

Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Latin American Affairs Directorate,
NSC: Records

Folder Title: Bolivia (Safe 3)
02/20/1985-04/30/1985

Box: RAC Box 1

To see more digitized collections visit:

<https://www.reaganlibrary.gov/archives/digitized-textual-material>

To see all Ronald Reagan Presidential Library Inventories, visit:

<https://www.reaganlibrary.gov/archives/white-house-inventories>

Contact a reference archivist at: **reagan.library@nara.gov**

Citation Guidelines: <https://reaganlibrary.gov/archives/research-support/citation-guide>

National Archives Catalogue: <https://catalog.archives.gov/>

Last Updated: 9/6/2024

WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name LATIN AMERICAN AFFAIRS DIRECTORATE, NSC:
RECORDS

Withdrawer

KML 9/28/2011

File Folder BOLIVIA (SAFE 3) 02/20/1985-04/30/1985

FOIA

M10-353/1

Box Number 1

DENNISON

60

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
119832	MEMO	NICHOLAS PLATT TO ROBERT MCFARLANE RE BOLIVIA <i>R 5/18/2015 M353/1</i>	1	2/15/1985	B1
119836	MEMO	NICHOLAS PLATT TO ROBERT MCFARLANE RE BOLIVIA <i>R 4/15/2013 M353/1</i>	1	1/30/1985	B1
119833	MEMO	NICHOLAS PLATT TO ROBERT MCFARLANE RE BOLIVIA (FIRST PAGE HAS SAME TEXT AS DOC 119832) <i>R 5/18/2015 M353/1</i>	2	ND	B1
119835	MEMO	SAME TEXT AS DOC 119833 <i>R 5/18/2015 M353/1</i>	2	ND	B1

The above documents were not referred for declassification review at time of processing

Freedom of Information Act - [5 U.S.C. 552(b)]

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

ON
FILE
Tillman

THE WHITE HOUSE
WASHINGTON

February 20, 1985

0431

TILLMAN

Dear Mr. Secretary General:

Thank you for your letter of January 7 regarding the difficult problems presently facing Bolivia. I share your concern about Bolivia's alarming economic decline and the potential threat this represents to its fragile democracy. Your renewed efforts to mobilize international support for Bolivia, especially in the critical period until the June Presidential elections, are much appreciated.

As you know, the United States Government has strongly supported Bolivian democracy since the restoration of civilian government more than two years ago. Fostering democracy throughout the hemisphere continues to be a principal objective of my administration.

Consistent with this policy, we have actively supported the Siles Government both politically and economically over the past two years. We have repeatedly expressed, publicly and privately, our strong support for continued constitutional rule and our objections to any attempt by political or military elements to disrupt democratic processes. We will continue to do so.

Over \$200 million in United States aid has been provided to Bolivia since October 1982. We remain prepared, within our budgetary limitations, to consider additional resources. However, our ability to release further aid is influenced by the willingness of the Bolivian government to help itself. We are currently examining the economic measures announced by the Siles government on February 9 and will be factoring them into considerations of future assistance.

Because of the importance we attach to the survival of constitutional order in Bolivia, the U.S. Government is reviewing the possibility of additional resources and will do its share to help ensure free and honest elections.

Sincerely,

Ronald Reagan

His Excellency
Dr. Javier Perez de Cuellar
Secretary General of the United Nations
New York

THE WHITE HOUSE

0431

WASHINGTON

February 20, 1985

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE *RCM*
SUBJECT: Letter to Secretary General de Cuellar

Issue

Whether to sign a letter to UN Secretary General de Cuellar.

Facts

UN Secretary General Perez de Cuellar has written to you requesting that attention and resources be directed towards Bolivia as evidence of our commitment to "safeguard democracy in Bolivia."

Discussion

Your letter of response points out that we share his concern about the situation in Bolivia and cites your appreciation for his efforts to mobilize support for Bolivia. Our public support for constitutional order in Bolivia is outlined. The letter cites the economic assistance we have already committed to Bolivia and states that further assistance is conditioned on steps for economic stabilization in compliance with the IMF, but that we are considering further actions.

RecommendationOKNo*RC*

That you sign your letter to Secretary General de Cuellar.

Attachment:

Tab A Letter to Secretary General de Cuellar

Prepared by:
Jacqueline Tillman

cc: Vice President

NATIONAL SECURITY COUNCIL

UNCLASSIFIED WITH
CONFIDENTIAL ATTACHMENT

February 19, 1985

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: JACQUELINE TILLMAN

SUBJECT: Letter to Secretary General de Cuellar

UN Secretary General Perez de Cuellar has written to President Reagan requesting that attention and resources be directed towards Bolivia, as evidence of our commitment to safeguard democracy in Bolivia. The letter of response was drafted by State and cleared by Treasury. It points out our concern about the situation in Bolivia and cites our appreciation of his efforts to mobilize support for Bolivia. We stress our public support for constitutional order in Bolivia and outline some of the economic assistance we have already given to Bolivia, saying that further assistance is conditioned on steps for economic stabilization in compliance with the IMF, but that we are considering further actions. Speechwriters concur.

RECOMMENDATION

That you forward your memorandum to the President at Tab I.

Approve ☒ Disapprove ☐

CCM *QWB*
Menges, Robinson, Cannistraro concur.

