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2 March 1972

BOLIVA: SEARCH FOR STABILITY

BY

LIEUTENANT COLONEL BILLY M. MOBLEY
UNITED STATES AIR FORCE

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BOLIVIA: SEARCH FOR STABILITY

AN INDIVIDUAL RESEARCH REPORT

Lieutenant Colonel Billy M. Mobley
United States Air Force

US Army War College
Carlisle Barracks, Pennsylvania
2 March 1972

Distribution limited to U.S. Government Agencies only; Test and Evaluation (1 June 1973). Other requests for this document must be referred to Commandant, US Army War College, Carlisle Barracks, Pa. 17013
The basic question addressed is why, after a period of twelve years of constitutional rule from 1952 to 1964, did the process of presidential change in Bolivia once more take on the appearance of traffic through a revolving door. The changes brought about in Bolivia by the National Revolutionary Movement (MNR) during its twelve year rule are examined along with the mistakes made by the MNR which eventually led to its downfall. The reemergence of the military as the dominant force in Bolivian politics and the numerous coups since 1964 are analyzed. The extreme ideological differences among the MNR leadership and the party's inability to aggregate the demands made upon it by the various sectors split the party and paved the way for the return of the military. However, those same ideological differences also divided the military into various groups which continued to vie for power with individual personal ambitions serving as catalysts. It is concluded that the newest Bolivian government of Colonel Hugo Banzer Suarez will be faced with the same problems. However, with its broad civilian political base and support of a large majority of the military officers, it has a better than even chance for success.
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CHAPTER I

INTRODUCTION

In a popular and oft-repeated story about Bolivia an Angel asked the Lord why Bolivia was being given such rich natural resources in relation to those of other nations. The Lord replied, "Wait until you see the politics." 1

The history of violent Bolivian politics could well lead one to believe such a tale. This small South American nation had experienced 179 military coups in its first 126 years of existence as an independent state. In 1952, Bolivia underwent a revolution which was described by one authority as, "the most profound movement for social change which has swept any Latin American country since the Mexican Revolution of 1910." 2 It appeared that at last the military, prime mover in most of the political turbulence, had been removed from politics and that Bolivia was on her way toward political stability. For the next twelve years, Bolivia was ruled by a civilian government. In this period of relative calm the presidency changed hands three times--each change the result of a democratic election.

The political calm was foredoomed to a short life, for in 1964, the military once again assumed the political leadership--again through the vehicle of a military coup. Reverting to its traditional role, the military has remained dominant in Bolivian politics since that time. The presidency has changed hands six times since November 1964, three of those changes occurring since
September 1969. Only one president in this period took office as a result of scheduled elections.

What was significant about the revolution that could give Bolivia twelve years of constitutional rule after such a stormy political history? Why, after a period of twelve years of constitutional rule, did the process of presidential change once more take on the appearance of traffic through a revolving door? Why, since 1969, has no individual been able to gain adequate support to remain in power for an appreciable length of time? Have the military leaders sincerely desired social change or have the coups merely been an expedient for personal ambitions? What is the outlook for the newest Bolivian government, the regime of Colonel Hugo Banzer Suarez? These are the primary questions that this report will address.

THE COUNTRY

To fully appreciate the Bolivian situation, one must have some knowledge of the country--its physiographic characteristics, its people, its resources, and its limitations.

Bolivia is a land of violent contrasts, excessive in everything. In physiographic characteristics, it can be considered as three countries in one. There is the country of high valleys and gorges, the country of mountains and plateaus, and the country of tropical lowlands. The face of the land changes with elevation; temperature, rainfall, and productivity depend upon sudden changes of altitude rather than on distance from the
equator, and the western part of the country presents the anomaly of a frigid climate within the tropical zone. Within its borders every type of scenery and every variation of climate from steaming jungle heat to mountain cold alternate with the suddenly changing altitude. In the capital city of La Paz a US C-130 aircrew must resort to occasional breathing of auxiliary oxygen and shiver from the cold while awaiting a tire change before an extremely high altitude takeoff can be attempted. At the same time, only 400 miles away in Tumichuka, another C-130 aircrew swelters in the jungle heat trying to free their aircraft from the mud.

Bolivia covers an area of 424,163 square miles or is about the size of California and Texas combined. It is the fifth largest South American country in area and the eighth largest in population.

According to the latest information available, the population of Bolivia in 1970 was approximately 4.6 million. Of that population, approximately 60% is located in the western sector—commonly known as the Altiplano—which constitutes approximately 25% of the land area.

Bolivian natural resources are vast, with at least a sample of every mineral available within its territory. The country has extensive agricultural resources which are largely untapped as well as immense tropical forests which have scarcely been touched.
Although most of the population is engaged in agriculture, about 95% of the nation's exports consist of minerals. The export of tin accounts for about 70% of all mineral exports. In fact, the tin miners, less than 2% of the population, produce nearly all of the country's foreign exchange income.

Perhaps one of the major reasons for much of Bolivia's resources remaining untapped is the shortage of communications in the country. Bolivia has no seaport, having lost all its seaport to Chile in the War of the Pacific (1879-83). Fortunately for Bolivia, agreements have been reached which provide access to four free ports--Arica and Antofagasta in Chile, and Mollendo and Matarni, Peru. Although the Bolivians are quick to give this as a cause for many of their national ills, the biggest transportation shortcoming is land transportation necessary to utilize fully the available free ports. La Paz is connected to the Pacific by three single track rail lines totalling about 1500 miles of track. Those rail lines carry Bolivia's mineral exports to the Pacific coast, and return freight accounts for the majority of the country's imports. There is a total of just over 2000 miles of railroad track in Bolivia. This rail shortage is particularly evident when it is compared to the British Railways 52,000 miles of track serving an area only 1/8th the size of Bolivia.

According to the latest statistics available, there are just over 23,000 miles of road in Bolivia, 6210 miles of which can be considered as main roads. Most of that mileage consists
of little more than trails. All roads are bad and, outside the urban area, few are surfaced or maintained. Hardly a road in the country is not put out of commission more or less regularly by floods, land slides, and other natural disasters.

Although Bolivia is well served by air transportation, it does little to solve the economic or developmental problem. The cost of air freight is prohibitive and everywhere east of Cochabamba, airports have dirt landing strips which are rendered unserviceable for days or weeks at a time by rains.13

LIMITATIONS

Except for necessary background information leading to the Revolution of 1952, in depth research for this paper is limited to the time period from the revolution to the present.

Research was limited to material available in the United States Army War College Library, to personal communication with Bolivian citizens, and to personal interviews with knowledgeable members of the USAWC faculty and student body and visitors to the USAWC. The author's inability to read most Spanish language sources severely limited the resource effort.

ORGANIZATION OF PAPER

This paper is divided into five chapters. Chapter I introduces the subject. Chapter II sketches briefly the events leading to the Revolution of 1952, the revolution itself, and
the development of the MNR and the early association between the MNR and the military.

Chapter III covers the period of constitutional rule from 1952 to 1964. The revolutionary reforms, domestic complications, and political in-fighting which occurred during that period are examined in detail. The resurgence of the military and the 1964 overthrow of the civilian government are also analyzed.

Chapter IV discusses the period from 1964 to the present time. The election of 1966 and constitutional rule of Rene Barrientos is discussed. The governments of General Ovando, General Torres and Colonel Banzer are analyzed along with the military coups of 1969, 1970, and 1971.

The final chapter summarizes the major findings of the study and offers speculation on the outlook for Colonel Banzer's regime as well as on the future for Bolivia.
CHAPTER I

FOOTNOTES


8. Ibid., p. 20.


10. Ibid., p. 38.

11. Ibid., p. 39.

12. Ibid., p. 43.

13. Ibid., p. 38.
CHAPTER II

THE BOLIVIAN NATIONAL REVOLUTION: THE BEGINNING

Throughout the past few decades, two principal actors are dominant in the history of Bolivian politics—the National Revolutionary Movement (MNR—Movimiento Nacionalista Revolucionario) and the military. To understand the events and attitudes which led to the Revolution of 1952 and to the military coups of the decade of the sixties and early seventies, it is necessary to explain the early dialogue and some of the forces which shaped each of these institutions.

