promptly reported to me. Concluding that they probably originated with Montesinos, I phoned Prime Minister Federico Salas and told him that it appeared the SIN was not adhering to presidential instructions. I told Salas that the United States fully supported Fujimori's decision and that accordingly we were ending all cooperation with

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the SIN. Embassy staff called the SIN titular chief with the same message. The political opposition and civil society welcomed the announcement of new elections, but were still deeply suspicious of Fujimori's intentions. Opposition leaders announced a boycott of congress and the OAS dialogue until Montesinos was arrested. There were also calls for elections within four months. I consulted with opposition leader Alejandro Toledo, urging use of the OAS dialogue to determine the best path to new elections. I also pointed out that early elections would leave no time to enact the reforms necessary to make them fair. Toledo, mostly concerned that Montesinos still represented a threat to clean elections, seemed willing to use the OAS dialogue as we had suggested.

In the days that followed, there was rampant speculation as to Montesinos' whereabouts. We received credible reports that he was under military detention in Lima. Publicly, government officials ducked the question, except to note that Montesinos was in Lima. On September 19, Prime Minister Salas told me that Montesinos was in the SIN compound, at the disposition of judicial authorities. Salas said implementation of Fujimori's decision to convoke elections and deactivate the SIN was "evolving favorably." Justice Minister Alberto Bustamante adopted a similarly confident posture, as did other senior officials, who told me there was no resistance from the military or elsewhere to Fujimori's decision.

CITING COUP DANGER, GOVERNMENT SEEKS OUR HELP

The government's message changed abruptly at midday on September 20. First Vice President Francisco Tudela, on Fujimori's authorization, told me that Fujimori needed our help in getting Montesinos to leave the government. Tudela said Fujimori had asked Montesinos to resign on September 14, the day the video appeared. When Montesinos refused, Fujimori had ended his own government as the only way to force Montesinos out. Tudela said Montesinos was getting support from the military and that the situation was delicate. That afternoon, Foreign Minister Fernando de Trazegnies postponed the OAS dialogue on the grounds that it needed time to develop proposals for new elections. The real reason, de Trazegnies told me, was to keep the government free to deal with Montesinos. De Trazegnies said the military high command was at that moment huddled at army headquarters and the government faced a tense situation.

I had by this time received written instructions from Washington to convey our support for Fujimori's decisions directly to him and was sched-

uled to meet with him that night. That afternoon, I drew on my instructions with Interior Minister and Army General Walter Chacon to make our support for Fujimori's decision categorical and to emphasize that I was speaking for the entire U.S. government, including the CIA and DOD. I told Chacon that we had ceased communication with Montesinos and suspended cooperation with the SIN, that we did not understand why Montesinos had not presented his resignation, and that we expected the armed forces to support their constitutional commander-in-chief. Chacon said he thought the Armed Forces were supporting Fujimori's decision. A later conversation with Defense Minister Carlos Bergamino, however, convinced me that the military was indeed being difficult. Bergamino said the military was supporting Fujimori but did not want Montesinos to be "abandoned." Bergamino said that Montesinos had rights that the opposition, in "screaming for Montesinos' head," seemed ready to ignore. I responded that the United States, of course, wanted Montesinos' legal rights respected, but that the issues at hand were Montesinos' acceptance of Fujimori's decision to remove him from government and the Armed Forces' support of the president. I added that our military relations depended on the Armed Forces acting in a disciplined manner to support their commander-in-chief. Bergamino said he understood and that the military would declare its support for Fujimori on Armed Forces Day, four days later. I replied that an earlier public signal would be more helpful.