Attachments:

Tab I Memorandum for the President
Tab A Letter to Secretary General de Cuellar
Tab II Letter from Secretary General de Cuellar
Tab III State's memo of January 30, 1985
State's memo of February 15, 1985
with new draft letter

UNCLASSIFIED WITH
CONFIDENTIAL ATTACHMENT

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

KL 9/28/11



February 15, 1985

~~CONFIDENTIAL~~MEMORANDUM FOR MR. ROBERT C. MCFARLANE
THE WHITE HOUSESubject: Bolivia - Response from President Reagan to UN
Secretary General Perez de Cuellar

In response to the NSC's clearance request on the President's reply to Perez de Cuellar's January 7 letter on Bolivia, we wish to make the following comments:

1. Department believes the second sentence in paragraph four should read "However, our ability to release further aid is influenced by the willingness of the Bolivian government to help itself." We believe this language is more appropriate as the question of specific conditionality precedent to disbursement of U.S. aid is a matter of negotiation between the GOB and the USG.

2. Since the original draft reply was submitted to the NSC, the Government of Bolivia has announced a series of economic measures, including a major devaluation and price increases on basic commodities. We are encouraged by these measures and are studying them carefully to determine the extent to which they meet conditions agreed upon for disbursement of additional resources. The proposed new last sentence in paragraph four reflects these circumstances.

3. Because U.S. assistance cannot guarantee fraud-free elections, we suggest the final sentence in the last paragraph end with "...and will do its share to help ensure free and honest elections."

P. M. C. Farlane
for Nicholas Platt
Executive Secretary

Attachments
Tab 1 - Revised Draft Reply~~CONFIDENTIAL~~
DECL: OADRDECLASSIFIED
NLRR M353/1 #119832
BY *RW* NARA DATE 5/18/15

b

DEPARTMENT OF STATE

SUGGESTED REPLY FOR THE UN SECRETARY GENERAL

Dear Mr. Secretary General:

Thank you for your letter of January 7 regarding the difficult problems presently facing Bolivia. I share your concern about Bolivia's alarming economic decline and the potential threat this represents to its fragile democracy. Your renewed efforts to mobilize international support for Bolivia, especially in the critical period until the June presidential elections, are much appreciated.

As you know, the United States Government has strongly supported Bolivian democracy since the restoration of civilian government more than two years ago. Fostering democracy throughout the hemisphere continues to be a principal objective of my administration.

His Excellency

Dr. Javier Perez de Cuellar,

Secretary General of the United Nations,

New York.

X

Consistent with this policy, we have actively supported the Siles government both politically and economically over the past two years. We have repeatedly expressed, publicly and privately, our strong support for continued constitutional rule and our objections to any attempt by political or military elements to disrupt democratic processes. We will continue to do so.

Over \$200 million in United States aid has been provided to Bolivia since October 1982. We remain prepared, within our budgetary limitations, to consider additional resources. However, our ability to release further aid is influenced by the willingness of the Bolivian government to help itself. We are currently examining the economic measures announced by the Siles government on February 9, and will be factoring them into considerations of future assistance.

Because of the importance we attach to the survival of constitutional order in Bolivia, the U.S. government is reviewing the possibility of additional resources and will do its share to help ensure free and honest elections.

Sincerely,

Ronald Reagan



Washington, D.C. 20520

January 30, 1985

~~CONFIDENTIAL~~

MEMORANDUM FOR MR. ROBERT C. MCFARLANE
THE WHITE HOUSE

Subject: Bolivia - Response from President Reagan to UN
Secretary General Perez de Cuellar

UN Secretary General Perez de Cuellar has written to President Reagan alerting him to the difficult economic situation in Bolivia and asking the United States to provide urgent support to the Siles government to help ensure its survival until the June elections.

We share the Secretary General's assessment that the situation in Bolivia is indeed disturbing and the period until the June elections critical. We have already taken steps to provide new resources and to speed up disbursement of assistance programs approved during this last year. Negotiations have begun with the GOB for an additional \$10 million in PL 480 food aid and \$7.5 million in disaster relief funds. If Bolivia would adopt a serious economic program in the next two months, we could make \$25 million in ESF available. Our ultimate goal is to see the GOB undertake meaningful corrective measures to deal with the country's current economic chaos. In the near term, however, we will continue to review conditionality as we balance political considerations with the need to see firm GOB action on the economy so that resources are not wasted.

The attached draft reply from the President to Perez de Cuellar conveys our shared sense of concern about the survival of Bolivian democracy, pointing both to our political and economic support for the Siles regime and our willingness to consider new resources to help democracy survive and to ensure free and honest elections in June.

Nicholas Platt
Executive Secretary

Attachments

- Tab 1 - Draft Cable
- Tab 2 - Incoming Correspondence

DECLASSIFIED

NLRR M363/1 #119836

~~CONFIDENTIAL~~
DECL: OADR

BY KML NARA DATE 4/15/13

THE SECRETARY-GENERAL

7 January 1985

Dear Mr. President,

When I have spoken with you on world affairs, I have mentioned the serious concern I feel about the grave economic problems confronting Bolivia, which threaten the survival of the democratic experiment that began there only two years ago. I fear that failure to solve these difficulties would not only undermine political and social stability within that country but also have incalculable consequences beyond its frontiers, because of its key position at the heart of Latin America.

