From Military Dictatorships to Evo Morales Populism

Three Decades of Intense Bolivian History

Raúl Peñaranda, editor and coordinator

From Military Dictatorships to Evo Morales populism

Three Decades of Intense Bolivian History

Raúl Peñaranda, editor and coordinator

Página Siete Ed.
www.paginasiete.bo
Raúl Peñaranda
La Paz, Bolivia

ISBN: 978-99974-46-14-5

Legal Deposit

From Military Dictatorships to Evo Morales populism,
Three Decades of Intense Bolivian History

Raúl Peñaranda, editor, coordinator
Judy Norton, English editor, proofreader
Adrienne Ross, English translator
Aldo Sánchez, graphic designer
David Mercado, cover photo

Special thanks to Alan Shave

Published originally in Spanish as "30 años de democracia en Bolivia", Página Siete, La Paz, 2012, 333 pages.

Editor of the Spanish version: Raúl Peñaranda; coordinators: Isabel Mercado, Boris Miranda and Clara Berríos.

The Spanish version had the support of UNIR Bolivia, Foundation CDC, Friedrich Ebert Foundation, Hanns Seidel Foundation, and International Institute for Democracy and Electoral Assistance, IDEA. None of those institutions is responsible for any part of the book content.

Contents

To my parents,
Rafael and María Elena.
I owe them so much

Foreword

In 2012 Bolivia achieved thirty years of democracy. In a country characterized by political instability and a lack of political institutions, this achievement is truly extraordinary. The greatest significance of this triumph is that Bolivians were able to overcome long-standing traditions and a series of obstacles to agree on basic social and political principles necessary to coexist.

That year *Página Siete* daily newspaper, with the support of institutions committed to the development of democracy[1], decided to publish a book to recount that thirty-year period. The accounts presented in the text were written by leading journalists and essayists in the country, addressing topics from several perspectives. The articles are balanced and in-depth, based on objective information. Collectively, their view of the Bolivian situation was many-sided and complex.

In my capacity as editor of *Página Siete*, I edited the resulting book: *30 Años de Democracia en Bolivia* (*30 Years of Bolivian Democracy*).

It was an unusual success – in La Paz the first edition was sold out in just few days. The digital edition has also been extensively downloaded from the web.

Encouraged by this success, *Página Siete* determined to publish the book in English in order for it to reach a broader international audience. It has been improved and updated since the Spanish version in several ways: the structure of the chapters is changed for easier reading, a section was added so that the text could begin with the transition period between military dictatorships and democracy and two more chapters were included to update the content and to present a better analysis of the Morales government. Also, some sections deemed less interesting for the international reader were removed, while others were summarized and shortened.

---

1 Those institutions are: Foundation UNIR Bolivia, Foundation CDC, Friedrich Ebert Foundation, Hanns Seidel Foundation, and International Institute for Democracy and Electoral Assistance, IDEA. None of those institutions mentioned is responsible for any part of the book content.
The editors and coordinators of the Spanish book were Raúl Peñaranda, Isabel Mercado, Boris Miranda and Clara Berríos.

Prior to this era, which began in 1982, the longest democratic stretch on record was more than a century ago. During that liberal time, five presidents were successively elected by vote over twenty-one years. Today, nonetheless, Bolivians have already achieved a third more years of democratic stability than in that era.

There are, however, some crucial differences between these two significant democratic periods. For instance, during the first liberal era, (and in reality, throughout Bolivian history, before the adoption of universal suffrage in 1956) only literate males who owned property had the right to vote.

Although exercising the right to vote in a free and informed manner is the principle requirement of a democracy, other conditions must be met in order for a society to be considered democratic. This is achieved when all government and individual actions are regulated by a legal system. This creates a society that respects human activities. The power of the State, therefore, is subordinate to the rule of law.

Even though Bolivia demonstrates various aspects of democracy mentioned, rule of law remains incomplete and partial.

There are many examples illustrating this over the past three decades in Bolivia. Perhaps the most important instances are long-term abuse of the law by some sectors of society. This includes entrenched corruption and the inability of the State to fight it, collusion between those in power and the judicial system, and violation of human rights.

Thus Bolivian democracy was vibrant, but also had many faults, before 2006 when President Evo Morales came into power. He brought with him a series of significant political, social and cultural reforms.

Morales's rise to power meant a significant change for Bolivia, in that it ended almost two centuries of republican rule in which the participation of the indigenous people was limited and inconsistent. For a start, there had never been a Head of State who was (or would have declared him or herself) an indigenous person. The symbolic power of this has been enormous, and it has enriched Bolivia's democracy. There has also been a positive and encouraging change in the political elite that has helped to promote social mobility and the inclusion of big sectors of Bolivian society that had in the past generally been excluded from decision-making.

But also, under the presidency of Evo Morales, the Bolivian State continues to be unable to enforce the rule of law with full separation of powers, protect the

freedom of the press, and ensure a free and independent judiciary.

On the contrary, some of the undemocratic traits of the Bolivian State are now stronger, showing frightening signs of authoritarian and abusive behavior.

Today (2014) the most important opposition leaders are on trial for politically motivated charges; hundreds of Bolivians live in Brazil and other countries as refugees or as asylum seekers – a novel situation in the Bolivian democracy; the independent press and journalists are under huge pressure from the government; opposition leaders are detained without trial in public prisons for much longer than permitted by law; and the electoral courts are progressively losing their independence.

Also, Morales violated his own new Constitution and organized elections to allow him to stand for a third term (2015–2020). Some congressmen from his party are now asking Morales to enable indefinite reelection.

This book covers all these topics. *Página Siete* is sure this text will become a reference for scholars and specialists, and will also be of interest to the general public.

Raul Peñaranda, Editor

Raul Peñaranda is a journalist, and former editor-in-chief of *Página Siete*.

Chapter 1

From Military Governments to Evo Morales years

Foto: Lucio Flores

A group of soldiers control a La Paz street after Colonel Alberto Natusch Busch executed a bloody coup d'état in 1979.

1977–1985: Transition between Dictatorships and Democracy

Lupe Cajías[2]

In 1977, during the Hugo Banzer dictatorship (1971–1978), four miner's wives started a hunger strike that unexpectedly attracted huge support, and after a few months forced the regime to call for general elections, decree a wide-ranging political amnesty that allowed many exiled political activists to return to Bolivia, and halt criminal trials against opposition leaders. In 1978 all political parties participated in the polls. The elections were annulled when massive fraud organized by the military came to light. Between 1978 and 1980, three elections were held (1978, 1979 and 1980), three military coups occurred (two in 1978 and one in 1979) and the country experienced mass popular protests as well as the defection of some generals, colonels and majors. Between 1980 and 1982 two more military coups took place. Finally power was handed over to civilian hands on October 10, 1982. At the time most of the region was led by military regimes, all supported by the US government.

The Bolivian people were the first to fight for and win their democracy, setting the tone for regional change. Furthermore, the Group of Four was formed (Mexico, Venezuela, Panamá and Colombia, the four democratic governments of the region), later known as the expanded Group of Eight and much later, the influential Rio Group. They worked hard to bring international attention to North-South tensions instead of it being dominated by the East-West conflict, as presented by Reagan in the context of the Cold War. The organization's first tasks were to initiate presidential summits to find ways to bring peace to Central America and the Caribbean, and to press for democratic elections in the Southern Cone. Bolivia joined the group in 1982.

One of the strongest members of the group was the Conference of Political Parties of Latin America (COPPLA), linked to the social democratic organization

2 Lupe Cajías is a journalist and historian

Socialist International, in which Bolivian Vice President Jaime Paz had influence.

The Group of Four and the international work of the Jaime Paz party (MIR, Revolutionary Leftist Movement) were essential to the restoration of democracy in Bolivia and to garnering immediate external support. Europe, particularly the social democratic governments, supported Bolivia both politically and economically through state aid, political foundations and large NGO networks.

Still, democratic Bolivia was surrounded by military governments, even though they may have been weakened after Argentina lost the Falklands War, and Brazil was slowly becoming more democratic.

The Condor Plan, a horrific regional program to eradicate communist and leftist leaders and suppress active or potential opposition movements against dictatorships, was failing. Many political refugees from Argentina, Chile and Uruguay sought safety in Bolivia while their countries slowly moved towards democracy.

It is important to remember that at this point two major events recalibrated the global order post-World War II. First was the victory of Solidarity, the trade union in Poland, homeland of Pope John Paul II, who was opposed to Liberation Theology. Second was the fall of Iran's Shah Pahlavi and the victory of radical Islamists, which led to the 1979 American hostage crisis in Tehran, the Iran-Iraq war (in which the US supported the Iraqi leader, Saddam Hussein), and the Soviet invasion of Afghanistan.

The world had changed, and the end of the Cold War was on the horizon. Other political actors began to emerge and ethnic issues started to outweigh social class struggles.

Democracy starts in 1982

The democratic era began in 1982 with hopes that individuals would be able to exercise full civil liberties, despite the threat of an economic collapse, after 18 years of military rule and five of economic crisis.

While some of the authors of this book might use examples like decreased exports and the dismantling of the state capitalism model used since 1952 National Revolution, it must be born in mind that the 1980s were a 'lost decade' for economic, industrial and social development in most of the so-called third world

Presencia daily, La Paz, October 7, 1982
Paz Estenssoro will not attend the birth of democracy

Former President Victor Paz Estenssoro (1952–1956 and 1960–1964) reported to Congress that due to health reasons, he will not attend the presidential inauguration of Hernán Siles on October 10, 1982.
Paz welcomed the invitation extended to him by the National Congress, and yesterday via cable from Tarija city wrote, "Honored and grateful for the invitation from the first power of state. I regret that for health reasons, I cannot immediately travel to La Paz, thus am prevented from attending this solemn act that perpetuates democratic life."

countries. The global debt crisis affected everyone, especially nations dependent on foreign markets, like Bolivia. Without taking this into account, it's impossible to understand the overwhelming challenges the country faced as it began its transition to democracy on October 10, 1982.

It's important also to remember the obstacles the United States and Europe had set up, intended to negatively affect Luis Garcia Meza's de facto government (1980-81) and those of his military successors (1981-82). Many aid programs had been cut, especially in healthcare and agriculture. Bolivia's instability was further aggravated by the misappropriation of public funds for the benefit of individuals, groups, and the military, at the expense of development or social care.

The needs of small -or medium- scale farmers were almost completely ignored and development programs like cotton farming projects in the lowlands, or sugar cane farming north of La Paz, had already failed. At the time, agribusiness and large scale production was in its infancy. No contracts had yet been made to supply Brazil with natural gas (this was crucial two decades later). Trade relations with Argentina faced political challenges: while the Argentine military junta had directly assisted Bolivian fascists, the relationship did not extend to viable economic relations.

The currency exchange rate was an indicator of growing inflation. Moreover, large-scale smuggling grew and income from coca-cocaine distorted statistical data (a phenomenon that lasted three more decades.) During this period street market

areas like '*Miamicito*' (Little Miami) flourished in La Paz, with people gathering to buy tons of bootleg merchandise.

This then is a snapshot of the prevailing economic environment when the government of the UDP (Popular Democratic Unity) and its leftist leaders, Hernán Siles and Jaime Paz, were sworn in as the first dual ticket elected by the polls since 1964.

At a mass rally in front of the San Francisco Cathedral, Siles promised to end the economic crisis within 100 days.

Although President Siles and Vice President Paz Zamora projected the image of being a united front, it was well known that they were divided over the proper way to deal with external partnerships, as well as how to confront the remaining members of the former dictatorship. Siles, and his MNRI party (Nationalist Revolutionary Leftist Movement), a faction of the MNR, began to distrust Paz Zamora due to his prominence in international forums.

There were also complaints about Paz Zamora's relationship with military leaders, still in their posts, who had been involved in failed coup attempts against Garcia Meza.

The representation of ministers in the UDP was divided between the Siles and Paz Zamora factions (the strongest) plus other minor interests like the pro-Soviet PCB (Communist Party of Bolivia) and the MPLN (National People's Liberation Movement).

In contrast, the unions and other workers' associations that initially supported the government were locked in fierce internal battles.

Another difference between the President's and Vice President's parties was how to manage the governmental transition process. Siles wanted to disregard the results from the poll held in 1980 and hold another election, with the intention that a new vote would give his coalition more parliamentary support (and thus avoid a hostile opposition majority in Congress). The Vice President believed that Bolivia's democracy was still too fragile and that many in the military wanted to retain power, like their Argentine counterparts. Paz Zamora knew that in order to succeed he should take advantage of any loopholes during negotiations with the armed forces. Thus he pushed that the elected government be accepted, even without a Congress majority.

Subsequent events proved that Siles (and not his Vice President) was right. The parliamentary opposition made the administration ungovernable. The opposition was made up of two major right-wing parties. These were the MNR, (Nationalist Revolutionary Movement), in the fifties a leftist movement, and ADN (Nationalist Democratic Action), founded in 1978 by former dictator Banzer to defend his interests. Banzer and the historic head of MNR, Víctor Paz Estenssoro, were the most important leaders heading to the elections after Siles' term.

The left had lost an important leader, socialist Marcelo Quiroga, who was the first person killed by the Garcia Meza regime on July 17, 1980. His parliamentary presence, although small, was a powerful voice.

Other extreme leftist factions had tried since 1978, without success, to offer alternatives in the elections. Instead, small leftist and anarchist parties had significant representation in the COB (Bolivian Union Federation) led by Juan Lechín, a miners' leader and adversary of Siles for decades. Lechín had been the legendary head of the great miners' union since 1944, and had distanced himself from the MNR and Siles since 1963. He was well supported by the small PRIN (Revolutionary Party of the National Left), the anarcho-syndicalists and some radical parties. Since the 1950s and through to the seventies, the COB, together with its core membership, the Federation of Working Miners of Bolivia, constituted a kind of 'dual power' challenging the State.

After democracy was regained in 1982, the COB presented a list of demands that the government could not meet. Union workers had fought, some even clandestinely, and had been persecuted, for a democracy that would tackle bread-and-butter issues. Now they saw that their old employers and businessmen linked to the dictatorship took advantage of the economic crisis to grow richer. Moreover, the demands accentuated inflation, which was the highest in the region's history and worse than that of the Weimar Republic in the 1920s. This exacerbated the mood of the already-discontented public opinion.

There are different interpretations of the confrontation between the unions and the democratic government that was presented as left-leaning. Some historians call attention to the critical situation of the workers and artisans, who were tired of waiting for solutions. Others blame the COB for the rapid decline of the UDP and the inevitable result: the recovery of the right.

In addition to the decline, the de-dollarization decreed by MIR Minister Ernesto Araníbar further aggravated the economic crisis, due to the loss of the savings of the middle class and speculation in food staples. All this led to a dangerous climate of hunger and civil strikes. Cabinet changes were not enough to change the course of the Government. Siles looked tired, and oblivious to the dynamics of the changing times. The situation had been very different in his first term – in 1956.

The President himself joined a hunger strike as a way of pressuring the unions to curb the protests. But even more dramatic was his kidnapping by a group of young military officers in one of the most absurd episodes of the new democracy. Although the conspirators appeared to be an isolated group that then fled to Argentina, they also revealed latent military threats against the civilian government.

Confusion and chaos were widespread. Neither the political actors, nor the social leaders had a strategy for fulfilling their roles in a democracy.

'Journeys of March'

The eruption of social conflicts, hunger strikes, worker walkouts and marches outnumbered any in Bolivia's history. Protesters, called 'savages', originated in the banking sector, and spread later into the public service and among health workers. The protests spread to several Bolivian cities, and to factories and mines. In March 1985, the workers of the State mining company, Comibol, decided to voice their complaints at the center of the city of La Paz, Bolivian seat of government.

The workers attended daily demonstrations with their families. They were supported by other labor groups. The demonstrations even included setting dynamite explosions and the actions almost shut down the government. The protests were called the 'Journeys of March'. The tension precipitated a meeting between top political leaders who agreed to bring forward general elections for mid-1985. As right-wing parties were strengthened, the UDP fell apart and the MIR became divided.

In 1985 the MNR won the elections under the leadership of Paz Estenssoro, who started his forth presidency and reached a political agreement with ADN, so winning governance and control of the Parliament. In August that year, Paz Estenssoro signed the famous 'Supreme Decree 21060' that became a comprehensive economic plan to modify the structure inherited from the 1950s. The country

adopted wide-ranging free market policies.

The fall in the market value of tin, (vital for the Bolivian economy), forced the dismissal of thousands of miners, factory closures and the privatization of State enterprises and utilities. This began a new phase in Bolivian history, the start of which can be pinpointed as the failure of the 'March for Life' in August 1986 – the last effort by the mining proletariat to change the government's economic course. The State miners said goodbye to their former prominence and passed their banners to a new leadership.

Adverse Legacies

Bolivian democracy began with two adverse legacies. The one with most impact involved drug trafficking, the growth of illegal coca plantations, and the link between cocaine trafficking and politics. As individuals and as groups, several members of the military had been in the drug business since the days of Hugo Banzer's government (1971–1978), and more than one had been executed in the course of internal vendettas.

The same day the democratic government took control, a shootout at the Santa Cruz airport during the capture of narco-terrorists showed the extent of the problem. Then, for example, the nation was shocked by the proposal of an important livestock farmer from Beni, Roberto Suárez, to pay Bolivia's external debt (US$ 3,000 million at that time) in exchange for leeway and benefits to do with the illegal cocaine business. Some politicians from several parties even agreed to sign the deal, and were only held off by the dismay of the public.

The second adverse legacy was corruption, the Siamese twin of the dictatorships, which exceeded by far the levels experienced during the MNR era in the 1950s and 1960s.

Human Rights

Finally, it is important to remember the on-going struggle for human rights before, during and after the dictatorship of 1980–1982. The trial of Dictator Garcia Meza and 40 of his top aides, mostly military, was instrumental in bringing about social

catharsis. Juan Del Granado, a former MIR militant, committed himself for years to bring about the extradition and imprisonment of the former dictator. That example was salutary for the continent.

The social lessons were complex. There was not yet freedom of the press and Bolivians had not yet fully grasped the notions of democratic freedom and civic responsibility for the common good.

1986–1999: Stability and Liberal Reforms

Guimer Zambrana Salas[3]

'21060'. No, this was not just any number. Yet, the 21060 Decree was not at first recognized for what it was, and even *Presencia*, the La Paz newspaper, printed '21080' on its front page of August 30, 1985, the day after it was enacted. Then the (correct) number was printed and repeated in several different languages. It was praised, hissed at, challenged and refuted. Unbidden, the decree reached into the pockets of all Bolivians. It was not because of the number, of course, but because of the controversial and difficult content it spelled out.

This decree comprised eight titles and 170 articles that changed the lives of millions of Bolivians born after the National Revolution of 1952. It delivered a mortal blow to an already weak state capitalist system.

President Hernán Siles was the first to issue a somber warning. "The Paz Estenssoro regime is the antithesis of the National Revolution of 1952 (that Paz Estenssoro led)," he said just 12 days after the adoption of the 21060 decree, but by then it was irreversible. The new decree was 'miraculously' already stabilizing the Bolivian exchange rate, reducing hyperinflation while new stock began to appear on store shelves.

Paradoxes in History

3 Guimer Zambrana Salas is a journalist

It was the left that helped to lay the groundwork for the return of the right-wing parties to Palacio Quemado (the Bolivian palace of government). Certainly, the conservative parties, Victor Paz Estenssoro's MNR and Hugo Banzer's ADN, blocked the UDP from dominating the parliament. But it was the actions of the left that ultimately dealt the final blow to the UDP proposal.

The 'wolf' was coming, but the revolutionaries were unaware. Without the thundering daily marches by thousands of state miners who had relocated to La Paz, the bitter worker walkouts in all sectors, the hunger strikes and the billions of Bolivian pesos one needed to buy a loaf of bread, a blow like the 21060 decree would have been impossible. It was the left and the social movements that supplied the rationale for the new neoliberal administration. "Or we go back to the UDP!" was the warning.

In the 1985 elections, the vote was divided into four factions. They each won a small slice of the cake, most of which went to the ADN (28,57%) and the MNR (26,42%). During the electoral campaign, both parties (ADN and MNR) offered to take the reins of the runaway inflation horse and restore authority to the Executive. Bolivian legislation at that time allowed the three candidates with most votes to go to a second round in Parliament. Former Vice President Jaime Paz was third, but so far behind Banzer and Paz Estenssoro, that he didn't have a chance. ADN demanded Parliament elect Banzer as President, considering that he had won at the polls. But history gave MNR a slight advantage, and they were bent on exploiting it. Yes, Paz Estenssoro had supported the Banzer coup in 1971, but General Banzer was the one with blood on his hands. Jaime Paz and other small leftist parties would not vote for the former dictator so they supported Paz Estenssoro.

On the night of August 29, 1985, Paz Estenssoro, MNR's legendary leader, sent a message to his supporters that sounded dramatic: "Bolivia is dying". Then he signed Decree 21060, which contains in its preamble phrases such as these: "Grave crisis," "real collapse," "loss of confidence," "hyperinflation," "recession," "shortage," "unemployment," "distortion of market prices…" The alarmingly descriptive words and phrases went on and on.

The first item this measure took care of was the disparity in the exchange rate between the official *peso boliviano* and the black market. In its first week of opera-

tion, the Central Bank's 'Bolsín' (a mechanism designed to regulate the exchange rate) almost immediately controlled the dollar's parallel market. It thus curbed hyperinflation, which had reach 24,000% in the previous 12 months. Banzer and his ADN party helped former rival Paz Estenssoro to a Parliamentary majority, beginning what became known as 'settled democracy' (*democracia pactada*).

The measures started to replenish the urban food market again, taking money from the farmers' already empty pockets through allowing free imports. The supply centers, where only hunger had been available under the previous government, now were overflowing with imported products. 'Father State' no longer had to work to set prices, and 'Mister Market' was now responsible for pricing based on free trade: supply and demand.

The move reversed the situation: if before Bolivians' pockets were stuffed with billions and nothing to buy, now the market had everything to sell, but Bolivians' pockets were empty.

Wages were lower than winter temperatures in La Paz. The Decree did not include any increase in salary, merely offered the same bonds created earlier. It also redefined the word 'relocation' which was used instead of 'dismissal'. Twenty thousand state miners were 'relocated': sent to unemployment.

The Final Blow

The same night as the adoption of the 21060 Decree, the COB and the Miners' Federation declared a 48-hour strike, while the organization's leaders convened a national meeting. This strike was just the beginning. On September 9, 1985, a general strike was declared and a hunger strike began just days later. The morning of September 20, Paz Estenssoro resorted to a State of Emergency to control the situation. One hundred and forty-four union leaders were confined to an isolated Amazonian village. With the labor representatives out of the picture, and a decree that was starting to show results, the first chapter had almost ended.

But the final blow was still to come. It would strike at the heart of Bolivian labor unions: the miners. The price of tin fell dramatically and the new model did not allow subsidies. The government showed Comibol the door. The workers last stand was the 'March for Life', a mobilization of thousands of workers who left

Presencia daily, July 12, 1986
Paz and Banzer hold a "very cordial meeting"

President Paz Estenssoro and General Hugo Banzer held a "very cordial meeting" yesterday, where they addressed issues of national interest and areas of agreement.
The information was provided by the official spokesman of the government, Herman Antelo. When asked if a government agreement had been reached he said, "It was just an exchange of ideas that did not produce any conclusions. They discussed the country's situation."
On the possibility of a MNR-ADN coalition, he said it is a much discussed issue, but was not included on the agenda, so it was not a part of the "current discussions".

Oruro to go on foot to La Paz over several days. On August 28, 1986, the marchers were detained by military troops in the town of Calamarca, on the Bolivian high plateau. They feared the worst, but the leaders agreed to return to their workplaces. Lured by the promise of extra payments to those who accepted 'relocation', the protest camps were emptied.

Reading Coca Leaves

In 1962, during his second term, Paz Estenssoro had joined the Vienna Convention on Narcotic Drugs. According to the Convention, Bolivia needed to eradicate all coca crops within 25 years. By the deadline, Paz Estenssoro was back at the Palacio Quemado in his fourth presidency and coca plantations were still alive and thriving. The fight against drug trafficking had become standard foreign policy for the United States government and Bolivia had to be involved.

Disputes with the leaf producers began the same day the President started talking about possibly adopting specific standards to regulate cultivation of the bush. The 1008 Law was enacted in 1988, despite strong opposition from the growers. The law recognized the subtropical Yungas region of La Paz province as a 'traditional' (thus legal) area for growing the leaf. It also dictated that the leaf

be eradicated from the tropical areas of Cochabamba province, in the center of the country, and made illegal everywhere else in the country. Producers retaliated against the plantation removal policy with blockades, marches and strikes. Dozens of deaths and hundreds of injuries were recorded among the coca *campesinos*. But a commanding leader of the poor farmers' resistance had appeared on the scene: Evo Morales.

Deceit and the MIR

The 1989 election was a 'three-way tie'. This outcome was invented by MIR to justify their leader, Jaime Paz's, presidential aspirations. Yes, he was positioned third in the poll results and the Constitution provided him room to negotiate. If politics is the art of the possible, MIR showed it could make it the art of the impossible.

Gonzalo Sánchez de Lozada (Goni), raised and educated in the US, was the MNR candidate and he won the contest. He believed that the then leftist – Jaime Paz and MIR – would not jump the "rivers of blood" that separated him from the ex-dictator Hugo Banzer, who sat in second place. Indeed Jaime Paz did not jump; instead, he used synchronized swimming to cross over the old hatred. Banzer, who broke with the MNR in 1989 because it didn't support him as President in the second round in Congress, ended up making Jaime Paz President.

During the 1989 campaign, MIR had promised the "relocation of the 21060". Not changing any articles of this Decree was part of the condition of the alliance with Banzer. The unprecedented venture between the ADN and MIR was called the 'Patriotic Accord'. In the streets, this joke began circulating: "Do you know why Hugo Banzer chased Jaime Paz in the seventies? Because he wanted to make him president…."

The Jaime Paz administration took office in 1989. Not only were no modifications made to the free market policies, but they were reinforced. He directly privatized a total of 60 public entities. Among the most important was the cement factory in Sucre, Fancesa, which was sold to the hands of Samuel Doria, a member of his party.

A solution to the century-long confinement of land-locked Bolivia was

found in an agreement with Peruvian President Alberto Fujimori. The Lima administration saw an opportunity to boost economic activity in the impoverished region of Ilo, in the southern part of its territory, on the border with Bolivia. Peru ceded a five kilometer strip, without political sovereignty, to the sea coast so that Bolivia could build a port and a Tourist resort in the site. Nothing remains of that project.

MIR's leader surprised the international community by sporting a pin in his lapel in the form of a coca leaf, announcing the advent of so-called 'coca diplomacy'. This strategy sought to convince the world of the healing attributes of the Andean bush. "What we want is for Bolivians to overcome the sort of house arrest that coca suffers within the borders of our country," the President said. But while praising the coca leaf outside of the country, at home he countered his talk by applying tough measures on the growers.

Those Bolivians with Feathers…

On August 16, 1990, the country learned that a group of 300 indigenous people had departed from Trinidad, in the lowlands, for La Paz. It took several weeks for them to climb the Andean heights to demand government intervention to protect their territory from the loggers' predatory chainsaws, and from coca producers. The citizens of La Paz, who had never seen their compatriots from the forests of Beni, could not prevent themselves asking the stereotypical question: "Do they have feathers?"

The 'March for Territory and Dignity' gained so much solidarity and press attention that President Jaime Paz had no choice but to go and meet the protestors in the road outside La Paz. He accepted all of their demands. He gave legal recognition to TIPNIS (Isiboro-Sécure Indigenous Territory and National Park), to the territories of the Chimán and Siriono ethnic groups, and to other smaller areas.

It was at this time that the demand for a Constituent Assembly emerged for the first time. Thousands of urban Bolivians lined the streets of La Paz when those indigenous people reached the capital after walking 34 days and climbing 4,000 meters. Amazonian indigenous leaders Ernesto Noé, Marcial Fabricano and Tomas Ticuasu would no longer be unknown to Bolivians.

500,000 Wishes

The mediocrity of the Paz Zamora administration and the aggressive campaign of the MNR opened the door to the Palacio Quemado in the 1993 elections. The candidacy of Gonzalo Sánchez de Lozada, one of the authors of the 21060 Decree, won a landslide victory, achieving 33.5% of the vote. Banzer, supported by the MIR and ADN, took just 21.07%.

In addition to Goni's victory, these elections were marked by the emergence of two new populist leaders: Carlos Palenque (14.3%), of Condepa party, and Max Fernandez (13.8%), leader of UCS (Solidarity Civic Union). The first found strength in La Paz, but also his weakness. He could never gain support in the rest of the country. The second, Fernandez, tired of contributing money to other candidates from the money-spinning brewery he owned, decided to fund his own party. (Perhaps this explains why he could not separate his tax interests from his political actions.) In any event, Palenque and Fernandez were the rising stars of the Bolivian poor. Dramatically, they both died unexpectedly a few years later: Fernandez in 1995 in a plane crash, Palenque in 1997 due to a heart attack. Their deaths left their millions of voters feeling bereft and helpless.

In 1993 Sánchez de Lozada gained control of the Senate and 40% of the Lower House. But he needed more support to complete the task of making Bolivia a totally open market. He signed a pact with the erratic Max Fernandez and the center-left movement MBL (Free Bolivia Movement) a splinter group of the MIR, and began his work.

Goni was aware that jobs were the main victims of the 21060 Decree, which he had helped to write. Therefore, in his 1993 'Plan for All' (*Plan de Todos*) he promised to create 500,000 new jobs. In order to do this, he claimed, it was essential to implement 'capitalization' (privatization) of State enterprises which included: the Bolivian Oilfields (YPFB), Power Company (ENDE), Railways Company (ENFE), Telecommunications Company (ENTEL) and Airlines (LAB).

However, it was not just a matter of privatization. The 'capitalizing' companies were obliged to invest amounts equal to the book value of the companies they were receiving. They were to be 51% partners with the Bolivian people and would administer the companies. The government would pay an annual bonus of 1,800

Bolivianos (US$ 422 at that time) to all Bolivian over 65 years old. This program was called 'Bonosol'.

Capitalization of the State oil company was the most controversial. Future gas sales to Brazil promised to be a windfall. Why was the government trying to give away such an attractive source of revenues? Undoubtedly, investments due to capitalization of the oil company increased the ability to prospect proven and probable reserves of natural gas, but it was also true that the national treasury was left with just a small amount of money, gained through taxes, from the millions generated.

But Goni's reform package was still not complete. The INRA law (National Institute of Agrarian Reform) sought mild agrarian reform by attempting to clarify the complex issue of land ownership. However, the reform continues to create conflict among Bolivians to this day.

His Education Reform examined the weak Bolivian education system and created conditions for innovation in, and regionalization of, the educational curriculum. But it did not succeed in mobilizing citizens in support of a higher quality education, and due to the ongoing strength of the teachers' unions, it was impossible to even change the color of the chalk used!

One reform that succeeded in changing Bolivia's political landscape was the program of municipal decentralization called 'Popular Participation'. Twenty percent of the country's tax now had to be distributed to all municipalities according to population. For the first time in history, the most remote parts of the country were receiving federal money. Suddenly, the much-hated city halls were becoming an attractive source of power, and a breeding ground for new leadership.

Cashing Votes?

Some months into his term, a reporter asked Goni about his promise to create 500,000 jobs in Bolivia. He replied, "Even to make a baby you have to wait nine months". But, after four years in office, the pregnancy test was still negative. It took its toll. In 1997, the MNR, with Juan Carlos Duran, won only 18.2% of the vote. Hugo Banzer won with a pyrrhic victory of 22.26%, but it was enough to fulfill his lifelong dream, patiently awaited, to become the only Latin American

dictator to become a democratic President.

Banzer needed a coalition. The votes from those elections were so fragmented that entering an alliance with the MIR, its former ally, was insufficient. The marriage was doomed to adultery and he was forced into bed with populist parties led by Fernandez and Palenque.

The media called the alliance, ironically, "The mega-coalition." But it was not an easy coexistence when the size of the dish stayed the same, but still more diners needed to be fed from it. Furthermore, the generational disputes within the ADN became evident. The shadow of the dictator, the rumors about his health and even doubts as to whether it was he who was running the country, never left the Presidency.

Banzer's administration had its greatest success in eradicating the coca crops in the region around Cochabamba. It was his administration that came closest to achieving the 'zero coca' objective. However, the actions of law enforcement did not go unanswered by producers. In 2000, Bolivia witnessed one of the longest and most violent blockades of the Cochabamba-Santa Cruz highway, vital for the country because it links the lowlands and the highlands. When the police and army combined forces arrived at Villa Tunari town and came face-to-face with the coca growers' leader, Evo Morales, he questioned why the soldiers were "repressing their own people". One police Colonel responded, "Evo, understand, when you become President, we will obey your orders." The leader replied only with a skeptical smile.

2000–2005: Unrest and Protest for Change

Andrés Gómez Vela[4]

When the indigenous people from the lowlands marched in 1990 from Trinidad to La Paz to demand respect, land and territory, at the historic San Francisco Plaza in downtown La Paz their leader Ernesto Noe said: "We too are Bolivians. The State must include us, and in order to include us, it must start something like a

4 Andrés Gómez Vela is a journalist and lawyer.

process of change."

When Aymara indigenous indian leader Felipe Quispe 'El Mallku' was arrested in 1992, prosecutors brought him to a news conference and introduced him as the head of the Tupac Katari Guerrilla Army (EGTK). The well-known journalist Amalia Pando asked, "Why blow up electricity pylons? Why take up arms?" He answered without hesitating, "So that my daughter will never become your maid." He was, in fact, denouncing the social exclusion of millions of indigenous people 'predestined' to colonial servitude.

In 1993, the first Bolivian (and South American) indigenous person was sworn in as a Vice President. Victor Hugo Cardenas spoke in Congress in three native languages (Aymara, Quechua and Guaraní) where only Spanish had been traditionally heard. His act was the precursor to a bigger change.

In 2000, when Quispe challenged President Banzer to "weigh their brains" he was actually saying they were equals as human beings. And when he said he wanted to talk with him "boss to boss", the Minister of the Presidency, Walter Guiteras, requested respect for the President. Quispe replied, "I am the President of Kollasuyo (an old native name of present-day Bolivia), so I want to speak to the President of the Republic of Bolivia."

And in September 2000, before the entire ADN cabinet, this Aymara fighter cried out, with tears in his eyes and a breaking voice: "Here are two kinds of Bolivians. You (referring to the Ministers) who have water, electricity, food and everything you need for your wives and children, and us (referring to the indigenous people) who have nothing." He was in fact proposing the need to re-invent Bolivia.

These were not simple facts, or mere words. They served as the foundation for the process towards equality that exists in the country today. From those beginnings the self-esteem of the indigenous people increased and was recovered inch by inch, through every march, every fight, and every battle against repression.

The Banzer government misread the message. They tried to stop the march of history with laws, but when the facts were based on the color of skin, ethnicity, language and clothing, the story demanded "… something like a process of change".

The 'Water Wars'

The gathering historical energy against the ruling class exploded with the 'Water Wars' in February and April 2000, in Cochabamba, the center of Bolivia. Poor farmers, indigenous people, the middle and working class united against President Banzer's administration when he decided to privatize water. The clashes left hundreds injured and one teenager, Victor Hugo Daza, dead.

The problems started when the Banzer administration, in partnership with Cochabamba's local leaders and Mayor Manfred Reyes Villa, decided to turn water management over to the US company, Bechtel. Bechtel decided to install water meters in order to collect fees, including in places where they had not laid a piped water system (it existed before a municipal system). In other areas of the city of Cochabamba, the company raised the price by 400%. Bolivians did not understand why they had to pay a company, one that had not made any investment at all. Or why they had to pay for rain water.

Given this excess, an organization named Coordination for the Defense of Water and Life was created, which brought together the people's demands, including some not related to the specific water problem. The leader of this organization, Oscar Olivera, predicted in early February that the Banzer administration would be defeated by the people of Cochabamba. This marked the beginning of the end of the economic model established in 1985 with Supreme Decree 21060, the legal and ideological framework created around the Washington Consensus, and run by the International Monetary Fund (IMF) and the World Bank (WB). Of course, this was done with the acquiescence of the multi-party alliance comprising the MNR, MIR, ADN, and UCS.

This 'water movement' was the beginning of the punishment of the neoliberal State, which had broken away from many of its social responsibilities towards the most impoverished people and, instead, chose to protect transnational capital.

The visible struggle was for a symbolic element of life: water. But it was a visionary political mobilization. For the first time in the democratic era, there was a powerful alliance of classes, not seen since the National Revolution of 1952. This sociological phenomenon showed that most people now opted for change.

Other protests followed the 'Water War'. They were led by the COB and the

CSUTCB (United Confederation of Peasant Workers of Bolivia), which, in September 2000, organized massive roadblocks to challenge Banzer administration.

A decade had passed since the first march of the lowland indigenous people arrived at La Paz, demanding a process of change so that they be included as Bolivians. Now there were glimpses of the fruition of that dream.

The 'Water War' created such a crisis that, according to a close source, Banzer turned in his resignation to cabinet, but it was not accepted. His collaborators were dedicated to reversing the situation. They failed. Change was inevitable. Death took Banzer before the end of his term (2001) and he was succeeded by Vice President Jorge Quiroga who could do nothing to bring the immense constitutional crisis to an end.

Indigenous Candidates on the Rise

The 2002 elections were disappointing for old guard politicians who had turned

Los Tiempos daily, July 14, 2004
Editorial: Goni in Spain

The presence of the fugitive former President in Spain, for the Forum 2004 in Barcelona, gave people a lot to talk about. His presence has been described as "shameful" due to the simple fact that Gonzalo Sánchez de Lozada is on the list of presidents rejected by a population tired of corrupt politicians and charged with a series of crimes against humanity.

Everything seems to suggest that the fugitive former President, following the "intifada of El Alto", is blinded by his own arrogance, and is therefore convinced that he has been the victim of a "coup" financed by Cuba and Venezuela. There was, in fact, one victim: an entire country that was defenseless against the most sinister plot in Bolivian history, conceived and executed to auction off its best natural resources in favor of multinationals.

government into a game of lottery. The traditional parties' candidates included former President Gonzalo Sánchez de Lozada (MNR) and former Cochabamba Mayor Manfred Reyes Villa (NFR) while indigenous leaders Felipe Quispe and Evo Morales were the rising politicians.

Despite the huge social resistance that he faced, Sánchez de Lozada won the election with 22.5%, with the support of the upper and middle classes. Morales obtained a surprising second place, with 20.94%, most of it from the peasant and poor population. Reyes Villa came in third, with 20.9%.