FUJIMORI ASKS THE UNITED STATES TO HELP ARRANGE MONTESINOS' EXIT

My deputy chief of mission, Roberta Jacobson, and I met with Fujimori the night of September 20. Fujimori described the Montesinos situation as "delicate" and "complicated." Alluding with gallows humor to the reality that the military high command owed more to Montesinos than to him, Fujimori said he did not exclude the possibility of a coup. Four cabinet ministers were, at that moment, meeting with the military high command on the Montesinos issue. I reviewed for Fujimori my conversations with Chacon and Bergamino, informed him of our full support for his decisions, and

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asked how else we could be helpful. Would calls from Washington or from the U.S. Southern Command to the military be helpful? Fujimori said he was hopeful that the meeting that was underway with military officials would produce agreement for Montesinos to leave the country. Sensing that an appeal might be coming our way, I interjected that the United States as a destination for Montesinos would not be feasible. Fujimori took this in good grace but said he might ask us to help obtain the agreement of a third country to take Montesinos. He concluded that he would like to let the situation "mature" overnight and that he would be back in touch.

At 1:00 a.m. on September 21, de Trazegnies phoned me on behalf of Fujimori to say that Montesinos had agreed to leave the country for Brazil, provided, of course, that the Brazilians agreed. De Trazegnies implored us to help, saying, "We have no other options." Although State Department officials were unenthusiastic, they knew that the Peruvian judicial system was too much under Montesinos' influence to be able to prosecute him. Just getting him out of government would be a major accomplishment. But when the approach was made, and notwithstanding the warm relations Brazil had with the Fujimori government, we learned that Brazil had no intention of saying yes.

TUDELA ALLEGES SPECIFIC COUP THREAT

On Friday, September 22, following Fujimori's instructions, First Vice President Tudela was back in touch. The military had just conveyed that they were prepared to remove Fujimori and make Tudela president. Their public rationale would be that Fujimori had become too beholden to the United States. Tudela had turned this and a second emissary down flat. He then heard from Second Vice President Ricardo Marquez that he, too, had been approached. Tudela said his conversation with Marquez had left him doubtful whether Marquez could withstand the pressure. Reporting this to Washington, I entered the caveat that Tudela and Fujimori might be exaggerating the threat of a coup—both its imminence and its allegedly anti-U.S. bias—to press us into a more proactive posture on Montesinos. At the same time, a coup would be an enormous setback to free elections and might entail bloodshed, so I recommended doing whatever we appropriately could to help Fujimori on the Montesinos matter.

Later that same day, de Trazegnies phoned the U.S. Embassy to say that Montesinos had agreed to go to Panama and requested our help with the government of President Mireya Moscoso. Phoned by a State

Department official, the Panamanian government initially agreed to take Montesinos; I put Prime Minister Salas in touch with the Panamanian vice foreign minister to arrange logistics. Late that evening, however, Salas reported that the Panamanians had balked when Montesinos requested a dozen guards and aides to go with him. Efforts that night to get these issues resolved were unsuccessful and, after Moscoso met with her cabinet Saturday morning, the Panamanians said no. The Peruvians asked us to appeal to the Panamanian government again, but the State Department was disinclined to do so. By this time, however, de Trazegnies had been in touch with OAS Secretary General César Gaviria, plus President Fernando Henrique Cardoso of Brazil, and President Ricardo Lagos of Chile, among others. Calls that they made to Moscoso turned her around and, with a reduced entourage, Montesinos left for Panama that night. His departure made headlines in all the Lima dailies the next morning.

THE CRISIS CONTINUES

With Montesinos gone, tension abated, but only briefly. Montesinos had not been in Panama more than 36 hours when de Trazegnies phoned. "Will this nightmare never end?" he asked. Montesinos had just called him from Panama, upset that the Panamanian government had not formally granted him asylum, concerned that two Peruvian legislators were hot on his trail in Panama City, and professing fear of assassination. Montesinos was threatening to return to Peru if asylum was not granted. That would be a disaster, de Trazegnies said; would the United States weigh in again with the Panamanians? I urged de Trazegnies to make his own case to the Moscoso government, expecting that Washington would be unenthusiastic about getting further involved. That proved to be the case, but we did remain engaged, suggesting that Panama give Montesinos a one-year residence permit instead of permanent asylum. That would preserve the possibility of prosecuting Montesinos in Peru when circumstances might be more favorable.

