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the Political System in Crisis**

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Bolivia 1980-1981: the Political System in Crisis

There can be little doubt that the Bolivian political system is in deep crisis. Over the last four years the country has witnessed no less than three elections, ten presidents and eight coups (both failed and successful). What is noteworthy, indeed remarkable, about this chaos is that it has continued through two periods of highly distinct and polarised forms of government: the 'democratic experiment' of 1978 to July 1980 and the military regimes born of the harsh coup of 17 July 1980. For some months after the coup commentators sought explanations of the failure to establish a stable civil regime in the extreme weakness of the country's parliamentary tradition, the ineptitude of the civilian political elite and the historical tendency of the armed forces to take direct control in periods when they possess the institutional capacity so to do. The radicalism of the coup, the clear intention of its leaders to emulate the examples of Chile (1973), Uruguay (1973) and Argentina (1976), and the manifest failure of the large political formations to win an unambiguous popular mandate for their parliamentary project were all construed as constituting a decisive end of an era.

However, by early 1981 it was increasingly clear that the military had signally failed to consolidate its pinochetazo. By the middle of the year it was engaged in internecine conflicts that promised to wreck institutional unity; having sought to put an end to a period of political confusion, the armed forces were presiding over one that was no less turbulent and in many respects a great deal more injurious to its interests. Explanations for this - the ascendance of the cocaine trade and the resulting corrosion of accepted channels of power; the continued hostility of the U.S.; the severity of the economic crisis - certainly indicated that the post-July 1980 crisis was of a distinct form compared with that of the preceding two years. However, it is also apparent that while the García Meza coup altered the form of the emergency, it did not institute it. Many of the factors that destabilised the parliamentary period - sectoral divisions in the ruling class (both civilian and military); substantial economic difficulties; regional interests; a failure to gain undisputed control of the working class and peasantry - have persisted. In order both to give this view some substance and to provide some of the essential background to the coup this essay begins with a depiction of the period 1978 to July 1980. By virtue of the relative openness of political life this was a period of extraordinary richness in party activity and social developments, many of which are only touched on or omitted altogether here, for an exhaustive analytical account is out of the scope of this paper. Similarly, my aim in surveying the subsequent military regime goes no further than to depict its principal characteristics in very summary form since at the time of writing (May 1982) the crisis still persists and we are too close to many events to judge their weight and consequences with great confidence. Given the necessary limitations on space, I have attempted to relieve the text of some of the burden of narrative by including a select chronology at the end of the essay.¹

'The Democratic Experiment': 1978 to July 1980

In one sense it is possible to locate the origins of the present crisis in a single act: the decision in December 1977 of the wives of four miners gaoled for political activity to go on hunger strike in demand for their husbands' release, the granting of a full political amnesty, and the acceleration of the 'apertura' recently announced by the government of General Hugo Banzer. The strike achieved such rapid popular backing that within a fortnight it had effectively broken the political momentum of a regime that was the most secure and well organised in modern Bolivian history.

Banzer had come to power in August 1971 after the decisive defeat of the working class and had been able to consolidate his government through the rise in oil prices and had a short but emphatic boom in the agro-industrial economy of the eastern capital of Santa Cruz, which still remains his power-base. However, by 1977 not only was his regime badly riven by the corruption and internal dissent that might be expected after six years of dictatorship in which political favours were the monopoly of a very limited group, but it was also increasingly weakened by the consequences of raising large foreign loans on decreasingly favourable terms. This, combined with pressure from the Carter administration for a relaxation of control, contributed to the decision to adopt a measured retreat in the face of the demands of the outlawed political parties and the recuperating labour movement. To these factors should be added the pressures from an important sector of the armed forces which, while by no means agreed upon a clear political project to replace the banzerato, sought a revision of the terms of military control with the prime objective of diminishing its unpopularity and vulnerability to internal division as well as reversing the extended hegemony of Banzer's personal following within the institution.

Banzer's capitulation of the majority of the demands of the hunger strikers in January 1978 was intended to pave the way for the realignment of his regime without conceding substantial ground to the large populist political formations derived from the MNR, the party that led the 1952 revolution and continued to dominate political life outside the military. This Banzer failed to do, in part because the demands for full democratic rights contained in the hunger strike - from its start under the direction of the miners' union (FSTMB) - led to an impressive wave of unionisation in almost every sector, including the campesinos, marking an unexpected strengthening of a labour movement that as recently as 1976 had been reduced to a state of almost complete disintegration by repression. This revival of the working class channelled into a much broader movement headed by the returning reformist politicians, who sought elections and the establishment of a formal bourgeois democracy, an objective that was not challenged by the majority of the parties of the left.

Over the following two years the endeavour to give substance to such a system - which Bolivia had never before experienced in a meaningful manner - led to a succession of crises, antagonising the expectant working class, progressively exhausted with the indecision and ineffectiveness of the constitutionalist camp, and the military, increasingly worried by the independence of the labour movement and

the incapacity of the civilian political leadership to curb it. The resulting political instability produced three elections, six presidents, three successful coups and twice as many abortive rebellions.²

This failure of both nerve and direction was, however, by no means limited to the civilian political elite seeking a genuine and lasting 'apertura'. Indeed, it was initiated by the remarkable ineptitude of Banzer's efforts to assure a placid continuismo by backing his ex-minister of the interior, airforce General Juan Pereda, as the official candidate in the hastily-organised elections of July 1978. Pereda, far more of an acolyte than a successor, was confronted by two main oppositional coalitions: the Unión Democrática Popular (UDP), headed by the MNR-Izquierda of Hernán Siles Zuazo (president, 1956-60), and the MNR-Histórico/Auténtico, led by Victor Paz Estenssoro (president, 1952-56, 1960-64). Of these two forces, the UDP had the marginally greater popular following largely as a result of its social democratic credentials - fortified by the presence of the radical MIR and further consolidated by the pro-Moscow PCB - as well as the poor reputation acquired by Paz as a result of his support for Banzer up to 1974, an alliance that off-set the advantages gained from his association with many of the post-1952 reforms.

Unaccustomed to the procedures of combating an open political challenge without resort to force, Banzer duly countered the rising popularity of the reformist opposition by organising (or, at the very least, acquiescing in) a massive and open fraud in the 1978 poll. This had the effect of disorientating the right for although the UDP steadfastly desisted from any act other than verbally proclaiming its victory, the balance of forces momentarily placed Washington in league with the UDP and made it impossible for Pereda's nominal triumph to be imposed as if nothing untoward had occurred.

This drove a wedge between Banzer and Pereda, who as the natural heir possessed the backing of Santa Cruz and many of the former servants of the banzerato. Each laid responsibility for the impasse on the other; when Banzer attempted to break out of it by tacitly admitting the fraud and declaring his intention of handing power over to a military junta Pereda responded by rebelling in Santa Cruz and, after several days of tense negotiation and a complete split in the armed forces, ousting Banzer from La Paz. The apparent loss to Banzer of his constituency in Santa Cruz suggested that even if the seven-year dictatorship was to be refined and extended, its figurehead had been eclipsed. This was soon to be revealed to be far from the case; not only did Pereda need to mend the fences with his old patron in order to hold together the critical military-peasant pact but Banzer also proved capable of readjusting in a remarkably short space of time to the new rules of political competition by building his own party (ADN) and retrieving his hold over the right within the parliamentary orbit (still in abeyance under Pereda) as well as maintaining close links with the military.

This success was made even more pronounced by the unworkable position in which Pereda found himself insofar as he had staged a coup 'against' a fraud that was in his favour. As a result, he was obliged to present himself only as an 'interim' president, and

announced that new elections would take place in 1980, ruling out a poll in 1979 because of the dangers of political competition during the hundredth anniversary of the War of the Pacific.

However transparent this manoeuvre, Pereda might well have been able to bring it off had he been more disposed to exercise the kind of repression frequently employed by Banzer. His failure to do this corresponded not only to a remarkable political incompetence and the self-proclaimed limit to his term of office but also the consequent lack of concerted support from the cruceño oligarchy and Washington as well as the deep-seated divisions within the military over the acceptability of braking the 'apertura' at such an early stage. These doubts were bolstered by a widespread conviction that Pereda lacked the resolution to succeed Banzer, whom he had deposed but to whom he still remained beholden. Moreover, the new president showed no intention of proceeding to resolve the increasingly open and critical institutional disputes that derived from a division between those officers who graduated before the 1952 revolution and occupied senior posts, and those men, many now senior colonels awaiting positions of authority, who had been trained under the MNR and generally possessed more profound desarrollista and statist ideas but had not flourished under Banzer. The most coherent group of this fluid stratum were known as the institucionalistas or Karachi-pampas, after the garrison in which many of their adepts had served.

It was this group of reformist-minded career officers and not disenchanted forces on the right that removed Pereda after only four months in order to guarantee a carefully-controlled but authentic transfer of power to civilians. The November 1978 coup of the Karachipampas was, unsurprisingly, widely applauded by the principal centrist parties which had proved incapable of active opposition themselves and were seeking a military alliance that would shield them from the restitution of the dictatorship. The fulsome support they lent the institucionalistas betokened a dependence that was to become ever more acute over the following months, signalling a predictable weakness of constitutionalism. (The degree to which this was the case may be seen in the fact that the MIR, a party that possessed deep radical and anti-militarist origins, was by mid-1981 calling for a military government in spite of the experience of the intervening years).

The colonels invited General David Padilla to serve as president until new elections, now called for June 1979. Padilla was a respected and capable career officer without close political affiliations although like many of his backers he showed a proclivity for Paz's MNR, which was the party favoured by Washington. The Padilla regime was a holding operation and in many senses the most consolidated administration of the entire period 1978 to 1982. This was in large part due to its trenchantly military character and limited objectives; it sought only to maintain 'public order' and oversee the preparations for and holding of another poll.³

Strong measures were taken against a number of efforts by the extreme right (principally the FSB/Falange) to destabilise this process and Banzer was summarily retired from the army and fired as ambassador to Buenos Aires. But the troops were not removed

from the mining areas and no major economic measures taken despite growing pressure from the IMF for devaluation and expenditure cuts to aid repayment of Bolivia's very large foreign debt. In its measured populism, desistance from notable acts of repression, and careful negotiation with the COB (the national trade union confederation) the Padilla interregnum was a markedly more prescient response to the growing radicalism of the labour movement than the inept continuismo of Pereda. Although much of its success may be attributed to the fact that it was in almost every respect a 'honeymoon' regime and short enough to be able to avoid taking unpopular measures, the government established Padilla as the leading populist figure inside the military. After July 1980 he continued to be the generally accepted candidate to lead any 'salida democratizante' on the part of the armed forces, a position that acquired unforeseen importance as the traditional policies of 'order' and rigid institutional rule proved progressively inoperable.

The poll of June 1979 differed from that of the previous year not simply in that it was conducted in a largely honest manner (by Bolivian standards) but also in the configuration of parties that contested it. Under Padilla political alignments had the opportunity to develop so that the 1979 election presented a much fuller spectrum of political forces and gave evidence of a number of substantial differences from the previous year's contest between the established formations carrying with them a politics formulated in the seven years of the banzerato. Perhaps the most notable aspect was the entry of Banzer's ADN into the parliamentary arena, providing an authentic vehicle for the right, important sections of which drew away from the FSB and Paz' MNR towards the fascistoide and technocratic apparat campaigning under the old dictatorial slogan, 'Paz, Orden, Trabajo' (a slogan that was itself dropped in 1980, when the leadership of the ADN felt it was too fascist in tone and unwarranted in view of the party's by then established position in the political spectrum). This shift by Banzer, which convinced many centrist politicians that the threat of a coup was now greatly diminished, was partly caused by and partly compensated for by Paz's attempt to construct a broad popular alliance that would challenge the UDP on its own terms; this policy led him to join forces with the pro-Peking and eminently dengxiaopingista PCB-ML. Despite the fact that the maoists had been the force on the left to grow most strongly under Banzer and for the first time in many years exercised an influence at national level both inside and outside the unions, the party put its radical credentials at risk by following the muddy path alongside the 'most advanced sector of the bourgeoisie'.

Between them, the major constituent parties of the UDP continued to hold sway over organised labour but the coalition's leftist image, which derived principally from the jacobin origins of the MIR, came under strong challenge from the small but increasingly influential Partido Socialista-Uno (PS-1) of Marcelo Quiroga Santa Cruz, the minister who had nationalised Gulf Oil in 1969, an orator of considerable prowess, and the accepted leader of the moves to have Banzer impeached in Congress for a string of offences committed during his rule. The PS-1 was never able to dislodge the UDP's hold over the unions but it enjoyed much success in eroding its prestige as the 'natural' left alternative amongst the urban middle

class and the youth, continually arraigning the UDP for empty populism, bureaucratic manoeuvring and abdicating a class line. In this, the MIR, hitherto the strongest force on the left inside the revolutionary caucus of small but traditionally robust Trotskyist parties, suffered the most damage. The PS-1's parliamentary radicalism also served to stir up much military antagonism to the potential activities of Congress, which was set to turn much of its attention to a hectoring trial of Banzer that was sure to devolve into an indictment of the entire military apparatus under his rule. In retrospect it is somewhat remarkable that the parliamentarians should undertake this task without any vestige of military support - even Padilla was outraged - thereby putting their very existence at risk.