Quispe asked Morales to try to build alliances in Congress and fight for the presidency at the Parliamentary second round. But Morales chose to postpone his presidential aspirations for the next elections. Instead, the MIR, former President Jaime Paz' political party, supported Sánchez de Lozada at the second round in Congress and he was elected head of state. But the narrow triumph of the MNR seemed like a defeat. It had a slim Parliamentary majority and the indigenous people and workers were gaining most of the social and political initiative. The electoral results also showed the indigenous people's confidence, and through voting, they were expressing their faith in someone who looked like them.

When Sánchez de Lozada took office in August 2002, his exit date was already marked. Many Bolivians opposed his regime.

The agony of the MIR-MNR party alliance deepened. Most people could not forgive the sale of national assets through privatization during the first Sánchez de Lozada term, nor were they going to forgive politics which had become a family business with the corrupt practice of accumulating wealth, and power resting in the hands of a few. These conflicts overshadowed positive measures taken in previous years, such as the Popular Participation law and the decentralization process, which opened the door to the majority to govern at local government level.

At this point, there was social consensus that privatization of Bolivian oil was a scheme of power hungry multinational oil companies in which, for every US$ 100 exported, they took more than US$ 80. It was also discovered that these companies had access to privileged information. Some high-up officials from the YPFB (Bolivian State Oilfields) had given classified information in exchange for benefits such as millions of dollars in commission, and certain desirable jobs.

The Bolivian oligarchy's capitulation to the oil companies, the international

financial organizations and the US Embassy, generated social outrage. This overwhelming response was keenly noted by leftist intellectuals, journalists, activists and political social groups as they glimpsed the debut of a new historical force: native Bolivians and poor farmers. Sánchez de Lozada's government could not last long.

The War over Gas

It was under these historical circumstances that the 'Gas War' started in mid-2003. It began when the La Paz Federation of Farmers declared a hunger strike at the San Gabriel radio station, demanding the release of one of its leaders, Edwin Huampo. He had been imprisoned for taking part in a community justice action in the Bolivian Andes region, in which two supposed cattle thieves died.

The Federation extended their demands and called for, among other things, the abolishment of the Civilian Security Law, and compensation for the families of poor farmers killed and injured in various social conflicts. The situation was aggravated in September when peasants blocked the road from Sorata to La Paz and hundreds of foreign tourists were stuck for days. The different embassies pressured the Bolivian government to help the tourists escape the blockade.

The rescue operation, led personally by Defense Minister Carlos Sánchez Berzain, ended up with six dead, including a child and a soldier, in the Warisata area. The violence only added to the momentum of the farmers' movement, and it gained support from the Federation of Neighborhoods (Fejuve) in El Alto (adjacent to La Paz). They declared an indefinite strike and blocked the streets on October 10; coincidently the same day the nation marked 21 years of democracy. And then tens of thousands of other workers, peasants plus many native Bolivians' associations aligned themselves against the dying regime. The energy of the new social movement that demanded inclusivity, better living conditions, and justice and that had built up over several decades, was about to be unleashed.

At that point in time all the social and political forces seeking change were united in their demands: nationalize the gas fields, reject gas sales to Chile, and form a Constituent Assembly to change the Constitution.

The President, who had been one of the masterminds behind the privatization

of the State oilfields, ten years later was now required to regain the natural resources for the benefit of all Bolivians. The President who had helped to facilitate the entry of an indigenous person to the seat of the Vice Presidency, now refused to open the doors of power to allow other players to enter.

Between October 10 and 17, the government coalition of MNR, MIR, NFR and UCS ordered the biggest massacre of the democratic era, resulting in 67 deaths, plus about 300 wounded, among the protesters. Most of the victims had marched to block the streets in front of the mobilized artillery and infantry units, which then opened fire. It's likely the workers did not know that what they were doing would change the course of the country's destiny.

On Tuesday, October 14, realizing the gravity of the situation, Vice President Carlos Mesa, a renowned journalist and political analyst, made a strategic move. He declared publically that he was resigning from the government, but not the vice presidency. In other words, he broke relations with the administration, but not with the people. The move proved lethal to Goni's presidency because it showed the extent of the internal government breakdown.

US Embassy expressed its support

The next day the US Embassy expressed its support for "Sánchez de Lozada's Constitutional Government". It was too late: the protests spread to the whole country, La Paz was totally paralyzed and anger over the military repression was sending more and more demonstrators onto the streets. Sánchez de Lozada resigned on Friday October 17, 2003, and fled the country by plane, arriving in Miami the next morning. Some of his Ministers did the same. Vice President Mesa was sworn in to the office of the Presidency, upon his shoulders the hopes of building a new State and society.

Mesa assumed office with the so called 'October agenda': nationalization of gas, conversion to a Constituent Assembly and thereby creation of a new State. But his inability to act on behalf of the poor, and his desire to compromise cost him the position. He was caught between two extremes: the extreme right that had been removed from power, and the extreme left that demanded establishment of a

El Potosí daily, October 18, 2003
Goni and his ministers escape to Miami

After hearing the National Congress approve his resignation, and witnessing the swearing-in of the new President of the Republic, former President Gonzalo Sánchez de Lozada left last night for the United States on a Lloyd Aereo Boliviano commercial flight. The former President, in the midst of great uncertainty, arrived at Santa Cruz International Airport at 7:10 p.m. and waited for four hours in the VIP lounge for the plane that would take him to Miami around 10:45 p.m. He traveled with his family and three of his former Ministers.

Due to the heavy police guard at the airport, no media had access to the pre-boarding area and only a few people inside the airport terminal realized what was happening.

new State as soon as possible. To make matters worse, Mesa had the government palace, but not the power. He assumed the Presidency but had to deal with a Congress dominated by political parties that had been denounced by the masses. They opposed Mesa's administration.

Despite the adverse situation, the Constitution was reformed during Mesa's administration, with the possibility of convoking a Constituent Assembly included. Mesa also called a successful referendum to establish a national gas policy but further events showed that it was not enough; he was unable to fulfill his mandate and had to give it up in July 2005. His administration travelled at 10 kilometers an hour while history was racing ahead at 100 kilometers an hour. He was replaced by the head of the Supreme Court, Eduardo Rodriquez, whose only mission was to organize national elections in December 2005.

When Evo Morales and the MAS (Movement Towards Socialism) won the election, it was the dawn of a new era. The clock had been ticking since 1990 when the first indigenous people's march occurred and demanded "something like a process of change".

La Razón daily, December 19, 2005
MAS wins a sweeping majority

Preliminary results on the national elections from the major TV networks, predict so far a landslide victory for Evo Morales of the Movement for Socialism (MAS) making him the apparent Bolivian president, but the official results will be available tomorrow.
The election day was identified as an historic event for the country. The leader of MAS achieved a victory that no other candidate has ever seen in Bolivian democracy. Morales Ayma said that he would "govern by obeying the people".
Jorge Quiroga-Ramirez, the leader of the Social Democratic Power (Podemos) political party, conceded his defeat and congratulated MAS candidate Morales on his victory.

2006–2012: The reform years

Ilya Fortún[5]

Present times are particularly complex in regards to the issues that drive this book. Modern democracy, pursuant to its conception during the last half century in the Western world, seems to be facing certain limits. While not a highly visible media issue, it is cause for reflection and discussion, if not political dispute. The economic crisis that affects the first world has revealed, especially in European countries, serious problems related to the representation and legitimacy of a democratic model. Because of this, the problems which were originally thought to be only financial in nature are now believed to be a systemic crisis.

With the exception of some Nordic countries, where political development reflects more mature democracies and sustainable economic models dedicated to reducing inequalities, in much of the world, the cause of political and social crisis points to corporate superpowers. They have proven to massively out-power the

5 Ilya Fortún is a social communicator.

Los Tiempos daily, January 22, 2006
Evo announces "a new era" at Tiwanaku

12:30 pm. Some 70,000 people have been waiting all morning at 4,000 meters above sea level, near the pre-Columbian ruins of Tiwanaku, in cold, driving rain and a hailstorm. Suddenly, the sun appears in the sky and, almost as if it had been previously arranged, from inside Akapana (pyramid) a group of white silhouettes appeared, among them, Juan Evo Morales Ayma.

They hear a *pututu* (indigenous wind instrument), and music from Andean instruments, fireworks, applause and shouts from the crowd. "*Jallalla* Evo! *Jallalla* the new *Pachakuti*!" (Hooray Evo! Hooray the new era!), yells the crowd of indigenous people dressed in colorful native costumes reminiscent of the Andean god 'who turns the earth' and the great Incas who carry that name.

Dressed in a red *unku* (a type of poncho), red and yellow *jinetas* (as pre-Columbian priests would have worn more than 500 years ago), Evo greets the *Tata Inti* (Father Sun) from the top of the Akapana and asks for strength, and permission to lead the country, since winning the December 18 elections with 53.74% of the vote.

voting citizens and the system of political representation.

Throughout this crisis, European citizens, in particular, have found that the traditional political system has failed to respond adequately to people's needs, creating a sharp disconnect between the State and its citizens. In many cases, the traditional political system already shows signs of a systemic breakdown. As a result, the citizens began to construct a list of 'radical' demands, such as building a real democracy and battling against the erosion of traditional party and union representation against the power of multi-lateral and international organizations. In social and political terms the West is undergoing a process of institutional exhaustion, similar to that which the South of the world experienced in recent decades, in the sense that the causes are similar.

Europe surely perceives with some interest what is taking place regionally

in South America, which some classify pejoratively as 'populism'. For example, Venezuela, Brazil, Argentina, and Ecuador are engaged in various projects that attempt to improve the quality of their democracies, arising from the insufficiencies of the liberal model.

As had often been the case throughout its history, Bolivia's experience has been particularly intense. The profound process clearly corresponds to 30 plus years in which hopes and collective struggles pushed forward the passion for democracy. Finally, in 2005, these efforts culminated in favorable conditions which allowed Bolivia to make a quantum leap towards truly historical expectations.

From Blinding Lights to Dark Shadows

It is precisely the size of the expectations generated by what the ruling party, MAS, called a 'process of change' which led to equally large frustrations. Realpolitik and the abuse of power demonstrated that to big social dreams always correlate big nightmares.

The new social subjects, characterized by novelty, quality of the demands and the outcomes of the proposals, contributed to the perception that a strong political platform had been created. It was believed it could meet the required conditions for a structural transformation of the country, not only politically, but economically and socially.

For instance, the long gestation of the most central issues listed on the so-called 'October agenda' had been created with the participation not only of those who eventually took power. The Constitutional process must be attributed to all Bolivians who, for three decades, fought hard for a democratic future. It cemented the basis for the 'process of change'.

This explains why the frustrations, added to over the past seven years of Evo Morales' government, are not associated only with the disappointment in a single administration, party or leader, but with the disappointment of a wasted opportunity built with everyone's sacrifice, which can hardly be replicated.

And yet, no matter how bleak the current times and the future prospects may be, one cannot fail to recognize a certain brilliance that the fierce dynamics of the democratic process have somewhat overshadowed. The voter turnout and

the on-going support for the government in successive electoral contests are strong examples. We tend to overlook the importance of these facts, relevant in terms of democratic value, but probably shrouded by doubts the political opposition have introduced in relation to the fairness of the recent elections.

I always argued that the legitimacy of the massive ratings obtained by President Morales and his party were not in doubt, and I think that was a healthy and positive phenomenon for a democratic system. The strength of the 54% majority won in the first election in December 2005 was ratified on several occasions. His popularity peaked in the general election in December 2009 when he was going for a second term, at 64% of the vote. The numbers reflect the enormity of the public support and the confidence of a large majority of people identifying with the MAS political project. The high voter turnout on one hand, and the significant support both in the rural and urban areas on the other, deserve special mention, given the backdrop of a highly dispersed and volatile electorate. Even after seven years in office, the administration continues to enjoy popularity and voter approval, envied by any other traditional party.

Beyond prebendalism, intense propaganda and populist administration, the sustained support that the government has achieved must be valued in its proper context. After all, millions of Bolivians have identified themselves with the President, the official discourse, and the government's policy in general.

Another point that has been overshadowed for now, but surely will shine again, is the new Constitution. The document, with difficulty agreed upon, agreed upon by several political forces in its final draft form, is the foundation of many ideas within the present political process.

Despite the intention from a radical faction within the administration to impose a constitutional text which would have eventually suffered from dangerous illegitimacy, eventually huge political effort and long negotiations resulted in an historic outcome, in early 2009. Although this did not meet everyone's expectations, it will shape our future for a long time.

While the new Constitution, for the moment, is still a draft paper, its content expresses our complexity as a country and the challenges which we have had to consider in the design of a new national model. The legal framework upon which this process was built is now a sea of unintelligible laws and regulation. Even

assuming that the priority of the administration is not to consolidate the new constitution, it continues to be an essential reference that will endure over time, despite the political situation.

The advent of new political, economic, social and cultural elites could also be considered a tangible, positive result of the 'process of change'. It's true that since the collapse of the old regime, and out of the new and powerful apparatus of power we have seen new elites emerge, who give the country a new rhythm. These elites are more diverse and representative, and offer much more than the aristocratic and exclusive profile of their predecessors. It remains to be seen, however, if this empowerment process will avoid the accumulation of corporate privileges severely criticized in the past. Unfortunately, troubling signs are already emerging that raise doubts about this. A change in elites is good, but does not automatically guarantee that the new will be better than the old.

Shadows of Betrayal

The idea that revolutionary intentions are initially embodied by the people and then betrayed by the political leadership in power, is common throughout the world, and in Bolivia. The case of the MAS party's 'process of change' is no exception, according to political analysts and a large contingent of important dissidents who once formed the intellectual and ideological backbone of the administration.

From this critical perspective, the government has suffered a political loss since 2010, at which point it dramatically turned away from initial ideas and historical rationale. During the first period internal contradictions were not clearly expressed due to the fierce confrontations with remnants of the right-wing opposition and regional powers. These struggles dominated the political scene and stopped the internal battles. The existence of a clearly identified enemy, the intense struggle for their final defeat and the dismantling of the institutions existing until then had given sufficient internal cohesion to the alliance of 'party-government-social movements' which had displayed great consistency and efficiency within the political system. The first administration, marked by confrontations, minimized attention to management.

The 2009 presidential elections and the 2010 municipal elections marked a

noticeable shift in the government's mood and actions. This began with a series of blunders and a hardening of positions that accumulated with extremely troubling results. They even allowed observers room to doubt the health of the democracy.

It would be difficult to list the number of mistakes that have marred government performance. However, the TIPNIS conflict (a proposal to build a road through a protected indigenous territory) starkly illustrates the real life interruptions, contradictions and set-backs for a supposed 'government of change'.

Los Tiempos daily, May 2, 2006
Third nationalization of oil industry in 70 years

The President of Bolivia, Evo Morales, approved by decree the third nationalization of hydrocarbons in the past 70 years. The armed forces have secured the oilfields to avoid possible "sabotage". The Decree N° 28701 affects a dozen foreign oil companies operating in the country.

Discouraging Results

The 'process of change' led by president Morales raised expectations and the possibility of a better, more inclusive democracy; respectful of various forms of organization, representation and participation; based in an institutional framework marked by the rule of law; and conducted by an administration that meets citizens' needs.

On paper we have a richer and fuller democracy; representative, party-oriented, but also 'direct'. It recognizes legislative initiatives, referendums, de-monopolization of political parties as well as democracy for indigenous groups, yet recognizing community customs. But in practice, the political project has manipulated all democratic forms (old and new) to accumulate and retain power; to distort and devalue them in a way that confirms that the State crises that led to the reforms are still in place.

Theoretically, we also have more democratic rights through provincial, municipal, regional and indigenous autonomy, and this expansion of power to regional

levels should have served to improve governance. However, the reality is that the autonomy has not advanced at all, first, due to the Morales' centralist style, and second, to the inability of the provincial governments to put changes in place. Far from seeking to implement a truly autonomous administration, the government has chosen to co-opt regional powers, in some cases peacefully and others with violence, but ultimately with results that seem to have satisfied everyone's interests.

While discussion about the nature and legitimacy of the rule of law can be complex, even Manichean, the progressive deterioration of freedoms and rights has become an issue of deep concern. It was assumed that the new constitutional and legislative framework would ensure, in particular, these rights. Unfortunately, the Presidency's appetite for power shows signs of taking an authoritarian direction. Political freedoms have been covertly limited through political use of justice, and freedom of expression is also under threat from different sides.

The alternative forms of political representation have not yielded expected results either. Social organizations are being used to control their affiliates and have largely succumbed to the official political structure, through perks and power. The political parties and regional forces have also failed to meet the challenge of reinventing themselves for the future, reinforcing the consolidation of the MAS.

Reforms also sought to promote participation of indigenous people in the new State design, in an effort to undo traditional practices of segregation and exclusion. The importance of these initiatives is crucial in a country with a deeply rooted history of racial discrimination, and in practice they have worked relatively well. But the indigenous equality project faces the threat of banalization due to the abundant political use of it by authorities.

Still, the dignity that Bolivia's majority has attained due to ethnic identification with President Morales and the new faces in power has meant a significant change and that will be something that we'll talk about for decades.

Chapter 2

The pendulum of public versus private ownership and the hesitant economic performance

Fernando Molina[6]

6 Fernando Molina is a journalist and economic analyst.

Foto: Lucio Flores

Serious shortages and subsequent hyperinflation occurred during the mid '80s economic crisis.

Hyperinflationary Times

In 1982, democracy was a brand new concept to the Bolivian people and seemed capable of achieving anything. Those who helped usher it in through their opposition to the military governments hoped the new system of governance could deliver better quality of life, through setting up state owned enterprises, a fundamental national ideal. People wanted these government-run companies to multiply and strengthen, and to support a substantial increase in wages. Simultaneously, it was expected that democracy would solve the economic threats posed by the 'military heritage' which had become an increasingly serious concern in those years. Unfortunately, these expectations contradicted one another.

The Military Legacy

In general, the 1970s were years of high growth. Due to the increasing value of mining and gas exports, especially between 1974 and 1976, the country had easy access to funding, funneled into the international market from countries benefiting from the boom in oil prices (or 'petrodollars').

Table 1 combines this data. Note the jump in Bolivia's external debt from US$ 591 million in 1971 to US$ 2,311 in 1980, raising its annual payment to US$ 289 million.

In poor countries like Bolivia, extraordinary resources are commonly used for State expenditures. This practice usually causes inflation, especially if monetary authorities do not act responsibly. (Note that since the 1952 National Revolution the Central Bank of Bolivia had depended on the Ministry of Finance in one way or another.) And, in fact, inflation was high during this decade. As a direct result, the public bought so many dollars to protect themselves that they exhausted the country's foreign reserves. Table 2 illustrates this phenomenon.

This process was also driven by three simultaneous events. First was the fall of national income due to the declining price of minerals, caused by the development of new materials and the emergence of new mining technologies. Second was political instability, which increased irresponsible spending and drained the **foreign-exchange reserves** and third, the global crisis that began in 1980 with

the fall of oil prices and became a 'debt crisis' two years later when Mexico could no longer pay its creditors, halting the free flow of money which had previously been sent to underdeveloped countries.

In July 1981 the disappearance of the Central Bank reserves forced the military government to suspend the public sale of dollars obtained from State export companies (Comibol and YPFB). Instead, the regime established a 'currency control' plan that the first democratic government would continue and strengthen in 1982. The measure created a black market that traded the dollar at higher rates than what had been officially determined.

In 1982, during General Celso Torrelio's administration, there was a brief attempt to implement a free or floating exchange rate. But because there was a lack of sufficient foreign exchange or control of public expenditure, the effort did not stop the drain on foreign currency, and in turn, accelerated the devaluation of the Bolivian peso.

In mid 1982, the official exchange rate traded a dollar for 145.5 Bolivian pesos, while on the parallel market it cost 250 pesos, or 71% more. In 1985, the 'black dollar' was worth 1,700% more than the official rate.

The increasing differential, of course, destroyed foreign trade. Importers preferred to sell the currencies they got from the State rather than use them to purchase foreign products. Private exporters, forced to use their dollars at the official market rate, stopped exporting. Comibol and YPFB become more independent of the government in order to convert the foreign currency they earned. Thus, between 1981 and 1984 exports fell from US$ 912 to US$ 719 million per year, and imports fell from US$ 975 to US$ 492 million.

Of course this aggravated the lack of foreign exchange and fiscal revenue, while government spending steadily increased. Ultimately, there was an escalation in the fiscal deficit: it jumped from 7% of GDP in 1970 to 14% in 1982, almost 18% in 1983 and 21% in 1984.

De-dollarization, Depreciation and a Moratorium

Some people hoped that the first democratically elected president, Hernán Siles, who had stabilized the economy in a previous term (1956–1960), would do the

Table 1: The 1970s – a decade of growth

Year	GDP Growth (%)	Exports (US$ Millions)	External debt (US$ Millions)
1971	4.9	198.0	591.2
1972	5.9	225.0	680.7
1973	6.9	286.9	707.8
1974	6.1	593.4	786.2
1975	5.1	485.7	896.6
1976	6.8	623.4	1,123.8
1977	3.4	695.0	1,476.9
1978	3.1	703.4	1,799.7
1979	2.0	854.6	2,034.3
1980	0.8	1,043.2	2,311.2

Source: Data cited by Oscar Zegada (2005)

Table 2: More inflation, less reserves

Year	Rate of Inflation (%) (base 1980)	Level of International Reserves (US$ Millions)
1970	3.8	36.2
1971	3.6	32.5
1972	6.5	48.6
1973	31.4	41.4
1974	62.8	166.1
1975	7.9	115.4
1976	4.4	171.5
1977	8.1	241.8
1978	10.3	169.1
1979	19.7	3.1
1980	47.2	-90.6

Source: Data cited by Oscar Zegada (2005)

same in his second term. But the political conditions of the two periods were very different. This time, Siles could not make a dramatic adjustment as he had done during the late 1950s.

So, in November 1982, he launched a package of measures to bring about gradual stabilization. There were five major measures. First, the package forced private exporters to deliver 100% of the foreign exchange capital that they obtained from the Central Bank. Second, it increased the internal price of fuel sold by YPFB to raise the State's domestic revenues (a goal which remains to this day and was crucial between 1982 and 1985, when because of inflation and growth of the informal sector, there were virtually no taxes collected). Third, it reinforced price controls. Fourth, it raised wages to compensate for the increase in the cost of living, and finally it traded Bolivian peso deposits in banks to dollars at the official exchange rate of 145.5 pesos per dollar (the so called 'de-dollarization').

The measures were intended to appropriate the public's foreign currency and save reserves, but it failed to achieve its objectives and, instead, deeply harmed the economy. In response, depositors withdrew their money from the banks (the peso deposits fell from 10,460 million in 1982 to 5,873 in 1983, and to 2,020 million in 1984) and used it to buy dollars, which continued to drain the foreign currency reserves. In addition, 'de-dollarization' ended the government's economic credibility.

The other measures approved by Siles had similar outcomes. Government devalued the peso in order to close the gap between the dollar's official and black market rates and to discourage the possession of dollars, but achieved the opposite results. The administration also tried to lower the fiscal deficit but failed to succeed because of the need to ever increase wages. It also unsuccessfully tried to tighten price controls. These were measures that intended to restrict the demand for dollars but, instead, promoted it. They were trying to extinguish a fire with gasoline. As a result expectations did not change: the people kept betting that the government would spend more, the prices would continue to rise and the peso would continue to devaluate.

In the end, 'gradualism' failed, but this failure created political conditions for bolder measures later.

Another important action Siles took was to suspend foreign debt payments in

1984. This only served to deepen the debt default that had started 1980. In 1985 the international reserves were US$ 160 million. How would Bolivia pay more than US$ 200 million a year to international creditors? While the moratorium was inevitable, it introduced a new problem: the inability to secure foreign financing.

State Bankruptcy, Droughts, and Hyperinflation

Of all the reasons leading up to the hyperinflation of 1983-1985, the most important was the enormous growth of State enterprises at a time when incomes generated by them were declining.

In the 1970s, government enterprises expanded so much that the State employed 30% of the non-farming labor force in the country. Its main company, Comibol, employed 26,500 people, 65% of whom worked outside of the mines. Fifty percent of its operating losses were due to its subsidized stores.

After the 'debt crisis', the State had to finance its huge expenditures through the Central Bank. In 1981, this entity's credit to the government represented 3.6% of the GDP. In 1982, it was 13.5% of the GDP and two years later, up to over 18%. The amount of local currency not backed by dollars continued to grow and was becoming harder to come by because, as we said, of the decline in exports and the foreign financing crisis.

We have also said that the price of the Bolivian peso devalued, and that in 1982, this trend was strongly reinforced by the attempt to 'de-dollarize' transactions, which created a greater demand for foreign currency.

Despite all of this, the authorities refused to recognize the big gap between the official and the parallel rate and they kept exhausting the reserves of exporting government entities and private companies, which were forced to hand over their foreign currency at that illusionary price. The government used this cheap currency to replenish the foreign reserves and also to distribute it among their supporters, who then sold it for huge, unethical profits.

The result? The Bolivian peso, which cost 390 after 'de-dollarization', rose to 1,200 at the end of 1983; 23,381 in December of 1984, and 1,149,354 in August 1985. In response to a free-falling peso, manufacturers, retailers and farmers raised their prices. So inflation, already high in 1979 (nearly 20%), increased to 47%

Statement from the Ministry of Mines, January 11, 1985
30 day strike loses Comibol US$ 28 million

The Minister of Mining, Sinforoso Cabrera, said yesterday that in 30 days of strike action (which will be completed tomorrow) Comibol will lose US$ 28 million. He added that in the private sector the losses due to the lack of mineral production have not yet been quantified.
Workers are concerned about the strike. It is said that "in the history of Bolivian strikes, this is the first time that one has reached 30 days."

in 1980, and became hyperinflation in the subsequent years (275%; 1,281%, 11,749%). The inflation problem was aggravated due to food shortages caused by droughts and floods in 1983. These disasters had a particularly appalling effect on Bolivia's economy, especially at a time when the importation of agricultural products was not allowed.

In 1985, Siles decided to resign and left for Uruguay. Bolivia had seen the sharpest price increases (24,000% in the 12 months prior to August 1985) in any country in peaceful times. Its economy was close to collapse.

From Adjustment to Privatization

By 1985, options that did not involve a direct break with 'state capitalism' (or 'gradualism') had been exhausted. So, during the elections that year the country turned to the right, towards candidates Hugo Banzer (ADN) and Victor Paz Estenssoro (MNR), who had both promised to restore the people's confidence in Bolivia's economic institutions.

Both leaders felt much the same way about what needed to be done, and even employed the same external advisor, US economist Jeffrey Sachs. This 'community of ideas' was not only apparent at national level, but became a sort of international consensus, formed in the heat of the collapse of planned economies. In the United States, it was called the 'Washington Consensus'.

ANF news agency, June 25, 1984
20,000 million pesos arrive in Cochabamba

Eight hundred boxes containing 20,000 million Bolivian pesos in wads of 1,000 pesos have arrived in Cochabamba city from London by chartered plane. The intention is to put them into circulation in various districts of the country, according to the regional manager of Central Bank.

The new shipment of bills arrived at the Jorge Wilstermann airport, amid tight security provided by the Bolivian Air Force's Military Police. As is well known, on a previous occasion a shipment of 15,000 million Bolivian pesos also arrived by the same means.

A group of economists and politicians (who would become 'neoliberals', although at the time they themselves were not so clear about that affiliation) wrote the 21060 Decree in about a month, led by Senator Gonzalo Sánchez de Lozada from the MNR. In August 1985, President Paz Estenssoro (supported by Banzer) approved it, allowing the measure to stabilize the economy and, in doing so, lay the foundation for subsequent transformation.

The 21060 Decree vigorously attacked the fiscal deficit, increased government revenues from the sale of gasoline, and banned additional hiring within State enterprises. The decree also allowed control to be regained over those government companies which had been taken over by union leadership. Their management was reorganized and control of the companies' finances was regained. The companies were now prohibited from borrowing from the Central Bank and allowed to dismiss superfluous personnel. This option would become a painful reality less than a year later, when mineral prices collapsed and nearly 20,000 Comibol miners and employees would lose their jobs.

In addition to shutting down the source of the inflation in these ways, the decree was also designed to restore financial confidence using two main measures.

First, all transactions were now permitted to be carried out in dollars, which decreased the effect the weakening peso had on inflation and returned to circulation the currency which had been previously in private hands.

Second, a 'floating' exchange rate was approved, eliminating the speculative business which had been responsible for the official and the 'alternative' dollar exchange rates. The government could then establish the exchange rate without political interference and according to the demand for the dollar, which Central Bank technicians recorded on a currency board, or the '*bolsin*'. At the same time, a large number of dollars were injected into the economy, which halted devaluation of the peso. From that moment on, exporters could sell dollars at a fair market price, which encouraged them to continue exporting and increased the stock of the country's foreign exchange reserves, creating a virtuous circle.

Propaganda was launched along with the measures, intended to persuade people that a 'big shock' was being applied to the heart of a faltering economy. Gradually the idea that the dollar would maintain a stable price was growing, and this eliminated the need to increase prices, as illustrated in Table 3.

Table 3: Devaluation and Inflation

Year	Pesos per dollar	Inflation, annual average
1984	23,381	1,281
1985	1,724,193	11,749
1986	1,952,903	276
1987	2,2*	14,5

Table source: Juan Cariaga (1997). Note: the 1987 monetary reform changed the Bolivian currency. 1,000,000 old pesos became one bolivian.

At the same time, the decree allowed for the free importation of goods, in order to lower the prices of food and other items which had been price-protected. It was the beginning of the end (for the next 20 years) of a statist economic policy which dated back to the 1940s.

The 21060 Decree also marked the start of two waves of structural reforms designed to replace the broken 'Revolutionary Nationalist State' (funded almost exclusively on the nationalized natural resource rents, not on taxes) which was the Bolivian version of a welfare state. The 1985 structural reform was designed

to create a small, well run government that would collect taxes and would not interact directly with the economy. In a matter of months, even weeks, after the 21060 Decree, hyperinflation was under control, product shortages had disappeared, worker unions were politically defeated (so no more strikes happened) and government recovered its authority.

First Generation Reforms

Decades of dictatorship, hyperinflation, and the social chaos of the early 1980s, had caused the virtual disappearance of the State's economic organizations: the Central Bank, the tax service, and a system for working out the annual budget were non-existent. The so-called 'first generation structural reforms' carried out in mid to late 1980s were aimed at restoring these essential governmental services.

Thanks to the painful lessons of hyperinflation, an independent Central Bank was created, with the ability to safeguard stability. It could not grant loans to the public sector, and it was to strengthen its management system to protect the bank from power disputes. Since then, Bolivia has had inflation figures below two digits, one of the lowest in South America, and international reserves have remained at excellent levels. (The structure of the Central Bank, however, was recently changed, but so far without visible consequences, due to the country's economic boom.)

Another catastrophic effect of inflation was the virtual cessation of tax collection. (In 1982, tax revenue comprised only 1% of the GDP.) Thus, the 1986 tax reform (Law 843) was crucial: it reduced the hundreds of existing taxes (including, for example, a gasoline tax to finance the construction of the oil union headquarters) to seven universal taxes, simpler to calculate and collect. The results of the reform were outstanding. The tax revenue rose steadily to become 22% of the GDP in 2011.

However, Law 843 contained a serious flaw. Collected tax was distributed in the ratio of 75% for the National Treasury and 25% for the regions, but was not done at a national level. It was rather based on the proceeds from each region (which harmed the poorer of them). The law also stated that government

companies had to pay taxes in their legal domiciles. Because of that, corporations and municipalities in the most prosperous regions, particularly La Paz, obtained a much higher income than other regions.

This is why another fundamental reform, introduced in a wave of 'second generation reforms', was to change the form of tax revenue distribution. The Popular Participation law was adopted in 1994 and established that the distribution to the National Treasury and to the regions had to be done out of the national total (regardless of where the tax was paid) and according to the number of inhabitants in each region. Also, the share received by municipalities increased from 10 to 20%. The regions and municipalities thus received a substantial increase in income. Subsequently, other laws would extend the decentralization of tax distribution.

Another key measure of this era was the renegotiation of foreign debt. Private creditors agreed to resell it to the State at 11% of its original value. This was a good deal for the Treasury, but took the country out of the financial markets. Since then, only bilateral and international organizations lend money to the Bolivian government.

In conclusion, the crowning achievement of this period (1985–1989) was the consolidation of economic stability, which would be declared in later years by President Morales as a 'national heritage' that has to be retained.

Second Generation Reforms

Presencia daily, August 27, 1986

Studying the exploitation of lithium at Uyuni Salt Flats

National and international scientists will meet today at the Bolivian Geological Congress to examine recent geological studies from the Uyuni Salt Flats. According to preliminary studies, the Uyuni Salt Flats have one of the largest lithium reserves in the world. Also, reserves of potassium chloride, sodium carbonate, borate, as well as other compounds have been found, all of which are useful in a variety of industrial processes.

The 1980s are considered a 'lost decade' in Latin America because of the low prices of raw materials, which are the continent's major export products. At the end of the 1980s, and during the following decade, financial constraints became very serious and put Bolivia at the mercy of initiatives of, and even the whim of, the International Monetary Fund, the World Bank, and bi-lateral donors.

These agencies and countries, following the privatizing trend of the times, suspended financial support of State production and, instead, concentrated all their efforts on social programs. This forced the politicians of the time into the position of either selling, or closing down, the State enterprises they had been building over time. Additionally, the Bolivian people themselves, since suffering the severe consequences of excess public spending, were generally more than ready to get rid of the companies responsible for this expense.

Nevertheless, privatization in Bolivia was not easy, given the strong statist tradition of the country, which considered public companies to be an achievement of popular struggles.

After the 21060 Decree, during President Jaime Paz's administration (1989–1993), the next step was to pass an investment law and a privatization decree that authorized the government to sell its smaller businesses (it was not applicable to larger state companies).

For the larger state companies, additional legislation would be required, and would be provided by the first government of Sánchez de Lozada (1993–1997). He had found an ingenious way to persuade Bolivians of the need to privatize. This idea was 'capitalization' (instead of calling it 'privatization') which was presented as a decentralizing move in which the State provided property that it had previously monopolized, to the people. After that, the Bolivian people were partnered with large investors that were asked to put money into each company equal to its value. Thus the value of those companies was multiplied by two. Half of the shares (supposedly equal to the original value), remained in the hands of the Bolivians and the other half and the administration of the companies was handed over to investors.

Thus, without losing any of its properties, the country could reap all the benefits attributed to privatization: access to technology prohibitively expensive for the State, increased employment, reduced corruption, entry to global markets, and so on. At the same time, they avoided the problems of 'pure privatization' such

as waste of the resources and illicit enrichment.

On March 21, 1994, the government enacted a law that authorized it to transfer, free of charge, the State's shares of ENTEL (telecommunications), YPFB (oil), ENFE (railways), ENDE (electricity) and LAB (airline) to all adult Bolivians, until December 31, 1995. But it was not a direct transfer, as it was first advertised. The government had to use, "suitable, transparent and appropriate measures," so citizens could benefit from the "transfer of such shares to pension funds". The authorities decided that those funds would be managed by specialized companies, the AFPs (Pension Funds Administrators), also responsible for pension reform. The Pensions Law (1996) stated that dividends from the capitalized companies and their sale of shares (deposited in pension funds) would finance a US$ 200 'yearly cash grant' to people over 65. This benefit would be called '*Bonosol*' and would show the 'results of capitalization' before the next general elections (1997), thus ensuring political benefits from the process. As we can see, 'capitalization' was really just a deferred 'privatization' process. The plan was that the shares in the hands of the Bolivian people, administered by the AFPs, were going to be periodically sold to finance the *Bonosol*. (Local and foreign entrepreneurs, besides the capitalizing partners, would buy these shares.)

The procedure was designed to facilitate the privatization process since it created the illusion that the properties would remain in the hands of the public. Its complexity, and the scarce (or misleading) information surrounding it, created enormous confusion which was never completely clarified. This allowed the State to implement the reform, but also proved to be its Achilles heel.

Half of the shares, (which were progressively privatized), were to become a bone of contention over the following 10 years. Pro-statism groups opposed selling the Bolivian shares to finance the *Bonosol*. Hugo Banzer's administration (1997–2001) reduced the amount of the cash grant from the initial US$ 200 to US$ 60, and changed its name to '*Bolivida*'. With these actions, Banzer was able to reduce the share's selling pace.

Moreover, the AFPs did not trade shares on the stock exchange, as they were supposed to do, but instead kept them. This gave them the (profitable) right to appoint heads of the major companies that had been privatized.

Thus, the 'deferred privatization' slowed, and the stocks fell into a sort of

limbo where they weren't entirely State owned, or totally private. The temptation to return them to the State, so that they would be used one way or the other (with consequent benefits for some groups) remained for the duration of the decade. Finally, during the 2000s the idea of employing more than half of the shares to 're-finance YPFB' (or nationalization), won, as we'll see in the next section.

Steady (but Limited) Growth

The 1990s were a time of stability and steady growth, although it was limited. The inflation rate and currency devaluation of the period were low, which increased international reserves (in 1997, they exceeded one billion dollars). GDP grew by about 4% annually; a rate that only improved by two points in 1996, the same year in which the country received US$ 1,600 billion from the capitalization of State enterprises.

During this period, for the first time since the 19th century, the country did not depend entirely on raw materials (because their prices were low in the international markets) and non-traditional exports became important, plus domestic consumption.

Experts at the time attributed the slow growth to liquidity constraints, given the Central Bank's embargo on lending money to the government and the lack of private international financing. This was as a result of the debt moratorium of the past decade plus the rescue of several banks in the first half of the decade, which left the State responsible for millions of dollars.

The main objective of the economic policy during this time was to avoid a price increase and the sudden devaluation of the boliviano, in order to maintain public confidence and create attractive conditions for private investors, which was considered key to solving these financial constraints. This policy succeeded in increasing investments in the most competitive economic sectors, but made a significant difference only in the oil sector, because several reputable international companies discovered many gas fields towards the end of the decade. The impetus of the new oil extraction sector upset the balance between production of raw commodities and non-traditional activities once again in the following years.

The banks raised their interest rates higher than the international rates and

managed to bring back home a significant amount of money which they loaned to their customers at prices higher than they really could afford in the poor economic conditions. Thus, a banking 'bubble' (loans paid with more loans) would explode with the crisis that ended the decade. The crisis was caused by the 1998 stock market crash in Asia, which hit the raw material prices of new Bolivian exports (for example, soybeans, jewelry, wood) hard. Investors fled from the emerging markets, and Brazil was forced to compensate for the lack of capital with devaluation. But this, in turn, flooded the Bolivian market with Brazilian products, ultimately decimating domestic manufacture.

