

# **Natural Resources and Recurrent Conflict: The Case of Peru and Sendero Luminoso**

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## Introduction

In the late 1960s, a philosophy professor teaching in the highlands of Peru, shocked at the abject poverty, formed a communist movement named Sendero Luminoso with the proclaimed goal of bringing economic equality to the region. Sendero Luminoso launched its first attack during the Peruvian presidential elections in 1980 by capturing and then burning ballot boxes as a protest measure. From this rather innocuous first attack, the group soon became one of the most violent rebel groups of the 1980s, pushing the state of Peru to the brink of collapse. To challenge the Peruvian state, Sendero Luminoso relied heavily upon the drug trade to secure rents for arms and provisions. These rents allowed the group to continue fighting into the 1990s and past the capture of its ideological leader. While the Peruvian army declared victory over Sendero Luminoso in the mid-1990s, the group launched attacks until the year 2000 before disappearing from the public eye. The Peruvian highlands remained an unsafe place, with guidebooks warning tourists to remain vigilant or avoid these areas altogether when in Peru. In 2007, Sendero Luminoso reemerged, launching sporadic attacks against the state and its citizenry. Now, however, the press refers to the group not as a legitimate rebel group articulating grievances against the state, but instead as a criminal group seeking to protect coca fields and drug traffickers throughout the Andean highlands.<sup>1</sup>

The focus of the case study is to understand why the Peruvian state was able to drive Sendero Luminoso out of the cities and back into the highlands of Peru, but unable to successfully dismantle the remnants of the rebel organization. The argument presented in this case is that the presence of an illicit natural resource—the coca plant, which can be used to make cocaine—provided the rebel group with the financial resources to withstand the state. Further, because the Peruvian government believed that the Shining Path had been defeated, it neglected to provide a comprehensive economic plan to incorporate those citizens located in fertile recruiting regions for Sendero Luminoso. In fact, the state has never successfully integrated into Peruvian society the Andean provinces and their mainly indigenous populations, who have missed out on the economic opportunities concentrated largely in the country's coastal regions. The lack of post-war economic planning by successive Peruvian governments and the presence of a large profitable natural resource such as coca combined to ensure that Sendero Luminoso would continue to challenge the government to the present day. The rest of this case study will focus on the presence of this unique natural resource during and after the conflict, identifying how rebels were able to use the coca plant to disrupt attempts at post-conflict reconstruction and reconciliation. This will be accomplished by analyzing the historical context of the conflict, the key actors for both the government and Sendero Luminoso, the results of the conflict, and the post-war era and conclusions on why conflict has become renewed in recent years. Together, this case will demonstrate the importance of natural resource governance in contemporary post-conflict societies.

## Background of the Peruvian Civil War

Peru spent the 1970s under a leftist military dictatorship led by General Juan Velasco. Velasco came to power in 1968, overthrowing the democratically elected government in order to establish what he proclaimed would be a fully participatory social democracy.<sup>2</sup> While the military dictatorship may have brought some stability to the chaotic Peruvian state, by the late 1970s there was increased pressure on the regime to return state control to civilians. Thus, the military dictatorship announced that presidential elections would be held on May 18, 1980, and that the military would retire from the political process. While the Peruvian state and various political parties made plans

for the presidential election, a small student group in the Andes made plans to *not* participate in the vote and instead to challenge the state through violent revolt.

Sendero Luminoso was an off-shoot of the Peruvian Communist Party with members that articulated a distinctly Maoist interpretation of how to remake society. Former philosophy professor Abimael Guzman founded the group in the 1960s after moving to the Ayacucho province in the Andean highlands and feeling shocked at the abject poverty in which most citizens lived. The group chose the democratic election of 1980 to launch their rebellion against the state, capturing ballot boxes the night before the election and burning them in protest. The reasoning for launching the rebellion then was because the group reasoned that the new civilian government would be hesitant to cede control to the military after years of dictatorship, which proved to be quite prescient.<sup>3</sup> This symbolic action was ignored by most of the press at the time, but the group soon became infamous throughout the country.<sup>4</sup>