The combination of these developments led to a disastrous impasse for the constitutionalist experiment. The first major blow was a stalemate in the June elections with the UDP possessing only a marginal majority in the presidential poll, the MNR with a narrow but workable majority in Congress, the ADN representing an unexpectedly powerful third force to defend the military's reputation, and the PS-1 gaining sufficient seats to ensure the prosecution of the case against Banzer. The impasse was further complicated by the parties' relish for immersing themselves in the parliamentary game and engaging in frantic in-fighting with neither side prepared to make any concessions in the long debates over how to resolve the lack of a clear result and form a government. It was only when the military, especially the Karachipampas, showed signs of acute impatience that a compromise was hurriedly arranged. The final agreement, the appointment of Paz's alliance partner Walter Guevara, who occupied the position of president of the senate, as interim president with a mandate to call further elections in June 1980, conformed to protocol but soon proved to be highly unsatisfactory. Guevara was scarcely blessed with the goodwill of Paz, with whom he had violently broken in 1960 and only reached an entente in 1978. Yet, he was even more deeply distrusted by the UDP, which viewed him as Paz's front-runner and a highly capable broker for the constitutionalist right. However, both fronts acquiesced in the appointment because, amongst other factors, it enabled them to maintain the privilege of opposition and distance themselves from an administration that had no popular mandate and was expected to encounter extensive popular resistance in a period of rapidly worsening economic conditions.

The very fact that the electoral process had yet again come to a lame halt and required a second interregnum when there was no major external impediment to a formation of a government was in itself a blow to the constitutionalist camp and accounted for a progressive falling away of popular enthusiasm. This was made all the more acute by the fact that the temporary resolution lacked political authority and was bereft of a firm military alliance, both factors that were soon to be critical.

The leadership of the COB, which had held itself in check for 15 months, was now forced by rank and file pressure to take an initiative on the economic front and presented a programme that incorporated extensive wage rises, protectionism, expansion of state

ownership and wide-ranging fiscal measures for income redistribution. This plan received broad support from the UDP which did not itself possess a detailed plan of action for the economy although it had succeeded in arousing expectations of reflation in its vague statements.⁴ This support was not in itself remarkable and did not prevent the new government from giving short shrift to the proposals, but it underlined the particularly precarious position Guevara was in for the economic crisis was now, after two years of minimal management, of such an order that some substantial measures would have to be taken to placate the IMF. Guevara's own preference was for a sharp deflationary package but the social consequences of such a move were far too great to be faced by an administration of the type he headed.

Unable to take independent action, the interim president asked for the positive support of the major parties. Yet neither the UDP, which opposed them anyway, nor the MNR, which could have been expected to support them under normal conditions, would give him backing. Guevara therefore precipitated a crisis by outlining his options: either the economy could be left to deteriorate with unforeseeable consequences for the entire constitutionalist current or he could reconstruct his caretaker administration to adopt firm measures, but this latter alternative would require a longer period than that left before the next elections. As a result he suggested a postponement of the poll and the formation of a coalition to deal with the crisis. His invitation to the ADN to discuss possible involvement in such an alliance provided the other parties with an easy excuse to reject Guevara's overtures and accuse him of overstepping his powers and abusing the confidence of Congress.

The dangers of this situation, which developed throughout October, were not long in becoming manifest; on 11 October the garrison of Trinidad (Beni) declared itself in rebellion against the 'weak government' of Guevara and called for the formation of a military regime. The leaders of the revolt had clearly been angered by the celebrations of the anniversary of the death of Che Guevara and the continuing impeachment of Banzer in Congress but their general complaint was now recognised as common amongst officers. However, the threat of the coup spreading appeared to have been diverted when the president sent Colonel Alberto Natusch, who was from the Beni and had a tough reputation as Banzer's minister of agriculture and peasant affairs, to negotiate a settlement. Although the highly tenuous position of both the presidency and parliament was underlined by this incident, it did little to alter the actions of these bodies. The question of the composition of the administration, its powers, and the future of the 1980 elections continued to be the subject of heated and acrimonious debate until the end of the month. The presence of delegates for the OAS meeting in La Paz in the last week of October and their overwhelming vote in support of Bolivia's claim for an exit to the sea provided a modicum of relief and was judged to have improved Guevara's standing, but in fact this only concealed continuing polarisation and proved to be a delaying factor in the decision of important sectors of the armed forces to put an end to the confusion.

Early on the morning of 1 November, when many OAS delegates were

still in La Paz, a coup was staged by Natusch himself. Large numbers of troops occupied the capital in what was one of the bloodiest and most confused events in Bolivian political history, marking a major watershed in the 'democratic experiment'. The unrestrained violence of the soldiery in confronting popular opposition in the streets appeared to herald a movement modelled on those of Chile and Argentina. However, the political objectives of Natusch's action were not principally derived from these examples although many of the commanders (a large number of whom were committed to separate plots overtaken by that of Natusch) differed with him in this. Natusch's aim, clearly articulated in the first days of the fortnight-long regime, was more obviously founded on that tradition of what he viewed as 'strong...left nationalism', derived from the regimes of Toro and Busch in the '30s and Villarroel in the '40s. Notwithstanding his connections with Banzer, the rebel colonel sought to establish a form of bonapartist regime in which the leading civic organisations participated in an administration directed by the armed forces. In this vein he proffered an alliance to both Congress and the COB, neither of which was outlawed for a number of days. The pact he envisaged allowed for the maintenance of parliament and trade union independence but 'under the discipline of the armed forces'.⁵

This ambition was thwarted on a number of fronts. First, and most importantly, the leadership of the COB lost control of the rank and file of its most powerful arm - the miners. The miners obliged their leader, Juan Lechín (also head of the COB), to call a general strike and then ignored him when, after reaffirming it every 24 hours, he attempted to lift it to facilitate negotiations. The mines remained at a standstill and a number of ill-organised military efforts at a full occupation to force the men back to work were resisted, giving the lead for a total stoppage to be maintained in the cities. This action was paralleled by the most emphatically radical mobilisation in 30 years on the part of the campesinado, which achieved a rare unity in coming out on strike and blocking the major roads, the Altiplano being particularly hard-hit by this measure. These actions were maintained for two weeks and constituted the margin by which all political negotiations were undertaken.⁶ Both the military and the political parties of the centre seemed taken aback by the popular response to the coup; certainly Natusch made a grave error in failing immediately to silence the unions' radio stations and the popular press, which continued for a number of days to urge opposition.

The coup was also emphatically opposed by the Karachipampas, who initially attempted to reverse it but were beaten back and detained. Padilla also came out against Natusch and immediately went underground to form a potent partnership with Guevara, now blessed with a popularity that eluded him when he held power. Both these figures felt able to maintain an intransigent position because of the early and unambiguous opposition to the rebellion on the part of the State Department, which cut all economic and military aid and refused to countenance recognition. The Natusch coup represented the first positive setback to the Carter policy of cultivating 'viable' democratic governments and for this it paid the price. (Once it had taken this stance, and it had been seen to be effective, Washington was not only obliged but also ready to maintain it, a factor that contributed strongly to the isolation

of the regime established the following July. In this respect as well as several others the Natusch episode resonated strongly in the García coup.) Washington's position, therefore, gave the military and civilian opposition to Natusch a distant but powerful veto that complemented the action of the labour movement.

The attitude of the leading political parties was far less clear and contributed to the further diminution of their authority and popularity. Natusch had secured the support of a number of maverick dignitaries from both the MNR and the MNRI and, although he persistently denied it, Victor Paz appeared to have knowledge of the colonel's plans and to be far from antipathetic towards them in the early stages of the short-lived regime. Paz was not able to escape this suspicion, which, in view of his past record and the accusations of a number of Natusch supporters, was not lightly held and certainly damaged the MNR's electoral chances.

More surprisingly, the main parties of the UDP did not escape from related suspicions of a lack of total commitment to parliamentary democracy when Congress began to discuss its options and then to negotiate with Natusch. The PCB was most vulnerable in that it had reacted to the U.S. boycott in an almost pavlovian manner and began to construe Natusch's 'nationalism' in a positive light. In this they were at one with the Soviet embassy, which soon recognised the regime, invited its leader to the mission to celebrate the anniversary of the Russian Revolution, and acted as a conduit for talks with the COB. When parliament discussed the possibility of Natusch's idea of a triumvirate of the armed forces, Congress and the COB, the PCB took a discernably soft line. Equally, the MIR, which was not slow to criticise its UDP ally for being less than resolute in defence of parliament, itself dwelt for a time on the possibility of a compromise; it was before long to return to such a position.⁷ Congress, therefore, did little to enhance its reputation by continuing to seek a rapprochement with the military when the majority of those who had voted for sovereign constitutional government were absolutely opposed to any retreat; in November 1979 parliament defended itself with markedly less commitment than did the voters.

In the short-term the right was scarcely less damaged by the Natusch coup than was the parliamentary left. Paz, Washington's candidate, was tainted by his early support for the rebellion but soon forced to oppose it, which went some way to restoring favour in Washington but brought him into open conflict with the high command which viewed turncoats with greater derision than open antagonists. The senior officers themselves found that they had embarked upon an endeavour that had gone badly wrong, not least because of the confusion in Natusch's position. Within a few days of the coup it became apparent that the high command had been able to overcome the colonel's ambitions and had taken direct command of the movement, Natusch remaining a virtual prisoner in the presidential palace. However, the deep opposition of the labour movement and the unanticipated antipathy of Washington precluded the possibility of pressing forward with the offensive. Accordingly, Natusch was kept in place while the generals obtained the conditions for a well-guarded tactical withdrawal, an

undertaking that obliged them to direct the blame for the coup onto Natusch himself. Only when these conditions were given was the colonel permitted to resign. Natusch had become their pawn but he still possessed considerable authority within the armed forces and his example was to guarantee him a broad constituency, including even some Karachipampas, in the coming period; after July 1980 this following was to be harnessed to the general opposition to the senior officers who had hijacked his rebellion.

This element of disunity also extended in part to the ADN, which had taken a pro-Natusch position in the early days but soon withdrew and found itself in conflict with the high command over its treatment of the colonel and its attitude to the U.S. It is hard to 'read' the ADN's position at this stage with confidence, but it would seem an acceptable hypothesis to interpret its actions as being in line with a continuing commitment to some form of 'guided democracy' whereby it could exploit the not inconsiderable resources it had invested in the image and apparatus of the party provided that it could still retain a good margin of autonomy in its alliance with a military regime. Natusch apparently offered this, and so the optimum conditions existed for the ADN to take power at some future stage. This project was, of course, nullified by Washington's stance, but it should be borne in mind that the generals seemed set upon a completely institutional movement, in which the ADN would have had but a supportive role.

The immediate resolution to the Natusch crisis, reached on 16 November, was the appointment of Lidia Gueiler, president of Congress, to serve as interim president until the 1980 poll. The military refused absolutely to accept the reinstatement of Guevara, which was interpreted as tantamount to a complete defeat. Gueiler's appointment was celebrated as a definitive popular victory, but in practice it represented a substantial compromise on the part of the constitutionalist camp since the golpistas were not only allowed to retreat to the barracks without retribution but also placed under the authority of a president who was expected to - and, in fact, did - leave them entirely undisturbed. In retrospect it may be asserted that the Natusch coup constituted the first step of the rebellion of 17 July 1980, providing the army with what it perceived as a 'globo de ensayo' and an extremely strong position from which to harass the established government.

The appointment of Gueiler was not in itself a surprise, apart from stemming from the official position she possessed. Although she had for many years been a member of Lechin's PRIN, her political origins were on the extreme right of the MNR, and over the previous two years she had returned to her alliance with Paz. The new president was, therefore, like Guevara, sufficiently conservative to allay the fears of the bulk of the military and to guarantee its autonomy but she also possessed enough contacts with the centre-left in Congress to gain its acceptance of her appointment, which still enabled the UDP to operate as an opposition and maximise the advantages this gave it in the run-down to the elections. Paz now came to the fore, and the majority of Gueiler's cabinets belonged to the MNR or to parties allied with it, its leader being dubbed the 'king without a crown'. The PCB-ML, remaining faithful to its

strategic line, entered the government but exercised no influence within it, the party membership reaping the rewards of being closely attached to a distinctly conservative and yet impotent administration without any obvious benefit other than a trickle of posts. Bolivian maoism went into a deep decline which many commentators considered irreversible in all but the long term.

The extent of the popular victory obtained in the removal of Natusch was revealed to be minimal when, within only a week of his downfall, one of his leading patrons General Lu s Garc a Meza (the new president's cousin) staged a 'passive coup' in La Paz's main Miraflores barracks in a refusal to accept the new military appointments made by Gueiler which broadly favoured the anti-golpistas. This move drove the armed forces into a further acute and highly public division and seemed set to provoke a major battle in the capital. However, neither Gueiler nor Washington was prepared to hazard another crisis under the threat of a mass uprising with the military incapacitated as a repressive force. The same outcome was obtained in the end-of-year promotions and postings: a nominal balancing of the two broad factions but a decided advantage being received by the hardliners.⁸ This policy of placating the 'ultras' in the army was all the more important because Gueiler had decided to move immediately in responding to the IMF's requirement of a devaluation in return for the new stand-by loan and a restructuring of the country's repayment schedule; it was also plain that further U.S. backing depended upon such a move. The 25% devaluation of the peso on 29 November was in itself an insufficient response to the deepening fiscal crisis of the state but it was, nonetheless, a bold move for a regime that was less than a fortnight old, lacked any popular mandate, and was sorely taxed in holding a fundamentally hostile military apparatus together within days of a general strike the like of which the country had not witnessed for 30 years.

Popular reaction to the devaluation was far less emphatic than was feared by the regime; this reflected a critical alteration in the balance of forces from that which had prevailed only a few days before. Having come to the fore of the negotiations with the military, the COB, on which the UDP possessed a clear majority, adopted the position that however great its opposition to the devaluation, priority should be given to the preservation of parliamentary democracy and the maintenance of the Gueiler administration. As a result, the trade union leadership moved quickly to break any further mobilisation by the rank and file which would, in all probability, have resulted in the collapse of the administration and an open confrontation between the working class and the armed forces. This policy on the part of the majority of the COB leadership contributed to a discernible reflux in the militancy of the industrial labour force, which was exhausted after the general strike and still somewhat confused at its outcome. Accordingly, despite considerable pressure from the revolutionary left, the response of the miners and factory workers to the devaluation was limited to a token 24-hour stoppage on 10 December.

