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Ronald Reagan Library

Collection Name LATIN AMERICAN AFFAIRS DIRECTORATE, NSC:

RECORDS

Withdrawer

KML 9/29/2011

File Folder

BOLIVIA (SAFE 1) 10/04/1984

FOIA

M10-353/1

DENNISON

Box Number 1

			66	
ID Doc Type	Document Description	No of Pages	Doc Date	Restrictions
119955 MEMO	LANGHORNE A. MOTLEY TO ADDRESSEES ATTACHED RE INTER-AGENCY MEETING ON BOLIVIA	2	10/4/1984	B1 B3
119956 PAPER	FOR BOLIVIA INTER AGENCY (IG) MEETING R 5/18/2015 M353/1	4	10/9/1984	B1
119976 PAPER	RE U.S. POLICY AND ACTION PLAN FOR BOLIVIA R 4/15/2013 M353/1	7	ND	B1 B3
119958 MEMO	LOWELL KILDAY TO JACQUELINE TILLMAN, ADMIRAL MOREAU, ET AL RE IG ON BOLIVIA	1	9/14/1984	B1 B3
119960 NOTE	TILLMAN RE PHONED FRANK LANDON R 5/18/2015 M353/1	1	9/17/1984	B1
119962 PAPER	RE U.S. POLICY AND ACTION PLAN FOR BOLIVIA (WITH NOTATIONS)	6	8/21/1984	B1 B3
119963 PAPER	RE BOLIVIA	. 4	ND	B1
119964 PAPER	RE POINT BY POINT COMMENTS	7	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]

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ID Doc Type	Document Description	No of Pages	Doc Date	Restrictions
119965 MEMO	CONSTANTINE MENGES & JACQUELINE	1	8/14/1984	B1
	TILLMAN TO ROBERT MCFARLANE RE			
	BOLIVIA REPLY			
	R 5/18/2015 M353/1			
119979 LETTER	GERALD FORD TO ROBERT MCFARLANE	2	7/10/1984	B1 B3
	RE BOLIVIA (WITH PAPER ATTACHMENT -			
	SAME TEXT AS DOC 118066)			
	R 4/15/2013 M353/1			
119966 MEMO	CHARLES HILL TO ROBERT MCFARLANE	2	7/27/1984	B1
	RE LETTER FROM FORMER PRESIDENT			
	FORD			
	R 5/18/2015 M353/1			
119968 MEMO	SAME TEXT AS DOC 119965	1	8/14/1984	В1
	R 5/18/2015 M353/1			
119969 PAPER	SAME TEXT AS DOC 119964	7	ND	B1
119984 LETTER	GERALD FORD TO ROBERT MCFARLANE	2	7/10/1984	B1 B3
119904 LETTER	RE BOLIVIA (WITH PAPER ATTACHMENT -	2	// 10/ 170 !	D1 D0
	SAME TEXT AS DOC 118066)			
	R 4/15/2013 M353/1			
119971 MEMO	SAME TEXT AS DOC 119966	2	7/27/1984	B1
	R 5/18/2015 M353/1			
	5/20/2020 19333/1			

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ID Doc Type	Document Description	No of Pages	Doc Date	Restrictions
119972 CABLE	LA PAZ 06988	4	10/8/1984	B1
119975 CABLE	LA PAZ 06989	7	10/8/1984	B1

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ID	Document Type Document Description	No of pages	Doc Date	Restric- tions	
1199	55 MEMO LANGHORNE A. MOTLEY TO ADDRESSEES ATTACHED RE INTER-AGENCY MEETING ON BOLIVIA	2	10/4/1984	B1 B3	

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Issues Paper for Bolivia Inter Agency (IG) Meeting (October 9)

The Situation

U.S. Policy: Unless the United States devotes more resources to try to influence events in Bolivia, democracy soon will crumble there under the weight of political irresponsibility and economic disarray. We could face a military government, with overwhelming hemispheric pressure to quarantine such a regime, or possibly a more radical version of the present Siles government, with far stronger communist influence. In either case the temptation to ally with narcotics interests would be strong. While the United States could choose to ignore perennially unstable Bolivia, we risk undermining the credibility of our hemispheric commitment to democracy as well as the possible emergence of a radical government in a country that borders with five other South American states. Given the urgency of the Bolivia problem, there is a need for an inter-agency consensus on the course to follow and the efforts each agency might make to support the chosen course.