The civil war began in earnest in 1982, as Sendero Luminoso began its movement out of its base and spread to surrounding provinces. The group initially targeted low-level representatives of the state in towns throughout the highlands, seeking to replace these individuals with their own Marxist government. Their focus in this initial stage was to cleanse the countryside of the Peruvian state, targeting villages before encircling the larger towns in the highlands. Because Sendero Luminoso was slow to spread and did not engage in many direct violent attacks, the government was slow to respond to this violent challenge. In Lima, the citizens and the government were distracted by the transition to democracy. However, by 1983, Sendero Luminoso had established a strong base in rural provinces and turned its focus to fermenting a general people's war. As casualties mounted and the rebels were able to begin attacking the capital of Lima, the government began responding in earnest.<sup>5</sup>

As the rebellion continued throughout the 1980s, it became apparent that Sendero Luminoso was an incredibly strong rebel group. In addition to initially attracting impoverished recruits with the promise of a more equitable and just society, the rebel group also had the advantage of controlling an area of the country where the coca plant was cultivated. Cocaine's popularity in the United States had soared in the 1970s, and the creation of crack in the 1980s ensured high demand for the coca plant throughout the 1980s. The group did not initially participate in the drug trade, instead choosing to rely primarily on taxing farmers and drug traffickers who passed through their territory. However, even this low-level interaction with the drug trade meant the group had access to financial resources that allowed them to procure additional weapons and recruits to fight the government.<sup>6</sup>

Sendero Luminoso made significant progress throughout the late 1980s, while the Peruvian state was tottering on the brink of collapse. The 1990 presidential election, which the rebels attempted to disrupt, surprised most prognosticators by bringing political neophyte Alberto Fujimori to power. His controversial presidency led to a suspension of the constitution in the *auto-golpe*, where Fujimori overthrew his own government in the hopes of battling both hyperinflation and Sendero Luminoso by strengthening his own power. Fujimori's regime was to have successes with both. Peru's economy improved during the 1990s, and the government dealt Sendero Luminoso a lethal blow with the capture of Abimael Guzman in 1992. When Sendero Luminoso lost its leader, the organization soon called for a "struggle for peace" and a twelve-year halt to violent attacks. After the declaration, Sendero Luminoso had a significant reduction in attacks, and a government amnesty law led to around 5,000 rebels giving up their arms. In 1994, the government declared that Sendero Luminoso had been crushed.<sup>7</sup>

While the Sendero Luminoso threat may have lessened following the capture of Guzman in 1992, the group did not entirely disappear. The remnants of the group continued to operate in the Peruvian highlands, where it had first emerged. Sporadic attacks continued throughout the end of the last decade as a low-intensity conflict that averages around 50 deaths a year as late as 2010, a far cry from the thousands that were lost during the heyday of Sendero Luminoso. Even though the group does not pose a fundamental threat to the legitimacy of the Peruvian state, the inability of the government to reassert control over the entirety of its territory presents a continuing problem. The failures of post-war reconstruction and reconciliation efforts in the Peruvian highlands—failures due to the presence of an illicit natural resource—mean that the Peruvian state will need to rethink its strategies in the hopes of securing peace for all of its citizens. To better understand both the successes and failures of the post-war period, a more in-depth examination of the key parties is necessary.

## Key Parties of the Conflict

Two major actors dominate the intrastate conflict in Peru: the state and Sendero Luminoso. In this section, the motives and objectives of both groups will be presented in greater detail, analyzing why the conflict began, how both sides were unable to reach a negotiated settlement, and why the conflict continues today at a lower intensity level. What will become apparent is that, throughout the 1980s, the Peruvian state was quite weak and fractionalized in responding to the Sendero Luminoso threat. At the same time, Sendero Luminoso was able to retain a strong centralized command under Abimael Guzman until his capture. After his capture, the group fractionalized, with some factions still fighting today in a reduced form.