At the request of H.E. President Hernán Siles Zuazo, I have been endeavouring to mobilize international co-operation in support of the Government's own efforts to ameliorate the situation. This work has been undertaken by my Special Representative, who has maintained close co-operation with your Government.

Unfortunately, despite our best efforts, the situation has continued to deteriorate alarmingly. The Government, which inherited a disastrous economic situation from its military predecessors, has been unable to enforce successive stabilization programmes on a population already among the poorest in Latin America. It has found itself in an ever-tightening vicious circle: on the one hand, promises of international financial support have not materialised, being conditioned on the prior adoption by the Government of tough economic measures; on the other, the Government is unable to hold the line on such measures without serious risk to its own survival, unless it can convincingly demonstrate to a population which has seen its frugal living standards decline even further, that international support is immediately forthcoming.

His Excellency
Mr. Ronald Reagan
President of the United States
of America
Washington

10

Matters have recently come to a head. On the political front the Government has been forced by opposition parties to advance the elections by one year to June 1985. It has also virtually lost control of the economy, as evidenced by the onset of hyper-inflation, expected to reach 2,000 per cent for 1984, but now rising to even more astronomic heights. History has demonstrated that no social fabric or democratic structure can long withstand strains of these dimensions. My fear is that unless this runaway inflation can be contained, democracy could come to an end in Bolivia before the elections.

I believe that what is now needed is a political decision on the part of the international community to safeguard democracy in Bolivia, rather than insistence on prior fulfilment of economic criteria that are becoming increasingly unrealistic as the crisis deepens. I am heartened that this thinking is shared by the US State Department and has found practical expression in proposals for immediate support discussed in Washington with the Bolivian Planning Minister just before Christmas.

This does not of course relieve the Government of Bolivia of its obligation to undertake energetic remedial action. The United Nations has lost no opportunity in emphasizing this point to the Government and I believe that President Siles Zuazo is conscious of his historic duty to take urgent and decisive action in the few months remaining to him, regardless of the political cost. Indeed, I understand that a stringent stabilisation programme will come into effect early in January.

If it is to succeed this time, urgent support in the form of cash, food and vital commodities must be available without delay so that President Siles could demonstrate to the people that the further sacrifices demanded of them would not be in vain. Such support would also help bridge the critical weeks of negotiation with the International Monetary Fund for a longer-term arrangement.

It is here that the decisions now being taken by the State Department are so crucial, and I would like to express my appreciation of the policy adopted by your Government, as well as the hope that it will be translated into timely actions in light of the evolving situation in Bolivia.

11

The US action is also a vital example to others. Only the United States could take the first step in trying to resolve this complex and increasingly fragile situation and, on the basis of this initiative, I am renewing my efforts to persuade other members of the international community to follow suit.

I hope, Mr. President, that you will bear with me for bringing this matter to your personal attention. I am confident that you will appreciate that I would not do so, were it not for my conviction that the safeguarding of the democratic process in Bolivia is critical, not only for that country, but for the Latin American continent as a whole.

Please accept, Mr. President, the assurances of my highest consideration.



Javier Pérez de Cuéllar

W

Matters have recently come to a head. On the political front the Government has been forced by opposition parties to advance the elections by one year to June 1985. It has also virtually lost control of the economy, as evidenced by the onset of hyper-inflation, expected to reach 2,000 per cent for 1984, but now rising to even more astronomic heights. History has demonstrated that no social fabric or democratic structure can long withstand strains of these dimensions. My fear is that unless this runaway inflation can be contained, democracy could come to an end in Bolivia before the elections.

I believe that what is now needed is a political decision on the part of the international community to safeguard democracy in Bolivia, rather than insistence on prior fulfilment of economic criteria that are becoming increasingly unrealistic as the crisis deepens. I am heartened that this thinking is shared by the US State Department and has found practical expression in proposals for immediate support discussed in Washington with the Bolivian Planning Minister just before Christmas.

This does not of course relieve the Government of Bolivia of its obligation to undertake energetic remedial action. The United Nations has lost no opportunity in emphasizing this point to the Government and I believe that President Siles Zuazo is conscious of his historic duty to take urgent and decisive action in the few months remaining to him, regardless of the political cost. Indeed, I understand that a stringent stabilisation programme will come into effect early in January.

If it is to succeed this time, urgent support in the form of cash, food and vital commodities must be available without delay so that President Siles could demonstrate to the people that the further sacrifices demanded of them would not be in vain. Such support would also help bridge the critical weeks of negotiation with the International Monetary Fund for a longer-term arrangement.

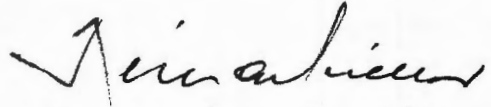
It is here that the decisions now being taken by the State Department are so crucial, and I would like to express my appreciation of the policy adopted by your Government, as well as the hope that it will be translated into timely actions in light of the evolving situation in Bolivia.

13

The US action is also a vital example to others. Only the United States could take the first step in trying to resolve this complex and increasingly fragile situation and, on the basis of this initiative, I am renewing my efforts to persuade other members of the international community to follow suit.

I hope, Mr. President, that you will bear with me for bringing this matter to your personal attention. I am confident that you will appreciate that I would not do so, were it not for my conviction that the safeguarding of the democratic process in Bolivia is critical, not only for that country, but for the Latin American continent as a whole.