However, the campesinado, traditionally the early victim of devaluations and hitherto the least able to mount a coherent opposition to them, responded to the measure with even greater

radicalism than it had done to the Natusch coup. The peasant union (CSUTCB), which had achieved an unprecedented degree of unity under the leadership of the paceno leader Genaro Flores, decreed the renewal of rural strikes and road blockades. Arrangements were made for the direct provisioning of the mines and major factories in reaffirmation of the peasant-worker alliance but the campesinos showed no disposition to negotiate. Nevertheless, the COB refused to back its peasant affiliate and after a number of days the CSUTCB was obliged to back down. As a consequence of this Flores withdrew his important support of the UDP and relations inside the COB were decidedly sour for a time but the campesinos maintained their membership and Flores continued to play an important part in the federation's work.

The failure to achieve a worker-peasant alliance in early December accelerated the downturn in popular militancy and it may be seen as a critical event in the notable absence of a popular political alternative to parliamentarianism, an alternative that should not be judged simply the figment of the imagination of the radical left but a potential successor to the formation of the COB (1952) and the Asamblea Popular (1971). Over the coming months this absence came to be ever more important in an atmosphere of growing tension as the golpistas increased their hold over the lacklustre Gueiler regime and posed a growing threat to the June poll.

This threat took a form seldom seen in Bolivia - the use of discrete acts of terrorism against left-wing figures and the clear deployment of a sophisticated 'strategy of tension'. This owed much to the presence of a considerable number of Argentine military advisers brought in by the new head of military intelligence, Colonel Luis Arce Gómez, and García Meza, who was appointed army commander in April 1980 in the face of much opposition both inside the military and out. García's promotion marked the final capture of the high command by officers who had been pledged to convert Natusch's coup into a full institutional dictatorship. The bombing of the offices of the independent left-wing paper Aquí in February and the assassination of its director, the Jesuit film critic Luis Espinal, in March were widely accepted to be the work of Arce's 'Segunda Sección', which also engaged in numerous other less publicised acts of destabilisation. García complemented this tactic by making a series of speeches in condemnation of 'anarcho-syndicalism', 'corrupt politicians' and the notion of parliamentary democracy, for which Bolivians were not ready and which could only lead to 'anarchy and chaos'.⁹

These indications of the advanced stage of the military challenge to the elections drew an emphatic response from the U.S. ambassador who warned against a coup and threatened full sanctions should one be attempted; this unleashed a welter of condemnations of 'imperialist intervention' from the right and the military, including the high command.¹⁰ This new contradiction reached its peak in June, when a new ambassador was declared persona non grata by the army general staff, and General Echeverría, commander of the Santa Cruz garrison, threatened to march on the capital unless the diplomat left the country. One of the ironies of this reversal of the

normal relationship between Washington and the Bolivian military was that the parliamentary parties, excluding the ADN - which kept as low a profile in the matter as it could manage - and the FSB - which attempted the highest it could achieve - but including the nominally anti-imperialist MIR, came increasingly to defend Carter and depend on U.S. support while the right and the military stole their traditional anti-U.S. mantle. There can be little doubt that reliance on Washington came to represent, for the UDP at least, the ultimate guarantee against a further coup.

Another factor which restrained popular mobilisation against the fortification of the ultras was the decision of the COB to join with the major political formations - UDP; MNR; PS-1 - to form a fundamentally defensive alliance against any future rebellion. The Consejo Nacional de Defensa de la Democracia (CONADE) was established in mid-April 1980 with the aim of coordinating a general strike and road blocks in the event of a coup against the elections. This appeared to betoken a new degree of unity between the political parties and the union movement; yet, CONADE not only acted as a mechanism to withhold mobilisation against the military before any coup but was also an organisation that lacked any real existence on the ground; it was the result of a paper agreement, as was later admitted by its staunchest defender, the MIR.¹¹ Shortly after its formation, the COB endeavoured to demonstrate its good intentions to the regime (from which it was now demanding major wage increases) by signing a pact for mutual non-aggression and respect for the democratic process with the armed forces' high command. This move did nothing to enhance the popularity of CONADE and little to increase confidence in the COB leadership, especially after García rapidly and emphatically denied that the pact compromised the military in any way. The army commander once again returned to his denunciations of the elections, attempted in league with his colleagues to have them postponed for a year, and threatened to bring members of Congress to trial in front of a court martial for their impeachment of Banzer.¹² An attempt on the life of the president by the commander of her bodyguard, the bombing of a number of election meetings, and the killing of four senior members of the UDP following the sabotage of a plane they had hired from a company owned by Arce and the notorious Colonel 'Buby' Salomon (an accident from which the MIR leader Jaime Paz Zamora miraculously escaped with his life and which Siles himself only avoided by having to attend the funeral of a relation) reflected the increasing pressure under which the entire democratic experiment was placed.

By May it had become obvious that a failure to obtain a clear result in the poll would inevitably lead to a coup, the diminution of popular enthusiasm for elections assuredly making any rebellion much easier to effect. It was, though, widely anticipated that any such move by the army would be delayed a while until the new regime had lost any vestige of prestige and backing, allowing the coup to be gilded with some of the populist motifs evident in Natusch's project. Despite the marked decline in Paz's popularity resulting from his attachment not only to the November revolt but also to the distinctly unpopular Gueiler government, it was not clear that the UDP would achieve a working majority in parliament or a decisive victory in the presidential poll. Indeed, many on

the left and in the unions had shifted away from the alliance, both towards the PS-1 and, in a less coherent manner, towards the idea of an independent workers' candidature proposed in vague form by Lechín, who distrusted Siles as a result of their conflicts in the 50s and was deeply suspicious of the PCB, with which he continually had to contend inside the COB over the issue of alliances with 'nationalist' military figures.

This issue came to the fore at the FSTMB congress at the southern mining camp of Telamayu in late April. At this congress the PCB, in the person of Simón Reyes, its leading figure in the union, attempted to swing the miners behind the UDP as a matter of union policy. Significantly, both the well-represented MIR and PS-1 were virtually silent, the only other major resolution coming from Ascencio Cruz, a young delegate of the POR who produced a clear Trotskyist critique of the entire electoralist strategy and effectively restated the continuing presence and influence of this political current despite its lack of positions on the national executive. Cruz was easily overcome by Lechín, who at the last moment produced a 'compromise' resolution calling for a workers' candidature separate from the UDP. This had the effect of reinforcing the electoral path although it put the precise position of the country's most influential union into a good deal of confusion. It was only after the coup that the rejection of this strategy regained credibility in a perhaps predictable resurgence and acceptance of Trotskyist positions by workers who have historically shown them sympathy in times of repression and dictatorship.¹³

Lechín's position ultimately served to increase confusion rather than unity. Although he persuaded Flores to join him on the slate, this went under the name of his own party (PRIN), and was perceived as a largely opportunist move and failed to draw away much support from the UDP and PS-1. However, Lechín did not withdraw until the very last moment and his final grudging endorsement of the UDP came too late to avoid the removal of his name from the voting slips. Slightly different problems bedevilled a virtually simultaneous effort to establish a united left front on the part of Marcelo Quiroga, who proposed to the UDP in the name of the PS-1 that they and the other smaller parties of the left should form a combined slate of all workers' parties. The negotiations over this proposal were followed very closely since they promised to produce an alliance somewhat similar to Unidad Popular in Chile, but the UDP eventually rejected it since, as the PCB explained, its parties sought to establish a cross-class alliance, not a single-class candidature.¹⁴

Thus, the left entered the elections of 29 June in a state of some disarray and minimal unity. Although the UDP won the greatest number of seats of any party and was the clear overall victor, its total vote (507,173) was lower than in 1979; this reflected an important shift to the PS-1, which made a remarkable advance in winning 11% of the vote (113,959). Support for the MNR fell substantially, as expected (263,706), and the old caudillo Paz was quick to state that the UDP should form the next government, although to what end was never entirely clear.¹⁵ Banzer's ADN increased its vote, most probably at the expense of both the MNR

and the FSB, and came a close third (220,309); the party gave no indication that it would adopt any other course than providing a concerted right wing opposition inside Congress. Although the PS-1 seemed set to require substantial concessions for its support for a UDP government, a clear and workable result had been obtained for the first time in three elections.

Siles duly entered into discussions with the military but refused to make any concessions over guaranteeing the posts of the existing high command and simply restated the UDP's policy of adhering to the armed forces' ley orgánica.¹⁶ Thus García and his colleagues - General Waldo Bernal of the airforce and Admiral Terrazas of the navy - could legitimately expect to be removed from their posts and replaced by members of the Karachipampas.

These discussions were undertaken in secret but the days following the poll were nevertheless very tense since the military's stated position of the elections for the last four months had been both negative and insistent. Moreover, they were known to be especially antipathetic to the UDP, which was characterised as 'communist' because of the membership of the PCB. This position was also echoed by the Argentine regime of General Videla which had on a number of occasions declared that it would not tolerate prospective centres of 'subversion' on its borders. Yet, however deeply ingrained the fears of a military reaction were, they were set against factors which seemed to militate against a coup, at least in the short-term. These included the operable decision of the poll, the inclusion of the ADN into the electoral orbit and its far from poor showing in the poll, the belief that Arce and García were only a minority inside the army and adequately balanced by the institucionalista current, the strong backing of Washington, and the existence of CONADE, which was taken to represent the legacy of the popular defeat of Natusch and a major disincentive for any further military moves.

On this basis the uprising of the Trinidad garrison early on 17 July - before the new government had taken office - came as a shock but was not initially treated with the gravity that it deserved; the response of the COB and the major parties was, as a result, both tardy and ill-organised. While this may be legitimately discounted as the central cause of the success of the coup, it certainly played a part and manifested a number of long-standing weaknesses exhibited by the democratic camp, the most crucial of which was an underestimation of the preparation, power, entrenched interests and regional backing of the leadership of the armed forces.

The Government of National Reconstruction

The coup of 17 July 1980 was characterised by a very high level of preparation and a use of violence exceeding even that of November 1979. Within hours of its outbreak it was understood to be less an effort to impose terms on the UDP or to rectify the electoral process than a movement to bring a definitive halt to the political experiment under way since early 1978. In that it has proved incapable of replacing the parliamentary project with an entrenched 'organic' military regime it has failed in this endeavour. As

Marcelo Quiroga - the first victim of the coup - remarked late in 1979, the coup is the traditional means of obtaining power for the Bolivian military but in recent years it has resorted to the mechanism of elections when it enters crisis and requires cover for a retreat.¹⁷ By early 1982 the regime of General Celso Torrelio had adopted just such a course in announcing a new poll for 1983; within 18 months the crusade to eradicate all vestiges of civilian party activity had collapsed and the armed forces appeared to be engaged in a manoeuvre very similar to that undertaken by Banzer at the beginning of 1978.

We may perceive a number of distinct phases in this process. The first was the attempt to launch an all-embracing and open-ended institutional movement based on the reverses suffered by the popular movement, the left, and the civilian political elite as a result of the July coup. This period was marked by the predominance of García, as president, and Arce, as minister of the interior; it ran from July until February 1981.

The fall of Arce from office in late February 1981 reflected an accumulation of forces opposed to his proclivity for unrestrained repression and, more importantly, his complete identification with the production and trading of cocaine. On the one hand, these sectors sought to remove him to placate Washington, reduce the disastrous reputation of the regime and break out of a highly damaging diplomatic isolation; on the other, elements out of harmony with the government aimed to restore the relatively open conditions of competition that had prevailed in the industry until July 1980. They failed on both counts, in part because their objectives were mutually exclusive. However, Arce's disgrace dislocated the ruling bloc, released the principal cocaine clans from the tight restrictions he had imposed upon them and led to the incorporation of new sectors of the military into the trade. This combined with the discontent of important factions of the army with the consequences of the first months of García's rule to result in a period of acute institutional crisis, in which García and his allies were confronted by a series of coups.

This second phase ran from February to September 1981, during which time García was gradually forced to withdraw from open control. However, the balance of forces was such that this retreat was never total despite a number of emphatic challenges (June and August). In August García was finally obliged to relinquish the presidency but, with the barely-veiled support of the still influential Arce, he retained sufficient power to exercise control over the junta of commanders that succeeded him. Nonetheless, this arrangement proved unacceptable to the growing movement for a qualitative relaxation of the regime. Thus, a third phase opened with the replacement of the junta after less than a month by a single president, the army commander Torrelio, who assumed power in September. Torrelio's first months of rule were by no means free of discord inside the armed forces but this was expressed in a far less extreme manner than had been evident earlier in the year despite the fact that García and Arce continued to exercise much influence. The weakness of this third regime came less from military dissent than from a series of advances made by the labour movement, still

disorientated and bereft of political leadership but reorganised at plant level and increasingly militant as a consequence of the severely deflationary policies, a devaluation and the harsh repression directed by the military. The strikes of late 1981 and early 1982 won capitulation to the demands for independent unions and - in time - full democratic rights (demands that, at this stage, should certainly not be seen as co-substantial with that for elections) but these concessions were, at the time of writing, not fully implemented and had generated a new flurry of coup scares from the ultras led by García and Arce, who feared complete marginalisation and continued to pose a threat to any authentic 'apertura'.

Not even the most detached and perspicacious observer could have foreseen these developments in the first few months following the July 1980 coup since the regime it established showed every sign of succeeding in its objective of founding a Bolivian variant of the long-standing military dictatorships of the Southern Cone.