While the agricultural sector saw its export revenues fall, there was also a string of climatic disasters that ended up bursting the banking bubble. Overdue loans increased threefold in two years, from 4.5% in 1998 to 12.1% in 2000.

Hugo Banzer presided over the administration at the time, and, wary due to what had happened in the early 1990s, he forced the banks to absorb these losses. This significantly reduced the credit-worthiness and liquidity of the country. The flow of money from the banks to the private sector turned negative (the financial institutions charged more than what they had loaned).

The Central Bank tried to restore credit by increasing the liquidity of the banks, but did not achieve its purpose because these funds did not reach the public. Bankers invested them in first world markets, where interest had increased because of a run of investors from emerging countries. Since the current economic policy prevented the State from acting otherwise, the problem continued unresolved.

This case demonstrates how 'blind respect' for neoliberal concepts in reality reduced the economic experts' possibilities for solving the crisis.

In 2000 the situation worsened with the collapse of the 'dot com.' companies on the stock market. This ended a decade of almost uninterrupted economic growth and brought the world to the brink of recession.

With the crisis, the increase in Bolivian production was less than the increase in population. For this reason, the GDP per capita fell from US$ 900 in 1998, to US$ 858 in 2003. To add to the woes, in this year unemployment came in at 10–12%.

The Deficit Crisis

In the first two thirds of the decade, government revenues were consistently lower than expenditure, due to limited economic growth. In 1994–1995, the smallest fiscal deficits occurred (less than 2%), due to limits imposed on public companies' budgets in the pre-capitalization years. But there was no surplus. Since 1997, the State had been overwhelmed by the obligation to pay the pensions it had self-imposed as a result of pension reform (the youngest group of pensioners was asked to use an individual savings system).

The debt continued to grow until it reached 5% of the GDP in 2003. For this reason, State spending, which was equivalent to 40% of domestic product before capitalization, continued at the same rate; the reforms couldn't lower it (which contributed significantly to its failure).

Additionally, revenue also fell. Prior to the Banzer administration, the 'simplified system' of taxation had already been created (subsidizing thousands of small business), and liquefied gas (LPG) had already been subsidized, mostly for household users. But the Banzer administration froze the price of gasoline and diesel (in 2000) which cost the State US$ 100 million per year until 2003, when the economic upturn further increased the price of the subsidy (in 2011 it was about US$ 500 million). The crisis decreased tax revenues, of course, at all levels.

La Razón daily, October 16, 2003
October 2003, markets open, but prices rise 100%

Egg prices rise from 0.50 bolivianos per unit to 1 boliviano. Meat is scarce in the Rodriguez market, but in the Miraflores and Yungas markets many people could buy it at between 22 and 30 bolivianos per kilo. Canned food and cookies were the most requested non-essential groceries. The price for these products also rose.

The markets have been closed since Monday (due to massive protests). On Sunday, people had bought what they could. The vendors are not guaranteeing anything for tomorrow.

At its worst, the deficit reached 9% in 2002 and 8% in 2003 of the GDP. Pension payments and the fuel subsidy were the cause of 75% of the deficit.

The resources to finance these shortcomings fell to the external debt: US$ 4,700 million (55% of the GDP) in 2003. Moreover, the domestic debt (what the State owed its citizens, represented by AFPs) grew from US$ 1,055 million in 1997 to US$ 2,170 million in 2002. This increase was due in particular to the obligatory purchase of Treasury bonds by the AFPs, an act that was used to collect the necessary funds to pay the pensions. Thus, active workers kept financing retirees, not directly as in the past, but through increasing domestic debt.

External debt was comprised of loans at favorable rates granted by international organizations and friendly countries. But they expected something in return in order to control the fiscal deficit, so the Banzer administration's official policy was austerity: improve the public's investment by taking money from current expenditure in an effort to stop the deficit from growing.

During these critical years, debate over the deficit divided economists into two groups. The 'party of spending' suggested Keynesian measures to revive the economy, regardless of whether the State had to go into more debt or take money from Bolivian international reserves (these economists were in the opposition and represented the MNR vision). The party of 'cutting back' wanted to keep debt under control, as was required by international organizations. In general, these economists were linked to the ADN-MIR administration.

The cast of characters, however, changed with the 2002 elections. Candidate Gonzalo de Lozada (MNR) proposed to, "renegotiate the fiscal deficit with the IMF, spend more and increase the demand in the economy." But once in the Presidency, he took the IMF's position, in order to reduce the deficit in 2003 to 6% of the GDP (he achieved less than that).

The international reserves fell from US$ 1,066 million in 1997 to US$ 854 million in 2002. This was due to the Central Bank's provision of credit to the public sector. These credits had been prohibited during 1995–1999, but with the crisis they had to be allowed. For example, in 2002 credit to public enterprises amounted US$ 150 million. That same year, the Central Bank printed the equivalent of US$ 48 million, fuelling inflation fears. But a bigger crisis never occurred. Instead, the year ended as it had begun, thanks to a change in international conditions,

especially the rise in international prices for raw materials.

The End of the Crisis

The increasing demand for raw materials arose from renewed global prosperity, which had steadily improved the terms of trade since 2003. That year the increase grew by 5%, and continued for years after.

In 2004, growth began to exceed Bolivia's demographic increase, despite a drop in direct foreign, and private and public domestic investments, driven by political events during the previous year, when President Sánchez de Lozada was forced to resign.

That same year global growth was more than 3%, thanks mainly to the progress of the US economy. Latin America resumed its upward march. In Bolivia, an extraordinary soybean, cotton, and sunflower harvest, coupled with the best prices for these products, and others like zinc and gold, as well as the doubling of textile exports to the US, totaled a national extra income of US$ 1,500 million dollars.

Tax revenues experienced an upward turn and the fiscal gap decreased, dropping to 2.3% of the GDP.

La Razón daily, May 7, 2003

One out of 10 Bolivians already has a cell phone

Every year there are more and more cell phone customers. A recent report from the National Statistics Institute and the Superintendent of Telecommunications said that as of December 2002 one out of 10 Bolivians has a cell phone.

The significant growth is partly explained by market competitiveness. Three companies are in open competition with one another (Telecel, ENTEL, and Viva). Their variety of offers, especially for prepaid deals, encourage the use of this communication tool. The cell phone service is so widespread, it's about to overtake the landline service, of which three out of 10 Bolivians are users.

The Gas Boom

The years of Bolivia's crisis were also, paradoxically, preparation for the gas boom. The capitalization of YPFB and a concession given to investors (contained in the Hydrocarbons Law enacted in 1996), delivered a 'shock' of investments, as intended. In just four years, these investments increased six fold, reaching almost US$ 2,000 millions in year 2000. The investment shock stimulated a huge increase in production. The conditions established for the distribution of income were favorable for investors, but restricted for the State, which did not take advantage of the success and ultimately prevented the growth from alleviating the country's fiscal problem. On the contrary, the conditions bred 'anti-systemic' political movements that promoted a change in income distribution and, finally, led to gas nationalization.

The Return of Statism

From 1996 to 2005, there was in effect a regime that allowed international concessions to companies that controlled hydrocarbon production, and that could run it in exchange for royalties and taxes, as established by the 1996 Hydrocarbon Law 1689. In the final days of Gonzalo Sánchez de Lozada's first administration (1993-1997), Decree 24806 was adopted to regulate contracts between the State and the oil companies.

This measure changed previous legislation, which stated that oil license holders had to surrender all production to the State in exchange for fees and taxes. This procedure was possible because YPFB, at the time, had a monopoly over oil refining and gas exportation because it owned all the pipelines.

With the capitalization of YPFB and the privatization of the refineries in the 1990s, conditions changed. The oil companies paid royalties in cash, and once they fulfilled this requirement, they disposed of the oil as they wanted. The companies' freedom was not, of course, absolute. But in practice, the State had a lot of difficulty limiting their autonomy, precisely because it had stopped directly handling the oil.

Nationalization Begins

After Sánchez de Lozada's resignation, Vice President Carlos Mesa (2003–2005) took office.

In the first chapter of oil nationalization, President Mesa revoked Decree 24806 on January 31, 2004. Later, Evo Morales and the MAS demanded the cancellation of all contracts. The government replied that this was impossible, that the contracts were "laws between parties". Out of this controversy arose the question for the oil referendum that Mesa carried out on July 18, 2004. The question, as negotiated with MAS was: "Do you agree that the Bolivian State should recover ownership over all hydrocarbons at the wellhead?"

Although Carlos Mesa's administration insisted that this question was only relevant to new companies entering the Bolivian hydrocarbon business after the referendum, and did not affect those who already had signed contracts with the State, during the campaign he had to change his position due to social pressures and the logic of the question. He began to talk about "renegotiating" the existing contracts and the need for the oil companies to "migrate" their existing contracts from one administration to the next, whether they wanted to or not. This referendum question, to which about 80% of the population answered 'yes', awakened the ghost of nationalization.

After the referendum, the government promulgated a bill for a new hydrocarbon law that would force the oil companies to change their contracts by mandate within 180 days. That completed the nationalization of the hydrocarbons already extracted, or at the wellhead. Companies should then accept "shared production" contracts – in other words, operating as they had done before the passing of Law 1689 of 1996.

The New Hydrocarbons Law (3058)

In April 2005, Congress approved the new hydrocarbons law which put forth exactly that: hydrocarbon production would cease to belong to the companies and now would belong to the State, as before. The State, however, would compensate for the technical work and recognize the company's investments. Before the law

was approved the debate centered on how much money should be given to each side. Carlos Mesa's administration argued for an 18% royalty (the percentage already in effect since 1996), in addition to a "direct tax on hydrocarbons" (DTH) variable for the type of hydrocarbon, type of field, price and volume, which would be deductible from income tax, and could (in larger fields, and within 15 years) achieve 50% of the government take approved in the referendum. In contrast, the MAS supported a 50% direct tax (18% royalty and 32% direct tax). This was the position which ultimately prevailed.

May 1, 2006: Nationalization

Carlos Mesa was forced to resign and Supreme Court President, Eduardo Rodriguez, was sworn in to call general elections. In December 2005 Evo Morales achieved a landslide victory and began his first term in January 2006. Based on the 2003 law, the elected President secured the nationalization of oil and natural gas with a decree called 'Heroes of the Chaco War'. The army had seized the oil fields, the refining and transportation facilities and even the gas stations. A propaganda campaign was set up to maximize political benefit for the Morales government. In previous years, Evo Morales had been opposed to oil nationalization and opted instead for a tax increase. Then he came out in favor of nationalization, but "without expropriations". Finally, encouraged by the election results of 2005, he opted for the more radical nationalization measure, that included expropriations.

The decree gave YPFB, "full control over and total ownership of all hydrocarbons produced in the country," control over their sale and the authority to define "the conditions, volumes and prices (to be established) for the domestic market, exports and industrialization." This decree transformed the oil companies – even those to be associated with YPFB in the future – into 'operators' paid by commissions.

This, together with the way the new oil order was imposed (with military actions and public shouting), produced a significant drop in foreign investments in exploration, which persists until today.

In any case, the government's strength forced the companies (that had, in previous years, threatened to put up a fight in the event that their rights were

diminished) to silently and almost sheepishly surrender. They all accepted nationalization. None left the country and they all re-signed their contracts under the newly imposed conditions.

The oil business' *modus operandi* is now as follows. The State retains 50% in royalties and taxes. Of the remaining half, a portion is returned to private companies to compensate for their investments, operating expenses and sales taxes. The third part (which consists of earnings) is divided between YPFB and the company, according to a formula that tends to reward the company if it produces higher volumes.

The new contracts improved the government's take to roughly 65% of production, but with a downward trend as distribution increases with more investments. The tax revenues for hydrocarbons, which in 2002–2003 had been a little more than US$ 300 million per year, grew to US$ 500 million, and then to US$ 1,200 million yearly. However, it is important to note that, due to increased natural gas prices, the export values differed greatly over time. In the past five years, due to the boom in prices, the exports of natural gas, minerals and other products have reached US$ 7,000 million dollars annually, greatly changing the size of the national economy, which went from a GDP of US$ 8,000 million in 2005, to US$ 25,000 million in 2012.

This solvency caused international reserves to grow immensely and reach the equivalent of half the GDP. Private banking credit increased from US$ 2,300 million in 2005, to almost US$ 9,000 million in 2012, helping the construction sector to grow 30% annually. For the people, the result of these changes has been an increase in domestic consumption, which has become the main component of GDP growth and has decreased extreme poverty from 40% in 2002 to 32% in 2010.

The Causes of '*Gasolinazo*'

'*Gasolinazo*' means 'big increase in gasoline prices'. The weakest point of the oil business framework, introduced with Law 1689 of 1996, was the price of fuel in the domestic market. This price was to be determined by international oil values in an effort to stop private companies from exporting their oil, rather than selling it inside the country. But Bolivians were already dealing with a rapidly rising cost

of living and could not afford to pay such prices at the start of the 21st century.

The solution came in 2000 and continues today in different forms: state subsidy. From 2000–2014 the price of a barrel of oil in the domestic market was set at US$ 27. In 2012 it rose to US$ 36 a barrel, with the intention of encouraging the oil companies to explore new fields, without changing the retail price. These price ceilings did not cause direct loss to the companies, because the cost of producing a barrel was about US$ 15. However it didn't encourage them to maintain production levels and, instead, they fell from about 10,000 barrels per day to half that. The investment in exploration practically halted, falling from drilling 25 wells a year to just one or two.

At the same time, the economic boom increased the number of cars in Bolivia to one million.

The result: every year the country has to import about US$ 500 million worth of gasoline, at a 75% loss, because the government has to buy at international prices and resell it at subsidized prices. In addition, between 10% and 15% of the domestic demand is from smugglers who take advantage of the price difference to sell gasoline and LPG to neighboring countries.

The '*gasolinazo*' that the government approved at the end of 2010 (and removed shortly after because of the populace's outrage) was a radical attempt to solve these problems. The provision sought to raise the internal fuel prices to international market levels, which meant 50% to 80% increases in the prices of gasoline, diesel, jet fuel and LPG. This would have ended the subsidies and enabled the liberalization of the domestic price of gas, creating incentives for transnational oil companies to seek more oil, and so aid the State's deficient exploration endeavors.

Today, since the failure of '*gasolinazo*', the government wants to encourage exploration by promising oil companies that their investment would be returned for every oil field they found, but the overall industrial conditions in Bolivia favor the government too much, so the incentives did not have the expected effect.

So the ongoing situation seems to be that the current gasoline shortages will continue and will be remedied with expensive imports, while natural gas exports continue.

Retrieving Capitalized Companies

As we have seen, the decree nationalizing oil sparked the retrieval of capitalized companies, plus the nationalization of others considered strategic, for the reintroduction of the statist economic system in which the country had put its hopes.

The decree provided for what would be later applied to all formerly capitalized companies. First, "It transfers to YPFB, free of charge, the property shares owned by the Bolivian citizens who were part of the Collective Capitalization Fund (administered by the AFPs)." Then, it nationalized the, "necessary shares to allow YPFB control of at least 50% plus one" of the companies' shares involved in oil. It did the same to control 50% plus one of the shares of the formerly privatized Petrobras refineries and hydrocarbon logistics company.

The Collective Capitalization Fund was a trust to guarantee the payment of *Bonosol* for people older than 65 years (as previously discussed in this chapter.) In appropriating them, the government obtained between 47.2% and 49.9% of the oil companies' assets, as well as telecommunications, power generation and railways. But the government couldn't take over the administration of any of these. With the exception of railways, in order to obtain it, private owners were forced to give the required amount so the majority of shares could be in government hands. The only transnational company that accepted this deal was Spanish Repsol, today a minority partner in the State's oil company, Chaco. All the others preferred to sell or deliver (looking to the courts for compensation) the entire package of shares they controlled. This set the transfer at a higher price than the government originally expected. Table 1 shows the value of the transactions and ongoing negotiations by the companies affected by nationalization.

After the nationalization process, the State went from producing 7% of the GDP, as it did in 2005, to producing 20% in 2011.

The profits of the nationalized companies continue to fund part of the cash grant for the elderly, equivalent of about US$ 250 million annually. The old *Bonosol*, now called *Renta Dignidad* (Dignity Rent) is payable to people older than 60 and (keeps the previous amount, Bs 1,800, now US$ 257), but rose to Bs 2,400 (US$ 342) for those not receiving any pensions. In addition to this, other cash grants have been enabled by the hydrocarbon income of the country (for example

to primary and secondary students and to pregnant mothers).

Table 4: Companies nationalized and probable costs

Nationalized Company	Probable Cost US$ Millions	Current Status
Chaco, Andina, Transredes	317	Negotiated
Refineries	112	Negotiated
Chaco (50%)	170	Negotiated
CLHB	20	In negotiation
Corani, Valle Hermoso, Guaracachi	270	In negotiation
ENTEL	100	Negotiated
Fancesa	80	In negotiation
Air BP	10	In negotiation
Electricity Transport	70	In negotiation
Total	1,147	

Chart sources: Ferrufino (2011) and Zaratti (2010)

Sources

Cariaga, Juan (1997): "Estabilización y desarrollo", Los Amigos del Libro/ FCE, La Paz, Bolivia, and México DF, México.

Ferrufino, Rubén (2011): "Nacionalización y creación de nuevas empresas estatales en Bolivia", in "Capitalismos en Bolivia", Fundación Pazos Kanki, La Paz, Bolivia.

Molina, Fernando (2004): "Pros y contras de la capitalización", Pulso weekly, La Paz, Bolivia.

Molina, Fernando (2006): "Un laberinto circular. Privatización y nacionalización del gas boliviano", unpublished.

Morales, Juan Antonio (2005): "Las principales políticas del BCB en el marco de la Ley 1670", in "BCB, historia monetaria contemporánea de Bolivia".

Página Siete daily (2011): "La industria petrolera después del gasolinazo", editorial piece, 6 of January.

Salinas, Luis Fernando; Lema, Xavier y Espinoza, Lourdes (2002): "La capitalización, cinco años después", Fundación Milenio, La Paz, Bolivia.

Francesco Zaratti (2010): "La descapitalización: cómo se hizo, cuánto costó", in "El costo de la capitalización", www.columnistas.net, La Paz, Bolivia.

Oscar Zegada (2005): "El BCB y el período de la estabilidad de precios", in "BCB, historia monetaria contemporánea de Bolivia", BCB, La Paz, Bolivia.

Chapter 3

The perennial political stability-instability cycle

Boris Miranda[7]

7 Boris Miranda is a journalist.

Photo: Fredd Ramos

Not even the use of military equipment could halt the strong protests of September and October 2003 in El Alto.

The Cost of Democracy

"Bolivia returns to democracy." On the front page, the headline news in the daily newspaper *Presencia* proclaimed the new period in Bolivian history. During the afternoon, Sunday October 10, 1982, as the military left the government palace amid whistles and insults, Hernán Siles assumed the Presidency.

Crowds witnessed the historic oath, not only at the Plaza Murillo, the center of political power in La Paz, but also at the workers' union and mining federations. Presidents from Colombia, Ecuador and Perú were also on hand and numerous delegations from countries across Europe, Asia, and Africa. Bolivia had been the last country in the region to gain independence, during the 19th century, but its example during the 1980s helped the other Southern Cone countries to achieve democracy.

Democracy in Bolivia was ushered in by crowds of people a festive atmosphere, which reflected an overwhelming expression of the will of the people. It took its first steps with that jeered and whistled 'goodbye' to the armed forces that departed from power after a string of coups that began in November 1964. In his speech, Siles asked for 100 days to resolve the economic crisis and promised to "rebuild the country". His new Vice President, Jaime Paz, focused his speech on the international community. Both knew the country needed all the help it could get to recover from the economic and institutional collapse left behind by the dictatorship.

UDP Forces

The UDP (Popular Democratic Unity) was composed mainly of the Nationalist Revolutionary Leftist Movement' (MNRI), the Siles' party, and the Revolutionary Left Movement (MIR), Jaime Paz Zamora' party. One was the most progressive of the groups identified with the 1952 National Revolution; the other represented the first generation of MIR leaders, determined to resist the Banzer dictatorship (1971–1978). The MIR believed it was necessary to create an "historical junction" with the ideals of the 1952 National Revolution.

Other leftists were also part of the partnership, including communists, former

Associated Press, October 9, 1982
Dozens of Bolivians return from exile

In recent days dozens of exiled Bolivians returned to their home country from several Latin American capitals, encouraged by the return to democracy, according to human rights advocacy sources.
Peru, Venezuela, Ecuador and Mexico are the countries where the highest concentrations of Bolivians relocated as a result of the bloody 1980 military coup. According to sources, the number of Bolivian exiles was about 2,000.
Venezuela, whose government ostensibly repudiated the 1980 coup, sent a high-level mission to attend the inauguration of President Hernán Siles.

guerrillas and some union leaders. However, the socialists who followed Marcelo Quiroga (killed by the military in 1980) preferred to keep their distance from the first democratic government, and even from the COB, controlled by Juan Lechín. The UDP had a worker's program that included several measures in favor of miners, but was unable to persuade the COB to participate in the administration. Instead, their relationship became increasingly strained.

Shortly after the UDP were sworn in, the political and inflationary crisis caused the majority of citizens to turn away from Hernán Siles and Jaime Paz and ask for their resignation.

Another peril for the fledgling administration was the sudden and deep division between its two most important allies. President Siles had enemies working right next door and it was only a matter of time before the MIR definitively abandoned the UDP project.

On August 6, 1983, after only 10 months in office, the *Hoy* daily described the situation:

"'Differences over how to manage the state were one of the causes of the split in a political alliance which had seemed to be gaining strength. This precipitated the rift with the MIR, which eventually seemed irreparable. President Siles requested that his comrade in arms return to the government, but the distance between

them continued to grow. The situation worsened to the point that the MIR ministers resigned their positions after a fight between the MIR Executive Committee Secretary, Oscar Eid, and the Interior Minister, Mario Roncal. Jaime Paz's party leaders withdrew and his parliamentarians sabotaged the necessary authorization for Siles to travel to France after an important invitation from French President François Mitterrand."

In less than a year, that was the situation inside the UDP.

The Beginning of the End

EFE news agency, October 16, 1982

Narco-terrorist planned the assassination of Siles

Rome While the Italian Interior Minister denied the Italian police's involvement in capturing extreme right winger Pier Luigi Pagliai in Bolivia, reports from that country suggest other versions of the story. The Minister has twice denied the involvement of two Italian Secret Police Agents who snatched Pagliai from Bolivia in a sting operation in the city of Santa Cruz.

The newspaper *Corriere della Sera* reported from Santa Cruz that Bolivian authorities deny responsibility for the operation and say "unidentified foreign police" carried out the operation.

Ultimately, according to reports from *Corriere della Sera*, the detainee, Pagliai, planned to assassinate President Siles. Last October 2nd Pagliai, a leading trafficker in Santa Cruz, deposited US$ 15 million in profits from cocaine trafficking in a Buenos Aires bank.

Of course, not only did the UDP have internal enemies. The MNR parliamentary caucus, lead by Víctor Paz Estenssoro, and that of the ADN of Hugo Banzer, rejected without hesitation proposals that the Siles administration put forward for approval from Parliament. The UDP, a minority even with all their members present, was unable to pass laws and their calls for support from other leftist parties, such as the Socialist Party, were unsuccessful.

Presencia daily, July 1, 1984

And then the president was rescued…

In a commando operation by army officers yesterday, at approximately 15:00 hours, the President of the Republic, Hernán Siles was rescued from kidnappers holding him in a house in Miraflores.

Presencia reporter Román Cordero, who was the first to enter the house after the commando operation, spotted the President in an upstairs room. He was able to identify him through a windows through which the President gestured.

Later, after speaking with the kidnappers, Cordero entered the room and found the President, who was wearing a blue coat over his pajamas. Siles was calm, and reassured his captors that they were going to be treated fairly.

The real opponent, however, was not Congress, but the COB. This, the largest platform of unionized workers, was considered an example of unity among the working class in Latin America because of its ability to mobilize members. The President and Juan Lechín had been political foes for decades and throughout the UDP's term there were no way the two historic leaders of the National Revolution could met. The long meetings and the invitations to form a co-government with the workers were useless. Soon, Siles was almost begging the COB leadership to join the administration's Executive. On August 2, 1983, an official invitation was sent from the government headquarters to Lechín, inviting the country's workers to be incorporated into the government.

The talks introduced the real possibility that the proletarian class, mainly miners, would have a majority seat in both the cabinet and at the boardroom table of several strategic State enterprises. Some government officials had seriously proposed the possibility of building socialism via co-government with the COB, an option that had failed almost 30 years earlier, during Siles' first term (1956-1960). An extraordinary meeting of the COB on August 23, 1983, chose to break off negotiations with the Presidency and start a wave of protests demanding the implementation of a "mobile salary scale" that meant ever-rising salaries to stop

the erosion of purchasing power that inflation generated. Lechín was behind the decision that buried the boldest attempt to move towards a socialist model in the 20th century.

Without the participation of the workers, and with an increasing number of mining unions against the regime, the UDP was alone and without the social base from which to fight the domestic economic crisis and the international financial system. In 1983, by the end of the year, 252 work stoppages and strikes had been declared by the mining, oil, manufacturing and construction sectors, among others.

An Administration with No Options

Without the political infrastructure to impose its agenda on the Legislature or in the streets, and with the country destroyed by the economic legacies of the dictatorships, the UDP was running out of options. The disloyalty and the inability to act of many of its allies also weighed in on the collapse of the Siles administration. Eighty ministers were appointed in three years. Some crossed to the opposition immediately after leaving the Executive.

Jaime Paz´s efforts to create an international financial cushion for the Bolivian democracy couldn't do much against the severity of the market laws. In March 1985, La Paz was virtually overtaken by workers from public mines, and other private companies. The unstoppable force with which the miners occupied La Paz marked the defeat of the UDP. However, many analysts and activists warned that the workers' offensive carried the seeds of their own destruction. The popular movement too was about to be defeated during those historic days in March 1982. For the leftists and the unions, night would soon fall.

Given the climate of lawlessness, Siles agreed to shorten his mandate. Until the very last moment, he kept the military out of the conflict, despite the Military Command's constant demands to put tanks in the streets to control the protests. Siles resigned one year short of the period stipulated in the Constitution – the price that democracy had to pay to recover stability.

"Now, with my departure from government, and to summarize the experience of the past 34 months since October 10 when our country returned to democracy, I say with pride as a Bolivian, and an honest citizen, no one under my adminis-

tration suffered imprisonment, exile or persecution. No mother or son mourns the loss of a loved one … It is imperative that our country remain a land of free men," said the President, just minutes before transferring power to Victor Paz Estenssoro on August 6, 1985.

Liberal Political Reformism

"We will rule with authority, without allowing anarchy. We'll apply a set of coherent and pragmatic measures to stop the economic crisis, among which is setting the dollar exchange rate," said Paz Estenssoro in his inaugural speech.

"If a package of pragmatic, realistic, and consistent measures is not applied immediately to stop the impact of the crisis, we take the risk of imminent bankruptcy," he added.

Paz Estenssoro was the historic leader of the 1952 National Revolution and his return to government indicated a number of significant changes. These could be summarized as the end of the revolutionary cycle in Bolivia, which Paz Estenssoro had begun, and the beginning of a period of liberal reforms, the strengthening of political democracy and, finally, the capitulation of the labor movement, which had lead the most important social struggles of the 20th century.

The miners' inability to cross a military blockade the government had now put in place in the municipality of Calamarca, stopping a march to La Paz, sealed their destiny. "The decision to march to the seat of government came after a meeting at the Siglo XX mining district, where workers put forward the need to initiate concrete action in defense of their lives and their families. The initiative gained momentum with the passing of time and with worsened living conditions for the mining group," reported Presencias, a La Paz's newspaper, about the 'March for Life'.

Planes and tanks blocked the route of the demonstrators in Calamarca. Simón Reyes and Filemón Escobar, the two historic mining leaders who led the march, reported to their comrades that the mobilization had ended. It was August 29, 1986.

Up until that day the workers on Bolivian mines had gained recognition throughout Latin America. The unwavering unity of the miners, their capacity to

mobilize and the political training of their representatives (Trotskyites, socialists, communists and nationalists) were the reasons behind the admiration.

It was not an accident that the mining centers were recurrent targets during the military coups and massacres, like those at Uncía (1923), Catavi (1942), Siglo XX (1967), or Amayapampa and Capasirca (1996), to name a few iconic examples.

Each workers meeting seemed like a class in revolutionary political theory. The miners confronted Trotskyist ideas with Lenin's book, *What is to be done?* The *Communist Manifesto* was circulated in photocopied versions and most of the workers had read Fidel Castro's speech, "History Will Absolve Me".

It was the workers in the mines who had first raised the possibility of taking power, through the 1946 Pulacayo Thesis. The top leadership of the COB had always been drawn from the miners, and almost always it was Juan Lechín who had led the mass mobilizations that preceded the 1952 National Revolution.

In 1985, the ongoing struggles the workers had waged over the course of a century were about to come to an unhappy end, thanks to a new employer, and an economic theory that was coming to Bolivia. The neoliberal period affected the workers' ability to mobilize because most of their unions were destined to disappear with the closing of the factories and mines. The miners would be scattered across the country. Meanwhile, the international backdrop, prior to the end of the Cold War, was a drive against leftist forces.

Little could be done to resist the waves of liberal reforms that were implemented after the 'March for Life'. As in the rest of Latin America, the transformation of work relations in a capitalist context was underway, and would contribute to the defeat of the labor movement that would last for decades.

The miners were within 60 kilometers of La Paz, where they could have altered history. The first march under the neoliberal era would start four years after Calamarca's defeat: lowland indigenous people would propose 'strange' new ideas in support of self-determination, collective rights and a constituent assembly.

Efforts to Modernize Bolivia

Jaime Paz's rise to the Presidency (1989–1993) from third place in the majority vote, allegations of electoral manipulation, and corruption scandals that affected

Paz Estenssoro's Presidency, demonstrated that the Bolivian democratic institutions were still very precarious.

It was in this context that the so called "political class" began a series of reforms to ensure that Bolivian democracy would be trustworthy, stable, inclusive and transparent, and thus a truly representative democracy.

The new National Electoral Court was one of the outstanding results of the State's reengineering. For years, this agency, charged with overseeing the democratic process, was widely trusted and its authorities were often publicly praised as remarkable. The National Electoral Court would also begin the first steps towards establishing a more intercultural, plural and modern democracy through referendums (2004, 2006, 2008), as well as the appointment of indigenous people's local

Presencia daily, May 1, 1989

Banzer, Sánchez de Lozada, and Paz debate

The fight to win the May 7 elections revealed 'no compromise' positions from the three candidates who spoke at the last meeting of the Elections-Forum Debate of 1989, organized by the Journalists Association of La Paz. ADN's General Hugo Banzer, MNR's Gonzalo Sánchez de Lozada, and Jaime Paz from the MIR, each insisted they would win the majority of votes in Sunday's elections. Each tried to discredit his opponent in front of a national radio and television audience.

Jaime Paz Zamora lost his temper twice. The first time, he was annoyed by the implication of Sánchez de Lozada that his political campaign had been helped by the Social Democratic Party and the Venezuelan President Carlos Andres Perez. The second time, he appeared angry when journalist José Nogales asked him about the drug trafficking videos scandal, with which he denied his party was involved.

In response to a question asked by journalist Oscar Peña Franco, candidate Sánchez de Lozada denied that the MNR had participated in coups, and said his party only supported the August 1971 coup by General Banzer to avoid a national catastrophe.

authorities (2009) and the creation of a biometric voter's register (2009).

During Sánchez de Lozada's first term (1993–1997), a series of new laws would extend the boundaries of Bolivia's democracy. From 1994, the country grew from having 24 municipalities to more than 300 at the end of the century, due to the Popular Participation law. Of course, as is often the case with the start of a new process, inexperience, corruption and inefficiency emerged.

In the courts, the Supreme Court's function was institutionalized. Judicial appointments were no longer a Presidential function and passed, instead, to the Legislature. Parties in Congress would now elect the highest court authorities. Once again, modernization encountered problems and political influence in the judicial system was not entirely removed.

Consolidating Political Power

The MNR, ADN and MIR were the three main parties that came together to create a political elite which would run the country (with other minor allies) from 1985–2003.

Thanks to the so-called 'Pact for Democracy' the historical leader of the MNR, Paz Estenssoro, managed to secure a fourth term (1985–1989). That was the first milestone of the era of so-called 'settled democracy' (*democracia pactada*) that would, in later years, create alliances between all colors and walks of life, such as the Patriotic Accord (ADN, MIR, UCS, Condepa and NFR), or the Pact for Bolivia (MNR, UCS, MBL and NFR).

During the years of 'settled democracy', Bolivia was governed with no major surprises. The populist proposals of Carlos Palenque's Condepa, and Max Fernandez's UCS were co-opted by the multi-party system. Palenque's organization achieved a first: a *chola* (indigenous woman) in Congress, when, in 1989, Remedios Loza won a seat.

Another force, IU (United Left), served as the first political coalition for the *cocalero* (coca leaf producers) movement. In 1995, coca producers from the Cochabamba region won municipal council seats. In 1997, the leader of these coca growers, Evo Morales, would win a congressional seat. Fifteen years after the adoption of the 21060 Decree, the first signs of dissent could be detected,

in underground movements among rural unions and indigenous communities.

2000–2005: The Years of Uprisings

In the late 1990s, a change in the balance of political forces became increasingly evident. The parties representing liberal economic positions and conservative political views began to be overshadowed by social movements and parties from the left seeking radical changes in the State's management.

April 9, 2000, marked the return of the uprisings. History dictated that the country would be reunited in rebellion exactly 48 years after the National Revolution of 1952. That Saturday, La Paz woke to the surprise news of a revolt at the center of government, Plaza Murillo, which the police had left unguarded. While police remained embattled at the buildings, civil groups joined the challenge to the establishment by marching to the government palace with *wiphalas* (indigenous flags) and flags displaying portraits of Che Guevara. They demanded a wage increase. Some took the opportunity to deflate the tires of the Ministers' parked cars. Others sang the national anthem with their left fists pumping into the air. Graffiti was used on the asphalt to protest the Hugo Banzer administration. Coca leaves were shared between young activists and police rebels in the middle of the square. Fires were lit at night so the dark, or tear gas, couldn't surprise them. Acts signaling rebellion, dormant for years, had returned to the streets.

However, the police challenging the administration was the least of Bolivia's problems. In Cochabamba, during those same hours, the first battles against the existing order took place. The 'Water War' was only the start of a series of uprisings. This is how the millennium was born.

During the 'Water War', the platform that united manufacturers, poor farmers, the regional COB and other sectors, was conceived as a self-managed, horizontal organization. So when Oscar Olivera and the frontline spokespeople (not leaders) were arrested by police, they were immediately replaced with another group of activists.

The media had captured images of a soldier behaving as a sniper, and killing a teenager. Victor Hugo Daza's death, at just 17 years old, accelerated the successful

demonstrations.

Aguas del Tunari, the name the multinational company Bechtel acquired to do business in Bolivia, was expelled from the country and the Water Law was amended. The Banzer administration, which declared an unsuccessful State of Emergency during those days, could not contain the social discontent. (Even under the State of Emergency, the French musician Manu Chao arrived in Bolivia and held his concert in open defiance against the government's measures!)

The Red September Seige

After the 'Water Wars' it was the indigenous people's turn. Felipe Quispe, nicknamed 'El Mallku' (condor in Aymara) was Executive Secretary of the United Confederation of Peasant Workers of Bolivia. He had perfected the strategy of

La Prensa daily, August 25, 2002
Sánchez and Eid distribute government jobs

The doling out of jobs lies in the hands of Carlos Sánchez Berzain (MNR) and Oscar Eid (MIR). The leaders are part of a nationally coordination team made up of representatives from both parties, who gave final approval to a list of Deputy Ministers and General Directors. In the Ministries, it is an open secret. The 'job seekers' say that in order to secure a senior level position it is essential to have the signatures of both leaders.

"Who told you that?" asked Sánchez Berzain, Minister of the Presidency, when *La Prensa* asked if it was true that his signature carried a great deal of weight regarding the distribution of ministerial positions. However, the Minister did admit that Eid and he were part of an intra-party coordination committee that gave approval to all appointments. He clarified that nominations come from each Ministry and that the Coordination Commission carries out the corresponding analysis and selection. We were unable to reach Oscar Eid, who turned off his cell phone and did not respond to any messages.

strewing the roads with rocks thus blocking them, in the months leading up to September 2000. It was time to re-live Túpac Katari's indigenous people's La Paz siege of 1781.

With the main Bolivian route (that links the Andean and lowlands regions) closed off by coca leaf growers, and all La Paz' exits blocked by El Mallku's forces, the government headquarters were only accessible by plane. Soon the shortage of food in the city could no longer be ignored. The siege of La Paz was underway.

"In Achacachi region, we have destroyed all the powers of the State. There are no longer judges, no police, no Vice Prefect. Nothing is left. Everything is controlled by the indigenous people. And our leaders administer everything. The uprising in Achacachi is the complete takeover of power. The police bring thugs. The army brings war and the Vice Prefect, corruption," said Quispe during those days. Then, in front of Hugo Banzer's Ministers, he did not hesitate to renounce Bolivia and announce the return to the days of the Kollasuyo (the old Inca name of present-day Bolivia).

The 'whites versus indigenous people' rhetoric that El Mallku used surprised government authorities. Some were enraged when he asked to speak to Banzer as "President to President". Quispe had fought in the Indigenous Tupac Katari Guerrilla Army (EGTK) in the previous decade and employed indigenous people's discourse long before Evo Morales.

Achacachi and an extensive part of the Omasuyos Province in the Bolivian high plateau would become the center of the indigenous movement in the highlands. After blocking off the roads, they took over development programs and snatched other benefits from the State, such as tractors allocated for farmers' unions.

The sieges of Red September (2000), and June (2001) were rehearsals that would eventually lead to the exit of Gonzalo Sánchez de Lozada some years later.

Social Movements to the Polls

The Pachakuti indigenous movement with El Mallku as its main candidate, and the MAS, headed by Evo Morales, presented the biggest surprises in the 2002 elections. Quispe's party was invincible in the high plateau and nationally took 6% of the vote. Evo Morales' takings exceeded 20% of the vote and he qualified for the first

time to go to Congress' second round, on that occasion against Sánchez de Lozada.

In the end most Congress representatives choose Sánchez de Lozada as President. But for the first time there were a significant number of representatives (41 out of 157) who came from indigenous people's, union or farming organizations. Wearing native costumes and mining helmets, and speaking in their native languages (not Spanish), the new Congress members spoke one by one. They challenged the Legislature by saying it would no longer be a space reserved only for urban politicians.

El Mallku presented coca leaves to the MNR representatives before threatening them: "If we are ignored, I will draw a stone from under my poncho and I will fight on the streets with my people."