Please accept, Mr. President, the assurances of my highest consideration.


Javier Pérez de Cuéllar

all please look at...
C

Please call Yunda
X. 5694.

2/8/85 14

Defalco
1566-
2373

~~LIMITED OFFICIAL USE~~

2/ 9/28/11

6176D

ARA/AND:BAOWENS
1/28/85 EXT. 23076
ARA: LKILDAY

NSC:
S/S:
S/S-O
ARA/AND: FERONDON

E: SBROWN
T: RBAUERLEIN
AID/LAC/S: FALMAGUER
IO:RKIRK

IMMEDIATE USUN NEW YORK

IMMEDIATE LA PAZ

E.O. 12356: N/A

TAGS: PREL, EAID, PGOV, BL

SUBJECT: PRESIDENT REAGAN'S REPLY TO THE UN SECRETARY
GENERAL'S LETTER ON BOLIVIA

REF: USUN 57

LK
BAO
NSC
S/S
S/S-O
FR
SB
RB
FA
RK
MK
CH

1. PLEASE FORWARD THE FOLLOWING REPLY FROM PRESIDENT
REAGAN TO UN SECRETARY GENERAL PEREZ DE CUELLAR'S JANUARY
7 LETTER ON BOLIVIA. NO ORIGINAL WILL FOLLOW.

2. BEGIN TEXT:

DEAR MR. SECRETARY GENERAL:

BOLIVIA'S

- THANK YOU FOR YOUR LETTER OF JANUARY 7 REGARDING THE
DIFFICULT PROBLEMS PRESENTLY FACING BOLIVIA. I SHARE
YOUR CONCERN ABOUT THE ALARMING ECONOMIC DECLINE THE
COUNTRY CONTINUES TO EXPERIENCE AND THE POTENTIAL THREAT
THIS REPRESENTS TO BOLIVIA'S FRAGILE DEMOCRACY. YOUR
RENEWED EFFORTS TO MOBILIZE INTERNATIONAL SUPPORT FOR
BOLIVIA, ESPECIALLY IN THE CRITICAL PERIOD UNTIL THE JUNE

~~LIMITED OFFICIAL USE~~

~~LIMITED OFFICIAL USE~~ | 2

PRESIDENTIAL ELECTIONS, ARE MUCH APPRECIATED.

- AS YOU KNOW, THE UNITED STATES GOVERNMENT HAS BEEN A STRONG SUPPORTED OF BOLIVIAN DEMOCRACY SINCE THE RESTORATION OF CIVILIAN GOVERNMENT MORE THAN TWO YEARS AGO. FOSTERING DEMOCRACY THROUGHOUT THE HEMISPHERE CONTINUES TO BE A PRINCIPAL OBJECTIVE OF MY ADMINISTRATION.

- CONSISTENT WITH THIS POLICY, WE HAVE ACTIVELY SUPPORTED THE SILES GOVERNMENT BOTH POLITICALLY AND ECONOMICALLY OVER THE PAST TWO YEARS. WE HAVE REPEATEDLY EXPRESSED PUBLICLY AND PRIVATELY, OUR STRONG SUPPORT FOR CONTINUED CONSTITUTIONAL RULE AND OUR OBJECTIONS TO ANY ATTEMPT BY POLITICAL OR MILITARY ELEMENTS TO DISRUPT DEMOCRATIC PROCESSES. WE WILL CONTINUE TO REAFFIRM THIS POSITION. DO SO

- SINCE OCTOBER 1982, OVER 200 MILLION DOLLARS IN UNITED STATES AID HAS BEEN PROVIDED TO BOLIVIA. WE REMAIN PREPARED, WITHIN OUR BUDGETARY LIMITATIONS, TO CONSIDER ADDITIONAL RESOURCES. *HOWEVER, OUR ABILITY TO JUSTIFY MORE AID IS INFLUENCED BY THE WILLINGNESS OF THE BOLIVIAN GOVERNMENT TO HELP ITSELF. THE SILES GOVERNMENT'S RECORD IN THIS RESPECT IS DISHEARTENING, AND WHILE RECENT CABINET CHANGES MAY SIGNAL CHANGING ATTITUDES, IT IS NOT CLEAR THAT EITHER A SERIOUS STABILIZATION PROGRAM OR AN AGREEMENT WITH THE IMF IS IN PROSPECT.

NONETHELESS, BECAUSE OF THE IMPORTANCE WE ATTACH TO THE SURVIVAL OF CONSTITUTIONAL ORDER UNTIL A NEW DEMOCRATICALLY ELECTED GOVERNMENT TAKES OFFICE IN AUGUST, WE ARE REVIEWING THE POSSIBILITY OF ADDITIONAL RESOURCES FOR BOLIVIA, MAINLY IN THE FORM OF FOOD AID. ALSO, IN ADDITION, AND SUBJECT TO BOLIVIAN GOVERNMENT DESIRES, WE WANT TO HELP ENSURE FREE AND HONEST ELECTIONS, AND WILL MAKE EVERY EFFORT TO RESPOND POSITIVELY TO REASONABLE BOLIVIAN ELECTORAL AID REQUESTS CONSISTENT WITH U.S. LAW AND FUNDING CONSTRAINTS.