This was most apparent in the level and form of the repression employed from the very start of the rebellion. The lessons of the Natusch debacle had been fully inculcated and there was no evidence of hesitation or discrimination on the part of the rebel forces. Radio stations, the COB headquarters, government offices, the presidential palace and all strategic points in La Paz were captured without resistance in lightning raids by paramilitary forces using ambulances to mask their approach and provoking a general terror in their operations. CONADE had no time to coordinate a general strike; its leaders, including Lechín, were captured, killed (Quiroga, Carlos Flores, Gualberto Vega) or forced immediately to go underground. In this way potential foci of resistance were eradicated and the leadership of both the union movement and the political parties effectively decapitated. Moreover, the initial use of paramilitary forces - Argentines, FSB militants and various criminal and lumpen elements in the employment of the cocaine interests - enabled it to be realised with remarkable speed. By the time troops were investing the principal urban centres the movement's success was assured and there was no opportunity for effective opposition to be launched inside the military. Thus, the mechanics of the coup temporarily suppressed currents of discontent within the armed forces but neither confronted nor overcame them. The institutional character of the coup was further confirmed when, after momentary bickering as to the precise form of the new regime, García was sworn in as head of a junta comprising himself, Bernal and Terrazas in the Miraflores barracks rather than, as ordained by tradition, in the presidential palace.¹⁸

The arrival of the 'new order' was not simply evident in the extensive deployment of troops in the first months of the government. The most obvious indication of an alteration in the norms of military conduct lay in the high profile and constant activity of the paramilitary forces, controlled by Arce's ministry of the interior and denominated the Servicio Especial de Seguridad (SES). In the first assault it was this force that undertook the principal actions, and it continued to provide the shock-force of the regime in overseeing unprecedented numbers of arrests; the extensive use

of torture and a very rigorous implementation of the tight curfew. Indeed, so integral to the maintenance of the regime did the SES become that it survived Arce's tenure of office and continues, albeit under a different name, to possess considerable powers and remain largely independent from the formal military hierarchy. The custom of members of SES to loot the houses of their victims and exercise little or no restraint in their activities certainly sowed a deep fear in the civilian population but it also generated a very wide sense of resentment and opposition to a government that proclaimed itself the incarnation of probity, order and Christian values. In the last resort, the regime's zeal in repression proved to be counterproductive.¹⁹

The activities of the SES, which by the end of 1980 numbered 7,000 men, were nonetheless consonant with the central themes of García's pronouncements until he fell from office; the new regime was the product of chaos engendered by corrupt politicians, castro-communists and subversive priests; its purpose was to wipe out these currents and establish a new 'democracia inédita' based on discipline, moral regeneration and the 'transcendent' values of nationalism. It was to be a 'Government of National Reconstruction' with no determinate life-span. It could last 'five, ten or twenty years, whatever it takes to remove the cancer of Marxism'.²⁰ Statements of this genre are familiar to all who have a passing knowledge of the Southern Cone regimes and it was precisely on their model that García aimed to establish his government. This emulation went much further than the extensive employment of repression although it soon encountered critical impediments in its efforts to remould civil society.

The initial impact of the coup gave substance to the immediate prohibition of political parties. Even Banzer's ADN and the FSB - largely exempt from harassment and tacitly permitted to continue in existence provided they made no public statements - were disorientated and marginalised at the beginning. Although García claimed that his regime was a 'natural continuation' of Banzer's nationalist rule, he made no effort to cultivate the ADN, which was correctly viewed as representing not only a rival political force but also a nucleus for competition inside the military. Equally, while militants of the FSB were encouraged to serve in the SES, its leadership was studiously excluded from influence. Naturally enough, past and present adherents of these parties of the right were appointed to staff the higher echelons of the state apparatus but their authority derived from their commitment to the new regime and not from the insertion of the parties into the traditional circuit of patronage and influence; this did not occur for some six months, which would under normal circumstances be considered a very short time but in this case represented a significant political space. An even greater distance was opened up between the government and the MNR; some of the dissidents who had supported Natusch were incorporated but Paz himself and the leadership, which was closely identified with Gueiler, were brusquely retired to private life.

The parties of the left were hit very badly. In organisational terms only the PCB and the very small POR were structured in a

sufficiently disciplined manner to embark on clandestine activity in the short-term. The rest of the left suffered the natural consequences of having developed out of tight cadre-based formations into large, loose-knit electoral vehicles. Without Quiroga or a well-established presence in the unions, the PS-1 was eclipsed as emphatically as it had flourished in the previous period. The MIR, the origins of which had been firmly situated in clandestine activity under Banzer, suffered more than any other group because it was a prime target for the military. It also entered into a period of internal debate and dissent with several loose factions being formed. The leadership based around Jaime Paz laid great stress on its links with social democracy, solidarity from the governments of the Andean Pact and - most contentiously - Washington. Paz's contacts with the State Department did not halt even after Reagan came to office, and this caused much tension not only with the PCB inside the UDP but also inside the MIR itself. Many militants inside the country rejected the Paz line, some moving towards Trotskyist positions in a self-criticism of the party's dependence on electoralism, others adopting guerrillaist positions.²¹

Yet, as in the case of the PCB and MNRI, the MIR still possessed a strong nucleus in the union leadership, which now came to head internal opposition and locate resistance in the syndicalism that has proved the most durable feature of the Bolivian left. This development acquired even greater emphasis following the early failure of the UDP to mount a defence of its electoral victory by declaring a clandestine Gobierno de Unidad Nacional (GUN), which was set up on the day the alliance should have assumed power - 6 August.²² Siles's call to arms in this move was, in the event, a miscalculation since the UDP was in no position to realise the GUN in any other form than as an organ for propaganda; even more than CONADE, the GUN possessed only a phantom existence. Once this was recognised and popular expectations fell away, Siles left the country (September) and the project was tacitly dropped although both the MIR and the MNRI continued to make occasional references to it for nearly a year.²³

The regime's labour policy formed the centre-piece of its corporatist ambitions. Following Banzer's example of running a network of labour 'coordinadores', the junta's Decree 17531 of 21 July suppressed all labour rights granted under the 1967 Constitution and effectively outlawed all independent unions with the exception of the transport workers who had always been faithful banzeristas and gave early support to García Meza. Decree 17545 of 12 August established government-appointed 'relacionadores' as the only legal representatives of the working class, and Decree 17610 of 7 September declared that henceforth a 'social pact' would exist between capital and labour, all the terms of which would be stipulated by the regime.²⁴ This policy was implemented with appreciable speed; within three months over 1,000 'relacionadores' had received their credentials.

However, the regime was never able to impose a 'yellow' apparatus in any other than a coercive and superficial manner; when, by mid-1981, this apparatus came under pressure from rank and file militancy it began to disintegrate remarkably quickly. Nevertheless,

this was not a uniform process and followed the pattern established in the uneven resistance to the coup in its first weeks.

The early success of the offensive against the unions owed much to the speed and harshness of the coup, which decapitated the COB. The capture of Lechín was a particular bonus for the military and three days after the coup they obliged him to make a TV broadcast urging the workers to call off their general strike to avoid further loss of life. Although the labour leader looked dishevelled and disorientated, his appeal had a profound impact and certainly played a part in convincing the urban workers that they had lost their leadership and were left with no choice but to retreat.²⁵ Thus, within a week the strike called by CONADE had effectively collapsed in the towns; it was only in the large and traditionally militant factories of Manaco (Cochabamba) and Said (La Paz) that a clandestine rank and file union was able to establish a firm existence.

This position contrasted completely with the junta's endeavour to secure rapid control of the mines, the real heartland of the Bolivian proletariat and the single most important obstacle to the consolidation of the new regime. The full-scale military campaign to occupy and subdue the mines took three weeks, witnessed a number of mutinies by conscripts, and, after a number of partial withdrawals, failed to result in a complete defeat of the workers. The resistance to this offensive matched the scale of the miners' mobilisations of 1942, 1946, 1952 and 1971, encompassing the entire population of the camps and leading to large numbers of casualties. Use of airpower ensured the army's final control of the camps but in the important centre of Siglo XX-Catavi the strength of opposition enabled the workers to withdraw with a number of guarantees and the bulk of their union organisation sufficiently intact to go underground in an efficient manner. The same occurred in Huanuni, the overall effect in these two large camps being to diminish the authority of the 'relacionadores' completely.

Armed resistance in the mines was only finally stopped on 3 August after troops massacred the inhabitants of the isolated Viloco and Caracoles pits.²⁶ The failure to impose a categorical defeat on the miners was not immediately obvious - the camps became the site of a singularly harsh repressive regime and were flooded with troops. However, when, at the end of October, the local commander in Siglo XX attempted to eradicate the widespread practice of sabotage and go-slows by arresting a number of prominent FSTMB militants, the regime was faced with a strike that underlined the precariousness of its control. The stoppage at the end of October and early November represented the first step in the gradual recovery of the miners and propelled the formation of clandestine unions, which, while experiencing difficulties in communications, provided the basis for the regeneration of the COB in the interior. Over the following 18 months it was these ad hoc bodies headed by plant-level militants that led the campaign to reject the relacionadores, organised strike action in liaison with the factory workers and headed local resistance committees. In Siglo XX they came under a strong Trotskyist influence; elsewhere they tended to reflect a return to militant syndicalism, veering towards Lechín's

PRIN and somewhat away from the MIR and PCB, which at times argued for the recognition and use of the post of relacionador when this was subject to election in open assembly. Their success may be judged by the number of strikes that took place in the industrial sector over the first 18 months of the military regime.²⁷

García's government met with greater immediate success in its policy of 'regenerating' the university and intimidating the church, the liberal sectors of which it identified as co-substantial with 'subversion'. The universities were closed for nine months following the coup. The majority of their staff were purged and replaced with the banzeristas who had been removed in the free academic elections of 1978; this limpieza was part of an extensive masacre blanca in the public service which went well beyond the customary clientelist turnover. The impact was felt at all levels of the middle class for many students were expelled under the new statutes that replaced the universities' traditional autonomous status, placed them under the direct control of military appointees, led to massive increases in fees and dismantled many areas of the curriculum, particularly in the humanities.²⁸

The offensive against the church was less predictable, largely because the institution has always been poor, heavily dependent on the support of the Vatican and, as a result, noticeably lacking in an indigenous body of radical priests of any size. Nonetheless, it became the target of a zealous persecution, with many ecclesiastical establishments being raided, significant numbers of clerics being detained and tortured as 'theologians of liberation' and 'traitors to Western Christendom'. The liberal Archbishop Manrique of La Paz was singled out for particularly insistent criticism and molestation but, as elsewhere in Latin America, it was the orders - particularly the Jesuits - that were attacked most emphatically and forced to reduce very greatly their pastoral work in both the towns and the countryside.²⁹ The church hierarchy remained harassed but largely untouched; for over a year it described its relations with the regime as 'normal but not cordial'. It continued to protest the violation of human rights and distanced itself from the regime without ever openly condemning it. This enabled it to preserve an autonomy which the armed forces themselves were to find extremely valuable as they began to divide and require an arbiter.

On the international plane the new regime found itself completely isolated and it was forced to rely heavily on the support of the Southern Cone dictatorships, particularly Argentina. The junta's repeated attacks on the Andean Pact were essentially political in motivation and owed much to the fact that the exiled UDP leaders received valuable support from the civilian governments of the member states. On at least a dozen occasions in the second half of 1980 García threatened to withdraw Bolivia from the Pact, which he accused of forcing an 'alien political system on the country'. However, he was persuaded out of precipitate action by extensive lobbying on the part of the private enterprise federation (CEPB), important members of which depended heavily on the Andean market and the Pact's assistance, and the leaders of the armed forces development agency (COFADENA) which was similarly vulnerable to a break in relations.³⁰ By the end of the year

Bolivia's position was one of an anomalous 'abstention', and while political relations remained cool, there was a gradual re-establishment of diplomatic and economic links.

The infinitely more critical question of relations with the U.S. was not resolved with the same ease; from the start it contributed greatly to the progressive debilitation of the junta. The scale of the problem became obvious when the Reagan administration failed to reverse the boycott of the Carter government, replacing the anulment of parliamentary democracy with involvement in the cocaine trade as the principal reason for this policy. Considering the extreme economic and political vulnerability of the regime and the relatively greater space it had for reversing the boycott on the new grounds, the ineptitude of its response is surprising. García and his colleagues made persistent attacks on 'all forms of imperialism' for a number of months and made none but the most transparent moves to disassociate themselves from cocaine or cultivate favour in Washington. In this they were not helped by the actions of a number of amateur 'confidential agents' to the U.S., appointed because of the paucity of career diplomats prepared to serve the regime. It was only well into 1981, when García's internal support was palpably on the wane, that the technocrats of the ADN were harnessed to ameliorate relations, very few of them staying at the job once Banzer himself had signalled that he would break from the government. As a result, Washington held back from sanctioning badly needed IMF stand-by loans for a full 15 months although the Fund continued to send missions to La Paz and prepare plans for a full emergency package. One significant factor in this policy must have been the State Department's conviction that Bolivia was notably free of 'subversive influences', that the UDP did not represent an impediment to hemispheric security, and that the new regime was not only thoroughly discredited by well-documented attachments to narcotráfico but also a liability in that it was likely to generate institutional disunity and mass discontent.

While the support of the Southern Cone offered a degree of political compensation for this remarkable isolation, it was incapable of meeting the economic needs of the regime, Argentina alone offering very modest assistance in the first instance and then retreating from further commitments. Thus, in the short term the split from the U.S. fortified the corporativist tenor of the government and compelled it to take an uncompromising stance in international affairs, but within nine months it had become plain that this position was utterly untenable. As a result, the regime faced a concerted challenge from the established forces of the right, which held out the prospect of mending the fences with the U.S.