Two days later, a rather bizarre episode occurred when Fujimori visited Washington on only a day's notice. In a meeting with me the night before the trip, Fujimori was clearly still preoccupied with the Montesinos issue, and we later learned that he had taken a phone call earlier that day from a distraught and threatening Montesinos. His meetings in Washington, however, were of no particular consequence and left officials there wondering what the visit was all about. In his most candid

exchanges, Fujimori had complained bitterly that a supposed U.S. preference for Toledo had led to the OAS intervention and his downfall.

PROGRESS TOWARD ELECTIONS AS PRESSURE BUILDS FOR RESIGNATION

While these events were playing out, the OAS dialogue turned to the question of elections. The problem was that there was no provision within Peru's presidential political system for reducing a term. A constitutional amendment to shorten the president's term to one year, on a one-time basis, was an obvious solution, but an amendment required the affirmative vote of two successive legislatures. The government's ingenious proposal was to use its executive authority to redefine a legislative calendar. It would end the ongoing session in mid-October, after the first affirmative vote, and immediately begin the second session, at which time it could hold the second. This "magical realism with pragmatism" prompted chuckles in the diplomatic corps, but it worked.

Elections faced a second challenge when the government sought amnesty for "civilians," which was widely understood to mean impunity for Montesinos. When the opposition balked, the government put the brakes on discussions of new elections. At the same time, calls from the opposition and civil society for Fujimori to resign began to mount, as did pressure on the United States to withdraw support for Fujimori. In a discussion with Washington, I noted that Fujimori had chosen to end his government as the only way he could force Montesinos out. In my view he had regained a measure of moral authority and did not deserve pressure from us to step down. More importantly, I thought it would be dangerous for Fujimori to be forced out while there was still a possibility that Montesinos might return. Nonetheless, on several occasions, and as the government sought to leverage amnesty against the elections, I warned publicly and privately that we could continue to work with the government only as long as it was carrying out its commitment to new elections in good faith.

PRO-MONTESINOS FORCES IN CONGRESS BACK FUJIMORI

At this juncture, the opposition united to press for a vote of censure on the leadership of the congress—four diehard Fujimori loyalists, all women. The debate and late-evening vote consumed an entire day on October 12. In a moment of genuine drama, the *Fujimoristas* prevailed 60

to 56. Although the vote was secret, we learned that six or seven so-called *Montesinistas*, members who took their voting instructions directly from Montesinos, had voted with the government, providing the margin of victory. So the break between Fujimori and Montesinos was not, at this point, total. Although I did not fully perceive the consequence of this outcome at the time, had the opposition won this vote, it could have moved at a moment of its choosing to remove Fujimori under Article 114 of the constitution.

DEFYING FUJIMORI, MONTESINOS RETURNS

On October 20, the OAS sessions resumed. There had been no breakthroughs on amnesty or other issues when de Trazegnies and Fujimori's "nightmare" materialized: Montesinos returned. On Sunday, October 22, the Panamanian government informed our embassy in Panama City that Montesinos was en route back to Peru in a chartered plane. Ever disposed to be helpful, the Panamanians gave us the tail number. He would refuel in Guayaquil, Ecuador. It was not clear whether Panama had informed the Peruvian government. Suspecting that the Peruvians were still in the dark, I phoned senior government officials, reaching de Trazegnies first. He was aghast. De Trazegnies insisted that earlier that day, the Panamanian government had indicated it was about to grant Montesinos asylum. I was to infer later that evening that, because they heard of it from us first, the Peruvians suspected U.S. involvement in Montesinos' return. This, of course, was not the case, but it illustrated the government's feeling that it was under siege.

Following telephone consultations, Assistant Secretary of State Romero asked the Ecuadorian government to hold Montesinos and his plane in Guayaquil, perhaps on an immigration technicality, to buy time while the Peruvians remonstrated with Panama or otherwise came up with a new game plan. I attempted to phone senior government officials to urge that they put the same request directly to the Ecuadorians. When it approached the time we estimated Montesinos would arrive in Guayaquil, and as my phone calls to cabinet members remained unanswered, I phoned Fujimori. I urged him to act quickly with Ecuador, as their foreign minister had responded to Romero that the Peruvians had made no such request. Fujimori seemed unable to focus on the urgent task at hand. He kept noting that earlier that day Panama had been ready to approve the asylum.