SINCERELY,

RONALD REAGAN

END TEXT44

~~LIMITED OFFICIAL USE~~

Release further aid is conditioned upon the steps toward a serious stabilization program with the IMF.

CONST ORDER IS ALWAYS IMMEDIATE granting aid

election . honest

~~LIMITED OFFICIAL USE~~

6176D

21 9/28/11

ARA/AND:BAOWENS
1/28/85 EXT. 23076
ARA: LKILDAY

NSC:
S/S:
S/S-O
ARA/AND: FERONDON

E: SBROWN
T: RBAUERLEIN
AID/LAC/S: FALMAGUER
IO:RKIRK

IMMEDIATE USUN NEW YORK

IMMEDIATE LA PAZ

E.O. 12356: N/A

TAGS: PREL, EAID, PGOV, BL

SUBJECT: PRESIDENT REAGAN'S REPLY TO THE UN SECRETARY
- GENERAL'S LETTER ON BOLIVIA

REF: USUN 57

1. PLEASE FORWARD THE FOLLOWING REPLY FROM PRESIDENT
REAGAN TO UN SECRETARY GENERAL PEREZ DE CUELLAR'S JANUARY
7 LETTER ON BOLIVIA. NO ORIGINAL WILL FOLLOW.

2. BEGIN TEXT:

DEAR MR. SECRETARY GENERAL:

- THANK YOU FOR YOUR LETTER OF JANUARY 7 REGARDING THE
DIFFICULT PROBLEMS PRESENTLY FACING BOLIVIA. I SHARE
YOUR CONCERN ABOUT THE ALARMING ECONOMIC DECLINE THE
COUNTRY CONTINUES TO EXPERIENCE AND THE POTENTIAL THREAT
THIS REPRESENTS TO BOLIVIA'S FRAGILE DEMOCRACY. YOUR
RENEWED EFFORTS TO MOBILIZE INTERNATIONAL SUPPORT FOR
BOLIVIA, ESPECIALLY IN THE CRITICAL PERIOD UNTIL THE JUNE

LK
BAO
NSC
S/S
S/S-O
FR
SB
RB
FA
RK
MK
CH

~~LIMITED OFFICIAL USE~~

17

PRESIDENTIAL ELECTIONS, ARE MUCH APPRECIATED.

- AS YOU KNOW, THE UNITED STATES GOVERNMENT HAS BEEN A STRONG SUPPORTER OF BOLIVIAN DEMOCRACY SINCE THE RESTORATION OF CIVILIAN GOVERNMENT MORE THAN TWO YEARS AGO. FOSTERING DEMOCRACY THROUGHOUT THE HEMISPHERE CONTINUES TO BE A PRINCIPAL OBJECTIVE OF MY ADMINISTRATION.

- CONSISTENT WITH THIS POLICY, WE HAVE ACTIVELY SUPPORTED THE SILES GOVERNMENT BOTH POLITICALLY AND ECONOMICALLY OVER THE PAST TWO YEARS. WE HAVE REPEATEDLY EXPRESSED PUBLICLY AND PRIVATELY OUR STRONG SUPPORT FOR CONTINUED CONSTITUTIONAL RULE AND OUR OBJECTIONS TO ANY ATTEMPT BY POLITICAL OR MILITARY ELEMENTS TO DISRUPT DEMOCRATIC PROCESSES. WE WILL CONTINUE TO REAFFIRM THIS POSITION.

- SINCE OCTOBER 1982, OVER 200 MILLION DOLLARS IN UNITED STATES AID HAS BEEN PROVIDED TO BOLIVIA. WE REMAIN PREPARED, WITHIN OUR BUDGETARY LIMITATIONS, TO CONSIDER ADDITIONAL RESOURCES. HOWEVER, OUR ABILITY TO JUSTIFY MORE AID IS INFLUENCED BY THE WILLINGNESS OF THE BOLIVIAN GOVERNMENT TO HELP ITSELF. THE SILES GOVERNMENT'S RECORD IN THIS RESPECT IS DISHEARTENING, AND WHILE RECENT CABINET CHANGES MAY SIGNAL CHANGING ATTITUDES, IT IS NOT CLEAR THAT EITHER A SERIOUS STABILIZATION PROGRAM OR AN AGREEMENT WITH THE IMF IS IN PROSPECT.

- NONETHELESS, BECAUSE OF THE IMPORTANCE WE ATTACH TO THE SURVIVAL OF CONSTITUTIONAL ORDER UNTIL A NEW DEMOCRATICALLY ELECTED GOVERNMENT TAKES OFFICE IN AUGUST, WE ARE REVIEWING THE POSSIBILITY OF ADDITIONAL RESOURCES FOR BOLIVIA, MAINLY IN THE FORM OF FOOD AID. ALSO, SUBJECT TO BOLIVIAN GOVERNMENT DESIRES, WE WANT TO HELP ENSURE FREE AND HONEST ELECTIONS, AND WILL MAKE EVERY EFFORT TO RESPOND POSITIVELY TO REASONABLE BOLIVIAN ELECTORAL AID REQUESTS CONSISTENT WITH U.S. LAW AND FUNDING CONSTRAINTS.

