THE PROponent of the Counterintelligence Periodic Summary (CIPS) is the Counterintelligence and Terrorism Division (CIDT), US Army Intelligence and Threat Analysis Center (USAITAC). Information in the CIPS is derived from all sources worldwide, including: US Army Intelligence, other DOD Intelligence Components, the US Intelligence Community, Foreign Intelligence Organizations, and US and Foreign Publications. The intent of the CIPS is to provide US Army civilian and military personnel pertinent information on the hostile intelligence service (HIS) threat and items of a general intelligence nature within the constraints of operations security (OPSEC).

B. (U) Information in the CIPS may be disseminated to subordinate elements, consistent with pertinent security considerations.

C. (U) Part 1 addresses HIS activity during Sep 90; Part 2 addresses counterterrorism, counterinsurgency, counterespionage, counterculterversion and counternarcotics development taken by the I&SS of friendly and selected hostile countries; Part 3
B. (U) WHO IS CONTROLLING WHOM?

(1)(U) ACCORDING TO THREE RETIRED PERUVIAN ARMY OFFICERS, PRESIDENT FUJIMORI IS IN THE HIP POCKET OF THE NATIONAL INTELLIGENCE SERVICE (SERVICIO INTELEGENCIA NACIONAL-SIN) AND IS PARTICULARLY INFLUENCED BY VLADIMIRO MONTESINOS TORRES, CURRENTLY THE NUMBER TWO MAN IN THE SIN. RETIRED ARMY GENERAL EDWIN DIAZ IS THE CHIEF OF THE SIN, BUT IN TITLE ONLY. MONTESINOS, A FORMER MILITARY MAN WHOSE CAREER ENDED ABRUPTLY, WAS ALSO AN ATTORNEY FOR THE PERUVIAN FIRST LADY'S QUESTIONABLE REAL ESTATE DEALS, AND A CAMPAIGN ADVISOR WHO SUCCESSFULLY COUNSELED FUJIMORI ON THE MEANS TO COUNTER HIS OPPOSITION'S PERSONAL ATTACKS.


(3)(U) ONE OF THE GENERALS OPINED THAT "THE PERUVIAN CIA CANNOT DOMINATE THE PERUVIAN STATE," AND THAT THE ARMED FORCES WOULD INTERVENE AND "DECAPITATE" THE INTELLIGENCE STRUCTURE AT SOME POINT. THE OTHER TWO AGREED AND INDICATED THAT, AS MORE BECOMES KNOWN ABOUT MONTESINOS, THE FUJIMORI ADMINISTRATION WILL FACE MORE CRITICISM. IT WILL THEN BE UP TO THE PRESIDENT TO DEIDE WHAT COURSE OF ACTION TO TAKE.

(4)(U) ANALYST COMMENTS: THOUGH STILL SOMewhat WELL CONNECTED TO ACTIVE AND OTHER RETIRED GENERALS, THIS GROUP'S COLLECTIVE REMARKS ARE CONSIDERED SOMewhat ALARMIST WHEN COMPARED TO
THE OPINIONS OF OTHERS. PRESIDENT FUJIMORI WAS BASICALLY A POLITICAL UNKNOWN PRIOR TO HIS ELECTION, AND PERHAPS HE HAS SURROUNDED HIMSELF WITH ADVISORS WHOSE PERSONAL GOALS AND AMBITIONS OUTFIELD THOSE OF THE STATE. ALTHOUGH THE OFFICERS HAVE BEEN OUT OF THE MAINSTREAM FOR A WHILE, ALL ARE CAPABLE OF WIELDING SOME INFLUENCE. FOR EXAMPLE, GENERAL MERCADO IS CURRENTLY THE DIRECTOR OF THE INSTITUTO PERUANO DE ESTUDIOS GEOPOLITICOS Y ESTRATEGICOS (PERUVIAN INSTITUTE OF GEOPOLITICAL AND STRATEGIC STUDIES); GENERAL CISNEROS IS CURRENTLY A POLITICAL WRITER AND COMMENTATOR; AND GENERAL JARAMA IS A FREE LANCE POLITICAL ANALYST. (ANALYST: )

C. (U) (1) (2) (3) (U) ANALYST COMMENTS: (A) (B) (ANALYST: )