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CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
26 May 1965

INTELLIGENCE MEMORANDUM

Situation in Bolivia

1. The military government of General Rene Barrientos Ortuno is in serious danger of collapse. Barrientos is a strong leader, very pro - United States and anti-Communist. An assessment of those forces attempting to oust him reveals that a successor government would probably permit Communists and extreme leftists to consolidate and increase their power.

2. Shortly after the present military junta took power in November 1964, it became apparent that a power struggle was beginning between its two most prominent members. Both junta president Barrientos and armed forces commander General Alfredo Ovando Candia are ambitious, and each commands a significant power base. Working together, they can easily control Bolivia, using the armed forces to implement their authority. Opposing each other, they force civilians and the military to choose sides between them.

3. Barrientos and Ovando are acutely aware that Bolivia will be torn by civil war if they abandon their efforts to cooperate with each other. Up to this point, they have managed to resolve their differences and stifle their animosity. Throughout the past five months, Barrientos has known of Ovando's clandestine contacts with two political parties (the extreme leftist and Communist-penetrated National Leftist Revolutionary Party, the PRIN, and the right-wing nationalist Bolivian Socialist Falange, the FSB) unacceptable to himself

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as allies. Ovando, in turn, has publicly endorsed Barrientos' candidacy for election as constitutional president. Barrientos, however, was not Ovando's private choice for president.

4. Barrientos' support lines up as follows. He has strong backing from the peasant groups, particularly in his native Cochabamba area. These number about 4,000 who are armed. They are fierce fighters and appear to have a personal loyalty to him. Probably Barrientos can count on at least 50 percent of the army to back him. Noncommissioned and junior officers are pro-Barrientos. He has the solid backing of the air force. Of the political parties, probably the only one to back him in a showdown would be the sector of the Nationalist Revolutionary Movement led by Hernan Siles. General public opinion is pro-Barrientos but would not count for much in an armed action.

5. Ovando is a former member of the Bolivian Socialist Falange (FSB), a rightist and even reactionary party patterned after the Spanish Falange. His sympathies are still with the Falange and the party views him as its major hope of coming to power. The FSB has allied itself with the extreme left, including Juan Lechin's National Leftist Revolutionary Party (PRIN) and the Bolivian Communist Party (PCB). The PRIN is heavily infiltrated with Communists, for example Dr. Ramiro Villarroel Claire and Enrique Valverde. Both are Communist Party members as well as members of PRIN and both visited Peiping in March 1965. The Communist Party itself is led by Secretary General Mario Monje Molina and his deputy Jorge Kalle Cueto. This unholy alliance is not one of permanence but has been used by each group in pursuance of particular ends. It was active and instrumental in precipitating the overthrow of former President Paz Estenssoro last November. Ovando has been meeting and plotting with representatives of the FSB and PRIN since last January. Together, the FSB, PRIN, and PCB can pull strong support from most labor groups and have the armed fighting militia of the FSB. Ovando can count on armed forces support also, probably about 50 percent also. He has the loyalty of many senior military officers who respect him professionally and favor the FSB.

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DATE: OCT 2000

-2-

NO FOREIGN DISSEM
~~SECRET~~

6. On 24 May Ovando signed, on his own initiative, cease-fire agreements with student and labor leaders representing the tin miners. This action has pushed him closer than at any other time to breaking with Barrientos. It was a direct violation of junta policy and determination to follow through with military operations to gain control over the tin mines. An immediate confrontation between Ovando and Barrientos now depends upon the willingness of one or both men to repudiate the other. Ovando has been a timid man who tended to withdraw from a difficult or dangerous situation. Barrientos, on the other hand, lacks no courage but may hope to smooth over the crisis in order to prevent a split in the armed forces and national chaos. This may be impossible if Ovando has now so committed himself to an FSB-PRIN coup that he cannot turn back.

7. Should Ovando and his supporters move soon against Barrientos in La Paz, Barrientos would probably have little chance to survive. The civilian line-up in the capital is clearly in Ovando's favor. He has the backing of FSB and Communist-dominated students, FSB street gangs, the cooperation of the Ministry of Government, the National Guard and the Criminal Police, and most labor organizations. Barrientos' only hope would be support from the military units in and near the city and air force men stationed at El Alto airport. The Waldo Ballivian (550) and Ingavi (275) Regiments in La Paz are thought to be pro-Barrientos. If Barrientos should escape from the city, he would probably head for Cochabamba and make a stand there with his peasant supporters and the Seventh Army Division.

8. In any event, the overthrow or death of Barrientos is likely to lead to chaos if not civil war. The peasants are violently opposed to the FSB, fearing that their hard-won land would be taken from them.

9. The FSB decided in a meeting on 25 May to conclude a political pact with the PRIN and Communists to overthrow Barrientos. The PRIN has

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suggested a division of offices in any future government among the three groups. The FSB would get the presidency, vice presidency, ministries of finance and government, and control of the state mining corporation. The PRIN, PCB, and any cooperating MNR elements would divide up the remaining government positions, with ministry of labor and heads of all trade unions going to PRIN.

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-4-

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