### *The Peruvian State*

Peru was a military dictatorship throughout the 1970s and thus was a transitioning unstable society in the 1980s. The civilian leadership throughout the 1980s was concerned with the possibility of another military take-over, which led to mutual distrust between the government and the military throughout the conflict. Both presidencies of the 1980s are associated with a slow response to the Sendero Luminoso threat and spiraling hyperinflation. For the purposes of understanding the end of the conflict and the failures of post-conflict reconstruction, however, the focus will be on Alberto Fujimori.

Fujimori rose to power in 1990 after two successive democratic regimes had failed to either fix the economy or defeat the rebel groups that were spreading discord across Peru. He claimed office as an outsider, arguing that traditional politics had failed. Controversy remains today over the legality of Fujimori's actions while president. His government was accused of using "death squads" against the rural population, meaning that local citizens were targeted by both sides. The Peruvian Truth and Reconciliation Commission confirmed this claim, but found Sendero Luminoso to have committed the majority of atrocities.<sup>8</sup> The intensification of violence reflected the stakes and objectives for both sides. The government and the rebels were motivated to destroy each other, which made the possibility of a negotiated compromise quite difficult.

During Fujimori's regime, more investments were also made in counterinsurgency operations under civilian or police control. To do this, Fujimori first carried out a coup against the government so he could rule by decree and implement his counterinsurgency and austerity programs. Reconfiguring both the government and the military to ensure his supporters were in charge of important institutions, Fujimori sought to achieve significant victories against the rebels

in order to improve the chances of receiving additional foreign aid. When a police counterinsurgency team captured Sendero Luminoso leader Guzman in 1992, Fujimori was able to rely on significant United States aid to combat both drug trafficking and the remnants of the rebel organization. For the rest of the 1990s, the government focused on the twin tasks of bringing economic stability and peace to the country. However, Fujimori was forced from power as he became increasingly autocratic and embroiled in a number of accusations of corruption. A return to democracy in the past decade has been entwined with successful growth policies, meaning that Peru has had notable success in moving past its devastating civil war in many regards.

The leadership since the removal of Fujimori has focused on building on the economic progress made after the return of stability in the late 1990s. The fall of Fujimori can be tied to the growing criminality of Peru during the 1990s, as drug trafficking spread throughout the Andes region. In fact, when the Fujimori regime collapsed, it was partly due to the confluence of criminality and security within his regime. Fujimori's chief of security, Vladimir Montesinos, was caught in a bribery scandal that, coupled with Fujimori's undemocratic actions of the past decade, led to Fujimori's resignation.<sup>9</sup> Subsequent rulers have focused on reducing the role of criminality in politics, which is reflected in the fact that Peru has one of the stronger rankings in Transparency International's Corruption Perception Index.<sup>10</sup> Yet while there have been efforts to promote economic stability and growth, there have been less success at addressing long-standing problems of inequality. A look at the other major actor in the conflict will reveal that this success has not been consolidated in all regions, making Sendero Luminoso an enticing recruitment option for some citizens.

### *The Rebel Group: Sendero Luminoso*

Abimael Guzman was the unquestioned leader and founder of Sendero Luminoso, with a strong centralized command that ensured all final decisions by the rebel group had his approval. Guzman formed the group as an offshoot of the Peruvian Communist Party in the late 1960s with the expressed purpose of violent revolution. Its overarching goal was to destroy the Peruvian state and rebuild it free from capitalist influence. The group spent the 1970s recruiting primarily in the province of Ayacucho, located in the central Andean highlands. As a result, the group had grown quite strong by the time it decided to begin fighting in the 1980s. The group had a highly centralized command that could count on an indoctrinated base of support. Guzman and the central committee of Sendero Luminoso planned for the group to accomplish various tasks at specified stages, which meant that Sendero Luminoso was highly efficient and did not overreach when carrying out the initial stages of the rebellion.<sup>11</sup>

When the fighting began, the group focused on establishing liberated zones throughout the highlands by encircling populated towns and employing brutal tactics against the indigenous population if they did not openly support the rebel group. The group avoided direct engagements with the military as much as possible, electing to employ a guerrilla campaign against the state. As Sendero Luminoso spread out of the highlands to the cities on the coast, the group used indiscriminate bombings as part of a terror campaign. Later, as the group suffered setbacks during the 1990s, it worked to win over the local indigenous population it had earlier isolated. The strategy mostly failed – except for in areas where the group offered protection to individuals involved in the local and international coca trade.