At last, however, and without ever voicing his suspicion of us directly, Fujimori seemed persuaded that we were acting in good faith and

said he would call Ecuadorian President Gustavo Noboa Bejarano. He phoned back almost immediately to report that Noboa had ducked him. I suggested that he speak with Montesinos, whose plane by this time had landed in Guayaquil, to insist that he not return to Peru. Fujimori agreed, but phoned me again 20 minutes later to say Montesinos had refused even to consider staying over in Ecuador. Fujimori said by this point Montesinos was in the air again en route to Peru.

MONTESINOS GOES INTO HIDING

At 5:00 a.m. on October 23, I was back in touch with the government to learn that Montesinos' plane had been diverted to an air force base in Pisco, Peru, two hours' drive south of Lima. Montesinos had gone underground immediately. Although I had not really doubted Fujimori when he told me of his efforts to keep Montesinos in Guayaquil, Montesinos' flight into hiding confirmed that the rupture with Fujimori was authentic. I spoke to Fujimori again midmorning, by phone, for nearly an hour, reporting to Washington afterward that he seemed exhausted, dispirited, and uncertain of what to do next.

I urged Fujimori to address the new situation publicly, to make clear that he had not authorized Montesinos' return. If he said nothing, others would rush to fill the vacuum with speculation to his detriment and to the detriment of the OAS dialogue. Fujimori was very disinclined to take that step, but said he would like to meet with me later in the morning. That meeting never took place, however. Several hours later Peruvian TV began airing live coverage of Fujimori entering and exiting various SIN compound buildings. Thus began several days of a bizarre spectacle, as Fujimori personally led a massive police and military manhunt for Montesinos. The Peruvian and international press alike flocked to cover the goings-on, as the police dashed from one area of Lima to another to conduct house-to-house searches. In the first hours, the press reported that Fujimori had taken several of Montesinos' military associates into custody. At least, I thought, it would be clear that Fujimori had broken definitively with Montesinos. But commentators were soon opining that the heavy-handedness of the manhunt could only be designed to lend credence to Montesinos' claims of political persecution.

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The next night, October 24, with instructions from Washington to press Fujimori to arrest and prosecute Montesinos, I met with a newly confident Fujimori in his office. Fujimori said he had personally taken charge of efforts to "limit Montesinos' capacity to influence events" by using his authority as commander-in-chief to "relocate" and to "reassign" officers loyal to Montesinos. (This was making an art of euphemism, as the men had been led away in handcuffs.) Fujimori said he had no legal basis to have Montesinos arrested, that the object simply was to prevent him from making additional mischief. I questioned Fujimori's assertion that he had no grounds to have Montesinos arrested. I urged Fujimori at least to tell the Peruvian public what was going on. Just as Fujimori had feared, I said, Montesinos' return had an enormously disruptive effect on public confidence and the OAS dialogue. I asked Fujimori why he couldn't take some executive action that would dramatize the break with Montesinos, such as prohibiting his entry into government, military, or intelligence offices. Fujimori said doing so would jeopardize the actions underway. This struck me as illogical. Montesinos surely knew that the break was definitive, I said; only the Peruvian public and political opposition did not. So how could a public statement put the security of the president's intentions at risk? But Fujimori would not budge, reminding me he had endured public criticism in silence for the 120 days of the Japanese embassy hostage crisis.

BREAKTHROUGH ON ELECTIONS

The furor over Montesinos' return had obscured an important proposal on elections and reform that the government had put forward on October 23. In exchange for amnesty, the government offered a complete change of leadership in Peru's two electoral bodies, technical elections assistance from Mexico and Canada, and an unqualified blanket invitation to foreign electoral observers. The government also offered a truth commission and indemnification for victims of human rights abuses. Opposition leaders privately recognized that, had it been made earlier, the government's offer would have been accepted with alacrity. Spurred by Montesinos' return, however, their mood was turning more radical. Moreover, even before he knew of Montesinos' return, Toledo had rejected the proposal because it contained amnesty. A breakthrough occurred during an otherwise difficult meeting between Fujimori and OAS Secretary General Gaviria on October 25 when, under urging from Bustamante, Fujimori dropped his insistence on amnesty, in exchange for assurances that it would be dealt with later.