Developments on the three areas of U.S. concern are as follows:

Preserving democracy and a pro-Western orientation: President Siles' fragile democratic government has been in a near state of paralysis in the aftermath of the June 30 coup attempt and as officials awaited the outcome of the national labor congress (COB), which was finally concluded September 15. The long anticipated cabinet and military command changes have yet to take place. At this writing, Siles' leftist palace advisors seem as firmly placed as ever. The influence of the Deputy Interior Minister Sanchez Salazar, a probable Cuban agent, is now extended to anti-narcotic activities. The leftist Army Commander Sejas is likely to be replaced in the next month but fear lingers that he may be able to retain authority even if he is promoted to the usually less important Armed Forces command position. Communists continue to hold important cabinet posts (mining and labor), although there is speculation they will be removed in the wake of the party's defeat at the COB The Information Ministry remains under Rueda Pena who congress. has East German ties. Cuba and Nicaragua seem to be curtailing their presence in recent months but the Soviets continue to push for landing rights and recently offered to sell Antonov 32s on highly concessional terms. After the post-June 30 hiatus, coup plotting has begun again in earnest. According to recent reports, General Lopez Leyton is prepared to lead an institutional coup. Paz Estenssoro's MNRH is separately proposing to remove Siles through "constitutional" means (some

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thing like an impeachment). The governments of Argentina, Colombia, Peru and Venezuela have recently privately told us they fear Bolivian democracy may soon fail.

Returning the country to sensible economic polices: Bolivian economy continues to deteriorate and is in the fourth successive year of negative growth. Siles has so far proved incapable of putting together a coherent package of sensible measures. Domestic inflation is in the plus 1000% range and the peso is suffering a free fall loss of value. There has been no fiscal budget published in three years, no accounting for 40% of government expenditures, and the GOB's revenue base is shrinking. Rather than take constructive actions, the GOB has by fits and starts repeatedly taken self-destructive steps: suspending all payments on its \$1.1 billion debt to international private banks, instituting a jury rigged two-tier exchange rate system and placing 100% reserve and increased capital requirement on banks operating in the country. disruptions have reached new heights of irresponsibility, most recently with the petroleum workers' national strike and the central bank employees' holding up government-mandated payments to a U.S. company. Business confidence is non-existent in this climate of instability, additionally fueled by fear that the GOB can not maintain minimum order and control common crime.

Restricting narcotics production and trafficking: After much hesitation, the GOB in early August did move into Chapare, the world's largest coca producing region. Soon thereafter police made major raids against Beni labs and established a greater presence in the Yungas. These measures are encouraging. The GOB can now be seen as acting in line with our anti-drug bilateral agreements, but there are still major doubts whether the GOB will continue to press the campaign vigorously or is just temporarily reacting to heightened U.S. pressure. The special narcotics enforcement team (UMOPAR) has been deployed, withdrawn and then inserted again into the Chapare. Sanchez Salazar's increased role in narcotics matters is worrisome.

POLICY OPTIONS

The U.S. might follow one of three courses:

Continue with present policies i.e. implement existing programs where it is appropriate to do so but make no increased effort to significantly influence political developments or Bolivian economic policy.

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Arguments for:

- -- Recognizes reality that ultimately we can't control events in Bolivia.
- -- Places responsibility for Bolivia's future on the Bolivians themselves and helps break their dependency on the U.S. to save them from their own errors.
- -- Avoids commitment of scarce resources to a chronically unstable country and weak government which most likely could not meet IMF performance criteria.
- -- Gambles that forces friendly to the U.S. will come out on top.

