

Message Text

CONFIDENTIAL

PAGE 01 LA PAZ 04746 232214Z

70

ACTION ARA-20

INFO OCT-01 ISO-00 H-03 IGA-02 PM-07 NSC-07 SP-03 SS-20

RSC-01 CIAE-00 INR-11 NSAE-00 L-03 MC-02 EB-11 TRSE-00

OMB-01 AID-20 DRC-01 /113 W
----- 095883

R 232025Z JUL 74

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 3729

INFO DA/OSD/ISA

DSAA

USCINCSO

AMEMBASSY LIMA

C O N F I D E N T I A L LA PAZ 4746

E.O.M 11652: GDS

TAGS: MASS BL

SUBJ: AVAILABILITY OF FY 1975 FMS CREDIT FUNDS

1. I WOULD APPRECIATE IT IF A SMALL FMS CREDIT IN THE RANGE OF 2-1/2 TO 4 MILLION DOLLARS COULD BE APPROVED NOW UNDER THE CONTINUING RESOLUTION AUTHORITY FOR BOLIVIA. I UNDERSTAND THE IMPORTANCE OF OUR MULTI-YEAR COMMITMENTS FOR LARGER PROGRAMS INCLUDING SOPHISTICATED EQUIPMENT, BUT WOULD LIKE TO UNDERLINE CERTAIN SIGNIFICANT US INTERESTS HERE THAT CAN BE SERVED WELL BY THE EARLY APPROVAL OF A SMALL FY 1975 FMS CREDIT.

2. BOLIVIA'S INTEREST IN TANKS HAS RESULTED IN OFFERS FROM UNDESIRABLE SUPPLYING COUNTRIES WHICH WE MAY BE ABLE TO PRE-EMPT BY SUPPLYING PROMPTLY INFORMATION ON A SUTIABLE ALTERNATIVE SUCH AS THE V-150 CADILLAC-GAGE ASSAULT CAR AND ALSO AN OFFER OF FMS CREDIT FOR THE BOLIVIAN ARMY. I UNDERSTAND THAT A REPRESENTATIVE OF CADILLAC-GAGE MAY VISIT LA PAZ IN LATE AUGUST AND WOULD OBVIOUSLY WISH TO DISCUSS THE V-150 ASSAULT CAR WITH THE BOLIVIAN MILITARY. IT WOULD BE AN EFFECTIVE STEP IF WE

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LA PAZ 04746 232214Z

WERE ABLE TO SUPPORT ANY INTEREST AROUSED WITH AN FMS CREDIT.

3. WE ARE NOW SUCCESSFULLY PURSUING A LONG-RANGE STRATEGY OF PROGRAMMING A PHASE-DOWN IN MAP GRANTS FOR MATERIEL WITH THE EXPECTATION OF A COMPENSATORY INCREASE IN FMS CREDITS. TO CONTINUE THIS SUCCESSFUL STRATEGY, WE SHOULD HAVE AT HAND FMS CREDITS FOR FY 75. THE \$4 MILLION FY 74 FMS CREDIT MADE AVAILABLE TOWARD THE END OF THE FISCAL YEAR HAS BEEN ALLOCATED BY THE GOB TO THE BOLIVIAN AIR FORCE. THE FAB (BAF) IS MAKING ACTIVE EFFORTS TO USE ITS CREDITS IMMEDIATELY. THE BOLIVIAN AUTHORITIES HAVE TOLD ME AND THE MILGP THAT SUBSEQUENT FMS CREDITS ARE TO BE ALLOCATED TO THE BOLIVIAN ARMY. THUS A MODEST CREDIT FOR FY 75 FROM 2-1/2 TO 4 MILLION DOLLARS WOULD SUSTAIN THE PRESENT STRATEGY FOR MILITARY ASSISTANCE IN BOLIVIA.

4. I FEAR THAT AN ASSOCIATED PRESS WIRE SERVICE STORY FROM LIMA CARRIED IN THE BOLIVIAN PRESS CONCERNING A US OFFER OF \$20 MILLION MILITARY CREDIT TO PERU DURING THE VISIT TO LIMA OF ARMY SECRETARY CALLOWAY WILL NOT HAVE ESCAPED THE ATTENTION OF THE BOLIVIAN MILITARY. I CAN WELL UNDERSTAND THAT THE ANNOUNCEMENT MAY NOT BE TRUE, BUT IT WILL COMPLICATE ANY EFFORT TO CONVINCE THE BOLIVIANS THAT THEIR NEIGHBORS HAVE NOT RECEIVED FY 75 FMS CREDIT OFFERS.

5. IN VIEW OF THE FOREGOING, I EARNESTLY REQUEST A SMALL FMS CREDIT ALLOCATION UNDER CRA TO BE USED NOW IN BOLIVIA.
STEDMAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY ASSISTANCE, FOREIGN RELATIONS, MILITARY SALES, MILITARY CREDIT
Control Number: n/a
Copy: SINGLE
Draft Date: 23 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LAPAZ04746
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740199-0668
From: LA PAZ
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740726/aaaaavus.tel
Line Count: 88
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 09 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 SEP 2002 by kelleyw0>; APPROVED <19 FEB 2003 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AVAILABILITY OF FY 1975 FMS CREDIT FUNDS
TAGS: MASS, BL, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005