Progress toward elections thereafter was rapid: By the end of October, an election date of April 8, 2001, had been agreed upon and the second vote on reducing the presidential and congressional terms was about to be taken; progress toward standing down the SIN was being made under the scrutiny of a commission that included members of congress and civil society. Additionally, Montesinos had been fired and was in hiding, his top lieutenants in the military replaced; the heads of Peru's two electoral bodies had either resigned or were about to step down; as agreed in the OAS dialogue, the congress had overturned the law that gave untenured judges and prosecutors equal status with the tenured and had agreed to abolish the two executive commissions overseeing the judiciary and public prosecutors; and the government had consented to revoke the decree stripping TV station owner Baruch Ivcher of his Peruvian nationality, paving the way for resolving Peru's most notorious freedom-of-press case.

MUTINY IN A MILITARY OUTPOST

At the end of October, however, a curious development illustrated just how precarious the political situation still was. In southern Peru, at one of the military's most remote outposts, an Army colonel mutinied, demanding Fujimori's resignation. Militarily insignificant, the uprising nonetheless occurred in an army noted for its "verticality," and the uprising's psychological impact—suggesting that the Fujimori regime was unraveling—was important. The mutinous colonel, Antauro Humala, was lionized by the opposition and the press. This struck me as dangerous and I said so publicly. The mutiny faded but as November began, Fujimori had not resolved a basic problem: how to turn progress on democratization into something other than a validation of every critic's condemnation of his government. Still, and unless the Montesinos saga ended with credible evidence of serious misconduct by Fujimori himself, I thought he was likely to survive until a new government took office in July 2001.

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THE GOVERNMENT UNRAVELS

I changed my previous assessment abruptly when, on November 2, the Swiss government revealed that Montesinos had $48 million in bank accounts in Zurich. That revelation added the emotionally powerful dimension of financial corruption to what had been a crisis of political abuse. As a result, Fujimori was gravely weakened and in a November 13 message to Washington I described Fujimori's hold on office as increasingly in doubt. Telling Washington that our policy was perceived as "support for Fujimori," I said that questions would arise as to whether we still opposed his leaving office before elections and that we would have to stress more emphatically that our "support" had all along been for the decisions he announced September 16. I also flagged for consideration whether, under those circumstances, the upcoming November 20 visit to Lima of Assistant Secretary Romero and NSC Latin American Director Valenzuela would be misread as further support for Fujimori, but judged that, on balance, the advantages of a visit outweighed the risks.

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FUJIMORI LOSES CONTROL OF CONGRESS

On November 13, a momentous development occurred when the Peruvian congress held a second vote on a motion to censure the congressional leaders. This time the congressmen beholden to Montesinos voted with the opposition against the pro-Fujimori leadership and the motion carried, 64 to 51. The pro-Fujimori leadership was out and the democratic opposition was in. A congressman of the nearly moribund Popular Action Party, Valentin Paniagua, was elected president of the congress. This sealed Fujimori's fate, as it condemned him to being removed from office at a moment of the opposition's choosing.

Thus, it was Montesinos' withdrawal of support in the congress for Fujimori that was to force the latter's resignation. But I did not yet fully understand this and, in reporting the vote to Washington, failed to emphasize that it portended Fujimori's imminent political demise. The next day, however, two cabinet officers spoke with me in separate one-on-one conversations to unburden themselves of a wide variety of personal and political concerns. The upshot, I told Washington, was a sense of a regime rapidly

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unraveling. The end would come less than a week later. Ostensibly adhering to a commitment acquired some time before, Fujimori left on November 13 for a six-day trip to Brunei and Japan, where he said he would lobby for Japanese support of a project of the Inter-American Development Bank.

