

Top Secret

Bolivia

Colonel Natusch was forced to resign last night, according to an announcement from the military high command. The president of the Congress said that a new executive would be announced this afternoon.

One of the first challenges facing the new government will be to obtain the cooperation of the Congress and the leftist-led labor movement in dealing with the country's severe financial crisis. Before stepping down, Natusch imposed sharp restrictions on foreign currency transactions in order to stem the erosion of foreign exchange reserves, which were down to \$10 million. The government also ordered commercial banks and the money exchange houses to close yesterday and today. Panic buying since Natusch's coup on 1 November has led to shortages and increased inflation beyond the recent 25 percent annual rate.

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