

# Bolivia rebels against 'Bush plan' to dismantle institutions, state

by Gretchen Small

Since December, national debate in Bolivia over the economic, social, and national security crises afflicting the country, has centered on one underlying question: Are the Bush administration and the international financial community demanding that Bolivia implement policies which are destroying the basic institutions of the country, because they deliberately intend to destroy Bolivia as a nation-state? And if so, does Bolivia have an alternative?

What triggered the debate was a proposal made in late November by the president of the Electoral Court of Santa Cruz, Guillermo Kenning Voss. Kenning, who some say was acting as a spokesman for powerful masonic economic interests in the country, proposed that Bolivia's Armed Forces be dismantled and replaced by a "technical police." He packaged this proposal as a money-saving measure needed to generate funds for health programs.

A storm broke out against Kenning's proposal. In the midst of it, on Dec. 1, the Bolivian daily *Ultima Hora* published in full a book review co-authored by this writer which had been published in *EIR* on Jan. 11, 1991. The review, entitled "The Bush Manual to Eliminate Ibero-America's Armed Forces" in *EIR*'s Spanish-language edition, *Resumen Ejecutivo*, reported that U.S. State Department agencies and personnel had financed, and were advising, a project dedicated to eliminating the military in Ibero-America because the military had become an obstacle to "internationalist economic policies," i.e., to the International Monetary Fund system.

For the next month, debate over the "Bush manual" dominated discussion in Bolivia (see *Documentation*). Suddenly, the government's plan for military reorganization and cutbacks, which had been sold as merely a "modernization" package required by the economic crisis, appeared in a different light. A question was raised: Was this reorganization ordered from abroad, as the first step in a U.S. government strategy to eliminate the military altogether?

The U.S. embassy in La Paz, notorious for imperiously giving orders to government, press, and other organizations as if it ruled Bolivia, was forced to respond. Embassy officials first denied all knowledge of any such project. As the debate continued unabated, the embassy was forced to deny three times any connection to the "Bush manual." Increasingly strident in its disclaimers, the embassy finally publicly intimated that if the Bolivian military and government did

not silence discussion over the "Bush manual," the U.S. government would consider any further discussion damaging to "the excellent relations" between the two countries!

## What IMF policies have done

Why did the U.S. government feel so threatened by discussion in Bolivia of a book review published by *EIR*, that they threatened to raise it to the level of state relations? *EIR* was not even aware of the depth of the debate ongoing in Bolivia, only discovering the full extent of what had taken place when the authors of the "Bush manual" exposé arrived for a brief visit at the end of January, as part of a speaking tour of various Ibero-American countries on the campaign of *EIR* founder Lyndon LaRouche, George Bush's leading political prisoner.

By January, embassy pressure had succeeded in quieting public discussion of the infamous "Bush manual." Bolivian government officials and the military high command had dutifully repeated for the public record that the U.S. government had not sponsored any project to study the elimination of the armed forces of Ibero-America.

Public toeing of the embassy line had not silenced the underlying concern over the foreign policies being pushed upon the country, however. That concern boiled down to what various Bolivian leaders, both civilian and military, had stated in December: that the attacks on the military were merely part of a broader campaign targeting all institutions in the country, ranging from the Catholic Church to the trade unions and national industry. The campaign had reached the point, as Army commander Gen. Oscar Escóbar had warned in a speech at the closing of the General Staff and Command School in December, that the attack on fundamental institutions of the country "affects the integrity of our existence as a nation and could erode the very stability of the fatherland."

In January, several crises exploded simultaneously—all resulting from the government's IMF-based economic policies. A geometric rise in the number of cholera cases in Cochabamba led health officials to declare a red alert emergency, fearing that because of the high migration and internal travel through that city, the disease could rapidly spread throughout the country.

The government, seeking another renegotiation of its foreign debt from the Paris Club creditors, had ordered a pro-

gram of rapid privatization of remaining state-owned companies (under current conditions, nothing but a fire-sale auction at below-value prices), and now faced a potentially violent confrontation with Bolivia's still strong trade union movement. The trade union mobilization against the government's economic program ranged from blocking traffic on roads in rural regions, to hunger strikes by hundreds of labor leaders across the country. Mass demonstrations and a mooted general strike were temporarily averted at the end of January only when the Catholic Church offered to mediate talks between the Bolivian Labor Federation (COB) and the government.

