

# DEPARTMENT OF DEFENSE INTELLIGENCE INFORMATION REPORT

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| 1. COUNTRY: BOLIVIA   | 8. REPORT NUMBER: I          |
| 2. SUBJECT: (U) Subversive Potential in Santa Cruz Area     | 9. DATE OF REPORT: 12 Feb 76 |
| 3. ISC NUMBER:  | 10. NO. OF PAGES: TWO        |
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| 5. PLACE AND DATE OF ACO: Santa Cruz, BOLIVIA<br>7-9 Feb 76 | 12. ORIGINATOR:              |
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(b)(3):10 USC 424

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15. SUMMARY: (U)

This IR summarizes the views of key [redacted] in analyzing the current and potential situations for anti-government Leftist insurgency in Santa Cruz. This information is of special interest, because Santa Cruz regionalism has prompted frequent coup attempts in the past, and because such anti-BANZER ELEMENTS as CARLOS VALVERDE B. have used Santa Cruz as an operational base. BOLIVIA has enjoyed a year of unparalleled stability, with dissent virtually non-existent in the Armed Forces, and with subversive activity being held to a minimum. While this pattern may continue, there is also the possibility of recurrences of the sort of unrest that has endemically plagued BOLIVIA in the past. For this reason, these indications of potential subversive activity in the important and prosperous Santa Cruz area, although currently of little significance, may develop in the future.

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1. (U) During Monday, February 9 and Tuesday, February 10, [redacted] visited the 8th Div. in Santa Cruz ( Coords:1742S-6310W ), at the invitation of the new commander, recently promoted B/General ARNALDO SAUCEDO, and the Commander of the 12th Infantry "Manchego" Regiment. Lt Colonel MARISCAL. During 9 February, [redacted] visited the Division Headquarters area, accompanied by B/General SAUCEDO, Chief of Staff Colonel JUSTINIANO.

2. (U) On February 9, [redacted] had a long discussion during the afternoon with [redacted] sources voiced their concern regarding Santa Cruz's potential for anti-governmental Leftist activity which, they felt, might well manifest itself by August 1976, in coordination with activities by such other dissident elements as university students, textile workers, miners, etc. Sources did not see

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DD FORM 1396

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REPLACES DA FORM 1048, 1 AUG 60,  
OPNAV FORM 3820 (Rev 10-61),  
AF FORM 112, JUL 61, WHICH MAY BE  
USED UNTIL 1 JAN 63.

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such local Santa Cruz activity as posing a serious threat to President Banzer's government; however, they felt that the 8th Division needed to control such activities closely.

3. (C) During the afternoon tour of 8th Division facilities, and later on during an informal evening discussion, sources cited a series of events in the Santa Cruz area which suggest links with subversive elements outside BOLIVIA.

a. Distribution of an illustrated leaflet, of which source showed [ ] a copy, published by the "VANGUARDIA ANTI-IMPERIALISTA DEL ORIENTE", attacking Banzer's "dictatorship" and showing photographs of ALLIDES and FELIX SANDOVAL MORON, two brothers who were "martyrs" of the Banzer government. COMMENT: The Sandoval family was famed during the TORRES era as a ruthless group of local "warlords" in the Santa Cruz area. With Banzer's advent to power in 1971, they slipped out of BOLIVIA and established their new base in Salta, in Northern ARGENTINA.

b. The increasing appearance on walls in Santa Cruz of such slogans hostile to Banzer as "Banzer=Nepotism", or "Banzer = hambre." This, as well as inflammatory anti-government leaflets, have been published, according to sources, MIR (Movimiento Izquierdista Revolucionario) elements now operating out of Buenos Aires. The MIR, according to sources, is increasingly receiving support from the Argentine ERP (Ejercito Revolucionario del Pueblo), and may use this support to stimulate anti-Banzer activities in BOLIVIA.

c. The publication in the Santa Cruz area of a Leftist interpretation of current events in Latin America, entitled "Situacion de los Movimientos en America Latina", which were reportedly provided to source by a priest. The document states among other things that TORRES failed because he did not hand over complete power to the People's Assembly.

d. The suspicious movements between Santa Cruz and ARGENTINA of a Bolivian Leftist named ARAUS, who reportedly has brought dissident elements into the Santa Cruz area to provoke trouble.

e. Evidence that UCAPO (Union de Campesinos Pobres) elements, although currently quiet, are preparing for future activity. From a source within UCAPO, 8th Division elements reportedly obtained recently a list of 30 local members, which he forwarded to La Paz.

f. Suspicious activities in early January 1976 in the GRETER (Coords: 6030W-1610S) area of 14 (fourteen) armed elements. As a result, the Bolivian Air Force provided a helicopter so that 12th Infantry "Manchego" Regiment commander Lt Colonel MARISCAL together with several men, could make a reconnaissance of the area. The 6 January reconnaissance, which included ground landings and discussions with local campesinos, did not yield any positive information. However, the campesinos agreed to furnish information in the future in the event of any suspicious activities. COMMENT: Sources indicated that they believed that in this particular case the "armed men" were probably hunters, tracking down animals for their skins. However, both officers agreed that the area would serve as an excellent zone for guerilla operations).

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4. (U) Source also expressed their concern regarding continued drug activity in Santa Cruz, and asked if [ ] could make available any films for local showing which would illustrate how dangerous any form of drug is. [ ] said he would take up this theme with the Embassy DEA representative.

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SRF COMMENTS. Bolivia has its own MIR, patterned after that in Chile, and consisting of about 40 members. Although not certain, it appears that the above-mentioned propaganda was put out by the local Bolivian MIR, based upon international contacts.

SRF has no specific traces on ARAUS; a certain Luis ARAOZ T. was a recipient of Chicom propaganda in the early 1970's, and there are records for several other ARAOZ and a few ARAUS; however, the latter seemed to be left wing members of the MNR.

COORDINATION. SRF

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REPLACES DA FORM 1048-1, 1 AUG 60  
AND DA FORM 608, 1 AUG 60 WHICH  
MAY BE USED UNTIL 1 JAN 83.