Arguments against:

- -- Risks ending up with a result we could not accept. Recent history suggests some possibilities: a radical left military government (Torres in early '70s), a bloody coup installing an unpopular government (almost happened with the Natusch Busch attempt in 1979), and a right-wing government dominated by narcotics interests (the Garcia Meza government in 1980-81).
- -- End up with the U.S. being blamed for whatever occurs by both Bolivians and regional democracies. Given the always high profile we have had in Bolivia, there will always be those who suspect we are managing events and others who insist we should be.

Recognize Manifest Incapacity of Siles Government and Seek Alternatives.

Arguments for:

- -- Offers best chance that those close to us end up running the country in the near term.
- -- Addresses our concerns regarding leftists and Bloc influence, the chaotic economy and narcotics enforcement most directly.

Arguments against:

-- Siles' Government undoubtedly would fall. U.S. hand would be evident. U.S. would be seen as destroying a fledgling democracy in sharp contradiction to our proclaimed hemispheric policy.

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- -- In absence of very significant increases in U.S. economic assistance, which Congress will be reluctant to provide, new government will not have resource tools necessary to generate political support and provide stability. Eventual elections would likely result in a successor government of same characteristics as current government.
- -- Would signal to would-be coup plotters in Peru, Argentina, and perhaps elsewhere that U.S. could accept unconstitutional change of government. Would undermine credibility of U.S. policy in Chile.
- -- Past cycle of instability and weakened civilian institutions would repeat itself.

Engage in across-the-board effort to protect constitutional order in Bolivia, i.e. seek to influence Siles government to adopt rational economic policy and to act favorably on other issues of concern to U.S. At the same time, expand efforts with a broad spectrum of Bolivian society to encourage institutional development with a view to ensuring that the government elected in 1986 will have better prospects of political stability.

Arguments for:

- -- Is consistent with past policy of concern for Bolivian stability and development and our hemisphere-wide policy of support for democracy.
- -- Addresses all causes of instability together, emphasizing country's economic problems while reviving military as a bulwark against radicalism.
- -- Is the least risky course of action since, while openly attempting to build up the best elements of the civilian and military institutions it does not tie us exclusively to a narrow group or interest.

Arguments against:

- -- It is too late and costly.
- -- After a new round of resource investment, the strategy might not work.

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U.S. POLICY AND ACTION PLAN FOR BOLIVIA (As Proposed by Ambassador Corr)

POINT 1: Improve U.S. intelligence on Bolivian radicalism

RECOMMENDED ACTIONS: Underway

POINT 2: Implement political action strategy and projects to support democratic forces and counter radicals

RECOMMENDED ACTIONS:

- (A) Increase U.S. Contacts with Democratic Groups in Government and Opposition. (Special focus on MNRH, ADN, Christian Democrats, Moderate MIR, MNRI Legalists.)
 - (1) More IV grants for Bolivian politicians (Action USIA)
 - (2) More CODELS (Action ARA)
 - (3) More contact between Bolivian Parties and U.S. counterparts (e.g. ADN/Republican Party, MNRH/Conservative wing of Democratic Party) (Action ARA)
 - (4) Help ADN and MNRH create more efficient, responsive party organizations. Support for political foundations of moderate parties (ADN's "Fundemos", MNRH's "Organization for Democracy"). Support \$200,000 grant by Inter American Foundation for "Fundemos". (Action ARA)
 - (5) Explore NED assistance to ADN and MNRH (Action ARA)
- (B) Strengthen Bolivian Congress and Help Improve Parliamentary Procedures
 - (1) Use mechanisms in (A) to increase U.S./Bolivian congressional ties (Action ARA)
 - (2) Encourage institutional exchange with congresses in other Latin democracies, European parliaments (Action ARA)
 - (3) Provide more guidance on economic, administrative legislation as we have done on narcotics (Action AID)
 - (4) Professionalize congressional staff through AID, NED programs and exchanges (Action AID, ARA)