THE CHACO WAR AND ITS AFTERMATH

The Chaco War of 1932 was one of the low points in Bolivian history. It was a war which lasted three years between Bolivia and Paraguay in the Chaco Boreal territory of the Southeastern Bolivian Frontier which saw Bolivia lose 100,000 men as well as more territory than Paraguay had ever claimed prior to the war. That loss was particularly embarrassing to Bolivia since she had entered it with a better equipped and trained army than had Paraguay.1

Although the war started over a territorial dispute, Bolivia must be considered the instigator. The depression in the United States had spread to Bolivia and was cutting into the economy and closing parts of the mining interests. President Salamanca was forced into taking drastic measures to combat that
depression. In attempting inflation and money manipulation, he ran into a clash with the Liberal Party which was in control of Congress. Meeting one failure after another, he wanted to turn attention from domestic problems to other themes—such as patriotism and a foreign war. Therefore, when a border incident occurred in 1932, he deliberately provoked a full scale Bolivian reprisal which led to open warfare between Bolivia and Paraguay.2

The sense of frustration at the disaster was great among the literate elite of the nation. Further, the young veterans of the traditional upper and middle class families refused to support elite party rule. The result was a political vacuum which was soon filled with a host of new small parties and groups. Those small, competing groups prevented any one leader or party from gaining control of the government and, in 1936, the Army seized power in a bloodless coup. This marked the Army's first return to power in Bolivia since 1880.3 There followed a period during which the military elevated a series of officers to the presidency. However, none of those men proved to be effective and the next sixteen years saw the government change hands eleven times with the longest tenure of office being just over three years.4

THE MNR AND THE MILITARY UNITE

The most important party to be formed during the social disorganization following the Chaco War was the MNR which came into being in 1941. Four men who were to figure prominently in Bolivian politics in later years— Victor Paz Estenssoro,
Hernan Siles Zuazo, Jose Quadros Quiroga, and Augusto Cespedes--were the force behind the party and were responsible for its founding. They intended the MNR to be more than a "party" in the traditional sense. They intended it to be a movement linking miners, peasants, and middle class intellectuals. Operating under the symbols of nationalism and revolution, their program called for nationalization of mines, land reform, and universal suffrage and education.\(^5\)

During this period in which the military was operating at the national level and the new, small parties were forming, another group of military officers was operating behind the scenes. This group was a secret society formed by young officers in the prison camps of Paraguay during the Chaco War. Called RADEPA (Razon de Patria), the society was sworn to secrecy and vowed to save Bolivia. These young officers returned from the war and moved slowly through the army ranks. Many of them were sent to Italy and Germany for training. There, their need for pride and identity was fully exploited by their Axis hosts and many were received personally by Hitler and Mussolini.\(^6\) It was not surprising that, when their group came to power in Bolivia, they were accused of Fascist leanings.

By 1943, the young officers were majors or colonels, and the RADEPA had become a force with which to be reckoned by Bolivian politicians. Still, RADEPA officers felt that a broader political base was necessary and they started searching for an ally. The MNR, which had gained significant political power but was
still not strong enough to attempt a revolution on its own, also needed an ally. Therefore, it was not surprising when the two groups came to an understanding. A coalition of the two parties was formed which led a bloodless coup against the government of Enrique Peneranda on 20 December 1943. Major Gualberto Villarroel, a member of RADEPA, became president and Victor Paz Estenssoro, one of the founders of the MNR who would later inspire his own revolution, became the Minister of Finance.

This RADEPA/MNR regime lasted only from December 1943 to July 1946, when it was overthrown in a popular uprising. The old regime was completely ineffective in advancing any sort of social reform, while the army committed counterproductive atrocities against traditional political leaders. As hostility increased, the leaders could think of nothing short of more violence and finally the people united in an uprising against the government. After overthrowing the government, the people hanged Villarroel from a lamp post in front of the presidential palace. Thus ended the MNR and military coalition. Six years later they were destined to meet again under quite different circumstances.

Immediately after the overthrow of Villarroel, a civilian junta was formed. The army was out of politics again for the first time since the Chaco War, more than ten years earlier.
THE MNR REGROUPS

With the end of the Villarroel regime, the principal leaders of the MNR left Bolivia for Argentina where, with Juan Peron's consent, they established their headquarters. The lesser MNR members who remained in Bolivia became the opposition party while the army, purged of the RADEPA element, backed the new government.

Although most leaders of the MNR were in exile, the movement remained intact and was still a viable political force as the elections of 1949 proved. In that election, one of the leaders of the MNR, Juan Lechin Oquendo, was elected to the Senate from Potosi. The government committed a grave error when they arrested and deported him before he could occupy his seat on the Senate, leading to a miners strike at Catavi which the government tried to settle with troops. The confusion generated gave the former Finance Minister, Paz Estenssoro, an opportunity to attempt another rebellion. With the complicity and aid of Peron in Argentina, he crossed the border and attacked the frontier town of Villazon. Although that attack was unsuccessful, Paz had demonstrated his intentions to the Bolivian people.

On 7 October 1950, a number of exiled Bolivian politicians met at Santiago, Chile, and signed the COSPI (Coalition of Labor Unions and Parties of the Left) Agreement. Signatories included the Trotskyite Revolutionary Workers Party (POR) and the MNR. The principal provision of that agreement was a Bolivian Foreign
Policy which would recognize and support the Soviet Union and the "Peoples Republics." The MNR had entered into another agreement in order to gain additional support.

In preparation for the presidential elections of 1951, the POR, the MNR, the Communist Party, and the Bolivian Mine Workers united and nominated Victor Paz Estenssoro as their candidate. The opposing forces, instead of themselves uniting, put up four candidates for election.

The government initially announced that Paz would be allowed to return to Bolivia from exile to campaign for election. However, in another grave strategic error, they subsequently reversed their decision and would not permit him to cross the border. Not only were his supporters angered, but the previously uncommitted electorate was also embittered. His followers launched a vigorous campaign aimed to win over the masses. Additionally, they resorted to terrorist tactics at times such as breaking up a parade by candidate Gonsalvez. In this action they killed two marchers and wounded twenty-two others.

The results of the election, held on 6 May 1951, gave Victor Paz Estenssoro and his vice-presidential candidate, Hernan Siles Zuazo, 54,129 votes from a total of 126,123 votes cast. His nearest opponent, Gabriel Gonsalvez, Republican Socialist Union Party, received only 40,381 votes. The Congressional election saw the Republican Socialist Union Party winning nearly twice as many seats as the MNR, an indication of the tremendous personal popularity enjoyed by Paz.
Although Paz had received a plurality of the votes cast, he was not the automatic winner. The constitution required an absolute majority of popular votes for direct election. If no candidate received a majority of votes, the election was to be turned over to Congress which would choose a president from among the top three candidates. That procedure was not followed. Instead, President Urriolagoitia elected to resign and hand the reins of government over to the army. Initially, several army officers protested that the election should be decided by Congress as specified by the Constitution. A vote was taken among a number of high ranking army officers. It was decided that the MNR candidate should not take office and that a military junta should take over the government. Shortly thereafter, a general order was issued by General Ovidio Quiroga, the Army Commander in Chief, naming the junta with General Hugo Ballivian as president. The all-military regime annulled the elections and declared an end to civilian rule.\textsuperscript{21}

\textbf{REVOLUTION}

The military junta was foredoomed to failure. The MNR, which had proven in 1943 that it had no qualms about seizing power by force if it could not achieve it at the ballot box, would soon be back. Further, the junta had very little political or popular support and its leadership soon began to disintegrate. Each member of the ruling junta seemed to desire to control the junta in order to assure his own election to the presidency when
elections were held again. As a result, little or no thought was given to holding new elections. Added to these problems, was a short but severe depression in early 1952 topped off by a hunger strike in La Paz in protest against the policies of the government.22

While the junta sowed the seeds of its own destruction with its inept attempts to govern, the MNR was far from idle. Hernan Siles Zuazo, the MNR vice-presidential candidate in the recently completed elections, returned to Bolivia and organized a revolt which began in the streets of La Paz on 9 April 1952.23

The military forces put up stiff resistance but they were outnumbered and outgunned by police forces loyal to the MNR along with armed miners led by Juan Lechin Oquendo. The outcome of the battle hung in the balance for two days but on the third day, Lechin and his miners succeeded in occupying the air base at El Alto from where they interdicted loyal government troops who were attempting to reinforce the government troops in La Paz. Without reinforcement, the government troops could not hold La Paz. On 11 April 1952, the MNR forces controlled La Paz and the government of Bolivia.24
CHAPTER II

FOOTNOTES

2. Ibid., p. 33.
3. Ibid., p. 35.
5. Ibid.
6. Ibid.
8. Ibid., p. 1.
10. Ibid., p. 392.
12. Ibid., p. 72.
13. Ibid., p. 77.
15. Gutierrez, p. 81.
16. Ibid.
17. Ibid., p. 91.
18. Ibid., p. 93.
19. Ibid.
22. Malloy and Thorn, p. 46.