A successful end to those talks was universally viewed as doubtful, given that the government entered the negotiations declaring that it would not change economic policy, no matter what, while the COB declared reversing the privatization policy to be a top demand. To ensure that the Bolivian government not yield, in the midst of the negotiations, Bolivia's Paris Club creditors warned the government that they were worried that the privatization program was being implemented too slowly.

Then, Defense Minister Adm. Alberto Sáenz Klinski announced Jan. 27 that he was seeking an "urgent" meeting with Finance Minister David Blanco, to discuss the fact that the "military system is being paralyzed" by lack of funds. He reported that he had been visited by the four commanders of the Armed Forces, who demanded the Executive take immediate action to relieve the military budget crisis resulting from the government's failure to allocate any of the monies budgeted for the military since September 1991. Immediate monies are required to simply provide food, clothing, and transportation for new recruits, Sáenz Klinski revealed.

### **LaRouche vs. embassy on IMF genocide**

If there was any doubt that U.S. embassy arm-twisting had failed to convince people that U.S.-IMF policies were not a threat to Bolivia's existence, the response given to LaRouche's representatives in January settled the matter. Embassy personnel deployed heavily to try and cut off any discussions with Dennis Small and this author. Several press reports that Press Attaché Bruce Wharton was busy calling all the press with *orders* that no one cover the Smalls' visit, and spreading slanders that LaRouche and his people were a bunch of "delinquents."

The embassy's orders failed. On Jan. 24, two papers at least ran a national wire put out by the Catholic Fides press agency on Dennis Small's article showing how IMF looting was "Africanizing" Ibero-America. The same morning, Small was interviewed on one of La Paz's most popular morning talk shows on LaRouche's campaign and economic program, the infamous "Bush manual," the U.S.'s disastrous policies, and how to replace the IMF financial system.

That afternoon, the La Paz press corps jammed the press conference held in the Congress to report on the IMF and

the LaRouche campaign. "Skeptical at first but ever more interested in Small's words, the journalists ended up dedicating almost an hour to consultations [with him] on what surely worries all of us, the destiny of our mistreated Bolivian people," the daily *Presencia* reported the next day. The paper titled its report, "Privatization and Disappearance of the Armed Forces, a Single 'Bush Plan.' "

In his conference, Small called for the U.S. ambassador to Bolivia to resign because of the "Bush manual" scandal. Small proved that the U.S. embassy had *lied* when it claimed the U.S. government had "no connection" to the book, by simply reading from the preface of the book in question, *The Military and Democracy: The Future of Civil-Military Relations in Latin America*. The preface states that the U.S. Information Agency, a part of the State Department, provided "primary financial support" for the project, and lists numerous U.S. officials who advised the project.

If the U.S. ambassador knew that, he should resign for having embassy staff members *lie* to Bolivians, Small told the press. And if he didn't know, he should resign for incompetence on such an important matter.

One of the things which hit the reporters hardest, was Small's report that Citibank President John Reed had declared during a trip to Brazil in 1990 that Bolivia and Peru will soon "disappear as nations." Reporters asked Small whether the U.S. ambassador, too, sought to "make nations disappear." Small said that that was a question better directed to the ambassador, but noted that there can be no doubt that the U.S. government has had for some time a policy of depopulating and deindustrializing the nations of the Third World, as seen in the 1974 National Security Study Memorandum 200, signed by Henry Kissinger, the details of which he presented to the reporters.

Three stations covered the conference that night on television, as did four newspapers the next day. Channel 11 promised continued coverage, due to its "importance." Channel 8 reported that the LaRouche spokesman had called it "imperative" to replace the IMF, because of the "genocide" which it has caused. Including shots of *EIR*'s original "Bush manual" exposé in its coverage, Channel 3 featured that a spokesman for American presidential candidate LaRouche charges that the bankers have adopted policies of destroying institutions such as the Catholic Church and the Armed Forces in a desperate bid to save their bankrupt international financial system. "Time will tell if Small was speaking the truth or not," the announcer remarked.

