

RELEASE IN FULL

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**From:** Mills, Cheryl D <MillsCD@state.gov>  
**Sent:** Friday, August 26, 2011 9:22 AM  
**To:** H  
**Subject:** FW: Bolivia

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**From:** Jacobson, Roberta S  
**Sent:** Friday, August 26, 2011 8:57 AM  
**To:** Mills, Cheryl D; Shannon, Thomas A (P)  
**Cc:** Simpson, Mordica M; Cornelle, Faith; Whitaker, Kevin M  
**Subject:** RE: Bolivia

Apologies for not giving sufficient background on this. Morales and other Bolivian officials argue that Embassy staff urged the march organizers to initiate the protest march in order to destabilize the Morales government (something our chargé told the Acting Foreign Minister was patently absurd; all diplomatic missions have contact with all political actors for information, nothing more). Morales has played out his theory of US officials conspiring against him on a number of occasions, notably during the Sep 2008 unrest in the eastern lowlands. At that time Morales expelled Amb Goldberg for purportedly organizing that opposition effort. He almost immediately thereafter expelled DEA. Speciously suggesting a US hand in political unrest is a common Morales tactic to draw attention away from the dispute itself. Hope that helps. Roberta

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**From:** Jacobson, Roberta S  
**Sent:** Thursday, August 25, 2011 04:46 PM  
**To:** Mills, Cheryl D; Shannon, Thomas A (Brazil)  
**Cc:** Simpson, Mordica M; Cornelle, Faith; Whitaker, Kevin M  
**Subject:** Bolivia

Cheryl, Tom: Below the latest information on the situation in Bolivia and "threats" by the Bolivian government to expel our USAID presence. We've been working closely with AID AA Mark Feierstein, and they've briefed Raj, so we wanted to ensure you had the latest information as well. Looks like the temperature is going down a bit. Thanks, Roberta

Bolivian government officials have recently called for the expulsion of USAID in response to what they claim was US interference in Bolivian affairs. The proximate cause is a 500 km protest march by indigenous people who oppose a planned highway through a nature preserve in central Bolivia. The highway is strongly backed by the government, but the forces on the other side – indigenous and environmentalists – form the core of support for the ruling MAS party. As such, this march represents a potentially significant challenge to President Morales' government, particularly if, as planned, it reaches El Alto, a very large, indigenous dominated satellite city of La Paz. El Alto has a history of throwing off large and violent protests, and a wide variety of grievances against the government. If El Alto joins with the anti-highway marchers, Morales could have a much more significant governance problem.

While there were rumors that an expulsion announcement could have been made on Aug 24, things are less on edge today. Two government ministers met with the marchers, stopping the march. Press reports indicating that a government minister called for USAID's expulsion appear to have been wrong, as he actually "advised" USAID to leave before getting expelled – which suggests that he doesn't have GOB consensus on the matter. Press and public opinion are strongly against expulsion. Finally, the presidency minister further walked away from the expulsion idea today, calling any such commentary speculation.

We have reached out to the acting FM to underline that expelling USAID would require that we consider immediately terminating all other US assistance (most of which is our \$20 million NAS program). We reiterated this message on August 24 to the Bolivian chargé here, and Chargé Creamer and FM Choquehuanca, both of whom are outside Bolivia, spoke today. Choquehuanca, the most significant GOB exponent of improved bilateral relations, agreed the expulsion threats were unhelpful and said he'd raise in the cabinet later this week.

The GOB's expulsion threat is sadly quite typical when it perceives a significant threat (the GOB has threatened to kick out USAID five times in the last three years). The approach of blaming the United States is working less and less well for President Morales as the tactic is seen as a transparent manipulation. While that's positive, as it should redirect attention back on the problem itself and how to resolve it, we cannot exclude that Morales would double down to get the reaction he wants.

**Next steps:** Although the heat appears to be going down, we are taking precautionary steps. Post has held an EAC and requested increased police/security surveillance on the USAID building for early warning on any effort to take over the facility. We've discussed the situation with AID and INL, and are prepared to move quickly in the (increasingly unlikely, we hope) event that the Bolivians make a bad decision.

In addition, post is reaching out to other donors (EU, Japan, Brazil) to ask they reach out to the GOB to say a) the accusation against us is baseless, talking to political actors is what embassies do and b) an attack on or expulsion of one aid donor is an attack on all. We will repeat this message to donor embassies here.

*Roberta S. Jacobson  
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