The group sought to become a popular revolution and at one time counted over 5,000 active fighters among its ranks.<sup>12</sup> In its current incarnation, estimates vary, but the group seems to have

between 150 to 300 fighters after the capture of one faction in spring of 2012. The reduction in its fighting force is due both to the more effective government counter-insurgency techniques of the 1990s and the internal fragmentation of Sendero Luminoso following the capture of Guzman in 1992. While most fighters retired or joined the political process, others who were enriched via the coca trade maintained their presence in the coca regions and began launching attacks in the late 2000s. The failure to fully dislodge the group from the Peruvian highlands can be attributed to the inability to incorporate these former fighters and sympathizers into the Peruvian economy.

Peru has experienced significant economic growth in the past decade, yet populist protests throughout the presidential campaign of 2011 reflect that most of the benefits have been felt in the coastal regions. The Peruvian government has focused on achieving growth primarily through natural resource mining. The exploitation of natural resources has brought sustained growth throughout the past decade, but the emphasis on a trickle-down approach has meant that regions without resources have suffered. These regions are the same areas where the insurgency took hold during the 1980s. The lack of viable economic alternatives in the highlands means that even if potential supporters do not join the reformed Sendero Luminoso, they are more willing to grow the coca crop that provides the revenue necessary for the continued survival of the rebel group. How the group has evolved and continue to challenge the state today will be reflected in the next section.

## **Results of the Conflict**

The coca plant has proven a difficult natural resource to govern. The main impediment for governments is that coca is not a particularly valuable natural resource outside of the narcotics trade. The state cannot replicate the income for the location population that they receive from growing coca. In addition, the Andean countries use coca for a multitude of purposes and it has been an integral part of indigenous identity. The coca leaf only becomes a narcotic when it is processed, otherwise it can be used for chewing or tea, as it has by the local population for centuries. Thus, simple eradication of the crop from its territory is not an option for the Peruvian government, as it would anger the local population it seeks to reincorporate into the state. Finally, coca is grown in climates and regions that are inhospitable for state control: in mountainous or forested regions that traditionally operate with minimal state interference. While there are many facets to post-conflict reconstruction, this section will focus primarily on the difficulties in (re)incorporating rebel-held territory into the state when there are issues of resource governance. The growth of criminal enterprise and the parallel economy during the intrastate conflict provided access to monies that allowed for continued effective resistance against the expansion of the government into less developed areas of Peru.

The Sendero Luminoso conflict never had an official cease fire, making it hard for both scholars and policymakers to officially date its end. While the group was never the same after the capture of its leader in 1992, Sendero Luminoso remained a dangerous violent actor throughout most of the 1990s. The Peruvian government argued in the late 1990s that the group no longer could mount an effective resistance, and as attacks dwindled each year, the security threat posed by the group was minimal. During this period, the group also faced increasing fragmentation and disagreement about how to best proceed. While most of the group accepted the amnesty law offered by the government, a small minority remained in the highlands and continued to work with the drug traffickers that they had protected since the mid-1980s. When the group reemerged after the fall of Fujimori, many analysts agreed that the organization had stronger, more pronounced ties with the drug industry. Indeed, Sendero Luminoso has participated in guerrilla attacks against military and police officers in the past decade not because it can overthrow the state, but, rather,

because these state institutions have expanded into the group's territory and threaten their governance of the coca resource.

