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File Folder BOLIVIA (SAFE 1) 09/19/1986-10/01/1986

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M10-353/1

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
120360	PAPER	RE BOLIVIA <i>R 5/18/2015 M353/1</i>	8	ND	B1
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EMBAJADA DE BOLIVIA

WASHINGTON, D. C. 20008

EMBO 405/86

Bolivia

September 19, 1986

The Honorable Dennis DeConcini/Paula Hawkins
United States Senate
328 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator DeConcini:

I wish to take this opportunity, as a follow-up to my appearance before the Senate Caucus on International Narcotics Control, to provide you with an update of Bolivia's plans for continued illegal coca interdiction and also regarding our plans for our new three-year effort toward complete eradication of this problem.

This summer's "Operation Blast Furnace," conducted in cooperation with the U.S. Government, represented the first substantive step in Bolivia's firm commitment to maintain a continuous, uninterrupted program of illegal coca interdiction. The new government of President Victor Paz Estenssoro is pledged to maintain a steady level of interdiction in the heavy coca regions of the country, which will mean, in the short-term, working in close cooperation with the U.S. forces still present in Bolivia to prevent any operational gaps after their departure. To accomplish this transition successfully, I have listed some of the basic supplies and equipment that our government will require for surveillance and interdiction on page 9 of my testimony to the Senate Caucus last August 7 (see copy enclosed). The items range from mosquito netting to helicopters, as well as training for our personnel. As I stated in my testimony before the Caucus at that time, Bolivia is a poor country, and the drug traffickers are betting that the U.S.'s interest and commitment will wane, and that within a few months things will return to "normal." Again, we cannot allow this to happen.

On the eradication front, Bolivia has submitted a proposal to the U.S. Government for an ambitious, three-year program calling for a joint U.S.-Bolivia effort to achieve full eradication. The eradication of coca crops used in the production of cocaine must be the cornerstone of any definitive solution to drug trafficking in

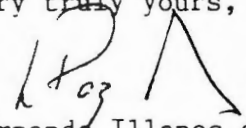
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Bolivia. Our goal is to define and target for full eradication the crop areas used for illegal purposes. It is a daunting task, with enormous economic, social, political, and logistical consequences. It will entail crop eradication, crop substitution, and where necessary, peasant relocation. (I am also enclosing a copy of this proposed document for your review, as well as other related documents). It will also entail the immediate establishment, as we have proposed, of a joint U.S.-Bolivian task force to develop an immediate plan of action and an implementation schedule. Bolivia estimates that this three-year program will require \$120 million yearly to fund. Despite our limited resources, we are willing to put up \$20 million, and we are asking the U.S. Government to provide \$100 million. The funds would be used in the areas outlined in my testimony and in the proposal we have submitted (see enclosures).

Our immediate goal, Senator DeConcini, is to (1) obtain an earmark in the Omnibus Drug bill of not less than \$20 million for Bolivia for FY 1987 for the antinarcotics programs, and (2) a similar appropriations earmark in the continuing resolution for FY 1987 ESF funds to help us continue in our economic recovery. As you know, President Paz Estenssoro has reduced our hyperinflation from 50,000% to 20%, has lifted price controls, cut down the size of government, stimulated the private sector, and reformed the tax system. Our recovery is progressing well, but we still need as much help as possible.

In short, Senator, we need your help on the Omnibus Drug bill and on the continuing resolution to insure that Bolivia obtains the assistance it needs on the drug front and on the economic front to continue working toward its goals. Your help would be crucial at this time, and I stand ready to do anything I can to help you in our endeavors. Meanwhile, I thank you for your concern and your help.

Very truly yours,


by Fernando Illanes de la Riva
Ambassador

120360

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~~CONFIDENTIAL~~

BOLIVIA: A PROPOSAL FOR JOINT ACTIONS ON DRUGS

DECLASSIFIED

NLRR 173531 #120360

BY RW NARA DATE 5/18/15

This document has been prepared by the Government of Bolivia for discussions with the Government of the United States in Washington, D.C. on Aug. 14-15, 1966.

Bolivia: A Proposal for Joint Actions on Drugs

Success in the fight against international drug trafficking is crucial to the future of Bolivia. The Bolivian people can well understand when President Reagan calls the drug problem a matter of national security, since the strength of the drug traffickers in Bolivia poses the greatest threat to Bolivia's democratic government and social order. That is why the Bolivian government appealed to the United States for emergency logistical support in its fight against drug trafficking. It is why the Bolivian government now calls upon the United States to share in a bold plan of common action aimed at eliminating all illegal drug production and trafficking in Bolivia during the remaining three years of the Paz Estenssoro government. The benefits to Bolivia and the United States would be profound, as Bolivia is the source of almost half of the world's cocaine.

The current joint interdiction operations, known as "Operation Blast Furnace", should be the dramatic first step in a new and sustained war on illicit drugs. The operation has produced remarkable results in the past month. The conversion of coca leaf to cocaine has been almost completely disrupted in Bolivia, and the current price of coca leaf is now below its replacement cost. If peasant cultivators can be convinced that the low prices of coca will be maintained through continued interdiction, it will make economic sense for them to substitute towards other crops.

The interdiction operations therefore have produced a great opportunity, but also a profound risk for the people of Bolivia. Operation Blast Furnace caught the drug traffickers off guard.

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If they are allowed to regroup, they will come back armed and stronger than ever. The result could well be the emergence of a new and deadly guerilla movement joining extremists, destitute peasants, and the drug traffickers. The Bolivian government thus has no choice now but to aim for the total eradication of all coca destined for conversion to cocaine, as well as the elimination of all drug trafficking in the country.

A realistic plan of action against coca production and processing in Bolivia must recognize the shocking economic and political realities of the country. The Paz Estenssoro government inherited a degree of economic chaos unrivalled in the world: a 50,000 percent annual inflation rate; a public sector in deep default to the rest of the world; a decline in living standards of about 30 percent in the five years until 1985; and collapsing world prices for tin and hydrocarbons, which constitute more than 80 percent of Bolivia's legal exports. The government acted boldly in the face of these economic challenges, and through tight fiscal policy and a free market approach to the economy it has succeeded in virtually eliminating inflation in the past six months.

Nonetheless, the stabilization program remains in great jeopardy. The eradication efforts must not be the source of a renewed economic destabilization, for that would both undermine the economy itself as well as the political ability to pursue the war on drugs. Bolivia therefore desperately needs external support in order to stabilize its shaken exchange rate, which has been under attack since the beginning of the interdiction operations. Moreover, it must find longer-term economic solutions for the displacement of hundreds of thousands of

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peasants who are now dependent on the production of coca leaf.

The degree of success of Operation Blast Furnace has caught both our governments by surprise, but it presents an opportunity that may never return and must not be squandered. In emergency meetings in recent weeks the Government of Bolivia has begun to formulate a program for turning this first salvo into a successful war on illicit drug trafficking. The program that we outline here aims at nothing less than making Bolivia virtually free of illicit drugs in three years. To succeed, Bolivia and the United States must join a close partnership in a difficult yet vital enterprise. The Bolivian government therefore requests that a task force of the two countries be immediately constituted to examine the feasibility of the program that we outline below. Time is of the essence: not only are the traffickers beginning to regroup, but the next harvest of coca leaf is this November.

The Bolivian Government identifies two separate aspects of the coming battle. First, and most important, everything depends on continued success in the interdiction efforts. Second, and critical both in the short run and long run, financial resources will be needed to keep the Bolivian economy afloat, and to induce peasant cultivators over the next three years to abandon coca production in favor of other activities. We now go on to discuss these complementary aspects of the problem in greater detail.

Interdiction Efforts

All of the government's hopes and plans depend on the continued success of the interdiction efforts. So far, the joint Bolivian-United States mission has completely disrupted drug trafficking in Bolivia, and has thereby reduced the price for

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coca leaf received by the peasant cultivators. This drop in prices is key, since it makes it feasible for the Bolivian government to offer economic inducements towards eradication and crop substitution. The Bolivian government first asked the United States for emergency assistance because it felt that its own forces and logistical support would be inadequate to the task at hand. The requirements for the future are therefore: (1) that U.S. support be maintained as long as is necessary to transfer the tasks to the relevant Bolivian units; and (2) that the U.S. provide much of the training and hardware necessary to enable the Bolivian government to take over this mission. The greatest danger of all would be that the U.S. personnel withdraw after 60 days without adequate and serious preparation of their Bolivian counterparts.

The Ministry of the Interior has prepared a study for a three-year program of support that it believes is necessary in order for the Bolivian forces to be able to carry out the interdiction mission with high effectiveness. That report, which must be viewed as preliminary, and subject to considerable amendment, outlines the nature of the equipment, personnel, and training support needed by the Bolivian forces. Financial support for ongoing operations must also be shared by the two governments.

Economic Stabilization

We noted earlier the boldness of the Bolivian government's economic management in the past year, and its success in slaying a raging hyperinflation. It is an undeniable irony of the

economic situation that the current interdiction efforts now jeopardize this hard-fought victory. Since the beginning of the operation in mid-July, confidence in the Bolivian Peso has been weakened and expectations of a devaluation have reemerged. Banking credit has tightened as banks depositors have converted excess bank reserves into dollars, and a banking crisis has become possible.

The pressing need of the Bolivian government is for emergency stabilization support, in the amount of \$100 million. Since the interdiction operations, the government's net international reserves have declined from approximately \$205 million to \$170 million. Since these reserves exceed in value the amount of Bolivian pesos in circulation, and since fiscal policy is very tight, the government is confident that it does not face the need for a destabilizing devaluation. Nonetheless, the government is very conscious of the fact that a speculative attack against the Peso could provoke a banking crisis, as has occurred in other countries in the region. Bolivia is vulnerable to such a misfortune since the banking system was weakened by the hyperinflation, and since there is no system of deposit insurance. A banking crisis would force the government to issue currency to stave off a financial collapse, and would surely provoke a sharp increase in inflation.

The need for emergency stabilization support is pressing. The Bolivian government believes that stabilization support at this point would act like bank deposit insurance: the mere presence of the support would probably mean that most or all of the of it would not have to be used! The support would restore confidence in the current exchange rate, and most likely vitiate

the need for foreign exchange sales by the Central Bank.

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Longer-Term Plan for Crop Eradication

The eradication of coca crops used in the production of cocaine must be the cornerstone of any definitive solution to drug trafficking in Bolivia. Coca crops are now produced in two areas in Bolivia: the Yungas, where some of the crop is used for traditional purposes (e.g. chewing and religious rites), and the Chapare, where almost all of the crop is used for the production of illicit cocaine. The goal of the Bolivian government is to eliminate all coca production in both areas except for a small and well-defined amount necessary to satisfy the traditional domestic demand.

Complete eradication of the non-traditional crops is a daunting task, combining enormous economic, social, political, and logistical challenges. Estimating the costs and timing of such an operation is made difficult by the obvious lack of comprehensive data on the illicit industry, and even on the numbers of cultivators now engaged in coca production. One set of estimates, favored by the U.S. government, puts the number of cultivators in the Chapare at about 50,000 families, or 300,000 individuals. The number in the Yungas is probably on the order of 10,000 families.

The possibilities for crop substitution and crop eradication vary widely across geographical regions and social classes of cultivators. In some areas, the cultivators are sharecroppers; in others, landowners. In many areas, cultivators are settled with their families, while in others they are merely migrant workers. Also, in some areas, the land is suitable for crop

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eradication. In other words, money should be spent as fast as the actual goal of eradication is achieved.

Conclusions

Operation Blast Furnace has worked beyond expectations, and has thus opened new opportunities, but also new risks, in the war against drugs. The Bolivian government must now see the battle through to its conclusion: the eradication of nontraditional coca production and illicit drug trafficking.

Success in this effort has three prerequisites. First, interdiction must be maintained at all cost. Second, balance of payments support must be obtained by the Bolivian government so that the drug interdiction does not undermine the extremely fragile economic situation. The Bolivian government requests emergency \$100 million support for this purpose. Third, a commitment must be made between our governments to proceed to the stage of eradication, with the requisite commitment of financial resources from both governments. The Bolivian government requests that a task force be immediately constituted to formulate a plan of action for this stage of the effort.

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Statement of
His Excellency Fernando Illanes
Ambassador of Bolivia
to the
United States Senate Caucus
on
International Narcotics Control

August 7, 1986

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Madame Chairwoman and Members of the Senate Caucus on International Narcotics Trafficking, I am Fernando Illanes, Ambassador of Bolivia to the United States. I was appointed by President Paz shortly after he assumed office last year and began serving in this position this past February.

I welcome this opportunity to appear before the Caucus this afternoon to discuss the very important and deadly serious subject of drug trafficking and illicit narcotics.