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(C) Help Ensure Free and Fair Elections in 1986

- (1) Provide funding and technical assistance to the National Electorate Court (CNE) to assure machinery exists to carry out open elections (Action ARA)
- (2) Explore funding by NED, European democratic political foundations (Action ARA)
- (3) Draw on experience from El Salvador elections (Action ARA)
- (4) Urge GOB and opposition parties to request international observers (Action ARA)
 - (5) Assist the church and other appropriate institutions to undertake political education campaign (Action ARA, AID)
- (D) Increase USG Influence with Democratic and Anti-Communist Military officers to ensure armed forces remain pro-U.S. and bulwark against communism (See Point 3)
- (E) Strengthen contacts with Moderate Union Leaders in effort to counter radical left in Labor Movement
 - (1) Increase AIFLD program from \$205,000 for FY 84 to \$450,000 for FY 85 (including \$156,000 NED Grant) (Action ARA, AID)
 - (2) More AFL/CIO attention to, and contact with GOB and affiliates (Action ARA)
 - (3) Help reinforce independence of farmer/agricultural organizations outside COB through AID/AIFLD Programs (Action ARA, AID)
- (F) Improve cooperation with Bolivian church as bulwark against leftist totalitarian takeover and human rights advocate
 - (1) Help church obtain international funding to help Catholic University counter Marxist-oriented state universities. For example, USIS sponsored program linking Catholic University in La Paz with Arizona State. (Action USIA)
 - (2) Support church-sponsored education/literacy programs (Action USIA)

(G) Support for politically independent media - Counter leftist control

- Increase help to private TV stations in La Paz (Action USIA)
- (2) Promote legislation legalizing private stations (Action USIA)
- (3) Encourage creation of private national TV network (Action USIA)
- (4) Increase USIS programming efforts (Action USIA)
 - (5) Promote creation of independent private sector oriented national daily (Action USIA)

(H) Counter Leftist strength in academia

- (1) Support private non-sectarian university in Santa Cruz, creation of similar institutions in Cochabamba or Tarija (Action USIA)
- (2) Use, increase LASPAU (Action USIA)
- (3) Increase IV Grants, student exchange as balance to Cuba/USSR programs (Action USIA)

(I) Work with influential Latin, European governments to persuade GOB to reduce/eliminate communist influence.

- (1) Periodic diplomatic approaches to Andean Pact nations, Brazil, Argentina and EC countries with updates on anti-democratic developments in Bolivia, encourage ties with democratic opposition (Action ARA)
- (2) Urge monitoring of indigenous radical elements linked to Bolivian extremists (Action ARA)
- (3) Continue efforts to expose, undercut, neutralize radical elements in GOB (Action ARA)

POINT 3: Provide Economic Assistance to Support U.S. Policy Objectives

RECOMMENDED ACTIONS:

- (A) Needed Resources (required to implement "carrot and stick" approach to secure GOB political and economic action):
 - (1) ESF: \$25 million in each of FY's 85 and 86. (Action ARA)
 - (2) Resumption of EXIM Bank credits following satisfactory outcome of GOB foreign debt problem. (Action EB)

(B) U.S. Assistance in Economic Planning:

(1) Condition acceleration of ongoing AID projects and additional funding to specific GOB economic reform measures. (These programs include \$26 million disaster relief and \$20 million PL 480 Title I food aid) (Action AID)

(C) Structural Adjustments; encourage efforts to:

- (1) Increase productivity/profitability of viable GOB state enterprises, divestiture of unprofitable ventures (Action AID)
- (2) Stimulate foreign investment in mining/hydrocarbons (Action AID)
- (3) Shift public investment resources from state to private sector (Action AID)
- (4) Increase use of private sector in social, economic services (Action AID)
- (5) Reorganize the Central Bank and establish a rational banking law (Action AID)
- (D) Military Assistance to insure armed forces continue to abide by constitutional rule but remain strong enough to counter totalitarian leftist takeover (Action PM/DOD)