CHAPTER III

THE BOLIVIAN NATIONAL REVOLUTION: 1952 TO 1964

On 11 April 1952, Hernan Siles Zuazo assumed interim control of the Bolivian presidency in the name of the MNR. He wasted no time in appointing a cabinet which included all sectors of the party. In recognition of the part played by the workers during the revolution and as an example of things to come, three members of the newly organized COB (Bolivian Workers Center) were appointed as worker's ministers with cabinet rank.¹

Víctor Paz Estenssoro returned from exile on 17 April 1952, and assumed the presidency. He designated Hernan Siles Zuazo as the vice president and ratified the cabinet which had been appointed by Siles.² The new revolutionary government was now complete. Joyous demonstrations in the streets of La Paz welcomed the new government.

Paz and Siles capitalized on the error made by the government following the 1951 presidential elections by claiming that their government was now the legitimate constitutional government. They claimed that the insurrection was a means to right a wrong and that it reestablished the constitutional norms abrogated by the military junta of 1951.³ It is interesting to note, however, that while claiming their own legitimacy on the basis of the 1951 elections, they denied the rights of the Senators and Deputies who had been elected to Congress at the same time and in the same manner. Paz announced that, since the
representatives who had been elected had proven themselves unworthy and had thus automatically forfeited their mandate, he would convoke new elections.

**EARLY YEARS OF THE REVOLUTION**

The initial strength of the MNR lay in its ability to gather under its revolutionary banner such diverse groups as miners, intellectuals, and peasants. That same diversity however, soon caused a variety of competing sectors to develop within the MNR. The dominant groups within the party represented the classic left, right, and center political spectrums. The left was represented by such men as Juan Lechin Oquendo and Nuflo Chavez, who were supported by the labor unions and peasant syndicates. The right contained intellectuals and professional men such as Hernan Siles Zuazo and Water Guevara Arze, who urged caution in the implementation of reforms and resisted the militancy of the leftist group. The government bureaucracy occupied the center. Floating above those groups and attempting to maintain unity was the master politician, President Paz.

The left emerged from the 1952 insurrection as the stronger and more purposeful wing of the revolution. Ever since the signing of the COSPI Agreement in 1950, the left had been developing an ideological picture of what it wanted from the revolution. The right, in contrast, had never formulated a clear picture of what it expected to gain. It had merely concentrated on the problem of seizing power and had given little thought to the
aftermath. The MNR center had no real base and was concerned with the problem of treading the middle line between the threat of a counterrevolution from the right and the COB's demands for an immediate leftist takeover.6

For the next ten months the MNR center gave in to some of the demands of the left at the expense of the right. There slowly emerged a center-left axis dominated by Paz and Lechin, a coalition solidified by an abortive rightist coup in January 1953. Although the leaders of the coup were purged, the more important rightwing members of the party were either not involved or their involvement had been successfully concealed. Nevertheless, the rightwing did not lose all its power and the coalition continued to be flanked by the extreme left and the right.

It was during these first years of the revolution, with the center-left axis dominating, that many revolutionary reforms were enacted which would drastically alter life in Bolivia. These were: the granting of universal voting privileges, nationalization of the tin mines, reorganization and dissolution of the armed forces, and agrarian reform.7

Nationalization of the tin mines was aimed toward securing economic independence for Bolivia. Tin was the major Bolivian export but three large "tin barons," Patino, Hochschild, and Aramayo, owned practically all of the tin mines. Therefore, very little of Bolivia's mineral wealth actually benefitted Bolivians.8
Although the nationalization decree did give the government sole ownership of the three large mining companies, subsequent events made operation of the mines a drain on the economy instead of contributing to Bolivia's economic progress. Government policy caused foreign technical and managerial expertise to leave Bolivia, created overhiring and labor undiscipline in the mines, and drove the price for producing tin above the free market tin price.9

Probably the most progressive of the reforms was agrarian reform. Peasants, who had historically lived practically in bondage to the large landowners, were given land while the large landowner was removed from Bolivian life. Many of the land reform aspects recommended in 1961 by the Alliance for Progress were actually incorporated into the Bolivian agrarian reform decree as early as 1953.10

Prior to 1952, the Bolivian voting laws were such that the electoral rolls numbered less than 200,000 out of a total population of approximately 3½ million. In August 1953, the new government drastically changed that situation by granting universal adult suffrage without restrictions of literacy or income.11

The military, which had denied Paz the presidency in 1951 and had fought against the MNR insurrection in 1952, also underwent drastic change. The top military leaders were exiled or imprisoned, the entire officer corps was purged from top to bottom, and the conscripts were discharged. Although, the left-wing of the MNR argued to do away with the Army entirely and to
rely upon the civilian militias, a compromise was reached and a small military establishment was kept—reduced from approximately 20,000 to 5000 men, and requiring an oath of loyalty to the party. The Armed Forces budget was drastically limited, and civilian militias were given arms as a counterforce to the military.\textsuperscript{12}

\textbf{MIDYEARS OF THE REVOLUTION}

The battle between the right and left was rejoined with vigor in the pre-election campaign of 1956. The right had achieved additional strength as a result of the urban middle class population being driven to their side by the rising power and militancy of the workers and peasants and the grinding effects of the new inflation.

An open split in the party occurred when Walter Guevara Arze, spokesman for the right, openly attacked Lechin and the COB. The CG3 thereupon demonstrated its power by forcing a censure of Guevara. The party was deeply shaken and, to prevent another open split, a compromise ticket was formulated with Hernan Siles Zuazo as the presidential candidate and Nuflo Chavez, a prominent member of the COB, as the vice-presidential candidate. After considerable in-fighting over the party's legislative list, during which Siles threatened to resign, the Siles-Chavez ticket went before the people. As expected, the MNR ran away with the elections of 1956, the first general elections with universal adult suffrage.\textsuperscript{13}
When Siles assumed office in 1956, inflation had reached emergency proportions. The cost of living index had increased by an average of 147 percent for each of the first four years of the revolution. The free-market rate of the dollar had risen from 250 bolivianos in 1951 to 8565 in 1956. Simultaneously, Bolivia had lost all of the gold and foreign exchange reserves which it had in December 1952, while United States economic assistance had reached a figure in excess of 78 million dollars for the four year period.14

In order to achieve his stated goal of institutionalizing the revolution, Siles intended to rely heavily on U.S. economic assistance. However, before anything else would be done by the U.S., the inflation had to be stopped. The result was a monetary stabilization plan jointly drawn up by the Bolivian government and a U.S. advisory team. The plan was based on strict monetary logic and called for a return to a free market in which all price controls would be removed and further increases in consumption power restricted.15

While it succeeded in slowing the runaway inflation, the plan affected various sectors of the Bolivian economy in differing ways. The most adversely affected segment was the labor left--particularly the miners. Juan Lechin Oquendo naturally lined up behind the labor segment in opposition to the plan. The ensuing struggle between Siles and Lechin dominated the years of Siles' presidency.16
The Siles-Lechin battle ruptured the center-left coalition which had controlled the revolution since 1953. In 1958, Siles succeeded in redesigning the legislative lists in favor of people loyal to him. The result was a center-right coalition at the national level.  