Today is an important day in my country for it marks the first anniversary of President Paz's inauguration.

In the brief time he has served, President Paz has placed the highest priority on controlling the production and distribution of narcotics and has thereby jeopardized his Administration's accomplishments. I believe history will judge the bold and dramatic measures that he has taken to stop the spread of illegal narcotics as a crucial factor in Bolivia's economic and political development.

It is with a sense of pride and accomplishment that I come before you today to report on what my government is presently doing as well as its future plans to curb the production and sale of illicit drugs.

My testimony today is divided into four parts: First, a report on the results of the raids; second, a review of the

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economic and political consequences my government has suffered; third, a report on the government's new legislative initiatives; and finally, a request for additional assistance so that we may continue the war against drug traffickers.

In the interest of time, I will briefly summarize the major points and then respond to your questions.

At the outset, let me say Madame Chairwoman, that we are extremely grateful for your efforts to educate and inform the public about the dangers of drug abuse and for also urging an all out war against those who seek to undermine our values and political institutions through illegal drug trafficking. You have done a great service and my President has asked me to commend you on your activities and to convey his continued cooperation.

The Material Results

Madame Chairwoman, by most accounts, the recent raids which have been conducted by specially trained Bolivian troops, with the support of U.S. military technical and logistical assistance, against cocaine processing laboratories located in Bolivia's jungle regions have been successful.

So far, 7 labs have been located and destroyed in the Beni areas. The estimated total weekly production capability of these labs is approximately 11,000 pounds of cocaine paste. Two days ago, before the House of Representatives Task Force on International Narcotics Control, U.S. DEA officials revealed a most important result: the raids have virtually halted.

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production of cocaine in Bolivia. The DEA also reported that flights of small planes used to ferry the cocaine out of the jungle have ceased.

Since the raids began, the price of coca leaves has dropped from 70 cents to 20 cents a pound, and there is some evidence from our Agriculture Ministry that an increasing number of farmers are requesting seeds and technical support for crop substitution.

In addition, the raids have netted some 15 arrests of drug traffickers -- 3 of whom are considered "big fish" by the DEA. They are presently being held in Santa Cruz pending trial.

The Consequences

Although the raids continue to be largely supported by the public and the major political parties in Bolivia, the operation has created very real political and economic problems for my country.

In terms of political opposition, the raids have served to galvanize militant extremist organizations, especially labor groups who have initiated a nationwide strike against mining and airline companies in an attempt to force the government to reverse its position with respect to the raids. Let me state unequivocally that the government of President Paz will not be intimidated nor will it buckle under to this kind of pressure. There will be no concessions to those who seek to protect the drug traffickers.

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As you might also imagine, as a result of the government's tough stance, our political leaders have increasingly become the targets of assassination threats by the drug traffickers.

From an economic standpoint, the raids have also triggered a run on the central bank. Before the raids, drug traffickers exchanged dollars for pesos on a parallel market. Now, however, the raids have virtually halted all parallel market trading in U.S. dollars. Thus, the demand for dollars at the Central Bank is running $2\frac{1}{2}$ times greater than before the raids started. If this pace continues, and we believe it will, the bank will deplete its meager reserves in a matter of a few weeks.

Finally, I should also mention that the success of these raids has so disturbed and angered certain extremist organizations and drug traffickers that they have resorted to exerting extreme pressure on the Congress to impeach President Paz, his cabinet, and myself. Their goal is nothing less than to destroy our democratic systems.

The Response

I am quite aware of the U.S. Congress' skepticism about Bolivia's past commitment towards controlling illicit drug production and distribution activities. However, I am pleased to report that my government next week will present to the Bolivian Congress a comprehensive legislative package that has five principle objectives. Essentially, the legislation will:

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- 1) Define and limit legal coca growing areas.
 - 2) Extend criminal penalties to banks, government officials and others found guilty of assisting drug traffickers.
 - 3) Reform judicial systems to provide for expeditious trials of drug traffickers or their accessories.
 - 4) Authorize police to confiscate all assets of persons involved in production and trafficking in drugs.
 - 5) Establish a Ministerial-level Commission to review and identify new and dangerous narcotics and recommend policy or legislative changes to control and penalize the illegal production and distribution of these substances.

The Request

As I mentioned before, Bolivia has been able to conduct these recent raids against the cocaine laboratories for one simple reason: the United States agreed to our urgent request for help and supplied the necessary equipment and personnel for the operation. Without this type of assistance, we could not have carried out this operation. What will occur after the helicopters and personnel leave will largely depend on the type of support we receive from your government. This is not meant as a threat nor should it be construed as blackmail. Rather, it is a simple statement of fact.

Bolivia is a poor country -- the poorest in South America. It simply does not have the means to carry out sustained attacks against the drug traffickers.

Let me put this into perspective.

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Last year, inflation was hovering at 20,000%. Exports of raw materials which were the backbone of our economy declined by two-thirds (oil, tin, tungsten, timber).

Right now the drug trade earns more revenue than the country's entire legal export trade. How can a government with \$500 million in export revenue compete against an organization whose income in Bolivia exceeds \$600 million? It simply and practically cannot be done without substantial assistance from the United States.

A study prepared by the Congressional Research Service noted that:

The power, corruption, and instability associated with multinational drug trafficking and drug abuse poses serious threats to various foreign governments.

Thus, unless we have the resources and training to do the job -- and we would prefer eventually to do it ourselves, we will never succeed in driving the illicit drug traffickers out of business.

I have prepared a list of our basic requirements that I would like to share with the Caucus at this time. The items range from mosquito netting to helicopters and of course training for our personnel to handle the operation once the U.S. support personnel leaves. This is the type of assistance our forces must have in order to continue the war. Quite frankly, the drug traffickers are betting that the U.S.'s interest and commitment will wane and within a few months things will return to normal. We cannot let that happen.

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In addition, in order to maintain economic stability and recovery, we need to stop the run on foreign exchange at the central bank. This will require at a minimum, \$100 million to cover the deficit for the remainder of this year.

In closing, let me underscore my government's commitment as well as its willingness to cooperate with the United States to develop a new international offensive against illicit drug trafficking.

I am quite aware of your position with respect to crop eradication. As we have discussed before, my government favors the elimination of these crops. We differ only in the timing and the method. And, while it is easy to focus on these differences, I hope that we would not forget the progress we have made in this battle. The recent operations have stopped the flow of cocaine out of Bolivia. The farmers have shown new and growing interest in crop substitution. These developments serve to reinforce Bolivia's Interior Minister Barthelemy's initiative for a sustained and lasting campaign. But for this Madame Chairwoman, we need your support in order to eliminate what President Reagan has called the "scourge" of drugs that has plagued both of our nations.

My government hopes that in preparing comprehensive anti-drug legislation, Congress will recognize and support our actions and provide us with a sufficient level of economic and political assistance to carry out the task.

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Bolivia has sent the world a loud and clear message:
Enough! We are not going to stand by and allow our society to be
destroyed by drugs. We are not going to stand by and risk the
future of our children to drugs. We are going to fight! We are
going to fight with whatever means we have at our disposal. And,
we are declaring, for all to hear, an all-out war on drugs and
traffickers.

Thank you again for inviting me to testify today. I
will be happy to answer any questions.

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Supplies and Equipment Requisitions to Continue
Surveillance of Drug Trafficking Area

- 6 Helicopters, Black-Hawk type or equivalent with flight autonomy range of 200 miles; ceiling flight for high mountainous terrain (approximately 25,000 feet); and carrying capacity of 10 men for jungle usage.
- 1 Airplane type C-130
- 2 Bimotor planes for reconnaissance service and/or command flight
- 6 Medium range radar
- 10 Coast guard type boats, 45 horse power engines
- 10 Air boats used in swampy areas, 75 horse-power engines
- 50 Jeeps, 4-wheel drive
- 10 Rubberized containers for water and fuel
- 2 Motorized trucks for water and/or fuel
- 1 Complete air repair shop
- 1 Complete automobile repair shop
- 3 Complete sets of fatigue uniforms for 600 soldiers
- Adequate field equipment such as tents, generator sets, insect fumigation, canteens, cameras, etc. to support above.
- 600 Light submachine guns with adequate ammunition
- 50 Precision rifles with telescopic and infrared sights, adequate ammunition supplies for same
- 50 Water filters to handle above personnel
- 4 Complete electronic surveillance systems

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U.S. DOLLAR DEMAND IN THE BOLIVIAN TREASURY 1986/87

(In millions of U.S. dollars)

1.	Average daily demand for U.S. dollars at Bolivian Central Bank prior to 7/15/86 <u>1/</u>	\$1.3 million daily through 5 weekly auctions during 48 weeks 1.3 x 5 x 48	(312.0-)
2.	Average daily demand for U.S. dollars at Bolivian Central Bank beginning 7/16/86	\$3.3 million daily through 5 weekly auctions during 48 weeks 3.3 x 5 x 48	<u>792.0-</u>
3.	Increased demand through 8/1/86		480.0-
4.	Capital & Interest Repatriations <u>2/</u>		(150.0-)
5.	Deficit attributable to drug trafficking <u>3/</u>		330.0-
6.	Estimates operating level of black market exchange (40% of 330) <u>4/</u>		(130.0-)
7.	Net deficit of Central Bank due to reduced operations (60% of 300) <u>5/</u>		200.0-

1/ Represents daily foreign exchange for imports. Does not take into account any parallel market exchanges of U.S. currency.

2/ Total foreign exchange sales derived from repatriation of capital on interest since 10/1/85.

3/ According to Bolivian Central Bank the parallel market sales of U.S. dollars has been drastically curtailed as a result of the drug raids. As a consequence the only readily available source of U.S. currency to meet import requirements is the Central Bank. The demand for dollars has caused the Central Bank to draw down on its U.S. cash reserves by \$2 million daily. Total reserves as of 7/15/86 were \$290 million.

4/ Estimated extent of renewed parallel market exchange.

5/ Deficit foreign exchange requirements of Central Bank.

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Bolivian Police
Three Year Plan

Objectives:

- ° Destroy all cocaine refining laboratories in Pando, Beni and Santa Cruz.
- ° Destroy all paste producing laboratories in Chapare (Cochabamba) Yungas and Apolo (La Paz).
- ° Reduce coca leaf production by 140,000 tons by eliminating the production of 55,000 hectares.
- ° Substitute crops in this area.
- ° Destroy drug traffickers network in and out of Bolivia.
- ° Rehabilitate Bolivian drug addicts.

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RESULTS OF SEPARATE BOLIVIAN (UMOPAR) FORCES
RAIDS ON DRUG PROCESSING FACILITIES
IN CHAPARE REGION

Cocaine Base Confiscated	23.15 lbs.
Laboratories Destroyed	50
Process Pits Destroyed	332
Cocaine Liquid in Process	250 lts.
Production Capacity Destroyed	17,000 lb/wk

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PRODUCTION AND PRICE LEVELS
OF COCA LEAVES

A) Cultivation (Approximate Figures)

<u>Year</u>	<u>Area (Hectares)</u>	<u>Leaf Production (Tons)</u>
1980	20,400	26,000
1986	69,000	159,000

B) Average Leaf Price (Dollars Per 100 Pounds)

1980	\$350
1981	
1982	\$550
1983	
1984	
1985 (1st Half)	\$700
1985 (last Qt.)	\$100
1986	
(4/1-7/15)	\$ 70
(7/16 -)	\$ 20

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DRUG SEIZURES (1980 - 1986)

Cocaine Impounded (kilos)

1980	296
1981	567
1982	1,319
1983	1,152
1984	972
1985	3,256
1986	3,705 (thru July)

Embassy of Bolivia
Washington, D.C. 20008

March 17, 1986

Mr. Secretary:

I have the honor to refer to the concern expressed by the member of the United States Congress regarding the will, intentions, and concrete actions of the Government of the Republic of Bolivia with respect to the limitation of coca cultivation areas and the proper and effective control of narcotics trafficking.

In this regard, I should like to reiterate to Your Excellency the wish of my government that the Department of State be so kind as to inform the members of Congress and the respective committees that have expressed ongoing interest in this matter, including The Honorable Larry Smith of Florida, that the Government of Bolivia has passed and enacted legislation designed to establish a proper institutional framework for combatting this type of crime. Specifically, (Supreme) Decree No. 20811 of May 21, 1985, defines those areas considered traditional and nontraditional cultivation zones and then establishes the legal procedures for destroying coca crops that are not intended for the traditional market of direct mastication of the leaf or other medicinal purposes.