A less publicised but by no means minor weakness of the García apparatus was its failure to establish a base in the peasantry, which has always been a crucial constituency for military regimes through the mechanism of the Pacto Militar-Campesino (1964-). There are a number of causes for this important absence. Most importantly, the economic crisis precluded any indulgence of the vociferous claims for commercial preference on the part of the campesinado, a fact that was made resoundingly clear in January 1981, when the junta's first major economic initiative removed state subsidies from a

wide range of foodstuffs and basic necessities and hit the peasantry with particular severity. This necessitated a temporary but sharp increase in repression in the countryside, especially in the mining regions and in the traditionally militant department of La Paz where there had been nuclei of determined resistance to the coup on the part of the peasant union, unlike elsewhere in the country. However, if in general the campesinos responded to the rebellion in much the same manner as the urban working class by adopting a rapid retreat, it did not suffer such heavy losses in its leadership. The CSUTCB and the various new campesino political parties - MRTK and the various factions of MITKA - remained active in the Altiplano and derived appreciable support by virtue of Flores' position as temporary head of the COB, the first campesino ever to hold this post in the trade union movement. This enabled important sectors of the peasantry to provide an effective opposition to the old barrientista apparatus, rapidly resurrected after the coup to run the government-sponsored union. The attachment of these apparatuses to the memory of Banzer - unforgiven for the 1973 devaluation and the Tolata massacre of 1974 - as well as to that of the Natusch coup - which, to all intents and purposes, marked the end of the pacto in the Altiplano and the Cochabamba valley - deprived them of any real following in their old fiefs. García's numerous visits to the countryside failed to alter this position, the new president being a singularly poor orator, unable to speak either Quechua or Aymara, and lacking in charisma. At no stage since the coup - even in the crisis of August 1981, when substantial efforts were made to mobilise it - have appreciable numbers of the campesinado rallied to the defence of the military. To date this has had the effect of severely limiting the regime's political options; in the future it may well prove much more critical.

Deep popular antipathy and isolation from Washington were predictable impediments for the regime; the degree to which it was destabilised by dissidence from within the domestic ruling class was much more surprising. The strength of this opposition may be judged from the fact that before the end of 1980 it was being expressed in a muted but nonetheless telling manner inside the government's own, newly created policy-making body, the Consejo Nacional de Asesoramiento y Legislación (CONAL). CONAL had been established in September precisely to rectify the absence of party political support and to compensate for the manifest lack of experience and expertise on the part of the members of the junta. Its president was General Juan Lechín Suarez, Banzer's minister of planning, ex-head of COMIBOL, and one of the most politically capable officers to emerge since 1952. CONAL was largely comprised of retired officers but it also included civilian backers of Natusch from the MNR and MNRÍ and leading members from the ADN and FSB.³¹ Its original brief was to prepare and advise on the formation of the new constitutional order and the planning of state policy. However, differences with the voluntarist designs of the García-Arce bloc grew as CONAL became the conduit for the interests of the established right.

The first instance of this was the issue of the new security law which Arce planned to introduce in late September. This measure effectively provided for the suppression of the 1967

Constitution, which was nominally still in force, and the institution of a national security regime very much of the type practised in the rest of the Southern Cone. The Church was the first to raise objections to this, principally because the draft statute provided for the death penalty to be reintroduced for a series of infractions. However, the expectation that Arce was seeking complete *carte blanche* for the SES consolidated opposition both within the military hierarchy and on the civilian right. The alliance of these forces, the tacit support they received from CONAL, and the threat in early November of coup attempts from two senior banzerista officers commanding the garrisons of Cochabamba and Santa Cruz (Colonels Vargas Salinas and Echeverría) persuaded García to withdraw the proposal rather than split a bloc he still hoped to unify under his leadership.

There can be little doubt that one of the central reasons for the formation of this pact was a common rejection of the form of repression practised by Arce and the SES, which threatened both the military's monopoly on such activity and its already badly tarnished reputation. This sentiment was further reinforced in January 1981 when paramilitary forces executed eight leaders of the MIR in cold blood. The fact that one of the dead was the son of a senior general and that the killings were clearly unnecessary and had been conducted in a particularly barbarous manner served to fortify the conviction that Arce was out of control and breaking the implicit rules of repression which, until 1980, had proscribed administering to the executions of individual members of the middle class. The impact of the January killings was considerable, and had the effect of divorcing the regime from many of the urban middle sectors who might have normally been expected to support it.

If the García junta acquired a deeply distasteful reputation on this score, it succeeded in amalgamating opposition in a much more fundamental manner with its economic policy. From the first days of its rule the government had given notice that it would avoid a devaluation, proceed to pare down Bolivia's lumbering and grossly inefficient state enterprises, and implement a comprehensive deflationary policy to regain creditworthiness with the IMF and the banks. By the end of 1980 it was apparent that the first steps in this process were under way, but the economic package of 10 January 1981 was, in fact, less directly an attempt to woo the IMF than an endeavour to release funds for a state apparatus that was so impoverished that the salaries of its employees were three months in arrears. Wages were frozen and a wide range of state price subsidies - including those on petrol and oil - removed, at an estimated inflationary cost of over 35%. The state also reduced its social security commitment from 50% to 33%, transferring the difference to employers and workers, a step that was roundly condemned by almost every sector. As a result of these moves the government saved itself around \$200 million, but at the immediate cost of the price rises, a grave scarcity of provisions and outbreak of speculation, and a rise of interest rates to 32%.³² The oficialista leadership of CEPB formally approved the measures and urged greater speed in privatisation but this did not reflect the true position of the country's small and embattled industrial interests. The private mineowners' federation (ANMM) announced that their costs would be increased by some \$35 million, or 50%, at a time when mining was

losing \$39 million a year, international prices for tin constantly falling and the U.S. about to release further stocks from its strategic stockpile. It was not until April, when control of the CEPB was won by the banzeristas of the ANMM, that the private sector was able to exercise uniform pressure on the regime, but even at this stage the early and unmistakable signs of discontent from this sector combined with the wide support for a 48-hour general strike called by the COB in protest at the package clearly convinced the regime that it could not risk a devaluation.

This dissonance was underlined by a sharp conflict between the government and the established interests of Santa Cruz, now the country's leading industrial centre and a vital constituency for the regime. Much of the friction was due to disagreements over the cocaine trade (see below) but there was more at stake than this. The initial rupture was caused by the administration's need for immediate revenue, which compelled it to reduce Santa Cruz's share of the royalties from oil income as part of the January measures, and its determination to continue with the development of the San Buenaventura agro-industrial complex in northern La Paz, posing a direct challenge to the under-utilised cruceño sugar industry.³³ The resistance to these measures led Arce to take the bold move of intervening directly in the affairs of the Comité Pro Santa Cruz, an extremely powerful body that acted as the government of the department. Control of the Comité by the La Paz government was retained in the first months after the coup by dint of the normal system of political appointments and favours but the central importance of the oil royalties and the San Buenaventura project required more concerted action from Arce if the regime were to retain even nominal control over the east of the country. By early February 1981 the minister of the interior was opposed by an alliance that comprised the principal agro-industrial interests, the ADN and FSB (both of which were centred in Santa Cruz) and junta-member Bernal, who perceived an opportunity to curb Arce's power and improve his own political standing.

Arce reacted to this challenge by setting up a Comité Cívica Nacional, which would possess authority over all regional interest groups and civic bodies. However, the day after this new entity was declared Santa Cruz came out on a 24-hour general strike (10 February), against which no move was made by the garrison or the powerful airforce base, signalling local military complicity in the action. This produced a swift retreat on the part of the government, now forced to recognise the continuing power and autonomy of the city's interests and the need to negotiate it with them. The region now became the centre of an intense struggle, one aspect of which was reflected in the fact that over 15 months of military rule its garrison was commanded by no less than eleven different officers.³⁴

The success of the cruceño interests in stalling the government had an immediate effect on national politics: García was compelled openly to seek Banzer's support and to widen his regime. Banzer, though, was clearly determined to extract maximum advantage from this position since the successes of the ADN over the previous two years merited more than a passing association with what was now

perceived as an insecure military junta. A visit to Washington had the effect of hardening this resolve and making any entry of the ADN into government conditional upon a substantial relaxation and a 'measured return to democracy', laying the basis for the party's full assumption of power under the auspices of a 'controlled democracy'. This project represented a continuation of the Carter policy tailored to the immediate needs of the Reagan administration, which sought above all else a categorical separation of the Bolivian government from the cocaine trade and a refined image for authoritarian rule. On one point this policy coincided with the position of the majority of the domestic forces of the right: the removal of Arce, who was publicly associated with the trade more than any other figure. García was no longer in a position to reject this demand and on 24 February Arce was removed from office along with the minister of education, Colonel Ariel Coca, similarly identified by the DEA as a leading narcotraficante.

Cocaine

Since the July 1980 coup Bolivia has been closely linked in the media with cocaine trafficking. To the extent that this association has masked many of the issues raised above it has proved somewhat counter-productive in terms of reaching a full understanding of the nature of the military regime. Nevertheless, there can be little doubt that while many details of the trade remain unknown or obscure, both the coup and the successive regimes based upon it remained highly dependent upon cocadólars, the receipt of which rapidly engendered substantial difficulties both abroad and in terms of the domestic division of the spoils; in many respects the state was reduced to little less than the mechanism for direct plunder.

Coca is, of course, a traditional crop in Bolivia and it is only recently that more than a very minor part of the coca leaf crop has been processed into cocaine sulphate and then pure cocaine.³⁵ This industry grew slowly in the 1950s and did not properly flourish until the mid-70s when, under the Banzer regime, the Santa Cruz agro-industrial interests began to make serious investment in it. Production in 1981 was estimated to be worth \$2 billion, having in 1980 reached \$1.5 billion, a sum that partly explains the government's ability to survive - after a fashion - the effective bankruptcy of the state. Between 1978 and 1980 production of coca leaf was said by the ministry of agriculture to have doubled to 28,000 tons, but most sources estimate that the true figure was up to three times as large.³⁶ The rise in demand in the U.S. and Europe enabled this expansion although cocaine still remains an 'elite' drug, very highly priced even when 'cut' (mixed with other substances), a practice that is generalised. Other factors in the growth of the Bolivian industry include the establishment of reasonably secure routes through Brazil and Colombia, with the Colombian connection being especially important since it facilitated expert marketing in North America as well as the conversion of cocaine sulphate into the finished article, both skills that the Bolivians only acquired on a useful scale in the course of late 1980 and 1981. High rates of profit; the abundance of high-quality coca leaf; lack of efficient control in the principal areas on cultivation (the Yungas

region of La Paz and Chapare, Cochabamba) and even less supervision in the main processing centre of Santa Cruz and in the Beni which with its many private airstrips makes an excellent staging post, have contributed to the rise of an industry that by 1981 was the country's single largest earner of foreign exchange and the foundation of an entire political class, the 'narcokleptocracia'. It should be added that while this trade was nominally clandestine, both before and after July 1980 it was undertaken with remarkable openness and has affected the daily lives of a great many people - virtually the entire population of Chapare, a good portion of the very populous Yungas, and many day labourers in Santa Cruz, where cocaine factories employ up to 200 workers on a shift.

The two principal impediments to cocaine production and sale are that it is illegal and that, by virtue of this, it is not governed by the traditional rules of competition between capitals, tending towards Mafia-style organisation and highly erratic conditions of control at every point of the production process. The consequences of both these factors have been amply manifest in Bolivia since mid-1980.

There now exists convincing evidence that the established coca clans based in Santa Cruz and the Beni supported the 1980 coup once it was known that the UDP had won the election and understood that Siles would cooperate with the large DEA operation in the country and remove the clans' principal military protectors. It seems that no one sector funded the coup to ameliorate its position against the others but once the new regime was established the group based around Arce became predominant, with the minister of the interior occupying an optimum position to levy unofficial taxes, ensure protection and mediate in relations with the Colombians. Nonetheless, Arce was soon obliged to recognise the claims of two relatively new factions - based largely around the Santa Cruz garrison and the airforce - to an equitable share of the proceeds. Within a few months of the coup many officers of all ranks were deeply involved in the trade at a number of levels: buying up land and cultivating coca directly, purchasing leaf, running factories or supervising transport by air or road.

The effect was a rapid erosion of institutional norms and the strengthening of a parallel structure of power that was based on production and highly divisive in terms of competition for lucrative local commands (particularly in La Paz, Cochabamba and Santa Cruz), demands on the limited availability of labour (both military and civilian), control of airspace and alliances with civilian commercial interests. Most importantly, entry into the trade opened the armed forces to unprecedented financial rewards that had directly political implications and played havoc with the traditional structure of personal ambitions.

This ad hoc system came under external pressure from the start, most incisively in the campaign of the DEA and the State Department to isolate the regime and cultivate relations with military figures that were not implicated in the trade (a policy that cannot necessarily be understood to have found total agreement in the Pentagon).