Siles then took two giant steps which were to have critical significance in the future of the MNR. First, he began, with help from the U.S. Military Assistance Program, to rebuild the Armed Forces and to restore its public image. Next, he appointed Jose Rojas Guevara as Minister of Peasant Affairs, thus permitting the first Indian peasant in Bolivian history to hold a cabinet post. He then used the Army to intervene in Rojas behalf in an intracampesino war in the valley, thereby aiding Rojas in establishing his control over the area. Behind these moves was a concerted effort by Siles to establish the army as a counterbalance to the miners' militias and to gain support from the valley peasant groups. He succeeded in part, but the army was still no match for the militias and, even though he did gain support from the valley peasants, the Altiplano peasants were still solidly behind Lechin.  

By 1959, Siles appeared to have the best of the fight but the costs had been high. The period from 1957 to 1959 saw violent demonstrations, bitter strikes, and several political assassinations. In early 1959, after a particularly bloody clash in the mines, Siles, fearing open civil war, relaxed his pressure on Lechin. This amounted to a political standoff and both sides
began to lick their wounds and look forward to the 1960 conven-
tion and ways to improve their positions. 19

THE DISINTEGRATION OF THE MNR

The serious splits within the MNR, which would eventually
lead to its downfall, were accelerated during the presidential
conventions of 1960.

Walter Guevara Arze, one of the original founders of the
MNR and a leader of the party's rightwing, hoped to be named
the MNR presidential candidate. However, Paz Estenssoro
announced at a late date that he would be a candidate for the
election, effectively ending anyone else's chances. Guevara and
the right were further incensed when Paz named leftist Juan
Lechin as his running mate. Frustrated and bitter, Guevara
became the first major leader to completely break with the MNR.
Before the election he formed his own party, the "Authentic MNR"
(MNRA), and ran in opposition to Paz. His presidential ambi-
tions were not realized, however. Paz Estenssoro and Juan
Lechin were elected by a wide margin.20

The MNR appeared to be driven once again to the center-left
coalition which had existed in the first years of the revolution.
Further, Lechin and the leftwing of the party had been given
assurances that Lechin would be the MNR presidential candidate
in 1964.21

Paz began his second term as President of Bolivia in the
same year that John F. Kennedy was elected President of the
United States. Shortly thereafter, Kennedy launched the Alliance for Progress in Latin America. Paz recognized Kennedy and his advisors as men who understood what he had always wanted for Bolivia—a reformed capitalist system in which the state would regulate, but not dominate, the economy. His idea of state capitalism was acceptable to Washington and the drafters of the Alliance for Progress saw in Bolivia a potential showcase of the Alliance. The United States pledged its wholehearted support to Paz and U.S. economic aid within the framework of the Alliance for Progress became the basis of Bolivia's development.  

In order to begin the movement toward the state capitalist model, Paz recognized that he would have to resolve three difficult problems. He had to assert the control of the national government over local decision centers, discipline the unwieldy MNR party apparatus, and form an effective power bloc to impose the state capitalist model.  

In an attempt to break the hold of local power centers and establish national control over them, Paz followed a strategy of playing off the local leaders against one another. The threatened leaders responded to the challenge and the level of violence escalated rapidly in all areas.  

The party apparatus presented a problem of gigantic proportions. The MNR was divided along ideological lines as well as into factions of job-seeking cadres who had traded a party oath for a bureaucratic sinecure. Paz openly attacked the problem but could do little to remedy it. Therefore, he resorted to
gathering around him his own loyal faction made up mostly of young, post-1952 figures. As he installed his new group in key government positions, those excluded bitterly attacked both Paz and his men, insulting referring to them as "the Paz gang." Although, Paz outwardly appeared to dominate the MNR, large sections of the party were becoming increasingly hostile to him.24

Paz also determined that one of the major roadblocks to Bolivia's development was labor. Since the early days of the revolution, a negative relationship had existed between productivity and labor costs. Labor undiscipline and the lack of managerial authority had caused excessively high labor costs. The size of the work force, wages, fringe benefits, etc. had to be cut down and every attempt by the government to cut wages or lay off workers was met by strikes and demonstrations.25

By late 1963, the situation began to get out of hand, and Paz arrested two important mine union leaders on a long-standing charge of murder. The miners at Catavi responded by taking seventeen hostages, including four Americans, and by declaring a strike. The army surrounded the mining areas while loyal Paz peasants marched to the gates of Catavi. The miners gave in, freed the hostages, and returned to work. From then on, however, the gap between Paz and the left sector widened as charges and countercharges filled the press.26

It also became apparent in 1963 that Paz had no intention of honoring his promise to Juan Lechin Oquendo that he would be the 1964 MNR presidential candidate. Further, Lechin's left
sector had been lost to Paz and, since a revitalized military--presumably loyal to Paz--could offset that loss, Lechin was no longer important to Paz. After he had denounced Paz during the 1964 convention, Lechin was formally expelled from the MNR. He then formed his own party, the Revolutionary Party of the Nationalist Left (PRIN). The MNR was broken--rightist Guevara had deserted in 1960 and then the leftwing was lost in 1964.

The Rise of Barrientos

At the same time that Paz was beginning to rely on the military to carry forward his concept of the revolution, his relations with the military were complicated by the ambitions of Rene Barrientos Ortuno, a talented Air Force general. As events would later show, it would be this man who would lead a conspiracy against Paz.

Barrientos was born in Cochabamba of an Indian mother. It was in Cochabamba that he was reared and where he attended primary and secondary schools. He graduated from the Army Military College in Bolivia, received pilot training in the United States under the auspices of the Military Assistance Training Program, attended the School of Air Warfare in Italy, the American University in the United States, and the School of Higher Military Studies in La Paz. A talented and ambitious man, he rose rapidly in the Air Force, serving in such posts as Base Commander, Air Attache in England, Commandant of a military aviation school, Commandant of Military Air Transport, and Commander...
of the Air Force. His first exposure to the broader arena of politics came in 1962 when Paz asked him to help heal the wounds caused by Paz's campaign to consolidate his control over warring peasants in the Cochabamba Valley. Barrientos, because of his fluent Quechua language, his ties from birth with the valley, and his charm, was successful in bringing feuding valley leaders together with Paz.

His first political experience only served to increase his political ambitions. He began to make numerous trips to the Cochabamba Valley as well as to other areas of Bolivia. A strong supporter of military civic action, he had the Air Force build schools in the Cochabamba Valley. He dedicated those schools and large crowds attended his speeches. As his public exposure increased so did his popularity. He was the kind of man people naturally follow, displaying charm, personal courage, and machismo or manliness. The peasants saw him as an interested, compassionate leader. The people in the cities felt that he represented order and discipline. By early 1963, several peasant sectors were proposing that the MNR nominate him for vice president. By the time of the MNR convention in January 1964, he commanded widespread grassroots support.

Paz considered Barrientos as too formidable and too ambitious for a running mate and favored instead one of his own staunch supporters, Frederico Fortun Sanjines, for the vice presidential nomination. In spite of Barrientos' popularity, the MNR sided with Paz and nominated Fortun over Barrientos.
After the convention, Barrientos issued a statement of support for the MNR and it appeared that the issue was settled.31

On the morning of 23 February 1964, the apparent calm was shattered when Barrientos was shot while leaving his sister's home. Fortunately for Barrientos, the bullet struck a set of US Air Force wings and he was only wounded. He was rushed to Gorgas Hospital in the Panama Canal Zone where he recovered rapidly.32

The shooting made Barrientos even more of a hero in the public eye and it forced the military to unite behind him. They put pressure on Paz to dump Fortun in favor of Barrientos and when the pressure finally became too great, Fortun resigned. Paz then invited Barrientos to return to La Paz and accept the vice presidential nomination.33

The elections were held in May and, predictably, Paz and Barrientos were elected.