RESIGNATION AND TRANSFER OF POWER

Early on Sunday, November 19, Prime Minister Federico Salas called me at home. Fujimori had just phoned him to advise that he would be resigning the next day and that he would not return to Peru. Salas said he had not yet informed anyone in the Peruvian cabinet and professed uncertainty as to what would happen next. It was possible, he said, that Second Vice President Ricardo Marquez would assume the presidency, as First Vice President Tudela had resigned the month before, leaving his office vacant. Sensing a probe, I told Salas flatly that a Marquez presidency would not be viable and urged him immediately to organize a transfer of power to the democratic opposition. He needed to talk right away to the next in line of constitutional succession—President of the Congress Valentin Paniagua, a moderate person of integrity. Saying he agreed, Salas pledged to stay in touch.

Salas' hint of a Marquez presidency posed the possibility that had worried me from the outset: that Fujimori might leave office with Montesinos still able to influence the government from behind the scenes. It had been alleged to me more than once that Salas and Marquez were in Montesinos' camp. Even if they were not, I had little confidence that, with Fujimori gone, they could stand up to him.

At that moment, Assistant Secretary Peter Romero and NSC Director for Latin America Arturo Valenzuela were en route for a scheduled meeting with Fujimori midday Monday November 20. Before they arrived, Salas made public the news of Fujimori's intent to resign and called a cabinet meeting. Several hours later, I learned from Justice Minister Bustamante that Second Vice President Marquez was stating his willingness to assume the presidency. Salas confirmed this in a press conference and Defense Minister Bergamino read an Armed Forces statement expressing the military's "absolute respect for constitutional procedure." In context, I feared that this statement signaled support for a Marquez

presidency, with Montesinos behind him. Unable to reach Defense Minister Bergamino, I spoke with General Chacon, who had succeeded Jose Villanueva as Army Chief the week before, to emphasize that the military had to respect—not seek to influence—the outcome of civilian political deliberations. He assured me that that was his intention and, when I suggested that he convey that privately and directly to Paniagua, he did.

The situation was still in flux, however, when Valenzuela and Romero arrived. In the late afternoon of November 20, the palace had called to say that Marquez and Salas would substitute for Fujimori in the meeting with the U.S. delegation. In the meantime, I had learned that de Trazegnies, Bustamante, and Transportation Minister Alberto Pandolfi were refusing to go to the meeting, on the grounds that attendance would imply support for a Marquez presidency. We discussed the pros and cons of going ahead with a meeting with Marquez and decided that it was better to express our views directly to Marquez and Salas. To our surprise, in the meeting Salas clearly indicated to Marquez, before we spoke, that the best course was to arrange for a transition to the congress. Romero, Valenzuela, and I agreed with enthusiasm. It was not clear that Marquez was abandoning his gambit, however, until that night when he made a statement of his decision to resign. The next day, refusing to accept Fujimori's resignation, the congress voted 62-9 to remove him from office, but accepted Marquez's resignation. The following day, November 22, Valentin Paniagua was sworn in as president for the eight-month transitional period. The era of Montesinos and Fujimori had ended.

EPILOGUE

The transition would not be altogether uneventful, but it would prove peaceful and essentially crisis-free. In early December 2000, reflecting a back-room deal with his party that opposition leader Toledo would later regret, congress overturned the "anti-Alan" law that had prohibited former President Alan Garcia from running for public office. Although Garcia at that point had public disapproval ratings above 90 percent, and Toledo had understood he would not run for president, I told Washington that Garcia could not be counted out as a serious contender, as he had "more political talent than the other fifteen candidates combined." There was a tremendous amount of work to be done to prepare for elections. The United States gave more than $7 million in assistance to Peruvian electoral bodies and nongovernmental organizations involved

in making the elections free and fair. Former President Jimmy Carter observed the first round of elections on April 8 and former Secretary of State Albright observed the second on June 3, both judging them free and fair, as did the larger international community. Capitalizing on his role as the leading figure in the democratic opposition, Alejandro Toledo won the elections, but not before Garcia took him to a second round, forcing him to make promises that were to bedevil his presidency.