The MNR and the MIR allies were witnesses to the advent of a new form of politics in the country. What was not achieved in Parliament would be won outside of it. "We come to this place to work. We want what the people are demanding, without a fight. Though, if you prefer, we will fight too. If you do not respect us, we will block Congress," threatened the Qaqachaca ethnic group representative, Roberto Copa. The new congressman spoke in Aymara, Quechua and Spanish.

In August 2002, after a session nearing 28 hours, Gonzalo Sánchez de Lozada was elected President of the Republic. "Goni will have to ask permission to even go to the bathroom," predicted the MAS parliamentarian Felix Santos.

October 2003

The soup pots did not hold enough to distribute lunch among all the mobilized neighbors in the city of El Alto, near o La Paz. There also wasn't any vinegar or baking soda left to combat the effect of tear gas. However, the decision to radicalize the protests to achieve the President's resignation had been ratified.

But in the evening of Monday October 13, 2002, 20 people were killed by the government's military personnel, deployed to ensure a supply of fuel reach La Paz. The army fuel carriers and tanks from Sankata broke through a human chain. The action became known as the 'convoy of death'.

A day later, the demonstrators' answer was to blow up the Rio Seco gasoline plant and to intensify the protests. Miners marched from Oruro and Potosi

towards the seat of government in La Paz, and the Aymaras arranged to multiply the road-blocks in the Andes region. The demand was no longer just to cancel the government project to export natural gas through a Chilean port, or to call for a Constituent Assembly. The demand was the removal of Sánchez de Lozada from government. More than 40 people had already died by then. In total 67 would perish during the October uprisings, which ended when the President fled the country.

The evening of October 17, 2003 saw the historic San Francisco Plaza in downtown La Paz as the scene of a popular celebration. La Paz sent the miners home as heroes. The next day, the people of El Alto announced the start of the 'October agenda': the demand for oil nationalization and a new constitution. If the mandate was not met, they would return to the streets. And that is what happened…

Polarization

Bolivian society became polarized at the end of the period of neoliberal 'consensus'. On one side were groups linked to social movements, that demanded nationalization of companies, policy changes on hydrocarbons and criticized the parties called 'systemic', i.e. 'part of the old system'.

On the other were economic groups and right-wing parties that wanted the State to be kept out of productive enterprises, supported the party system, and encouraged foreign investments.

As we have seen, that clash played out in the streets and roads (with death and repression being the unfortunate results) and ended with the 2005 elections when the country witnessed one of the biggest political changes in modern Bolivian history, the win of Evo Morales. The new political arrangement was also reflected in a change in the balance of regional power. This phenomenon was noticeably clear after the 2002 elections: in the provinces of what would become known as the '*Media Luna*' (Crescent Moon, named because of its geographic shape), the traditional parties (MNR and MIR) won easily. Those provinces are Pando, Beni, Santa Cruz and Tarija. In the Andean regions the MAS was the big winner. So the regional axis, which in Bolivia overlaps the ethnic axis, clearly had split the country into two: the Andean region concerned with political change, embodied

by Evo Morales, and the lowland region more focused on conservative positions, embodied primarily by Gonzalo Sánchez de Lozada.

These 'regional walls' remained in place for some years, but the situation was not fixed. The MAS expanded its power in the Andean provinces and infiltrated the lowlands. Meanwhile, the conservatives lost ground in the rest of the country, with the exception of some of the cities.

With the collapse of the party system after the 2005 elections, the opposition no longer focused on Congress (except when trying to block legislative initiatives in the Senate, which it controlled) but on the regions, especially Santa Cruz. The Santa Cruz Civic Committee led the opposition and resisted the most important of President Morales' actions, especially the idea of organizing the Constituent Assembly. That strategy remained in effect until September 11, 2008, when the so-called 'Slaughter of Porvenir' occurred. Eleven peasants were killed that day, allegedly by forces loyal to the former opposition Governor of Pando, Leopoldo Fernandez. Once the government arrested Fernandez, the regional resistance was eliminated and the Morales administration had fewer obstacles. This new phase began with the adoption of a new Constitution in 2009.[8]

But neutralizing the opposition was not simple. On the contrary, it was extremely complex. Morales's large electoral victory in December 2005, when he managed to obtain an unprecedented 54% of the vote, did not achieve stability in the first phase of his administration. Not at all.

The Assembly: a Battlefield

The Constituent Assembly was, as we say, a battlefield. It spent the first seven months of work discussing debating rules. Since the opening session, the government had tried to get the sections of the new Constitution approved with 51% of the votes, despite the Assembly Law the ruling party had passed a year before, saying a two-thirds majority was needed to approve articles.

The Assembly's impasse persisted the first 12 months, after the original term

8 Raúl Peñaranda (2008), "Los canales en cuestión", FES-Ildis, La Paz, Bolivia.

ended. A hard won congressional agreement made in early July 2007 extended the session until December 15 that year. Now there could be no more extensions.

The demand by the Santa Cruz-led opposition for the city of Sucre to be named seat of the entire government (not just the Supreme Court), achieved one objective: to paralyze the Assembly. Its supporters knew that the people of La Paz and the MAS would never allow such an idea to be approved. The failure of the Assembly to approve the new Constitution would have been the administration's biggest defeat, and the opposition's greatest victory. In their next move, dozens of opposition demonstrators surrounded the Assembly building to prevent delegates from holding meetings. The Assembly was about to sink.

This was the point at which the MAS decided to move the sessions to an army barracks, called La Glorieta, to allow the Assembly members to meet. The opposition denounced the change of venue as illegal because the decision had not been made public through the press, as established by the debating regulations. The imminent approval of the new Constitution in the first round of discussions in the barracks generated a wave of indignation in Sucre. Thousands of protestors took to the streets, looting and causing damage. In clashes with the police and

Gente daily, April 2, 2006

Eight out of 10 Bolivians approve Evo's administration

Following his first month in office, Evo Morales has won 79% of the population's support, five points more than when he took office on January 22. His popularity is so great that most people do not doubt that he will be able to implement the Constituent Assembly and the referendum on Bolivian's regions autonomy. Some even think the President will win the Nobel Peace Prize.

According to a survey conducted by the pollster Apoyo, conducted in February, 79% of the La Paz, Cochabamba and Santa Cruz population approve of the President's administration.

The Vice President, Alvaro Garcia Linera, achieved 71% approval, according to the same survey of 1,011 people between the ages of 18 and 70.

military, three people were killed in chaotic circumstances in an area called La Calancha. TV channels showed Interior Minister Alfredo Rada commanding the armed operations. But the government denied the deaths were caused by police or military gunfire.

Following the first stage approval of the new Constitution at La Glorieta headquarters, the administration's plan was brought to fruition by calling a session to approve the details of Constitution. The Assembly agreed to debate the articles in Oruro, a city where the President's support was very high. Just three days before the legal requirement to end the current session of the Assembly, the members met in that locality. It was a long session and they approved the Constitution via all the steps required by law. And they did so with the minimum two-third vote established in the debating regulations.

It had been a hard-won battle for government, and the controversy over the adoption of the Constitution meant a pyrrhic victory.

The Autonomy Votes

Immediately after the adoption of the Constitution, the opposition unleashed another strategy: regional rebellion. The electoral courts of several regions decided to organize referendums to ask the people whether they wanted provincial autonomy, despite the contrary opinion of the National Electoral Court. Such a situation was unprecedented.

The National Electoral Court set three conditions for the consultation process to meet the legal requirements: to have a law passed by Congress, to have enough budgets to organize the referendums and to establish reasonable deadlines.

Ignoring the National Electoral Court, on January 31 the Prefect of Santa Cruz, Ruben Costas, called for a provincial de facto referendum on May 4. He did this with the backing of 103,000 signatures, validated by a special committee of the Santa Cruz Electoral Court. The 'yes' to autonomy vote garnered 86%. On June 1, the provinces of Pando and Beni also went to the polls. In both contests, the 'yes' option won comfortably. Finally on June 22, Tarija voted for autonomy as well. It was one of the weakest moments of the Executive – it was really against the ropes.

In May 2008, the right-wing Podemos party (successor to Banzer's ADN)

unexpectedly saved that uncomfortable situation by approving a recall referendum in the Senate, thinking they could remove Morales from power through votes. They were wrong. The law set the recall election for August 10. That referendum substantially changed the relationship between the political forces in the country. The landslide 'yes' victory strengthened President Evo Morales' administration, and at the same time, weakened the opposition leaders of the 'Media Luna'. The President won 67.4% of the vote.

But as the referendum date approached, violence against the national authorities intensified. In the first major incident, on May 24, demonstrators prevented the President from getting to a soccer stadium in Sucre, where a rally in support of the government was to happen. That same day Minister Juan Ramon Quintana was prevented from landing in both Riberalta and San Borja, two lowland cities. On May 29, Riberalta's motorcycle-taxi drivers prevented the President's arrival by invading the airport tarmac. On June 12, in Santa Cruz, Morales could not formally begin a speech. On June 14, he could not land in Villamontes, in the south of the country, and had to move his event to a military base in Sanandita. Demonstrators also blocked his arrival in Cobija on August 5. The protestors also managed to prevent the arrival of the Presidents of Venezuela and Argentina to a summit in Tarija.

Nevertheless, after the referendum, the opposition groups felt threatened. First, they called a strike in the five opposition provinces on August 20, to demand for the reestablishment of the 'direct tax on hydrocarbons'; then the civic and opposition leaders called for roadblocks and for oil refineries to be taken over, starting in Villamontes. The roll-out of roadblocks was executed in stages, to eventually encompass the entire southern Bolivian region.

But the violence finally spiraled out of control on September 9 in Santa Cruz, when, in front of TV cameras, members of the Santa Cruz Youth Union, and the Santa Cruz University Federation looted several public institutions, including the National Taxes Service, INRA, ENTEL, Channel 7 (the government owned station) and other entities. Both groups of young people clashed for several hours with police and military personnel guarding those institutions. In the end, they managed to defeat the soldiers, several of whom were beaten and humiliated.

The next day, the violence continued in Santa Cruz against, among others,

the Forestry and Customs offices, the bus terminal and a part of the Ministry of Labor. The *modus operandi* was the same. Members of the Santa Cruz Youth Union and Local University Federation, all wearing similar masks, burned and destroyed the institutions. Moreover, the same groups tried twice to storm the Plan Tres Mil, a poor neighborhood that generally supported the MAS, but their actions were repulsed by residents.

In Tarija and other cities, youths in favor of autonomy also organized violent acts. In the San Antonio area, near Villamontes, a pipeline was blow up. The incident temporarily affected the export of natural gas to Brazil and caused a major fire. The government accused the opposition, but it responded that it had been staged by the government.

The uncontrolled violence was interpreted by the administration as the start of a regional coup intended to overthrow its leadership.

But the worst was yet to come. As mentioned earlier, on September 11, 2008, thousands of peasants marched to Cobija, in the province of Pando, to pressure the opposition governor, Leopoldo Fernandez. A bridge seven kilometers from Porvenir, a municipality within the province, became the site of death for 11 poor farmers and two provincial officials.

According to the government, the farmers were ambushed by the opposition Governor's staff, which had dug a trench three feet deep on one side of the road to block them, while armed men came from behind and opened fire. The opposition blamed the government for the death of the peasants. On December 3, 2008, experts from UNASUR (Union of South American Nations) investigated and confirmed the government's version, saying that there had been a massacre.

Fernandez, the old political leader, was detained by police on September 16, 2006, and imprisoned in La Paz along with a number of civic leaders. His arrest clearly demonstrated the enormous weakness of civic-regional opposition. A month earlier, it would have been unthinkable to arrest a governor of the 'Media Luna' region. The opposition described the arrest of Fernandez as illegal, claiming that he was entitled to a court case, and that his prosecution required a two-thirds approval in Congress. The government disregarded these arguments.

Once the government had arrested Fernandez, it eliminated regional resistance and the Morales administration was strengthened.

'*Gasolinazo*' and TIPNIS

We now move to December 2010, when Evo Morales approved the '*gasolinazo*' Decree. This was a reflection of the enormous confidence that the Executive enjoyed at the time. Its victory over right-wing parties and regional leaders had held for more than two years, and the administration felt invincible. And so – it raised fuel prices by 83%! This was a huge display of arrogance, and showed just how out of touch with reality the government was.

Following a wave of protests, the President backed down. But the moment marked a break with some social movements that now no longer supported his administration. The lowland indigenous people also emerged as another defiant grouping, united around the CIDOB (Confederation of Lowland Indigenous People). In June 2011, only six months after the failed '*gasolinazo*', they organized a march against the construction of a road through Isiboro-Sécure National Park and Indigenous Territory (TIPNIS). The march began in August in the lowlands. On September 25, 2011 almost exactly three years after the events at Porvenir, a police contingent brutally attacked marchers at the village of Chaparina and forced them to return to their homes on buses. It was the second example of the administration's arrogance in a short period of time.

The event did not stop the marchers. In October, they arrived in La Paz, where the citizens gave them a tremendous welcome. The government Executive was at its least popular since October 2008. But a year later, at the time of writing in 2012, the administration had regained the political initiative, achieved higher approval ratings and appeared on target to end its second term in the best possible way (with intentions for a third term.)

Note: This chapter was written by Boris Miranda with the exception of the section 'The Assembly: a Battlefield', which is a summary of the book "Crónica del Proceso Constituyente", by Raúl Peñaranda, FES and FBDM, La Paz, 2009.

Chapter 4

Paradoxical revolution, evaluating the Evo Morales administration

César Rojas Ríos[9]

9 César Rojas Ríos is a sociologist and social communicator.

Photo: Agencia ABI

President Evo Morales greeted by a group of supporters, 2014.

Between October 2003 and September 2008, Bolivia spent a long time in hell. During that period, the worst nightmares seemed to have taken root in Bolivia. In October 2003, an armed insurrection was being hatched among the indigenous communities of the Altiplano of La Paz, which could well have derived into a racial war, yet it did not happen.

The opposing forces acted later: the Cochabamba conflict occurred in 2007; the so-called "*capitalidad plena*" conflict, a movement to return all three branches of government to Sucre, happened also in 2007; and the 2008 "regional coup d'état", when Evo Morales's government was challenged by the provinces known as the '*Media Luna*' (Crescent Moon, named because of its geographic shape).

The increasing confrontation could have sparked a coup d'état, a civil war, or even the splitting of the country. Once again, nothing of the sort occurred. Violence, pure and simple, was finally stopped. Then it seemed the MAS would lead the country towards socialism. But, instead, it reinstated state capitalism and returned to both a pro-development approach and the country's perennial national aspiration for modernization. Radical dreams gave way to realistic dreams, which have today become the new realities of the streets of this bewitched country in this the XXI century.

Ghosts from the past

In one paragraph of the 688 pages that make up the book *Sociología de los Movimientos Sociales* coordinated by Vice President Álvaro García Linera, about the United Confederation of Peasant Workers of Bolivia (CSUTCB), he describes the experience of the "marching of hundreds of people from several indigenous "quarters" during the uprising (October, 2003) who arrived in the suburbs of El Alto city armed with some old Mauser rifles."

These few but significant paragraphs point out that the Bolivian Altiplano was in a state of armed insurrection and, more critically, determined to use these weapons. It was the "ayllu militarizado" or armed village authority. Katari's shadow spread over the neighborhoods and villages both of El Alto and La Paz. García Linera states that "those zones bordering Lake Titicaca, characterized by their organizational abilities, created new 'indigenous headquarters' (at least four),

where thousands of indigenous people in a state of communal militarization would establish the guidelines for the removal of the state authority." They had been convoked to war, and the Indian rebels were prepared for a possible final confrontation. However, he clarifies that "the experience was cut short when President Sánchez de Lozada stepped down leaving behind the blood of 67 dead, 400 wounded, and thousands of bitter tears".

The fire stoked in Altiplano *ayllus* (traditional form of a community in the Andes region) finally dissipated in smoke. The few remaining flames, if any, would be extinguished when Evo Morales, the first indigenous president of Bolivia, took office. Felipe Quispe, the *Mallku*, and his flaming proclamation announcing "the arrival of the *Awqa-Pacha* (time of war) between whites and indians" which he hoped would multiply like mushrooms after the rain, was also displaced. In Quispe's own words in his book *Tupak Katari Vive y Vuelve… Carajo*, "the fire of the truth of the oppressed and the exploited will make cry and howl this new Sodom and Gomorrah capitalistic society which passes from crisis to crisis and agonizes since 500 years ago. We will reconstruct a new communal society of *ayllus* on the ruins of all this."

In September 2008, after Evo Morales won the recall referendum by large majority, the regional opposition felt threatened and chose to burn its bridges.

In Santa Cruz, violence erupted and overflowed: both the *Unión Juvenil Cruceñista* (Santa Cruz Youth Union) and the *Federacion Universitaria Local* (Regional University Federation) looted several public institutions (the National Tax Service, National Institute of Land Reform, National Telecommunications Company, Migration Office, and the Government Television Company) and for several hours fought violently with policemen and military personnel who guarded those institutions. Finally, they managed to defeat the uniformed officers. The next day, violent confrontation continued in Santa Cruz against other institutions (the Customs House, the Forest Superintendence, the Bus and Train Terminal, education offices, one office of the Ministry of Labor, and a telecommunications facility). They set fire and destroyed instalations. They also intended to assault the Plan Tres Mil neighborhood, but the neighbors managed to repel the attacks. Santa Cruz

city was the focus for the inflamed uprising[10].

Tarija and other cities experienced violent action by young people in favour of autonomy. However, the worst was still to come. On September 11, 2008, hell broke out at a bridge in Porvenir being crossed by thousands of peasants who were marching to Cobija, in the north of the country. It was the scenario for the death of eleven peasants and trainee teachers and two regional government employees. The Governor of Pando, Leopoldo Fernández, a political leader of the region, was arrested and taken to prison in La Paz on September 16, together with twenty other community and regional government leaders.

The confrontation between those who favored autonomy and those who defended the MAS government did not escalate into civil war, and Leopoldo Fernández' call for the military to become involved in the conflict did not result in a coup d'état. However, the country remained in a stormy situation for several days. Then, as time went by, autonomist leaders ended up burying the hatchet and, six years later, chose to put aside their disagreements and hitch the Santa Cruz entrepreneurial agenda with the year 2025 government Bicentennial Agenda (Argirakis, 2014).

Those events from the past could have derived in critical situations. However, it was precisely the MAS government which managed to dilute all these explosive charges in the highlands and the lowlands (Amazonian) regions. The Aymara radical intent on establishing an Indian Nation, and the radical regional attempt to detach the "Crescent Moon" from the rest of Bolivia was deactivated by the MAS party.

Dreams

A scare is not like fear. On one hand, scare produces intense terror, but it fades away in time because there is a perception that risks are more apparent than real. On the other hand, fear produces a sustained (even increasing) concern because one notices that damages exceed the initial expectations of the fear. Scare approaches

10 These events are punctiliously and vividly described in the book written by journalist Boris Miranda, "La Mañana Después de la Guerra", and rigorously decodified in Eduardo Leaño Roman's book "Tierra de Fuego. El Conflicto Autonómico en Bolivia (2003-2010)"

fear in the first instant, whereas fear is an ongoing terror experience. In other words, Mandela in South Africa is as to scare as Stalin in the Soviet Union is to fear.

The MAS scared the conservative elites of the country, and greatly, which is typical whenever a left-wing party comes to power (as occurred when the UDP took office in Bolivia in 1982), especially if such a party has an indigenous approach. As a result, the fear of social egalitarianism and racial revanchism emerged among such elites. Thus, Evo Morales' government represented in their imagination a movement of fundamentalist darkness, forged in the *Communist Manifesto* and, to make matters worse, eager to put in practice the*Indian Revolution*.

The scare escalated, and with special intensity in the eastern lowlands because the agro-industrial elite felt that their lands were being watched by the new government (adding to the oil multinational companies looking after their own interests). And for this reason they were on a state of preparedness to defend themselves. More than anyone else they felt that the *Pachakuti* (New Era) could change their situation and make them subordinated individuals.

For this reason the elites worked the strings of autonomy and provoked the storms. Carlos Mesa wrote in his book *Presidencia Sitiada (Besieged Presidency)* a sentence which illustrated the position of former President Sánchez de Lozada in October 2003: "I am the immovable object to an almost irresistible force". The sentence was originally coined by English historian Eric Hobsbawm when depicting the French peasants struggling against the king.

Towards Sánchez de Lozada, the force of the social movement was stronger. But in the case of Evo Morales, he was the immovable object which successfully resisted the regional movement.

And, as for XXI century socialism, it did not even try to implant definitive structural measures like the socialization of production and putting an end to every form of private property holding. The reason is simple as Marx well knew. Socialism rides on the back of a social class deprived of the means of production and divorced from the logic of profit: the workers (today alienated from the government). However, this is not the case of the corporative movements that support the MAS: coca growers, informal miners, peasants, smugglers, traders, or the so-called "plebeian bourgeoisie", who rather revitalized capitalism from the bottom up, re-legitimated it by giving it a popular façade and constitutionalized

it under the name of "economic pluralism".

The most important measure taken by the MAS government has been the *revival* of state capitalism thanks to hydrocarbons nationalization. "It can be said that this is the most important measure taken by the present government, and as a result, the economy (expressed, for example, in the state-owned reserves, but not only in that) has reached levels never previously seen in Bolivian history. It is true that rising gas prices have played an important part but it would not have been possible without that measure, and, of course, without the 'guerra del gas' or gas war, whose fruits we enjoy right now". (Puente, 2013)

The MAS took actions without continuity, such as the initial government attack to the Catholic church, which then ended up in a pluralism of religions under Catholic dominance; or the government theophany where they tried to elevate the figure of president Morales from that of a common man to some High Priest by taking office at Tiwanaku ruins or when Morales celebrated as an anointed pastor during a collective marriage in La Paz.

The MAS put into practice the concept that, in order to attain medium-sized successes, it is necessary to be focused and prepare to attain maximum objectives. As Atilio Borón expressed it: "In Latin America, in order to make reforms, one needs revolutions" (cited by Moyo and Yeros, 2008). In this manner the MAS "revolution" is within the framework of the present time, meaning with this that they have smoothed the extremes that caused the collapse of the Soviet Union and the end of the Cold War. No more, no less.

Shaping realities

The MAS revolution is not as radical as those of Castro nor Lenin nor Mao Tse-Tung's. But that has not made it any less intense.

Revolutions have on the one hand a popular and clear face: the excluded and impoverished masses raising the transformation flag, that is, their transformation, hoping to reach the sunny days of abundance. On the other hand, revolutions have a less clear and glamorous face: an ascendant class, or at least, a social group eager to become the new power elite. In the Bolivian case, it is the informal "*cholo*" (indigenous people living in the cities) bourgeoisie and the unions leadership thirsty

for social elevation and for higher rank in the spheres of political power. These two joined forces are unstoppable: the ones want to leave their social pothole and the others want to reach the power summit. What joins and brings them together in Bolivia? Their indigenous blood and the thin thread that links hope with ambition.

The narrative which follows could be told more or less in the following manner: both groups, those of "minor-rank" (the "*cholo* bourgeoisie" and the impoverished indigenous people) had in front of them an enemy who prevented them from climbing socially. The enemy was the "upper class" led by Sánchez de Lozada and his peers. This blockade increased indigenous rage as it decreased at the same time the social legitimacy of the upper class.

The former Sánchez de Lozada government wanted to persist in power. He was still supported by the army, but social power was already supporting the MAS. First, we saw a "dual power" experience, then a power vacuum, and finally the national-popular-indigenous tide, which flooded everything. In 2006 the presidential palace became copper-colored and wore poor's dress.

In this sense, the MAS "cultural and democratic revolution" turns out to be an ethnic and economic facilitator, which is no small thing. It was not about a rotation of elites in power but something more serious and deep. It is the shifting of classes in power. In addition, to top it off, it is an ethnic-cultural displacement of the "ruling class" by a reverted "social Darwinism", using Zavaleta's terms. Those who were to resist, instead of dying or cutting themselves off, ended up defeating, imposing and spreading themselves into the entire social body. In fact, this is lived, felt, and perceived everywhere within the corridors of the now plebeian state. However, this is a contradictory victory: they did not decolonize themselves; instead, they modernized themselves according to the XXI century, with a touch of abundant globalization. They would not go back to the community withdrawal or to the cultural homogenization. They are not looking back. They move confidently and easily in a flat earth, as Thomas L. Friedman put it. Their ideologists, as is typical in such cases, instead of orienting the empowered masses, ended up disoriented by their pedestrian aspirations, so far now from the ideological torches. They want what everybody wants: some or a lot of the products shown in the window displays of capitalism, and respect for an identity that they know very well is as porous as a sponge.

They have a clear target: power and money. And possessing one or other of them, they want to be the big cheese in a society that has not become radically egalitarian and which remains prey to obsession with status (although it is becoming less and less dependent, poor and excluding), although it rebuilt its social and economic structure by opening it to social mobility. The first result was that the effervescence of social climbing broke the indigenous coalition to give way to sectorial corporatisms, where everyone lives, fights and complains from their own social position.

The MAS government is like Jean-Paul Sartre said: existence and new circumstances reshaped by state power ended up (or will end up) succeeding a supposed indigenous essence. In other words, those indigenous sectors that support the Evo Morales' government 'revolutioned' society and 'revolutioned' themselves in a unique and astonishing manner. In their case, and as is usual in all situations, the sociological aspect prevailed on the anthropologic side. The new economic conditions and the vigorous social climbing have had a profound impact on the indigenous people (especially on those connected with power and the market). Although they used to live feeling that they were not part of society, they think today that they are a substantive portion, not because the government says it, but because they are quantitatively increasing the middle class and are qualitatively present among the diverse elites[11]. The enduring aspect happened to be the persistence of a hierarchy-prone social structure, and the novel aspect was their diversity among the classes. The overlap between poor class and ethnic group was broken, as the trend goes toward the weakening of the ethnic approach and the strengthening of the class. However, as the middle class increases, there will be a buffer zone between those from the higher ups and those down below, and there will be moderation between the left wing and the right wing.

Evo's "democratic and cultural revolution" innovates and preserves. Thus, we could describe it as a *paradoxical revolution* (that is why its ideological narrative is

11 The MAS economic success provides after the 1952 revolution a radical novelty to the Bolivian history. Although Bolivia had 5 million poor and 2,5 million middle class individuals in 2002, today, the number of poor people decreased in one million (PNUD, 2010) and proportionately augmented the middle class. The classic social pyramid is turning into a pentagon because both poors and the middle class have almost the same dimension.

smooth and leads into the propaganda slogans). Social structures exist, but their compartments stopped being monochromatic. No stratum has only one color. From top to bottom, a novel ethnic diversity flows along the class line.

This is the historic event produced by the MAS government. It is its feature, its stamp, its fruits and its passion.

Progress…

Sociologist Ralf Dahrendorf points out in his book *El Recomienzo de la Historia* that "revolutions create as many problems as they resolve." This sentence seems to match perfectly the MAS revolution.

What problems did they solve? First, the transnationalization of the economic resources. By nationalizing hydrocarbons, the MAS government recapitalized itself and made its government viable by rebalancing social demands with public resources. GDP increased to US$ 30,000 million; GDP per capita increased almost to US$ 3,500; we see a 6% economic growth; and international reserves rose to US$ 15,000 million.

Second, poverty and inequality reduction. Before President Morales, Bolivia had 62.4% poor and 35% indigent people, and the GINI index was 0.61 (World Bank, 2004/2005). Now, poverty decreased to 45% and extreme poverty decreased to 21%, while the GINI index recorded 0,47. In 2005, the difference of income of the richest 10% was 128 times over the poorest 10%, while in 2012, this difference decreased to 46 times (Arkonada, 2014).

Third, the inclusion of indigenous people. For the first time in its history, the country stopped observing from the Spanish caravel prows and vigorously resumed its indigenous identity. The huge national dilemma on whether Bolivia could be made with the indigenous people or whether it might be dissolved without including them was overcome. Thus, the majority of the population stopped being 'alienated' and balanced the accounts with reality just as it is.

Fourth, recovering national dignity. Withered and trampled by the Embassy of the United States , Bolivia got back on their feet and made the country and its authorities be treated with respect and on an equal basis. The people raised their heads while the State also recovered sovereignty over their decisions. Then, in a

unique feeling of dignity, people stopped dragging their feet and seeing the future downcast. Today, they feel they are the owners of their history and not powerless, insignificant and despised figures who moved in the shadow of the Empire.

All this translates into the legitimacy of the MAS government's performance. President Evo Morales, in these nine years of government activity, has maintained about the best electoral result achieved by the UDP (which did not manage to sustain it even for a year and which no subsequent party could equal) in the democratic cycle before MAS: 38.4% which it managed to reach in 1982.

…and setbacks

Now let us turn the page and see the new problems appearing on the national scenario.

The new problems making up the present agenda are four and have great similarities at their core: the quality drop in democracy, the imbalance in the quality of governance, deterioration in institutional quality, and the mediocrity of the quality of society.

About the deterioration of democratic quality, social democratization advanced at the same pace as institutional democracy went backwards everywhere: distrust in the Plurinational Electoral Tribunal; judicialisation of politics; erosion of fair play; and, as a result, the imbalance in the playing field and the establishment of unfair competitiveness between political parties. Most worryingly, as there is a great imbalance between the majority and minorities, democracy has lost its capacity to defend itself. In other words, it is a democracy at the mercy of the government both to be able to persist and to improve itself (a great many MAS partisans retain from the old revolutionary left infinite contempt for democracy). The future and quality of democracy in Bolivia depend on the balance of power between government and opposition (hit by the traumatic fall of traditional parties and by the failure of their counter-revolutionary recomposition). Curiously, a weak opposition produces an anemic democracy. This poses a strange problem: social democratization may build up at the expense of political democracy, so that we can pass from democracies with no future due to poverty and exclusion, to futures with no democracy, but with less poverty and exclusion. Will Bolivia experience democratic

decadency due to its incapacity to generate its own defences?

The imbalance of the quality of governance touches those who support and obey, and agree with closed eyes and mouth, the government is pleasant and a source of generosity. But for those who criticize, question and disagree, the government represents duress and a source of fear. It is like the old sociological pedagogy based on reward and punishment: the carrot and stick approach. That is authoritarianism: not the use, but the abuse of power.

And to this burning passion are added others:

1) The cult of personality of President Morales, neither naïve nor banal by his supporters since they know that *He* is the manna from where the water of legitimacy springs. With and in him the enjoyment and exercise of power; without him and away from him, banishment and a desert dryness.

2) Prorogation, the teleological problem of the left wing, which means that the supposed altruistic purposes may end up justifying the perpetuation of the regime. The economic water that refreshes the social throat after a long period of neo-liberal drought may end up normalizing an unending government and closing the vital principle of democratic alternation.

3) An *assisted corporatism* where the government, in order to stay in power, allows social movements which support them to become (dangerously) "predatory majorities", as is the case with the movement of the coca leaf-growers, which is active in the symbiosis between the most noble principles and the most cynical interests.

4) The excesses of power and the conceit of achievements, or the political *sorojchi*, which means an altitude sickness that ends with blindness obstructing the way to excellence. Can we blend Machiavelli's clever and calculator, paternalist and redistributive Prince with Erasmus' equable and benign, trustworthy and sober Prince?

As for the deterioration of institutional quality, institutions were democratized at the expense of meritocracy, eroding their efficiency, effectiveness and legitimacy. We see men and women that do not deserve their positions. Rather, they devalue such positions, or they use them or exert them with a fruitless ritualism. The government grew out of proportion at the expense of the institutions' shrinkage, which lost strength and autonomy. What does this mean? If the institutions are powerful

elements to shape and crystallize great values, it means that such values are not firmly implanted and rather are being disfigured by contextual political objectives. Now, institutions do not fulfill functions; instead, they are dysfunctional. Justice does not impart justice, but injustice. Forces of order do not provide trust, but insecurity; education does not teach, but indoctrinates. This way, the state is being turned upside down. And, worse, the news media stopped being a watchdog which barked whenever the political power was mistaken to become subservient to the new authorities. Today we are witnessing the shameful irrelevance of the mass media, which, in great part controlled by the government, commits in generous measure every day two sins: deceives our trust and betrays the principle of honesty. Power wins, but society loses. In our endless desire for justice, will the Bolivians straighten out that which is crooked?

Finally, as for the mediocre quality of society, it has errors and virtues. The sad part is that these virtues are not duly underpinned and the errors follow the pleasant inertia of any other vice. What for example? Firstly there is the production of citizens lacking civic responsibility, who profit from the sharing of growth and the award of various rights and systematically look for privileges without considering the general interest and the affirmation of shared values. They reject the common good, obligations and responsibilities.

A second example would be the forming of people who can appreciate only power and money, which generates constant obsequiousness and opportunism. This is the ethic bulimia which thins out the spirit of integrity.

A third example would be the construction of a deficient sociability, because it is unable to consider others or to show solidarity or attachment. Then, dispersing feelings emerge, more prone to devouring each other as fish in the sea than to living together in peace.

Finally, indolence towards order and urbanity, which ends up displeasing us all. These are the corrosive acids of our social fabric in the national garden where weeds seem to prevail.

In other words, we have *more* Bolivia, but not a *better* Bolivia. It is stronger, with more resources, more infrastructure, more bonuses, more public servants, but it lacks better institutions and better citizens. Thus, we have to find a least common denominator of lucidity and change the challenge of multiplication for

the challenge of qualification.

Colophon

During the neo-liberalism crisis and the *democracia pactada* or "agreed democracy", we thought that the pitch-black stormy night would bring a new, clear and brilliant day. The social hope looked towards the MAS. It was a dream come true, not a reality converted into a dream. Certainly, the MAS government brought a new day. We see progress, but it is true that this new day brought also a new night, yet clearer and less stormy. Then, in our human forge and in a rising vision of history, we have to take the sufficient steps towards the next stage that was lacking, knowing and being aware that such a new day will also bring a night, and that the progress to which humans aspire will mean clearer nights and days less obscure.

Sources

Argirakis, Helena (2014), "Estrategia de los cambios en las directivas camarales", in: Animal Político, La Razón daily, 26/1/2014, La Paz, Bolivia.

Arkonada, Katu (2014), "La otra batalla de octubre", in: Le Monde Diplomatique # 71, July, 2014, La Paz, Bolivia.

Dahrendorf, Ralf (2006), "El recomienzo de la historia. De la caída del muro de Berlín a la guerra de Irak", Katz Editores, Buenos Aires, Argentina.

Friedman, Thomas, (2006), "La tierra es plana. Breve historia del mundo globalizado del siglo XXI", Grupo Editorial Planeta, Buenos Aires, Argentina.

García Linera, Álvaro; Chávez León, Marxa and Costas Monje, Patricia (2004) "Sociología de los movimientos sociales en Bolivia. Estructuras de movilización, repertorios culturales y acción política", Diakonía/Oxfam, La Paz, Bolivia.

García Linera, Álvaro; Tapia, Luis and Prada, Raúl (2004) "Memorias de octubre", Muela del Diablo/Comuna, La Paz, Bolivia.

Hobsbawm, Eric (2006) "Historia del siglo XX", Crítica, Barcelona, España.

Instituto Nacional de Estadística (2012), "Anuario estadístico", La Paz, Bolivia.

Leaño Román, Eduardo (2014) "Tierra de fuego. El conflicto autonómico en Bolivia (2003-2010)", Fundación REI, La Paz, Bolivia.

Mesa Gisbert, Carlos (2008), "Presidencia sitiada. Memorias de mi gobierno",

Plural, La Paz, Bolivia.

Mesa Gisbert, Carlos (2014), "Breve historia de las políticas públicas en Bolivia", Gisbert Editorial, La Paz, Bolivia.

Miranda, Boris (2012) "La mañana después de la guerra", El Cuervo/Nueva Crónica, La Paz, Bolivia.

Moyo, Sam and Yeros, Paris (2008), "Recuperando la tierra. El resurgimiento de los movimientos rurales en África, Asia y América Latina", CLACSO, Buenos Aires, Argentina.

Nogales, Ricardo and Foronda, Carlos Alberto (2011), "En busca de oportunidades: clases medias y movilidad social", Cuadernos de futuro 28/UNDP, La Paz, Bolivia.

Puente, Rafael (2011), "Recuperando la memoria. Una historia crítica de Bolivia (Tomo II)", Plural, La Paz, Bolivia.

Quispe, Felipe (1999), "Tupak Katari vive y vuelve… carajo". Pachakuti, La Paz, Bolivia.

UNDP (2010), "Informe Nacional sobre Desarrollo Humano en Bolivia. Los cambios detrás del cambio: desigualdades y movilidad social en Bolivia", La Paz, Bolivia.

World Bank (2004/2005), "Bolivia: estrategia de asistencia al país", La Paz, Bolivia.

Chapter 5

Bolivia: A Democracy in Dynamic Development, a Chronicle About a Struggle of Ideologists

Rafael Archondo[12]

12 Rafael Archondo is a journalist and social scientist

Photo: Amancaya Finkel

In Chaparina, an Amazonian village, the government of Evo Morales ordered the repression of indigenous marchers.

In Bolivia, democracy has been declared at risk several times. One frequently hears that the arrival of the Movimiento al Socialismo, MAS (Movement Towards Socialism) in office in 2006 seriously compromised the future of the rule of law. It is said that, since the President promoted an hegemonic plan, the democratic attainments accrued up to 2005 would fade away gradually. It is common to hear about totalitarism, desires to perpetuate the President's administration in power, or corporatism. The basis for such alarms is either the appointment of acting authorities in positions that are normally designated by two-thirds of Congress, or the attacks of the government on certain news media, or on the centralized control of the three branches of government from the presidential palace.

Together with these concerns, the country has experienced the most intense period of election surveys in its recent history. The referendum has now been added to conventional elections and has been converted into an electoral mechanism for practically all relevant appointments within the power of the state. Bolivian citizens elect not only the president, vice president, senators and deputies, governors, mayors and municipal counsellors, but also judges and members of departmental assemblies. In recent years, voters have determined gas, land tenure and decentralization policies, and even the National Political Constitution. In addition, there is for the first time a new level of sub-national governments, where Bolivian identities can be not only represented, but also "self-governed".

In light of these two antagonistic backgrounds, one has to ask: Is democracy mortally wounded in Bolivia? Or is it instead in optimal health? Is the removal of authorities or institutions part of a democratizing offensive or is it rather the end of the separation of powers and the advisable internal balance of the powers within the system? When a stable majority imposes the rules of the game, are the minorities condemned without salvation? Or is the nodal principle of every democracy operating by which majorities are those who rule?