Sendero Luminoso's fractionalization and reinvention during the 1990s has led some scholars to argue that the group can be considered a wholly different organization.<sup>13</sup> However, while the motivations of the group can arguably change, this should not distract from the fact that the leadership of the new Sendero Luminoso fought during the original conflict. It also discounts that the original organization received significant monies from the coca trade. The presence of the coca trade allowed factions of Sendero to survive the onslaught from the Peruvian military during the 1990s. Sendero Luminoso is not the only violent non-state actor to survive military defeat because of the presence of a valuable contraband resource. The Khmer Rouge participated in smuggling operations for nearly two decades following the end of the genocide in Cambodia. UNITA was able to continue fighting the Angolan state long after the cessation of outside support because of access to diamond mines in its territory. There are also arguments that FARC in Colombia has also been fundamentally changed with the introduction of natural resources into the conflict.<sup>14</sup> The presence of a lucrative natural resource can provide an opportunity for groups to continue fighting or reemerge even after losing both leaders and popular support from the aggrieved population. Access to a natural resource that generates a large amount of revenue can change the motivation of fighters, as it is likely that the state cannot offer any settlement that promises such a lucrative future.<sup>15</sup> Hence, the military defeat of Sendero Luminoso eliminated most of the organization, while providing new opportunities for those who were enriching themselves through the drug trade.

The reemergence of Sendero Luminoso reflects the collapse of the brief post-war peace Peru experienced in the late 1990s and early 2000s. However, the group has not sought to expand and recruit heavily across the state, focusing instead on local recruits in the coca-growing region. This region also faces significant economic disadvantages that sparked the original rebellion. When Sendero Luminoso was no longer an effective fighting force following Guzman's capture, the government had an opportunity to integrate the vulnerable highland population into the state and provide incentives to participate in the legal economy. However, during the 1990s, the state was distracted with hyperinflation and implementing austerity measures on a more macroeconomic level. Little was done for the rather large population of internally displaced peoples (IDPs) that was a legacy of the conflict. Approximately 70 percent of the IDPs were indigenous peasants, highlighting that these potential rebel supporters were also those who suffered the most after the conflict ended.<sup>16</sup> Additionally, because these IDPs were often uneducated, it was hard for them to compete for jobs wherever they settled, increasing their incentives for participation in the informal economy.

International actors, particularly the United States government, focused on the highlands of Peru primarily to eradicate a source of drug trafficking. As the Drug Enforcement Agency (DEA) gave millions of dollars in aid to Peru starting in the late 1980s, the Peruvian state was able to expand its reach into these previously impenetrable highlands. However, they were not the only actors that were establishing new inroads in the Peruvian highlands. International drug cartels have partnered with both local farmers and also Sendero Luminoso to gain access to coca. The Peruvian government has argued that both Colombian and Mexican drug cartels have become involved in the Peruvian drug market.<sup>17</sup> The cartels seem to be reactive to events within Peru; it is only with the breakdown of order during wartime do reports emerge of cocaine trafficking by international actors in Peru. These cartels were not alone, as members of the Fujimori government during the 1990s were also accused of participating in the drug trafficking business that contributed to conflict longevity. Little work, however, especially under Fujimori's regime, was done by international actors seeking to blunt the influence of cartels in working with the local

population to integrate them into the legal economy and state. Instead, Peru relied on the heavy-handed tactics that had been a benchmark of the conflict. While this increased pressure may have disrupted many drug trafficking operations in the region, their efforts failed in eradication and it did little to offer incentives the terrorized local population.

Additionally, when considering the role of coca for the local population in the Peruvian highlands, it becomes apparent that farming the leaf remains a viable opportunity in an otherwise destitute situation. Two factors help explain why promotion of alternative livelihoods have failed to take root for many Peruvians. The first factor, which has been documented throughout this case, is that the national leadership in Peru has prioritized other factors in post-conflict peacebuilding, namely the promotion of national economic growth. The national economic policy has not been a failure, as the economic profile of Peru has improved dramatically in the past decade, but it failed to benefit those citizens living in the highland regions. The second factor was increased international demand for coca, which meant that it became even more lucrative for farmers to grow the leaf.<sup>18</sup> Combined, these factors meant that as presently construed, alternative livelihood approaches in Peru have not worked.