The Golpe

The inauguration of Paz and Barrientos took place on 6 August 1964, and by late September the decision had been made to depose Paz.34 No date was set, however, and Barrientos' strategy was to encourage and contribute to events that could produce instability and discredit Paz.

At the time of the election, there were three main groups in opposition to Paz—the Bolivian Socialist Falange (FSB), the Revolutionary Party of the Nationalist Left (PRIN), and the
supporters of Barrientos. Each of these groups had its own operational cadres. The FSB had powerful student militants in the universities, the PRIN had its miners, and Barrientos had the peasants in the Cochabamba Valley as well as a number of military officers.35

The long-range objectives of each of these groups were in conflict in that each desired to control Bolivia. The short-range objectives were compatible—to overthrow Paz. In this time frame, Barrientos, even to the FSB, was Paz's logical successor. The PRIN just wanted to see the end of Paz and was willing to accept Barrientos.36

The situation developed quickly as students voiced the illegitimacy of Paz's succeeding himself as president and the lack of government funds available to the universities. The PRIN accused the government of being against the workers and of betraying the revolution. Its leader, Juan Lechin also accused the Paz government of being unconstitutional. All groups complained openly about "Control Politico," the political police, for its harsh methods of surveillance, arrest, and interrogation. Barrientos adopted a strategy of championing the causes of the dissident elements while attempting to undermine Paz within the party and broadening his own base of support with the armed forces.37

In the late summer and early fall of 1964, the situation approached its climax. The miners initiated a new series of strikes reinforced by a national teachers strike. Students
supported both actions and took to the streets. Paz called on the military and the peasants to restore order as Barrientos went to Cochabamba where he declared himself in rebellion. The key peasant leaders supported Barrientos and let it be known that they would not intervene. Paz was now dependent upon the army and one man in particular, General Alfredo Ovando Candia, the Commander in Chief of the Bolivian Army. Ovando's position, however, was ambiguous. In the capital he appeared to be Paz's loyal military chief when, in actuality, he was working with Barrientos to topple Paz. It was not until late on the night of 3 November 1964, that he informed Paz that he could no longer control the army. The following morning, Ovando informed Paz that the military would appreciate his withdrawal from the country. Realizing that all was lost, Paz accompanied Ovando to the airport and departed for Lima, Peru.

Government control by the MNR, the party which Paz had helped to form in 1941 and had led to power in 1952, had ended.

Barrientos arrived from Cochabamba and appeared with Ovando on the balcony of the Palacio Quemado--the Presidential Palace. When he proclaimed that he was forming a military junta which would be presided over by himself and General Ovando, the crowd cried, "Barrientos, si! Ovando, no!" The two men then disappeared into the Palace, and Barrientos later returned to the balcony alone and announced that General Ovando had resigned as copresident.
CHAPTER III

FOOTNOTES

2. Ibid.
10. Ibid., p. 161.
11. Osborne, pp. 72-73.
12. Gutierrez, p. 120.
17. Malloy and Thorn, p. 132.
18. Ibid.
19. Ibid.

33


22. Malloy and Thorn, p. 139.

23. Ibid., p. 140.

24. Ibid.

25. Ibid., p. 141.


27. Ibid., p. 23.


30. Ibid., p. 23.


32. Ibid.

33. Ibid.


35. Brill, p. 36.

36. Ibid.

37. Ibid., p. 36.

38. Ibid.


41. Ibid.
CHAPTER IV

REVOLUTION WITHIN A REVOLUTION

To the uneducated observer, it would appear that, with the toppling of the MNR and the return of a governing military junta, Bolivia had come full circle since 1952. The Bolivian National Revolution, however, had changed Bolivian life so drastically that there could be no return to the pre-1952 situation. The junta did not speak of undoing the reforms initiated by Paz. In fact, it made a point of emphasizing that it was not counterrevo-

lutionary, but rather as lending a purer and sounder interpreta-

tion to the National Revolution than had been offered during the last years of the Paz government. In a speech in November 1965, Barrientos told a group of peasants:

We never threw the Bolivian Revolution aside;
we would never change it for anything. . . .
We made a revolution within the revolution. . . .
We achieved the restoration of the revolution.1

JUNTA RULE

Although Barrientos remained sole president of the military junta from November 1964 to June 1965, when Ovando was reinstated as copresident, the junta must be considered to have been led by a Barrientos-Ovando coalition. Ovando supported that fact when he became copresident of the junta by stating that, in reality, there was still only one president since both he and Barrientos shared the same objectives.2
In many respects they followed the same overall strategy initiated by Paz in the early 1960's. The main difference was that they could do so with much more ruthless efficiency since they had a much stronger armed forces behind them.

The labor left, which had played an important part in toppling Paz, was soon to learn that the pressure on its economic and political status had not ended when Paz was removed from government. COMIBOL was soon reorganized and put under the control of a military director. The new director announced that previous plans for layoffs and salary reductions would be broadened and enforced. Mine payrolls were sharply reduced, wages were cut, and the control formerly exercised by labor leaders over policymaking was virtually eliminated.3

The miners reacted violently to the government's moves. The military, thereupon, moved into the mines, broke the strike, and disarmed the miners. When the rest of the labor left protested the military's action, they too were crushed. Juan Lechin Oquendo was exiled, the COB was smashed, and all of the major union leaders either left the country or were driven underground.4

For the time being, the junta had achieved its objective of breaking the power of the labor left; however, in so doing, they seriously alienated that sector. Further, Juan Lechin Oquendo, although definitely a leftist, had been the miners hero and had performed a major service both by presenting the miners' point of view to the government and by preventing many serious collisions between the two. The junta had destroyed that link.
In January 1966, the junta announced that elections would be held in July of that year. Barrientos, as required by the Constitution, resigned in order to campaign for the presidency, leaving Ovando as sole president of the junta.5

To promote his candidacy, Barrientos organized a new party, the Movimiento Popular Cristiano (MPC) which became the nucleus of a larger coalition, Frente de la Revolucion Boliviana (FRB). Besides the MPC, the FRB also included the Authentic Revolutionary Party (PRA), the Social Democratic Party (PSD), the Leftist Revolutionary Party (PIR), and the Chaco War Veterans Confederation. Barrientos ran as the presidential candidate of the FRB and Luis Adolfo Siles Salinas, leader of the PSD, was his vice-presidential running mate.6

The FRB, which occupied the dominant position that the MNR had held until 1964, met with little opposition. That opposition came mainly from the FSB. Only token opposition came from the formerly all-powerful MNR which was split into two splinter groups, one running under the MNR label and the other as the Revolutionary Paz Estenssorist Movement.7

Ovando promised that the elections of 3 July 1966, would be the most honest elections in the history of Bolivia and invited a team of OAS observers to witness the balloting. That team reported that the election was conducted in a manner that reflected the highest credit on the people of Bolivia and their civil, military, and electoral authorities.8
The results of the election gave Barrientos and the FFB 62 percent of the valid votes while the closest opposition, the FSB, collected only thirteen percent.9

RETURN TO CONSTITUTIONAL RULE

Although he had initially come to power as a result of a military coup, Barrientos was now the constitutional president of Bolivia. He had scored an impressive victory in an honest and peaceful election.

