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Gulf, CIA Said to Make Political Gifts in Bolivia

By Marlise Simons

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MEXICO CITY—A former Bolivian interior minister who now lives in Cuba has said that the Gulf Oil Corp. and the U.S. Central Intelligence Agency joined in making contributions to Bolivian political parties in 1966.

In a recent interview in Havana, the self-exiled minister, Antonio Arguedas, said he was at a meeting in the La Paz, Bolivia, home of the CIA station chief during which contributions to the 1966 election campaign were discussed.

Arguedas, long an opponent of U.S. influence in Latin America, said that also present at the meeting were Bolivia's then president, Gen. Rene Barrientos, and the army commander-in-chief, Gen. Alfredo Ovando Candia.

As the political adviser to the army command, "I had to explain the need for investment in the election campaign," Arguedas said, "and I told the Americans that the campaign for the official candidate would require at least \$2 million. I also explained the so-called mechanism of electoral fraud."

"After deliberating, they [the CIA] agreed to give \$600,000 in cash to Gen. Rene Barrientos," Arguedas went on. "They clarified that they considered this was the maximum effort they could make because Bolivian Gulf Oil had already given General Barrientos \$200,000 as well as a helicopter for his tours around the provinces."

Gen. Barrientos, who had come to power in a military coup in 1964, won the May 1966 elections and died in office in a 1969 helicopter crash. "Ironically, the helicopter in which Barrientos died was the one donated to him by Gulf Oil," Arguedas said.

A spokesman for Gulf Oil refused to comment on the allegations. A CIA spokesman said, "We're not going to comment on it. Anything improper is going to be examined on the Hill. We're not going to comment on every allegation."

Asked whether he thought that Gulf Oil had acted as a channel for CIA funds, Arguedas replied: "No. The CIA would evaluate the possibilities of each candidate and then recommend to trusted U.S. companies or to companies connected with the CIA to whom to make campaign contributions."



ANTONIO ARGUEDAS

RENE BARRIENTOS

... ex-minister, left, alleges bribe of ex-president.

Arguedas, who was deputy interior minister from 1964 to 1966 and interior minister until 1968 and a self-proclaimed agent of the CIA, played a key role in Bolivia's internal security during the Barrientos administration. But he resigned and fled the country in July 1968 after he admitted delivering the diary of the revolutionary, Ernesto Che Guevara, to the Cuban government. Guevara was killed in Bolivia in October 1967 while leading a rural guerrilla movement. Now 46, Arguedas has lived in Cuba since 1970. He works on an agricultural project outside Havana. During the interview at his modest home in a Havana suburb, Arguedas said it was "normal" for the U.S. government and U.S. companies to give contributions to Bolivian politicians and "thus to manipulate our government."

Barrientos was not the only recipient of campaign donations in 1966, Arguedas said. "Through (a) CIA agent . . . I learned that the CIA had also given sums to other rightist parties, among them the Bolivian Socialist and the National Revolutionary Movement led by Victor Andrade Uzquiano."

During the campaign, Arguedas said, he had been invited to lunch by the agent and was surprised to find Victor Andrade in his home.

"Andrade had receipts and money in a brown envelope . . . and I personally saw that Andrade accounted for the sum of \$50,000 he had received from the agent. He had documents to show how he had used the money.

"Andrade complained that

one of his followers had cheated him for about \$800 . . . and he even asked me to apply pressures through the Ministry of the Interior to force this man to return the money."

Arguedas said that afterwards he asked the CIA agent how the election funds were being distributed. Referring to the sums given to Andrade as well as to Barrientos, the agent reportedly replied, "We cannot place all our bets on one horse. We back all who it is in our interest should win."

[Questioned about this account, David Atlee Phillips, who resigned last week as chief of Latin American Operations for the CIA to defend the CIA from the outside, said:

"I'd like to say something about that but I can't. Should something like that have happened, had the station chief held a dinner like that in his own home with people like that, it would have been the worst breach of professional ethics I ever heard of in my life."

[Asked why, Phillips said: "The people named there were prominent people in the country. The very thought that one of our people would actually entertain these people in his own home for the purpose of any clandestine conversations is beyond professional comprehension."]

Japan-Canada Links

Agence France-Presse

TOKYO May 16 — Japanese and Canadian officials will meet here for four days next week to discuss scientific and technological cooperation, the Science and Technology Agency announced today.