- (1) Help upgrade, repair obsolete, unusable equipment to enhance morale, capability (All Air Force Huey helicopters are down, only two F-86S AC are operable, numerous M-113's deadlined) (Action PM/DOD)
- (2) Provide MTT's and survey teams to assist in equipment requirements. (Action PM/DOD)
- (3) Expanded MAP or FMS Program to \$10 million (Congress cut Administration's proposed \$3 million to \$1 million) (Action PM/DOD)
- (4) Expansion of IMET Program from \$150,000 in FY 84 to \$300,000 in FY 85 and \$450,000 in FY 86. (Action PM/DOD)
- (5) Increase joint training exercises and increase MLGRP by two in order to have continued U.S. military presence in Cochabamba and Santa Cruz. (Action PM/DOD)
- Point 4: Insist on acceptable Bolivian Government political, economic and narcotics policies and programs

U.S. ability to influence the GOB hinges on a judicious balance of "carrot and stick" applied within the context of the myriad of economic and political pressures currently operating in Bolivia. U.S. leverage with the GOB will diminish unless economic and military assistance is enhanced. (Action Embassy/ARA)

RECOMMENDED ACTIONS: Economic and narcotics assistance is already conditioned to continuing reform measures. The Bolivian government is also aware that enhanced U.S. support depends on evidence of its commitment to the democratic process.

Bolivia's Resource Needs

		Corr Wants	State of Play
ESF			
	FY 1985	\$25 million	\$20 million Under Congressional consideration
	FY 1986	\$25 million	\$25 million proposed to OMB
Deve	lopment Assistan	ce	
	FY 1985	\$12 million*	\$12 million in budget
	FY 1986	\$13 million*	\$13 million requested
PL-48	80		
	FY 1985		
	Title I Title II Title III	<pre>\$20 million* \$12.0 million* \$20.0 million*</pre>	,
	FY 1986		
	Title II Title III	\$ 8.7 million* \$20 million*	
MAP			
	FY 1985	\$3 million	\$3 million requested
	FY 1986	\$10 million	\$3.5 million requested
IMET			
	FY 1985 FY 1986	\$300,000 \$450,000	\$100,000 requested \$300,000 requested

^{*}AID request.

	Corr Wants	State of Play (As of Oct. 10)
ESF		,
FY 1985	\$25 million	Not approved by Congress*
FY 1986	\$25 million	<pre>\$25 million proposed to OMB</pre>
Development Assista	ance	
FY 1985	\$12 million	\$12 million in budget
FY 1986	\$13 million	\$13 million requested
PL-480		
FY 1985	•	
Title I	\$20 million	Would have to come from supplemental.
Title II Title III	<pre>\$ 9.0 million \$25 million**</pre>	\$9 million \$20 million**
FY 1986		
Title I Title II Title III	s 8.7 million \$25 million	- \$8.7 million **
MAP		
FY 1985	\$3 million	\$3 million requested
FY 1986	\$10 million	\$4.5 million requested
IMET		
FY 1985 FY 1986	\$300,000 \$450,000	\$100,000 requested \$300,000 requested

^{*} Congress did approve an AID deob-reob authority for Andean democracies, which would permit deobligated ESF to be obligated for Bolivia.

^{**} The FY-1985 PL-480 Title I allocation of \$20 million would have to come from the AID supplemental. The FY-1985 PL-480 Title III allocation of \$25 million is part of a three-year, \$75 million program which does not have full inter-agency approval.

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119962 PAPER RE U.S. POLICY AND ACTION PLAN FOR BOLIVIA (WITH NOTATIONS)	6 8/21/1984 B1 B3

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WITH SECRET ATTACHMENT

THE WHITE HOUSE

WASHINGTON

Solivion 28

August 20, 1984

Dear President Ford:

I very much appreciate your the letter expressing concern about events in Bolivia and the enclosure on the communist presence in Bolivia.

