

UNCLASSIFIED  
UNCLASSIFIED

LA PAZ 4839

*Wayne*  
*RELEASED with*  
*Pls. go in full*  
*The Desk*  
*fax. A1*  
*[Signature]*

Printed By: marie A Nielsen 11/29/2001 02:36:07 PM

Subject: TALKING POINTS FOR QUIROGA VISIT

Cable Text:

UNCLAS USAID LA PAZ 04839

CableXpr:

ACTION: NAS

INFO: ECOP PAS DEA AID RSO DAO DCM AMB MILGP

DISSEMINATION: SNAR

CHARGE: NAS

20011129-BO-DoS-USAID-Talking\_points\_for\_Quiroga\_visit.pdf

APPROVED: CDA:PDUDDY

DRAFTED: NAS:SCHRAGER, AID:LA

CLEARED: NAS:GREYNARD AND ESUTOW



VZCZCLPI132

OO RUEHC RUEABND RHEHOND RUDGSTD RULSJGA RHEHNSC  
RUMIAAA RHFJKWA RUEKJCS RUEKJCS RUEHBO RUEHBR RUEHCV RUEHPE  
RUEHQT

DE RUEHLP #4839/01 3331820

ZNR UUUUU ZZH

O 291820Z NOV 01

FM AMEMBASSY LA PAZ

TO RUEHC/SECSTATE WASHDC IMMEDIATE 1218

RUEABND/DEA WASHDC IMMEDIATE

INFO RHEHOND/DIRONDCP WASHDC

RUDGSTD/DEPT OF STATE AIR WING PATRICK AFB FL

RULSJGA/US INTERDICTION COORD WASHDC

RHEHNSC/NSC WASHDC

RUMIAAA/USCINCSO MIAMI FL

RHFJKWA/DIRJIATF EAST KEY WEST FL

RUEKJCS/SECDEF WASHDC

RUEKJCS/DIA WASHDC

RUEHBO/AMEMBASSY BOGOTA 9218

RUEHBR/AMEMBASSY BRASILIA 3269

RUEHCV/AMEMBASSY CARACAS 2891

RUEHPE/AMEMBASSY LIMA 6897

RUEHQT/AMEMBASSY QUITO 0923

BT

UNCLAS SECTION 01 OF 04 LA PAZ 004839

see page 3

DEPT FOR INL/AS:BEERS, INL/DAS:MACK, INL/LP:MARTIN AND  
SMITH; WHA/AND

USAID FOR LAC/SAM

DEA FOR THE ADMINISTRATOR

UNCLASSIFIED

1

UNITED STATES DEPARTMENT OF STATE  
REVIEW AUTHORITY: JOHN L. MILLS  
DATE/CASE ID: 25 JUN 2002 200201357

UNCLASSIFIED

E.O. 12958: N/A  
TAGS: SNAR, PGOV, SOCI, PINR, BL  
SUBJECT: TALKING POINTS FOR QUIROGA VISIT

REF: A) LA PAZ 4708 (NOTAL), B) LA PAZ 4759,  
C) LA PAZ 4757, AND D) LA PAZ 4726

-----  
GENERAL BACKGROUND AND SUMMARY  
-----

1. Bolivian President Jorge Quiroga will meet with President Bush on the afternoon of December 6. During Quiroga's three-day Washington visit, he also plans to meet with Assistant Secretary Beers and DEA Director Hutchinson on drug issues and US-Bolivia bilateral programs.
2. Following are suggested talking points for Assistant Secretary Beers meeting. Talking points for the meeting with DEA Administrator Hutchinson are being sent by septel. Reftels provide detailed reporting on the current situation in country and Embassy analysis on US drug policy and programs in Bolivia for background on all Quiroga visits. (NOTE: Quiroga will not meet with AID on this visit, so we have included TPs from USAID La Paz in this message for use in the Assistant Secretary Beers meeting.)
3. ACTION REQUEST: The Ambassador requests the Bolivian country desk (WHA/AND/BO) to assist and coordinate with Bolivian Ambassador Fernandez in working out details of the appointment with INL and DEA. Please advise Embassy La Paz of details of the visit as they are finalized.

-----  
COUNTER NARCOTICS  
-----

4. The following are suggested talking points covering counter-narcotics for the Quiroga/Beers meeting:

-- We congratulate you on your continuing commitment to fulfilling the goals of Plan Dignity. As you know, we

UNCLASSIFIED

supported this plan from the beginning, and now, nearly five years later, both of our countries have worked together to bring us to where we are today.

-- As you know, we were quite concerned by the agreement in November to halt eradication and withdraw troops from the front lines in the Chapare where they had been so effective. We believe that a continued strong response could have weakened the political base of Evo Morales even further. We were pleased to hear that eradication resumed, as announced, on November 28.

-- We urge you to continue to eradicate coca aggressively. However, we now believe that simply eradicating coca is not enough.

-- We are quite concerned by the amount of coca existing both in the Chapare and the Yungas and the apparent reluctance of your government to take decisive action beyond eradication. Ambassador Rocha met with you on September 12 and with a group of your ministers on October 18 to urge further action to stem the flow of illegal coca in the Chapare.

-- We urged that you close the illegal markets in the Chapare; that you arrest and prosecute those in violation of Law 1008; and that you confiscate and burn the coca transiting and drying openly throughout the Chapare. As of this date, there has been no action on any of these issues. Although eradicating continues at a good pace, more replanting is going on and the net effect is negative. More aggressive action needs to be undertaken along the lines I have just described.