I am pleased to emphasize the important fact that the Bolivian Government has satisfactorily completed negotiations with the campesinos who, in an unprecedented voluntary action, have promised to suspend the production of coca and replace it with other products. This is the method preferred in the Chapare zone, where teams of topographers and other specialists are conducting the necessary field investigation in accordance with the criteria established in 1983 by the U.S. and Bolivian Governments. The initial result of this work has been the identification of 500 hectares of coca crops that can be reduced, and the expansion of work designed to increase the areas of crop destruction. Furthermore, as climatic conditions improve--once the rainy season is over--the Government of Bolivia intends to carry out a sustained program for the reduction of those crops at a rate of approximately 25 hectares per week. The new UMOPAR police forces will be effectively utilized for this purpose.

His Excellency
George Shultz,
Secretary of State,
Washington, D.C.

I am also pleased to inform you of another essential aspect of the government's anti-drug policy, which is to track down the flow of cocaine in the market. This includes ongoing action and monitoring with regard to the chemical elements used to manufacture this alkaloid. This action requires very extensive efforts on the part of the authorities which, in most cases, are facing criminal organizations that are well equipped with modern weapons and means of transport (airplanes and helicopters) and, obviously, with extensive economic resources that give them protection that is difficult to penetrate. Nevertheless, measures are being taken to prevent domestic use of cocaine, in addition to lowering the price of coca leaves on the domestic market in order to discourage the production of this alkaloid by campesinos and farmers. This policy will help substantially reduce the cultivation areas.

In the implementation of these coherent and firm measures, it is important to note that this past February the government doubled the number of its anti-narcotics police forces; accordingly, the specialized UMOPAR corps grew from 245 to 500 members. Similarly, at the request of the Director of the United Nations Fund for Drug Abuse Control (UNFDAC), 90 members of the specialized police will be transferred in the next few days to the region of Los Yungas in order to curb the spread of narcotics activities in this traditional production zone and to impede the entry of the chemical substances used for the manufacture of cocaine. In this way the UNFDAC program will be effectively implemented. Four hundred police personnel will remain in the Chapare zone and, as of March 1, will be responsible for strictly patrolling the region, interrupting the transport and trafficking of ingredients used in the manufacture of cocaine and, obviously, apprehending persons involved in crimes of this nature so that they may stand trial in the regular courts. Within the framework of these concrete efforts, the Government of Bolivia has requested the technical cooperation of the Colombian police, asking that some of its qualified specialists cooperate with and train the Bolivian police to help them perfect their professional skills.

As you can see, the Administration of President Paz Estenssoro is firmly committed to reducing the cultivation areas as promptly as possible, stopping the manufacture of cocaine, combatting the use of this narcotic substance, which is particularly damaging to the health of young people and, obviously, prosecuting and penalizing narcotics dealers who morally harm the social structure and Bolivian family and seriously threaten the very existence of the democratic system.

As I implied in previous paragraphs, a nearly insurmountable problem faced by the Government is that it lacks the money needed to more vigorously implement all of these measures. The absence of financial resources, equipment, and techniques is a result of the overwhelming economic crisis suffered by our country. Bolivia's efforts to put an end to hyperinflation and to revitalize national production have slowly begun through the implementation of a new economic policy geared to tap our human potential and natural resources, encouraging investment, and reducing to the greatest extent possible fiscal expenditures, which constitute one of the causes of inflation. This austerity policy has made it necessary to reduce the population's standard of living, particularly with regard to salaries in the public sector, which have decreased in the past five months by more than 57 percent. Nearly 20,000 public employees have been laid off. The salaries of teachers and professors range from only ten to twenty dollars a month. The national budget has been drastically reduced, and some services, such as universities and the Armed Forces, have been cut by almost 50 percent. Added to this is the collapse of international tin prices, the drop in the price of oil, which affects in particular gas exports to Argentina, and the extremely serious floods in the densely populated areas of Lake Titicaca, where 150,000 persons have been left homeless and their crops destroyed by persistent rains.

Because of all these concurrent problems, our country does not have the money to properly equip the anti-narcotics police, purchase weapons to fight gangs of narcotics traffickers, or procure equipment, uniforms, helicopters, and light aircraft to promptly engage in operations. Nor can it count on the effective support of the Military Air Force, which also faces serious problems in the maintenance of its meager flight equipment.

The Government of Bolivia confronts an enormous task in this unequal struggle. It must use its scant police forces to curb narcotics trafficking, reduce crop areas, control domestic trade in cocaine, and destroy the cocaine factories that have spread throughout the immense plains in the northeast of the country (Beni). For this task, I repeat, it does not have effective or sufficient support from the international community, which must share responsibility for fighting this scourge.

Finally, it is distressing to note that the economic cooperation currently received from the United States Government is not sufficient to address the magnitude of the problem. In order to be effective, this cooperation must be increased to reasonable levels, as required by the Armed Forces and the police. What is being done currently does not affect the problem at all.

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I have taken the liberty of sending you this lengthy description of the situation in order to make your country aware of the magnitude of this serious social scourge, of the efforts of the Government of Bolivia, which is working tenaciously, and of the meager amount of international cooperation we receive.

I should like to request that Your Excellency report the content of this document to the U.S. Congress, stressing the intentions and willingness of the democratic Government of Bolivia to address this problem.

I avail myself of the opportunity to express to you the assurances of my highest consideration.

(Signature)

Dr. Guillermo Bedregal Gutierrez
Minister of Foreign Affairs and
Worship of Bolivia



EMBAJADA DE BOLIVIA

WASHINGTON, D. C. 20008
EMBO 022/86

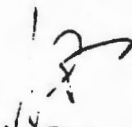
January 28, 1986

Rangel
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I am pleased to inform you that the Bolivian National Directorate of Dangerous Substances reported that during the last quarter the fight against drug trafficking was continuous and improved, which in figures translates to the fact that such agency has seized 768,474 kilos of cocaine paste and detained 190 traffickers. During the same period peasants of the tropical region of Cochabamba voluntarily initiated coca crop reduction.

As you may know from all information regarding drug trafficking in my country, the Government of President Victor Paz Estenssoro has done more than any previous government in dealing with the problem in the understanding that all efforts made in Bolivia against coca growers and traffickers will be greatly appreciated by the U.S. Government who must provide us with sufficient aid in order to eradicate drug trafficking, preserve democracy and solve our economic problems.

Please accept my best regards,


Luis Paz
Chargé d'Affaires

LP/pg



EMBAJADA DE BOLIVIA

WASHINGTON, D. C. 20008

EMBO 404/86

Bolivia

September 19, 1986

The Honorable Alfonse M. D'Amato
United States Senate
520 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator D'Amato:

I am most appreciative of your continuing interest and concern over Bolivia's efforts to address its economic problems and its drug interdiction and eradication goals. These are crucial times in the history of my country as we attempt to put it back on its feet financially and economically, and as President Paz Estenssoro begins to implement his ambitious antidrug programs.

Therefore, I am turning to you for help in the waning days of the current Congressional session to assist Bolivia on one major piece of legislation which the Senate is presently addressing: the Omnibus Drug bill. Before the Senate Foreign Relations Committee considers this bill, I would earnestly entreat you to speak with Senator Richard Lugar to request from him that this legislation provide some antidrug program funds for Bolivia, ideally not less than \$20 million for FY 1987. Our government is very concerned about performing continuous drug interdiction without interruption after the departure of the visiting U.S. personnel from Bolivia. An allocation of \$20 million for Bolivia in the Omnibus Drug bill will insure that we will have sufficient resources to continue our interdiction efforts without interruption and to begin the early stages of our eradication planning.

Similarly, any help you can give us when the bill is before your appropriations subcommittee to insure that Bolivia receives

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adequate assistance would be deeply appreciated. It is in the interest of both of our countries to work together on this drug front without any respite.

Thank you again for your help on Bolivia's request for ESF funds, and I hope to hear from you soon.

Very truly yours,

Fernando Illanes de la Riva
Ambassador

120361

From: NSJRS --CPUA
To: NSRBM --CPUA

Date and time 09/22/86 09:49:16

*** Reply to note of 09/22/86 09:27

NOTE FROM: JAMES R. STARK

Subject: Blast Furnace extension

Blast Furnace extension was agreed to and the operation will continue for a period of up to 60 days, i.e., until mid-Nov.

We expect the rainy season to shut down helo operations sometime prior to that date. After that, the next agenda item is to get Bolivia's 3 Bell 205s fixed and then move in about 5 more Hueys (probably DOD assests loaned to DEA, which can then lease or loan them to Bolivia) to allow the Bolivians to continue to hit the cocaine labs after the rains let up next March. We will also discuss the possibility of some form of regional Blast Furnace with the US ambassadors when they come back to Washington for the WH conference on Oct 6-7. Surprisingly (in light of Pres. Garcia's extreme sensitivity on sovereignty issues) DEA reports that Peru and Ecuador have expressed interest in a possible new Blast Furnace type operation.

cc: NSJT --CPUA



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NLRR 11353/1 #120361

BY RW NARA DATE 5/18/15

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CONFIDENTIAL SECTION 01 OF 04 LA PAZ 08146

USCINCSO ALSO FOR POLAD

E.O. 12356: DECL: OADR
TAGS: BL, SNAR, PREL, PGOV, ODIP
SUBJECT: CONGRESSIONAL INVESTIGATION OF HUANCHACA
NARCOTICS MURDERS CITES DEA AGENTS

REF: (U) LA PAZ 7559 DTG 082158Z SEP 86;
(U) LA PAZ 7764 DTG 151417Z SEP 86;
(U) LA PAZ 8073 DTG 231533Z SEP 86

SUMMARY AND ACTION REQUESTED

1. (LOU) THE JOINT BOLIVIAN CONGRESSIONAL COMMITTEE (SENATE AND CHAMBER) CURRENTLY INVESTIGATING THE CIRCUMSTANCES SURROUNDING THE SEPTEMBER 5 DRUG TRAFFICKER MURDER OF PROMINENT BOLIVIAN BIOLOGIST NOEL ((KEMPF)) MERCADO (REF A) HAS CALLED FOR TWO DEA AGENTS TO APPEAR BEFORE HEARINGS CURRENTLY BEING HELD IN SANTA CRUZ AND HAS ASKED THE GOVERNMENT TO PREVENT THEM FROM LEAVING THE COUNTRY. THE JOINT COMMITTEE APPEARS TO BE RESPONDING TO THE SANTA CRUZ POPULACE'S OUTRAGE OVER KEMPF'S DEATH. PUBLICITY ABOUT DEA'S PRELIMINARY IDENTIFICATION OF HUANCHACA AS A TARGET PRIOR TO THE KEMPF MURDER AND THE CONFUSION BETWEEN THE POLICE AND THE MILITARY WHICH DELAYED THE OPERATION TO RETRIEVE THE BODIES HAVE LED MANY BOLIVIANS TO BELIEVE THAT SOME KIND OF COVER-UP IS INVOLVED.

2. (C) THE JOINT COMMITTEE MAY BE MERELY LOOKING FOR A SACRIFICIAL VICTIM FOR THE DEATHS OF KEMPF ET AL. OR IT MAY BE TRYING TO BRING DOWN INTERIOR MINISTER BARTHELEMY FOR HIS "ROLE" IN THE ALLEGED "COVER-UP". AT THE MOMENT PUBLICITY IS FOCUSING MORE ON THE ROLE AND STATUS OF DEA AGENTS THAN ON THE FUNDAMENTAL ISSUE OF THE PRESENCE OF DRUG PRODUCERS AND TRAFFICKERS -- MANY OF THEM FOREIGN (COLOMBIAN, BRAZILIAN) -- AND THE THREAT THEY REPRESENT TO BOLIVIANS AND BOLIVIAN SOCIETY.

3. (U) IN RESPONSE TO BARTHELEMY'S SEPTEMBER 22 INQUIRY TO THE AMBASSADOR RE THE DEA AGENTS' AVAILABILITY TO TESTIFY, THE AMBASSADOR INDICATED THAT:

- THE DEA AGENTS HAVE DIPLOMATIC STATUS (ON ASSIGNMENT TO BOLIVIA THE FOREIGN MINISTRY RECOGNIZES THEM AS ATTACHES OR ASSISTANT ATTACHES).
- THE PROPER FORM FOR ADDRESSING REQUESTS FOR INFORMATION FROM SUCH PERSONS IS THROUGH THE FOREIGN MINISTRY TO THE EMBASSY.

4. (C) IN RESPONSE TO A PROPER REQUEST WE PROPOSE TO ANSWER THE INVESTIGATING COMMITTEE'S QUESTIONS IN WRITING BUT NOT RPT NOT ALLOW DEA AGENTS TO APPEAR AS WITNESSES BEFORE AN OPEN-ENDED BOLIVIAN CONGRESSIONAL HEARING.

5. (C) ACTION:

REQUEST DEPARTMENT'S CONCURRENCE OR COMMENTS. END SUMMARY.