U.S. embassy efforts to portray LaRouche and *EIR* as "delinquents" failed miserably. Television and newspapers both reported that LaRouche was a "political prisoner of George Bush," jailed for "the only 'crime' of opposing the neo-liberal [as monetarist policies of usury are called in Ibero-America] policies of Bush, Henry Kissinger, and the IMF, and for organizing an international resistance movement against these."

# Elimination of Bolivia's military is 'unthinkable'

*The scope of the national debate which broke out in Bolivia in December over the "Bush manual" to eliminate the armed forces, was reflected in the almost-daily coverage on this issue published by Bolivia's largest-circulation daily, Presencia. The following is a summary chronology of the most important headlines and articles from Presencia's coverage.*

### Dec. 3

Headline: "Military Rejects 'Bush Manual' to Eliminate Ibero-American Armed Forces. Military Chiefs Will Not Participate in Any Debate on the Situation of the Armed Forces"

Members of the High Military Command forcefully rejected the implementation of a plan entitled "Bush manual for the elimination of Ibero-America's Armed Forces," a theoretical instrument which has inspired the president of the Electoral Court of Santa Cruz to propose the elimination of the Bolivian Armed Forces.

Commander-in-Chief of the Armed Forces Alejandro Camponovo and Bolivian Air Force Commander Gen. Dardo Gómez García emphasized that this international plan is in no way applicable to the Bolivian situation. . . .

Since last week, certain international agencies have been publishing excerpts of a book on issues such as the role of the military under democratic systems. Much reference is made to a so-called "Bush manual" for eliminating the armed forces from Ibero-American countries, since the principal enemy, which is communism, no longer exists.

The international proposal which so disturbs the Latin American military leaders, proposes the formation of a kind of specialized gendarmerie in place of the existing armed forces.

### Dec. 5

Headline: "U.S. Embassy Disavows Plan to Eliminate Armed Forces"

The Embassy of the United States in La Paz said it knows nothing of the so-called "Bush manual," which is supposedly intended to eliminate the armed forces of the continent. The deputy secretary of the embassy, Robert Callahan, said that if such a plan did exist, it would refer to the Armed Forces of his country. . . .

Bolivian authorities, and various social sectors, expressed their repudiation of the supposed U.S. position to

eliminate the Armed Forces and substitute them with a police force. . . .

Headline: "Armed Forces Will Resist Foreign Interference Which Seeks Its Elimination; The Disappearance of the Armed Forces Could Endanger Territorial Integrity, Says Commander-in-Chief"

The military chiefs presented a vehement institutional rejection yesterday of any foreign interference which seeks the elimination of the Armed Forces. "We are going to emphatically reject a situation of that sort," stated Armed Forces Commander-in-Chief Gen. Alejandro Camponovo, while Army Commander Gen. Oscar Escobar went even further, stating: "I firmly reject any foreign imposition," such as the so-called "Bush manual," intended to eliminate the armed forces of the region. . . .

The rumors concerning the need to eliminate the Armed Forces as "unnecessary," caused furious indignation on the part of members of the high military command. The leading military chiefs agreed that "the armed institution will die with the fatherland."

The rumors against the existence of the armed institution were considered part of a discrediting campaign. Camponovo nonetheless clarified that at no time has the high command officially received the so-called "Bush manual," and that it was a study or proposal by certain political sectors.

The idea of eliminating the Armed Forces is not a definite policy, but a proposal which was made on certain levels, said the military leader in specifying that the military was carrying out its activities as usual. . . .

The Army commanding general firmly stated that Bolivia, as a sovereign and independent country, could not accept any foreign manual seeking to affect one of the fundamental institutions, such as the Armed Forces. "That is a manual that was not approved by any government, and I know that it is a study that some university has made; but these are ideas which cannot be imposed on an independent state like Bolivia," said Escobar.

Similarly, the commander of the Bolivian Air Force, Gen. Dardo Gómez, expressed his concern over the supposed manual to eliminate the Armed Forces, and emphasized that the so-called "Bush manual" will not work in Bolivia. . . .

Headline: "Interim President: 'Cancellation of the Armed Forces Is Unthinkable' "

"A split or elimination of the Armed Forces is unthinkable, just as it would be unthinkable to eliminate the Bolivian Catholic Church or other forces which are the *raison d'être* of our country," stated interim President Luis Ossio yesterday.