Barrientos continued to emphasize that his government was not counterrevolutionary. In a speech presented in Washington following his election to the presidency, he expanded on that theme:

The MNR, in its first period of government carried out fundamental reforms which were applauded by all. . . . But along with the farsighted measures, the MNR also made some gross errors that caused loss of prestige and precipitated the fall of the MNR in November 1964. . . . All the great objectives of the National Revolution had been betrayed . . . the social and revolutionary content of the April 9th revolution was dissipated. . . . The revolution of 1952 will now take a new road of honesty, of order, of peace, and of social justice such as that which the people demanded on November 4, 1964.10

Barrientos brought a return of confidence, people, and money to Bolivia while still nudging the revolution on its way. The changes he inaugurated in pursuing the goals of the revolution were qualitative rather than radical. Steps were taken to reorganize and rationalize the government, the labor code was
enforced more strictly with regard to employer rights and trade unions were prohibited from political involvement. An investment plan was established which granted tax incentives to certain types of manufacturers and established an Institute for the Promotion of Investment. Well qualified Bolivian technocrats were placed in important positions, and the rudiments of a government bureaucracy, which was not so motivated by politics, began to appear.11

Petroleum became one of the major expansionary economic forces. Oil production almost doubled in 1966 when Bolivian Gulf's Caranada field came into full production. By 1968, oil had become a major export, constituting fifteen percent of Bolivia's total export income.12

A Natural Gas Agreement was concluded with Argentina under which Bolivian Gulf Oil was to build and finance the construction of a gas pipeline from Santa Cruz to the Argentine border. Although almost all the input into the gas pipeline was to be provided by Bolivian Gulf Oil, Bolivia secured joint ownership and was thereby able to maintain the principle of joint sovereignty over its natural resources.13

All was not roses for Barrientos, however. The working sectors of the population, particularly the miners, strongly opposed his regime. Although they were in no position to challenge the regime alone, the miners soon had indications that they were not completely alone. The universities had shifted to the left and had become an increasing source of harassment to the
government. Additionally, there were indications that Paz, Siles, and Lechin had set aside their differences and that the majority of the old MNR was again relatively unified.  

Barrientos regime had two serious structural weaknesses. It actually had no real political organizational base and it excluded the two most potentially powerful civil political groups, the MNR and the FSB. It was built on military power and popular peasant support.  

The army—and Barrientos—gained considerable prestige when it crushed a guerrilla movement and captured its leader, Ernesto "Che" Guevara. However, when Che's diary turned up in Cuba and it was later revealed that Barrientos' friend and Minister of Government, Antonio Arguedas, was the person who had sent the diary, Barrientos was faced with a crisis. Arguedas escaped Bolivia only to return later and insist that he had been an agent of the CIA. The government was deeply shaken, a wave of nationalist indignation swept the country, and a cloud of suspicion descended on Barrientos.  

Vice president Siles publicly assailed Barrientos and accused him of subverting the Constitution while, at the same time, there were rumors of a split between Barrientos and Ovando.  

After an attempted coup by General Vasquez Sempertegui, it became obvious that Barrientos has serious problems within his military organization. Even the military, the only real national organization, was split along ideological, generational, and personal lines. Everyone believed by now that Barrientos' hold
The reign of Barrientos ended abruptly on 27 April 1969—not by a coup but in a tragic aircraft accident. On one of his many trips to the interior, his helicopter struck a high-tension wire and crashed, killing President Barrientos.

The death of Barrientos was also to mark the end of the modest economic boom Bolivia had achieved with the help of the foreign capital investment which had come with the Barrientos era.

**OVANDO: 1969-1970**

Luis Adolfo Siles Salinas was the constitutionally elected vice president of Bolivia. Upon the death of Barrientos he should have automatically ascended to the presidency, but the military—Ovando in particular—was still the force which would decide the presidency. This was clearly demonstrated when Siles felt forced to go to the army high command to request their permission before assuming his mandate. Ovando, who was out of the country at the time of Barrientos' death, rushed back to La Paz.

It is generally agreed that Ovando wanted the presidency for himself but that he preferred to get it by constitutional means. Since elections were already scheduled for July 1970, little more than a year away, he undoubtedly decided to let Siles keep the presidency until that time. Other events, however, were destined to alter that decision.
Ovando hoped to solidify his position with the armed forces and to gain the peasant support of the late president. Although he was a powerful man, he could not spark the public imagination as Barrientos had. However, with all his shortcomings, it did not appear that there was any person of significant stature in a position to seriously challenge him for the presidency. Suddenly, the popular mayor of La Paz and Chaco War hero, General Armando Escobar Uria, announced his candidacy for the presidency. A serious challenger had emerged and Ovando began to run scared.23

While Ovando felt his popularity challenged in La Paz, other developments were taking place in the interior. Many local leaders who had been forced into hiding by Barrientos reappeared to challenge government-supported leaders. It soon became obvious to Ovando that he could count on very little support from the peasants. The situation was getting out of hand.24

Ovando was given an excuse for taking action by the reemergence of a guerilla movement. This time, instead of rural action, the guerillas carried out a series of terrorist raids in La Paz which revealed the weakness and vulnerability of the Siles regime. Declaring the need for national pacification and calling for a true nationalist political program, Ovando moved to replace Siles. On 27 September 1969, while Siles was touring in Santa Cruz, Ovando had him arrested and flown to Chile.25

Nobody denies that Ovando had lusted for the presidency since the early 1960's. He had played an important part in the overthrow of the MNR in 1964 only to see the great popularity of
 Rene Barrientos force him to remain on the sidelines for five more years. He concurred in vice president Siles assuming the presidency after the death of Barrientos, preferring to realize his ambitions through constitutional means. A series of events forced him to act when and as he did. His popularity was waning, there was a deep split in the armed forces with the conservative element threatening to take power themselves. Ovando undoubtedly felt that he had to strike before he was struck down along with President Siles.26

Upon taking office, Ovando pledged to secure national sovereignty over the means of production, improve the mining sector, promote heavy industry, enhance the rights of workers, and establish a nationalist economic policy.27 Obviously, he was impressed that the National Revolution was real, that reforms were irreversible, and that the future of Bolivia—and Ovando—was in nationalism and socialism. He could well have taken the name "Nationalistic Revolutionary Movement" had it not been the name of the party he had helped to overthrow.

Ovando's first order of business was the establishment of a new Cabinet. The Cabinet he named reflected a spectrum from army to civilian, and from right to left. The sixteen man Cabinet consisted of nine civilians and seven officers of the armed forces. Of the nine civilians, two had been associated with the MNR, two with the PDC, and four were independents. General Juan Jose Torres, a man who would figure prominently in

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the future of Bolivia, was named to replace Ovando as Armed Forces Commander in Chief.28

Upon assuming office, Ovando announced that the petroleum code was nullified. His stated reasons for the action were that the law was drafted by American lawyers to the prejudice of Bolivian interests in that the state's income from profits and royalties was limited.29 He followed on 19 October 1969, with the nationalization of Bolivian Gulf Oil Company, which was owned by United States interests. The takeover was probably the first step to win the support of the organized left, with the intention of uniting the military with the militant mineworkers, laborers, and peasants of the radical left.30

A major structural weakness in Ovando's regime--like Barrientos before him--was that he had no political base of support.31 He was dependent almost entirely on the armed forces and, as mentioned before, the armed forces was split between left and right wing elements. Ovando's prominence was largely due to the fact that he had been able to control various factions within the armed forces and to prevent serious breaches from developing. His later actions indicate that he possibly lost sight of that fact.

The early leftist actions of Ovando's regime caused serious dissension among the military officers. The nationalization decree and the inclusion of two extreme leftist politicians in his original Cabinet caused the conservative military officers' initial dissatisfaction. Other actions, such as announced
budget cuts and force reductions, were viewed by many members of the armed forces as a direct threat to their institution. So, while Ovando was favoring the left to win their support, he was losing the support of the right.\textsuperscript{32}

By midsummer, there were fears in La Paz of another coup from the conservative forces within the army led by General Rogelio Miranda. Ovando then began to favor the right to some extent and removed General Juan Jose Torres from his post as Commander in Chief of the Armed Forces.\textsuperscript{33}

The political crisis continued to deepen and, on 4 August 1970, the entire Cabinet resigned. Ovando submitted his resignation to the army high command but, being unable to decide on a successor, they refused to accept it.\textsuperscript{34}

With the resignation of the Cabinet and Ovando's swing to the right, student radicals took increasingly to demonstrations. At the same time, guerilla activity increased in northern Bolivia and students began to threaten to join the guerrillas.\textsuperscript{35} Ovando had definitely lost control of the situation.