UNANSWERED QUESTIONS ON HUANCHACA

6. (LOU) "CRUCENOS" WERE STUNNED BY THE DEATH OF NOEL KEMPF AND LATER OUTRAGED BY STORIES THAT SUGGESTED THAT IT MIGHT HAVE BEEN AVOIDED (REF B). A BOLIVIAN POLICE INFORMANT WHO HAS GIVEN TO DEA, RETIRED BOLIVIAN AIR FORCE COLONEL ARIEL COCA -- WIDELY PRESUMED TO HAVE TRAFFICKER CONNECTIONS AND CURRENTLY FACING TRIAL BY BOLIVIA'S SUPREME COURT FOR HIS ROLE AS EDUCATION MINISTER IN THE CABINET OF EX-PRESIDENT LUIS ((GARCIA MEZA)) TEJADA -- TOLD THE SANTA CRUZ PRESS SHORTLY AFTER THE HUANCHACA MURDERS THAT HE HAD FLOWN OVER THE SITE OF THE LAB TWO WEEKS PRIOR TO THE DEATH OF KEMPF IN A DEA PLANE ACCOMPANIED BY DEA AGENT JESUS "JESSE" GUTIERREZ AND BOLIVIAN POLICE AUTHORITIES. HE IMPLIED THAT OPERATION "BLAST FURNACE'S" FAILURE TO RAID THE HUANCHACA LAB DURING AUGUST WAS PART OF A PLAN TO PROTECT WELL-CONNECTED TRAFFICKERS. CRUCENOS, ON READING THE COCA ACCOUNT, WERE OUTRAGED AT THIS POSSIBILITY
BT

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USCINCSO ALSO FOR POLAD

E.O. 12356: DECL: OADR
TAGS: BL, SNAR, PREL, PGOV, ODIP
SUBJECT: CONGRESSIONAL INVESTIGATION OF HUANCHACA

AND AT THE POLICE'S FAILURE TO WARN KEMPFF, A
NOTED NATURALIST, FROM VISITING THE NATIONAL PARK
AT HUANCHACA.

7. (LOU) COCA'S DECLARATIONS CAME CLOSE ON THE HEELS
OF A TURF CONFLICT BETWEEN THE POLICE, BACKED UP BY
INTERIOR MINISTER BARTHELEMY, AND THE AIR FORCE OVER
THE RETRIEVAL OF THE BODIES AND THE PURSUIT OF THE
KILLERS. THE MILITARY ALLEGEDLY WERE READY TO DEPLOY
FORCES TO THE REMOTE SITE ON THE BRAZILIAN BORDER
SOON AFTER NEWS OF THE MURDERS REACHED SANTA CRUZ.
THE SPECIAL NARCOTICS POLICE (UMOPAR) AND THE INTERIOR
MINISTER, HOWEVER, CONSIDERED IT THEIR RESPONSIBILITY
AND CALLED OFF THE MILITARY'S PROPOSED SEPTEMBER 7
OPERATION. UNFORTUNATELY UMOPAR, EVEN WITH U.S.
SUPPORT, COULD NOT REACH HUANCHACA SEPTEMBER 7 EITHER.
SEPTEMBER 8 SAW THE ARRIVAL OF KEMPFF FAMILY MEMBERS
IN HUANCHACA WITH BOLIVIAN AIR FORCE HELP, FOLLOWED
BY A PARALLEL POLICE MISSION TO THE SITE. BY THEN,
OF COURSE, THE MURDERERS HAD LONG SINCE FLED.

EXPLANATIONS

8. (LOU) THE SAME LOGISTICAL LIMITATIONS THAT PREVENTED
THE UMOPAR RESCUE OPERATION FROM REACHING HUANCHACA
BEFORE THE MILITARY MADE IT IMPOSSIBLE FOR OPERATION
"BLAST FURNACE" TO RAID THE SITE WHEN IT WAS FIRST
IDENTIFIED. THE BLACKHAWKS DO NOT HAVE THE RANGE TO
HIT SUCH A REMOTE SITE AND RETURN. AN EFFORT TO FLY
IN AN UMOPAR DETACHMENT ON A BOLIVIAN AIR FORCE DC-3
FAILED BECAUSE THE STRIP IS TOO NARROW; MOREOVER, THE
BOLIVIAN ARAVA USED TO REFUEL THE BLACKHAWKS WAS AT
THE TIME DOWN FOR ELECTRICAL REPAIRS.

9. (LOU) THE POLICE'S FAILURE TO WARN KEMPFF AND HIS
NATURALIST COLLEAGUES AGAINST GOING TO HUANCHACA SEEMS
TO US MORE A QUESTION OF NEGLECT THAN CONSPIRACY. THE
AUTHORITIES MAY NOT HAVE KNOWN OF KEMPFF'S PLANS, AND
THEY PROBABLY WOULD HAVE BEEN UNWILLING TO COMPROMISE
THEIR INTELLIGENCE BY ALERTING THE NATURALIST TO THE
POTENTIAL RISK.

10. (C) WITH REGARD TO THE UMOPAR-MILITARY STANDOFF,
WE ARE FAR MORE INCLINED TO BELIEVE THAT LONG-STANDING
ENMITY BETWEEN THE TWO FORCES -- REINFORCED BY THE
ARMY'S EXCLUSION FROM "BLAST FURNACE" AND THE GENERAL
PERCEPTION OF POLICE CORRUPTION -- WAS THE MOTIVATING
FORCE BEHIND THE TURF FIGHT AND RESULTING DELAY IN THE
OPERATION TO RECOVER THE BODIES. THE MILITARY WAS
JUSTIFIED, IN OUR VIEW, IN CONSIDERING HUANCHACA TO BE
ITS TERRITORY, SINCE IT IS SO CLOSE TO THE INTERNATIONAL
BOUNDARY. ON THE OTHER HAND, IT IS UNDERSTANDABLE THAT
UMOPAR AND INTERIOR MINISTER BARTHELEMY, WHO HAD HELPED
TO DEVELOP THE ORIGINAL INTELLIGENCE ON THE SITE, WANTED
FIRST CRACK AT THE LAB. UNFORTUNATELY, VIDEO TAPES
SHOWN ON SANTA CRUZ T.V. OF UMOPAR TROOPS RANSACKING
THE CAMP AT HUANCHACA FOR VALUABLES (IN ONE CASE A
POLICEMAN WAS SEEN STRAPPING A MOTORCYCLE TO ONE OF THE
BLACKHAWKS) REINFORCED THE PUBLIC'S IMAGE OF POLICE
RAPACIOUSNESS.

GOSSIP AND SPECULATION

11. (C) THE CIRCUMSTANCES DESCRIBED ABOVE AND THE
SUBSEQUENT GOSSIP AND SPECULATION PROMPTED THE
CONGRESSIONAL INVESTIGATION, BOLIVIANS, UNFAMILIAR
WITH HOW POLICE INTELLIGENCE GATHERING WORKS, WONDER
WHY A PERSON OF SUCH TARNISHED IMAGE AS EX-COL. ARIEL
COCA IS COLLABORATING WITH "BLAST FURNACE." STORIES
WERE RIFE THAT BARTHELEMY, OR SOME MEMBERS OF HIS
FAMILY, OWNED A LARGE RANCH NEAR HUANCHACA AND WERE
EITHER RECEIVING PROTECTION MONEY OR WERE ACTIVE
PARTNERS IN THE OPERATION. THIS PREMISE ACCEPTED,
IT TOOK ONLY A SMALL LEAP OF FAITH TO ASSUME THAT
THE DELAY IN RAIDING THE HUANCHACA LAB AND THE CONFLICT
OVER WHICH FORCE WAS TO UNDERTAKE THE RECOVERY OF THE
BODIES AND THE SEIZURE OF THE LAB WERE PLOYS TO ALLOW
BT

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USCINCSO ALSO FOR POLAD

E.O. 12356: DECL: OADR

TAGS: BL, SNAR, PREL, PGOV, ODIP

SUBJECT: CONGRESSIONAL INVESTIGATION OF HUANCHACA

THE TRAFFICKERS TO ESCAPE.

HIDDEN POLITICAL AGENDAS

12. (C) THE INDIVIDUAL CONGRESSMEN INVOLVED IN THE JOINT CONGRESSIONAL INVESTIGATION OF THE HUANCHACA AFFAIR, WHILE CLEARLY RESPONDING TO PUBLIC OUTRAGE, HAVE THEIR OWN POLITICAL AGENDAS, ONE OF WHICH MAY BE THE FALL OF THE CONTROVERSIAL INTERIOR MINISTER.

-- THE ACTING PRESIDENT OF THE COMMISSION, MNR DEPUTY MARIO (VELARDE) DORADO (SANTA CRUZ) IS AN OPPORTUNIST WITH TRACES OF EXTREME LEFT AFFILIATIONS FROM THE '50'S. WE FIND HIM UNCTIOUS AND UNTRUSTWORTHY, EVEN THOUGH HE WAS INVOLVED IN TRYING TO GET AN UNWORKABLE, OMNIBUS NARCOTICS LAW THROUGH THE LAST CONGRESS.

-- DEPUTY FREDDY VARGAS (MNR-COCHABAMBA) IS ANOTHER POLITICAL CHAMELEON WHOM OUR FILES DESCRIBE AS AN OPPORTUNISTIC, VISCERALLY ANTI-U.S. BOLIVIAN NATIONALIST. VARGAS IS ON THE RECORD AS OPPOSING COCA ERADICATION, AND -- LIKE VELARDE -- MAY SEE IN THE HUANCHACA AFFAIR A WAY TO UNDERMINE NARCOTICS INTERDICTION IN BOLIVIA.

-- MNR SENATOR DANIEL CABEZAS (CHUQUISACA), A PSYCHIATRIST, IS ALSO ON RECORD AS OPPOSING U.S. LOGISTICAL SUPPORT TO UHOPAR. HIS SERIOUS WORK ON THE NARCOTICS PROBLEM NOTWITHSTANDING, DR. CABEZAS HAS SAID THAT THE ISSUE OF NARCOTICS IN BOLIVIA IS AN ECONOMIC PROBLEM, NOT A CRIMINAL ONE.

-- DEPUTY HUGO OLIVA (TARIJA) IS ONE OF THE HANDFUL OF

. MNR (NATIONALIST REVOLUTIONARY MOVEMENT OF THE LEFT) MEMBERS IN CONGRESS. THE PARTY OF FORMER PRESIDENT SILES IS BADLY DIVIDED AND SHELTERS A NUMBER OF LOOSE CANNONS. WE DO NOT KNOW WHERE OLIVA STANDS ON NARCOTICS/"BLAST FURNACE", BUT IT IS SAFE TO ASSUME THAT HE IS ANTI-U.S.

-- DEPUTY ROGER CORTEZ, OF THE MINISCULE SOCIALIST PARTY - ONE (PS-1) OF MARTYRED HERO MARCELO QUIROGA - SANTA CRUZ, ADVOCATES THE PROPOSAL THAT THE WAY TO SOLVE THE COCAINE PROBLEM IS FOR THE U.S. TO BUY UP BOLIVIA'S COCA LEAF PRODUCTION. OBVIOUSLY BIASED, AND NO FRIEND OF THE U.S.

COMMISSION GRANDSTANDING

13. (C) THE JOINT COMMISSION IS NOT LIKELY TO COME UP WITH USEFUL INFORMATION ON THE AUTHORS OF THE KEMPFER MURDER, SO THEY ARE CONCENTRATING THEIR EFFORTS ON THE "COVER-UP" ASPECT OF THE AFFAIR. MEMBER VARGAS DECLARED TO THE PRESS ON SEPTEMBER 22 THAT THE HUANCHACA LAB ENJOYED "POLICE PROTECTION," SINCE THE UHOPAR OFFICER WHO FIRST OVERFLEW THE SITE DID NOT INFORM HIS SUPERIORS. THE COMMISSION ON SEPTEMBER 23 CITED THE COMMANDING GENERAL OF THE POLICE, GENERAL JULIO VARGAS SOTO, ALONG WITH 13 ALLEGED NARCOTICS TRAFFICKERS, TO APPEAR AT HEARINGS IN SANTA CRUZ. NO ONE EXPECTS ANY OF THE ALLEGED TRAFFICKERS TO APPEAR. AT THE SAME TIME THE COMMISSION HAS ASKED THE INTERIOR MINISTER TO DETAIN DEA AGENTS JESUS "JESSE" GUTIERREZ AND JIMMY BRADLEY, "CONDUCT" THEM TO SANTA CRUZ TO TESTIFY IN HEARINGS, AND TO PREVENT BOTH AGENTS FROM LEAVING THE COUNTRY.