Following the graduation ceremony of the National School of Higher Studies, the leader expressed his disagreement with sentiments coming from Santa Cruz, to the effect that the military institution should disappear, to make way for a technical police, as the "Bush manual" apparently suggests.

"The Armed Forces are essential for the geopolitics of our country, for national integration, the conquest of our own territory, for the development of our social and productive capabilities, and for the organization of society through the year 2000," he emphasized.

Ossio, who is also the interim head of the Armed Forces, said that that sentiment was shared by representatives of Congress, the Bolivian Labor Central, and all active forces. . . .

Regarding the possibility that the military might be turned into a technical police force, he stated that . . . the Armed Forces fulfill a substantial role in defense of the sovereignty and the institutionality of the country, and the economic and social development of the territory and its inhabitants. . . .

**Dec. 6**

Headline: "Defense Minister Asks That the Plan to Eliminate the Armed Forces Be Made Known"

Defense Minister Alberto Sáenz called on those who know the so-called "Bush manual" to make it known, because the government is unfamiliar with it. "We answer questions often, but we also ask them: What is this plan? . . . and if you know it," he said to a visibly upset journalist, "I beg you to reveal it to me."

According to the defense minister, "there definitively does not exist any recommendation" by the United States government that Bolivia continue a slow process of dismantling the Armed Forces. . . .

**Dec. 7**

Headline: "U.S. Embassy Reiterates That There Is No Plan to Eliminate the Armed Forces"

[The U.S. diplomatic mission] issued a communiqué clarifying that the supposed "Bush manual" is "totally false and non-existent."

"The name of the 'Bush manual' was freely applied in the subjective interpretation of a book entitled *The Military and Democracy: The Future of Civil-Military Relations in Latin America*, and has no connection with the U.S. government," said the embassy communiqué.

"The press commentary reproduced last Sunday in a local morning paper is not based on official United States policy, but on the opinions of the authors. The Pentagon, as well as the White House and State Department, deny the existence of any plan or project to recommend the elimination of the Armed Forces of Bolivia or of any other Latin American country; therefore, it can hardly be construed as the personal intent of President Bush, as has been intentionally implied." . . .

**Dec. 11**

Headline: "'There Is No Bush Plan,' But the Armed Forces Will Be Drastically Reduced"

The United States embassy in Bolivia reiterated yesterday

**PRESENCIA**  
 MARTES FUNDADO EL 10 DE MARZO DE 1950  
 AÑO XLV N° 11.285 LA PAZ, BOLIVIA, SABADO 14 DE DICIEMBRE DE 1991 - 80 PAGINAS - \$4.10

**Presidente Paz aseguró integridad y subsistencia de las FF. AA.**

**"No hay Plan Bush", pero FF.AA. serán drásticamente reducidas**

**En 1992, gobierno consolidará interdicción al narcotráfico**

**Embajada de EE.UU. desconoce plan para eliminar las FF.AA.**

**Cochabamba suspende erradicación de la coca**

**Si hasta el 15 de diciembre no se licita Misicuni, Comité Cívico adoptará 'medidas de hecho'**

The Bolivian newspaper *Presencia* headlines the widespread rejection of any plan to dismantle Bolivia's Armed Forces.

that there does not exist any "Bush Plan" for the disintegration of the armies of the continent. However, simultaneously, ruling party Congressman Hugo Carvajal Donoso confirmed the government's decision to drastically reduce the numbers of the Bolivian Armed Forces.

The neo-liberal economic model assigns a new role to the military, which includes the reduction of its operations budget and its return to the rural area and to the borders to preserve territorial integrity and national sovereignty.

In this new role, the military should retire from the administration of companies of the Armed Forces Corporation for National Development (Cofadena), which companies will be auctioned off because they make the Army's operational expenses, many of which are running deficits, more costly, according to an evaluation of the Executive. . . .

The U.S. embassy reiterated that there does not exist any "Bush manual" and accused "marginal publications, of a totally independent origin" of generating controversial posi-

tions which damage “the excellent relations between our two nations.” . . .