It was largely as a result of this factor that from early 1981 the operations of the industry were tightened up and a distinctly unimpressive campaign to 'fight' it launched by the regime's Departamento de Sustancias Peligrosas, which distinguished itself by raiding small independent operations and ostentatiously burning their produce but more frequently 'losing' the impounded cocaine. The record of this department confirms the impression that, aside from its critical repercussions on U.S. public opinion and policy and a number of arrests of carriers, the DEA operation did not directly hamper the domestic organisation of trade that was supervised by senior members of an independent government. More immediate problems resulted from the speed and scope of expansion, which led to great instability in the price of coca leaf and a corresponding erraticism in the incidence of planting and harvesting, upsetting the agricultural rhythm in the Yungas and the Chapare as well as the fortunes of the local peasants.³⁷

The employment of troops to tread leaf soon proved insufficient for the military interests and great demands were made on the seasonal labour force of Santa Cruz, which was readily attracted by wage rates often six times as high as those offered on the cotton and sugar plantations. So severe was this demand that by early 1981 the established agro-industrial enterprises, many of which had subsidiary interests in cocaine, began a campaign for control, asserting that this factor had worsened the already grave effects of high fuel prices and lack of credit to reduce the area sown in cotton from 50,000 to 15,000 hectares in 1980/81.³⁸

It is likely that these considerations were also important in provoking a severe crisis in cocaine circles within months of the coup. In some respects the temporary resolution of this conflict mirrored that in the political sphere in that it led to a fortification of the groups based around Banzer and those sectors of the military recently incorporated into the trade. The most public indication of this was the formation in March 1981 of the Consejo Nacional de Lucha Contra Narcotráfico (CNLCN), under the direction of Colonel Arturo Doria Medina, commander of the powerful Tarapacá armoured regiment and deeply antipathetic to Arce, and Colonel David Fernández, formerly chief of airforce operations and a close ally of Bernal whose political challenge and commercial competition with the García-Arce bloc was picking up momentum. The CNLCN attempted a direct militarisation of the trade by prohibiting the sale of coca leaf except to the armed forces, which would fix the price and monopolise transport. This move undoubtedly promised to increase the share of the market held by the institutional clans and it had the effect of increasing the level of violence and infighting in an occupation already overly-endowed with these features. Within two months the senior officers of the CNLCN were forced to resign in recognition of the fact that no one group could dictate the terms of the trade and that Arce still possessed considerable resources even without a formal military or political position.

Institutional Crisis: March to September 1981

There is insufficient space available here to treat in detail the various facets of the challenge faced by García in mid-1981. The

principal characteristics of this conflict were that it was constant; it emanated from groups involved in narcotráfico and those that were not and from discrete alliances of the two; it derived considerable impetus from Washington's boycott; and, despite the consistent backing of the U.S., Banzer and the leading forces in Santa Cruz, it failed to achieve a definitive displacement of the ruling bloc.

The first phase revolved around Banzer's efforts to impose his stamp on the regime, and then - following a visit to Washington - his decision to withdraw support from it. Yet, the importance of Banzer's actions did not place him in the direct leadership of all moves against the government; the first genuine coup attempt appears to have been undertaken independently. This was the rebellion on 17 March of the senior year of the Colegio Militar - the brigadieres - against the appointment of Arce as their commander and his use of the academy to train the SES, which was now estimated to have 11,000 men. The revolt was clearly encouraged by the broadcast in Bolivia of extracts of the CBS programme '60 Minutes', which analysed the Bolivian cocaine trade, directly implicated Arce in it, and was widely considered to have besmirched the honour of the army. Although the revolt failed to spread and was suppressed without much difficulty, the need to expel the entire final year of the course had important ramifications in an institution which was already badly divided and in danger of losing all vestige of its proclaimed professional ethics; a budget increase of 68% did little to improve this state of affairs. One of the central features of the crisis was the growing opposition to the SES from many field officers who resented the employment of these men in the staffs of influential officers in the regime (Arce; Rico Toro; Mercado; Gribowsky; Vildoso; Lea Plaza) and began to agitate for a revived institucionalismo. This current lay behind the establishment of a temporary alliance between the disgraced Karachipampas and some of the leading supporters of Banzer.

The uprising in the Colegio opened a month of tense negotiations between Banzer and the regime. As these talks failed to produce concessions on García's part, the ex-dictator carefully distanced himself from the government and forged an alliance with Natusch, who still possessed an authority in the armed forces that Banzer - now retired - required if he was to assemble an effective front. By the middle of April this pact was sufficiently advanced to provoke the arrest of both men although Banzer, because he lived in Santa Cruz, enjoyed the protection of the Eighth Division against the SES.

Events accelerated in early May with a series of unexpected and slightly bizarre efforts to displace García. The first was led by the notoriously unstable falangist leader Carlos Valverde, who undertook the capture of the Tita oil refinery by party militants and demanded García's immediate resignation. This seems to have been a purely party affair since it received no backing from Banzer or Santa Cruz. Indeed, it was the Karachipampa leader Colonel Gary Prado - momentarily restored to favour as commander of the Santa Cruz garrison in an effort to obtain the neutrality of both forces opposed to the regime - who led the assault against the FSB in the refinery and who was the only casualty of the action in circumstances that were highly suspicious.

Two days after this incident, El Deber, a minor cruceño daily, published a report that directly implicated all the members of the junta in a secret commercial transaction to mine and export semi-precious stones from the Lago La Gaiba region on the Brazilian border. The contract for this operation was both illegal and highly remunerative for the three commanders, provoking a public outcry that did not subside until the last of them - Bernal - was removed from office in September. This issue was, according to the author's own account, the direct cause of two attempted coups in Cochabamba by the leader of the elite CITE parachute batallion, Colonel Emilio Lanza, known to be a follower of Banzer. Neither attempt (11 and 25 May) was either well organised or very effective. Lanza acted entirely on his own initiative and without great intelligence, the only remarkable feature of the episode being that he was permitted to go free to repeat his endeavour. However, Lanza's actions had sufficient resonance to break the atmosphere of control that the regime had hitherto maintained. Banzer and Natusch were immediately exiled, but this failed to stem polarisation inside the officer corps, now increasingly aware of its vulnerability to the labour movement, which staged two one-day strikes in the second week of May under the direction of a reorganised COB leadership.

In an attempt to prevent further accumulation of forces by the banzerista camp, identified as the principal immediate threat to the regime, García made what was superficially an astute move in appointing as army commander and chief of staff, Generals Humberto Cayoja and Lucio Añez. Both men were clearly separate from the governing clique and bitterly opposed to Arce; Cayoja had falangist origins and was Santa Cruz's original candidate to lead the 1971 coup, a fact that had placed him out of favour with Banzer, with whom he shared many qualities. Añez was close to Paz's MNR and had been a supporter of Natusch in November 1979 but he also possessed contacts with the Karachipampas; neither man was directly involved in the cocaine trade. García's clear intention was to find the middle ground in appointments that would stave off but not satisfy Banzer nor jeopardise the existing balance of power inside the cocaine clans. Instead he opened up an institutionalist movement that found many points of agreement with the banzeristas.

Within two days of these posts being announced the tiny but persistently troublesome navy officer corps demanded the removal of García and succeeded in displacing its own commander, Terrazas, who held no real power. A week later Cayoja and Añez, manifesting an independence and determination not expected of them, called a meeting of senior commanders to decide the question of the presidential succession that had not been properly settled in July 1980, had been since placed in much doubt, and was due to be resolved by independence day - 6 August. In taking this move the new commanders had the support of Bernal, whose personal ambitions were now open knowledge but did not coincide with the plans of Cayoja and Añez. However, the meeting reached no firm decision, obliging the two challengers publicly to place García's retention of the post in doubt and declare that the presidency could only be determined by election from the entire senior staff of the armed forces, to which

the junta was answerable. García himself contradicted this position and was soon joined by his colleagues on the junta when it became apparent that Cayoja and Añez were attempting a complete removal of the existing personnel.

The failure of Cayoja and Añez to make a success of their coup of 27 June - the logical result of a month of public sparring - was due largely to their reliance on the support of the La Paz garrison, whose leading officers (Doria Medina, Rico Toro, Gri-bowsky) deserted the movement in exchange for large sums of money dispensed on Arce's orders. (This apparently simplistic explanation might be found unconvincing but it is strengthened by the later publication of the letters authorising these payments and the apparent lack of any other motive). The collapse of the coup, the most serious challenge to García to date, removed much of the confusion as to alignments within the military; the purge that followed signalled a major house-cleaning that could only presage further conflict.

The outbreak on 3 August of a considerably more serious and well-prepared rebellion in Santa Cruz was in every respect a logical occurrence. The preceding month had been marked by García's attempts to prolong his presidency - worth an estimated \$40,000 a week - against the wishes of the majority of commanders who could not, however, find an acceptable alternative within the existing caucus of serving officers. CONAL had, to all intents and purposes, signalled its own demise by declaring that to reform the Constitution would be *ultra vires*. Santa Cruz had staged a one-day strike against San Buenaventura and promised further action on this score. Moreover, Natusch, Banzer, Añez and Cayoja were all actively accumulating military support on the basis of the regime's links with La Gaiba and cocaine, its economic measures, suppression of democratic rights (hitherto not a point of contention within the armed forces) and dissolution of military unity. This alliance spanned the institucionalistas and members of the established cocaine network; it had the tacit backing of Washington and even held secret discussions with the COB in an (unsuccessful) attempt to secure promises not to exploit the division of the military for the advantage of the labour movement. For a while the front also had the backing of the MIR which - much to the disdain of its partners in the UDP - declared itself in favour of a 'government of national convergence', even if it was led by the military. Needless to say, this support was condemned by the regime and rapidly disowned by the rebels, who stood well placed to eclipse García's alliance with Argentina and were guaranteed support from Brasília. What the movement gained in political authority from Banzer and Cayoja it matched in the military standing of Natusch and Añez.³⁹

Thus, when the rebellion finally broke out under the leadership of Natusch and Añez it had every chance of success, especially when García relinquished the presidency within 24 hours. The rebels failed to win Cochabamba, Oruro and La Paz, all fortified with an infusion of cocadólars at the order of García, acting in support of his appointed successors, a new junta comprising Bernal, General Celso Torrelio (army) and Admiral Pammo. However, the coup succeeded in winning the backing of all the southern, eastern

and northern garrisons, the navy, and a large part of the airforce. A formidable force was gathered at Santa Cruz and for three days it appeared that for the first time since 1952 elements of the armed forces would engage each other in open combat. The rebels demanded a full military election of the president; restitution of democratic rights; an emergency economic plan; a full campaign against cocaine and the reincorporation of all officers who had been purged. Their movement was dubbed one of 'dignidad nacional'.

The potential danger of this situation was emphasised when the miners declared an indefinite strike in demand for the restoration of democratic rights but in complete independence from the coup. Oil supplies from Santa Cruz to La Paz were cut and the capital began to run short of food. The sector that had come to power in July 1980 seemed doomed by a revolt that championed the cause of almost all the dissident strains of the previous year: the regional interests of Santa Cruz, competing cocaine clans, military institucionalistas, Washington, and many of the parties of the right and the centre (including the MIR). However, the junta could still rely on the formidable SES, the key Altiplano garrisons and the inherent desire on both sides to avoid combat. In this it was able to use the good offices of the church, which was by now the only institution with any coherent national organisation or authority other than the COB. By urging unity and compromise, and by offering its mediation, the hierarchy efficiently defused the crisis, at least in the short term. However, this was only made possible by the ability of the junta to persuade Natusch to defect from the revolt just at the moment when it was at the point of taking power. By accepting the junta's agreement to just one point of the rebels' demands - reincorporation of purged officers - Natusch betrayed his movement and disorientated the revolt. In his declaration that the 'natural order of command' had been re-established, he completely disorientated his followers and then retired to private life, the object of universal derision and under considerable suspicion of having received substantial rewards for his act.

Although Ñez disowned Natusch, it proved impossible to hold the revolt together, especially since García was no longer president and the insurgents were being offered a way out. García's fall from office was, however, a deceit for he continued to occupy the official residence and remained the power behind the throne. The junta was heavily reliant upon the backing of the SES and promised no changes beyond resolving institutional disputes and respecting the autonomy of Santa Cruz. The result of all these manoeuvres was a short truce inside the military; neither the García-Arce faction nor their opponents had won the upper hand. The continuis-ta junta held office but was unable to wield power on its own authority.

This precarious situation was made utterly untenable by the depth of the economic crisis. In the first half of the year exports had dropped 19% in value against those of 1980; the mines were working at less than 50% capacity, while activity in manufacturing, construction and the oil industry had fallen further still. Unemployment had risen steeply to over 30% over the previous year and the formal trade deficit stood at over \$500 million. The banks

held a mere \$120 million in fixed-term deposits and \$20 million in current accounts while the foreign debt stood at over \$4 billion, \$460 million of which was due for repayment by the end of the year. In August capital flight was running at an average of \$3.5 million a day, the blackmarket exchange rate for the dollar rose from 25 to 37 pesos and inflation went above 50%. Extensive contraband and widespread pillaging of official assets further worsened the situation.⁴⁰ In most state enterprises employees had not been paid since May. There was no pretence at structural planning; the sole concern was to secure a further stand-by loan from the IMF, assure the state sufficient funds to maintain its basic apparatus, avoid defaulting on a string of loans and buy time to negotiate a medium-term solution to the crisis.

The junta invited the IMF back and imposed very tight exchange and price controls, neither of which it was able to enforce. Moreover, the presence of the IMF lost its weight when it became known that no further loans would be sanctioned without a secure political resolution, which was interpreted to mean the appointment of a single president receiving the support of the majority of the military and prepared to undertake a substantial devaluation.

Under these conditions the junta found itself very much in the same position as had prevailed two years before under parliamentary rule; it declared itself to be only an interim regime, which would be succeeded by a single president chosen from among the armed forces. This move reflected not only the pressure of the IMF, it was also demanded by Añez, Padilla, Banzer, CONAL and the CEPB and even Natusch. However, it begged more questions than it answered for not only was there fierce personal and inter-service rivalry within the junta itself but there also remained the political challenge from an impressive array of outside forces; the only clear understanding was that whoever inherited the mantle of García would be beholden both to the IMF and to Washington's pressure for a graduated 'apertura' to avoid further attrition within the military apparatus and a dangerous advance on the part of the left.