BARTHELEMY, AFTER CONSULTING WITH THE EMBASSY, HAS PUBLICLY STATED THAT GUTIERREZ AND BRADLEY HAVE DIPLOMATIC STATUS, AND THAT THE REQUEST WOULD HAVE TO BE CHanneled THROUGH THE FOREIGN MINISTRY. ACTING FOREIGN MINISTER JORGE VALDEZ TOLD THE PRESS ON SEPTEMBER 23 THAT THE FOREIGN MINISTRY IS "STUDYING" THE STATUS OF THE TWO DEA AGENTS.

THE EMBASSY'S POSITION

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E.O. 12356: DECL: OADR
TAGS: BL, SNAR, PREL, PGOV, ODIP
SUBJECT: CONGRESSIONAL INVESTIGATION OF HUANCHACA

14. (C) DEA AGENTS GUTIERREZ AND BRADLEY CLEARLY HAVE DIPLOMATIC IMMUNITY AND CANNOT BE REQUIRED TO TESTIFY IN THE HUANCHACA INVESTIGATION. UPON THEIR ARRIVAL IN BOLIVIA, BOTH WERE "PRESENTED" TO THE FOREIGN MINISTRY -- AND ACCEPTED -- AS "ASSISTANT ATTACHES" WITHOUT SPECIFYING THE EMBASSY SECTION TO WHICH THEY ARE ATTACHED OR THE NATURE OF THEIR WORK.

GIVEN THE ANTI-U.S. SENTIMENT -- "BLAST FURNACE" BIAS OF THE COMMISSION MEMBERS WE ARE CONVINCED THEY WOULD TRY TO CRUCIFY OUR MEN OR TURN THE WHOLE PROCESS INTO AN ANTI-U.S. CIRCUS FOR THEIR OWN PARTISAN OR PERSONAL REASONS IF THE AGENTS SHOULD APPEAR. MOREOVER, WE BELIEVE WE MUST PROTECT THE PRINCIPLES INHERENT IN DIPLOMATIC IMMUNITY.

15. (C) THE AMBASSADOR HAS TOLD THE INTERIOR MINISTER, THE FOREIGN MINISTRY AND THE MINISTER-SECRETARY OF THE PRESIDENT THAT ANY REQUEST FOR TESTIMONY FROM DEA PERSONNEL MUST BE CHanneled THROUGH THE FOREIGN MINISTRY. IN THE EVENT THAT THE FOREIGN MINISTRY ASKS US FOR SUCH TESTIMONY, WE PROPOSE TO REPLY THAT WE WOULD BE WILLING TO RESPOND TO THE COMMISSION'S QUESTIONS IN A WRITTEN MEMORANDUM, BUT THAT DIPLOMATIC PRACTICE MAKES IT INAPPROPRIATE FOR THE TWO TO APPEAR PERSONALLY BEFORE A PUBLIC, OPEN-ENDED NON-JUDICIAL INQUIRY. IT IS DIFFICULT TO PREDICT HOW THE HUANCHACA INVESTIGATION WILL EVOLVE, BUT WE BELIEVE AT THIS POINT THAT IT IS BOTH NECESSARY AND ADVISABLE TO PROVIDE THE COMMISSION A CLEAR, DETAILED ACCOUNT OF THE CIRCUMSTANCES DESCRIBED ABOVE IF THE FOREIGN MINISTRY REQUESTS IT. PUBLIC OUTRAGE OVER THE HUANCHACA CRIMES WILL PROBABLY SUBSIDE, AND IT MAY BECOME APPARENT THAT THE CONGRESSIONAL "INVESTIGATION" IS UNLIKELY TO COME UP WITH NEW,

PERTINENT EVIDENCE ON THE CASE. OUR OBJECTIVE NOW IS TO REFOCUS PUBLIC ATTENTION -- UNDERSTANDABLY DISTRACTED BY THE KEMPF MURDER -- ON THE THREAT TO BOLIVIAN AND U.S. INTERESTS POSED BY THE HERETOFORE UNCHALLENGED OPERATIONS OF THE INTERNATIONAL NARCOTICS MAFIA IN BOLIVIA.

16. (C) AS THE ABOVE WAS BEING TYPED, ACTING FOREIGN MINISTER JORGE VALDES CALLED POLITICAL COUNSELOR TO SAY THAT THE BOLIVIAN GOVERNMENT FULLY RESPECTS THE DIPLOMATIC STATUS OF THE TWO DEA AGENTS; THAT THEY CANNOT BE REQUIRED TO TESTIFY BEFORE THE JOINT COMMITTEE; AND THAT NO CONSIDERATION HAS BEEN GIVEN TO PREVENTING THEM FROM LEAVING BOLIVIA. VALDES SAID THAT HE PLANS TO MAKE A STATEMENT TO THAT EFFECT THIS AFTERNOON (SEPTEMBER 24). VALDES STATED, HOWEVER, THAT THE STATEMENT WOULD HAVE A MORE POSITIVE IMPACT IF HE COULD ALSO SAY THAT THE EMBASSY IS WILLING TO COOPERATE WITH THE INVESTIGATION BY ANSWERING WRITTEN QUESTIONS FROM THE COMMITTEE. AFTER CONSULTING WITH THE AMBASSADOR IN SANTA CRUZ, POLCOUNS AUTHORIZED VALDES TO INCLUDE IN HIS STATEMENT A DECLARATION TO THE EFFECT THAT THE EMBASSY WILL BE PLEASED TO PROVIDE DETAILED ANSWERS TO QUESTIONS THE COMMITTEE WISHED TO PUT TO THE AGENTS IN QUESTION, USING THE FOREIGN MINISTRY AS THE CORRECT CHANNEL. VALDES WAS VERY PLEASED WITH THE EMBASSY'S COOPERATION. (DRAFTED BY POL: W. LOFSTROM)

ROWELL
BT

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LIMITED OFFICIAL USE SECTION 01 OF 07 LA PAZ 08168

E.O. 12356: N/A

TAGS: BL, PGOV

SUBJECT: ELECTIONS DATA

REF: STATE 248910

INTRODUCTION

1. (U) BOLIVIA CONDUCTED TWO NATIONAL ELECTIONS IN THE PERIOD UNDER CONSIDERATION (JANUARY 1, 1980 - PRESENT): THE GENERAL ELECTIONS OF JUNE 29, 1980, AND THE GENERAL AND MUNICIPAL ELECTIONS OF JULY 14, 1985.

BACKGROUND ON BOLIVIAN ELECTORAL PROCEDURES

2. (LOU) WE INTERVIEWED MARCELO CESPEDES, A MEMBER OF THE BOLIVIAN ELECTORAL COURT, FOR GENERAL BACKGROUND INFORMATION ON BOLIVIA'S ELECTIONS AS WELL AS FOR AN ESTIMATE OF THE RELIABILITY OF GOVERNMENT ELECTORAL STATISTICS IN GENERAL. BOLIVIA'S LAST NATIONWIDE CENSUS WAS CONDUCTED IN 1976, AND NO RELIABLE CENSUS STATISTICS HAVE BEEN PUBLISHED SINCE THEN. ESTIMATES OF THE NUMBERS OF ELIGIBLE VOTERS PUBLISHED BY THE BUREAU OF STATISTICS ARE IN FACT PROJECTIONS BASED ON THAT 1976 CENSUS. NATIONAL ELECTIONS WERE CONDUCTED IN BOTH 1978 AND 1979. THE 1978 RESULTS WERE DECLARED INVALID DUE TO FRAUD. THE 1979 ELECTIONS INTRODUCED TWO INNOVATIONS: THE SINGLE BALLOT AND PROPORTIONAL REPRESENTATION. THE LEGAL VOTING AGE IS SET AT 21 OR AT 18 FOR THOSE WHO ARE MARRIED. THERE IS NO FRANCHISE FOR SINGLE PEOPLE BETWEEN THE AGES OF 18 AND 20. THESE NEW PROCEDURES GREATLY REDUCED FRAUD AND WERE FURTHER IMPROVED IN THE ELECTIONS OF 1980 AND 1985. ACCORDING TO THE NATIONAL BUREAU OF STATISTICS, THERE WERE APPROXIMATELY 2,500,000 ELIGIBLE VOTERS IN THE 1979 ELECTIONS. OF THESE, 1,879,540 REGISTERED AND 1,693,233 ACTUALLY VOTED. OF THE 1,693,233 VOTES CAST 223,856, (13 PERCENT) WERE DECLARED VOID. CESPEDES STATED THAT THE PRESUMED NUMBER OF ELIGIBLE VOTERS TURNED OUT TO BE A GROSSLY INFLATED FIGURE, MOST LIKELY BECAUSE OF FAULTY PROJECTIONS BASED ON THE 1976 CENSUS. THE DISCREPANCY BETWEEN THE NUMBER OF REGISTERED VOTERS

AND THE NUMBER OF THOSE WHO ACTUALLY VOTED CAN BE ATTRIBUTED TO LACK OF RESOURCES AND TRAINED OFFICIALS IN RURAL AREAS, AS WELL AS TO "GHOST" REGISTRATION. THE NOTARIES WHO RECORD VOTER REGISTRATION ARE PAID BY THE NUMBER OF VOTERS THEY SIGN UP, A SYSTEM WHICH PROVIDES AN INCENTIVE FOR THEM TO SWELL THE VOTING REGISTERS.

NATIONAL ELECTIONS OF JUNE 29, 1980

3. (LOU) THE 1980 ELECTIONS WERE HASTILY AND POORLY ORGANIZED. THE NATIONAL ELECTORAL COURT WAS ILL- PREPARED AND UNDERFUNDED. ALSO, PUBLIC CONFIDENCE IN THE ELECTORAL PROCESS HAD ERODED AS A RESULT OF THE ABORTED EXPERIENCES IN 1978 AND 1979. THE UNOFFICIAL RESULTS OF THE ELECTION WERE ANNOUNCED ON JULY 10, 1980. ONE WEEK LATER, ON JULY 17, 1980, A MILITARY JUNTA UNDER THE LEADERSHIP OF GENERAL LUIS ((GARCIA MEZA)) TEJADA TOOK CONTROL OF THE GOVERNMENT, DESTROYING IN THE PROCESS THE CONTENTS OF SOME 30,000 BALLOT BOXES AND PRELIMINARY TABULATIONS. CONSEQUENTLY, AVAILABLE "STATISTICS" ARE INCOMPLETE, UNOFFICIAL AND FRAGMENTARY, AND ARE BASED ON FIGURES PUBLISHED IN THE NEWSPAPERS OF THE TIME.

RESULTS OF 1980 NATIONAL ELECTIONS

4. (U) KEEPING IN MIND THE LIMITATIONS OF THE BOLIVIAN ELECTORAL SYSTEM AND OF THIS PERIOD IN PARTICULAR, THE AVAILABLE STATISTICS ON THE NATIONAL ELECTIONS OF JUNE 29, 1980 ARE AS FOLLOWS:

PARTY	POLITICAL		CANDIDATE	VOTES	SEATS
	LEANING				
DEMOCRATIC POPULAR COALITION (UDP)	LEFTIST- COMMUNIST		PRESIDENT (P) HERNAN ((SILES)) ZAUZO	507,173	53
			VICE PRESIDENT (VP) JAIME ((PAZ))		

BT

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BY RW NARA DATE 5/18/15

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SUBJECT: ELECTIONS DATA

ZAMORA

NATIONAL RANGES (P) VICTOR 263,706 40
REVOLU- FROM- (PAZ))
TIONARY CENTER ESTENSORO
MOVEMENT TO LEFT
ALLIANCE (VP) NUFLO
(AMNR) ((CHAVEZ)) ORTIZ

NATION- CENTER (P) HUGO 220,309 25
ALIST TO RIGHT ((BANZER))
DEMOCRATIC SUAREZ
ACTION (VP) JORGE
(ADN) ((TAMAYO)) RAMOS

SOCIALIST SOCIALIST (P) MARCELO 113,309 11
PARTY - ((QUIROGA))
ONE SANTA CRUZ
(PS-1) (VP) JOSE MARIA
((PALACIOS))

NEW CHRISTIAN- (P) LUIS A. 39,401 5
ALTERN- DEMOCRATIC ((SILES))
ATIVE COALITION SALINAS
DEMOCRATIC (LEFT) (VP) BENJAMIN
REVOLU- ((MIGUEL))
TIONARY HARB
FRONT
(FDR-NA)

AUTHENTIC MODERATE (P) WALTER 36,443 3
REVOLU- LEFT ((GUEVARA))
TIONARY ARCE
PARTY

(PRA)

(VP) FLAVIO
((MACHICADO))
SARAVIA

NATION- PERSONAL- (P) GUILLERMO 24,452 2
ALIST IST, ((BEDREGAL))
REVOLU- CENTER- GUTIERREZ
TIONARY LEFT
MOVEMENT
UNITY (VP) MANUEL
FRONT ((TRIGO))
(FMNR-U) RODRIGUEZ