We cannot allow ourselves the luxury in Bolivia of maintaining an Armed Forces which continues with the same budget, the same expenses, while at the same time we are demanding rationality and reordering from the other institutions, said the head of the ruling MIR party’s congressional bloc, Hugo Carvajal. . . .

Within the new guidelines of the government, which denies it is an imposition of the United States through the so-called Bush Plan, the military will tend to have a much more passive role due to the “disappearance of the communist threat” on the continent and in the world. . . .

Questioned as to whether this decision has anything to do with the so-called Bush Plan, the congressman responded doubtfully: “I don’t think so. . . . It is a demand of the economy itself,” he explained, “since the military has exaggerated its institution, its apparatus, its companies, and now must ‘shrink.’ ”

Headline: “Congressmen Come Out in Defense of Armed Forces”

In an unexpected debate during the afternoon session, congressmen came out in defense of the integrity of the Armed Forces of the nation, their existence presumably threatened by a U.S. plan. . . .

The statements on the matter, which remained pending for next Wednesday, made reference to the “Bush Plan” for eliminating the Latin American armies as part of a plan of domination.

The congressmen rejected such a possibility, although the majority of them questioned the role the Armed Forces currently play in national development.

Within this framework, the spokesmen for the neo-liberal model spoke of the importance of “adjusting” the military presence to the objectives pursued under the new economic policy. . . .

## Dec. 14

Headline: “President Paz Assures the Integrity and Support of the Armed Forces”

In an impromptu speech, [President Jaime Paz Zamora] expressed the government’s fullest confidence in the military institution, and rejected any possibility of revising its existence; “to do so,” he emphasized, “would be to seek the revision of the Republic itself.”

The definitive presidential statement came during the graduation ceremony of 104 new second lieutenants from the Army Military College. . . .

Paz Zamora, speaking before the Army cadets, stressed the role the military plays which “is often not understood.” The Armed Forces enable us “to maintain the unity, the cohesion, and the organization of all Bolivians, as well as national sovereignty before the international community.

“I want to tell you as President and as your captain general, that just as I believe in Bolivia and in its subsistence, so too do I believe and work for the unity and subsistence of the Armed Forces; the history of Bolivia is inseparable from the Armed Forces; thus it is impossible to consider them separately. . . . I want to make it clear to the nation. We can discuss all we want what steps we should take to modernize and adapt the Armed Forces of Bolivia and of Latin America today; but we have no right to discuss the very foundations of its existence, because we would be discussing the very foundations of the Republic. This should be absolutely clear,” Paz Zamora said vehemently.

The speech produced deep satisfaction on the part of the military chieftains, who felt fully supported by their captain general who urged them “not to be influenced” by those who speak well and by those who speak ill of the military institution. . . .

## Dec. 16

Headline: “Following Presidential Support: Military Power Committed to Preserving Democracy”

The so-called “armed branch of the state” overcame internal tension last week which, at one point, affected the morale of some of its branches.

However, and despite presidential assurances that the integrity and provisioning of the Armed Forces would be maintained, the government directive suggests the need to rationalize the number of personnel dependent upon the military institution. Certain non-military sectors continue to speak of the existence of plans that will lead to a “white massacre” in the Armed Forces. . . .

During the concluding ceremony of the General Staff and Command School of Cochabamba, while giving a speech containing truly critical and forceful statements, the Army commander stated that “from conspiratorial shadows, all-powerful accounts are being put forth that seek to question our existence with radical ideas that harbor aggressive and irresponsible intentions. . . .”

The conceptual unity between the Armed Forces and the fatherland, or “Armed Forces equals Nation,” was reinforced in the face of an apparent and unjustified anti-military offensive from Washington (with the phantom of the “Bush manual”) to Santa Cruz (with the statements of the president of the Department’s Electoral Court, Guillermo Kenning).

“We are the vital cell of the fatherland, and—understand this well!—we will be the last to abandon it,” warned [Gen. Oscar] Escobar.

Then, he added: “We are alarmed that the audacity of certain bad Bolivians also encompasses other fundamental and meritorious institutions such as the Catholic Church and National Police which, in the end, are also targets of attack. This concerns us because it affects the integrity of our existence as a nation and could erode the very stability of the fatherland.”