This article tracks the debate on democracy in the country and seeks to find a common denominator which will allow us to make a diagnosis of the current situation. In precise terms, it tries firstly to make a representation of the contemporanean Bolivian debate on democracy by incorporating academic papers which have been presented between 1982, when civil freedoms were finally recovered, until the present time. After showing the arguments for such debate, we will try

to interpret it, trying to make the theories in dispute converge. Hence, with a more articulated picture, we will resolve some aspects of the discussion.

The Bolivian Debate: Democracy and its Requirements

It is well known that democracy is a relatively young system of government. Its worldwide dissemination dates back to the end of the XX century or beginning of the XXI century. It is just one century ago, since almost all of the political actors perceived it as a questionable mechanism to attain equality and defective for doing justice. After two world wars with fatal results for a great part of mankind, democracy could barely manage to make headway in Western Europe, and was put to the test several times due to increasing social tensions[13]. Only in 1989, with the collapse of true socialism, was democracy able to cover whole continents and become a desirable means to make decisions at a worldwide scale.

The main complaint against democracy was related to its complete defenselessness in face of innumerable human challenges. Most people found it hard to believe that a system based on persuasion could meet effectively the huge material needs of people and the web of opposing interests of society. Democracy was perceived as a weak and useless system, unable to establish a fair order or to punish those who might disturb social harmony.

In most cases, and for the same reason, democracy was perceived as a "luxury article" reserved exclusively to highly industrialized countries. It was thought that, only when societies could reach high levels of prosperity and equity, that is when a majority middle class had been formed and the essential needs of the poorest people were met, could a country afford a stable democracy. The democratic system was seen as a higher stage of civilization that would be in place only after abundant bloodshed and sorrow.

In that sense, it was thought that the main enemies of democracy were hunger, unemployment and poverty, ghosts, which, clinging to anti-liberal ideologies such

13 The Amartya Sen objection regarding the presumption that democracy is a European product is well known. The Indian economist shows that in Asia, for example, long periods of democratic life have been in place, although the sense of such experiences cannot be defined under current parameters. Such evidence shows that democracy has never been popular among thinkers.

as Nazism or communism, had devastated European parliaments at the beginning of the XX century. Reality seemed to shout it from the roof tops: not a single democracy had been able to survive a significant social crisis.

In Latin America, the same perception existed during the 70s. For many, dictatorships were a "necessary evil" accepted reluctantly in order to resolve financial straits and build the basis for stable democracy. It was thought that, for example, Chile was obliged to go through the Pinochet period before establishing a democracy solid enough to resist any repeat assault. If we take a closer look at this concept, it was first necessary to moderate social differences, which are the breeding ground for revolutions, then to be able to "afford the luxury" of the vote. In other words, the majorities' involvement was admissible only if they were satisfied and, therefore, vaccinated against revanchist or confiscatory options.

In this regard, Jorge Lazarte (1993) began to notice a significant change in the behaviour of political actors in Bolivia at the beginning of the 90s and described it as: "Politics is not perceived in simple terms of force, violence or imposition anymore, but rather it is felt as a mechanism to reach an agreement between diverse interests." Perceived evolution led him to conclude that the actors were more and more willing to talk and negotiate rather than pursue complete victory over their occasional adversaries. This open and flexible attitude would make a democratic stability possible in spite of the existing economic inequality between members of society.

In a direct manner we have entered into discussion about what could be called the "material conditions" of democracy, that is, its foundations which make it possible. Viewing things in this light, one could imagine that the first step to democratizing a country is to create financial prosperity, no matter if it occurs under authoritarian schemes, to give way later to a transition which, little by little, makes for more practicable political liberties, until fully attaining them. To make this strategy understandable use has frequently been made of the metaphor "maturation". According to this image, societies have to mature in order to reach democracy. This way of thinking is so rooted that many people do not care about the lack of freedoms in modern China while that society records economic growth exceeding 9%, which would be laying the groundwork to permit slowly the emergence of new political actors who will finally demand both civil and market lib-

erties. Somehow, this way of conceiving democracy is deeply linked to economic freedom. Democracy would be able to mature more in company with free markets, as long as they produce free citizens, active contractual subjects and entrepreneurial agents, who are the ideal raw material of elections.

This idea could well be called the "theory of democratic maturation" because it maintains that democracy is far from being a mere institutional design to be applied to any reality. Here, we understand democracy as a life system that embraces the whole social existence. Then, it is not a mechanism to make decisions but rather a comprehensive way where a vast human conglomerate is organized. In this sense, to be successful, democracy depends fundamentally on largely matured institutions and traditions among social groups. It cannot be merely transplanted from one place to another, as if it were some technical tool. From this perspective, trying to decree democratic systems through violent imposition, as was attempted in Haiti or Iraq, appears as a vain or naive effort.

Democracy without Democrats

In Bolivia, this idea of democracy reached its theoretical peak during the 90s, where most academics embraced it and developed a diverse set of methodological instruments to consolidate it. For example, surveys on democratic culture became fashionable in order to investigate how deep the democratic convictions and practices of citizens were. The strength of democracy was measured not only by the number of elections carried out or by their degree of transparency, but also by the existence of convinced and practicing democrats in society.

Jorge Lazarte successfully launched the idea that it was possible to denounce an imposture such as "democracy without democrats". In this framework, several individual contributions produced an organic way of thinking. Everywhere, democracy was just an apparent condition, ritual or merely symbolic state. On the façade, the country was democratic, but behind every trace of social life, disappointment was frequent.

In a paper at the time, Lazarte (1990) makes a balance of democracy's health in Bolivia and writes, "To stabilize democracy is to develop its potentialities (…) it is to democratize democracy until making it desirable and not simply usable; it

is to pass from governed democracy to governing democracy. Democracy serves both as a procedure and a regulation at the time of making political decisions and as a possibility to convert it into a way of life and a collective ethos." As we can see, democracy is not defined here as a mere electoral fact; instead, it seeks a more extended, ambitious and overreaching concept.

In another paper, Lazarte is even clearer: "In Bolivia, democracy is more a new concept than the continuance of a previous process. Democracy, as pluralism, as civil and political freedoms, and as a legal and real possibility to replace the bearers of power, is something which truly began from 1982. The Bolivian past was rather one of simplistic intolerance, of permanent violation of rights and of a daily violent power struggle (…). We have passed from instability to stability, but not from stability to consolidation. This problem is still to be solved." The diagnosis is lapidary. If democracy has to do with maturation, Bolivia is still at the seedling stage.

Pessimistic assessments by HCF Mansilla fertilized even more this ground. In one of his books that best illustrates the critique of modernization in Latin America, Mansilla (1997) states that " Aztec, Mayan and Inca cultures were not familiar with proto-democratic models (…) " and that "among those civilizations, the social structure must have had a pyramidal and very hierachical nature." Mansilla says that such authoritarian legacy was followed by the Iberian-catholic tradition, which, far from improving things, worsened them. In his words, "The pre-Columbian heritage, with strong paternalist trends and a particularly rigid and pyramidal social structure, was followed by the patrimonialist and illiberal tradition of the Iberian conquerors." According to this interpretation of history, Latin America might have adopted two anti-pluralist forms of conceiving social relations, producing as a result an authoritarian tradition with strong roots. The balance could not be worse. It seems that democracy in Bolivia not only lacks cultural sustenance, but is instead besieged by very powerful antibodies.

Hence, if democracy needs sufficient material conditions to develop, it is logical to think that, faced with such doses of pessimism, academicians felt the weight of a monumental challenge. For this reason, they developed a continuing effort to extend a democratic culture wherever possible and promoted initiatives intended to multiply democrats and make of democracy something more than

a mere formality. Amongst other things, for example, they promoted the Law of Parties in order to oblige the political organizations to conduct primary elections to elect their candidates. During the 90s, the MIR, ADN and MNR parties carried out internal elections, which were not free from strong internal conflict. This law also regulated campaign funding and advocated the rights of party members, thus allowing the Electoral Court to intervene frequently in the parties' internal operations. For the promoters of this scheme, it was not admissible that the guarantors of democracy were not democratic in their internal operations.

Furthermore, significant institutional reforms benefited from this academic orientation, such as the establishment of the Ombudsman, the Judiciary Council, an independent Electoral Court, Popular Participation, [the] National Dialogue, and public hearings in Parliament.

During the 90s, the term "citizen" as a desirable goal became very fashionable. It was aimed at building a new political actor, an authentic product of democracy who, in an individual and meditated way, could become the main actor of the processes as they were able to leave behind totalitarian and corporative hindrances which hindered their potentialities. Therefore, the specific enemies of democracy were the coercive and plebiscitary ways inherited from the colonial and pre-Columbian periods. Decisions taken in the framework of unions or military environments, oligarchic or bureaucratic organizations were perceived as a backwardness or as an obstacle which modernity had to remove. The time of the citizen had arrived, that individual freed from ties, able to make decisions for him- or herself, without masters had finally come, which best fitted their interests.

It seems that the Bolivian political reality during the 90s fulfilled the academicians' wishes. While the theory of democratic maturation found its main player or executor in the citizen, Bolivia went through a crisis involving miners, the military, the ultimatum or decisive vote, and appeals to public opinion. Neither the Bolivian Workers Union (Central Obrera Boliviana, COB), nor the civic committees, much less the armed forces, were able to have an effective influence on the events occurring in the country unless they acted within the reasonable framework of the active citizenship. Democracy could thrive only if it could manage to avoid or stop the corporate triggers of Bolivian society. That was the way of solving the difficult

equation of a democracy that did not meet yet the material requirements which permitted a natural abundance of democrats. That society was not satisfied, at least it had found pacific and tolerable ways for expressing its discontent. Since the citizens deactivated the redistributing and confiscatory outbreaks, then democracy was possible in an unequal and unjust country such as Bolivia, so we could "afford the luxury" to think about democracy in a place of chronic shortcomings. Indeed, the almost terminal crisis of the mining unionism and the military retreat to barracks opened the opportunity to bet on voters.

As we see thus far, democracy is not in essence an indiscriminate participation system. Although the level of participation is a critical feature to any democracy, it is the type of intervention that qualifies it. According to the democratic maturation theory, only citizens can participate, as any other type of interference could be seen as a threat or a deviation. The main ingredient of democracy is participation through the free and regulated organization of political parties or through individual and secret vote. However, the belligerent and conflictive presence of social groups making themselves visible through forms of pressure would instead be a symptom of corporatism, which is behavior bringing into question other forms of participation. When threats and pressure becomes a routine practice, democracy begins to fall apart.

In other words, democracy is a system where the majority rules, but only when the will is expressed but only without damaging the minorities. Lazarte (1989) very clearly distinguished the forms of participation: "Based on the historic leftists, a roadblock is a democratic action, but according to others, it would be an imposed action that violates the others' rights and freedoms. That is why a blockade is a violent (though peaceful) act against others".

Based on the above, it is clear that democracy is understood as the empire of freedom and pluralism above participation. If those who participate infringe the rights of others then they would be violating the compact between citizens. The only valid participation is the one that is defined by law through the vote. Going back to the beginning, the democratic maturation theory puts the voter as the main and almost sole actor, as only the voter can make democracy work, whereas those who mobilize embody anti-pluralist interests and reflect old non-democratic currents of thought existing in Bolivian society.

The Challengers: Democracy of Mobilized Individuals

When national crisis erupted in 2000 with the Water War in Cochabamba (April) and blockades on the La Paz altiplano (April and September), the precepts of what we referred to as democratic maturation theory began to be questionable.

It turns out that, after two decades of relative calm, Bolivia returns again to what its long history used to confirm (according to Mansilla). Those forces that were believed to be buried have emerged again. It is no longer the COB of the past, but rather, for example, the Water Coordinator or the Tropic Federations. The forms of unions, which since 1985 proved to be unsuccessful when faced with government assaults now begin to revive vigorously and manage to put the authorities' backs to the wall.

Slowly, the citizen or voter is replaced by the mobilized individual. Suddenly, the decision-making mechanism, which was firmly assigned to party leaders, becomes irrelevant. Some sectors referred to as "anti-systemic" slowly begin to take power. For the first time in 20 years, legitimacy divides its branches which start to compete with each other. Elected or designed authorities appear on one side, and new leaders empowered by union assemblies appear on the other. The ideological basis soon appeared in front of this duality. A group of academicians called "Commune" quickly began to produce papers when the Water War was over, whose favorite theorization subject was this "other" democracy. They are a quartet of authors: Gutiérrez, Prada, García Linera and Tapia, who followed a kind of thinking which, aspiring to remodel Marxism, keeps a democratic identity, whose legitimation already seems incontestable by then. The main purpose of this thought was to reclaim the democratic ideal, now not from the classic liberal perspective anymore, but from a community stance, though also reputed to be a democratic one.

The political advantages of this starting point were clear. Nobody would be able to attack the new social movements labeling them as anti-democratic, since it was necessary to confer on them this characteristic and strengthen it. However, a similar action had been already taken a decade earlier with the political parties like Condepa and UCS. The promoters of the "democratic maturation" current such as Carlos Toranzo or Fernando Mayorga had managed to seduce them with the idea

that, although Palenque or Fernández were two leaders who opposed the "system", they actually strengthened a liberal democracy because they attracted those social sectors which were excluded from the representation scheme in place at the time. The two authors developed the idea that Condepa and UCS should be judged because of their practices rather than because of their discourses. Their contribution was that they widened the representative scope of the democratic system and that this was essential at the moment of analyzing them. Why could they not say the same about MAS or MIP? Surely because these parties were not any more in the citizen behavior mood conceived as legitimate. Unlike Condepa and UCS, these organizations were born from the workers unions and, above all, preserved the prominence of the mobilized persons over the voters.

As a result, the theoreticians of the so-called social movements were neither Toranzo nor Mayorga, but Gutiérrez, Tapia, Prada and García Linera. They introduced new explanation schemes which no longer stemmed from the democratic maturation theory. "Commune" discussed other currents and stopped thinking that the main concern should be the development of democratic values in a society resistant to them. That priority was not included in their agenda. Their diagnosis was centered on [in] the decline of one democracy and the birth of another. For the first time in this debate in the country, democracy was not seen anymore as a unique system and began to be assessed based on its factual diversity. For "Commune" there are several democratic practices which need to be classified. These authors distinguish classic, which we have commonly known, from another democracy called "plebeian", that is, equipped with different content.

For example, shortly after the so-called "Water War", Raúl Prada (2001) argued that "The protesting social and mobilized individuals are not just the main actors and bearers of concrete powers, instead, they are essentially the effective force of democracy." In the same book, García Linera (2001) goes further when he makes a detailed analysis of the first two uprisings which occurred in neo-liberal times in Cochabamba and in provinces of La Paz. Regarding the experience of the Water Coordinator, García Linera stated: "As a result of the extension of local democratic practices (…), the crowd has been acting basically as a form of democracy and political sovereignty." These new theoreticians find not only abundant democracy where other theoreticians found corporatism, but they also perceive

development even stronger of consultative practices. García Linera describes them clearly: "They became a type of social organization where the only authority they recognized was themselves, in other words, a government founded on a fabric having deliberative and representative democratic practices which actually replaced the system of political parties, the legislative and judicial powers, and almost the monopoly of public forces".

As we can see, this "other" democracy not only differs from the official canon, but also is able to replace its performance and become an alternative way of making decisions. García Linera calls this type of actions a "communal democracy" and confers it with the usefulness to allow community members to discuss their agreements and turn them into a compulsory standard for all of those who participated in its development. Obviously, it could not be otherwise, since the trigger of this kind of participation is mobilization, where there is no room for disagreements, as the aim is to defeat the common adversary. For this reason, it is not surprising that Luis Tapia (2001) equates democracy with sovereignty. Tapia recalls that the history of democracy contains not only "the fight for the acknowledgement of political rights and representation, as the liberals would say," but also it is about "a process of dispute over the surplus." This is the restructuring of democracy, currently seen as a significant episode in the struggle for economic redistribution. "Nowadays, the assembled crowd discusses directly, proposes, rejects, modifies and approves. Leaders just convey the result. Once again, the decision-making faculty was reclaimed by the social structures that, in a radical act of political rebellion, abrogated the custom of delegating power in order to exercise it themselves" (Gutiérrez, García, Tapia). For the authors, this is the exercise of a plebeian democracy, a new practice which has emerged from mobilizations. Here, the citizen, that is the voter, is replaced by a mobilized individual, who does not just have a preference but instead demonstrates it with direct actions.

The starting point for this new interpretation is that several civilizing regimes coexist in Bolivia (García Linera, 2004). Each of them is characterized not only for having diverse ways of producing wealth or presenting the world, but, especially, they have different ways of choosing authorities.

Given the idea that there is a single possible democratic order, "Commune" opens the concept to plurality and radically modifies the terms of the debate.

The theoreticians' premises of the 90s were shaken. The former scheme where corporatism and democracy tried to show themselves as legitimate in front of the civic culture of people was being replaced by a civilizing struggle charged with ancestral antecedents. What had been seen as corporative by the academics of the 90s, appeared to the "Commune" as the "other" democracy. In this context, clearly antagonistic values became relative. Culture or democratic development no longer acted upon a kind of regulatory vacuum nor upon the anti-values of patrimonialism and corporatism anymore. Instead, they faced different, yet not necessarily harmful, reasons. And another vocabulary emerged as well. The former "corporation" or "class" became "crowd form". Supported by authors such as Toni Negri and Michael Hardt, the members of "Commune" theorized about the beneficial effects of the masses congregated in the public squares, rising above themselves beyond past union structures. Spontaneity, creativity and flexibility were valued among the new individuals, who left the class tradition behind and took on new attributes such as networking or grass-roots vigilance. All of this was articulated to a world-wide movement to resist the existing economic order. Class no longer counted: now it was the neighborhood, youth, mothers' clubs, casual labourers, Internet, and counter-culture.

We find especially in Gutiérrez the desire to create new democratic thought based on the grass-roots. Inspired by the Zapatista doctrine of her native Mexico, Gutiérrez tries to find and strengthen the ties between the experiences of Cochabamba or Omasuyos and the other resistance networks in Chiapas . Everything indigenous is seen as a new quality of things democratic.

We have another concept of democracy. The so-called communitarian democracy is opposed to representative or liberal democracy. Let us examine at once what are their characteristics. Basically, within communitarian democracy, the mobilized individuals are the main actors, they are called to take actions and have the willingness to strongly influence public affairs. This allows that decisions are not delegated to a representative body as normally occurs in traditional democratic schemes, but rather that every individual may act and mobilize without mediation.

In this sense, each one of them is able to hold public office in turn. Every community member has to go through a chain of social duties in order to deserve a temporary appointment. Among the academics such as Ticona, this is styled

"*thaki"* or path, with emphasis on the responsibility with which a given duty is accomplished. As the exercise of certain powers is needed, they pass from one individual to other within the community. Thus, more than a circulation of elites, which is typical at the traditional democracy, we have here the rotation of roles among everyone. In this way, holding a public office is far from being a privilege, it is more a "burden" carried stoically on behalf of the community. Power is here a tribute, a gift to benefit the others.

Since the basis for the alternating democratic system is not that of a voter who delegates his/her willingness to a trusted representative body but a mobilized individual who has taken control levels of representation are few and cover only that which is strictly necessary. That is why in such environments there is much talk about self-convocation and self-government.

It is clear that, under this manner of conceiving the process, the so-called "material" basis for democracy assumes another nature. In this logic, democracy also needs foundations, but these are related not to the generation of a material basis as such, but rather to a cultural or political basis (the very mobilization), which allows the individuals called to mobilize exercising their newly acquired power. Thus, the so-called "water warriors", young people organized to challenge the rise of prices of this service, acquire a new quality when they defeat the police and take over the main square. After that, converted into mobilized individuals, they are invested with an unusual type of power, which qualifies them to enter into the public sector and assume prominence. Here, the citizen's logic, in other words, a vote does not count, as it is only the equalization of all the options taken in a collective manner. The important thing is the support of a cause validated by the majority as part of the "common good". Therefore, the "water warriors", together with the peasant union organizations, those using irrigation facilities, and neighbours, are a sort of emerging power which makes decisions in a 'multitude' fashion. García Linera notes that the difference between this kind of multitude and the other forms of multitude lies in the fact that every person speaks on behalf of his or her organization and has to be accountable for them. It is not anymore the abstract representation given to the governor of the time, but the gathering of people who define the situation in the framework of the conflict. It is obviously an act of force, but invested with a majoritarian voice, reinforced by a type of

democracy that uses other possibilities.

These approaches undermined gradually the idea of democratic maturation. Bolivia's problems were not related to the survival of an authoritarian matrix covered by a democratic veneer. Bolivia's problems are related to the dramatization of an institutional democratic farce clearly confronted with other schemes which have emerged from other civilizations which conceive democracy differently. We are here, if one wishes, facing a real conceptual impasse. Reality itself is perceived in an antagonistic manner and it seems that there is no room for a conciliation of perspectives.

Is there a democracy here beyond formally proclaimed democracy? Should both forms of conceiving authority coexist, confront, or complement each other? Is the current experience the fight of two insurmountable types of democracy ?

What Happens in Real Life

What is immediately noticeable is that, the more restricted the ambit of intervention of public decision, more achievable seems the ideal of basic or communal democracy. At the same time, as long as the debate topics are more comprehensive, more representation levels are necessary.

Even in times of major disrepute, democracy has always been practiced in reduced groups of individuals considered peers. The very communication theory states that a plain dialogue can occur only in small circles of up to ten people, where all the members enjoy certain horizontality between them. An extension of this spectrum demands the building of hierarchies and spokespersons, so the supposed antagonism between [the] representative democracy and participative democracy is still something forced or artificial. One does not exist without the other. Wherever full participation by everybody is possible and desirable, there will be the conditions for this. However, from the logistical point of view, when such participation obstructs itself, the only recourse will be to introduce an equivalent amount of delegation and surveillance. The ideal formula seems to be: as much participation as possible and as much representation as is needed.

In this sense, every democratic system comprises both mobilized individuals and voters. Mobilized individuals are those who are very interested in a topic or

segment, they are the "warriors" strongly committed to a cause. Without them, democracy would lose drive and would be sustained as a routine without any engines. On the other side, democracy without voters could not be credible because it would simply be the sum of acts of force. Voters are everybody, no matter if they are interested or not, motivated, or just misinformed. They will always choose to delegate, because they do not consider themselves as activists. They have their preferences rather than causes for which to fight. There will be moments of strong conflict, where the mobilized individuals will develop the agenda and print their stamp on it. During such times, voters will stay withdrawn and expectant, and then will validate (delegate) what the mobilized individuals have done. Since mobilized individuals pertain to different sides, opposed actions may end up neutralized between each other. During such times of hesitation, the only remedy would be to hand over the decision power to the voters, who will eventually reset the decisions based on what they witnessed. Any democracy plays with such dialectics. Changes are not possible without the mobilized sector, but they will endure only if they are supported by the voters, who transform changes into institutional rules.

Academics from the 90s thought that democracy with only voters was the key to stability, and they were right. For 20 years they experienced the validity of their idea. Bolivia, from being one of the most violent countries in Latin America, became one of the most calm and harmonious because the mobilized individuals had few opportunities to be noticed. The great mass of voters eventually settled events after observing the behaviour of their representatives. However, by 2000, discontent and uneasiness increasingly mobilized more people. As a result, the academics of the XXI Century were astonished by the appearance of new decision mechanisms, which can be set only during mobilization periods. Driven by assemblies, the workers unions, neighborhood councils, or civic committees, voters were replaced more and more drastically. However, the proliferation of mobilized groups with antagonistic standards created the need to settle matters through the vote. This way, gradually more voters, persuaded by the polarization of turned out to vote in events, order to validate the new rules of the game.

Indeed, academics of the 90s expected to provide the citizen, that is, he voter, with the monopolist management of the process and tried to intervene more frequently as a means to solve the tireless disturbances of the mobilized

individuals. They considered, not without reason, that, by making room to the moderation of those who do not mobilize, they were stabilizing public management. For their part, the academics from the first decade of the XXI century found that the mobilized individual has important issues needing to be dealt with due to their critical and urgent nature. Then, far from invalidating their attacks, they assigned them with a democratic quality that other academics had denied them. By recognizing them, they suggested a sort of honesty from the country towards its population. "We are like this, and we had better accept it." With this, they did not remove the citizen nor the voter, but instead they provided them with the last word. This means that, now, the mobilized individual actively drives the agenda of the debate to the limit, where only a sovereign or supreme decision will finish the process. Then, voters intervene with the vote, better if via referendum, and consolidate the advances. They do it not to contradict the voice of the mobilized but on most occasions to recognize their voices and bring calm to matters. As we can see, we are talking not about two democracies but a single one with different emphasis. And, obviously, once again the debate is defined within the so-called "conditions " of democratic possibilities. While for the academics of the 90s democracy was sustained by negation of the mobilized forces, which gave way to the near monopoly of voters, for more recent academics, mobilizations rather than being a threat, qualify democracy. In that sense it is necessary to integrate their attacks, provide them with substance, and, without putting aside the voters, give them the ultimate decision, which seals or institutionalizes the manœuvres of mobilized groups.

It is not by chance that for this reason the referendum has become the most used democratic mechanism in this period. Between 2004 and 2008, Bolivia has organized five ballots of this type regarding specific issues without the need of delegation. They were direct democratic acts where the electorate did not nominate representatives to take decisions, instead they decided directly. Each of these referendums was the result of multiple mobilizations and the final convalidation needed by those who went to the streets in the pursuit of their objectives. The referendum is the means that best expresses the dialectics between mobilized individuals and voters in Bolivia; it is the anchor that binds their dynamics. The mobilized forces drive the conflict until reaching two options, then the voters

have the last word. This is the manner in which Bolivians have reconciled and balanced the two forces.

The clearest example occurred in October 2008, when a mobilization headed by President Evo Morales ended its march in the main Murillo Square, where the seat of the Legislative Branch is located. They demanded the approval of a call for a referendum to approve a new Constitution. The mobilized people mounted a threatening vigil pending the enactment of a law. Within the building, both the governing legislators and the opposition were negotiating and writing the changes to the Constitution. The Congress had set itself up as the Constituent body and accepted the call for a referendum conditional on the text which would be put to the voters' consideration. The crowd was powerful enough to be able to destroy the parliament and impose its leaders' criteria while Congress was in a position legitimately to flee and leave everything in confusion. Neither of these extremes could resolve matters. The next day, the mobilized crowd celebrated that their call for a referendum would be put to the voters. We are talking here of an institutional channeling of street actions, a finally virtuous struggle between two poles claiming to practice democratic practices.

In the country, mobilized individuals owe very much to voters. Thanks to it, they are visible and have privileges. Therefore, there might be an unconfessed respect from the streets due to their possibilities of achieving pacific and institutional openness. The vote has carried the leaders of mobilizations to formal power. So it seems that there is no disagreement between both. Mobilized individuals and voters have discovered how to become synchronized. Bolivian democracy is progressing thanks to mobilized groups (their push ensures no stagnation), yet it does not run off the rails thanks to the acceptance by the voters. They are like the accelerator and the brake, two crucial functions to drive prudently.

The implication of this development of ideas is that the two academic currents are not really antagonistic. The same practice has opened the possibility to make them work concurrently. Today it would be impossible to keep the orthodoxy in both of them because the concrete democratic exercise shown by the Bolivians does not accord exclusive reason to either of the trends. We do not have permanent mobilizations which rule out the need for voters, but nor can we go back to the time when mobilizations seemed to be a marginal anecdote. Voters and mobilized

individuals are strongly present in the current Bolivian political scenario. A democratic theory loyal to the process should give them the same importance.

First Attempt at Improving the Merger

In January 2014, celebrating the fifth anniversary of the so-called Plurinational State, Vice President Álvaro García Linera read in the Congress a main discourse related to the analysis which we present in this document. The vice presidential speech addressed exclusively the definition of democracy adopted by his government. As a counterpoint, García said that the right-wing opposition "has perverted the concept of democracy."

Two views were confronted once again. The MAS government, through its second man of the state, argues that democracy is a combination of votes and redistribution of wealth. In his public speech, García reviewed the election results from 2005 up to the present. In all of these processes, Evo Morales got overwhelming and indisputable support. Nonetheless, the opposition has frequently said that Morales is a "dictator" because he aims to concentrate all power. His strength among the voters and also among the mobilized groups is construed as a scheme of encroachment of the minorities. His Vice President labels such objections "racist" and says that, when someone got the presidency with 20% of votes in the past, he was considered a "democrat", while Morales, who easily exceeds half-plus-one of the votes, is an impending totalitarian. This incoherence can be understood by the fact that the traditional elites do not accept "an indian" to lead the country. In this regard, García said that morning: "If the President is elected by a simple majority and is a relative who has a noteworthy surname, then it is a democratic ballot, but if he is elected by 64% of voters, and additionally is a peasant, then it is tyranny, despotism."

Further on, the Vice President explains another polarity. A democrat is not anymore the one who obtains an indisputable support in the ballot boxes, it is someone who also redistributes among the population the wealth produced or acquired socially. Once again, Evo Morales seems to be a democrat par excellence. He brings together two attributes chosen by the government to define democracy: the vote and conviction about the common good. On the other side, we have

those leaders, who, though being elected, promoted, for example, privatization processes of public companies. This point of view is clear when García says in his above-mentioned speech: "Currently there is a better democracy because, for the first time, it reaches the pockets of the poor and humble." Then, democracy is clearly synonymous with redistribution.

In the framework of this analysis, García Linera has made a first conceptual synthesis. In his opinion, after almost a decade in power, mobilizations have ceased to have a decisive role anymore, as they seem to break up through the beneficent of the government. The democratic leader swaps votes for works. So why march then? Seemingly, street actions are motivated only by material shortages. This sudden harmony between government and its subjects has been called by García the "integral State", a place where the public is blurred with the social world. The previous one was [an] "apparent state" or, in other words, a disguise, an illusion, a deception.

Are we at the end of the controversy? Are the grounds lost for discrepancy between the citizen's theorists and those who advocated the rights of mobilized individuals? Or the dilemma has been gradually diluted due to the appearance of a strong, inclusive and co-optive state? Maybe it is too soon to answer these so disturbing doubts. So let us leave in suspense for now reflection on what might be in the future.

Conclusions

In conclusion, it seems important to enhance the usefulness of this development of ideas. What might be the value of these reflections with an eye to the future? Let's see:

1. By trying to match the democratic maturation theory with that of the civilizing regimes, one could say that any democracy comprises intense and extensive ingredients. The first ones are characterized by their febrile activity, while the second ones have a discreet, yet conclusive presence. The first ones are effective, yet fleeting, and the second ones are quiet, but constant and definitive.

2. Democracy neither tolerates a permanent mobilization nor a never-interrupted passivity either. Every cause for collective action will always be partial; it will never bring together 100% of the citizens. Therefore, every democracy has to

face this asynchrony and develop institutional mechanisms to do so.

3. However, in order to be fully democratic, every decision has to have the involvement of everyone, including those who have no interest in deciding anything. This generates a distancing between those who are involved actively in the decision making and those who choose to stay on the sidelines. The final determinations are frequently made by those who take no risks or prefigure events, although they make them inspired by those who did put themselves at risk.

4. Accordingly, it can be said that we have a high-intensity contemporary Bolivian democracy. Unlike the decade of the 90s, it does not bet on the bloodless annulment of the mobilized groups, but rather on their permanent activation. It is not chance that this option is perceived as a threat and that all mobilized action implies the segregation of those who do not participate in it. Any string of actions oriented by a particular strategy always challenges the institutions. By doing so, it puts previous consensus at risk. This is a continuing source of instability that can only be stopped as long as voters validate the new consensus. This is what is known as the struggle between constituent power and constituted power.

5. A view able to suggest a single \democracy comprising both mobilized groups and voters, under the same regulating agreement, may help have a single impression of the process. Thus, such different actions as the march for the Constitution in October 2008 or the open forum for autonomies in Santa Cruz in January 2004 might be seen as the ingredients of a same democracy with strong recompositions.

6. Consideration of this type may mitigate the pejorative burdens produced by any mobilized action among those who do not feel called to participate. It would be understood that those who take to the streets, even if it were to invalidate other mobilized individuals, are part of the same decision-making system. This is why it is not a casual happening that it was possible that both the departmental autonomies and the indigenous autonomies have been included in the same regulations.

7. If we accept that democracy is organized by concrete moments, some of them of intensity and others of extension, we will be able better to calmly assess the facts. An election is always an extensive moment where everybody goes to vote in a relaxed and confident spirit. This is when the mobilized individuals relax. However, a conflict is the opposite, an intensive time where those who

mobilize and those who do not differ, and involvement is unequal: selective and even damaging for many. These actions were considered as anti-democratic and corporative. Maybe it is time to value them as a necessary ingredient for a society which cannot remain static. It is here where the fears of a disturbance against democracy emerge. However, the mobilized groups do not have the last word. The vote is finally the act that closes the processes in Bolivia, and this is ultimately the source of confidence in the future of democracy. It is clear that the mobilized parties have constructed the vote agenda, have prepared the options on which we decide, but and nothing more. They are the main actors of the circumstances, but do not give them their ultimate democratic quality.

8. In consequence, analyzing the implications of the use of a referendum in the country is a valid action. The referendum has become the ideal democratic tool to articulate both voters and mobilized fronts. Since it is a medium of direct decision and not a delegative means, it re-establishes the dimensions of democracy as it was known up to 2004. It opens the possibility for mobilizations to produce an election, with which it repairs the ever-tense relations between those who take over the public squares and those who look at them from their balconies. It seems that the country intuitively has found a formula to synchronize the seemingly un-synchronizable[14]. Getting away from the idea of irremediable polarization, the one and the other follow the same itinerary: street actions, negotiation, and electoral consultation. Thus, we are far from having too demarcated civilizing regimes and there will be a shared criterion about how to make decisions.

Sources

García Linera, Álvaro (2001) "Sindicato, multitud y comunidad: movimientos sociales y formas de autonomía política en Bolivia", in: "Tiempos de Rebelión", editorial Muela del Diablo, La Paz, Bolivia.

García Linera, Álvaro (2004), "El Estado Multinacional", editorial Malatesta, La Paz, Bolivia.

14 The referendum has been used both by the government and the opposition with identical enthusiasm. Both of them used it to crown successful mobilizations. From the 'Crescent Moon', it has been used to institute the autonomies, and from the government it has been applied to the new Constitution.

García Linera, Álvaro (2014), "Revolución democrática o Restauración neoliberal", a speech given on January 22nd, 2014, Vice Presidency of the Plurinational State of Bolivia. La Paz, Bolivia.

Gutiérrez Aguilar, Raquel (2001), "La Coordinadora del Agua y de la Vida: a un año de la guerra del Agua", in: "Tiempos de Rebelión", editorial Muela del Diablo, La Paz, Bolivia.

Gutiérrez, Raquel; García, Álvaro; Tapia, Luis (2000), "La Forma Multitud de la política de las necesidades vitales", in "El Retorno de la Bolivia plebeya", editorial Comuna y Muela del Diablo, La Paz, Bolivia.

Lazarte Rojas, Jorge (1993), "Certezas e Incertidumbres de la Democracia", Los Amigos del Libro / ILDIS, La Paz, Bolivia.

Mansilla, Hugo Celso Felipe (1997), "Tradición autoritaria y Modernización imitativa", Plural editores, La Paz, Bolivia.

Prada, Raúl (2001), "La Fuerza del Acontecimiento", in: "Tiempos de Rebelión", editorial Muela del Diablo, La Paz, Bolivia.

Sartori, Giovanni (1976), "Parties and Party Systems, Cambridge University Press, Cambridge, England.

Tapia Mealla, Luis (2001), "El Movimiento de la Parte maldita", in: "Tiempos de Rebelión", editorial Muela del Diablo, La Paz, Bolivia.

Zuazo, Moira (2009), "¿Cómo nació el MAS?, la ruralización de la política", FES-ILDIS, La Paz, Bolivia.

Chapter 6:

Perspectives on Three Historical Decades

To review a country is to also review its processes of change: decentralization, the evolution of women's political participation, the relationship between the media and democracy and other players. All are part of this democratic construction that has not been without contradiction. Over 30 years, Bolivia has been constructing a narrative that paints, projects and reveals the intimate relationship between social processes and the building of democratic institutions.

Photo: Prefectura de Santa Cruz

In 2006, thousands of people (one million according to organizers) met in Santa Cruz to demand greater autonomy from government.

Social Demands

Abdel Padilla[15]

30 years of struggles

After 18 years of authoritarian rule, in 1982 the Bolivian people had decided to take back, by force, their restricted freedoms, especially the freedom of expression. Even the dramatic political instability and the economic crisis could not decrease this momentum. However, neither the government, the political parties, or the unions showed responsibility or ethical behavior. This wasn't the first time in the nation's history that political openness was followed by social frustration. This time, however, the outcome would be different; a political change of guard without tanks or guns. In 1985 Bolivia saw the start of a new era, a democratic handover; one with economically orthodox methods, and with greater citizen participation on social issues.

At the start of the 1980s Bolivia had just on five million inhabitants, distributed almost equally throughout the cities and the countryside, although with urban areas showing much growth, as revealed by the 1992, 2001 and 2012 censuses.

At that time, the percentage of indigenous people was 54. Spanish-speakers made up78% of the population, and 60% spoke Quechua or Aymara. This reality was illustrated by a group of artists called the 'Generation of 75', who adopted the *cholo* (mixed race people) in all their nuances as aesthetic objects. And as themes, they focused on the urban person, the Indian immigrant, the drug trafficker and his victims, according to Bolivian art critic Pedro Querejazu.

The vigorous development of the eastern lowlands, rather than the valleys and the Andean Range, would determine a clear focus on the so-called Bolivian central axis: La Paz-Cochabamba-Santa Cruz. The latter increased its population from 42,000 in 1950 to 350,000 inhabitants in the 1980s. Three main factors, among others, would determine the migratory movement from the Andes to the lowlands: the successful exploitation of natural resources, the economies of scale,

15 Abdel Padilla is a journalist

and the big development in transportation, according to Bolivian economist and Columbia University professor, Miguel Urquiola.

But the Bolivian population in those years was marked by social and economic inequality. About 37% was illiterate, few had college education, and the levels of maternal and infant mortality were well above South American averages. According to the 1976 census, for every 1,000 live births, 167 children died before reaching one year of age. The causes included diarrhea, pneumonia, polio, measles and goiter (an enlargement of the thyroid gland). Official data revealed that endemic goiter affected 60% of children of six or less years.

In the midst of this adversity and economic crisis, the administration of Hernán Siles marked a milestone in the country's public health history by creating people's health committees in 1983, implemented by his Minister of Health, Javier Torres Goitia. Through this form of community organization and the support of local leaders and mother's centers the government managed to take the first steps to eradicate polio and goiter. The task was not easy because they had to convince key players, like the COB. The response, as described later by Torres Goitia, was impressive. Every neighborhood council had its own health leader who acted in response to specific circumstances and requirements.