Attached is a point-by-point commentary prepared by the Department of State on the paper enclosed. My staff does not fully agree with all of the elements in the State Department commentary and views the problem of far left penetration of the Government of Bolivia with deep concern.

I have shared your letter and the attached paper with Secretary Shultz, Ambassador Kirkpatrick, and Director Casey. I want you to know that your letter has helped stimulate greater concern within the government and that consensus has now been reached on measures which can strengthen the pro-democratic forces and weaken the pro-communist forces in Bolivia.

With warmest personal regards,

Sincerely,

Robert C. McFarlane

Attachment

UNCLASSIFIED UPON REMOVAL OF CLASSIFIED ENCLOSURE(S)

24 9/28/11

The Honorable Gerald R. Ford Box 92 Rancho Mirage, California 92270

UNCLASSIFIED
WITH SECRET ATTACHMENT

Ronald Reagan Library

Collection Name Latin American Affairs Directorate, NSC: Records	Withdrawer KM 9/29/2011 L
File Folder BOLIVIA (SAFE 1) 10/04/1984	FOIA M10-353/1 DENNISON
Box Number 1	66
ID Document Type Document Description	No of Doc Date Restric- pages tions
119964 PAPER	7 ND B1

RE POINT BY POINT COMMENTS

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]

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B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

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

MEMORANDUM

NATIONAL SECURITY COUNCIL

SECRET

ACTION

August 14, 1984

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM:

CONSTANTINE C. MENGES

JACQUELINE TILLMAN

SIGNED

SUBJECT:

Bolivia Reply to the Letter from President

Gerald R. Ford

You received a letter about Bolivia from former President Ford along with an attached paper on the communist presence in Bolivia (Tab II). You sent this to Secretary Shultz, Ambassador Kirkpatrick, and Director Casey requesting comments.

The Department of State sent back a commentary which we believe is too optimistic about the communist presence on a number of points. However, rather than disputing State on issues which are a matter of judgment and on which the data is uncertain, we suggest that in the attached letter to President Ford (Tab I), you send him the State Department comments while noting that your staff is more concerned than State.

Your letter thanks President Ford for his interest and information, expresses your shared concerns about trends in Bolivia and informs him that an interagency consensus now exists to strengthen the pro-democratic institutions.

RECOMMENDATION:

That you send your letter to President Ford with State comments (Tab I).

Approve	Disapprove
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Attachments:

Tab I Your letter to President Ford w/attachment

Tab II President Ford's letter to you dated July 10, 1984

w/attachment

Tab III Incoming from State

SECRET
DECLASSIFY ON: OADR

DECLASSIFIED

NLRRM353/1 # 119965

BY RW NARADATE 5/18/15



GERALD R. FORD

July 10, 1984

Dear Bud:

The situation in Bolivia appears to be becoming more and more serious. The Bolivian government seems uncooperative with the IMF and the recent pay increases will exacerbate the problem. The "attempted coup" is an indication of considerable unrest.

My apprehension has been seriously heightened by the information contained in the enclosed memo entitled - Communist Presence in Bolivia. This memo was given to me by a reliable individual who has a broad Bolivian background. If the information is accurate, we have a significant potential problem.

R. Ful

Let me know your reaction.

Warmest, best wishes,

The Honorable Robert C. McFarlane
Deputy Assistant to the President

For National Security Affairs National Security Council Old Executive Building Washington, D.C. 20506