For several days at the end of August it appeared that the acute conflict at the beginning of the month would be resurrected with even more disastrous consequences as a power struggle broke out between Bernal, Torrelio, and - at some remove - Añez. For some time Bernal was held a virtual prisoner by the Tarapacá regiment while the senior service first offered the airforce the chance to buy 53 Belgian fighters and then used the advantage of its greater manpower to impose its commander as the single president. The designation of Torrelio was further assisted by the fact that although he was manifestly loyal to García who had promoted him twice within a year, he was not openly connected with any scandal, either narcotráfico or La Gaiba or the importing of rotten rice from Pakistan. Bernal was forced by his own arm to accept this decision, which was met with strict reservations but no outright opposition by the Banzer current and the institucionalistas. At his inauguration Torrelio promised a clean sweep, an end to the cocaine trade, full reincorporation of exiled officers, and a government 'with the law in our hands'. This was widely assumed to be a feint but it was recognised that the military crisis had

exhausted itself and that the U.S. was finally prepared to reopen relations, increasing the prospects of a loan and the management of the economic crisis.

An End to the Crisis?

Torrelío's rise to power saw a marked reduction of conflict inside the armed forces; García and Arce withdrew from the forefront of affairs and exercised their influence less directly through Colonels Rico Toro, Lea Plaza and Mercado. The rebels also backed down, Añez and the newly active Padilla preferring to make long statements to the press rather than organising another coup. Even the activity of the SES, soon redennominated the DIE, was curbed somewhat. The influence of both Argentina and Washington was clearly visible in this unsettled truce, visits by General Galtieri and a senior State Department mission being treated with the utmost importance by the new regime. Conflict was certainly not erased - figures on both sides continued to be the subjects of terrorist actions - but a modicum of stability was attained in the recognition that between May and August the military had all but destroyed itself.

This state of affairs was also determined by the fact that despite Torrelío's stentorian affirmation that he would continue the military mandate established in July 1980, his regime was widely viewed to be one of transition. This soon proved to be the case although not as a result of any decision by the government itself, which attempted without skill or imagination to brake any tendency towards an 'apertura'. The curfew was maintained, the mines remained occupied by troops, arrests continued and all calls for an amnesty were brusquely rejected. The ADN and MNR were represented in the cabinet but these parties were not able to exercise any substantial influence, their representatives being co-opted to oversee the complex negotiations with the IMF and the State Department.

It was precisely this stolid greyness of the regime and its inability to take a clear initiative in rolling back the legacy of García and Arce that provoked a major resurgence of the labour movement. It seems plausible to suggest that the re-establishment of relations with the U.S. and the IMF, the recession of internecine conflict and the continued influence of García convinced the deeply conservative military men that ran the new government that no major move was necessary. The early hints that the institucionalistas had gained influence with their strategy of a mobile defence of the military's interests disappeared. However, when in mid-November the accumulated discontent, disappointed expectations and renewed energy of the unions came into the open, this strategy regained some credibility.

Between November 1981 and February 1982 the Torrelío line of a complete block on reform until the armed forces were fully recovered was rendered inoperable by a series of strikes based in the mines and centred on the Huanuni camp. These strikes (12-24 November, 17-19 December 1981, and 8-10 February 1982) were initiated at plant level in defence of local union rights but they soon spread to the rest of the camps, provoked two hunger strikes in the main cities

(in direct emulation of the tactic that had proved so successful against Banzer) and gave a lead to the COB, which was still in the process of establishing a full national network and freeing itself from the association with bureaucratism and defeat that had grown both before and immediately after the 1980 coup.

At first the regime responded with an escalated military occupation of the mines and a refusal to negotiate, but when this led to solidarity stoppages and the decision of the Huanuni workers to make their action indefinite Torrelío was obliged to order a temporary retreat. However, it required a further two-day strike fully to convince the army that it would have to make genuine concessions. On 19 December Torrelío began a process which he could not hope to control for long in announcing the recognition of an independent union and increased wages at Huanuni. Neither side was fully prepared to exploit such a situation: Torrelío came under increasing pressure from the García group - now organised in a lodge known as the Aguilas Negras and headed by Rico Toro - to halt the 'apertura' or be overthrown; the labour movement failed to follow the example of Huanuni with strikes on a national scale and a mass campaign for an amnesty. Having failed to take advantage of the moment, the mobilisation of the unions became dispersed and took the form of accumulating pressure rather than building an all-out offensive. The high profile of the still outlawed COB and the large turnout for the May Day march in 1982 demonstrate that this process is still under way even if it has not, at the time of writing, resulted in a qualitative reversal of the losses suffered since mid-1981. The balance of forces is highly uncertain.

On the one hand, the advances made by the working class may be perceived in its renewed organisational capacity, evident in the high incidence of strikes. These have resulted in a number of limited gains: the promise to respect full union autonomy by the end of 1982; the promise to hold elections in 1983; restitution of university self-government and the reinstatement of many of those removed after July 1980; wage increases for the miners and the failure to impose an overall wage freeze in the economic package of 5 February 1982 which led to the long-anticipated devaluation, of 76%.

On the other hand, the regime has proved able to keep popular pressure for a full 'apertura' within limits. It has not conceded legitimacy to the bulk of the plant unions and has managed to delay recognition of the COB; in all probability these will have to be wrested from it by further industrial action. Equally, the government has maintained a high level of repression and continues to employ the DIE widely; the killing of six demonstrators in Cochabamba in March testifies to a continued hard line in this respect. Moreover, Torrelío has restrained dissident currents in the military, forestalled the resurgence of the principal political formations and proved able to resist granting an amnesty for over nine months. Most importantly, his government has succeeded in surviving a substantial devaluation, rates of inflation unseen since the crisis of 1956 and a major scarcity of basic necessities. He has taken advantage of the fact that the labour movement still lacks a political leadership, with the revolutionary left noticeably

replenished but still unable to regain the influence it had in the 40s and '60s and the reformists thoroughly discredited by the example of parliamentarianism.

These factors suggest that the labour movement will in the short-term remain sufficiently disorientated to delay an emphatic offensive but they do not preclude a possible rapid degeneration of the Torrelío strategy, provoked either by the right or by the institucionalistas in response to renewed mass mobilisation. Washington has perceived these dangers and its recognition has provided new conditions for the management of a measured withdrawal, but to date it has done little to diminish the cocaine trade. This is being conducted with equal energy but greater diligence than before; the power of the clans cannot be discounted as a major factor in future political encounters. The economic crisis likewise persists and worsens, the devaluation itself falling short of providing the IMF with sufficient grounds to embark on a major salvage operation. Further severe measures will be required and are likely to be the cause of deep popular discontent. The conditions for a gradual retreat on the part of the armed forces are far less secure than they were in 1978; those for a qualitative hardening of military rule are much poorer than they were in July 1980.

Thus, in mid-1982 Bolivian politics stand unsteadily at a cross-roads. The option of parliamentary democracy is badly tarnished, its adherents either making recourse to limited syndicalist objectives, or, like the MIR, advocating a populist military regime. The armed forces have been equally debilitated and chastened by their experience; their escape from some variant of 1952 is still not assured. In the sense that neither the right nor the left has been able to impose its leadership the crisis remains. In the short-term a centrist regime would have sufficient political space but this is highly unlikely to endure since the economic crisis manifestly requires a radical solution. This is nothing new to Bolivian politics, which have been marked by a singular absence of authentically liberal and reformist governments.

Notes

1. The principal sources for this account are newspapers, both Bolivian (Presencia, El Diario, Ultima Hora and Hoy of La Paz, Los Tiempos of Cochabamba, and El Mundo of Santa Cruz) and Peruvian (El Diario de Marka and El Comercio of Lima), and the important Quito-based newsletter Bolivia - Información y Análisis, which exhibits the thinly-disguised editorial line of the MIR. Sources on the left include the independent Aquí, particularly important for the period up to July 1980, Bolivia Libre (MIR), Unidad (PCB), and Masas (POR-Lora), the only paper on the left to maintain uninterrupted publication on a regular basis within the country since the coup. I have only made reference to sources which provide consolidated information, thereby excluding common cross-references to newspaper sources; to have adopted any other policy - bar complete non-attribution - would have meant saturating the text with footnotes. Much of this and other material presented here was collected on a trip to Bolivia from July to October 1981. I would like to thank Guillermo Lora, José Luis Roca, Rosemary Vargas, Juan Pablo Bacherer, Ana María Aguilar, Juan Vargas, Gastón Lobatón and Benigno Ojeda for their comments and help.
2. A slightly more extended but still very succinct narrative of this period is given in my pamphlet, Bolivia: Coup d'Etat (London 1980). A more discursive perspective is taken by Laurence Whitehead in his paper, 'Bolivia's Failed Transition from Authoritarianism: 1977-1980' (Paper presented at the conference on 'Prospects for Democracy: Transitions from Authoritarian Rule in Latin America and Southern Europe', Woodrow Wilson Center, Washington D.C., October 1980).
3. For Padilla's own version of events see his Decisiones y Recuerdos de un General (La Paz 1980), which covers the period up to the July 1980 coup.
4. The central policies of the UDP can be derived from MNRI, Programa de Gobierno 1979-83 (La Paz 1979), and Programa del Movimiento de la Izquierda Revolucionaria (La Paz 1979), both works of dazzling imprecision.
5. For details of the political positions adopted by Natusch see Aquí, no. 38, 1-7 Dec. 1979.
6. The strongest critique of Lechín's position is contained in Guillermo Lora, La Semana Trágica (La Paz 1979). Extracts of important declarations by Natusch, the leaders of the COB and Congress are given in Coyuntura (La Paz), no. 33, 15 Nov. 1979, and no. 34, 1 Dec. 1979. A full description of the course of the revolt may be found in Asamblea Permanente de Derechos Humanos, La Masacre de Todos Santos (La Paz 1980).

7. These points are considered at some length in Lora, La Semana Trágica, and, somewhat less polemically, in Aquí, no. 36, 17-23 Nov. 1979. A full defence of the MIR's position is given in Presencia, 9 Nov. 1979. The PCB position is given in Unidad, no. 496, Nov. 1979.
8. Details of military manoeuvres in this period can be found in Coyuntura, no. 34, 1 Dec. 1979, and no. 38, 1 Feb. 1980.
9. Extracts of García's declarations are reprinted in Coyuntura, no. 44, 1 May 1980. One of these appears in English in Bolivia: Coup d'Etat, pp. 66-67.
10. Coyuntura, no. 47, 15 June 1980.
11. Bolivia Libre, no. 52, Dec. 1980.
12. Details of the pact are given in Coyuntura, no. 44, 1 May 1980, which also contains details of the organisation and objectives of CONADE.
13. Aquí, no. 57, 12-18 April 1980. In June the POR produced a document that strongly attacked the electoral process and warned of a coup led by García. On this latter point they were by no means adopting an exceptional position as most of the left press had identified García and Bernal as probable leaders of a rebellion, but Lora's analysis is the only one which linked this threat to the structural weaknesses of parliamentarianism: Los Electoreros Sirven a la Burguesía. La Inviabilidad de la Democracia (La Paz 1980). One of the most impressive surveys produced after the coup is by Pablo Ramos, Antecedentes y la Mecánica del Golpe de Estado (Mexico, May 1981).
14. For the PS-1 proposals, see Mañana El Pueblo, June 1980, and Coyuntura, no. 46, 1 June 1980. For the PCB's response: Aquí, no. 65, 7-13 June 1980.
15. Bolivia - Información y Análisis (BIA), no.1, Oct. 1980.
16. Ibid.
17. 'El Retiro Táctico de los Militares', interview with Juan Carlos Salazar, Cuadernos de Marcha, Sept./Oct. 1979, pp. 21-28.
18. Details of the coup can be found in Bolivia: Coup d'Etat, pp. 69-82; Donato Torrico, Crónica del Abortamiento de la Democracia (La Paz 1980); PADI, Los Cien Primeros Días de una Larga Noche (Quito 1981), and BIA, no. 1, Oct. 1980.
19. Details of repression are given in Los Cien Primeros Días; POR, Testimonios de la Represión en Bolivia (La Paz 1981).
20. For a collection of García's early pronouncements see BIA, no. 1, Oct. 1980.

21. Paz's position is clearly summarised in his statements reprinted in Le Monde, 4 Dec. 1980. For a critique of the MIR after the coup, see Guillermo Lora, Seis Meses de Dictadura Gorila (La Paz 1981) pp. 20-21.
22. Gobierno de Unidad Nacional, Documento 1, Aug. 1980. The original decrees of the GUN are reprinted in BIA, no. 1, Oct. 1980.
23. Torrico, p. 39.
24. Presencia, 22 July 1980; 13 August 1980; 8 Sept. 1980; Los Cien Primeros Días, pp. 49-60.
25. Torrico, pp. 30-32, reprints central sections of the speech. See also Los Cien Primeros Días, pp. 56-57. Ultima Hora, 22 July 1980, reported the widespread dismay of paceño workers in response to the broadcast. Lechín's reputation was not helped by the fact that the day before his exile, 15 November 1980, he again appeared before the TV cameras with Reyes in the company of Colonel Arce, to whom he showed remarkable deference while Reyes maintained a tight-lipped aloofness. El Diario, 16 Nov. 1980, contains a transcript of this conversation.
26. An hour-by-hour description of the miners' actions is given in Asamblea Permanente de Derechos Humanos, La Heroica Resistencia de los Mineros de Bolivia (Lima 1981), which also contains a set of striking photographs.
27. The intricacies of clandestine union activity and the political relations inside the COB are too great to be treated here. The tenor of this paragraph is derived from discussions of union members in Siglo XX, Huanuni and the Said factory as well as the publications of the Siglo XX union, of which I possess a full collection.
28. Details of the activity of the organisation set up to reform the universities, CONRUB, are given in BIA, no. 5, April 1981.
29. Los Cien Primeros Días, pp. 17-47.
30. BIA, no. 6, May 1981. The last months of 1980 saw a concerted campaign in favour of the Pact in the paceño press.
31. Presencia, 18 Sept. and 10 Oct. 1980; BIA, no. 1, Oct. 1980.
32. Presencia, 11 and 12 Jan. 1981; BIA, no. 3, Jan. 1981; Bolivia Libre, no. 52. Hoy, owned by Banzer, and Ultima Hora, the voice of the 'minería mediana', were quick to criticise the measures.
33. BIA, no. 2, Nov. 1980; no. 3, Jan. 1981; no. 4, Feb. 1981. El Mundo is the best source for following the extremely detailed and heated debates over these issues.

