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TEXT

DIA FOR IR BRANCH; USCINCSO ALSO FOR POLAD

E.O. 12356: DECL: 4-20-89

TAGS: PINT, OFDP, BL

SUBJECT: FOREIGN MINISTER VELARDE OFFERS HIS

RESIGNATION

REF: LA PAZ 2295

1. C-ENTIRE TEXT.

SUMMARY: ON APRIL 18 FOREIGN MINISTER MARIO VELARDE DORADO OFFERED HIS RESIGNATION TO PRESIDENT HERNAN SILES WHICH THE PRESIDENT REPORTEDLY REJECTED, BUT VELARDE'S DEEP FEELINGS ON THE MATTER MAY MAKE IT DIFFICULT FOR HIM TO REMAIN IN HIS POSITION AS FOREIGN MINISTER. AT LEAST TWO ELEMENTS WENT INTO VELARDE'S DECISION: THE CONVICTION THAT THE SILES GOVERNMENT HAS NOT DONE ENOUGH TO COMBAT NARCOTICS TRAFFICKING IN THE COUNTRY DESPITE STRONG PUBLIC COMMITMENTS THAT IT WOULD DO SO, AND PRESSURE BEING PUT ON VELARDE FROM WITHIN THE GOVERNMENT TO ACCEPT THE PRESENCE OF A CUBAN AMBASSADOR IN LA PAZ. AMBASSADOR HAS RAISED POSSIBLE ACCEPTANCE OF CUBAN AMBASSADOR WITH SENIOR SILES ADVISOR AND IS SEEKING AN EARLY MEETING WITH THE PRESIDENT TO DISCUSS THE MATTER. END SUMMARY.

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DAILY NEWSPAPER, "EL DIARIO" ON APRIL 17, CARRIED A BRIEF STORY CLAIMING THAT A CUBAN DIPLOMAT, BY THE NAME OF GUSTAVO HERNANDEZ PEREZ, IN THE NEXT SEVERAL DAYS WOULD BE PRESENTING HIS CREDENTIALS AS THE NEW CUBAN AMBASSADOR TO LA PAZ. THE STATEMENT CAME DURING ANNUAL FESTIVITIES IN TARIJA. ON APRIL 18 THE AMBASSADOR SPOKE WITH PRESIDENTIAL ADVISER MARCIAL TAMAYO REGARDING THE NEWS ARTICLE. TAMAYO INFORMED THE AMBASSADOR THAT HERNANDEZ WAS NOT THE INDIVIDUAL WHOM THE CUBANS HAD ACTUALLY PROPOSED AS AMBASSADOR TO BOLIVIA. THAT THE INDIVIDUAL'S NAME IS GUSTAVO BRUGHES PEREZ WHO TAMAYO DID NOT THINK WAS IN BOLIVIA. (WE HAVE CONFIRMED THAT BRUGHES HAS NOT YET ARRIVED IN BOLIVIA. BRUGHES IS A CUBAN MARRIED TO A BOLIVIAN WOMAN AND IS CONSIDERED TO BE THE CUBAN EXPERT ON BOLIVIA.) TAMAYO SAID HERNANDEZ IS A CUBAN OFFICIAL WHO HAS BEEN IN THE CUBAN EMBASSY HERE AND WAS INVITED TO THE FESTIVITIES IN TARIJA BY FELIX ROSPIGLIOSI, A RADICAL CONFIDANT OF PRESIDENT SILES.

- 4. TAMAYO SAID THAT THE ISSUE OF A CUBAN AMBASSADOR HAD CAUSED A CABINET CRISIS BECAUSE FOREIGN MINISTER VELARDE HAD PRESENTED HIS RESIGNATION THAT MORNING TO THE PRESIDENT. ACCORDING TO TAMAYO, VELARDE WAS ACUTELY UPSET AND WAS UNDER GREAT PRESSURE FROM WITHIN THE PRESIDENT'S MNRI PARTY TO ACCEPT A CUBAN AMBASSADOR. THE AMBASSADOR REMINDED TAMAYO THAT THERE WAS AN AGREEMENT OVER CUBA WHICH HAD BEEN BROKEN ONCE (I.E. ALLOWING THE CUBANS TO OPEN AN EMBASSY PRIOR TO THE LAPSE OF SIX MONTHS FROM THE ESTABLISHMENT OF DIPLOMATIC RELATIONS IN JANUARY) AND THAT MINISTER VELARDE, SPEAKING FOR THE GOB, HAD REITERATED AGAIN TO SECRETARY SHULTZ, AND UNDER SECRETARY EAGLEBURGER THE GOB'S INTENTION NOT TO ALLOW A CUBAN AMBASSADOR AND TO RESTRICT THE CUBAN OFFICIALS ALREADY IN BOLIVIA.
- 5. ON THE MORNING OF APRIL 19, FOREIGN MINISTER VELARDE CALLED DEPUTY CHIEF OF MISSION WALKER TO THE FOREIGN MINISTRY ON SHORT NOTICE. VELARDE, CHAIN-SMOKING, WAS OBVIOUSLY UPSET. VELARDE TOLD THE DCM THAT THE PREVIOUS DAY HE HAD OFFERED HIS IRREVOCABLE RESIGNATION TO THE PRESIDENT, TELLING SILES THAT THE GOVERNMENT HAD DONE NOTHING TO DEAL WITH MAJOR PROBLEMS IT WAS FACING AND WAS IN A STATE OF CONFUSION. IN PARTICULAR, HE SAID THAT NOTHING WAS BEING DONE ON NARCOTICS TRAFFICKING AND HE REMINDED THE PRESIDENT THAT HE HAD PROMISED ACTION IN THIS AREA TO SECRETARY SHULTZ, UNDER SECRETARY EAGLEBURGER AND INM ASSISTANT SECRETARY DICARLO. VELARDE CLAIMED HE TOLD THE PRESIDENT HE COULD NOT CONTINUE TO WORK IN THE GOVERN-MENT UNDER THESE CIRCUMSTANCES. SILES, ACCORDING TO VELARDE, BROKE INTO TEARS AND TOLD VELARDE THAT HE WAS AN INDISPENSABLE ELEMENT IN THE GOVERNMENT, PARTICULARLY BECAUSE OF HIS HONESTY. THE PRESIDENT APPEALED TO VELARDE TO STAY BECAUSE THAT AFTERNOON A CONGRESSIONAL INTERPELLATION OF VELARDE, INTERIOR MINISTER RONCAL AND AERONAUTICS MINISTER VILLA URIOSTE WOULD BEGIN OVER THE EXPULSIONS FROM THE COUNTRY OF NARCO-TERRORIST PIER LUIGI PAGLIAI AND NAZI WAR