For example, sometimes they'd lead vaccination campaigns and other times encourage iodine consumption (to avoid goiter) – all this based on grassroots organization and collective mobilization.

New Players

Acting together to form health committees was one of the rare moments when citizens responded to a government call, and, perhaps, the single time when the COB acted as an administration ally. The society, as a whole, was emerging from a tough transition that began with the departure of Banzer in 1978, with nine governments in four years (eight presidents and a military junta; a new government every five and a half months, according to historian Carlos Mesa.) So Bolivia's susceptibility to another military coup and the distrust of yet another new government was understandable.

In this point, new players entered the political scene. Among them was the

United Confederation of Peasant Workers of Bolivia (CSUTCB), which was created in 1979 under the leadership of Genaro Flores.

As the Bolivian economic historian Manuel Contreras remembers, the peasants originally sought some integration with the COB, without losing their independence. They eagerly presented a draft of a Basic Agrarian Law with an unheard of scope.

The Bolivian coca leaf growers were another prominent sector that would also influence the country's future. At this time, according to Mesa, 60,000 coca producers worked approximately 23,000 hectares of land. This had grown to 65,300 hectares by 1985, and produced more than 100,000 tons of coca leaves, 85% of which was destined for cocaine manufacture and drug trafficking. Mesa reckons that almost 10% of the population was directly or indirectly connected to the drug industry, which, according to varying estimates, in 1985 moved between US$ 600 and US$ 3,000 million a year.

After the approval of 21060 Decree in August 1985, and the dismissal of 20,000 miners, most of the unemployed relocated to the cities, but also to a region that would become one of the epicenters of demonstrations and social conflicts in the subsequent two decades, the Chapare region of Cochabamba, located in the very center of Bolivia. It would become the site from where a new political actor emerged in the transition from one century to another: the coca leaf growers.

Under Banzer's mandate (1997–2002), Bolivia had achieved its highest rate of coca leaf eradication; more than 25,000 hectares destroyed. According to a report from Bolivia's Coca Crop Monitoring unit and the US Department of State, about 45,800 hectares existed when Banzer assumed power, and by 2000, they had been reduced to 19,900 hectares. By 2012, according to the United Nations and the Government of Bolivia, there were 27,200 cultivated hectares. It is estimated that the coca industry involved some 500,000 people in the late 20th century.

But the level of coca leaf production, and its eradication, are meaningless without considering its direct impact on drug trafficking. Not until September 1986 did Bolivian society, particularly Santa Cruz, become aware of the gravity of the situation. That year scientist Noel Kempff Mercado was murdered. He and other scientists stumbled across a drug trafficking gang while in the field and were killed.

From this moment, the United States applied more pressure on the Bolivian

government and influenced many internal policies, as well as supporting the creation of 'sustainable development' programs to substitute coca growing with other products in the Chapare region. During the Presidency of Victor Paz Estenssoro (1985-1989), the US pushed the government to adopt one of the toughest regulations in the fight against drugs: the 1008 Law.

This law, as defined by anthropologist Xavier Albó, assumed people guilty until proven innocent, rather than the other way around, and put coca leaves and cocaine in the same category.

Informal Jobs

Another consequence of the 21060 Decree was the widespread increase in casual or informal labor, which created symbolic and representative urban spaces reflective of this new way to survive. Examples are the traditional '16 de Julio' fair (held in the city of El Alto), La Cancha (in Cochabamba), and Barrio Lindo (in Santa Cruz). Those are spaces where anything could be found, from a used sewing needle to aircraft parts. Everything was for sale, and everyone had something to sell; a paradise for informality and the black market.

This phenomenon, which was often linked to smuggling, resulted in the emergence of a new social class, the 'mestizo bourgeoisie' (*burguesía chola*), coined by sociologists to define the economic gains of Bolivians of indigenous descent. This new class would have political importance in years to come and now supports, economically and electorally, MAS.

Thanks to the support of the people in El Alto, a large Aymara city of almost one million people, the populist movement grew with political parties like the Civic Solidarity Union (UCS), founded by humbly born businessman Max Fernandez, and Condepa, led by former folklorist and radio journalist Carlos Palenque. Many analysts think that both parties seeded MAS, founded later. They were disbanded in future years because of the unexpected deaths of Fernandez (in 1995) and Palenque (1997). They both died at the height of their careers, at age 53.

During President Paz Zamora's term, the last National Census of the century was carried out. By 1992, Bolivia's population totaled 6.4 million people with more than 60% under the age of 25. The findings confirmed a country rapidly

urbanizing, migrating to the eastern lowlands, with high illiteracy (20%) and infant mortality rates (75 deaths per 1,000 live births).

The 'Leader Factory'

On June 6, 1993, new presidential elections were held. MNR's candidate Gonzalo Sánchez de Lozada won with 34% of the vote, and the Congress elected him President, along with Victor Hugo Cardenas, the first Aymara Vice President of the country. The President instituted a policy driven by ideas of change: capitalization, popular participation, and education reform.

The three measures were resisted in the streets and promptly labeled 'damned laws'. Of the three, only 'Popular Participation' was left standing and now is central to Bolivian political life.

The purpose of the policy was to redistribute the country's income via municipalities. It was a revolutionary measure that turned a municipality into a main site of development and democratic practice. Financed by 20% of national taxes, money is given to the municipalities on a per capita basis. Prior to the law, only 24 municipalities received resources; now more than 300 would receive assistance, along with having management autonomy. Movements such as the MAS, and President Evo Morales himself, are products of 'Popular Participation' which has become a 'factory' turning out local and national leaders.

Like capitalization, education reform was long resisted by the teacher unions, which forced the government to declare a six month state of emergency, the longest since 1982 (also six months). The reform (now revoked) was able to introduce concepts like intercultural and bilingual education, and promote community participation in the schools. These are still in force.

In the health sector, Mother-Child Insurance was approved. Other welfare regulations included the INRA Law (land reform), the Family Violence Law, and constitutional reform which reduced the age of citizenship to 18 years, and declared Bolivia, for the first time in history, as 'multi-ethnic and multicultural'.

On Christmas Eve 1996, 11 people died, and 50 were injured in the mining villages of Amayapampa and Capacirca when the workers took the mines. The violent Police intervention affected the popularity of the MNR candidate, and

President Sánchez de Lozada was forced to pass power to Hugo Banzer after the 1997 elections.

Banzer's administration highlighted a 'National Dialogue' with participation from various social and political sectors. It also elected the first Ombudswoman, Ana Maria Romero. The local elections in 1999 elevated new national figures like Rene Joaquino in Potosi and Juan del Granado in La Paz.

But above all, the Banzer administration was the prelude to a decade of popular 'revenge' against established politicians. In the late 20th century, the fate of the neoliberal political system seemed doomed.

Several 'Wars'

Of the 'wars' experienced in Bolivia during the 21st century, two were fought between 2000 and 2005 for water and gas. Both laid the foundation for a new phase in the relationship between the State and civil society, and marked the beginning of an era of conflict. During those five years, on average, there were between 50 and 60 new conflicts per month, a rate that continues to this day, despite the President, Evo Morales, being of one of the original 'fighters' in those wars.

Let's begin with the 'Water War' that christened the decade into cyclical conflict and resistance, with wider consequences than expected. This battle and the subsequent annulment of the water privatization law are considered an international milestone in that area. The movement, labeled in the academic world as an anti-privatization urban uprising, set off a wave of social reaction that impacted the political system over the next five years. That was April 2000. In September that year Felipe Quispe organized a so called 'siege' of La Paz, blocking all the roads that connect the city with the rest of the country. The next year he organized an ongoing road blockade and demanded to speak "president to president" with Banzer.

Due to elections, 2002 was strictly a political year. The two indigenous people's candidates (Evo Morales and Felipe Quispe), received a very high 28% of combined support.

'Zero coca', the naive legacy Vice President Jorge Quiroga inherited from Banzer (who resigned due to health problems and later, died) was the slogan that drove many repressive police and army actions. The President's decision in January

2002 to close a coca leaf market in Sacaba village, Chapare, resulted in the deaths of two soldiers and a farmer.

Gonzalo Sánchez de Lozada's second term in office began in August 2002 (the first one was between 1993 and 1997). In February 2003, his government drowning in the fiscal deficit, he enacted a tax rise, the '*impuestazo*', which caused the middle class to close ranks behind the social movements and their protests. As they had done with Banzer in April 2000 (and with Evo Morales in 2002) the police mutinied and public entities were left without protection, at the mercy of the demonstrators. Between February 12 and 13, the burning and looting of private buildings forced the government to deploy military units on the street, which resulted in a predictable exchange of gunfire with the rebel police forces. Thirty-three soldiers and police officers were left dead and tens wounded.

And then there was the 'Gas War', gas being a source of revenue but also issues around it driving social unrest. In 2003 the Sánchez de Lozada administration planned to export natural gas through Chilean ports – Chile being a neighbor with many unresolved negotiations with Bolivia. These stemmed from the 19th century war that left Bolivia a landlocked territory. This move inflamed Bolivians. By October 2005, Sánchez de Lozada had left the country and historical change was in the air.

Sources

Campero, Fernando, compiler (1999), "Bolivia en el siglo XX. La formación de la Bolivia contemporánea", Harvard Club Bolivia, La Paz, Bolivia.

Ibañez Rojo, Enrique, (2002), "Los Sindicatos en el Gobierno: la crisis del movimiento obrero boliviano (1982-1985)", Biblioteca de la Universidad Complutense, PhD thesis, Madrid, España.

La Razón (2007), "25 años de democracia", La Razón daily, La Paz, Bolivia.

Daroca, Santiago (2002,)"La Guerra del Agua, protesta y acción social en Cochabamba", http://idh.pnud.bo/usr_files/informes/nacional/INDH2002/documentos/guerragua2002.pdf

La Razón (2010), "Bolivia: 1980-2010", La Razón daily, La Paz, Bolivia.

Mesa, José; Gisbert Teresa and Mesa Carlos (2001), "Historia de Bolivia", Editorial Gisbert, La Paz, Bolivia.

Página Siete (2011), "Anuario 2011", Página Siete daily, La Paz, Bolivia.

Soto, César (2001), "La Bolivia de movilizaciones populares. Panorama político del 2001", text written for the "Pan para el mundo" cooperation agency, La Paz, Bolivia.

Conflict and Democracy

César Rojas Ríos[16]

Democracy is made, unmade and remade almost entirely out of conflict. The relationship between democracy and conflict has always been intimate and substantive. Paraphrasing Hegel, in his *Philosophy of History*, we can affirm that when one looks at the past, to history, the first thing one sees is conflict. This is also the case when one looks at the present. Is the outlook the same for the future?

Democracy was 'made' with the memorable events of 1977 when a group of courageous mining women declared a hunger strike. Over the course of the passing days the action was transformed into a mass movement that ended Banzer's dictatorship. A society as downtrodden as Bolivia's was in those days achieved this, and other memorable successes, in a dramatic uprising.

But democracy was nearly destroyed in October 2003, 21 years after its establishment, when the uprising that grew from the 'Water War' removed Sánchez de Lozada from power. A few blocks from the seat of government gathered the largest accumulation of forces since the UDP's show of strength in La Paz, in 1982. The Presidency was hounded out and the crowds provoked constitutional succession. Carlos Mesa took power with hopes for peace, but little by little popular unrest, and sinister ambitions, arose. In the ill-fated months of May and June 2005, the proliferation of deep hostilities almost caused the country to implode. Five years later, during September to October 2008, the world witnessed a 'lowland coup' (*golpe cívico-prefectural*). This period proved to be hellish for the MAS administration. At that time, it seemed that the country's opposing forces would collide. But it did

16 César Rojas Ríos is a sociologist and social communicator.

not turn out like that, although the population seemed stuck in a hopeless abyss.

Democracy was in fact reconfigured during the conflicts of 2000–2009. This period made way for representative democracy. Although delegitimized, oligarchic, and weakened with deficiencies, it survived well enough to allow elections to replace leaders peacefully, long term. Those years also fostered participatory democracy, and because the MAS administration implemented inclusive policies for the indigenous people, democracy was seen as not only "enlarged" and giving life to a beautiful "festival of colors", but also striving to end the "depravity of inequality" (Zavaleta, 1983). It was the Bolivian people's pain and blood that achieved the establishment of a conventional democracy and created a shelter for democratic rights. The people acted angrily and urgently to implement a democracy that could make them real citizens.

Bolivia's history is no longer a struggle between the army and the working class or an inventory of victories and losses as took place after 1940. Instead, what has evolved from 1982 on is a dialectical relationship between the polls and the streets, impositions and negotiations. It's not optimal, but if we take a look at Bolivian history's conflicts, many of them bloody, this is a significant advancement.

Conflict and Governance

The rise of democracy was dramatic in Bolivia because five military coups had tried to nullify the three UDP election victories, and break its growing popular support, which peaked in the 1980 June elections with an indisputable 38.7% of votes. It was clear Luis Garcia Meza had intended to continue Banzer's legacy, due to the efficiency with which he executed his coup and the total defeat of the left-leaning organizations. This fear of the left wing would resurface several years later when trying to prevent the MAS administration from succeeding. The right panicked at the possibility that the leftists would really apply what Marx proclaimed in The Communist Manifesto.

If the Chilean UP Government was a "revolution that did not happen", so the Bolivian UDP followed the same route. This was not only because Parliament was unsupportive, but also because inflation, which began during 1980 in Lydia Gueiler's Presidency, soared to unprecedented heights, and generated an escala-

tion in conflict never seen before. The government had to deal with nine general strikes called by the COB, one business strike, farmers' roadblocks, sabotage by public officials, regional protests and a coup attempt that involved kidnapping the President of the Republic (Laserna, 1985).

Here a pattern of popular behavior emerges: *The social sectors that 'invested' time and resources resisting, mobilizing, and sacrificing against dictatorships or the neoliberal governments ask for benefits when 'their' government is installed.* This can be called the 'imprint of insurgency': both the leaders and the followers, urged by long-postponed needs and expectations, move away from political objectives to economic demands, without counter responsability. In the case of the UDP, the results were tragic. Hernán Siles quit office one year before his term was completed and called for elections, which made way for the right wing parties. But this is also happening now, in the MAS administration. Social conflicts have doubled in relation to the UDP and the party has also intensified its political strategy (but with no political depth to generate a governance crisis).

Why is the same situation not replicated today? In both the Siles and Sánchez de Lozada administrations there was a systemic deterioration. That is to say, the economic, political, institutional and social subsystems simultaneously began to malfunction and yield flawed outcomes. The different characters in each administration led to different finales however: the early resignation of one, and the strident fall of the other. But, their terms lead to enough instability to threaten the sustainability of any regime.

In the case of Siles, there was progressive devaluation, unsuccessful price controls, falling wages, abusive speculation everywhere, 'de-dollarization', hyperinflation as well as the loss of control over any economic aspect. Nothing was overlooked in the unhinging of this economy. Water and electricity were even cut off to the government palace and the presidential residence (Mesa et al, 1999). In the political sphere, the opposition fought relentlessly in Parliament against any reasonable solution to the crisis and the COB went on a permanent offensive. As for the social sphere, it looked like a wasteland.

The same thing happened during Sánchez de Lozada's second term. Everything started to go from bad to worse. In his first election he won 38% of the vote; in the second he took only 22.4% of the votes. The economy was unstable. The neoliberal

model failed to meet citizens' expectations with its higher levels of unemployment and higher concentration of wealth, and negative growth (0.2%) according to the World Bank. There was a progressive loss of social legitimacy (patriarchy, cronyism, nepotism, and corruption), erosion of the 'settled democracy', and at the same time, sustained rise in the power of social movements since the 'Water War'.

To complete the postmortem data analysis, in the elections after the collapse of the UDP, the MNRI (this time by itself) obtained 4.77% while in 2005 the MNR, after Sánchez de Lozada's fall, got 6.47%, the lowest percentage in the party's history. Everything was decreed for both parties from the moment the leaders took antidemocratic measures and, creating a serious imbalance between the government's performance and social expectations. The clash of these opposing forces could only produce one result: failed presidencies.

What is happening with the MAS administration? If we examine UNIR Foundation data, from January to October 2011, 1,241 conflicts have been recorded in Bolivia, the greatest number since 2005, and 458 more compared to 2010. That is an average of 124 conflicts per month. And in the first quarter of 2012, 100 conflicts per month were counted. It's also clear that since 2006, the MAS government committed a series of blunders, as so reaped the loss of confidence of the people. However, its electoral support seems to be at around 40%, and that's in the seventh year of leadership. The reason for this is that the country today lives with both economic growth and government legitimacy, yet deficits exist in the institutional sphere. In summary, the government has deep social roots. Conflicting winds can whip from right and left, but the tree remains intact.

The Launch of 'High Voltage' Democracy

Democracy arose in Bolivia as part of a 'high voltage' process. First, the UDP government had to absorb the enormous number of conflicts in three years of office; an average of 54 conflicts per month, or 1,825 conflicts in total (CERES data). Second, it confronted ever growing conflict on the political stage. Instability had proved to be chronic, the government crisis permanent, and the fall of President Siles was always imminent, while the nascent democracy itself had chances of a premature death. Third, the UDP showed an undeniable inability to reverse its

inefficiency and loss of legitimacy, nor had the authority or leadership to lead the people, and lacked the capacity to strategically reposition itself against the political and union opposition. Fourth, the drivers of these social and political conflicts existed in a society that was extreme in tangible conditions (inequality), and social distance (discrimination) that set the conditions for extreme politics (maximalist and adversarial) but also in the depletion of the state capitalism model of 1952 (Puente, 2011).

High voltage democracy existed in 1985, but arose again 18 years later during Sánchez de Lozada's second term, during Carlos Mesa's succession and continued through Evo Morales's first administration. How did this happen? The story begins, in part, during Banzer's democratic government (1997–2001). In 1985 his party (ADN) won the elections with 28.57% of the votes in the post-UDP elections. It triumphed even in the mining districts, the former strongholds of their most bitter enemies (Puente, 2011). But in the 1997 elections, ADN was reduced to 22.3% of the votes, and the MNR finished second with 18.2%. Neoliberalism's 'hegemonic aging' had begun to take hold, and the 'Water War' marked the turning point.

The 'Water War' was a conflict-event, contentious in nature, but especially because the misguided Banzer administration, transformed it into a 'conflict-process', based in a structural tension. The conflict was driven by an ideology and was based on an emerging historical trend which had mobilized a social countermovement. In other words, this seed had been planted for the future. And indeed that's what it was. In April 2000 the democracy's sixth State of Emergency failed, despite being the most violent, with six dead, 50 people injured, and 22 arrested or sent to internal exile. It left an ideological-political agenda firmly in place, that was strengthened by other iconic conflicts, definitively achieving a rebalance of power between State and society.

The saga continued with the second term of Sánchez de Lozada. In February 2003, in the center of political power, Murillo Plaza, police and military clashed violently after the police mutinied. The confrontation between State and society began to break down, like the State itself. This produced a vacuum of power that was filled for two consecutive days by a mob that permeated the city of La Paz, leaving its mark by burning and looting the headquarters of the traditional ruling parties, the national brewery (a symbol of tax evasion), and the Vice President's

palace. The body count was 33 dead, plus 70 wounded.

The prairie was parched, and one match could send it up in flames. The month of September 2003 began with the people of El Alto protesting the Maya-Paya plan, a new taxes program, which had been proposed by (former) Mayor Jose Luis Paredes. By mid-month the protests had spread, with indigenous people's blockades appearing in the Lake Titicaca area. The government organized a military operation to restore access to the town of Sorata. Far from frightening the demonstrators, the repressive actions served as a wake-up call to the surrounding indigenous people and impoverished residents of the city of El Alto, and its powerful Federation of Neighborhoods (Fejuve). But what really motivated the protestors to close all access roads to La Paz, was the decision to export Bolivian natural gas through Chilean ports to the west coast of the United States, of Mexico, and Chile itself.

On October 9, the situation in El Alto turned violent due to the deployment of military troops who killed tens of people and wounded hundreds. The resulting collective sense of grief caused the conflict to radiate throughout the highlands (Oruro and Potosi) and the valley (the city of Cochabamba, its rural areas, and the city of Sucre).

Meanwhile, the lowland provinces gathered around the Santa Cruz Civic Committee did not join the demonstrations. Rather, they supported the government and opposed the indigenous peoples' and proletarian mobilizations. Its leaders even ordered the repression of Santa Cruz indigenous groups that aimed to take over the central plaza, a symbolic space.

The spread of the conflict and then the security forces' harsh repression when a military convoy tried to break a blockade in El Alto, causing several deaths and hundreds of injuries, weakened the fragile ruling coalition. The indignant middle class also joined the conflict with marches and hunger strikes in La Paz and other cities. In the meantime, the initial demand of 'No gas exports through Chile' turned to a raucous 'President out!' and the protests began to spread like wildfire. La Paz became a city overrun by the mobilized masses and neighboring El Alto was barricaded by fire. Sánchez de Lozada resigned and fled the country. Congress held an emergency meeting and swore in Vice President Carlos Mesa as President. The first failed presidency had happened. Next Carlos Mesa's improvised administration would try to make history but fail to manage a very high number of conflicts (1,042

incidents over his 20 months in office). He too ended up with a failed presidency.

The 'high voltage' democracy saga does not end here, but continues during Evo Morale's first term. The first conflict that flared was the demand to bestow upon the city of Sucre the full seat of government (it holds the Supreme Court), which damaged the constitutional process and, because the administration rejected the idea, deeply hurt its relationship with Sucre. Later, on January 11, 2007 in Cochabamba the regional power struggle took on all the colors of a violent clash between social classes and races, in a besieged, lawless city (Cfr. Zegada, 2007). But the climax was marked by the 'lowland region coup' (*golpe cívico-prefectural*) when the 'Media Luna' engaged the Evo Morales administration in an open challenge.

How can we interpret each and every one of these events? We return to the beginning. In Bolivia nothing was resolved. Neither the UDP's short term, or the long term of neoliberalism, the extreme societal situation (the sickness) that produced extreme politics (the symptom) which encouraged an ever growing conflict, in which adversaries behaved (in the scientist Otto Schmitt's logic) as friends-enemies. Dramatic. But the perverse symptom of radical antagonism will resurface again, as often as necessary; until Bolivia's social structure is transformed, making the poor a majoritarian middle class that could moderate politics.

In this regard, Evo Morales's government shows a radical novelty in Bolivia's history, not seen since the 1952 Revolution. If, during Sánchez de Lozada's second term, Bolivia had five million poor people and two and half million members of the middle class, today, the number of poor has fallen by one million people (UNDP data), and the middle class now comprises 3.5 million. The monolithic reality is changing: the Bolivia of the future is billed as a 'leveled middle class society'. Hope is there.

Major Changes During a Tense Calm

What happened between 1985 and prior to 2000 could be characterized as 'street democracy', because while the tensions and disputes decreased, conflicts were still evident in the streets. Over 15 years and three consecutive government terms (Victor Paz Estenssoro, Jaime Paz, and Gonzalo Sánchez de Lozada) there were 2,779 conflicts. Three main reasons seemed to be the cause. First, the neoliberal

model and the 'settled democracy', in relation to the UDP's term, began to show a systemic dualism (inflation is defeated, Bolivian currency stabilizes and economy grows; on the other hand extreme poverty persists). Second, the truth is that five States of Emergency were implemented by the government to quell social disorder, and third, disappointment with the UDP failure almost extinguished the left and made the unions ineffective, unable to propose an alternative to the neoliberal model (Cfr. Puente, 2011).

The conflict process of this cycle was illustrated by the 'March for Life' (1986) because it represented the defeat of the working class and the end of the era of union power. The hegemony of neoliberalism was established. The bitter feeling that the left was powerless even generated three eruptions of marginal subversive struggle: the Zarate Willka Group, the Nestor Paz Zamora Commission (CNPZ) and the Tupac Katari Guerrilla Army (EGTK). Here we find an historical pattern in Bolivia. It is not the democratic pact, but the defeat (of the popular forces by the MNR, or of the conservative sector by the MAS), which opens a cycle of relative hegemonic stability.

Although, beneath the calm, a momentous change was brewing. The working class that had championed as a lone voice since the eve of the 1952 Revolution, until precisely August 1986 during the 'March for Life', would give way to a cacophony of protests. From 2000 this became a deafening movement and included not only workers but informal sellers, members of civic organizations, businesspeople, citizens of El Alto, coca producers, transport operators, informal miners, union workers, peasants, teachers, doctors, civil servants, retirees, university students, the landless and homeless, even police officers.

The loudest voices would eventually become those of the indigenous people and the peasants due to the network of marches, rallies, agreements, organizations, leadership, ideology, strategic demands, manifestos, and politicization they organized. Their path had been arduous and tortuous, after being at the bottom of the military-peasants pact during the seventies until the advent of the MAS administration when they had the chance to reach the very presidential seat. The indigenous movement grew powerful because an undifferentiated and fragmented mass ended up politicized and freed itself from its colonial complex.

Zavaleta Mercado (1985) wrote in *The Masses of November*, "What qualifies

a project as democratic or not, as we have said before, is the opinion or reception of the working class. This is a law in Bolivia; where there is no labor agreement, there is no legitimacy". The 'law' has been broken but the indigenous people are not holding, nor will, the proletariat center. There are two very simple reasons: first, because of upward social mobility, the overlap between class and race begins to disengage, allowing the indigenous people to scatter across the entire social pyramid, where class, status and social position dominate ethnic identity.

Diversity will overcome uniqueness. And secondly, the variety of protests reminds us daily of the power of plural voices and sectors. The class struggle, the race struggle, the regional struggle, all give way to social struggles. Diversity dominates monoculture and acknowledging diversity leads to healthy coexistence.

And now what? To accept democracy and its equalities; democracy and its agreements; democracy and pluralism –because only democracy as a society's synthesis can deepen diversity. Democracy is no longer is an option, it's our destiny. And this is the best tribute we can make to democracy with our complex and always changing reality on its thirtieth birthday.

Sources

Dunkerley, James (2003), "Rebelión en las venas", editorial Plural, La Paz, Bolivia.

Laserna, Roberto et al (1985), "La insurrección de la democracia", in: "Crisis, democracia y conflicto social. La acción colectiva en Bolivia: 1982-1985", CERES, Cochabamba, Bolivia.

Mesa, Carlos; Mesa, José y Gisbert, Teresa (1999), "Historia de Bolivia", editorial Gisbert, La Paz, Bolivia.

Miranda, Boris (2012), "La mañana después de la guerra", editorial El Cuervo, La Paz, Bolivia.

Puente, Rafael (2011), "Recuperando la memoria. Una historia crítica de Bolivia" (2nd volume), editorial Plural, La Paz, Bolivia.

Zavaleta, René (1983), "Las masas en noviembre", Librería Editorial Juventud, La Paz, Bolivia.

Zegada, María Teresa (2007), "11 de enero: ¿Cochabamba a la deriva?", Centro Cuarto Intermedio, Cochabamba, Bolivia.

The 1952 National Revolution, Decentralization and Democracy

Moira Zuazo[17]

"Ideas are long-term prisons", said Fernand Braudel. Applying this notion łocally we can add that peoples' ideas are the lifeblood which either enhance institutions or make them obsolete.

The general question I want to discuss in this section is, how can we articulate democracy and decentralization in Bolivia? The answer leads me to question the sources of Bolivian democracy. I will analyze this question from two perspectives. One, the idea of a shared collective, and two, the perspective from the political institutions with which real democracy works over time.

Thinking of democracy brings us to the issue of social inclusion. Who are the 'people' or the 'demos'? The question of inclusion/exclusion, the inside and the outside, brings us to the most important turning point in the history of Bolivian society, which is rejecting conquest/colony as its origin.

1825, Fear of Disintegration; Authoritarianism and Longing for Democracy

Two elements mark the social imagery of the Republic of Bolivia's founding process. On one hand, it is a territory disrupted by mountains, inhabited by a Creole[18] population in a few urban areas who are independent of one another and in the middle of a rural environment marked by diverse indigenous people speaking different languages. Amid this diversity and inaccessibility it is no coincidence that the revolutionary uprisings in Sucre and La Paz occurred at different times, with different agendas, or that the rebellion and insubordination in rural areas created '*republiquetas? (small republics)*.

17 Moira Zuazo is a social scientist

18 "Criollo" in the original version

The second is the prevalent idea in the indigenous imagination that the founding of the Republic happened as a continuation of colonization. The birth of the Republic reflected only the desires of the small urban population, and was foreign to 90% of the rural population. The continuity between the Bolivian colonial State and the new republican order explains why the indigenous political presence was a recurring element in the form of rebellion, and also explains the primary relationship of subordination, not belonging, that the indigenous people had with the new republic. This helps explain the necessity, and to some extent legitimacy, of an authoritarian style as the new, recurring power in the Republic's early decades.

After the War of the Pacific[19], the censitary suffrage system of unverifiable elections and limited political pluralism was established. After 20 years of practicing this 'democracy of the 10%', Bolivia entered the 'federal war', as a divided society, and the result was a fear of federalism. Even 100 years after 1899, in Bolivia the word 'federalism' is feared.

Indigenous people participated in the 'federal war', turning the battle in favor of La Paz, to defeat Sucre. La Paz's triumph in the conflict was, paradoxically, cemented by the removal of federal ideals from the national agenda and the unifying of the Bolivian elites around the thought that indigenous people were barbarians.

In Bolivia the 19th and early 20th centuries comprised a weak State, locked in a drive to build a modern liberal nation, with a schizophrenic attitude towards the real country (Rodríguez, 2012). In a society divided between whites and indigenous people, the more enlightened dreamed of building a society that valued equality, that is, a representative democracy.

In this scenario, Presidential rule stands as an institutional response to the need to 'preserve unity'. This idea, along with the legitimacy that the urban municipalities had among the white elite, (Rodriguez) explains why local government (municipal autonomy) was condemned during the 1952 Revolution.

19 The War of the Pacific (in Spanish: Guerra del Pacífico, 1879 through 1883) was fought between Chile and a Bolivian and Peruvian coalition. Due to this war, Bolivia lost its sea access which started a long economic and social crisis. Bolivia still demands a solution to that conflict and awaits a verdict of the Hague Tribunal.

The 1952 Revolution: Centralism and Ostensible Democracy

The 1952 Revolution was the first attempt to build a national State in Bolivia. It was constructed on a centralist model as an institutional way to ward off the persistent fear of disintegration.

The ideas that served as pillars for the construction of the 1952 State were a homogenous nation and revolution. The idea of a nation born from revolutionary nationalism (Mayorga, 1985) assumes deliberately ignoring the ethnic and linguistic diversity in the society as a condition for the development of ideas and feelings of belonging, and also comes from the differentiation of the 'national popular', the demos, the inside, against the 'anti-nation' – the rich and the oligarchy.

The indigenous people's rebellion was typical of colonial times and when the Republic was founded. In the context of 1952, rebellion transmuted into revolution, which was focused, from that moment, on building ownership and a sense of belonging. For the peasants and the working class, being included was only acceptable as long as the State was considered revolutionary. During this National Revolution period (1952–1964), three elections were held despite attacks on institutions, and political persecution. A lack of transparency and the absence of political pluralism, however, caused the results to be challenged. Yet, the elections themselves proved to be a legitimate and appropriate outlet for the concept of democracy.

Presidentialism was now exacerbated together with a weak parliament; it was the institutional form of government that was established. The newer version includes the representation of the masses in politics with the working class and the peasants co-governing.

By 1952, Bolivian society had experienced significant rural-urban migration, resulting in a ratio of two thirds rural population and a third urban population. This demographic data reflected in the increase in interracial relationships[20]. Since 1952, interracial relationships (*mestizaje*) have become a legitimate mechanism for social advancement and mobility. For the majority of Bolivians living in rural areas, the peasant´s identity emerging as hegemonic and positive is the '*campesino*'. This

20 "Mestizaje" in the original text

unfolds politically within the farmers' union and is opposed to the 'indigenous' identity.

But that *campesino* identity and the farmers' unions (*sindicatos*) directly questioned the primary institution of the Highland indigenous people's tradition, which is direct democracy. Based on the principle of equality, which states that all members of a community are essentially equal in their ability to participate in the community's government (Dahl, 2008), indigenous communities have their authorities lead their institutions on a rotating basis, not through elections. I believe that this unresolved stress helps to build the Bolivian view of representation and parliament.

In a parallel and subsequent process we will see that the during the 1952 Revolution and afterwards, indigenous identities remained more intact in the lowlands, where the Revolution had less influence, than in the valleys and highlands where the farmers' union advanced.

Part of the rhetoric that was now emerging from the State was to praise the *mestizos*, in sharp contrast to the previous shaming from the Republic. This discourse was accompanied by an accelerated rural to urban migration, which demonstrates that the influence of modernity and urbanization was expanding. In turn, with the influx of migration, the process of cultural mixing (*mestizaje*) gained pace.

Mestizaje is not equivalent to overcoming the prejudice of inequality as a main currency of social exchange. To the same extent that cultural mixing and urbanization increase, it is reaffirmed as a structure of discrimination that operates 'in cascade' (Zuazo and Quiroga, 2011) and undermines the idea of equality. Discrimination via multiple hierarchies changed the role of the *mestizos* in the social system. They, rather than being a unifying force, created widespread distrust.

1982–2000 Representative Democracy; Political Pluralism and the Return of Decentralization

The return of democracy in 1982, as demanded by the masses, was the event that characterized the period. It made it possible to effectively exercise universal adult suffrage and verifiable elections.

During this period political parties assumed a role, significant and 'for free'.

Significant, because for the first time in Bolivian history, political parties became central to the scope of power; and without effort because the restoration of democracy was not a product of the struggle of the parties, but rather a product of the struggle of organized society, primarily expressed by the COB.

As a synthesis of society, the COB pushed for the establishment of an unrestricted democracy. Their decisions and actions were followed by most of the left-wing parties in the country (Lazarte, 1987).

In this new, public role, for the first time in the history of the Republic, the political parties introduced a competitive, interactive system based on political pluralism, which is now unquestioned (Romero, 2012).

The 1994 Popular Participation Law was a form of radical decentralization through the creation of municipalities in rural areas and the subsequent distribution of important resources through them. With this reform and the creation of individual electoral districts[21] (as opposed to the rejected 'candidates on a list') Bolivian democracy generated sources of legitimacy that would overcome the crisis of the State, without breaking its weak institutionalism (2000–2005). However the creation of municipalities also meant challenges for the established parties, and finally the collapse of the old system.

This was the start of building a representative democracy for Bolivia's masses and also the time when rural-urban migration gathered pace. The 2001 census results revealed that Bolivia now comprised two thirds urban and one third rural population. This rural-urban migration over the past 50 years had created deep wounds that would become evident in contemporary urban popular culture.

Plurinational State: Rejoicing in Diversity, Radical Recentralization

The Plurinational State, established as part of the 2009 Political Constitution, began addressing the 2000 crisis by uniting the rural, and most of the urban, population under the slogan, 'democratic revolution'. We see the revival of the 1950s 'revolution', but accompanied by the adjective 'democratic'. These two

21 "Circunscripciones uninominales" in the original text

words together united and shaped the populace taking part in the street protests and voted in favor of the 'process of change' by supporting Evo Morales.

If we analyze the union of the words, 'democratic revolution', we see that the phrase articulates two traditionally opposing concepts. First, 'revolutionary', opposes the idea of 'the idea that being Indian equates with being a servant', that originated in the colonial period. Then the, 'representative democratic' tradition, found in the elite since the beginning of the modern Republic, but absent from popular battles for more than a century and a half. The first traces of 'representative democracy' arose with the initial participation of Katarist political parties in the elections of the late seventies (Zavaleta, 1983).

The second idea underlying the road to change is 'autonomy'. The concept provided a solution to the demand for power at the provincial level, which was evident in the affirmative results from the 2009 referendum, and cleared the way for the implementation of autonomous provinces across the country. Here we confirm that ideas can be confining, like a prison, but possible to unlock. Bolivia, which as a nation found federalism frightening, is now a festival of diversity.

A third leading concept is 'plurinational' as the State's new description. The appearance of the term 'plurinational state' in the 2009 Constitution seems a celebration of political, ethnic, cultural, linguistic and economic diversity. But this idea found little basis in reality.

The most important change that was accomplished was the recognition of the indigenous nations as collective entities with political rights. Institutionally, this resulted in the addition of seven indigenous people's deputies to the plurinational Legislative Assembly, and the development of autonomous indigenous nations, five of which are now discussing their 'social contracts'.

The 'Demos': Bolivian Identity in Dispute or in Action?

When looking at survey data (Seligson, 2005 and 2006) we find there is a majority 'Bolivian' identity that resonates with about 87% of the population. If we consider this data along with the fact that it's collected at same time the Bolivian State reaffirms and celebrates diversity, we could conclude it's a contradiction. However, in an effort to go beyond the numbers, and looking at other sources, including artistic,

we see in reality that since the creation of the Republic, the majority of Bolivians have shared the idea of belonging to the Bolivian nation. The concept of belonging, nonetheless, has been precisely the subject of the dispute and the concept has varied among different social groups and at a variety of historical moments.

The elite in the early Republic were marked by their belief that inequality between whites and indigenous people was inevitable. For the indigenous people, their concept of whites was, in part, illustrated by *la diablada*, the Bolivian dance; all tall, white men who jump in their spaces are the personification of evil.

Between these opposite groups, the *mestizos* throughout the history of the Republic embody the Baroque, they display wide diversity and are marked by contradiction. *Mestizos* represent that contradiction: they have known discrimination as the victim and at other times themselves discriminate against others as a mechanism to assert their place on the social ladder.

Sources:

Dahl, Robert (2008), "La democracia y sus críticos", editorial Paidos, México City, México.

Hegel, Friedrich (2009), "Fenomenología del espíritu", translation of Manuel Jiménez Redondo, editorial Pre-textos, Valencia, Spain.

Lazarte, Jorge (1987), "Cogestión y participación: Ideología y política del movimiento obrero", in René Mayorga (comp) "Democracia a la deriva", editorial CLACSO CERES, La Paz, Bolivia.

Mayorga, Fernando (1985), "El discurso del nacionalismo revolucionario", CIDDR, Cochabamba, Bolivia.

Rodríguez, Gustavo (1995), "Estado y municipio en Bolivia", Secretaria Nacional de Participación Popular, La Paz, Bolivia.

Rodríguez, Gustavo (2012), "Las antinomias del nacionalismo revolucionario. Documento para el debate", in Zuazo, Faguet y Bonifaz, "Descentralización y democratización en Bolivia. La historia del Estado débil, la sociedad rebelde y el anhelo de democracia", FES, La Paz, Bolivia.

Romero, Salvador (2012), "El sistema de partidos en Bolivia. 1952 –2012", in Zuazo, Faguet y Bonifaz, "Descentralización …", op cit.

