

## Message Text

LIMITED OFFICIAL USE POSS DUPE

PAGE 01 LA PAZ 00526 251717Z

67

ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 AID-20 COME-00 EB-11 FRB-02 TRSE-00 XMB-07

OPIC-12 CIEP-02 LAB-06 SIL-01 OMB-01 FEA-02 SCI-06

AGR-20 INT-08 CEA-02 STR-08 DRC-01 /207 W

----- 089208

R 242118Z JAN 74

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 2042

LIMITED OFFICIAL USE 0526

E.O. 11652: N/A

TAGS: EAID ECON PFOR BL

SUBJ: PL-480 TITLE I WHEAT.

REFS: (A) STATE 244; (B) LA PAZ 0430; (C) LA PAZ 0321.

1. WE UNDERSTAND MILLING OF PL-480 WHEAT IN AREQUIPA HAS STOPPED. WE UNABLE GET DEFINITE INFORMATION FROM MININD/COM OFFICIALS WHO SAY SUBSECRETARY ZAMORANO IS ONLY OFFICIAL WHO HAS FACTS ON THIS MATTER AT HIS COMMAND. ZAMORANO HAS BEEN OUT OF LA PAZ.

2. WITH REFERENCE PARA 2 REF A, GOB DECISION MILL FLOUR IN AREQUIPA NOT A PREMEDITATED CONSCIOUS VIOLATION OF PL-480 REGULATIONS, DURING WHICH GOB COULD TAKE INTO CONSIDERATION PURCHASE OF FLOUR FROM U.S. GOB DECISION WAS TAKEN IN EMERGENCY SITUATION CREATED BY A) PERUVIAN SOUTHERN RAILWAY STRIKE, B) NEED OBTAIN STORAGE SPACE AT MATARANI FOR INCOMING SHIPMENTS, AND C) NEED INSURE ADEQUATE FLOUR SUPPLY TO LA PAZ AT TIME WHEN LOCAL MILLS WERE UNABLE MEET DEMAND DUE THEIR LIMITED CAPACITY AND USUAL SUPPLY OF FLOUR FROM ARGENTINA  
LIMITED OFFICIAL USE  
LIMITED OFFICIAL USE

PAGE 02 LA PAZ 00526 251717Z

WAS NOT FORTHCOMING. IN THESE UNFORESEEN AND PROBABLY UNFORESEEABLE CIRCUMSTANCES, WE DO NOT SEE THAT THERE IS

A U.S. DOMESTIC ISSUE RAISED.

3. WE HAVE SERIOUS RESERVATIONS ABOUT TELLING MININD/COM,  
AT THIS TIME AT LEAST, THAT HIS ACTION TO MILL PL-480  
WHEAT IN PERU WILL AUTOMATICALLY CONVERT PL-480 PURCHASE  
TO COMMERCIAL PURCHASE. BOLIVIA IS NOW UNDERGOING GREAT  
STRESS FROM GOB DECISIONS TO INCREASE CONTROL PRICES ON  
BASIC FOOD ITEMS BY MORE THAN 100 PERCENT (SEE REF B).  
STREET DEMONSTRATIONS, STORE BREAK-INS AND ATTEMPTS,  
KIDNAPPING OF POLICE OFFICERS, DYNAMITINGS, EXCHANGES OF  
GUN FIRE WITH INJURIES BETWEEN POLICE AND CROWDS HAVE ALL  
OCCURRED OVER THE LAST FEW DAYS. GOB FEELS NONE TOO SECURE.  
GOB ALSO UNHAPPY AND SHAKEN BY USG DECISION NOT GRANT  
FURTHER PL-480 THIS FY AND USG ADVICE TO NOT COUNT ON  
PL-480 FOR FY 1975. MININD/COM HAS ALREADY SHOWN TENDENCY  
TO TRY TO  
PUT AS MUCH BLAME FOR HIS PRESENT WHEAT AND FLOUR TROUBLES ON  
USG AS HE CAN (SEE REF C). WE BELIEVE USG COULD COME IN FOR  
MAJOR PUBLIC ACCUSATIONS THAT IT IS RESPONSIBLE FOR  
WORLD WHEAT SHORTAGE, HIGH WHEAT PRICES, AND WITHDRAWAL  
OF BADLY NEEDED SUPPORT AT  
CRITICAL TIME IF THIS SITUATION IS NOT HANDLED CAREFULLY.  
MOREOVER, CONVERSION TO COMMERCIAL SALE WOULD DENY GOB  
ABOUT \$20 MILLION IN GENERATIONS WHICH SORELTY NEEDED.  
AS REF A IGNORES 1) TRANSPORT PROBLEMS IN MOVING WHEAT FROM  
MATARANI TO LA PAZ, ETC., AND TRANSPORT AND OTHER PROBLEMS  
IN MOVING ARGENTINE FLOUR TO BOLIVIA AND 2) IMPORTANT FACTORS  
PRESENTED IN PARAS 3 AND 4 ABOVE, REQUEST INSTRUCTION REF  
A BE CAREFULLY RECONSIDERED.  
STEDMAN

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** WHEAT, PROCUREMENT, FOOD SHORTAGE, PUBLIC DEMONSTRATIONS, ECONOMIC ASSISTANCE, PL 480 TITLE 1, AGRICULTURAL PRICES, FLOUR, CIVIL DISORDERS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 JAN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**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:** 1974LAPAZ00526  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** LA PAZ  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740119/aaaaarl.tel  
**Line Count:** 91  
**Locator:** TEXT ON-LINE  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**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:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) STATE 244; (B) LA PAZ 0430; (C), LA PAZ 0321.  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**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 <10-Sep-2002 by MorefiRH>  
**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:** PL-480 TITLE I WHEAT.  
**TAGS:** EAID, ECON, PFOR, BL  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005