In December, it became public that Montesinos had fled Peru a week after returning from Panama—on a yacht to the Galapagos Islands. He had then made his way to Venezuela via Costa Rica and Aruba. For much of the next several months, I was besieged by a skeptical Peruvian press. Surely, if the United States put its mind to it, ran the refrain, it could locate Montesinos and turn him over to Peruvian authorities. I pointed out that it had taken a task force of 2,500 law enforcement and intelligence officials nearly four years to catch the Pakistani gunman who killed two CIA employees in 1993. In fact, we were putting our minds to it and, on June 23, 2001, as southern Peru was hit by an earthquake that registered 7.9 on the Richter scale, good work by the FBI in effect forced the government of President Hugo Chavez in Venezuela to turn Montesinos over to Peruvian authorities, satisfying the stated wish of Peruvian politicians to have him brought to justice. Fujimori remained in Tokyo, safe from extradition until his ill-fated flight to Chile.

CONCLUSIONS

Why Fujimori broke with Montesinos over the bribery scandal is still not absolutely clear. As late as August 2000, he had chastised his daughter Keiko for her quixotic attempt to organize against Montesinos. But Fujimori may have been closer to breaking with Montesinos than that incident suggested. Two men highly regarded by Fujimori—Vice President Tudela and Cardinal Juan Luis Cipriani—had both urged him during June and July to remove Montesinos. And the United States had weighed in with the September appeals to Fujimori by Secretary Albright and NSC Director Berger. It is possible that Fujiimori did not want the impression created by the bribery tapes to be history's judgment of his presidency. It is more likely still that Fujimori doubted he could survive if he did not fire Montesinos

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and that his decisions on September 16 were largely self-serving. After the crisis began, however, Fujimori was no more able to survive without Montesinos than with him. The democratic opposition was relentless in pressing for Fujimori's resignation or removal, but it was not until Montesinos' faction in the congress withdrew its support for the pro-Fujimori leadership that Fujimori's position collapsed.

The crisis provided an opportunity for U.S. policy to break off its own relationship with Montesinos in dramatic fashion. The United States had long been uncomfortable dealing with Montesinos, but had generally concluded that Fujimori could not be persuaded to remove him and so had refrained until September 8 from making the effort. But once Fujimori took the extreme step of curtailing his third term by four years as the only way he could force Montesinos out, we did all we could to see him prevail in this struggle. We thought there was grave danger in Fujimori leaving office before the effort to fire Montesinos had definitively succeeded. Our support for Fujimori was thus carefully formulated as support for new elections, deactivation of the SIN, and acceleration of democratic reforms—not as support for Fujimori remaining in office. But these nuances were difficult to persuasively convey to the Peruvian opposition and to the press.

For a time, Fujimori's bold decision put him out in front of the political reaction. In September and October, it seemed likely that he would remain in office until a new government was elected. But he proved unable to make his break with Montesinos amicable or to convince the Peruvian public that the break was genuine. When, in early November, what had been a crisis exclusively of political corruption acquired a financial dimension as well, the determination of the democratic opposition to force him out of office grew significantly stronger. Reforms, albeit bold ones, were thus inadequate to manage a situation that had become radicalized.

Peru remains one of the most difficult countries to govern in a hemisphere increasingly noted for its lack of governability.

Today, nearly five years later and as the term of the Toledo government draws to a close, much has been done to rebuild Peru's democratic institutions. Its judiciary is largely free from executive interference, its press is vigorous, and its electoral bodies independent. But Peruvian politics still suffer from political parties too weak to aggregate and conciliate interests, and Peru remains one of the most difficult countries to govern in a hemi-

sphere increasingly noted for its lack of governability. Its electorate still seems vulnerable to the appeal that strong leaders have traditionally held for voters in Latin America. The Fujimori experience does not seem to have inoculated Peru against a possible repetition of authoritarian government, and the transition to fully consolidated democratic government is not yet complete. ■