Seligson, Mitchel; Moreno, Daniel and Schwarz, Vivian (2005), "Auditoría

de la democracia. Informe Bolivia 2004", LAPOP, UCB, La Paz, Bolivia.

Zavaleta, René (1983), "Las masas en noviembre", editorial Siglo XXI, México city, México.

Canetti, Elías (1983), "Masa y poder", editorial Alianza, Madrid, Spain.

Zuazo, Moira and Quiroga, Cecilia (coordinators, 2011), "Lo que unos no quieren recordar es lo que otros no pueden olvidar", FES, La Paz, Bolivia.

Plurinationality and Education

María Soledad Quiroga[22]

Progressions and Meanings of Interculturality in Bolivia

These pages will attempt to outline the progression of, and meaning that, interculturality has had in Bolivia over the past 30 years (since the restoration of democracy).

This starting point is due not only to the need to mark a milestone in the country's recent history, but also because of the fact that both the validity of the democratic system in this period, as well as its crises, created fertile ground for intercultural development, which was understood as a transformative project or proposal. The validity of, and crises in, the democratic system allowed the development of social movements critical of the lack of correspondence between the State structure and its policies to do with cultural diversity that had been historically excluded (Tapia 2007).

As stated in the title, this section looks at progressions and meanings, in plural, since the route to interculturality is not linear. On the contrary, the road this project has followed is sinuous, with advances and setbacks, problematic bumps, escape routes and new developments.

Within Bolivia's original approach to interculturalism, we find the struggle for the recognition of rights for native nations and people. In the first half of the

22 María Soledad Quiroga is a sociologist.

20th century, these struggles generated rebellions and isolated indigenous people's agendas that could not transmit their ideas to other social sectors. The prevailing *indigenismo* approach in Latin America, which also was applied by the Bolivian State, was not transformational in nature.

The 1952 Revolution proposed a nation building process, the development of a strong, cohesive national identity through the project of *mestizaje* and the transformation of the indigenous population into farmers, organized around unions. More in line with the *indigenismo* rather than more radical positions, these practices slowed down the indigenous people's movement. The military-peasant pact of the 1970s, patronizing to the indigenous population, acted in the same manner.

In the late 1970s, *katarismo* emerged. It was an *indianista* movement that included modern versions of the long-standing indigenous people's battles, and reprised the theories of Fausto Reinaga, the Bolivian writer. During the next decade, the *katarismo* grew, strengthened and divided into two branches. One derivative was the *indianista* movement that advocated for Indian nations' self-determination and the need to establish ancestral organizations. The other, *katarista*, believed in the articulation of its cultural and class claims, considering the country's plural reality. Each trend led to the creation of a political party, respectively the Tupac Katari Indian Movement (MITKA) and the Tupac Katari Revolutionary Movement (MRTK). In 1979, under the influence of the COB and the MRTK, the CSUTCB (United Confederation of Peasant Workers of Bolivia) was created.

It was a union-type organization that over time spread throughout the country. As Esteban Ticona noted, *indianismo* and *katarismo* tendencies were an unanticipated result of the 1952 Revolution: peasant farmer political participation and education, as well as frustration generated by its inconclusiveness.

Unlike Andean indigenous people, the lowland Indians did not yet have much organizational and political clout, and the State had defined them as 'tribesmen' (*selvícolas*) and categorized them as inferior. It was as late as 1990 that they began to emerge onto the national stage with their own political profile. This started with the 'March for Territory and Dignity' that ensured they achieve legal recognition of their territories and compelled the rest of the nation to acknowledge their social and political significance.

But the 'indigenous people's issue' that the National Revolution tried to resolve

through *mestizaje* persisted. Then in the 1980s the labor movement experienced a decline. Policies that were emblazoned in the 21060 Decree and the 'relocation' of the miners destroyed the progress of the workers' movement. This created conditions for strengthening the indigenous people's movement, and so introduced a cultural, ethnic element to political struggles that were gaining ground. In 2000, with both the political system and the State in crisis, the social movements and, specifically, the indigenous people's movement, went from claiming specific rights (i.e. access to land, education, health and political participation), to challenging the government directly and fighting to obtain political power.

From acknowledgement of diversity to transformative interculturalism

The intercultural policies of the 1990s allowed social inclusion to develop, with a set of rules and standards. The Constitution recognized the country's multi-ethnic and multi-cultural fabric, indigenous territories were recognized, the INRA Law established Native Community Lands (*Tierras Comunitarias de Origen*) and the legal status of grassroots organizations (*organizaciones territoriales de base*). The Popular Participation Law democratized public management and strengthened municipalities, educational reform developed a bilingual intercultural curriculum, and the national biodiversity strategy accepted native cultural practices in biodiversity management. But these inclusions were only one side of the coin. The other was the reduction of the government's role, economic liberalization, and a party system that only represented the economic interests of the ruling class and excluded other people and social sectors. This led to intense social conflict and mobilized large segments of the population to reject those policies and demand a Constituent Assembly.

While multiculturalism was a step towards democracy, it did not change the overall systemic domination and consequently, the 'indigenous issue' persisted unchanged. As pointed out by Luis Tapia, multiculturalism embraced diversity in so far as it did not affect the rule of the elite leadership and was presented as a preferred substitute for Revolutionary Nationalism, because it had a progressive, democratic flavor (Tapia, 2002) Arguably, while the multicultural policies recog-

nized indigenous differences they were ineffective because they did not address the issue of power. The policies did not intend to dismantle the entrenched social and political structure to build a different State and society. In any case, its effect was to stifle the radical indigenous movement. The crisis in both the State and the political system revealed the limitations of interculturality and the existence of a strong social demand for change.

But under the umbrella of 'interculturality' there are several entirely different approaches. A conservative approach reduces interculturality to a dialogue between the different parties, but the structure of class domination never changes. This approach arises from a liberal concept and 'pluri-multi' idea. It emphasizes an attitude of tolerance and respect for others, but ignores the role of conflict and power in the relations between different parties. Although it represents an improvement from assimilation and *mestizaje* discourse, it does not propose a transformation of power and leaves the general poverty and exclusion of indigenous people and other sectors unchanged, though perhaps somewhat lessened.

Another approach supports dismantling the colonial matrix and the removal of social structures and practices that perpetuate it. Within the parameters of this definition we can identify two variants. Firstly, interculturality proposes the existence of a fundamental contradiction between indigenous and non-indigenous Bolivians. This can only be resolved by the hegemony of indigenous nations over the rest of the society. Secondly, interculturality is seen as equitable cooperation among different social, economic, political and cultural practices without a central dominant sector.

In recent years, interculturality has become increasingly the, "centerpiece of an alternative historical project" (Walsh, 2008) to which the indigenous movement and other sectors of society have ascribed, although not without conflicts and tensions.

The Link Between Interculturality and Education

The demand for their own schooling system as an instrument of resistance and preservation of indigenous identity has been central in native struggles for much of the 20th and 21st centuries. As is well known, in the early 1930s the Warisata

Ayllu School was founded and revived indigenous vision, ideas and practices, including the use of native languages, which was against government policies that put emphasis on Spanish education.

As part of a national project, the 1952 Revolution introduced education reform, oriented to the building of a national consciousness. The reform established both urban and rural education programs. The concept sought to, "dignify peasants by creating efficient producers and consumers" (Bolivian education code, 1955) and developed literacy instruction as a stepping stone to learning in Spanish.

Only since the 1970s has the State, with the help of international organizations, introduced bilingual education projects in Aymara or Quechua, teaching Spanish as a second language. After the return to democracy, the National Education Plan was formulated, and for the first time it introduced multicultural, bilingual education in order to reassert the majority indigenous cultures, in response to the county's cultural and linguistic pluralism.

The protection of languages and native cultures was central to the indigenous people's struggles. The CSUTCB proposed a bilingual education program in 1983, and demanded that native languages be made official by the State. The most notable program was put forth by the Guarani People's Assembly which developed a successful educational program based in their own reality, language and culture. They articulated this plan with their struggles for land and territory, rational natural resources use, and reconciliation of traditional and western medicine.

From starting out an indigenous people's demand, bilingual education was supported later by a variety of social sectors. In 1989, the COB developed the Popular Education Proposal which included multicultural and bilingual education to affirm and develop native languages and cultures, and to strengthen national identity by eliminating colonial education concepts. The Catholic Church and many NGOs developed bilingual education programs in rural areas and leftist political parties also included proposals for developing multiculturalism and bilingualism in their government platforms. The United Left (IU) proposed the integration of Bolivia's multi-national and multicultural attributes with proletarian and regional cultural interests.

The 1990s educational reform established as one of its main points a vision of education as being multicultural and bilingual, and developed this in rural areas in

one of two ways. Teaching and learning was either in Spanish, but also learning a native language or using a native language as a first language and learning Spanish as a second language. It also introduced Native People's Education Councils (*Consejos Educativos de Pueblos Originarios*). They included ten ethnic groups that participated in the formulation and implementation of educational policies. These councils contributed decisively to better understanding the educational and linguistic situation of the indigenous peoples.

In 2004, after canceling the educational reform program, a participatory process was developed to formulate new policies and educational strategies, with input from different sectors, including the most important indigenous people's and *campesino* organizations. This work subsequently served as the basis for the relevant sections of the Constitution and the Siñani-Pérez Law in Evo Morales' government.

The Unity Pact, intended to integrate farming and indigenous people's organizations, introduced to the Constituent Assembly a set of proposals to ensure the recognition of indigenous rights in various areas. They proposed an education model that recognized the indigenous people as the 'true nation', and incorporated intra- and interculturalism, multiculturalism and multilingualism. Also included were acknowledgment of individual and collective rights, and the decentralization of school management and curricula.

From Interculturality to Plurinationality

Between the indigenous people's demands for bilingual, intercultural education to the proposal submitted by the Unity Pact to the Constituent Assembly, there was significant distance. This grew out of vindication of the right to claim an education in a native language and culture, questioning the structural basis of the State. The gap pointed to the path traveled by the country's indigenous organizations as well as other social sectors that became radicalized during the socio-political crisis in 2000, and developed an increasingly critical position that assumed the idea of indigenous self-government. So the proposal of interculturality developed into a demand for constructing a plurinational State, plus recovering sovereignty over national resources. This would be not only for the indigenous communities, but

for a range of social sector players, peasants, workers and the middle class who were increasingly coming on board.

It should be noted that the Bolivian nation was forged by popular movements and through state capitalism (Tapia, 2007). This helps to explain why the working class, accepted the indigenous people's cause.

The Constitution adopted in 2009 contained the core of the Unity Pact's proposal. Probably one of the key elements was the creation of a new organization named Naciones y Pueblos Indígena Originario Campesinos (Indigenous and Peasents Nations and Peoples.)

This organization brought together peoples from different histories, interests and viewpoints. The highland and the lowland indigenous people are fighting for the reconstitution of their territories and ancestral forms of organization. On the other hand, the unionized *campesinos* defend individual ownership of the land and have a very different relationship with the State.

While the gathering of these sectors into a single entity could be seen as a breakthrough for the advancement of interculturality (equitable interaction between different parties) in the end divergent interests and the domination of some sectors over others thwarted the initiative.

The Constitution considers this organization and the ethics of some indigenous groups as the core of the new plurinational State. This calls into question the intercultural character established in Article 1.

Moreover, labeling as 'intercultural communities' all the Andean farmers who migrated to the lowlands is controversial, because to undertake some economic activity in a different region doesn't necessarily make the migrant workers 'intercultural peoples'. (They are organized into the Confederation of Intercultural Communities of Bolivia, previously known as the Confederation of Colonizers of Bolivia.)

The presence of contradictions within the Constitution weakens the sense of interculturality and plurinationality proclaimed in Article 1 (that defines the plurinational state as a "Bolivian nation").

The Constitution inconsistently introduces 'pluralism' in different areas: government systems, education, health, political representation, autonomy and the economic model. All of this involves an effort to coordinate individual and

collective rights that is not exempt from difficulties related to the construction of interculturalism.

Affinity between or divergence of the multicultural and plurinational concept established in the Constitution (it recognizes different nations with their own territories areas, standards, and so on within a country, establishing long-denied rights) entails the risk of forcing mismatched groups to coexist, or worse, the maintenance or building of subordinate situations, and the exploitation of some groups by others, as well as discrimination. This is because the construction of both the national and the plurinational nation have produced political and class monopolies (Tapia, 2007). Therefore, it is crucial to effectively incorporate interculturality as a possible equitable articulation among those nations, peoples and social sectors.

Finally, it is necessary to consider the existing relationship between the constitutional provisions regarding interculturality and plurinationality, and the public policies, noting in particular that Bolivian history shows a tendency to try to solve problems by passing laws, although there is a reluctance to enforce them.

While the new Constitution and the advent of MAS in government allowed for progress in overcoming the gap between society's cultural matrix and the ruling group, and the effective participation of various indigenous people and other sectors in the State, eliminating the disconnect between State institutions and other socio-political matrixes within the country appears to be unfinished (Tapia, 2007).

Two issues that help illustrate the relationship between the Constitution and policies are the TIPNIS conflict, and the progress of the autonomy process. In the first case, the breach of the Constitution's provisions in relation to self-determination of the indigenous community and the right to "prior consultation" (ILO 169 convention) undermines the multicultural and plurinational nature of the State, and marginalizes the indigenous organizations. In the second case, the excessive lethargy regarding the pace of the autonomic process and the retention of strong centralization of power show that 'plural articulation' is not a reality.

This is why interculturality and plurinationality are objectives yet to be achieved, but they are still alive as objectives within the indigenous organizations and other sectors of Bolivian society.

Sources

Bolivian Education Code (1955), www.lexivox.org/norms/BO-DL-19550120.xhtml

Martínez, Juan Luis (1996), "Educación intercultural bilingüe en Bolivia (Estado del arte)", Centro Boliviano de Educación y Acción Educativas, La Paz, Bolivia.

Tapia, Luis (2002), "La condición multisocietal. Multiculturalidad, pluralismo, modernidad", CIDES-UMSA-Muela del Diablo, La Paz, Bolivia.

Tapia, Luis (2007), "Una reflexión sobre la idea de Estado plurinacional", in OSAL CLACSO, year VIII, Nº 22, Buenos Aires, Argentina.

Ticona, Esteban (2003), "Pueblos indígenas y Estado boliviano. La larga historia de conflictos", Universidad Cordillera, Anthropology Gazette, Nº 19, La Paz, Bolivia.

Walsh, Catherine (2008), "Interculturalidad y plurinacionalidad: Elementos para el debate constituyente" Universidad Andina Simón Bolívar, Quito, Ecuador.

Women and Congress

Eduardo Leaño Román[23]

The Takeover of Parliament (1982–2012)

A democracy is incomplete if more than half of the population is excluded from its political representation for gender reasons. In 30 years of democracy we should be celebrating the inclusion of women in Parliament. Although they were active participants in the campaigns for democracy, they were really the target of prolonged contempt and discrimination. This created an electoral democracy which was socially unjust, with a weak and unstable State.

This article describes the process of women's inclusion in the legislature, as part of the current democratic process. For this purpose, we identify three important

23 Eduardo Leaño Román is a sociologist

points: the absence of a quota law (1982-1996), a deceptive quota law (1997-2005) and an equitable quota law (2006-2012).

Absence of a Quota Law

The transition to the current democracy involved three elections: 1978, 1979 and 1980. General Hugo Banzer, after seven years in office, called general elections for July 9, 1978. In order to implement this election, he established the validity of the 1966 electoral law. Due to an unseemly fraud, apparently encouraged by the government in favor of General Juan Pereda, the 1978 elections were nullified. The scandal was exposed by the number of votes cast (1,989,711) which were greater than the number of registered voters (1,922,556). This was a blow to the citizens and an immediate coup led by General Pereda tried to halt the social discontent. But in November of that same year, Pereda was removed from office by General David Padilla, who called for new elections in July 1979. In those elections, women did not win seats in the Senate, and Lower House only had two female representatives. In the 1980 elections, only one congresswoman joined the Lower House.

During the transition to democracy (1978–1980) when Bolivia was struggling to break away from rule by military governments, the main items on the political agenda revolved around the quest for greater freedom, claims for amnesty, appeals for political rights and demands for free elections. During this period of military rule led by General Banzer (1971–1978), "… all political parties were banned, union leaders were replaced by officially appointed union 'coordinators', and all strikes and demonstrations were banned. Any violation of these provisions would be punished by martial law. In this way, the armed forces empowered themselves to govern the country until 1980"[24].

This policy also affected civil society: "apart from the business sector all other organized sectors were targets of repression (miners, workers, farmers, students, journalists…); certainly, the majority of the political parties were persecuted and many of their leaders were forced to go underground or into exile. Churches were also suppressed; mainly the Catholic Church, whose progressive wing was particu-

24 Lavaud, Jean-Pierre (2003), "La dictadura mimada", IFEA-CESU, Plural, La Paz, Bolivia.

larly attacked (Ibidem)." In this difficult context, to demand a greater representation of women was not only out of place, but was inconceivable; this explains to some extent women's diminished representation in Congress.

Hernán Siles, leading the UDP, took office in October 1982, officially inaugurating the democratic process in Bolivia. Further administrations (1985, 1989, and 1993) placed their main political focus on institutionalizing the political system. This was the period in which the so-called 'settled democracy' (*democracia pactada*) began. This system of political alliances was not only a tool to elect the president, but also to create stable government coalitions.

Women's participation in the social movements between the late 1970s and early eighties contributed to the fall of dictatorship and accelerated the transition to democracy. Despite this, during the first elections that followed (1985, 1989 and 1993), women were not promoted to positions of leadership and their political representation did not increase.

In the Senate, women's representation in 1985 was zero, and five women made it to the Lower House. In the 1989 elections, only two women won seats in the Senate and 10 in the House of Representatives. In 1993, women gained one representative out of 27 in the Senate (3.07%) while in the House they achieved 12 representatives out of 130 (9.2%).

A Deceptive Quota Law (1997–2005)

Since the early 1990s, Bolivia's feminist movement had been mobilized to demand the introduction of gender equality, and eventually in 1997, the 1779 Law, or the Quota Law, was enacted. The introduction of female quota numbers was achieved through extensive work that involved much negotiation, numerous awareness campaigns, and countless dialogues with the heads of political organizations.

Nevertheless, the validity of the Quota Law did not significantly influence the gender composition of Parliament. In the 1997 and 2005 elections, there was little female political presence in the Senate (one senator out of 27 in each case, 3.7% of the total representation). In the 2002 electoral process, four women were elected to the Senate (13.3%). In 1997, women totaled 11 deputies (8.46%) and rose to 24 deputies out of 130 in the 2002 and 2005 elections (18.46%).

The implementation of the Quota Law prompted a modest increase in women's representation; however, the trap was that all this affirmative action initiative did was ensure women's candidacy – not their actual election. In the Senate, nominations for women were registered in third or fourth places on the list of candidates, when in general, all parties could win only two Senate seats. In the Chamber of Deputies, women had the last spots on the candidates' lists and, in the case of single-member constituencies, regulations did not require any kind of alternation. This restricted quota law did not ensure fair representation for women in Parliament.

A Fair Quota Law (2006–2012)

The sessions to develop the Constituent Assembly (2006–2007) were a perfect opportunity for the organized feminist movement to ask for a new and fairer quota system. Woman Networking for Equity and Equality (*Articulación de Mujeres por la Equidad e Igualdad*, AMUPEI) became a mainstay in the struggle for gender equality within the fight for the renewed Political Constitution.

The new Constitution provides for the equality of men and women with regards to political representation. The application of this principle was reflected in the transitional Electoral Law (Law 4021) enacted on April 14, 2009 and has governed the elections of December 2009 and April 2010. This legislation provided that the list of candidates for senators and deputies had to include gender alternation. If the first candidate was a man, the second had to be a woman. In the case of single-member constituencies, the alternation had to be expressed between the official and alternate candidates.

In the election of 2009, women achieved 44.44% representation in the Senate (16 female members out of 36). In the Chamber of Deputies, the progress and presence of women has been important for the candidate lists. In this area, female representation achieved 45.28% (24 out of 53). This progress was much less evident in the single-member constituencies, where political parties in general chose male candidates as official candidates (and put women as alternate contenders). Only five women, out of 77 spots (6.5%), were elected in these electoral districts. Finally, in the seven indigenous people's districts, no women were elected. In total,

45 women were elected, representing 27.1% of the total Congress (166 members). Without a doubt, Bolivia has achieved significant female Parliamentary representation. Furthermore, for the 2012–2013 legislative period, women chaired both Chambers for the first time in history.

Andean Indigenous Peoples

Esteban Ticona Alejo[25]

The Aymara, Quechua and Urus Nations during 30 Years of Democracy

On April 9, 1952, the Revolution introduced greater Indian presence in national politics. Nevertheless, in the first 12 years of the Revolution, they were subordinate to the Nationalist Revolutionary Movement (MNR) and categorized as '*campesino* deputies'.

The Indian (*indianista*) and Katarista movements began questioning the unfinished nature of the 1952 Revolution, and advanced their organizational autonomy through the founding, in 1979, of the United Confederation of Peasant Workers of Bolivia (CSUTCB), headed by Jenaro Flores (Rivera, 1984; Hurtado, 1986 and Ticona, 2000). Out of this came the demand by the indigenous people's and peasants' movement for full citizenship rights and recognition of their identity as a people. They initiated a contemporary anti-colonial ideology, currently fully in force in national politics as a recognized 'process of change'.

The first indigenous deputies, Constantino Lima and Luciano Tapia from the Tupac Katari Indian Movement (MITKA) (Tapia, 1995) and Victor Hugo Cardenas and Walter Reinaga from the Tupac Katari Revolutionary Liberty Movement (MRTKL) opened the way for genuine participation in national politics, during the 'democratic process' that began in 1982. During this decade the first ministers were also appointed, including Zenón Barrientos, Mauricio Mamani and Simón

25 Esteban Ticona Alejo is a Bolivian Aymara. He is a sociologist and anthropologist

Yampara (Hurtado, 1986).

Neoliberal Times: In Search of a 'Political Instrument'

After the CSUTCB was founded in 1979, various internal crises caused by a number of factors occurred. But this did not stop additional political proposals being put forward, linked to the discourse around indigenous people's and *campesino* identities. 1992 was an important year for the movement as it led to the rethinking of the '500 years' issue regarding Spanish invasion, colonization and resistance, and the effects on native people. Indeed, this inspired the CSUTCB and the Confederation of Lowland Indigenous People (CIDOB) and other grassroots organizations to redouble their efforts. One of their intentions was to create a 'political instrument' in the form of an Assembly of Nationalities. It had been advocated since the first extraordinary congress held in Potosi in 1988, and discussed at several subsequent meetings of the CSUTCB and the CIDOB.

The central idea was to formally revive the *ayllu* (a form of Indian commune) and indigenous people's communities, and create a national coordinating body. It was anticipated that this would eventually replace existing indigenous organizations and labor unions, where appropriate. The proponents of the idea hoped to carve out a deliberative, decision-making and executive political space for ancestral peoples. On October 12, 1992, mass demonstrations were held, full of symbolic power, but the Assembly of Nationalities did not succeed, tangible evidence that the process of building a 'political instrument' was just beginning (Villca, 1992 and 1995; Ticona, 1996).

A New Political Player: the Coca Growers' Movement

The United States Government has always argued that preserving 'national security' was its central concern regarding drug production and trafficking rings. This was the core of its strategy towards Bolivia and the Andean region in its 'war on drugs'. Since 1985, there have been on-going joint military operations in Bolivia, plus a permanent military presence in the coca-leaf producing regions.

In the Quechua and Aymara movement, the importance of the coca leaf

producer has been recognized. Through the *campesino* federations of the Chapare region the *cocaleros* have sought recognition and have gradually expanded their influence and leadership in the country's overall indigenous and farming organizations. The coca leaf producers' struggles have resulted in them being able to now report on police corruption; misapplication of the law by judges, human rights violations and so on. The level of corruption has now entered public consciousness, but only after years of complaints and an environment of tension and violence.

The Chapare coca growers' March to La Paz, in August and September of 1994, began a chapter of greater mobilization. The media named the leader of the coca growers, little-known Evo Morales, detained at the beginning of the march, as 'man of the year'. In 1995 widespread violence broke out, caused by the anti-drug agencies during the Sánchez de Lozada-Cardenas's government (1993–1997). In response women linked to coca growers (wives, daughters and sisters) undertook another long march to the city of La Paz to demand justice, respect and the protection of human rights for coca leaf producers. This, coupled with the coca growers' success in the December 1995 municipal elections, gave them a stronger voice. Their party (at that time Assembly for the Sovereignty of the People, (ASP) won 47 council seats in Chapare.

All of this success sparked more sympathy for the coca growers' movement from the indigenous peoples and farming base in other regions of the country. The Aymara and Quechua have found in the movement an alternative to their stalled claims to their rights. This background meant that the categorical triumph of the coca growers in the 7th Congress of the CSUTCB in 1996 was no surprise. Their strength meant they rose to be the representatives and spokespeople for all the indigenous and farming communities.

Mobilization and Breakdown of the Neoliberal Model

After several years of attempted consolidation, the exclusionary neoliberal model collapsed. The collapse began with the massive protests that started in April 2000 as part of the so-called 'Water War' in Cochabamba, against a multinational company that sought to privatize water. The Sánchez de Lozada-Mesa administration (2002–2003) now operated in an atmosphere of intense questioning of tradi-

tional politics and neoliberal policies. The first political crisis occurred in February 2003, with a mutiny of police units stationed near the government palace against a decree to impose new taxes on citizens. This led to an unprecedented conflict with the army, resulting in more than 30 casualties from the police, military and civilians.

Subsequently, the so-called 2003 'Gas War' and the killing of 66 people, plus injuring of hundreds more, mainly among urban and rural indigenous people from the city of El Alto and some provinces of La Paz, defined the most important political schism of the neoliberal phase.

From it emerged an increasingly powerful role for the social, indigenous peoples and farming movements from the Andes to the Amazon, the west and the Chaco. All of them pushed not only an indigenous peoples-*campesino* agenda, but were class conscious, and demanded protection of natural resources like gas, water, and land. In this political climate, the breakdown of the neoliberal policies, and the ensuing crisis among traditional politics, created an atmosphere for the rapid rise of the Assembly for the Sovereignty of the People (ASP) created in 1995 by the six Chapare federations of coca growers (later called Movement Toward Socialism, MAS) led by Aymara leader Evo Morales.

An important national victory for the coca growers' movement occurred in 2002 in reaction to attempts from both the traditional political elite and the US embassy in Bolivia trying to stop Evo Morales' presidential candidacy. Instead, this attempt catapulted him to second place in the July national elections that year.

Evo Morales's Government and the Social Movements

The next scheduled elections were on December 4, 2005 and for the first time a winner with a clear majority was named. Morales and MAS won 54% of the valid votes and a similar majority won in the Chamber of Deputies, but gained a lesser 44% in the Senate (until then with three representatives per province). The nation's overwhelming desire for change was evident. However, only three of the nine elected Governors belonged to MAS (Oruro, Potosi and Chuquisaca), which showed the strength of the opposition's regional leadership.

But what caught everyone's attention was the rise of an indigenous Aymara

man to the Bolivian Presidential office, with a wide margin of votes. For the indigenous people and the *campesinos*, this created greater access to key State positions, although still within a colonial structure. The new administration prioritized convening the Constituent Assembly, whose members were elected on July 2, 2006, with results similar to December 2005. The new leadership focused on its relationships with the social movements in various sectors, but especially the indigenous people, farmers, and populist urban sectors. This was the bedrock of MAS.

The Attempt to Reinvent Bolivia: the Constituent Assembly

The most significant historical achievement in the fight for a Constituent Assembly was the indigenous people's march in May 2002. Named as a march for 'Popular Sovereignty, Territory, and Natural Resources', it was the first indigenous people's mobilization directly focused on gaining a Constituent Assembly. The main leaders were from the eastern sector, comprised of indigenous people from the Amazon, the east, the Chaco, the Andean migrants and other non-indigenous famers. Later, the Conamaq, from the Andean region, joined the march.

The first act of Evo Morales's administration was to install the new Parliament on January 22, 2006. Months later, after long and heated debates between factions, Congress approved an election to choose the members of the Constituent Assembly and to call a referendum on regional autonomy. Both issues meant a new triumph for MAS, which again showed the great strength of the Andes region against the Amazonian 'Media Luna' made up of the provinces of Santa Cruz, Beni, Pando and Tarija.

In the election of July 2, 2006, for members of the Constituent Assembly, MAS took 51% of the vote, with an absolute majority across all the Andean provinces and, for the first time, the majority in Santa Cruz and across Tarija. It claimed 137 (54%) of the 255 seats. The new Constituent Assembly was inaugurated on August 6, 2006 supported by an extraordinary citizen's parade, including a huge contingency representing 36 indigenous and *campesino* peoples from all across Bolivia.

The Proposal for a Plurinational State

The legacy of colonialism was a race-oriented, hierarchical system. The 'republic' of Spaniards and the 'republic' of the indigenous people had obvious and humiliating results for the second group (Quijano, 1992). However there was some recognition of the rights of the second group via an implicit 'contract of respect' with regards to their territories, in return for taxes and *mita*, the forced labor of indigenous peoples (Platt, 1982).

With the Revolution of 1952, some forms of colonialism begin to crumble. The MNR opted for the liberal path of hoping to reach homogenization and equality within the State. Rhetorically the Revolution transformed the indigenous peoples into 'farmers' and recognized their right to private ownership of land, the right to education, and universal suffrage. These were all important advances, but the task remained unfinished and internal colonialism continued. The logical consequence was to propose that Bolivia should be re-structured as a plurinational and intercultural state. This notion first appeared in a CSUTCB document in 1983, as the central political thesis of its second congress. But the same point was presented in more recent proposals, such as the Assembly of Nationalities.

Basically, it was a proposal to re-structure the country to simultaneously bring together different social sectors and indigenous civilizations, with a sense of fairness and full participation. This was not the only approach, but we consider it to be the most important. In spite of difficulties the Constituent Assembly encountered, it remained in session for more than 18 months, and approved the State's new Political Constitution. For the first time in Bolivia's history, all social sectors were participants in a discussion that designed the new social model for the State.

Conclusion

Undoubtedly, when viewing Bolivian democracy from the Andean indigenous people's point of view, there have been both positive milestones and major progressive developments. The current 'process of change' is part of that, but we can also see elements of re-colonization, apparently due to internal contradictions of the current government but also among some indigenous social movements, especially

within the Andean region. But generally we can conclude that during the last three decades, the indigenous peoples and farming movements have decisively supported the building of an intercultural democracy, which has not yet been consolidated. The plurinational State is still an ideal for which we stand, that is, to build an intercultural society from within.

Sources

CSUTCB (1983), "Tesis política y estatutos", CSUTCB, La Paz, Bolivia.

Hurtado, Javier (1986), "El Katarismo", HISBOL, La Paz, Bolivia.

Platt, Tristán (1982), "Estado boliviano y ayllu andino", Instituto de Estudios Peruanos, Lima, Perú.

Quijano, Anibal (1992), "Colonialidad y modernidad-racionalidad", in: "Los Conquistados. 1492 y la población indígena de las Américas", FLACSO, Bogotá, Colombia.

Reinaga, Fausto (2001), "La Revolución india, PIB, La Paz, Bolivia.

Rivera, Silvia (2003), "Oprimidos pero no vencidos. Luchas del campesinado aymara y quechua 1900-1980". Yachaywasi-Aruwiyiri, La Paz, Bolivia.

Tapia, Luciano (Lusiki Qhispi Mamani, 1995), "Ukhamawa jakawisaxa. Así es nuestra vida, autobiografía de un aymara, HISBOL, La Paz, Bolivia.

Ticona Alejo, Esteban (1996), "CSUTCB: Trayectoria y desafíos, CEDOIN, La Paz, Bolivia.

Ticona Alejo, Esteban (2000), "Organización y liderazgo aymara. La experiencia indígena en la política boliviana", Universidad de la Cordillera-Agruco, La Paz, Bolivia.

Villca, Juan de la Cruz (1992), "Propuesta para la discusión en las bases", in: "Convocatoria a 1a. Asamblea de Naciones Originarias y del Pueblo", CSUTCB, La Paz, Bolivia.

Villca, Juan de la Cruz (1995), "La marcha nacional campesino-cocalera en el relato de Juandela", CSUTCB, Oruro, Bolivia.

Amazonian Indigenous Peoples

Elba Flores Gonzales [26]

We have witnessed 30 years of democracy in Bolivia. The three decades have seen periods of progress plus deep crises that have threatened the survival of that democracy. But arising from this struggle, we have also seen profound changes in the country.

Democracy is not only the political exercising of the right to elect and be elected. It requires more than just that, such as economic, political, social and cultural rights, and the recognition of individual and collective rights of the indigenous people, who have become a socio-political force that has contributed profoundly to the democratic process.

The Rise of the Indigenous Peoples Movement

After two decades of exclusion and marginalization from the nation-state, between the 1970s and the 1980s, and since the restoration of democracy, a new social actor has burst onto the national political scene. The lowland indigenous people have demanded greater recognition of Bolivia's ethnic diversity. This has happened in a favorable international context of human rights awareness, as well as awareness of the need to protect the environment generally, and specifically the Amazonian jungle.

One of the first strategies was to look for 'unity in diversity among indigenous people'. In 1979, the first encounters were organized to enable indigenous people to share their problems. This continued up until 1982, when the indigenous people of Santa Cruz decided to form an inter-ethnic organization.

The organization later became the Confederation of Lowland Indigenous People (CIDOB) in 1989. It was a parent body for indigenous peoples from the Chaco, the Amazon, and eastern Bolivia.

CIDOB surged onto the national scene in 1990, with the 'March for Territory

26 Elba Flores Gonzales is a social scientist

and Dignity', that reshaped the political nature of the indigenous issue. The indigenous movement as a social actor not only demanded respect for their identity, but also demanded recognition of their territory, as well as autonomy and participation with their own voice in all political, economic and social spheres. In other words, their rebellious proposal was aimed at transforming the State, to allow democracy to include new criteria from indigenous identities. The mobilization achieved State recognition of four indigenous territories through supreme decrees and initiated reconsideration of the issues around indigenous people.

Bolivia was one of the first countries to ratify Convention 169 of the International Labor Organization (ILO), on indigenous people, in 1991. In light of the constitutional reform of 1994, it was a substantial, but still limited, recognition of the multi-ethnic and plurinational nature of the Bolivian State. It validated the different identities, but basically did not disrupt the society's structure or behavioral patterns. The Constitution recognized and guaranteed territorial rights for regions inhabited by indigenous people, but defined them as communal lands (TCOs) that were private, collectively owned property, not an entire political region employing the practices of self-government.

New laws were passed: for Forestry, Popular Participation, Municipalities and Education, based on the revised Constitution. The laws meant progresses for indigenous movements and were obtained from a neoliberal government.

The Popular Participation Law recognized the legal status of indigenous communities and organizations within municipalities. However, colonialist mentality persisted because the law required the creation of new entities such as the Base Territorial Organization (OTB) which would be dominant over indigenous organizations, and so ignoring the forms of government already established within the communities.

The Municipal Law reconfigured the country as part of a drive to empower local government. The indigenous people achieved recognition of indigenous districts, but within the municipal boundaries that sometimes did not correspond to the TCO (communal land).

Indigenous people participated for the first time in the 1995 elections, but under the representation of different right-wing political parties such as the MNR, MIR, ADN, and MBL. The success of this democratic experiment was modest.

During this time, the indigenous peoples struggle for rights took on a more limited nature.

Increasing Power, and Constitutional Reform to Transform Bolivia

The indigenous peoples movement and structural transformation

Since 2002, lowland indigenous peoples and farming organizations perceived that the 1952 agrarian reform process was exhausted; that the political system was in crisis and it was urgent to break the current political parties' monopoly and move to a more representative democracy, and the only way to change was by generating a process of structural transformation. Given this dual issue, the indigenous movement's strategy, led by the Coordinator of the Indigenous Peoples of Santa Cruz (CPESC) and other indigenous peoples-farmer organizations, was to make regional alliances with other excluded sectors, based on common demands, so that the Lowlands Block (*Bloque Oriente*) was consolidated. In 2002 the 'March for Popular Sovereignty, Territory, and Natural Resources' was organized, based on a legal-political platform that proposed the immediate realization of a Constituent Assembly, land and territory for indigenous and farming people, and the annulment of the unpopular Sustainable Development Law.

In an historic milestone, the indigenous movement went from being a mere legal player to a socio-political actor. Their actions went beyond their strictly sectorial demands, and instead, acquired a new national dimension to bring structural changes, like the Constituent Assembly, to transform Bolivia by generating a new social pact, because the monocultural State model was outmoded. The mobilization generated a first encounter and then an alliance between lowland and highland indigenous peoples.

The presidential elections were held that same year, with amazing results that created a new political scenario. MAS, led by Evo Morales, took second place (20.9%) while MNR won the election with just 22.5% of votes. The traditional parties were the biggest losers because of social discontent with neoliberal policies and the party system. Lowland indigenous organizations participated in the elections in alliance with the MAS.

The Constituent Assembly: from monocultural to plurinational State

Once the new demand for a Constituent Assembly was in place, the *campesino*-indigenous organization alliance worked to consolidate the idea. Thus, on September 10, 2004, all national organizations met in Santa Cruz and created the Unity Pact, in order to create a consensual proposal for a law calling for a constituent assembly. This had to be sovereign, original, participatory, inclusive and empowered to break the current colonial view of, and exclusion of, the majority.

The social movements' demands to convene the Constituent Assembly in order to urgently hold a binding referendum on the gas issue, and to enact a new hydrocarbons law, were delayed. Rather, presidential and governor (*prefectos*) elections were held in December 2005. After Evo Morales' big win a law was approved to propose a constituent assembly, and the MAS won again. The lowland indigenous organizations, in alliance with the MAS, won four indigenous people's constituencies. Lowland indigenous organizations like CIDOB, CPESC, APG and CPBEM participated in commissions of the Constituent Assembly via a technical team and a delegation of indigenous leaders who were physically in the meetings, assemblies and public hearings.

The dynamics of the pre-constituent and Constituent Assembly processes allowed for the expansion and strengthening of alliances around a common proposal and agenda among rural-urban sectors at a national level. This was articulated by the Unity Pact and, in the lowlands, by the Lowlands Block. This organizational unity enabled joint proposals of policies and ensured that demands would be incorporated into the new Constitution.