On 4 October 1970, General Miranda led a revolt by part of the armed forces and called for Ovando's resignation. Miranda announced that the Ovando government was plagued by demagogy and internal contradictions and was causing animosity between the armed forces and the popular segments.\textsuperscript{36} The armed forces, however, were not united. Some factions still remained loyal to Ovando against the rebels. On 5 October, after a meeting of

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approximately 350 army officers, the army asked for the resignations of both Ovando and General Miranda.37

Ovando resigned on 6 October, but Miranda declared that a military triumvirate would take over the government. The triumvirate was to consist of General of the Air Force Fernando Sattori, General of the Army Efrain Gauchalla, and Admiral Alberto Albarracín.38

However, upon Ovando's resignation, General Juan Jose Torres had stepped in to take over Ovando's supporters along with militant students and armed peasants. The struggle was decided when General Sattori came over to Torres' side, bringing the Air Force with him. The remaining two members of the triumvirate gave up the fight when faced with Torres' show of power.39

The armed forces, which had put Ovando in the presidency, had removed him from power. He had lacked a solid political base of support and had relied solely on the military, which proved to be seriously split. He had increased that split and alienated both left and right factions by switching back and forth between left and right in trying to gain support from both sides.

TORRES: 1970-1971

General Juan Jose Torres Gonzalez, after a lifetime spent in relative obscurity, had suddenly emerged to proclaim himself leader of "the revolution of the people." He had captured control of a loose alliance of leftwing officers and civilians and turned a rightwing coup into a leftist takeover.40
He had supported the previous revolution of the MNR, the coup of Barrientos, and the coup of Ovando. He had never been considered a radical leftist and had only started showing leftist leanings with the rise of Ovando's nationalistic government. After being forced out of his post as Commander in Chief of the Armed Forces and retired by Ovando, his leftist sympathies had greatly increased and he had started talking revolution.\textsuperscript{41}

He emphasized his leftist leanings and established the direction that his regime would take in his first speech after assuming the presidency. In that speech he promised that he would be an ally of workers, students, and peasants in a revolutionary program of social reform and nationalization of foreign enterprises.\textsuperscript{42}

The radical Marxist students saw in the ensuing confusion a chance for the outright establishment of a revolutionary socialist regime and wasted no time in trying to take over the nation. By 10 October 1970, they had virtually destroyed Bolivia's national police force and were imposing a reign of terror on the nation. Armed students forcefully took over all of the moderate newspapers in La Paz and transferred ownership to workers cooperatives. The only newspapers in La Paz then became organs of the extreme left.\textsuperscript{43}

United States possessions became the major target of the students as their demonstrations became increasingly anti-American. They demanded the immediate nationalization of all
U.S. holdings without compensation and the expulsion of the Peace Corps and the US Military Group.^44

Torres was attempting to build a political base of support from among the leftwing element and was hesitant to move against the students. Even though he continued to make more and more concessions to the radical left, they were still not pleased with the speed with which he was moving. The students declared their opposition to his government, stating that no general could provide a truly revolutionary government and that armed struggle must continue to the final victory.45

As the government continued to move to the left and to make concessions to the radical left element, the conservative element became increasingly fearful. On 11 January 1971, a rightwing coup, reportedly led by Col. Hugo Banzer Suarez and Col. Edmundo Valencia, was attempted. However, the coup was poorly planned and ill timed and was rapidly crushed. Banzer and Valencia were both forced to flee the country.46

Terrorism continued throughout the first seven months of 1971 as Torres continued to woo the radical left. In doing so, however, he achieved neither political popularity nor economic stability. He was finally forced to share political authority with a Popular Assembly of leftwing union leaders, Marxist politicians, and radical students. The president of the assembly was none other than the old leader of the MNR left, Juan Lechin.47

At the same time that the radical elements were forcing the expulsion of the United States Peace Corps and the nationalization
without compensation of all major U.S. private mining interests, the influence of the Soviet Union and other Eastern European countries was increasing rapidly. The Russian diplomatic community grew to more than ninety accredited representatives and Soviet representation in unions, universities, and government agencies became common.\textsuperscript{48}

In a repeat of the 1952-1956 period, pressure from mine unions forced the hiring of approximately 4000 extra workers and the dismissal of many high level managers. Predictably, the price of producing tin rose from about $1.30 a pound to approximately $1.55 a pound.\textsuperscript{49}

The Torres regime was making many of the same mistakes that the MNR had made in the early days of the revolution. The mistakes of the new government were much greater, however, since they did not have the stabilizing influence of the rightwing element as did the MNR. Bolivia was rapidly becoming a Marxist state.

Meanwhile, however, Hugo Banzer Suarez was far from idle. From his exile in Argentina, he fashioned a political alliance between two old enemies, the MNR and the rightwing Bolivian Socialist Falange (FSB) and made plans for a move against the Torres government.\textsuperscript{50}

He chose as his base of operations, the eastern lowland province of Santa Cruz, whose economy had been drastically crippled by the nationalization of Bolivian Gulf Oil and several other private sugar mills. On 19 August 1970, after a government
arrest of approximately thirty persons—including Banzer, who had stolen back into Bolivia—the MNR and the FSB declared a rebellion against the government.\textsuperscript{51}

Colonel Andres Selich, Commander of the Eighth Division in Santa Cruz, declared himself in support of the rebels and quickly moved to take control of the provincial capital. Commanders of other key garrisons in Bolivia, including General Jaime Mendietta in Cochabamba, quickly followed in announcing their support of the rebels.\textsuperscript{52}

Left with the presidential guard unit, the Colorados, as the only army unit behind him, Torres called upon the peasants, miners, and students to crush the "fascist rebellion." However, the peasants, true to form, ignored the government's plea and stood by as mute spectators. Even the miners did not wholeheartedly support Torres as only a relatively small number—about 5000—politically militant miners and urban factory workers took up arms in his behalf.\textsuperscript{53} The students did respond but their numbers were limited and they could do little more than harass the rebels.\textsuperscript{54}

With all hope gone, Torres and his principal supporters either sought asylum or went into hiding. Hugo Banzer Suarez, by decision of the military high command, thereupon assumed the presidency of Bolivia.\textsuperscript{55}
Upon assuming the Bolivian Presidency on 23 August 1971, Banzer told the nation that he offered little and would probably expect a lot. He asked for unity and hard work to bring Bolivia and Bolivians progress.

He then proceeded to name a new Cabinet composed of members of the MNR, the FSB, and the military. The military representation in the Cabinet, however, was limited to two men—Col. Andres Selich, who led the uprising in Santa Cruz and General Florentino Mendietta, who had secured Cochabamba for the rebels. They were named Minister of Interior and Minister of Defense respectively. Mario Gutierrez, the leader of the FSB, was appointed Minister of Foreign Affairs. Victor Paz Estenssoro, leader of the MNR, returned from exile but did not take a Cabinet post. A party spokesman announced that Paz would only be an adviser to the government.

Banzet promised to banish the words right and left from the Bolivian political language. Admittedly, that is an admirable goal but it also appears quite impossible.

Possibly the most important strength of Banzer's government is that it has a relatively strong political base of support. The FSB, MNR, and military coalition can offer him the strongest political base of any regime since the overthrow of the MNR in 1964. Further, he is held in high esteem by the military, especially among the junior officers.
However, his government is practically bankrupt. Bolivia desperately needs foreign capital investment. To secure it, Banzer is desperately attempting to create an atmosphere conducive to foreign investment. To that end, a new Law of Investments was decreed on 16 December 1971, and has been published in its entirety in many countries of the world, especially in the United States. He has resolved the compensation dispute with Gulf Oil Company which has assured the completion of the gas line to Argentina. When that line is completed in April 1972, Bolivia will begin earning $25 million annually. Other operations which were confiscated during the Torres regime are well on the way toward agreeable settlements.

Nearly all of the political and labor leaders of the radical left, who left Bolivia after the overthrow of Torres, are now in Chile. There has already been one unconfirmed report that they are organizing and training for an infiltration attack against Banzer's government. Although that claim cannot be confirmed, it is extremely doubtful that Bolivia has seen the last of the exiles.
CHAPTER IV

FOOTNOTES


8. Brill, p. 49.

9. Ibid.


12. Ibid., p. 200.

13. Ibid., p. 201.


15. Ibid.


18. Malloy and Thorn, p. 150.
19. Ibid.
20. Ibid.
32. Ibid.


41. Ibid.


44. de Onis, "Torres Trying to Solidify Leftist Rule," p. 12.