BOLIVIAN EXTREME (P) CARLOS 21,372 2
SOCIALIST RIGHT ((VALVERDE))
FALANGE BARBERY
(FSB)

(VP) ENRIQUE
((RIVEROS))
ALIAGA
LEFTIST LABOR (P) JUAN (WITHDREW)
NATIONAL PARTY ((LECHIN))
REVOLU- COALITION OQUENDO
PARTY WITH RADICAL
ALLIANCE LEFT (VP) ANIBAL
(PRIN-A) TROTSKYITES ((AGUILAR))
PENARIETTA

ALLIANCE PERSONAL- (P) ROBERTO 17,150 0
OF THE IST-LEFT ((JORDAN))
NATIONAL PANDO
LEFTIST

FORCES (VP) EDMUNDO
(AFIN) ((ROCA))
VACA DIEZ

INDIAN LABOR- (P) CONSTANTINO 17,023 1
MOVEMENT PEASANT ((LIMA)) CHAVEZ
TUPAC RADICAL
KATARI: LEFT (VP) HONORATO
BT

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NATIONAL AND MUNICIPAL ELECTIONS OF JULY 14, 1985

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TAGS: BL, PGUV

SUBJECT: ELECTIONS DATA

NUMBER 1 ((SANCHEZ))
(MITKA-1) MEDINA

INDIAN	LABOR-	(P) LUCIANO	15,852	1
MOVEMENT	PEASANT	((TAPIA))		
TUPAC	RADICAL	QUISBERT		
KATARI	LEFT			
(MITKA)		(VP) ENFRONIO		
		((VALEZ)) MAGNE		

TOTAL NUMBER OF VALID VOTES CAST: 1,276,190

THE 1985 REPORT OF THE NATIONAL ELECTORAL COURT, QUOTING 1980 STATISTICS ATTRIBUTED TO THE NATIONAL INSTITUTE (INE), CITES THE FOLLOWING DATA ON THE 1980 ELECTION: 1,875,540 VOTERS REGISTERED, OR 74 PERCENT OF THE 2,505,722 ELIGIBLE. ANOTHER SOURCE ATTRIBUTED TO THE ELECTORAL COURT BUT AT VARIANCE WITH THE ABOVE CITES THE FOLLOWING FOR THE 1980 ELECTION: TOTAL NUMBER OF VOTES: 1,489,484; TOTAL REGISTERED VOTERS: 1,999,430; TOTAL ELIGIBLE VOTERS: 2,525,000.

1982 PRESIDENTIAL SELECTION

5. (LOU) ONCE THE MILITARY JUNTA HAD BEEN TERMINATED IN SEPTEMBER 1982, THE ELECTORAL COURT, IN CESPEDES' WORDS, "UNDERTOOK A HUGE EFFORT TO LEGALIZE A SITUATION THAT WAS VERY IRREGULAR." NOTWITHSTANDING THE DUBIOUS VERACITY OF THE 1980 RESULTS, THE COURT USED THEM IN CONJUNCTION WITH THE "BORROWED RESULTS" OF THE ELECTIONS OF 1978 AND 1979, (WHOSE BALLOTS INCIDENTALLY HAD ALSO BEEN DESTROYED, BUT NOT BEFORE THEY HAD BEEN RECORDED) TO CONVENE THE CONGRESS OF 1980, WHICH HAD NEVER BEEN ALLOWED TO SIT. THAT CONGRESS, IN A CONSTITUTIONALLY MANDATED SECOND ROUND VOTE, DECLARED HERNAN SILES ZUAZO THE NEW CONSTITUTIONAL PRESIDENT. CESPEDES, A KNOWLEDGE-ABLE MEMBER OF THE ELECTORAL COURT, BELIEVES THAT THE RESULTS WERE PROBABLY A FAIRLY ACCURATE REFLECTION OF

6. (LOU) A TOTAL OF 72 PARTIES REQUESTED INSCRIPTION ON THE VOTING LISTS. TEN OF THOSE FAILED TO MEET THE FILING DEADLINES. MANY OF THE REMAINING PARTIES WERE ACTUALLY MEMBERS OF COALITIONS SUPPORTING SINGLE TICKETS. THE ELECTORAL COURT GAVE PRELIMINARY ACCEPTANCE TO 28 TICKETS. TEN OF THESE EVENTUALLY WITHDREW AND THE REMAINING 18 WERE INSCRIBED ON THE OFFICIAL BALLOT. MANY OF THE ELIMINATED PARTIES WERE SMALL PERSONALIZED OPPORTUNISTIC VEHICLES WITH NO DEMONSTRABLE POLITICAL BASE OR ANY OTHER REASON TO LEGITIMATELY CLAIM TO BE REPRESENTATIVE.

7. (LOU) THE FIRST MUNICIPAL ELECTIONS IN OVER 30 YEARS WERE HELD SIMULTANEOUSLY WITH THE NATIONAL ELECTIONS. BOTH WERE HIGHLY COMPETITIVE AND CONSIDERED TO BE RELATIVELY FREE OF FRAUD. OF THE 18 PARTIES COMPETING IN THE ELECTIONS, TEN HAD REPRESENTATIVES ELECTED TO THE NATIONAL CONGRESS. A NUMBER OF THE SMALLER PARTIES ALSO WON ELECTION TO THE CITY COUNCILS ALONG WITH BOLIVIA'S TWO MAJOR PARTIES.

RESULTS OF THE 1985 NATIONAL AND MUNICIPAL ELECTIONS

8. (U) MORE ACCURATE DATA ARE AVAILABLE FOR THE NATIONAL AND MUNICIPAL ELECTIONS OF JULY 14, 1985. THE NATIONAL ELECTORAL COURT REPORT PROVIDES THE FOLLOWING FIGURES:

ESTIMATED NUMBER OF ELIGIBLE VOTERS: 2,931,723 (THIS FIGURE INCLUDES ALL THOSE AGED 21 AND OVER, BASED ON QUESTIONABLE CENSUS PROJECTIONS. IT DOES NOT INCLUDE THOSE WHO ARE BETWEEN THE AGES OF 18 AND 20 AND ARE MARRIED AND THEREFORE ELIGIBLE TO VOTE. THIS OMISSION THUS SKEWS SLIGHTLY THE NUMBERS AND THE INTERPRETATION OF THE RESULTS.)

NUMBER OF REGISTERED VOTERS (AGED 21 AND OVER): 2,108,45 (72 PERCENT OF THOSE ELIGIBLE), IN ABSOLUTE NUMBERS THE
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E.O. 12356: N/A
TAGS: BL, PGOV
SUBJECT: ELECTIONS DATA

LARGEST IN BOLIVIA'S HISTORY, THOUGH THE 74 PERCENT
REGISTERED IN 1980 IS RELATIVELY HIGHER, IF THE FIGURE
CAN BE BELIEVED.

NUMBER OF BALLOTS CAST: 1,728,365 (82 PERCENT OF THOSE
REGISTERED; 59 PERCENT OF THOSE ELIGIBLE).

NULL AND VOID BALLOTS: 126,800 (7.3 PERCENT) BLANK;
97,509 (5.6 PERCENT) DECLARED VOID; THUS A TOTAL OF
224,309 NULL/VOID BALLOTS OR 13 PERCENT OF THE TOTAL
CAST.

NUMBER OF VALID BALLOTS: 1,504,056 (71 PERCENT) OF
REGISTERED VOTERS OR 51 PERCENT OF ELIGIBLE VOTERS.
THE FIGURES FOR REGISTERED AND ELIGIBLE VOTERS DO NOT
INCLUDE THOSE MARRIED PERSONS BETWEEN THE AGES OF 18
AND 20 (WHO ARE THEREFORE IN FACT ELIGIBLE) AND
CONSEQUENTLY, THE ACTUAL RATES OF PARTICIPATION ARE
SOMEWHAT LOWER.

TABULATION OF RESULTS

PARTY	POLITICAL LEANING	TICKET	PERCENT		
			TOTAL VOTES	VALID VOTES	CONGRES SEATS
NATIONAL DEMOCRATIC ACTION (ADN)	CENTER- RIGHT	(P) HUGO (BANZER) SUAREZ	493,735	32.83	51
.		(VP) EUDORO (GALINDO)			
.		ANZE			
NATIONAL REVOLU- TIONARY MOVEMENT	POPULIST CENTER	(P) VICTOR (PAZ) ESTENSSORO	456,704	30.36	59

(MNR)

(VP) JULIO
(GARRETT)
AILLON

REVOLU-
TIONARY
MOVEMENT
OF THE
LEFT

LEFT

(P) JAIME 153,143 10.18 16
(PAZ)
ZAMORA
(VP) OSCAR
(EID)
FRANCO

NATION-
ALIST
REVOLU-
TIONARY
MOVEMENT
OF THE
LEFT

PERSON-
ALIST,
LEFT

(P) ROBERTO 82,418 5.49 8
(JORDAN)
PANDO
(VP) MARCELO
(VELARDE)
ORTIZ

NATION-
ALIST
REVOLU-
TIONARY
MOVEMENT-
VANGUARD
(MNR-V)

PERSON-
ALIST
RADICAL
LEFT

(P) CARLOS 72,197 4.80 6
(SERRATE)
REICH
(VP) ZENON
(BARRIENTOS)
MAMANI

SOCIALIST
PARTY-

RADICAL
LEFT

(P) RAMIRO 38,783 2.58 5
(VELASCO)

NUMBER 1
(PS-1)

(VP) WALTER
(VASQUEZ)
MICHEL

UNITED
PEOPLES'
FRONT
BT

LEFT-
COMMUNIST

(P) ANTONIO 38,124 2.53 4
(ARANIBAR)
QUIROGA

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TAGS: BL, PGOV

SUBJECT: ELECTIONS DATA

(FPU)

(VP) OSCAR
(SALAS))
MOYA

REVOLU- LABOR- (P) GENARO 31,678 2.11 2
TIONARY PEASANT (FLORES))
LIBERATION COALITION SANTOS

TUPAC
KATARI (VP) FILEMON
(MRTKL) (ESCOBAR))
ESCOBAR

CHRISTAIN LEFT (P) LUIS 24,079 1.60 3
DEMOCRATIC (OSSIO))
PARTY SANJINES
(PDC)

(VP) JAIME
(PONCE))
GARCIA

BOLIVIAN RIGHT, (P) DAVID 19,985 1.33 3
SOCIALIST EXTREMIST (ANEZ))
FALANGE PEDRAZA
(FSB)

(VP) JOSE
LUIS
(GUTIERREZ))
SARDAN

NOTE: THE EIGHT REMAINING PARTIES LISTED ON THE BALLOT
DID NOT RECEIVE ENOUGH VOTES TO QUALIFY FOR SEATS IN
THE NATIONAL LEGISLATURE.