While the Peruvian government has concentrated on interdiction efforts against drugs, though failing to incorporate citizens into the state, there have been some efforts at reconciliation. Many of these efforts came about after the fall of Fujimori and the reintroduction of democracy in the past decade. In 2003, Peru recognized the rights of internally displaced persons, basing its approach on guidelines from non-governmental organizations and the United Nations.<sup>19</sup> The law provided protection against displacement for individuals, in addition to creating a new database that would allow the state to provide a stronger response to the population's grievances. President Toledo also claimed that when the law passed over 600,000 citizens would receive a form of reparation that had thus far been denied to them.<sup>20</sup> The law passed did attempt to address how the population often gets caught between the two warring sides, which was especially true during the Sendero Luminoso war. Both sides committed atrocities against the civilian population because of perceived civilian support for their enemy. These atrocities were exposed during the Peruvian Truth and Reconciliation Commission.

The Peruvian Truth and Reconciliation Commission was an attempt by the government to examine abuses by the government and Sendero Luminoso throughout the 1980s and 1990s.<sup>21</sup> The Commission had public hearings, exhumations, and various seminars in the hope of providing the proper forum to allow for an airing of grievances. As the final report revealed, nearly 75 percent of victims spoke a language other than Spanish and lived in rural areas with little education, reinforcing that the war was quite hard on the indigenous uneducated population that lives in the Peruvian highlands.<sup>22</sup> The final report also addressed the long-term effects of war, noting that psychological effects of the conflict could manifest in the following decades. While the Commission was able to make recommendations and shed light on the suffering of the population, it had little enforcement power. Rightfully praised in international corridors, the Peruvian Truth and Reconciliation Commission allowed the Peruvian state to address the horrors of war. However, because the state was not strong enough to address all of the underlying problems identified in the report, some individuals in Peru choose to participate in transnational criminal activity in the form of harnessing an illicit natural resource. An analysis of the current state of coca cultivation in Peru will demonstrate the difficulties all post-conflict states face in harnessing natural resources that have been under the control of rebel forces. The inability to forge a lasting policy for the local population and their relationship with coca means Peru still faces a violent challenge to government legitimacy, with no hope of quick resolution.



## Conclusions: Lessons Learned

Nearly 70,000 people died in the Peruvian Civil War that lasted from 1980 until the late 1990s.<sup>23</sup> Such a vicious conflict has numerous costs that both the Peruvian government and the international community have sought to address in the past decade. In this concluding section, the focus will be on addressing what lessons can be learned in preventing a resumption of violence when there is a natural resource that makes it easy for rebel groups to continue fighting. The Peruvian case demonstrates the importance of incorporating potential rebel recruits into the legal economy by providing opportunities, while also considering how to best manage natural resources so as not to enrage the local populace.

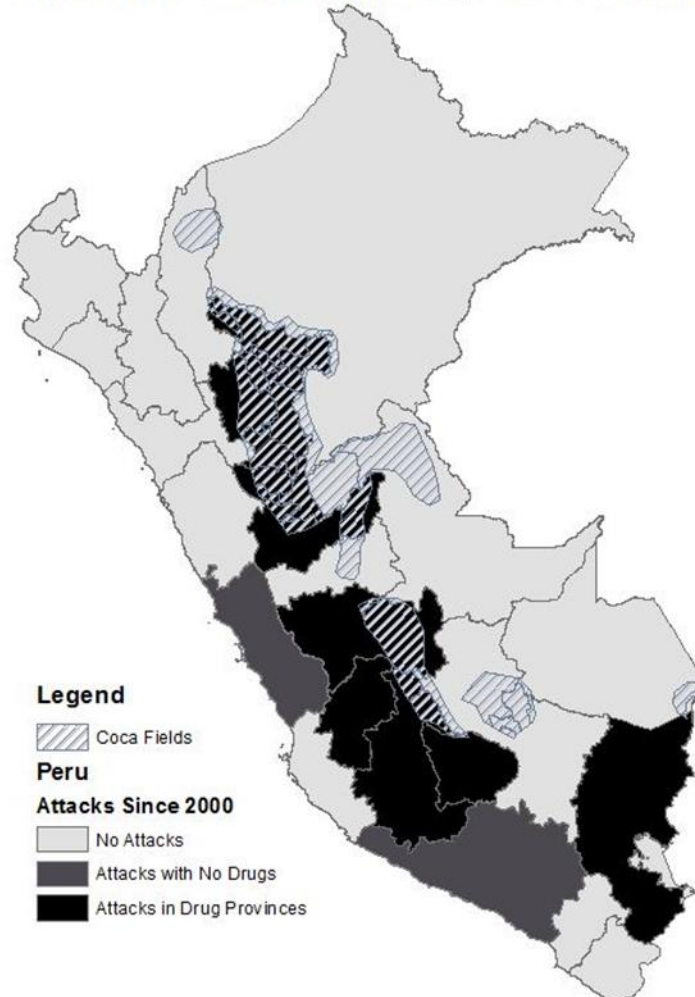
Since 2000, the number of hectares dedicated to coca has almost doubled from 30,000 hectares to over 60,000.<sup>24</sup> The growth of this natural resource has occurred outside the control of the Peruvian state and has had dire consequences for peace and stability for regions of Peru. Sendero Luminoso has been able to strengthen its ties with the drug trade in the past decade and can be arguably described not as a rebel group, but as a violent criminal organization. Regardless of semantics, the effect is the same, because as long as a violent non-state actor is able to operate with little impunity throughout most of Peru, the Peruvian state will remain weak with limited potential to bolster its strength. The failure to wholly address the management of the coca natural resource prevented Peru from achieving a final victory against the Sendero Luminoso organization in the late 1990s.<sup>25</sup>