48. Ibid.

49. Ibid.


51. Ibid.


53. Ibid.


57. Ibid.


63. Ibid.
CHAPTER V

SUMMARY AND CONCLUSIONS

SUMMARY

The Chaco War and its aftermath set the stage for the Bolivian National Revolution. The three year conflict discredited the army, disorganized the economy, sowed discontent among the elite of the nation, and disrupted traditional political parties. It started a period of social ferment during which the Movimiento Nacionalista Revolucionario (MNR) was born. It reached its climax on 9 April 1952, when the MNR overthrew the government and began the National Revolution.

During the next twelve years, the MNR brought to Bolivia a profound movement of social, political, and economic reforms which drastically altered Bolivian life. The country started a process of democratization through land for the peasants, through the right to organize, and through a strong voice in the government by the illiterate. Bolivia also had twelve years of constitutional rule during which time three democratic elections were held and the victors in those elections peacefully assumed office. It appeared that the MNR had brought to Bolivia a system in which various groups could compete for value and power under the mantle of a single party. The MNR finally collapsed, however, and the military again took over the government after twelve years of noninterference.
Beyond the fact that the MNR supporters were united in a desire to change the established order of prerevolutionary Bolivia, the MNR was merely a united front of diverse interest groups rather than a well integrated political party. Each of these groups had its own idea of what the revolution should achieve and how it should go about achieving those goals. Clashes between the groups, which represented the classic left, right, and center political spectrums, were frequent during the entire twelve years of MNR rule. In the final analysis, the MNR was never able to aggregate the demands that were made upon it by the various groups which composed the part.

Although the ideological splits within the party became more serious during the latter years of MNR rule, it is possible that the difficulties could have been overcome but for one man—Victor Paz Estenssoro. During his second presidential term, he largely ignored the demands of both the right- and leftwing elements of the party and attempted to further his own idea of government. The final split in the party was created when Paz elected to succeed himself as president in 1964. That decision lost Paz the support of both the left- and rightwing elements of the party and paved the way for the military to overthrow the MNR.

Many theories have been advanced to explain why military forces intervene in the politics of a country. The most complete study, and the one which lends itself to an analysis of the Bolivian situation, was accomplished by S. E. Finer. In his book, *Man on Horseback*, he advances a set of motives for military
intervention. Those motives include class interests, regional interests, perception of national interests, the corporate self-interests of the military, and the self-interest of individual officers.¹

Although several of these motives were evident to varying degrees in the Bolivian coup of 1964, the latter appears much more evident. Barrientos was an ambitious man who desired to become president. He went to great lengths to develop a popular following and then capitalized on that popularity in mobilizing and giving expression to discontent within the military officer corps. While serving as vice president, he sowed seeds of discontent among various elements opposed to Paz and insured that he became the one acceptable alternative to Paz. When the time was right, he moved to depose the president and assumed the presidency himself.

The military's perception of national interest as a motive for intervention was also evident to a lesser degree. With the civilian political situation reduced to one-man rule and with strikes and demonstrations becoming increasingly dangerous, the military officers no doubt saw military intervention as the only alternative to chaos and anarchy and were agreeable to supporting Barrientos in a military coup.

The military's corporate self-interest was also at stake. Remembering the dismembering of the military immediately following the 1952 revolution, and with the distinct possibility of a leftist takeover by students and miners, the military saw their very survival in jeopardy.
Class interests and regional interests can be dismissed as having played no important role in the military intervention of 1964.

Elections were held in 1966 and Bolivia again returned to constitutional rule for a three year period. After Barrientos, the constitutionally elected president, was killed in an aircraft accident, he was succeeded by the vice president. However, shortly thereafter the military once again intervened and General Alfredo Ovando Candia was made president.

Ovando had wanted to secure the presidency by constitutional means if possible. However, when he saw his popularity diminish and his presidential ambitions threatened, he led a military coup and secured the presidency in that manner. In order to secure the support of the uncommitted elements of the military, he capitalized on the guerilla threat and President Siles' inability to pacify the nation. Therefore, two of Finer's motives for military intervention were evident in Ovando's coup—the self-interest of the individual officer and the military's perception of the national interest. Primary, however, was the individual self-interest motive.

The military coup of 1970 was not a military overthrow of a civilian government but rather the replacement in the presidency of one military officer with another military officer. The coup was largely the result of differing ideologies within the military forces. Ovando himself contributed largely to that split by first favoring the left and then the right. The conservative
element saw his actions as a grave threat to the military institution and sensed his nationalistic policies as a threat to what they perceived to be in the best interests of the nation. It was this same conservative element which actually instigated the coup which overthrew Ovando. However, the Armed Forces were so divided that they could not decide on a successor to Ovando and, in the ensuing confusion, General Juan Jose Torres, a leftist general, was able, with the help of radical students and mineworkers, to turn the rightist coup into a leftist takeover. Torres did not come to power on the strength of the military forces he commanded, but rather through the active support of radical civilian elements and the passive support of a divided military.

The coup of 1971, which toppled Torres from power, was definitely a coordinated military coup with the support of the large majority of the military. Two of the motives for military interventions were paramount in this coup. The Torres government had moved drastically to the left and the conservative element of the military saw signs of a complete Marxist regime being formed. This definitely did not fit the majority of the military officers perception of the best interests of Bolivia. They felt that they must act or watch Bolivia become a Communist dictatorship.

The other active factor which prompted the coup was the corporate self-interest of the military. As Torres made more and more concessions to the radical left, all of whom were opposed to
the military, and threaten to arm the radical students and miners, the military officers saw their institution seriously threatened. Most of them remembered the destruction of the military and the workers and peasants militias during the early days of the revolution.

Noticeably different from the Barrientos and Ovando coups, very little evidence can be found to indicate that individual self-interest prompted the coup of 1971.

**CONCLUSIONS**

It has been stated that, with a few grateful intermissions, Bolivian political history has been the inglorious saga of rival chieftains in struggle for power and profit.²

The government in power in Bolivia today offers hope that another of those "grateful intermissions" has begun. It is supported by an alliance of the military and the two most powerful political parties in Bolivia—the Movimiento Nacionalista Revolucionario (MNR) and the Falange Socialista Boliviano (FSB). The leader of the alliance is Hugo Banzer Suséz, a former army colonel who has the admiration and respect of the military officers as well as the civilian members of the alliance. Further, there is no indication that he was driven to the presidency through personal ambitions.³

The alliance, called the Nationalist Popular Front, offers Panzer the nearest thing to a broadbased political party that any president has had since the early days of the Bolivian National
Revolution. The absence of such broad-based political support has been one of the serious structural weaknesses of all Bolivian governments since the early 1960's.

However, Bolivia is still a divided land. The radical leftist element is still active in Bolivia and will undoubtedly create problems for the new government. The militant workers and radical students will continue to offer the most serious challenges to the new government. The Indians will not be a serious insurgency as they have proven numerous times. Che Guevara found that they would not support a guerilla movement and Torres found that he could not count on them to fight the military. Without their support, no rural guerilla insurgency can succeed. Therefore, the most serious insurgency threat will most likely be confined to the mines and the cities.

Bolivia is still a country with a sick economy. It has extensive natural resources which offer potential for development. One iron range alone is estimated to have 40 billion metric tons of 60 percent pure iron ore. However, Bolivia does not have the capital required to develop its resources. Banzer has made great strides in luring foreign capital investment to Bolivia but many potential investors are still fearful of investments in Bolivia. The country desperately needs a period of political stability before it can begin to solve its economic problems. The Banzer government holds greater promise for providing that stability than has any government since Barrientos in 1966.
If Banzer can maintain unity in the military and prevent serious splits within the civilian elements of his alliance, Bolivia has a good chance for success.

BILLY M. MOBLEY
LTC USAF
FOOTNOTES


3. Ibid.

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