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FSB LEADERS SCORE GAS, IRON AGREEMENTS WITH BRAZIL

Buenos Aires LATIN in Spanish 1816 GMT 1 Aug 73 C--FOR OFFICIAL USE ONLY

[Excerpts] La Paz, 1 August--Rene Villegas dispatch--Three leaders of a progovernment party today warned that to conclude negotiations to sell iron and gas to Brazil would be to betray the nation's interests.

The statement by former legislators of the Bolivian Socialist Falange [FSB], which shares with the National Revolutionary Movement [MNR] the political support of the regime of Gen Hugo Banzer, was the first objection from government ranks to the agreements recently signed by Foreign Minister Mario Gutierrez and Mario Gibson Barboza.

Gen Bernardino Bilbao Rioja, David Anez Pedraza and Franz Tezanos Pinto--all of them political veterans who hold important positions in the FSB--made public a document that they will submit to the national FSB conference in 2 weeks, proposing that all future negotiations to sell natural gas, whether from current reserves or later prospecting, be declared as constituting the highest treason to the nation.

The signing of the agreement with Brazil and the joint declaration with which the head of Itamaraty concluded his visit provoked some adverse reaction, especially among mineworkers who believe that Bolivia should not accept any kind of foreign interference in the exploitation of the Mutun resources. In official circles, however, a cautious reserve had been observed until today when the harsh document appeared with the warning about high treason originating precisely in the ranks of the party headed by Foreign Minister Mario Gutierrez, the chief promoter of the agreement with Brazil.

The document, published today by the Catholic morning newspaper PRESENCIA, said that before exporting gas as just another raw material, Bolivia should utilize it in the development of its own minerals, in the steel and iron manufacturing industry and, lastly, in the intensification of urban and rural development. The three FSB congressmen maintained that the country will obtain more benefits by burning its gas in industrial processes rather than exporting it to increase the industrial development of the neighboring powers. On the basis of an agreement signed in 1960, Argentina has received a daily average of 150 million cubic feet of Bolivian gas since 1972 and will continue to receive it for 20 years.

The FSB leaders noted that those who would compromise the nation's defensive cards by negotiating with gas and iron without regard for these considerations, would be committing the crime of high treason against the interests of the nation. The statement expressly referred to the commitment already acquired although not ratified with Brazil. It pointed out that if Bolivia agreed to supply 240 million cubic feet of gas a day, it would not only lead to the gradual depletion of its known reserves, but it would be a continuation of the same policy which postponed the development of Mutun for 20 years with serious risk to the nation's livelihood.

GUTIERREZ COMMENTS ON EXTRADITION OF FORMER NAZI TO PERU

Lima PRELA in Spanish to PRELA Havana 2240 GMT 31 Jul 73 C--FOR OFFICIAL USE ONLY

[Text] Lima, 31 July--"The Bolivian Government is fully satisfied with the progress of the integration process in the Andean Group," Bolivian Foreign Minister Mario Gutierrez said today.

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The Bolivian minister arrived in Lima today and was met by Peruvian Foreign Minister Gen Miguel de la Flor Valle.

Gutierrez will participate tomorrow in the fourth meeting of the Andean Group foreign ministers. Also attending the meeting are the foreign ministers of Colombia, Chile, Ecuador, Peru and Venezuela.

In his statements to the press, Gutierrez said that former Nazi official Klaus Barbie will be handed over to Peru if Bolivia's supreme court grants the extradition requested by the Peruvian Government. Barbie, who has been sentenced to death by France for various war crimes, such as the assassination of resistance leader Jean Molin, is wanted by Peru for illegal activities in foreign exchange in which he was involved along with former Nazi official Federico Schwend, who is in jail here. Concerning Hugo Banzer's government's refusal to hand over Barbie to France, the Bolivian minister only said that his country "has not signed any extradition treaty with France."

The first point the Bolivian Government argued to deny the extradition to France last year was that Barbie was "Bolivian citizen Klaus Altmann," the name under which Barbie had been protected by various Bolivian regimes in recent years.

TWO ARRESTED IN COCHABAMBA ON CONSPIRACY CHARGES

Paris AFP in Spanish 1629 GMT 28 Jul 73 C--FOR OFFICIAL USE ONLY

[Text] La Paz, 28 July--Two persons of leftist affiliation were arrested in the city of Cochabamba yesterday on charges of conspiracy. The reports identified the prisoners as Hugo Montero Mur, formerly a prominent member of the Revolutionary Party of the Nationalist Left headed by Luis Lechin Oquendo, and Ramiro Rojas, allegedly an extremist who served as a liaison man between Bolivia and Chile.

Montero Mur, the report said, is giving testimony to the government's security authorities, having been identified as an agent of former President Juan Jose Torres and of the executive secretary of the Bolivian Labor Central, Juan Lechin Oquendo, both living in exile.

BRIEFS

Bo/Chile
CHILEAN PURCHASES--La Paz, 28 July--Chile this year purchased oil, sulfur and staples from Bolivia in the amount of \$25 million, it was revealed here by Chilean Consul Oscar Ruiz B. He said Chile plans to increase its purchases in the Andean zone and thus will support trade exchange between the member countries. [Paris AFP in Spanish 1029 GMT 28 Jul 73 C--FOR OFFICIAL USE ONLY]

BRITISH SMELTER AGREEMENT--The Capper Pass smelter in England will process the 5,000 tons of Bolivian tin concentrate now stored at the port of Liverpool, it was reported yesterday by Mining and Metallurgy Minister Raul Lema Patino. He pointed out that the authorization was given by the cabinet at a meeting yesterday. The cabinet also discussed various facets of the Capper Pass proposal to process regular stocks of tin concentrate in the future in view of the closure of Williams Harvey. With regard to the \$3 million debt owed by Williams Harvey to Bolivia, the mining minister said that it would be negotiated by a group of attorneys in London. The results will be known once the smelter has been liquidated. [La Paz PRESENCIA in Spanish 21 Jul 73 p 7 X]