DECLASSIFIED

NLRR M353/1 #119979

BY KML NARA DATE 4/15/13

COMMUNIST PRESENCE IN BOLIVIA

- 1. Pro-Soviet diplomats, advisors and technicians outnumber U. S. counterparts two to one. Ministry of Foreign Affairs fails to register all of them due to special "arrangements". They are placed in Ministry of Mining, Ministry of Labor, major mineral agencies and tin refineries. YPFB (State-owned oil company of Bolivia) and Ministry of Energy are infiltrated and influenced by Communists.
- 2. Soviet activities are based in low profile diplomatic posts and in Soviet military advisors and technicians.
- 3. Aggressive covert operations are well financed, and personnel is obedient to Soviet Embassy instructions. A number of Bolivian senators and congressmen and several government officials are Communists.
- 4. Some Communists in government and industry report to powers other than the Soviet Union. The Minister of Information and the Minister of Public Health report to the East German Communist Party. The Vice Minister of Interior reports to Cuba.
- The priorities set by the Soviets include the area of Bolivian mining, where Soviet authority is obvious and almost official. Other priorities are in the mining bank, the state-owned smelting plant worker's cooperative and the production of gold, control of which has practically been attained.
- 6. A special Soviet project is the establishment of a tin cartel comprising the Soviet Union, Bolivia, the People's Republic of China and Nigeria.
- 7. A continuous flow of North Korean diplomats diligently work to establish a beachhead in Bolivia. They are investing in the cocaine traffic and in giving help to the Shining Path (political party).
- 8. The Cubans have a growing influence in Bolivia. They have officially invited to Havana most of the legislators, businessmen and civic leaders. They have an excellent relationship with the armed forces and with government officials. Cuba has trained guerilla leaders from Bolivia for about one year. A guerilla organization has been established and named Workers/Peasants Revolutionary Group (GROC). Arms and supplies are being shipped to hidden GROC air strips in the jungle. The Bolivian Vice Minister of Interior coordinates this operation.
- 9. Pro-Soviet interests, in some cases through intermediaries, control the Bolivian television media.
- 10. Pro-Soviet influences are also being felt in the educational system, primarily through the revision and reprinting of textbooks for the lower grades in Bolivian schools.



United States Department of State

Washington, D.C. 20520

119966

MEMORANDUM FOR MR. ROBERT C. MCFARLANE THE WHITE HOUSE

Subject: Letter From Former President Ford

Attached is a point-by-point commentary on communist presence in Bolivia as requested in your memorandum of July 17.

As our comments indicate, the Soviets, the Cubans and their Bolivian counterparts are indeed active in many sectors of Bolivian society. While Soviet/Cuban activity in Bolivia is disturbing, it is important to recognize that the communists, as any other political group, are operating in an environment which is not conducive to consolidated action. Their current activity and future prospects must be analyzed in the broader context of Bolivian political dynamics. Pervasive political fragmentation and turbulence have traditionally acted as effective constraints on efforts by any one group to gain control. Various radical leftist groups work at cross purposes weakening each others' political base. Moreover, the Bolivian military has acted in the past and, we believe, remains prepared and capable to prevent a takeover of the government by the radical left.

The Department recognizes there are ample grounds for concern about the political situation in Bolivia. This has led us to step up the pressure on the Siles government to reduce the communist/radical presence within that government. Recent intelligence confirms that President Siles knows exactly what the undimished presence of such leftists portends for critical United States political and economic support. Our Embassy in La Paz is monitoring developments continuously and warily. We do not think, however, that Bolivia is about to collapse into the hands of communism.

Charles Hill Executive Secretary

Attachments:
As stated

SECRET/SENSITIVE DECL: OADR

DECLASSIFIED

NLRR M353/1 # 119966

BY RW NARA DATE 5/18/15

Drafted: ARA/AND:BAOwens BAO WANG #4301D 7/27/84 632-3076 Cleared: ARA:JHMichel

5494

THE WHITE HOUSE

WASHINGTON

July 17, 1984

MEMORANDUM FOR CHARLES HILL

Executive Secretary Department of State

THOMAS B. CORMACK Executive Secretary Central Intelligence Agency

AMB. HARVEY FELDMAN
Wasington Representative to
U.S. Representative to the
United Nations

SUBJECT:

Letter from Former President Ford

Attached is a memo from Bud McFarlane to your principals. He has asked that this memo and responses back to him be handled discreetly. Thank you.