- SINCERELY,

- RONALD REAGAN

END TEXT44



DEPARTMENT OF STATE

0431

Washington, D.C. 20520

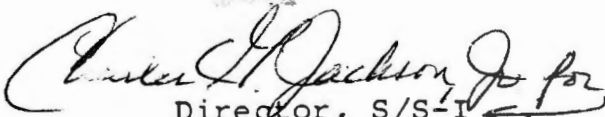
January 16, 1985

MEMORANDUM FOR: Mr. Robert M. Kimmitt
National Security Council

SUBJECT: Alerting NSC on Presidential
Correspondence

Enclosed is a copy of a letter to President Reagan from SYG Javier Perez de Cuellar of the United Nations which is transmitted for your information.

This document was received in the Executive Secretariat Information Management Section on January 15, 1985.


Director, S/S-I
Information Management Section
Executive Secretariat
ext. 23836

THE SECRETARY-GENERAL

7 January 1985

Dear Mr. President,

When I have spoken with you on world affairs, I have mentioned the serious concern I feel about the grave economic problems confronting Bolivia, which threaten the survival of the democratic experiment that began there only two years ago. I fear that failure to solve these difficulties would not only undermine political and social stability within that country but also have incalculable consequences beyond its frontiers, because of its key position at the heart of Latin America.

At the request of H.E. President Hernán Siles Zuazo, I have been endeavouring to mobilize international co-operation in support of the Government's own efforts to ameliorate the situation. This work has been undertaken by my Special Representative, who has maintained close co-operation with your Government.

Unfortunately, despite our best efforts, the situation has continued to deteriorate alarmingly. The Government, which inherited a disastrous economic situation from its military predecessors, has been unable to enforce successive stabilization programmes on a population already among the poorest in Latin America. It has found itself in an ever-tightening vicious circle: on the one hand, promises of international financial support have not materialised, being conditioned on the prior adoption by the Government of tough economic measures; on the other, the Government is unable to hold the line on such measures without serious risk to its own survival, unless it can convincingly demonstrate to a population which has seen its frugal living standards decline even further, that international support is immediately forthcoming.

His Excellency
Mr. Ronald Reagan
President of the United States
of America
Washington

20

Matters have recently come to a head. On the political front the Government has been forced by opposition parties to advance the elections by one year to June 1985. It has also virtually lost control of the economy, as evidenced by the onset of hyper-inflation, expected to reach 2,000 per cent for 1984, but now rising to even more astronomic heights. History has demonstrated that no social fabric or democratic structure can long withstand strains of these dimensions. My fear is that unless this runaway inflation can be contained, democracy could come to an end in Bolivia before the elections.

I believe that what is now needed is a political decision on the part of the international community to safeguard democracy in Bolivia, rather than insistence on prior fulfilment of economic criteria that are becoming increasingly unrealistic as the crisis deepens. I am heartened that this thinking is shared by the US State Department and has found practical expression in proposals for immediate support discussed in Washington with the Bolivian Planning Minister just before Christmas.

This does not of course relieve the Government of Bolivia of its obligation to undertake energetic remedial action. The United Nations has lost no opportunity in emphasizing this point to the Government and I believe that President Siles Zuazo is conscious of his historic duty to take urgent and decisive action in the few months remaining to him, regardless of the political cost. Indeed, I understand that a stringent stabilisation programme will come into effect early in January.

If it is to succeed this time, urgent support in the form of cash, food and vital commodities must be available without delay so that President Siles could demonstrate to the people that the further sacrifices demanded of them would not be in vain. Such support would also help bridge the critical weeks of negotiation with the International Monetary Fund for a longer-term arrangement.

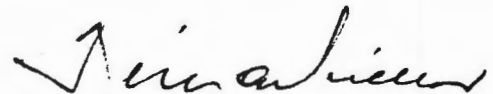
It is here that the decisions now being taken by the State Department are so crucial, and I would like to express my appreciation of the policy adopted by your Government, as well as the hope that it will be translated into timely actions in light of the evolving situation in Bolivia.

21

The US action is also a vital example to others. Only the United States could take the first step in trying to resolve this complex and increasingly fragile situation and, on the basis of this initiative, I am renewing my efforts to persuade other members of the international community to follow suit.

I hope, Mr. President, that you will bear with me for bringing this matter to your personal attention. I am confident that you will appreciate that I would not do so, were it not for my conviction that the safeguarding of the democratic process in Bolivia is critical, not only for that country, but for the Latin American continent as a whole.

Please accept, Mr. President, the assurances of my highest consideration.



Javier Pérez de Cuéllar

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

2/9/28/11

TF

WASHFAX RECEIPT
DEPARTMENT OF STATE

B

S/S #

RECEIVED

85 FEB 15 P 7: 38

WHITE HOUSE
SITUATION ROOM

MESSAGE NO. 3808 3808 CLASSIFICATION CONFIDENTIAL No. Pages 7
FROM: Noble Platt S/S 22540 2224
(Officer name) (Office symbol) (Extension) (Room number)
MESSAGE DESCRIPTION Pres de Cuellar letter on Bolivia

TO: (Agency)	DELIVER TO:	Extension	Room No.
<u>W. H. Sit Rm.</u>	<u>Robert Kinnitt</u>	<u>2255</u>	<u>West Basement</u>
	<u>[REDACTED]</u>	<u>5830</u>	
	<u>NORTH</u>	<u>3345</u>	
	<u>CANNISTRARO</u>	<u>7392</u>	

FOR: CLEARANCE ☐ INFORMATION ☐ PER REQUEST ☒ COMMENT ☐

REMARKS:

S/S Officer:

BMCK

[Signature]



Washington, D.C. 20520

23

~~CONFIDENTIAL~~

MEMORANDUM FOR MR. ROBERT C. MCFARLANE
THE WHITE HOUSE

Subject: Bolivia - Response from President Reagan to UN
Secretary General Perez de Cuellar

In response to the NSC's clearance request on the President's reply to Perez de Cuellar's January 7 letter on Bolivia, we wish to make the following comments:

1. Department believes the second sentence in paragraph four should read "However, our ability to release further aid is influenced by the willingness of the Bolivian government to help itself." We believe this language is more appropriate as the question of specific conditionality precedent to disbursement of U.S. aid is a matter of negotiation between the GOB and the USG.