The inability to eliminate the organization comes from the fact that it appeared to the government that the rebel organization had been defeated. Its leader was in jail and called for peace, many members had demilitarized due to the amnesty law, and the number of violent attacks shrank each year. The leaders of Peru, from Fujimori to the present, overestimated the importance of leadership in regards to the prospects of Sendero Luminoso. By the time of Guzman's capture, he had little say in day-to-day operations, though the symbolism of his capture had a noticeable effect on many rebel soldiers. At the same time, the operationalization of the coca plant to fund the rebellion created a situation in which the rebellion could control, albeit in a diminished form, after the loss of a leader. If more had been done to exploit this leadership change in the 1990s, perhaps by committing more to providing state support to alleviate economic problems in the highlands, the government could have achieved more success in disarming the rebels. The decisions of political leaders to focus more on the overall economy rather than addressing local problems created incentives for certain individuals to continue offering support for Sendero Luminoso. It is unclear whether this inattention to local inequalities is due to individual failures in leadership that led to recurrent conflict or whether it was due to the state of political institutions following the Fujimori regime.

What is more apparent now, however, is that rebel groups can survive with very little support from the masses and with small membership if they have access to a lucrative resource. The group was able to operate unencumbered for most of the past decade throughout the Peruvian highlands, thus appearing as a legitimate alternative option to a population that was still mainly excluded from the educational and economic opportunities afforded to other Peruvians. States in post-conflict zones must harness all natural resources that lower the costs of rebellion while also providing incentives to the population to not join with violent non-state actors. Local and international aid organizations should be supported and focus their efforts on providing viable alternatives to citizens in these poorer regions, ensuring that even if they do not actively join a violent organization, that they also do not provide tacit support in the form of growing coca.

It is evident that problems still remain for Peru with regard to the coca plant. Figure One (created by author) below demonstrates that only two regions without coca have experienced Sendero Luminoso attacks since the year 2000, with a minimal number of attacks.

Peru and Sendero Luminoso, 2000-Present



The vast majority of regions to experience the majority of attacks have been almost exclusively in coca zones, seeking to protect or expand their coca trade. Regions with coca fields have not been reincorporated into the state and have allowed Sendero the ability to regroup in the past decade as a small efficient, deadly group. The group now exclusively recruits and fights based on their ownership of coca. Sendero fighters work with the local population to ensure that they are protected from government efforts at eradication. The result is that the group has been able to strengthen its position in the Peruvian highlands and should be able to resist government advances in the coming years. If Peru continues to experience high levels of growth in the coming years, it will only make the underlying inequalities that initially led to the rise of Sendero Luminoso worse. The failure of the Peruvian leadership to address the economic and political inequalities after the end of major combat is partly to blame for the continuing presence of the rebel organization.<sup>26</sup> While the group remains splintered, with some advocating for political participation, while others remaining committed to protection of the coca industry in the highlands, it is clear that the group is not yet finished in Peru. These split legacies between the younger generation advocating for Sendero to achieve political representation, while other members still patrol the highlands and

launch sporadic attacks come from the inability of the Peruvian leadership to fully address the economic grievances from the original conflict;