B.5_

Robert M. Kimmitt Executive Secretary National Security Council

THE WHITE HOUSE

WASHINGTON

41

July 17, 1984

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

THE HONORABLE JEANE J. KIRKPATRICK United States Representative to the United Nations

SUBJECT: Letter from Former President Ford

Attached is a recent letter from former President Ford, which forwards a memorandum on Bolivia. I would appreciate receiving your views on the points raised in these documents. Thank you.

Robert C. McFarlane

Attachment

MEMORANDUM

NATIONAL SECURITY COUNCIL

SECRET

ACTION

August 14, 1984

W

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM:

CONSTANTINE C. MENGES

JACQUELINE TILLMAN

SUBJECT:

Bolivia Reply to the Letter from President

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Your letter thanks President Ford for his interest and information, expresses your shared concerns about trends in Bolivia and informs him that an interagency consensus now exists to strengthen the pro-democratic institutions.

RECOMMENDATION:

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Approve Di	sapprove
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Attachments:

Tab I Your letter to President Ford w/attachment

Tab II President Ford's letter to you dated July 10, 1984

w/attachment

Tab III Incoming from State

SECRET

DECLASSIFY ON: OADR

DECLASSIFIED

NLRR M353/1#19968

BY LW NARADATE 5/18/15

THE WHITE HOUSE

WASHINGTON

43

Presedent Dear Mr. Ford:

I very much appreciate your having sent me the letter expressing your concern about events in Bolivia and the enclosure on the communist presence in Bolivia.

Attached is a point-by-point comment prepared by the Department of State on the paper you had enclosed concerning the communist presence in Bolivia. My staff does not fully agree with all of the elements in the State Department commentary and views the problem of far left penetration of the Government of Bolivia with deep concern.

I have shared your letter and the attached paper with Secretary Shultz, Ambassador Kirkpatrick, and Director Casey. I want you to know that your letter has helped stimulate greater concern within the government and that consensus has now been reached on measures which can strengthen the pro-democratic forces and weaken the pro-communist forces in Bolivia.

With warmest personal good wishes,

Sincerely,

Attachment

The Honorable Gerald R. Ford Box 92 Rancho Mirage, California 92270

Ronald Reagan Library

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	Folder IVIA (SAFE 1) 10/04/1984	FOIA M10-353/1 DENNISON
Box N	Number	66
ID	Document Type Document Description	No of Doc Date Restric- pages tions
1199	69 PAPER	7 ND B1

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B-1 National security classified information [(b)(1) of the FOIA]

SAME TEXT AS DOC 119964

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

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GERALD R. FORD

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Warmest, best wishes,

The Honorable Robert C. McFarlane Doputy Assistant to the President

For National Security Affairs National Security Council Old Executive Building Washington, D.C. 20506

> **DECLASSIFIED** NLRR M353/1 # 119984 BY KAL NARA DATE 4/15/13

COMMUNIST PRESENCE IN BOLIVIA



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United States Department of State

Washington, D.C. 20520

53

SECRET/SENSITEVE: 43

MEMORANDUM FOR MR. ROBERT C. MCFARLANE THE WHITE HOUSE

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Charles Hill Executive Secretary

Attachments:
As stated

SECRET/SENSITIVE DECL: OADR

DECLASSIFIED

NLRRM353/1#11997/
BY LW NARA DATE5/18/15

Drafted: ARA/AND:BAOwens BAO WANG #4301D 7/27/84 632-3076 Cleared: ARA:JHMichel WASHINGTON

5

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BOLIVIA (SAFE 1) 10/04/1984	M10-353/1 DENNISON
Box Number	
1	66
ID Document Type	No of Doc Date Restric-
Document Description	pages tions
119972 CABLE	4 10/8/1984 B1
LA PAZ 06988	

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BOLIVIA (SAFE 1) 10/04/1984	M10-353/1 DENNISON
Box Number	
1	66
ID Document Type Document Description	No of Doc Date Restric- pages tions
119975 CABLE	7 10/8/1984 B1

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LA PAZ 06989

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