-- With only eight months remaining for your government, we believe you need to make a strong push to attain the goals of Plan Dignity. We realize that during the election period, it will be difficult to focus on counter narcotics to the extent that was possible earlier. However, it is vital that your government successfully conclude what it began five years ago - the Plan Dignity. The United States is prepared to provide the assistance and resources necessary to achieve that goal.

-----  
ALTERNATIVE DEVELOPMENT

UNCLASSIFIED

UNCLASSIFIED

UNCLASSIFIED  
UNCLASSIFIED

-----

5. The following are suggested talking points covering alternative development for the Quiroga/Beers meeting:

\* \* \* \* \*  
Security Issues  
\* \* \* \* \*

#### BACKGROUND

The US Government remains highly concerned about the situation in the Cochabamba Tropics (Chapare). The region has become increasingly insecure and unsafe for alternative development projects and beneficiaries who have been harassed, intimidated, and attacked by pro-coca groups.

From October 16 through November 13, alternative development entities were prevented from working in the region as pro-coca groups threatened to attack alternative development staff and destroy USG-financed property. This has significantly hindered the implementation of U.S.-funded projects. In addition, armed attacks on vehicles, temporary road blockades, and large demonstrations severely affected tourism, investments, marketing and export of Chapare products.

If these conditions prevail, it is unlikely that U.S. and GOB initiatives will be successful in promoting or attracting additional investment or improving access to credit in the Chapare. Moreover, no new financial entity will be willing to provide financial services.

In the absence of significant additional efforts to improve security and establish the rule of law within the region, alternative development organizations cannot work and accomplish desired results. The large and long range investments made by the GOB, USG and other donor agencies as well as investments made by private entrepreneurs and producer associations are at serious risk.

#### TALKING POINTS

UNCLASSIFIED

4

UNCLASSIFIED

UNCLASSIFIED  
UNCLASSIFIED

-- What are the Government of Bolivia's plans to improve security and rule of law in the Chapare?

-- How committed is Bolivia in future years to developing a licit economy in the Chapare and preventing coca resurgence?

\*\*\*\*\*  
\$20 Million INC Funding for Chapare Activities  
\*\*\*\*\*

BACKGROUND

INL and USAID are working on the transfer of \$20 million of INC FY-01 resources to cover an outstanding mortgage owed to the Counter-Narcotics Consolidation of Alternative Development Efforts (CONCADE) project in the Chapare.

It would be inappropriate for President Quiroga to believe that this transfer is reward for Bolivia's fight against drugs. We believe that GOB efforts for the past twelve months have been insufficient, and the Embassy has made it clear that future aid levels could be affected. To deliver an additional \$20 million now would be inconsistent with that message. A few months ago, Bolivia's Ambassador Marlene Fernandez protested the purported INL decisions to reprogram \$20 million. Thus, the Bolivian Government could interpret this transfer of \$20 million as a direct result of effective lobbying by Amb. Fernandez.

Unless the situation in the Chapare improves significantly and the Dignity Plan is visibly put back on track, we recommend that the announcement of the \$20 million should not be made.

TALKING POINTS (ONLY IF ASKED)

-- We are pleased to inform you that a transfer of \$20 million of INC resources for alternative development is in process.

-- As you may know, these funds were earmarked over a year ago for Chapare activities based on CONCADE's implementation plan for fiscal years 1998-2003 and the bilateral agreement signed between USAID and the GOB.

As such, these funds are not over and above the previously programmed levels of assistance and will be disbursed as part of the larger alternative development funding.

-- We believe this transfer will enable the CONCADE alternative development program to reach a larger number of farm families.

=====

Acceleration Of Alternative Development

=====

BACKGROUND

It is apparent that the GOB is concerned about the need for moving alternative development efforts more quickly. Some criticism about USAID was previously made by Minister of Foreign Affairs Gustavo Fernandez and Vice Minister of Social Defense Oswaldo Antezana. Both GOB officials may not be fully cognizant of progress made in the past twelve months to accelerate alternative development efforts or may simply be driven by their own motives to disparage the alternative development program.

If this issue were brought up by President Quiroga, the following points should be made.

TALKING POINTS

-- Examples of actions taken and results showing acceleration of Chapare activities include:

A) The number of farm families receiving alternative development assistance almost doubled in the past six months, from 7,300 farm families by end of December 2000 to almost 20,000 farm families by end of September 2001. Approximately, 16,400 farm families (or nearly 83 per cent) are being assisted with INC resources.

B) In the last twelve months, the number of CONCADE agricultural technology transfer extensionists and promoters increased 347 percent from 250 employees by the end of September 2000 to 1,118 technicians and

UNCLASSIFIED  
UNCLASSIFIED

community agents by the end of September 2001.  
C) The volume of licit produce leaving the Chapare during the July-September 2001 period reached 55,153 MT, a 28 per cent increase in comparison to the July-September 2000 period of only 43,070 MT.

-- A US contractor has been hired to serve as procurement and purchasing agent on behalf of the GOB implementing entities. The contractor can enter into procurement negotiations with vendors and services providers in an agile fashion saving time and money.

DUDDY

BT

#4839

NNNN

---

End Cable Text

Printed By: maria A Nielsen 11/29/2001 02:36:07 PM

UNCLASSIFIED  
7

UNCLASSIFIED

TOTAL P.08