2. Since the original draft reply was submitted to the NSC, the Government of Bolivia has announced a series of economic measures, including a major devaluation and price increases on basic commodities. We are encouraged by these measures and are studying them carefully to determine the extent to which they meet conditions agreed upon for disbursement of additional resources. The proposed new last sentence in paragraph four reflects these circumstances.

3. Because U.S. assistance cannot guarantee fraud-free elections, we suggest the final sentence in the last paragraph end with "...and will do its share to help ensure free and honest elections."

Nicholas Platt
Executive Secretary

Attachments
Tab 1 - Revised Draft Reply

DECLASSIFIED

NLRR M35311 # 119833

BY PW NARA DATE 5/18/15

~~CONFIDENTIAL~~
DECL: OADR

24

Drafted: ARA/AND: BAOwens *Bto*
2/14/85 632-3076 Wang 67D
Cleared: ARA/AND: FERondon *Bto*
ARA: JMichel
ARA: HKopp
IO/UNP: HSizer
AID/LAC/: MBrown
EB/IFD: RSmith
E: SBrown
T: BBauerlein
D: CVVoorst

DEPARTMENT OF STATE

SUGGESTED REPLY FOR THE UN SECRETARY GENERAL

21'
New letter

Dear Mr. Secretary General:

Thank you for your letter of January 7 regarding the difficult problems presently facing Bolivia. I share your concern about Bolivia's alarming economic decline and the potential threat this represents to its fragile democracy. Your renewed efforts to mobilize international support for Bolivia, especially in the critical period until the June presidential elections, are much appreciated.

As you know, the United States Government has strongly supported Bolivian democracy since the restoration of civilian government more than two years ago. Fostering democracy throughout the hemisphere continues to be a principal objective of my administration.

His Excellency

Dr. Javier Perez de Cuellar,

Secretary General of the United Nations,

New York.

26

Consistent with this policy, we have actively supported the Siles government both politically and economically over the past two years. We have repeatedly expressed, publicly and privately, our strong support for continued constitutional rule and our objections to any attempt by political or military elements to disrupt democratic processes. We will continue to do so.

Over \$200 million in United States aid has been provided to Bolivia since October 1982. We remain prepared, within our budgetary limitations, to consider additional resources. However, our ability to release further aid is influenced by the willingness of the Bolivian government to help itself. We are currently examining the economic measures announced by the Siles government on February 9, and will be factoring them into considerations of future assistance.

Because of the importance we attach to the survival of constitutional order in Bolivia, the U.S. government is reviewing the possibility of additional resources and will do its share to help ensure free and honest elections.

1.2

Sincerely,

Ronald Reagan

27



MS

URGENT

ION: IO
IES:

THE WHITE HOUSE

WASHINGTON

Dear Mr. Secretary General:

Thank you for your letter of January 7 regarding the difficult problems presently facing Bolivia. I share your concern about Bolivia's alarming economic decline and the potential threat this represents to its fragile democracy. Your renewed efforts to mobilize international support for Bolivia, especially in the critical period until the June Presidential elections, are much appreciated.

As you know, the United States Government has strongly supported Bolivian democracy since the restoration of civilian government more than two years ago. Fostering democracy throughout the hemisphere continues to be a principal objective of my administration.

Consistent with this policy, we have actively supported the Siles Government both politically and economically over the past two years. We have repeatedly expressed, publicly and privately, our strong support for continued constitutional rule and our objections to any attempt by political or military elements to disrupt democratic processes. We will continue to do so.

Over \$200 million in United States aid has been provided to Bolivia since October 1972. We remain prepared, within our budgetary limitations, to consider additional resources. However, our ability to release further aid is conditioned upon additional steps toward a serious rehabilitation program or an agreement with the ILO. ~~The U.S. Government's record in this respect has been disheartening, although recent cabinet changes may signal changing attitudes.~~

Nonetheless, because of the importance we attach to the survival of constitutional order in Bolivia, the U.S. Government is reviewing the possibility of additional resources and will do its share to ensure free and honest elections.

