There is no bilateral counternarcotics agreement between the United States and Vietnam. However, informal discussions have begun between representatives of the Socialist Republic of Vietnam and the USG about counternarcotics cooperation and the Vietnamese response has been positive.

VITAL NATIONAL INTERESTS JUSTIFICATION

Bolivia

Bolivia is the world's second largest producer of coca leaf after Peru and the second largest producer of cocaine after Colombia. Most of the cocaine refined from Bolivian coca leaf is consumed in the United States.

Bolivia was highly successful in counternarcotics law enforcement operations during 1994. The Government of Bolivia (GOB) conducted four major operations designed to block trafficker movements, seized two large cocaine HCl laboratories, and arrested major traffickers with links to the Medellin drug mafia. GOB forces foiled Colombian traffickers and their Bolivian accomplices attempting a prison break at a maximum security facility and arrested the prison warden for complicity in the plot. Throughout 1994, the GOB continued its probe of alleged trafficker ties to former President Jaime Paz Zamora and members of his Movement of the Left (MIR) political party. In June, the Bolivian Congress removed two Supreme Court justices for corruption.

President Sanchez de Lozada is seeking to develop a strategy to eliminate illegal coca from the country without the use of measures he considers to be divisive, such as forced eradication. In 1994, however, the GOB made no measurable progress toward creating a plan to carry out this strategy.

In February 1994, the GOB briefly undertook a campaign of forced eradication which resulted in a violent reaction by coca growers. Voluntary, compensated eradication dropped off sharply and new plantings increased, resulting in a net increase in the area of coca under cultivation.

The Sanchez de Lozada administration has supported USG efforts to extradite drug traffickers, but such efforts stalled in the Bolivian Supreme Court in 1994. In early 1995, however, prominent trafficker Jose Faustino Rico Toro was declared extraditable. Thirty-five other extradition requests by the United States are pending with Bolivia. The GOB has declined to sign an extradition treaty negotiated in 1990, but in early 1995, the Sanchez de Lozada administration proposed a new draft treaty, which USG officials are reviewing.

It is in the vital national interests of the United States to maintain and increase the level of cooperation with Bolivia, the world's second largest coca and cocaine producer. Denial of certification would likely terminate much of Bolivia's multilateral development bank assistance, which would have an extremely harmful effect on the Bolivian economy. It would reduce significantly the resources available to the GOB to combat narcotics trafficking and would foster conditions in which more Bolivians would be driven to engage in illicit coca cultivation and trafficking.

Because the World Bank and Inter-American Development Bank are Bolivian's largest aid donors, USG opposition to loans to Bolivia by those institutions would result in strident calls within Bolivia for the GOB to cease its counternarcotics cooperation with the USG. Economic instability could lead to a loss of confidence throughout the country and thereby serve to undermine Bolivia's still-fledging democratic institutions. Should Bolivia's current democratically-elected government be followed by an authoritarian regime, narcotraffickers might gain a strong foothold, as they did in the corrupt dictatorships of the early 1980's. Preserving and promoting democracy in Bolivia is in the U.S. national interest of enhancing democracy throughout the Western Hemisphere.

In 1994, although the GOB's efforts and cooperation with the USG on interdiction and on broader political issues were substantial, its overall