34. Bolivia Informa, Feb. 1982, p. 11.
35. The best sources on coca are William E. Carter, Mauricio Mamani P., José V. Morales, Philip Parkerson, Coca en Bolivia (La Paz 1980); W. Golden Mortimer, The History of Coca (San Francisco 1974) and 'Antonil', Mama Coca (London 1978).
36. It is, quite naturally, difficult to establish with certainty many facts about the interests concerned with the production and sale of cocaine. It is effectively impossible to provide such facts that are available with sources that would avoid the risk of litigation. However, carefully-controlled leaks from the DEA and the corpus of information available in Bolivia before the July 1980 coup as well as sundry lapses of security thereafter do allow us to obtain a reasonably full picture of the structure of the cocaine interests. Clearly much work needs to be done in this field. Data for this section is gathered from a range of personal and secondary sources, principally: Marka (Lima), 5 March 1981; Excelsior (Mexico), 7 April 1981; and an anonymously-produced, clandestinely-circulated but highly-detailed 14-page mimeo document, Narco-tráfico, Origen y Base de la Dictadura Boliviana (La Paz, May 1981).
37. Los Tiempos of Cochabamba is a particularly valuable source in assessing the impact of the trade on local growers.
38. See, int. al., Presencia, 21 Dec. 1980.
39. The MIR's call for a broad government - made in late June - is reprinted in BIA, No. 9, July 1981. The sharp response of the MNRI was given in Companero, June 1981. The best analysis of this period is, as so often, given by Guillermo Lora, in his La Crisis de las Fuerzas Armadas (La Paz 1981).
40. Many of these figures were given by a senior employee of the Banco Central. Other sources include Latin American Regional Report; Hoy, economic supplements, July and August; COB, Rebelion, no. 8, July 1981; BIA, no. 9, July 1981.

CHRONOLOGY

- 1978 Jan. Hunger strike wins amnesty and elections from Banzer regime.
- July General Pereda takes power in coup after electoral fraud.
- Nov. Pereda ousted in coup by Karachipampas and replaced by General Padilla.
- 1979 July Stalemate between MNRA and UDP in elections; Walter Guevara, president of the Senate, made interim president.
- Nov. 1-16 Coup by Colonel Natusch; general strike and street battles; Lidia Gueiler, president of Congress, appointed interim president.
- 30 25% devaluation; peasants set up road blocks; golpistas retain military positions after further 'passive' coup.
- 1980 April Establishment of CONADE; COB-Armed Forces 'pact' to respect democracy after death of Luís Espinal and coup threats.
- June UDP leaders killed.
- July 10 UDP wins elections.
- 17 Military rising in Trinidad spreads to rest of country; General García leads junta with General Bernal and Admiral Terrazas.
- 18 U.S. cuts military and economic aid, withdraws ambassador.
- 22 CSUTCB orders road blocks.
- 23 Main miners' radio stations fall.
- 30 García makes first of many threats to leave Andean Pact.
- Aug. 3 Massacre of miners in Viloco and Caracoles; resistance ends.
- 6 UDP's Government of National Unity declared in clandestinity on independence day.
- 12 Labour 'relacionadores' established under military control; regional royalties from mining receipts reduced.

- 1980 Aug. 18 Universities formally suspended for complete reorganisation.
- 26 Argentina agrees \$50 million loan and cheap wheat sales but refuses to buy Bolivian gas at high price.
- 27 García coincides with Videla on need to form Southern Cone pact to counter ideological influence of social democracy.
- 29 Repayment of \$160 million debt to 98 banks postponed until January 1981.
- Sept. 9 IMF mission visits.
- 14 According to Minister of the Interior Colonel Arce Gómez political parties are unnecessary but banzeristas may enter government in a personal capacity.
- 17 CONAL established and 1967 Constitution declared to be in force.
- 18 COB offices demolished.
- 20 Soviet Union confirms its recognition of García junta.
- 25 CEPB declares its support for the Andean Pact.
- 27 Junta of Commanders declared supreme organ of state.
- Oct. 3 Minister of Finance tells bankers in Washington that state subsidies of consumer products will be stopped and urges further investment and loans.
- 16 600 'relacionadores' sworn in.
- 20 Arce declares that a new security statute, allowing for the death penalty, will be introduced in 20 days; Church first to express opposition.
- 27 Strike in Huanuni camp spreads to Siglo XX and Catavi, lasting a week.
- Nov. 3 García rejects rumours of differences in the High Command but Colonel Vargas Salinas and General Echeverría are removed from powerful posts.
- 11 Rumours of a coup attempt by Natusch.

- 1980 Nov. 18 García reiterates threats to withdraw from Andean Pact when not invited to Santa Marta summit; CONAL expresses substantial reservations over security law.
- 19 Security law dropped.
- 26 Arce visits Washington to start legal proceedings against journalists implicating him in cocaine dealing, leaves following State Department protests.
- 28 Bolivia 'abstains' from the Andean Pact.
- Dec. 3 Junta's declaration of intent to remove price subsidies leads to strikes in various La Paz and Cochabamba factories.
- 29 Closure of the Catholic daily Presencia for the publication of a story that 'insults the womanhood of Santa Cruz', according to Arce.
- 1981 Jan. 10 Economic measures freeze wages, remove subsidies on a wide range of basic necessities.
- 11 Urban 48-hour general strike includes pro-government transport workers.
- 12 Miners embark on 48-hour strike against economic measures.
- 15 Paramilitary forces kill eight leaders of MIR in La Paz.
- 19 Meeting between Arce and Banzer results in no firm agreement.
- Feb. 4 CEPB declares its support for the economic package but ANMM announces it will prejudice mining production, running at a loss of \$39 million per annum.
- 9 Arce announces establishment of a Comité Cívica Nacional (CCN).
- 10 Comité Pro-Santa Cruz (CPSC) declares 24-hour regional strike in defence of its autonomy.
- 11 Junta postpones operation of CCN in Santa Cruz for a month.
- 18 Armed Forces take direct control of Departamento de Control de Sustancias Peligrosas.
- 24 Cabinet reshuffle includes the removal of Arce and Colonel Ariel Coca (Minister of Education).

- 1981 Feb. 26 Banzeristas Rolón Anaya and Tamayo enter the cabinet with tacit approval from the ADN.
- Mar. 6 Arce appointed Commander of the Colegio Militar; Natusch detained briefly on suspicion of plotting a coup; Banzer visits U.S.; Adalberto Violand (pro-Banzer) displaces Marcelo Pérez (pro-junta) as head of CEPB.
- 11 Establishment of the Comité Nacional para la Lucha Contra Narcotráfico (CNCN).
- 15 CNCN prohibits free market in coca leaf, stipulating that the army will purchase from growers.
- 16 Returning from the U.S., Banzer declares that the Armed Forces should consider political reform leading to elections.
- 17 Revolt in Colegio Militar repressed with the expulsion of entire final year; Arce removed from post and 'temporarily' retired from the army; in Santa Cruz army VIII Division 'inter-venes' SES.
- 22 Pro-government campesino organisations issue propaganda attacking Banzer.
- 27 Civilian banzeristas resign from CONAL:
- April 1 Highly publicised meeting between Banzer and García fails to establish firm agreement.
- 6 FSB calls for establishment of a constituent assembly.
- 8 García announces full return to the Andean Pact.
- 13 ADN formally withdraws support from government; universities reopened under new academic regime.
- 19 Natusch arrested and Banzer placed under house arrest for allegedly planning a coup.
- May 2 FSB, led by Carlos Valverde, capture 'Tita' oil refinery and demand removal of García.
- 4 FSB dislodged but C.O. of VIII Division, Colonel Gary Prado, is seriously wounded and flown out by U.S.
- 6 El Deber of Santa Cruz denounces contraband in precious stones from La Gaiba and implicates the junta.

- 1981 May 11 Rebellion of CITE batallion led by Colonel Emilio Lanza, Cochabamba; Natusch once again arrested; VIII Division prevents SES arresting Banzer.
- 12 Banzer leaves for Buenos Aires; Brazilian police capture the 'Novios de la Muerte' neo-nazi group; MIR calls for 'Gobierno de Convergencia Nacional'.
- 15 24-hour strike in Manaco and Said factories; Colonel David Fernández implicates 'Novios de la Muerte' in drug smuggling but General Eden Castillo defends them publicly.
- 18 24-hour strike in major mines.
- 19 Military leaders of CNCN resign because 'unable effectively to do our job'.
- 21 CPSC denounces junta's involvement in La Gaiba contract.
- 25 Second rebellion by Lanza and the CITE, repressed after a few hours; Castillo fired on pretext of involvement in Lanza's coup attempt.
- 26 Generals Cayoja and Añez appointed army commander and chief of staff respectively.
- 28 Navy demands immediate removal of García.
- 29 Admiral Terrazas, navy commander, resigns from junta; replaced by Admiral Pammo.
- June 2 Major military crisis leads to full session of commanders to decide succession; Banzer declares García alone responsible for La Gaiba.
- 5 Hoy, La Paz, reports that 14 commanders vote against García, two abstain, two support him.
- 16 IMF mission visits.
- 21 Arrest and wounding of Genaro Flores (CSUTCB).
- 22 Natusch, exiled in Peru, calls on Cayoja to remove García.
- 27 Cayoja and Añez rebel but are betrayed and exiled; purge of officer corps.
- July 2 CONAL declares no new constitution to be drawn up.
- 7 IMF withholds all new loans until political crisis resolved.

1981	July	10	García declares he will continue as president after 'popular demand' at public meeting in La Paz.
		19	General strike in Santa Cruz against the junta's ratification of the San Buenaventura project in La Paz; 24-hour strike in Huanuni in demand of union rights.
		28	Bar Association denies CONAL has authority to reform or alter Constitution.
Aug.		3	Añez and Natusch rebel in Santa Cruz with full local backing.
		4	García resigns; Junta of Commanders (Bernal; Pammo; Torrelio) takes power; strike in mines.
		5	Añez rejects changes as insufficient.
		6	Church offers to mediate.
		7	Natusch meets junta and agrees to retire from army.
		8	Rebellion disintegrates.
		16	Arce threatens rightist counter coup unless junta maintains old direction.
		17	Strike in mines (until 22nd) in protest at killing of union leader in Siglo XX.
		24	Banzer rejects alliance with junta.
		29	Number of resignations by military members of CONAL.
Sept.		1	Junta in open crisis; threat of total collapse in rivalry between services.
		3	Bernal backs Colonel Julio Sanjinés as president; rejected by army.
		6	Torrelio designated president; Banzer agrees to collaborate.
		9	SES redesignated DIE; García finally leaves presidential house.
		16	Arce and Lanza reincorporated into the army.
		21	Cayoja retired but Añez reincorporated amidst open discontent in officer corps.

- 1981 Sept. 24 Visit of U.S. mission headed by Gordon Sumner and Samuel Hart.
- Oct. 5 New British ambassador presents credentials.
- 12 Bernal relieved as airforce commander; threat of coup by Aguilas Negras.
- 17 SES attempt to kidnap Añez's daughter when he continues to question Torrelío government.
- 22 Colonel Mario Oxa arrested.
- 24 CEPB calls for demilitarisation of public administration.
- 30 Bomb attack on house of Colonel Lea Plaza.
- Nov. 1 CEPB demands liberalisation of the economy and privatisation of many state enterprises.
- 2 Edwin Corr appointed U.S. ambassador, breaking 15 months of diplomatic isolation.
- 8 Airforce reaffirms its intention of buying 53 Belgian fighters.
- 12 Strike in Huanuni in demand of union recognition: press reveals that 20 officers retired since Torrelío came to power.
- 18 Full military occupation of Huanuni leads to solidarity strike in other major camps; attempt on life of General Aguila Terán.
- 23 Women in La Paz embark on hunger strike in support of miners; textile workers strike.
- 24 Miners' strike lifted with establishment of commission to discuss union recognition and wage settlement.
- Dec. 12 Government-miner commission fails to reach agreement.
- 17 Huanuni returns to strike; spreads to major camps and Cochabamba factories; military actions lead to 1,000 people embarking on hunger strike.
- 19 Government concedes union recognition in Huanuni and announces that all unions, including the COB, will be able to operate within a year; strike lifted.

1982	Jan.	7	Padilla calls for arrest of officers involved in La Gaiba and drug smuggling.
		26	Bomb attacks on homes of Padilla and Añez; coup threat from Colonel Rico Toro and ultra-right.
		30	Press agencies announce Torrelío's resignation.
	Feb.	5	Economic package includes 76% devaluation of the peso.
		8	48-hour general strike called by COB followed nationally.
		12	Argentina gives \$30 million credit.
		17	24-hour factory strike.
		19	Wage talks with miners collapse; labour leaders arrested.
		23	Multiple exchange rate established followed by further strike in main mines and factories.
	Mar.	26	Six demonstrators killed by police in Cochabamba; COB calls 48-hour strike which receives national support; Arce makes further coup threats.
	Apr.	6	New cabinet, with increased civilian representation.
		25	Following demands for his resignation from Generals Padilla and Terrazas, Torrelío announces elections in 1983 and promises amnesty but no substantive measures taken.

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