Sincerely,

His Excellency
Dr. Javier Perez de Cuellar
Secretary General of the United Nations
New York

WASHFAX RECEIPT
DEPARTMENT OF STATE

RECEIVED

30

85 FEB 15 P 7:38

WHITE HOUSE
SITUATION ROOM

B

S/S #

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

24 9/28/11

TF

MESSAGE NO. 3808 3808 CLASSIFICATION ~~CONFIDENTIAL~~ No. Pages 7
FROM: Nicholas Platt S/S 22540 2224
(Officer name) (Office symbol) (Extension) (Room number)
MESSAGE DESCRIPTION Pres de Cuellar Letter on Bolivia

TO: (Agency)	DELIVER TO:	Extension	Room No.
<u>W. H. Sit Rm.</u>	<u>Robert K. Smith</u>	<u>2255</u>	<u>West Basement</u>
	<u>Tillman</u>		
	<u>North</u>		
	<u>Canistraro</u>		

FOR: CLEARANCE ☐ INFORMATION ☐ ☒ COMMENT ☐

REMARKS:

S/S Officer: BMCK



United States Department of State

Washington, D.C. 20520

8504553
119835 31

CONFIDENTIAL

MEMORANDUM FOR MR. ROBERT C. MCFARLANE
THE WHITE HOUSE

Subject: Bolivia - Response from President Reagan to UN
Secretary General Perez de Cuellar

In response to the NSC's clearance request on the President's reply to Perez de Cuellar's January 7 letter on Bolivia, we wish to make the following comments:

1. Department believes the second sentence in paragraph four should read "However, our ability to release further aid is influenced by the willingness of the Bolivian government to help itself." We believe this language is more appropriate as the question of specific conditionality precedent to disbursement of U.S. aid is a matter of negotiation between the GOB and the USG.

2. Since the original draft reply was submitted to the NSC, the Government of Bolivia has announced a series of economic measures, including a major devaluation and price increases on basic commodities. We are encouraged by these measures and are studying them carefully to determine the extent to which they meet conditions agreed upon for disbursement of additional resources. The proposed new last sentence in paragraph four reflects these circumstances.

3. Because U.S. assistance cannot guarantee fraud-free elections, we suggest the final sentence in the last paragraph end with "...and will do its share to help ensure free and honest elections."

Nicholas Platt
Executive Secretary

Attachments
Tab 1 - Revised Draft Reply

DECLASSIFIED
NLRRM 353/1 # 119835
BY RW NARA DATE 5/18/15

CONFIDENTIAL
DECL: OADR

32

Drafted: ARA/AND: BAOwens **Bto**
2/14/85 632-3076 Wang 67D
Cleared: ARA/AND: FERondon **Bto**
ARA: JMichel
ARA: HKopp
IO/UNP: HSizer
AID/LAC/: MBrown
EB/IPD: RSmith **Bto**
E: SBrown
T: BBauerlein
D: CVVoorst

33

DEPARTMENT OF STATE

SUGGESTED REPLY FOR THE UN SECRETARY GENERAL

Dear Mr. Secretary General:

Thank you for your letter of January 7 regarding the difficult problems presently facing Bolivia. I share your concern about Bolivia's alarming economic decline and the potential threat this represents to its fragile democracy. Your renewed efforts to mobilize international support for Bolivia, especially in the critical period until the June presidential elections, are much appreciated.

As you know, the United States Government has strongly supported Bolivian democracy since the restoration of civilian government more than two years ago. Fostering democracy throughout the hemisphere continues to be a principal objective of my administration.

His Excellency

Dr. Javier Perez de Cuellar,

Secretary General of the United Nations,

New York.

34

Consistent with this policy, we have actively supported the Siles government both politically and economically over the past two years. We have repeatedly expressed, publicly and privately, our strong support for continued constitutional rule and our objections to any attempt by political or military elements to disrupt democratic processes. We will continue to do so.

Over \$200 million in United States aid has been provided to Bolivia since October 1982. We remain prepared, within our budgetary limitations, to consider additional resources. However, our ability to release further aid is influenced by the willingness of the Bolivian government to help itself. We are currently examining the economic measures announced by the Siles government on February 9, and will be factoring them into considerations of future assistance.

Because of the importance we attach to the survival of constitutional order in Bolivia, the U.S. government is reviewing the possibility of additional resources and will do its share to help ensure free and honest elections.

Sincerely,

Ronald Reagan

ION: IO
IES:

THE WHITE HOUSE

WASHINGTON

Dear Mr. Secretary General:

Thank you for your letter of January 7 regarding the difficult problems presently facing Bolivia. I share your concern about Bolivia's alarming economic decline and the potential threat this represents to its fragile democracy. Your renewed efforts to mobilize international support for Bolivia, especially in the critical period until the June Presidential elections, are much appreciated.

As you know, the United States Government has strongly supported Bolivian democracy since the restoration of civilian government more than two years ago. Fostering democracy throughout the hemisphere continues to be a principal objective of my administration.

Consistent with this policy, we have actively supported the Siles Government both politically and economically over the past two years. We have repeatedly expressed, publicly and privately, our strong support for continued constitutional rule and our objections to any attempt by political or military elements to disrupt democratic processes. We will continue to do so.

Over \$200 million in United States aid has been provided to Bolivia since October 1932. We remain prepared, within our budgetary limitations, to consider additional resources. However, our ability to release further aid is conditioned upon additional steps toward a serious stabilization program or an agreement with the IMF. ~~The Siles Government's record in this respect has been disheartening, although recent cabinet changes may signal changing attitudes.~~

Nonetheless, because of the importance we attach to the survival of constitutional order in Bolivia, the U.S. Government is reviewing the possibility of additional resources and will do its share to ensure free and honest elections.

Sincerely,

His Excellency
Dr. Javier Perez de Cuellar
Secretary General of the United Nations
New York