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CRIMINAL KLAUS BARBIE AND VELARDE'S PRESENCE WAS NEEDED. VELARDE SAID HE REFUSED TO GO TO THE CONGRESS TO DEFEND RONCAL, WHOSE RECORD WAS INDEFENSIBLE. ALTHOUGH VELARDE DID NOT SAY IT, THE IMPLICATION WAS THAT SILES DID NOT ACCEPT THE RESIGNATION. 6. VELARDE ALSO SPOKE TO THE DCM ABOUT THE MATTER OF THE CUBAN AMBASSADOR AND WHAT PRECISELY HAD HAPPENED IN TARIJA. ACCORDING TO VELARDE, AN UNIDENTIFIED BOLIVIAN CAME UP TO HIM DURING THE LUNCHEON IN TARIJA AND ASKED "WHEN ARE YOU GOING TO ACCEPT THE CREDENTIALS OF THE NEW CUBAN AMBASSADOR?" VELARDE TOLD THE MAN HE DIDN'T KNOW WHO HE WAS AND DIDN'T DISCUSS SUCH MATTERS OUTSIDE THE OFFICE. THIS WAS FOLLOWED, HOWEVER, BY AN APPROACH BY THE CUBAN HERNANDEZ WHO ALSO ASKED WHEN THE CREDENTIALS WOULD BE ACCEPTED. HERNANDEZ ADDED THAT HE HAD JUST SPOKEN TO PRESIDENT SILES (ALSO AT THE LUNCH) AND SILES SAID HE WOULD BE WILLING TO ACCEPT THE CUBAN AMBASSADOR'S CREDENTIALS THE FOLLOWING WEEK. THIS NEWS HAD "SHOCKED" VELARDE AND IMPELLED HIM, AS THE ONE WHO HAD GIVEN ASSURANCES TO THE USG, TO OFFER HIS RESIGNATION. THE DCM TOLD VELARDE THAT ACCEPTANCE OF A CUBAN AMBASSADOR WOULD HAVE SERIOUS CONSEQUENCES FOR OUR RELATIONS, PARTICULARLY SINCE PROMISES HAD BEEN MADE BOTH IN LA PAZ AND IN WASHINGTON THAT THIS WOULD NOT OCCUR. VELARDE AGREED, EMPHASIZING THAT HE HAD MADE SUCH A COMMITMENT DIRECTLY TO THE SECRETARY. WHEN THE DCM ASKED VELARDE WHAT EXACTLY WAS HIS STATUS, VELARDE SAID THAT HE COULD LEAVE HIS JOB AT ANY MOMENT, BUT THAT HE WAS STILL FUNCTIONING AS FOREIGN MINISTER.

- 7. IN A SEPARATE CONVERSATION WITH SUBSECRETARY OF FOREIGN AFFAIRS, FRANKLIN ANAYA, POL/ECON COUNSELOR WAS TOLD THAT THE CUBANS HAD IN FACT REQUESTED AGREMENT FOR AN AMBASSADOR AND THAT THE MATTER WAS STILL UNDER REVIEW WITHIN THE GOB.
- 8. IN AN APRIL 20 LUNCHEON, JORGE SANCHEZ PENA (BROTHER OF TAMARA SANCHEZ PENA, CLOSE SILES CONFIDANTE), HIMSELF A MINISTRY OF FOREIGN AFFAIRS EMPLOYEE, CONFIRMED TO THE AMBASSADOR AND DCM THAT VELARDE HAD OFFERED HIS RESIGNATION. SANCHEZ PENA SAID THAT VELARDE AND MINISTER OF INTERIOR RONCAL HAVE HAD SEVERAL NASTY VERBAL EXCHANGES IN RECENT CABINET MEETINGS. WHEN VELARDE PROFFERED HIS RESIGNATION, ACCORDING TO SANCHEZ PENA, THE PRESIDENT REFUSED TO ACCEPT IT SAYING THIS WAS NOT THE TIME FOR ANY RESIGNATION, AND THAT VELARDE SHOULD GET BACK TO HIS SANCHEZ PENA MADE IT CLEAR THAT THE PRESIDENT REFUSED THE RESIGNATION, NOT OUT OF REGARD FOR VELARDE OR HIS HONESTY, BUT SIMPLY BECAUSE HE DIDN'T WANT A CABINET CRISIS AT THIS TIME.
- 9. THE AMBASSADOR IS REQUESTING AN EARLY MEETING WITH PRESIDENT SILES TO EXPRESS OUR UNHAPPINESS OVER INFORMATION THAT THE GOB MIGHT GRANT AGREMENT TO A CUBAN AMBASSADOR IN LIGHT OF PAST GOB COMMITMENTS TO THE CONTRARY. DRAFTED BY DANIEL A. STRASSER. CORR

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