TABULATION OF RESULTS BY DEPARTMENT

PARTY LA PAZ CHUQUISACA STA. CRUZ COCHABAMBA

MIR	47,025	18,246	15,556	26,515
MRTKL	20,087	1,103	1,060	2,518
ACP	5,484	905	596	2,987
MRTK	6,153	1,449	866	3,360
AUR	3,999	808	469	1,728
MNR-V	53,580	2,116	3,005	4,372
IU	4,933	661	1,598	1,323
MNRI	33,650	4,960	9,308	9,433
ARENA	3,141	582	553	1,277
FSB	3,677	915	6,526	1,966
MNR	100,962	21,148	119,388	71,397
POR	6,077	1,098	957	1,950
FPU	8,368	5,500	4,356	5,171
PDC	6,963	1,605	1,726	6,229
FNP	4,000	750	653	1,746
ADN	187,718	17,803	107,729	78,890
PS-1	14,503	2,704	3,656	8,038
MNRI-1	5,529	953	1,118	1,378

VALID	515,849	83,306	279,120	230,278
BLANK	44,708	10,916	13,229	22,427
NULL	45,650	5,147	7,193	14,950

TOTALS 606,207 99,369 299,542 267,655

PARTY POTOSI ORURO TARIJA BENI PANDO

MIR	25,591	12,170	4,512	3,160	368
MRTKL	3,929	2,052	792	115	22
ACP	1,978	690	199	71	8
MRTK	2,854	1,167	31	96	13
AUR	1,650	503	200	60	3
MNR-V	5,297	2,358	1,089	339	41
IU	1,382	519	286	171	19
MNRI	10,322	10,529	2,898	981	337
ARENA	875	1,969	162	100	6
FSB	1,658	791	500	3,448	504
MNR	55,707	29,136	35,858	19,294	3,814
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BOLIVIA

~~CONFIDENTIAL~~ SECTION 01 OF 03 LA PAZ 08216

DIA FOR IR BRANCH; USCINCSO ALSO FOR POLAD

DEPT FOR S/IL AND T.J. CLEAR - INR/GR

PLEASE PASS TO DEPT OF LABOR FOR ILAB

E.O. 12356: DECL: OADR
TAGS: BL, PGOV, ELAB PINS, PINR
SUBJECT: STATE OF SIEGE AND PACT WITH MINERS STRENGTHENS
PAZ ESTENSORO GOVERNMENT

REF: (A) LA PAZ 7183 DTG 281642Z AUG 86
(B) LA PAZ 7896 DTG 181545Z SEP 86
(C) LA PAZ 4381 DTG 062212Z JUN 86

SUMMARY

1. (C) BY FOLLOWING UP ITS AUGUST 27 STATE OF SIEGE
(REF A) WITH A CONCILIATORY AGREEMENT WITH THE MINERS
(REF B), THE GOVERNMENT HAS PROCURED FOR BOLIVIA A
MARKED EASING IN SOCIAL TENSION, AND HAS THROWN THE
BOLIVIAN LABOR MOVEMENT, ITS MAJOR OPPONENT, INTO
DISARRAY. THE NEWLY-ELECTED, COMMUNIST-DOMINATED MINE
UNION LEADERSHIP (REF C) HAS BEEN SEVERELY EMBARRASSED
BY THE EFFORTS OF ULTRA LEFTIST LABOR FACTIONS TO UNDER-
MINE THE AGREEMENT. SO FAR NO MAJOR MINES/WORKERS
HAVE SUPPORTED THEIR LEADERS AND ALL REMAIN ON STRIKE (##)
(##)
(##)

ROLE OF GOVERNMENT (##) ALLOWS FREE AND
UNFETTERED DISCUSSION AND
ALSO HAS THE EFFECT OF AIRING INTERNAL DIFFERENCES
WITHIN THE LABOR MOVEMENT -- WHICH VERY LIKELY WILL
FURTHER WEAKEN AND DIVIDE BOLIVIAN LABOR. END COMMENT).
DESPITE PLEAS FROM REYES AND ESCOBAR, IMMEDIATE
REACTION FROM THE COB LEADERSHIP WAS MIXED AND THE

5. (C) DESPITE INITIAL FEARS BY PLANNING MINISTER
SANCHEZ DE LOZADA AND FINANCE MINISTER CARIAGA THAT
THE GOVERNMENT GAVE AWAY THE STORE IN ITS SEPTEMBER 13
AGREEMENT WITH THE MINERS (REF A), IT HAS BECOME CLEAR
SINCE THEN THAT THE GOVERNMENT MADE NO SUBSTANTIVE
CONCESSIONS AND THAT ITS PROPOSED COMIBOL REHABILITATION
WILL PROCEED VIRTUALLY UNCHANGED. THE ONLY MAJOR
GOVERNMENT CONCESSION CONTAINED IN THE AGREEMENT IS A
PROMISE TO REDUCE THE COMIBOL WORKFORCE FROM ITS CURRENT
19,000 LEVEL TO 13,000 RATHER THAN THE 5,000 THE
GOVERNMENT WAS SUGGESTING IN ITS TALKS WITH THE MINERS.
ALREADY THE FSTMB HAS BEGUN TO RENEGE ON THIS ASPECT
OF THE AGREEMENT, SAYING THAT THEY WILL NOT ACCEPT ANY
LAYOFFS BELOW THE CURRENT 19,000 LEVEL. THIS, OF
COURSE, COULD GIVE THE GOVERNMENT JUSTIFICATION TO SAY
THAT IT IS NO LONGER HONOR BOUND TO MAINTAIN THE COMIBOL
WORKFORCE AT 13,000

✓

6.000

THE CHURCH'S LOW PROFILE

6. (C) THE BISHOPS' CONFERENCE OF THE CATHOLIC CHURCH --
WHOSE ACTIONS ON BEHALF OF THE MINERS PRESSURED THE
GOVERNMENT INTO SIGNING WHAT AT THE TIME WAS DESIGNED
AS A FACE SAVING, TENSION EASING AGREEMENT -- HAS FOUND
ITSELF IN THE "DIFFICULT" POSITION OF BEING UNABLE TO

PRESSURE THE MINERS INTO FULFILLING THEIR SIDE OF THE
ACCORD. THE BISHOPS NOW FIND THEMSELVES -- RELUCTANTLY
-- ON THE SIDE OF THE GOVERNMENT EVEN THOUGH VARIOUS
MINERS' GROUPS ARE, INDEPENDENTLY OF THE FSTMB LEADER-
SHIP, NOW PRESSURING THE CHURCH TO SERVE AS PRO-MINER
PARTISANS AGAINST THE GOVERNMENT. THE MINERS WANT THE
CHURCH TO ADVOCATE A SEPARATION BONUS TO THE MINERS
OF A THOUSAND DOLLARS PER YEAR WORKED. NEVERTHELESS
EXCEPT FOR CALLING FOR A DAY OF SOLIDARITY WITH THE
MINERS ON SUNDAY, SEPTEMBER 28, AND ANNOUNCING THAT IT
IS STUDYING THE AGREEMENT, THE CHURCH HAS NOT RESPONDED.

COMMENT

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BY RW NARA DATE 5/18/15

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DIA FOR IR BRANCH; USCINCSO ALSO FOR POLAD

DEPT FOR S/IL AND T.J. CLEAR - INR/GR

PLEASE PASS TO DEPT OF LABOR FOR ILAB

E.O. 12356: DECL: OADR
TAGS: BL, PGOV, ELAB PINS, PINR
SUBJECT: STATE OF SIEGE AND PACT WITH MINERS STRENGTHENS

BOLIVIAN MINING CORPORATION (COMIBOL) MINES TO REJECT THE AGREEMENT. IN LIGHT OF THESE STUNNING DEFEATS, FSTMB HEAD (AND PCB FIRST SECRETARY) SIMON REYES HAS BEEN FORCED TO TRY TO DISTANCE HIMSELF FROM THE ACCORD. IN TURN, THIS FLIP-FLOP HAS CREATED TENSION BETWEEN REYES AND HIS FELLOW CO-NEGOTIATOR, FILOMEN ESCOBAR, WHO HAS STEADFASTLY DEFENDED THE PACT.

FSTMB LEADERS FORCED TO TURN TO COB

4. (C) IN AN EFFORT TO SAVE FACE AND SALVAGE THE SEPTEMBER 13 AGREEMENT, THE FSTMB HAS APPEALED TO THE ULTRA LEFTIST-DOMINATED COB FOR RATIFICATION. ON SEPTEMBER 23, THE COB HELD A GENERAL ASSEMBLY TO CONSIDER THE FSTMB'S APPEAL AND OTHER ISSUES. (COMMENT: THAT THE GOVERNMENT PERMITTED THE COB TO HOLD SUCH A MEETING DURING A STATE OF SIEGE IS AN EXAMPLE OF GOVERNMENT SHREWDNESS. IT SHOWS THAT THE GOVERNMENT ALLOWS FREE AND UNFETTERED DISCUSSION AND ALSO HAS THE EFFECT OF AIRING INTERNAL DIFFERENCES WITHIN THE LABOR MOVEMENT -- WHICH VERY LIKELY WILL FURTHER WEAKEN AND DIVIDE BOLIVIAN LABOR. END COMMENT). DESPITE PLEAS FROM REYES AND ESCOBAR, IMMEDIATE REACTION FROM THE COB LEADERSHIP WAS MIXED AND THE MEETING ENDED INCONCLUSIVELY WITHOUT RATIFICATION. THE COB MET AGAIN SEPTEMBER 24 ONLY TO ADJOURN WITHOUT SETTING A FUTURE MEETING DATE OR REACHING AGREEMENT.

5. (C) DESPITE INITIAL FEARS BY PLANNING MINISTER SANCHEZ DE LOZADA AND FINANCE MINISTER CARIAGA THAT THE GOVERNMENT GAVE AWAY THE STORE IN ITS SEPTEMBER 13 AGREEMENT WITH THE MINERS (REF A), IT HAS BECOME CLEAR SINCE THEN THAT THE GOVERNMENT MADE NO SUBSTANTIVE CONCESSIONS AND THAT ITS PROPOSED COMIBOL REHABILITATION WILL PROCEED VIRTUALLY UNCHANGED. THE ONLY MAJOR GOVERNMENT CONCESSION CONTAINED IN THE AGREEMENT IS A PROMISE TO REDUCE THE COMIBOL WORKFORCE FROM ITS CURRENT 19,000 LEVEL TO 13,000 RATHER THAN THE 5,000 THE GOVERNMENT WAS SUGGESTING IN ITS TALKS WITH THE MINERS. ALREADY THE FSTMB HAS BEGUN TO RENEGE ON THIS ASPECT OF THE AGREEMENT, SAYING THAT THEY WILL NOT ACCEPT ANY LAYOFFS BELOW THE CURRENT 19,000 LEVEL. THIS, OF COURSE, COULD GIVE THE GOVERNMENT JUSTIFICATION TO SAY THAT IT IS NO LONGER HONOR BOUND TO MAINTAIN THE COMIBOL WORKFORCE AT 13,000

THE CHURCH'S LOW PROFILE

6. (C) THE BISHOPS' CONFERENCE OF THE CATHOLIC CHURCH -- WHOSE ACTIONS ON BEHALF OF THE MINERS PRESSURED THE GOVERNMENT INTO SIGNING WHAT AT THE TIME WAS DESIGNED AS A FACE SAVING, TENSION EASING AGREEMENT -- HAS FOUND ITSELF IN THE "DIFFICULT" POSITION OF BEING UNABLE TO PRESSURE THE MINERS INTO FULFILLING THEIR SIDE OF THE ACCORD. THE BISHOPS NOW FIND THEMSELVES -- RELUCTANTLY -- ON THE SIDE OF THE GOVERNMENT EVEN THOUGH VARIOUS

MINERS' GROUPS ARE, INDEPENDENTLY OF THE FSTMB LEADERSHIP, NOW PRESSURING THE CHURCH TO SERVE AS PRO-MINER PARTISANS AGAINST THE GOVERNMENT. THE MINERS WANT THE CHURCH TO ADVOCATE A SEPARATION BONUS TO THE MINERS OF A THOUSAND DOLLARS PER YEAR WORKED. NEVERTHELESS, EXCEPT FOR CALLING FOR A DAY OF SOLIDARITY WITH THE MINERS ON SUNDAY, SEPTEMBER 28, AND ANNOUNCING THAT IT IS STUDYING THE AGREEMENT, THE CHURCH HAS NOT RESPONDED.

COMMENT

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PLEASE PASS TO DEPT OF LABOR FOR ILAB

E.O. 12356: DECL: OADR
TAGS: BL, PGOV, ELAB PINS, PINR
SUBJECT: STATE OF SIEGE AND PACT WITH MINERS STRENGTHENS

7. (C) THROUGH A COMBINATION OF PERSPICACITY AND LUCK
THE GOVERNMENT HAS OUTFOXED THE MINERS AND THE COB
WITH A MINIMUM OF CRITICISM FROM CONGRESS. THE INTERNAL
VACILLATIONS OF THE PCB AND ITS BICKERING WITH THE
ULTRA LEFTISTS, TOGETHER WITH THE FAILURE OF RECENT
HUNGER STRIKES AND THE DISMAL SHOWING OF THE JULY 25
COB "PLEBISCITE" ON GOVERNMENT ECONOMIC POLICY MAKE
LABOR APPEAR IRRESPONSIBLE AND INCAPABLE OF ANYTHING
MORE THAN MINDLESS AND REFLEXIVE ATTACKS ON THE
GOVERNMENT. FOR THE MOMENT, THE GOVERNMENT HAS A GREEN
LIGHT TO PURSUE ECONOMIC RECOVERY. IT DOES NOT HAVE,
HOWEVER, A COHERENT PLAN TO DEAL WITH LABOR, REDUCING
ITS HERETOFORE DOMINANT POLITICAL ROLE. COB EXECUTIVE
SECRETARY JUAN LECHIN OQUENDO REPORTEDLY IS ATTENDING
A REGIONAL MEETING OF THE INTERNATIONAL CONFEDERATION
OF FREE TRADE UNION (ICFTU-ORIT) IN BUENOS AIRES THIS
WEEK AND WHO WE EXPECT WILL RETURN TO BOLIVIA IN THE
NEAR FUTURE. HE COULD TRY TO ACT AS A CATALYST TO END
COB INFIGHTING AND TO REUNIFY THE LABOR MOVEMENT ON
HIS OWN TERMS, RESTORING THE PRESTIGE HE HAS LOST
RECENTLY. IT REMAINS TO BE SEEN, HOWEVER, IF HE WILL
SUCCEED.

