

UNCLASSIFIED

E 25

Page: 1
RELEASED IN FULL

PTQ1634

[REDACTED]
PTO0296

PAGE 01 STATE 067680 152038Z
ORIGIN ARA-01

INFO LOG-00 TEDE-00 ADS-00 ONY-00 SSO-00 SAS-00 /001R

067680
SOURCE: KODAKA.015107
DRAFTED BY: ARA/AND:JCINTRON -- 4/10/98 647-3023
APPROVED BY: ARA/AND:DDIPAULO
ARA/AND:DDIPAULO
DESIRED DISTRIBUTION:
ARA-3

-----3374A2 152039Z /38

R 152038Z APR 98
FM SECSTATE WASHDC
TO AMEMBASSY BOGOTA
AMEMBASSY CARACAS
AMCONSUL GUAYAQUIL
AMEMBASSY LA PAZ
AMEMBASSY LIMA
AMEMBASSY QUITO

COPY FROM
THE COLLECTION OF THE
NATIONAL SECURITY ARCHIVE

[REDACTED] STATE 067680

STADIS DECAPTIONED

OFFICIAL INFORMAL

E.O. 12958: DECL: 12/31/99
TAGS: AMGT, BL, CO, PE, EC, VE
SUBJECT: OFFICIAL INFORMAL

[REDACTED]
[REDACTED]
PAGE 02 STATE 067680 152038Z
FOR AMBASSADOR - DCM - POL - ECON

(U) CLASSIFIED BY DONNA DIPAOLO ARA/AND, DEPARTMENT OF
STATE. REASON 1.5 D

FOLLOWING IS THE ASDAR FOR APRIL 14, 1998

[REDACTED]
Page: 1

UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: OSCAR J. OLSON
DATE/CASE ID: 7 AUG 2001 200003849

UNCLASSIFIED

[REDACTED]

1. (SBU) VENEZUELA: GOV REQUESTS EXTRADITION OF FUGITIVE BANKERS. OVER THE LAST TWO WEEKS, L HAS RECEIVED A SERIES OF DIP NOTES REQUESTING EXTRADITION OF MORE THAN 20 BANKERS INVOLVED IN THE 1994-1995 BANKING CRISIS. L REPORTS THAT IT HAS TO CAREFULLY REVIEW EACH REQUEST BEFORE FORWARDING TO JUSTICE, A LABORIOUS AND TIME-CONSUMING TASK. L EXPECTS IT

WILL TAKE SEVERAL WEEKS TO MONTHS BEFORE IT WILL BE ABLE TO RESPOND IN DETAIL TO THE GOV.

2. (U) VENEZUELA: PIPE BOMB IN CONGRESS. A SMALL EXPLOSIVE PLACED ON AN OUTSIDE WALL OF CONGRESS WAS EXPLODED BY VENEZUELAN POLICE LAST WEEK TO PREVENT HARM TO INNOCENT PEOPLE. THE DEVICE SHATTERED A WINDOW, BUT CAUSED NO INJURIES. IT WAS THE THIRD BOMB ATTACK ON CONGRESS IN THE PAST YEAR. GOVERNMENT OFFICIALS SAY THE ATTACKS HAVE BEEN POLITICALLY MOTIVATED, BUT HAVE FAILED TO IDENTIFY OR CAPTURE THOSE RESPONSIBLE.

3. (U) VENEZUELA: FUTURE PRIVATIZATION IN ELECTRIC INDUSTRY. COMMERCIAL RATES FOR ELECTRICITY IN CARACAS ARE

[REDACTED]

[REDACTED]

PAGE 03 STATE 067680 152038Z
AMONG THE HIGHEST RATES IN THE WORLD. THE REAL ISSUE, HOWEVER, IS NOT THE RATES, BUT FAILURE TO COLLECT THE FEES BEING CHARGED. IT IS DIFFICULT TO FIND RESIDENTIAL OR COMMERCIAL USERS WHO ACTUALLY PAY FOR THE ELECTRICITY THEY CONSUME. STATE ENTITIES TYPICALLY DON'T PAY THEIR ELECTRICITY BILLS EITHER. ALTHOUGH PRIVATIZATION BRINGS ITS OWN PROBLEMS, IT'S AN OPTION BEING CONSIDERED TO HELP ALLEVIATE THE GOVERNMENT'S PROBLEM WITH ELECTRICITY RATES AND COLLECTION.

4. (C) ECUADOR: EX-MINISTER OF GOVERNMENT A FUGITIVE. CESAR VERDUGA, WHO WAS PRESIDENT ALARCON'S KEY MINISTER UNTIL HE RESIGNED AT THE END OF JANUARY, FLED TO THE U.S. ON OR ABOUT APRIL 4, JUST AHEAD OF AN ARREST WARRANT ON CHARGES OF MISUSE OF DISCRETIONARY FUNDS. THE SUPREME COURT HAS REPORTEDLY REQUESTED THAT THE FOREIGN MINISTRY INITIATE EXTRADITION PROCEEDINGS, BUT THE ALARCON ADMINISTRATION IS UNLIKELY TO PRESS AN EXTRADITION CASE. ALARCON HIMSELF IS FACING INCREASING PRESSURE ON CORRUPTION CHARGES.

5. (U) ECUADOR: CAMPESINO STRIKE. ROADS ARE CLOSED TODAY

[REDACTED]

THROUGHOUT ECUADOR BY ROADBLOCKS ERECTED BY CAMPESINOS DEMONSTRATING CONCERN OVER POSSIBLE CUTBACKS IN SOCIAL SECURITY.

6. (U) ECUADOR: ALARCON' 5 POPULARITY DOWN. A RECENT SURVEY INDICATED THAT PRESIDENT ALARCON' 5 POPULARITY HIT AN ALL-TIME LOW OF 22 PERCENT IN MARCH.

7. (U) ECUADOR: SANCTIONS LOOMING. USTR INFORMED

PAGE 04 STATE 067680 152038Z
AMBASSADOR MASPONS TODAY THAT UNLESS THE GOE ACTS ON IPR LEGISLATION, PIPELINE PATENT PROTECTION, AND THE DEALERS ACT, BARSHEFSKY WOULD ANNOUNCE ON APRIL 30 HER RECOMMENDATION TO THE PRESIDENT TO WITHDRAW ATPA AND GSP PREFERENCES. MASPONS HAS REQUESTED A MEETING FOR FM AYALA LASSO WITH MACK MCLARTY IN SANTIAGO ON 4/26 ON THIS ISSUE.

8. (U) PERU: SIN WILL FIGHT LIMA CRIME. PRESIDENT FUJIMORI HAS ANNOUNCED THE NATIONAL INTELLIGENCE SERVICE WILL BE USED TO COMBAT A RECENT WAVE OF KIDNAPPINGS AND ARMED ROBBERIES IN LIMA. THE NATIONAL BUSINESS FEDERATION CLAIMS THAT SINCE JANUARY FOUR BUSINESS PEOPLE PER DAY HAVE BEEN KIDNAPPED. RETIRED GENERAL RODOLFO ROBLES HAS CRITICIZED THE ASSIGNMENT OF CRIME FIGHTING DUTIES TO SIN, SAYING ITS RECORD DOES NOT INSPIRE CONFIDENCE AND THAT THE ACTION EXTENDS THE POWER OF SIN DE FACTO HEAD VLADIMIRO MONTESINOS TO BLACKMAIL AND PERSECUTE PERSONS OPPOSING THE FUJIMORI GOVERNMENT. PICKERING

NNNN