

Andean Report by Valerie Rush

Is Bolivia's 'democracy' next?

The Huancacha scandal linking drugs to the political class could be the straw that breaks the camel's back.

The coup rumors have been confirmed," admitted a press spokesman for the U.S. embassy in La Paz, Bolivia to the *Christian Science Monitor* April 9. "But our latest information is that it is not a strong movement." Despite the wishful thinking of the Bush administration, recent developments in Bolivia suggest that the race is on over whether there will be a civil-military coup, or whether that country's "democratic model," sanctioned by the State Department and Harvard University's Jeffrey Sachs, will collapse from its own internal rot.

On the heels of the Venezuelan coup attempt last February directed in part against International Monetary Fund (IMF) austerity dictates, a popular movement against the same free-trade orthodoxy has begun to swell against the Bolivian government of "democrat" Jaime Paz Zamora, creating a highly volatile environment. Strikes and mass demonstrations have been taking place on a daily basis. Many have been brutally repressed, as in Venezuela. A major cabinet shuffle in mid-March, in which 9 out of 17 ministers were changed, has failed to pacify the citizenry.

A simultaneous movement of dissident military forces has emerged in Bolivia, modeling itself explicitly on Venezuela's Bolivarian Military Movement which lost its bid for power but won the population to its side. A series of pamphlets and leaflets has been circulating within both military and civilian circles, demanding the resignation of the Paz Zamora government for its corruption, and its servility

to both the IMF and to Washington's so-called McNamara Doctrine, aimed at dismantling the militaries of the continent "in order to facilitate debt repayment." One of these statements also lamented the failure of the Venezuelan coup "on its first attempt."

The Catholic daily *Presencia* remarked that "it's clear that this fever of pamphleteering originates in what happened in Venezuela a month ago, and is nurtured by the social unrest prevalent in the country." The Bolivian labor federation, the COB, has publicly expressed its sympathy with the dissidents.

The "Bolivarians," while dismissed by President Paz Zamora and his military cabinet as insignificant, are being taken seriously in Washington. Military sources inside Bolivia have told the wire services, and apparently the U.S. embassy as well, that these groups were prepared to act "at any moment." The Bolivian media have been insistently calling on the government to "correct its mistakes" before they cause a "destabilization." The outbreak of several new scandals could prove to be the final straw.

The most high-profile scandal has been dubbed the Huancacha case, and dates back to 1986, when prominent Bolivian botanist Noel Kempff inadvertently stumbled on a huge cocaine laboratory near the Brazilian border and was murdered, along with two companions, by the traffickers. The laboratory had the reported capacity to produce five tons of pure cocaine a week.

Deputy Edmundo Salazar, a mem-

ber of a congressional commission of inquiry set up to look into the murder, was himself assassinated shortly thereafter, and the investigation was buried along with him, that is, until recently, when a special congressional commission decided to revive it.

According to the latest revelations, the cocaine laboratory—and the murders—were covered up with the complicity of then Interior Minister Fernando Barthelemy and a half-dozen high-level police officials. Barthelemy, now a congressman, is refusing to give up his congressional immunity and be investigated, and the Congress—dominated by the ruling MIR party in partnership with Barthelemy's MNR—has backed him up out of fear of the political backlash from the case. Next year is Bolivia's presidential election, in which the Paz Zamora government has thrown its support to the MNR's presidential candidate, former President Hugo Banzer.

The MNR, meanwhile, has sent a letter to the United Nations, demanding the formation of an international commission of inquiry into various cases of Bolivian political ties to drug trafficking. The MNR letter has been described as "blackmail, a way of saying 'if you dirty us, we will dirty everyone.'"

An even more potentially explosive aspect to the Huancacha case comes from the report that a number of Bolivian congressmen have demanded a U.S. congressional investigation into the role played by Oliver North, the CIA and the U.S. Drug Enforcement Administration (DEA) in 1986, in protecting that same giant cocaine refinery, as part of a Contra finance operation. North was reportedly in Bolivia in 1986. According to the Bolivians, the U.S. embassy in La Paz had systematically obstructed the 1986 investigation into Huancacha.