(DRAFTED BY: POL: HO' HARA) ROWELL
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E.O. 12356: DECL: OADR
TAGS: BL, SMAR, MASS, EAD
SUBJECT: BLAST FURNACE TRANSITION AND COCA ERADICATION
STRATEGY: OPENING DISCUSSIONS

REF: (A) LA PAZ 8295 DTG 301525Z SEP 86
(B) LA PAZ 8073 DTG 231533Z SEP 86

SUMMARY

1. (C) WE INITIATED FORMAL DISCUSSION ON SEPTEMBER 26 WITH HIGH LEVEL GOVERNMENT OFFICIALS ON "BLAST FURNACE" TRANSITION MODALITIES AND ERADICATION/DEVELOPMENT STRATEGY FOR THE CHAPARE. THE BOLIVIANS ARE CONSIDERING A MILITARY/POLICE JOINT TASK FORCE FOR SUSTAINED NARCOTICS INTERDICTION WHICH WILL PROVIDE THE NECESSARY CONDUIT FOR U.S. SUPPORT. WE HAVE FORMED U.S./BOLIVIAN WORKING GROUPS TO MASSAGE LOGISTICS OF RIVERINE OPERATIONS AS WELL AS AVIATION AND COMMUNICATIONS SUPPORT. AT OUR INSISTENCE, MOVING SOME OR ALL OF THE TF JANUS OPERATING ELEMENTS TO SANTA CRUZ CITY IS UNDER CONSIDERATION BY THE GOVERNMENT.

2. (C) ON ERADICATION/DEVELOPMENT ISSUES, PLANNING MINISTER SANCHEZ DE LOZADA NOW IS TAKING A MORE ACTIVE ROLE. OUR FIRST MEETING WITH SANCHEZ DE LOZADA AND INTERIOR MINISTER BARTHELEMY STAYED ON THE GENERAL LEVEL AND PRIMARILY WAS INTENDED TO READ THE PLANNING MINISTER INTO THE ERADICATION ISSUE. FURTHER INTENSIVE

MEETINGS ON BOTH THE TRANSITION AND ERADICATION/DEVELOPMENT STRATEGY ARE ONGOING. END SUMMARY.

NOVEMBER TRANSITION TO SUSTAINED BOLIVIAN INTERDICTION

3. (C) THE AMBASSADOR AND EMBASSY OFFICIALS MET ON SEPTEMBER 26 WITH DEFENSE MINISTER VALLE AND OTHER BOLIVIAN GOVERNMENT COUNTERPARTS TO DISCUSS THE OPERATION BLAST FURNACE TRANSITION. THE BOLIVIAN TEAM INCLUDED INTERIOR MINISTER BARTHELEMY, ARMED FORCES COMMANDER LOPEZ LEYTON, COMMANDING GENERALS VELEZ (ARMY), RODRIGUEZ (AIR FORCE), NAVY COMMANDANT ESTREMADOIRO, COMMANDING GENERAL OF THE NATIONAL POLICE VARGAS SOTO, DEPUTY MINISTER OF DEFENSE PERALTA AND ACTING FOREIGN MINISTER JORGE VALDEZ SUBBING FOR MINISTER BEDREGAL WHO IS AT THE UNGA. THE DCM, MILITARY GROUP COMMANDER COL. BROWN AND DEA COUNTRY ATTACHE MACOLINI ROUNDED OUT THE U.S. SIDE.

4. (C) FOLLOWING PRIOR COORDINATION WITH USCINCSO, WE PRESENTED A COUNTRY TEAM COORDINATED PROPOSAL TO THE BOLIVIANS ENVISIONING:

-- FORMATION OF A BOLIVIAN MILITARY/POLICE JOINT TASK FORCE DEDICATED SOLELY TO NARCOTICS INTERDICTION.

-- EARLY SUBSTITUTION OF HUEYS (UH-1H) FOR BLACKHAWKS (UH-60) WHILE U.S. FORCES REMAIN IN BOLIVIA IN ORDER TO ENHANCE TRANSITION TRAINING AND SHOW PUBLIC HUEYS ARE AS EFFECTIVE AS BLACKHAWKS. (NOTE: THE HUEYS WOULD COME TEMPORARILY FROM USCINCSO AND WOULD

RETURN WHEN THE HUEYS BEING LENT TO STATE/INM ARRIVE IN BOLIVIA.)

-- NEED TO OPERATE PART OR ALL OF REMAINING "BLAST FURNACE" FROM SANTA CRUZ CITY (AND TO INCREASE PRESSURE ON LABORATORIES CLOSE TO CHAPARE).

-- POSSIBLE USE OF CH-47'S DURING REMAINDER OF "BLAST FURNACE."

5. (C) THE JOINT TASK FORCE (JTF) WOULD BE SUPPORTED BY THE U.S. WITH THE LONG-TERM LOAN OF SIX UH-1H
BT

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E.O. 12356: DECL: OADR
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SUBJECT: BLAST FURNACE TRANSITION AND COCA ERADICATION

(HUEY) HELICOPTERS AND EIGHT RIVER PATROL BOATS ALONG WITH COMMUNICATIONS AND OTHER APPROPRIATE EQUIPMENT AND TRAINING. VALLE (AND BARTHELEMY) RESPONDED THAT THE BOLIVIANS WOULD CONSIDER THIS JTF APPROACH. VALLE HAS SUBSEQUENTLY TAKEN ACTIONS TO EFFECT SAME. HE EMPHASIZED THE IMPORTANCE OF THE BLACKHAWK HELICOPTERS DEPARTING BOLIVIA IN THE NEAR FUTURE AND THEIR REPLACEMENT WITH HUEYS TO ADD SUBSTANCE AND CREDIBILITY TO THE ARGUMENT THAT THE OPERATION WAS BEING TRANSFERRED TO BOLIVIAN AUTHORITIES. BARTHELEMY ALSO NOTED THE GOVERNMENT'S POLITICAL NEED TO REDUCE THE U.S. PRESENCE AS QUICKLY AS AN EFFECTIVE TRANSITION SCHEME WILL ALLOW.

6. (C) WORKING GROUPS CONSISTING OF MILGP AND DEA REPS FROM THE U.S. SIDE AND THE BOLIVIAN COMMANDERS OF THE ARMY, NAVY, AIR FORCE AND POLICE WILL STUDY TRAINING AND MATERIEL ASPECTS OF AVIATION, RIVERINE, AND COMMUNICATIONS REQUIREMENTS TO SUPPORT THE JTF CONCEPT. OTHER DISCUSSION OF TRANSITION MODALITIES TOUCHED ON THE SUITABILITY OF ARAVA AIRCRAFT OR CH-47 TRANSPORT HELICOPTERS FOR TROOP MOVEMENTS OR FORWARD REFUELING FOR HUEYS/BLACKHAWKS. WHILE THE CH-47 MAY BE PREFERABLE FOR LANDING AT WET AIRSTRIPS DURING THE RAINY SEASON, THE INCREASE IN U.S. PERSONNEL NECESSARY TO MAINTAIN THE CRAFT POSES A SERIOUS POLITICAL LIABILITY FOR THE GOVERNMENT. THE AMBASSADOR MENTIONED THAT WE (DEA) ARE LOOKING INTO RENTING AN ARAVA TO SUPPORT THE MISSION. THE BOLIVIANS ALSO TOOK UNDER CONSIDERATION

OUR SUGGESTION TO RELOCATE SOME OR ALL TF JANUS ELEMENTS TO SANTA CRUZ CITY, NOTING THAT SUCH A MOVE CARRIES POLITICAL IMPLICATIONS AS WELL. THEY PLEDGED TO ANALYZE THE IDEA AND PROVIDE A RESPONSE SHORTLY. (THE TONE ON THIS LAST ISSUE WAS MORE POSITIVE THEN IN PREVIOUS SOUNDINGS WITH BARTHELEMY, BUT IT STILL HAS SOME WAY TO GO.)

7. (C) THE PARTICIPANTS AGREED TO MEET AGAIN NO LATER THAN OCTOBER 15 -- EARLIER IF AT ALL POSSIBLE -- TO DISCUSS PROGRESS ON THE TRANSITION AND OF THE WORKING GROUPS. DISCUSSIONS WITH THE BOLIVIAN NAVY AND AIR FORCE HAVE ALREADY COMMENCED AND ARE ON TRACK.

COCA ERADICATION

8. (C) IN THE LATE AFTERNOON OF SEPTEMBER 26, THE AMBASSADOR AND DCM ALSO MET FOR SEVERAL HOURS WITH PLANNING MINISTER SANCHEZ DE LOZADA AND INTERIOR MINISTER BARTHELEMY FOR A PRELIMINARY SCAN OF COCA ERADICATION AND RELATED CHAPARE DEVELOPMENT STRATEGY IN THE CONTEXT OF INCREASED INTERDICTION. ACTING USAID DIRECTOR WACHTENHEIM, CHAPARE DEVELOPMENT MANAGER FASULLO, NAU REP ORUM AND POLOFF ALSO ATTENDED FROM THE U.S. SIDE. TWO BOLIVIAN TECHNICIANS REPRESENTING THE PLANNING MINISTRY'S COUNTERPART TO USAID IN THE CHAPARE PARTICIPATED IN PART OF THE DISCUSSION TO PROVIDE BACKGROUND ON COCA CULTIVATION IN THE CHAPARE REGION. THE MEETING WAS INTENDED IN PART TO FAMILIARIZE SANCHEZ DE LOZADA WITH CHAPARE ERADICATION/DEVELOPMENT ISSUES -- A "BRAINSTORMING" SESSION AS HE CALLED IT -- BEFORE ADDRESSING DETAILS LATER. TO THIS POINT, SANCHEZ DE LOZADA HAS NOT BEEN DIRECTLY INVOLVED IN SUCH MATTERS. AT THE PLANNING MINISTER'S INITIATIVE, THE AMBASSADOR AGREED TO MEET WITH SANCHEZ DE LOZADA AND BARTHELEMY SEPTEMBER 29 AND OCTOBER 1 AND 3 (TWO HOURS EACH MEETING) TO DEVELOP FURTHER COMMON GROUND ON ERADICATION STRATEGY.

9. (C) AT THE SEPTEMBER 26 MEETING THE PLANNING MINISTER WAS ANIMATED, INQUISITIVE AND, AS HE STRESSED REPEATEDLY, OPEN-MINDED ON HOW THE BOLIVIAN THREE-YEAR OBJECTIVE OF "TOTAL ERADICATION" MIGHT BE ACHIEVED.
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HE CONCEDED HE HAS PRECONCEIVED NOTIONS (NOT SPECIFIED)
ON SOME ASPECTS OF THE ERADICATION/DEVELOPMENT LINKAGE.
BARTHELEMY IN CONTRAST APPEARED WEARY AND DRAWN,
CONTRIBUTING ONLY TOWARD THE END OF THE MEETING. FROM
ALL INDICATIONS, SANCHEZ DE LOZADA NOW WILL TAKE A
MUCH MORE ACTIVE ROLE IN THIS ELEMENT OF OUR JOINT
NEGOTIATIONS.

10. (C) AT THIS INITIAL ENCOUNTER, BOTH SIDES AGREED
STRONGLY THAT HEAVY OVERPOPULATION PRESSURES IN THE
CHAPARE MUST BE RELIEVED, POSSIBLY VIA DEVELOPMENT
INCENTIVES OUTSIDE THE REGION TO ATTRACT PEASANTS
BACK TO THEIR NATIVE AREAS. THE CURRENT INTERDICTION
OPERATIONS WHICH HAVE DRIVEN THE PRICE OF COCA LEAVES
BELOW THE COST OF PRODUCTION OFFER US AN OPPORTUNITY
BOTH TO REINFORCE THE OUTWARD MIGRATION NOW UNDERWAY
AND TO INITIATE A COMPREHENSIVE, LONG-TERM ERADICATION
PROGRAM WHICH PLAYS ADVANTAGEOUSLY ON CURRENT
CIRCUMSTANCES. SANCHEZ DE LOZADA IN PARTICULAR
EMPHASIZED THE ECONOMIC RAMIFICATIONS OF THE PRICE
DROP AND THE NEED TO KEEP THE INTERDICTION/PRICE
PRESSURE ON TO DRIVE CHAPARE PEASANTS OUT OF COCA
CULTIVATION. BARTHELEMY ALSO VOICED A STRONG OPINION
ON THE NEED FOR A NATIONWIDE ANTI-DRUG PUBLIC
EDUCATION CAMPAIGN. SANCHEZ DE LOZADA AGREED THAT SUCH
AN EFFORT WOULD BE ESSENTIAL TO BUILD NECESSARY INTERNAL
CONSENSUS FOR ERADICATION.

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