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## LATIN AMERICA

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# 'Cocaine coup' in Bolivia

by Mark Sonnenblick

The military takeover that Bolivia suffered July 17 signals the transformation of Bolivia from an impoverished mining and agricultural nation into a major, reliable supplier of raw cocaine for the \$200 billion per year narcotics cartel known as Dope, Inc.

According to data supplied by the U.S. Drug Enforcement Agency and other sources, Bolivia already produces 100 tons per year of raw cocaine, most of which is refined in Colombia into the white powder that appears on American streets. The Bolivian cut is about \$1 billion.

Ex-president Hernán Siles Zuazo declared, from a clandestine retreat, that "the real objectives of the pseudo-government of [military junta chieftain General Luis] García Meza are to go on looting the country and, without any constraints, protect interests linked to the monstrous drug traffic which has made Bolivia into an international menace. . . .

The coup took no one, least of all the Carter administration, by surprise. It was widely known that the military is so corrupted by the drug mafia that it would not permit Siles Zuazo to be reelected in congressional balloting August 4 with the support of deputy Marcelo Quiroga Santa Cruz, who has been running a congressional inquest into military corruption.

Quiroga was recognized and separated from the 30 leaders at the national labor headquarters who were arrested by plainclothes soldiers on coup day, hours before the tanks rolled up to the presidential palace. He was summarily machine-gunned on the spot. An estimated 200 to 1,000 potential opponents arrested in a similar manner have "disappeared," and, as in neighboring Chile and Argentina, are reportedly being tortured. Such systematic repression and murder has not been seen in Bolivia in this century. Customarily the losing faction is allowed to slip into exile, since the victors expect they will soon need the same privilege.

### The cocaine business

Bolivia, due to inadequate investment in mining, petroleum and other industries, approached bankruptcy in 1978. As in Peru, Colombia, Guyana and Jamaica, the World Bank and the International Monetary Fund,

with the blessing of the Carter administration, played midwives so that Bolivia was "born again" as a mere drug plantation. The World Bank's International Trade and Monetary Flow Department head for Latin America, John Holdson, revealed its plans in a Sept. 8, 1978 *EIR* interview:

"I've just returned from Bolivia, and I know that the coca industry there is highly advantageous to producers. In fact, from their point of view, they simply couldn't find a better product. Its advantages are that no elaborate technology is required, no hybrid seeds; the land and the climate are perfect."

The plan worked. According to the Spanish news agency EFE, in 1979 Bolivia's cocaine exports rose by 380 percent! (Agence France Presse reports a 2,000 percent increase over the last three years.)

Bolivia's role in the centrally controlled world drug trade is limited to being the number-one producer of raw cocaine. The green leaves from 25,000 acres of coca bushes grown legally are illegally condensed in primitive "kitchens" into "base" powder, almost all of which is shipped to Colombian laboratories for final refinement into cocaine powder.

So much cocaine comes through the town of Montero that it is called "the white city." At least one transshipment point on the Bolivia-Peru border (Cachica) is kept off limits to authorities of both nations by a private army.

Bolivia sells itself cheap. Its cut of the \$25 billion its crude cocaine would fetch in Main Street U.S.A. retail markets is only \$1 billion. But that is more than the \$777 million the IMF reports the country earned from all its legal exports last year.

U.S. DEA officials and a few patriotic policemen have sought to restrain the traffic, but for every kilo they find, an estimated 300 kilos elude them. A plane belonging to former president General Hugo Banzer's top aide was found in April with 1,500 pounds of cocaine base on board. But two weeks before the coup, a Falangist mob judiciously sacked the prefecture in the drug capital, Santa Cruz, and put the records and evidence of drug trafficking to the torch.

When presented by *EIR* with evidence that the Bolivian coup was linked to drugs, the State Department angrily responded that it was "pure speculation. . . . We have no hard information on Bolivian drug traffic." The State Department has issued hypocritical wails of "extreme disapproval" of the "savage violations of human rights" and has suspended \$8 million worth of military credits and some economic credits. However, it appears that until the cocaine market is smashed in the United States, only a regime which guarantees "free enterprise" to Dope, Inc. will survive in Bolivia.