The empirical relationship between natural resources and conflict is quite strong in many academic studies.<sup>27</sup> The case of Peru helps highlight some of the lingering issues states face with regard to natural resource management. First, natural resources can allow a rebel group to better absorb pressure from the state during conflict. The group no longer has to rely on the support of the population, as the money it receives from these resource rents means the group can survive with little active popular backing. The result is that it makes it harder for the state to know whether it has effectively neutralized the violent group. Secondly, the presence of natural resources in this conflict created a failure for post-conflict reconstruction because the government was unable to offer viable alternatives for the rural economically deprived population in the interior provinces. The coca, however, did provide a possible economic opportunity that Sendero Luminoso was able to use for continued recruitment. The state's response, supported by international actors, was to concentrate on eradication, which convinced local farmers that only Sendero Luminoso could protect them. The result is that a decade after the supposed end of the conflict, a violent non-state actor called Sendero Luminoso has reemerged in Peru, preventing the state from controlling all of its territory. The continued presence of this rebel group will prevent problems for Peru as it tries to build infrastructure and provide for its citizenry located in the interior of the country.

Sendero Luminoso has now been able to operate throughout Peruvian territory for over 30 years. Initially a Maoist organization focused on destroying the Peruvian state and coming close to achieving its goals, it is now a small yet deadly organization making millions of dollars by participating in the drug trade. The longevity and the problems the group poses for Peru demonstrate the importance both national and international actors should place in resolving natural resource issues in post-conflict settings.

## Critical Questions

1. How can states with weak infrastructure decrease crime in post-war societies?
2. The presence of drug trafficking presents specific challenges for Peru. What steps can Peru take to balance their international obligations and treaties while also balancing the local needs and customs regarding coca?
3. Was there a particular action the Peruvian government could have undertaken to prevent the reemergence of Sendero Luminoso in the past decade?
4. How can NGOs and the international community work to provide basic services in regions where violent non-state actors operate?
5. What incentives can both the government and aid workers offer to potential rebel recruits? Should these incentives be primarily economic or political opportunities? How else can reconstruction workers prevent participation in the parallel illicit economy?

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<sup>1</sup> Romero, Simon. 2009. "Cocaine Trade Helps Rebels Reignite War in Peru." *The New York Times*. March 18 (Section A), 1.

<sup>2</sup> Weinstein, Jeremy. 2007. *Inside Rebellion: The Politics of Insurgent Violence*. New York: Cambridge University Press

<sup>3</sup> Chernick, 2007

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- <sup>4</sup> Stern, Steve (ed). 1998. *Shining and Other Paths: War and Society in Peru, 1980-1995*. Durham, NC: Duke University Press.
- <sup>5</sup> Taylor, Lewis. 2006. *Shining Path: Guerilla War in Peru's Northern Highlands*. Liverpool, UK: University of Liverpool Press.
- <sup>6</sup> Weinstein, 2007.
- <sup>7</sup> Jane's World Insurgency and Terrorism. 2009. Alexandria, VA: Jane's Information Group.
- <sup>8</sup> Laplante, Lisa and Kimberly Theidon. 2007. "True with Consequences: Justice and Reparations in Post-Truth Commission Peru." *Human Rights Quarterly* 29, pg. 228-250.
- <sup>9</sup> Wilson, Scott. 2001. "Peruvian Ex-Spy Chief Is Seized in Venezuela; Capture of Montesinos Ends 8-Month Manhunt." *The Washington Post*. June 25 (Section A), pg. 1.
- <sup>10</sup> Transparency International. 2012. "Corruption by Country: Peru." <http://www.transparency.org/country#PER> [accessed 10 November 2012].
- <sup>11</sup> Gorriti, Gustavo. 1999. *The Shining Path: A History of the Millenarian War in Peru*. Chapel Hill, NC: University of North Carolina Press.
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