Defending democracy

The polarization of the two forces fighting for supremacy, the MAS promoting the constitutional process as the realization of the project for change (*proceso de cambio*), and conservative groups opposed to that change, generated a volatile political climate. Aggression flared when the lowland power groups, in response to the October Agenda (the leftists ideas of the so called "proceso de cambio" that Evo Morales embraced before and after getting into power) proposed provincial

autonomy and introduced their proposal through the Santa Cruz Civic Committee as a valid representative. This was a period filled with high tension and polarization between east (lowland, less native population) and west (highlands and higher indigenous people presence) Bolivia. The confrontation was characterized by the use of slogans, actions and some speeches fraught with racist overtones that widened the differences. Yet it was a conflict between the power groups supposedly defending democracy.

In different parts of the lowlands, a series of violent acts against indigenous leaders took place. Whippings in the streets, fighting, and burning of indigenous organizations' offices were happening because of the State's absence in the region. The MAS government was going through its weakest period. These acts of intolerance, and racism against the indigenous and farming organizations, were intended to serve as a lesson to those who dared to challenge the status quo on land, natural resources and political power (Suárez, 2008). But this crisis propelled the indigenous organizations to expand their alliances with urban organizations, to position themselves as political figures and to confirm that they were advocates in the region for the process of change and democracy.

Advancing the construction of the plurinational State

The indigenous people who had pushed for the plurinational State were now cementing their claimed rights with the implementation of the Constitution, as well as through community democracy, political consultation and indigenous autonomy.

December 6, 2009 was an historic and memorable day for democracy in Bolivia. As part of the electoral process, eight lowland indigenous members were elected to Parliament, in alliance with the MAS. By mandate of their members they formed an 'indigenous bloc' which represented a new, weighty political player in Parliament.

On April 4, 2010, mayors and council members were elected, as well as provincial governors and members of the Regional Assemblies across the country. Twenty-three indigenous, native and peasants provincial members of the Assembly were elected through their own customs, giving life to the emergence of the new plurinational State.

Additionally, Law 4021 provided for indigenous people and peasants to convert their municipal administrative units into indigenous autonomies, through a referendum. On December 6th, 2010, 11 of the 12 indigenous municipalities opted to convert to indigenous autonomy. In the case of the lowlands, specifically in the municipality of Charagua, an historic area dominated by white power groups, voters said 'yes' to indigenous autonomy.

Within the scope of the Constitution and based on the Declaration of the Rights of Indigenous People of the United Nations, the people of Lomerío also decided to approve territory-based autonomy. This was an historic demand from its indigenous population.

The Constitution recognizes, in Article 30, paragraph 15, that indigenous peoples have the right to be consulted through appropriate procedures, and in particular, through their own representative institutions, whenever legislative or administrative measures may affect them. Similarly, the Indigenous and Tribal Peoples Convention (ILO-Convention 169), ratified by Bolivia, requires that the State carry out prior consultation with the indigenous peoples.

Although this right was nationally recognized in the first term of the MAS administration, the indigenous peoples and peasant organizations presented a detailed proposal that was incorporated into the hydrocarbons law in a specific chapter, and expanded later in the regulation norms. This has been implemented, notably in the Guarani territory where the oil companies operate.

This was a substantial advancement in legal and declarative terms, but was limited in its application. For example, the State assured stakeholders that the 'prior consultation' would be done in good faith, within the law and respecting the indigenous peoples. But during the TIPNIS crisis, the government's decision to build the road through that indigenous territory was unbending and arrogant and the 'prior consultation' wrongly timed; contravening the essence of the ILO Convention and Bolivian Constitution.

Conclusion

The indigenous movement grew from being merely a legal actor to a socio-political player. As a fundamental part of the broader social movement, the indigenous

peoples movement was pivotal in ensuring that the notion of a Constituent Assembly be added to the national agenda. It was able to unite the social movement around a national demand and to promote connections between social sectors previously viewed as antagonistic due to their ideological positioning, as well as their regional and cultural differences.

Their proactive stance was recognized; they strengthened the mass mobilization process with proposals that came out of a participatory process. These proposals were incorporated into constitutional and national legislation. With this experience, they are still positioned to contribute meaningfully to the development of new Bolivian legislation.

Indigenous people were committed to building a new plurinational State. Yet, they have found that 'their' government reproduces the discourse and actions of the old monocultural model and, in that way, makes the process of change uncertain.

The Highlands: Land and Territory

Gonzalo Colque[27]

Bolivian Peasants in Times of Democracy and Neoliberalism

In early 2006, after winning the elections with 53.7% of the votes, the Movement Toward Socialism (MAS) took power by declaring itself anti-neoliberal and anti-capitalist, and promised a new State policy under the slogan 'process of change'.

Workers movements voted for MAS precisely because they were tired of the consequences of the prior economic and political model. However, over the years, the revolutionary tone was diluting and it became obvious that, in practice, the new administration promoted a capitalist economy based on the extraction of natural resources. The only difference is that the State has a greater share in the revenue from the extractive industries, primarily in the hydrocarbon sector.

The government's policy of free-market capitalism is expanding, with imme-

27 Gonzalo Colque is a economist

diate consequences for the agricultural and rural sectors. The agro-industrial sector (the Santa-Cruz elite that during the democratic era, was noted for opposing the redistribution of land) not only approve the government's economic policy, but also managed to obtain several specific advantages which allowed them to retain and consolidate agrarian capitalism.

Agricultural capitalism also has, among its supporters, the medium scale and small scale farmers who benefited from extractive agriculture's grow. They are the entrepreneurs in the Santa Cruz medium and small soybean, sugarcane, sunflower, corn, rice and livestock sectors. In another geographical context, although using the same logic, are the Andean migrants engaged in the production and marketing of the coca leaf. The economic growth of these rural enclaves immediately increases requests for the expansion of the agricultural frontier at the expense of the forest, the Amazon jungle and the indigenous people's territories.

But this dynamic agricultural economy has an opposite: the small farmers in the highlands who do not produce commodities for the world market, nor coca leaves. It is estimated that two thirds of the rural population in Bolivia fall into this category and have been replaced as the domestic food market's major suppliers (Urioste et al, 2007). The purpose of this brief text is to review the land question in the context of Bolivia's 30 years of democracy. As we shall see, it is a history of land policies driven by neoliberal democratic governments. We will review the conditions under which land reform was reinstituted at a time when political liberties and free expression were regained (1982), the process that followed, and its current status.

The 1980s: Light and Shadows

The military dictatorships, and especially the first government of Hugo Banzer (1971–1978), distributed thousands of hectares of land in eastern Bolivia through fraudulent means, free of charge, and mainly as payment for political support. The argument was that the 1953 Land Reform Law allowed for the delivery of up to 50,000 hectares of land to anyone interested in becoming an entrepreneur. The beneficiaries took control of the lands, but not necessarily for productive purposes, but to speculate in the promising emerging land market of eastern Bolivia.

The arrival of democracy in 1982 created new expectations for access to new

lands among the small Andean producer. From this point in time, the proposal for the Basic Agrarian Law presented by the CSUTCB led by Jenaro Flores was highlighted. The project was approved publicly by President Hernán Siles, but it was never properly implemented. The group led by Flores argued that a dual structure of large and small landholding co-existed, which had resulted in capitalist exploitation of the latter. It proposed that the land should be owned by whoever 'works it personally'. Since then, to the present day, the CSUTCB has been unable to come up with a better proposal (CEJIS, 2001).

The subsequent government of Victor Paz Estenssoro (1985–1989) adopted the so-called New Economic Policy (NEP), thus beginning the neoliberal cycle according to the 'structural adjustment' measures designed by the International Monetary Fund (IMF) and the World Bank (WB) for developing countries. The government was focused on controlling inflation and the fiscal imbalance, and established the basis of a free market economy and the privatization of State companies. The IMF and the WB made their loans conditional upon these measures. In this context, the demand for equitable land distribution was removed from the core of the State's agenda, although not entirely canceled. Paz Estenssoro did commission a study aimed at restructuring the National Agricultural Reform Council and the Internal Colonization Institute.

During the 1980s Santa Cruz agro-industry managed to replace the small Andean farmers as the food market's major supplier. For example, in 1950 Cochabamba (peasant production) had about 230,000 hectares surveyed as farmland while Santa Cruz had only 96,000 hectares. But by 1984, Santa Cruz recorded 5.5 million hectares while in Cochabamba the figure remained virtually unchanged (Agriculture Census 1950 and 1984).

The 1980s defined the model of agriculture in Santa Cruz, orienting it to the international market, based on the production of soybeans, and the arrival of massive transnational capital, mainly from Brazil.

1990–1995: Return to the Agriculture Debate

1990 was the year of the 'March for Territory and Dignity' – the first one led by the CIDOB – whose main demand was the legal recognition of their territories

and collective rights. This social mobilization led to Paz Zamora's administration approving the ILO's 169 Convention and recognizing, by decree, the territories of the Siriono, Moxos, T'simanes, Yucaré, Movimas and other indigenous groups (Coca Suárez, 2009).

This mobilization for land was a sign of an agrarian crisis. Allegations made by the CSUTCB, of corruption in the distribution of lands, and the case dubbed '*Bolibras*' (an illegal delivery of a large landholding, denounced by parliamentarian Miguel Urioste) forced the government to halt all agricultural land proceedings and initiate the development of new land laws (Hernaiz and Pacheco, 2000).

The debate over new land laws continued until mid-1996. The eastern region businessmen were against it, and also the Andean farmers, who considered it a neoliberal measure. The process was influenced by the IMF and the WB, organizations that gave financial and technical assistance (ibidem). At stake was the strategic approach that agricultural reform would take. The discussion included whether it would be directed by the State, or would be a measure driven by free market rules; whether property rights would be reviewed; whether it would be conducted by the central government or the provincial governments, as demanded by Santa Cruz.

When Law 1715 of the National Institute of Agriculture Reform (INRA) was approved, it was rejected by both the eastern region agricultural capitalists and the CSUTCB. The first group pointed out that it was a law confiscating their properties. The small producers saw the law as neoliberal, not incorporating their demands, and called for resistance against getting land titles.

1996–2005: Expansion of Agricultural Capitalism in Santa Cruz

The INRA Law of 1996 ordered a legal and technical review of all properties and delivery of ownership titles to all who proved they had obtained the land by legal means, and could prove that they were using the land for a social or economic function, formalized as a certificate of Social/Economic Function (SEF). The law provided for a period of 10 years during which the State should recover all large, illegal landholdings for distribution and delivery to the farmers with little or no land.

After ten years, the process was still not completed. It hardly achieved 10% of the goal, and most of them were TCOs in the lowlands. For 10 years, large

livestock and agricultural properties successfully dodged the agricultural reform process using their economic power against the diminished political strength of Sánchez de Lozada, Quiroga and Banzer. Santa Cruz's elite had also benefited from the higher international prices of soybean, agro-industrial technology, and investments from Brazil and Argentina. Recent research indicated that, "after 1990 there was a jump in the acreage of the province of Santa Cruz from 413,320 hectares to 1,821,631 in 2007. The cultivation of soybeans and other oilseeds was around one million hectares and the remaining 800,000 hectares were used for sugarcane, cotton, wheat, rice, corn and other food crops" (Urioste, 2011).

Santa Cruz capitalism, united around the Eastern Agricultural Chamber (CAO) achieved several victories over the central government.

Another rejected measure was land tax. Banzer accepted the tax base calculated on an owner's self-appraisal of the land, not by market price. Additionally, Sánchez de Lozada (2002–2003) reduced the tax rate after agro-industry complained that natural disasters were bankrupting them. Consequently, tax revenues were minimal, and collected by municipalities, that were required to reinvest 75% in favor of the agro-business sector itself in the form of services and economic promotion (Morales, 2011).

Santa Cruz's last method of eliminating the role of central government in agricultural reform was to demand provincial autonomy. Starting in 2004, the Santa Cruz Civic Committee led mass demonstrations to push for a referendum on autonomy. It was held in in 2006. The main demand was to retain the biggest portion of tax revenues for the people of Santa Cruz, and that the regional government would gain control, regulation and use over all land and natural resources (Plata, 2008).

2006–2012: 'Process of Change' Contradictions

In 2006, Evo Morales said: "Those lands that serve only for accumulating and negotiating, we will revert back to the State for redistribution to the people without land." Under this premise, in November 2006, the government enacted an amendment to Law 3545 concerning "Community Reorientation of the Agricultural Reform", focusing on community ownership, and distribution of State land. It

was argued that this measure was approved to prevent commercialization of land and to "dismantle existing neoliberalism and 500 years of colonialism in Bolivia".

During 2006–2010, there was massive transfer of title deeds to TCOs, amounting to 20.7 million hectares. At the same time, other measures stalled, such as recovery or expropriation of large landholdings and illegal lands, the certification of smallholders and distributing title deeds on small properties. But after the 2011 TIPNIS conflict, the government stopped recognizing TCOs, and trampled over recognized indigenous people's rights. With this setback, it was evident that the land reform had not advanced substantially enough to alter the existing dual structure of large and small landholding.

Therefore, capitalist agriculture gained even more strength. In addition, during the last years, agro-industry entrepreneurs have successfully demanded that the State renounce its control over the agro-industry lands. This proposal had backing at the highest political level from social movements allied with the government, which adopted it as one of their own demands; even the President himself publically defended Santa Cruz's demand during his 2012 report to the nation.

Conclusions

Agricultural reform resurfaced as an issue during the past 30 years of democracy in Bolivia. Driven by sectors that opposed the large lowland landholdings of illicit origin, public pressure forced the neoliberal governments of the 1990s to prepare a legal framework (although not free from the influence of 'structural adjustment' policies) that gave the key role to the State, rather than the market, to carry out land redistribution.

Previous administrations to Evo Morales's government kept a low profile in the implementation of agricultural reform, especially in regards to sensitive issues such as outlawing speculative land ownership, and the control of large landholdings. Neoliberal policy hampered the implementation of the new policy, as well as the relations between democratic governments and economically powerful, influential ago-industries. The alienation of the different democratic governments from the peasants and indigenous sectors also hindered the agrarian reform process.

In 2006, the Morales' administration tackled the land problem afresh and

made considerable progress in consolidating the indigenous territories, and even confronting agricultural capitalism. However, since 2010, the government's policies drowned in a sea of contradictions, uncertainties and pragmatism. In this scenario neoliberal policy continued to play a decisive role, both because it is part of global capitalism and due to MAS support of extractive industries. Under these circumstances, the black market in land continues to play a growing role in defining how to access land, those who control it, and those who are excluded.

Sources

Artículo Primero magazine, N° 12 (2003), CEJIS, Santa Cruz, Bolivia.

Borras, Saturnino, et al (2007), "Agrarian reform and rural development: historical overview and current issues", in: Haroon Akram-Lodhi et al (eds), "Land, poverty and livelihoods in an era of globalization", Routledge, US.

Coca Suárez, Paúl Antonio (2009), "Conmemorando sus 29 años: La Marcha Indígena por la Constituyente y Autonomías", in: Pukara newspaper, Año 3, Nº 45, La Paz, Bolivia.

Fundación Tierra (2011), "Concentración y extranjerización de la tierra en Bolivia", La Paz, Bolivia.

Fundación Tierra (2011), "Reconfigurando territorios: reforma agraria, control territorial y gobiernos indígenas en Bolivia", La Paz, Bolivia.

Henáiz, Irene y Pacheco, Diego (2000), "La Ley INRA en el espejo de la historia: dos siglos de reformas agrarias en Bolivia", Fundación Tierra, La Paz, Bolivia.

MAS-IPSP (2006), "Programa de gobierno 2006-2010: Bolivia país líder", La Paz, Bolivia.

Morales, Evo (2012), Presidential speech, www.bolpress.com/art.php?-Cod=2006012301.

Morales, Miguel (2011), "Bases para el nuevo impuesto a la propiedad agraria en Bolivia", in: Miguel Morales et al (eds), "Hablemos de tierras: minifundio, gestión territorial, bosques e impuesto agrario en Bolivia", Plural editores, La Paz, Bolivia.

Plata, Wilfredo (2008), "El discurso autonomista de las élites de Santa Cruz" in Ximena Soruco et al, "Los barones del oriente: el poder en Santa Cruz ayer y hoy", Fundación Tierra, La Paz, Bolivia.

Urioste, Miguel, et al (2007), "Los nietos de la reforma agraria: tierra y comunidad en el altiplano de Bolivia", Fundación Tierra, La Paz, Bolivia.

Valdivia, Gabriela (2010), "Agrarian capitalism and struggles over hegemony in the Bolivian lowlands", in Latin American perspectives, http://lap.sagepub.com/content/37/4/67.short

1715 Bolivian Law, www.inra.gob.bo/InraPb/upload/LIBNORMASAGRARIAS.pdf

1950 and 1984 Agrarian Census, www.ftierra.org/index.php?option=com_content&view=article&id=1667:rair&catid=96:mensual&Itemid=115

20374 Bolivian Supreme Decree, www.derechoteca.com/gacetabolivia/decreto-supremo-20374-del-31-julio-1984

3545 Bolivian Law, www.google.com/search?q=2006+Ley+modificatoria+N%C2%BA+3545+de+reconducci%C3%B3n+comunitaria+de+la+reforma+agraria

Participation and Political Parties

Renata Hoffmann[28]

A Look at Democratic Institutions

From ancient Greece to the present day, the most diverse definitions of democracy have been given. The answers depend on the time, place and ideology. It is not any different when it comes to democratic institutions. In general, we can say that the concept of 'democracy' refers to the set of political institutions that organize the State and the society, as well as the rules and regulations which define a particular social order.

When viewing the topic more closely, the conceptual and ideological differences emerge. From a more liberal tradition, the main function of the democratic institutions would be to apply checks and balances on the power exercised by the

28 Renata Hoffmann is a sociologist

State, to help ensure freedom for all citizens. This view is criticized by ideologies which question the universality of these principles and liberal values, because they emphasize the rules and regulations of each people and culture. Specifically, in the present debate, it is an approach that gives priority to collective rights arising from indigenous peoples and farming cultures, over individual rights that come from a western tradition that cannot be separated from its colonial past.

The complexity of this debate lies not only in ideological and political differences. It is also due to the difficult process of institutionalization which must balance and harmonize the standards that have arisen over time, and the innovations produced by any social dynamics.

These differences and clarifications carry great weight when assessing the strength or weakness of political institutions, since they contain an assessment of the quality of democracy, which is always made from a particular ideological position.

Without ignoring all this complexity, we will conduct a brief review of the process experienced by those political institutions that were recognized by all the political forces as an essential part of the democratic process. Using this approach, we will examine how some key public institutions have performed, and on the other hand, the process of institutionalization of social participation.

Performance of State Political Institutions, and Parties

Over the past 30 years, there have been seven national elections of presidents and representatives to Congress (not counting the 1980 election that brought the UDP to power), 10 municipal elections (since 1995 in 327 municipalities and no longer only in the capitals), several provincial elections, an election of representatives to the Constituent Assembly, several referendums and mandate recalls, and finally, election of judicial authorities.

This election marathon gives a first impression of a very high level of institutionalism, which is essential for democracy. However, when we consider elections as a means to designate representative authorities and achieve political stability based on the legitimacy granted by the vote, a first look is only relative. It also displays a number of weaknesses, attributable both to State institutions and also to society itself.

There is notable political instability in the municipalities and in the provinces and even at the national level; although the authorities have been chosen, we cannot hide the fact that the democratic institutions in Bolivia are fragile. Lack of respect for the terms of mandates for elected officials is an example of this fragility regarding the State authorities, as well as the political parties and social organizations.

The reasons are many, and range from a lack of respect for political pluralism, to cronyism in the political and social organizations, to political practices that value the elections themselves, but not necessarily their results.

This institutional weakness originates, and is also expressed, in the weakness of political parties. The three decades of uninterrupted democracy have had little or no effect on the party system that, at least in terms of classical theory, should be the basis of a representative democracy. Beyond the ideological differences among the major political parties, most of them are characterized by a single leader, and by being short-lived. Examples abound: Nationalist Democratic Action (ADN) was born and died with its founder Hugo Banzer; Homeland Consciousness (Condepa) experienced the same fate with Carlos Palenque and the Civic Solidarity Union (UCS) with Max Fernandez.

In comparison, the life of the Revolutionary Nationalist Movement (MNR) was more institutional. The party and its leaders survived longer than 50 years, although their significance is relatively unimportant. MIR can be considered another survivor. Born out of resistance to the dictatorship of the 1970s, it survives to this day, after being overtaken by several fast moving political currents and parties.

The most successful political party in recent years is the Movement Towards Socialism (MAS), which defines itself as an instrument for the advancement of social movements rather than a traditional political party. This coca growers' movement began in defense of the coca leaf but evolved into an anti-imperialist force that took on western and agricultural unions. It became convinced of the need for social organizations to enter the political struggle with their own organizations, and under former leftist leaders, who abandoned worker organizations to become militants for the indigenous people. These people created a powerful political movement that shook, even destroyed, the previous system of traditional political parties.

The 1997 national elections saw MAS enter Parliament and in the following

2002 elections it became the second most powerful party. The economic and political crisis over the following years continued to strengthen the party, with it playing a key role in the downfall of President Sánchez de Lozada and his successor, Carlos Mesa.

The presidential elections in December 2005 gave MAS an unprecedented 54% of the vote and thus the possibility of governing with a comfortable majority – something that none of its predecessors had enjoyed since the return of democracy. With this majority and a new Political Constitution in place, MAS finally was able to take part in the presidential elections in December 2009. This consolidated the party as a leading force with 64% of the votes, and two-thirds of Congress.

The rise and dominance of MAS ended the long crisis of the so-called traditional parties, but also weakened democracy because it was left without the checks and balances necessary to avoid excessive concentration of power in the Executive. The current balance of power democratically expresses the will of the majority of citizens, but at the same time, shows that we are still far from a multi-party democracy that helps to perpetuate ideological debate and choice between different visions and proposals for the country.

In this situation of shadow and light, the National Electoral Court has a significant role, specifically the Plurinational Electoral Organ, as it has been called since 2010. This body is recognized as guardian of the new State political Constitution. It is also one of the branches of government that, in the 1990s, experienced a deep institutional crisis. Its top officials became notorious as the 'Gang of Four' due to electoral manipulation that resulted in loss of legitimacy, not only for the Electoral Court, but the elections themselves. This crisis was resolved in 1999 with the appointment of respected, well-known personalities in the country, independent of the State and political parties.

This change restored the reliability and reputation of the electoral body and marked a major step forward in building democratic institutions that, to date, have survived, despite the change of government and problems in various electoral processes in recent years. But still it would be naive to believe that such progress is both definitive and irreversible. Also, it exists the risk that the Executive will strengthen its control over the electoral body and thereby remove the independence demanded by the citizens.

Institutionalization of Social Participation Mechanisms

Bolivia is a country rich in social organization and participation experience, especially in rural areas. The persistence of indigenous traditions and the reduced presence of the State are factors that contribute to the validity and importance of these rural organizations.

This fact gained critical recognition in the 1990s, during Sánchez de Lozada's first term. In addition to a series of economic adjustments due to the 'capitalization' of State enterprises, a broad program of reforms was launched that leaned toward modernization. The notable part of this process was the Popular Participation Law (1994) which, interestingly, was aimed precisely at these traditional organizations in order to promote State decentralization, through the creation of 327 municipalities across the country.

The uniqueness of this process was not only in the magnitude of the public resources channeled to the municipal governments (with 20% of revenues from the national Treasury, this was well above what was the norm in other countries) but also in the new and significant design of a powerful social participation model, in which local investment and control over it was defined. The Popular Participation Law itself defined the OTBs as the representatives of social participation, as well as many established, representative regional and traditional social organizations. Examples are farming unions, also known as *ayllus* among the indigenous Andean people; captaincy (leadership) of central lowland indigenous communities and neighborhood councils in the cities and larger towns.

The rural experience of Popular Participation was very different to that of the cities. In the countryside, the Popular Participation Law was much more important and successful because the social organizations retained their validity and legitimacy. They were thus able to successfully absorb and exercise new duties and rights assigned by law.

In the cities, the law was more problematic and less successful because the neighborhood councils did not have the representation required. While the farmers' and indigenous peoples' organizations were strengthened and empowered through this process, gaining more weight in local elections and in public office, the neighborhood councils became entangled in fights for their increasingly client-focused

policies and practices, upwards (against municipal authorities) or downward (in relation to their 'bases').

Even with these differences and difficulties, undoubtedly Popular Participation was an extraordinary step forward, compared to the possibilities of participation that had previously existed in the country, and even in comparison with what has been done in other countries that are going through the process of decentralization and democratic transition. Thanks to the wide recognition that Popular Participation achieved in a few years, it could not be reversed by Hugo Banzer's administration (1997–2001).

Popular Participation, as part of the democratic system of the country, has survived for sixteen years. However, it has been transformed and even suffered a relative loss of importance. In the rural areas it is no longer as attractive as it once was. But at the same time, its fading popularity is also due to the fact that social organizations have gradually politicized with the emergence and the growing strength of MAS. The lack of a political culture of respect for diversity and for minorities, and the prevalence of corporate principles within organizations, inevitably led to a growing conflict in the municipalities and provinces, and even at national level.

It can be seen as a paradox that empowerment by means of Popular Participation was a key factor in the emergence of, and subsequent dominance of, MAS. But, at the same time, it has led to a concentration of power in the central government that restricts options for social participation. The situation is further complicated by the MAS policy of 'rule alongside the social organizations'. Which can be the starting point of another paradox: politicization of the social organization weakens it and it loses authority, as the leaders work more (even become officials) within the central State power.

This politicization of rural social organizations was not as new as it seemed to be at first glance. It has been part of the political makeup of the political party that led the National Revolution, and during the military-peasant pact during the Barriento dictatorship of the 1960s. But urban social organizations, clustered around the COB, experienced first-hand the politicization process. This occurred when they replaced the political parties in the struggles against dictatorship and for democracy, but then they did not have the capacity to adapt to the rules and

conditions of democracy when they were the leaders of the political crisis during the UDP government (1982–1985). We do not intend to make simple analogies, but the lessons of history must be taken into account ("so that history does not repeat itself as farce" as Karl Marx said).

This reflection is not intended to detract from or underestimate the importance of citizen participation. It is an essential part of the democratization process that goes beyond the mere exercise of voting, especially in a country like Bolivia where the representativeness of political parties is weak. Thus, the challenge is to find an appropriate balance between forms of representative and direct democracy. Both must be complimentary and institutionalized in order to avoid imposing a stronger power rather than a democratic consensus across sectors and visions.

Citizenship

Marlene Choque Aldana[29]

Civic Culture 30 Years after the return of Democracy

Achieving thirty years of democracy in Bolivia is a good opportunity to examine just who we are since Hernán Siles took office in October 1982. It is an opportunity to remember. Since history does not have a chronological limit, in which things happen one after another, memory allows us to relive different events simultaneously.

We can evoke the absurdity of the coups, and the sentencing of Garcia Meza, the March for Life and the war over tin, the black Octobers, the 'Water War', January 11, September 11, and January 22; places like Huanchaca, Villa Tunari, Pananti, Maragua, Chaparina, Amayapampa, or Abdon Saavedra Street, the indigenous peoples march of 1990, the autonomy councils. We can evoke names like Lechín, Flores, Barrios de Chungara, Picachuri, Vildoso, Banzer, Sánchez de Lozada, Palenque or Mesa. We can remember hyperinflation and the nationalization of hydrocarbons; the image of Dr. Siles announcing his hunger strike,

29 Marlene Choque is a sociologist and social communicator

Evo Morales enacting the Constitution or Victor Paz stating, "Bolivia is dying". The angel of history continues to be dragged forward by the forces of progress (or as others prefer: by the forces of the process). So we must recognize those who contributed to making the path on which Bolivians are now walking now. We continue in their footsteps. From this perspective, one of the irrefutable truths of October is that 30 years is an achievement for Bolivians (President Hernán Siles hinted at the precariousness of democracy by using the expression "democratic juncture"). Against the odds, we became acclimated to the normal electoral processes and civil government, the parliamentary and media debates; elements which are achievements themselves.

Although the stigma of political instability earned by our chaotic politics has not been completely dispelled, we are in the longest period of elected government in our history. Between 1982 and 2012 we had the same number of administrative changes as in that compressed transitional period between 1978 and 1982. Several factors converge in this achievement. We will not examine them in detail. We will not take into account the strategic-rational explanation, in which democracy would have been convenient (over other 'available' options) for potential strategic partners, nor appeal to structural factors of the policy (or of the economy). The institutions (political structure) have changed in the past 30 years. This probably does not guarantee adequate distribution of power considering our differences and inequalities, but the parties were very successful at times when we were trapped in paradoxes (or 'on the brink') as they always found solutions recognized as constitutional. And even the delegitimized political organizations met the 'minimum requirements' and so did not irreversibly affect democracy. Beyond strategies and institutions, it's necessary to examine the political culture. The so-called culture of citizenship is recognized as an unavoidable factor of stability. We will briefly cover it as it is appropriate to make a detour through one of the fundamental characteristics of democracy.

Civic Culture and Participation

One of the characteristics of democracy is the need for change. We cannot have an 'eternal' definition of democracy because it could be used to justify non-democratic

regimes. Beyond the principle of popular sovereignty (which in many regimes is subordinate to effective liberal principles of individual rights) or some ad hoc adjectives, we cannot definitively define democracy.

During the past 30 years, changes have affected the structure of the State. The Law of Municipalities restored municipal autonomy in 1985, while the Popular Participation Law municipalized the country. The current Constitution establishes four levels of autonomy. Also changed is the relationship between representatives and voters (since 1997 there have been single-member constituency councils), the political organizations (since 2004 the parties do not have a monopoly on political management), the gender quota (there is a direct, participatory and communal democracy). We went from problems associated with agreed democracy (the practical exclusion of 'others' or the symbolic incorporation, the conversion of 'policy matters' into the political domain) to an option, still under construction, which should be able to overcome exclusions (of women, indigenous people, and religions). Intercultural democracy was proposed in regards to the current electoral laws, precisely aimed at harmonizing diverse practices (recognized as democratic or not) of the political communities in the country.

This characteristic is linked to the idea of civic culture. Civic culture (we use the expression 'civic culture' because it is more common in other languages) is associated with the prevalence of biases and democratic conditions for political participation (attitudes, opinions, values, orientations) which contribute to strengthening the democracy, if the relationship with undemocratic attitudes or values is stable and 'tamed' by democracy. In other words, democracy must coexist with undemocratic values and any consideration of 'civic culture' must consider the possible existence of a 'non-civic culture'.

Civic culture is key to the external valuations made of our democracy. For example, the latest report from the Economist Intelligence Unit rates Bolivia a 5.84 out of 10 on its Democracy Index. This, explains the ranking, is due to the hybrid regime in place, which is not a democracy. The factor that accounts for this low score is political culture (3.75)[30].

30 Other indexes evaluate Bolivia differently. The Polity IV Project (2010) describes the Bolivian regime as democratic, with a score of 7 out of 10. Freedom House states that Bolivia is "partly free". Unified Democracy Score, made by MIT (combining data from Polity IV , Freedom House and a group of authors known as PACL) presents information of Bolivia since 1946; in 1982 the democratic average was 0.51; in 2008 was 0.56 out of 10.

It is not advisable to subscribe to these observations without examining some basic factors of Bolivian politics from other points of view. Several authors recognize that Bolivia's politics have developed in two sectors that can overwhelm each other: the institutional politics and the 'street politics'. Thus, we refer to two forms of political participation: voter turnout and participation in protests. Political participation is often defined as activities undertaken by citizens to influence the government's decision-making in policy design or selection of those responding to the policies (Huntington and Nelson, 1976 and Verba, Schlozman and Brady, 1995). Along with voting and protesting, other forms of participation are lobbying and campaigning for political organizations (Miller, 2002) which we won't examine in this text.

Voter turnout reveals the citizens' liking for institutionalism. Simultaneously it expresses the will of the voters and also support for the rules of the game. Apart from countries with compulsory voting, Bolivia has one of the highest percentages of participating electorates on the continent.

In 2005, there was a new increase in participation after the electoral roll was refined and implemented. In any case, public support was unquestionable. After eight rounds of voting – a significant number – the probable disenchantment with politicians has not translated into disenchantment with democracy.

Regarding institutional policy, it is generally accepted that the public's confidence in institutions (their legitimacy) contributes to the stability of democracy (the causal connection is not always explicit but may affirm that the more confidence there is in institutions, the more confidence is displayed in the democracy). Surveys conducted since 1998, as part of the Americas Barometer of the Latin America Project on Public Opinion (LAPOP), show that political parties are the least trusted institutions among citizens.

Additionally, decreases in the trust in, and reputations of, several institutions were noted during the years of political crisis (2000, 2004), and significant increases from 2006. This coincides with openness and favorable expectations regarding the political process led by President Morales. The decrease between 2010 and 2012 is also important: general decrease in satisfaction with democracy is observed. In fact, Bolivia is the Latin American country where support for democracy has dropped more than anywhere else between those two years (8.5%, second, only

after Honduras with 9.55%).

Political tolerance also decreased during the last period. Surveys revealed that Bolivia was among the Latin American countries with less tolerance (respect for the rights of those who think differently than oneself). Although in 2012 it was not among the three least tolerant countries, as in previous years, Bolivia's score of 44.4 out of 100 on the tolerance index was far removed from the 72.6 of the United States, but not too distant from Honduras's rate of 36.6 (Schwarz-Blum, 2012)[31].

When thinking about the politics of the 'other', Bolivians often say that we constitute the most mobilized society on the continent; that we are the most accustomed to participating in protests. With the exception of 2010 (the inaugural year of the plurinational State and the end of the deep political polarization that framed the constitutional process) surveys of the LAPOP found that the proportion of people participating in protests was the largest in Latin America (17.7% in 2012, more than 11.4% in 2010 but less than the 29.3% registered in 2008).

If protests were quantified (without considering the differences in magnitude) over the past 30 years, we would see a period of "agreed democracy", especially during Gonzalo Sánchez de Lozada's first administration. It was a period with less agitation than the whole of the democratic period. Historical social forces (the workers and peasant, as well as others who fought for democracy) had become obsolete and the new (which were created with democratization) have not yet been entrenched.

Since the miners marched in 1986, and the sacrifice of principles during the 1990s, the protests have become more demanding and dramatic (for instance *tapiarse* or literally barricading oneself into a room with mortared bricks, burying oneself, sewing one's lips together, and messages written in blood) and are pervasive throughout all sectors of society. Today's social movements are by-products of democracy, and an opportunity for organizations

31 The high or low level of democratic tolerance and high or low support to the system are used to build a typology comprising: stable democracy, authoritarian stability, unstable democracy and democracy at risk.

under democracy, as well as the inability within a democracy to recognize issues and process demands. They are also related to the current process of revitalization and to the principle of popular sovereignty.

Conclusion

It is not possible to further examine civic culture within the limits of brevity for this text. However, it is pertinent to reaffirm certain findings. The three decades are a triumph for the Bolivian people (who are not the same people of 1982). The electoral support for democracy has not decreased, and that mitigates risk for a democracy riddled with exclusions. We remain a participatory society, which raises requirements for any government, and avoids possible manipulation of the people.

But this does not guarantee stability, growth or democratization of democracy; values such as tolerance are not yet part of the core of politics. But moreover, in recent years, tolerance of Bolivian democracy has decreased. Nonetheless, 30 years is not a point of arrival. But it is a point on the way to reaffirming our collective commitment to further deepen the country's democracy and continue to build a more inclusive society.

Sources

Huntington, Samuel and Nelson, J. M. (1976), "No Easy Choice", Harvard University Press, Cambridge, Ma, USA.

Miller, W. L. (2002), "Political participation and voting behavior", in: M. Hawkesworth y P. Kogan (comps.), "Encyclopedia of Government and Politics", Routledge, London, England.

Schwarz-Blum, Vivian (2012), "Legitimidad política y tolerancia en Bolivia", in: D. Moreno (comp.), "Cultura política de la democracia en Bolivia y en las Américas", LAPOP-Ciudadanía, Cochabamba, Bolivia.

Verba, Sidney, Schlozman, K. L. and Brady, H. E. (1995), "Voice and Equality", Harvard University Press Cambridge, Ma, USA.

The Mass Media

Isabel Mercado[32]

From Political Crisis to Media Crisis

Over 50 years ago, we thought about and discussed the power of the media. For many, it represents a fourth power, or an additional power, to the three traditional powers of a liberal state, with a function defined by facts. I myself prefer to view the media as a counterforce, a specific weight (the other side of a scale) which provides a balance in society.

A democracy, full and free, is unthinkable without the media exercising freedom of expression as an essential condition for human beings. And in this context, the media acts within its excess, success and roles in society as a response to the excess, success and roles of formal powers.

Therefore, thinking in opposites – right or wrong – in this field seems inappropriate. The media are part of democracy and represent the society from which they emerge and for which they act. If they act rightly or wrongly is a matter of approach, of subjective views that have more to do with what we want than what we have. The media are what they are, and democracy is better with them than without them or with them silenced, self-censored or manipulated.

To try to track its presence over the past 30 years is both too much and too little. We have walked the road of a democracy under construction (it's always under construction) with its contradictions, weaknesses, progress, and challenges, all of which are also a reflected in the media. How do you assess or evaluate the role played by the media in Bolivia during the most meaningful period of the Republic's democratic life?

There is no one, irrefutable answer to this question, as with any diagnosis of political journalism. What is not debatable is that the media will play a major role in Bolivia's future democratic process, in the political debates, and among leading political players. There is no doubt: we live in times of a media-driven democracy.

32 Isabel Mercado is a journalist

A statement like this is obvious if, as Italian political scientist Giovanni Sartori (2003) says, the media and politics are two sides of the same coin. Therefore, analyzing the role of the media in Bolivia's democracy is challenging. Either we accept that the media and what they publish is what we deserve as a reflection of the accumulation of successes and failures within the democracy itself, or, on the contrary, we condemn them as confrontational, lawless outsiders to our society.

Use and/or Abuse of the Media within Democracy

José Luis Exeni (2005) argues that we are either a 'media-phile' or a 'media-phobe'. That is, we either read the news and recent history believing the media have an unhealthy power over politics, or we do so from a perspective that highlights the benefits of this relationship.

The history of Bolivia's journalism is rich with examples and experiences of how much influence the media has, especially radio and the press, in the struggle against the oppression of the dictatorships and the victory of democracy. From the heroic role of the miners' radio stations, to the militancy of print media in democracy's defense, the media has played a crucial role.

From a 'media-phile' point of view, this role of the media in politics arose from the emergence of independent, privately-owned television stations. These reconfigured the national media scene and increased the media's variety and reach and, therefore, increased access to information for broad sectors of the population. It also accompanied the boom in information technology and the appearance of the so called *homo videns* (Sartori, 1997).

Despite regulatory restrictions since the start of the 1960s, there have been several private television stations since the early 1980s, which expanded the options for audiences previously subjected to a single option (the State broadcaster). This phenomenon of diversification resulted in the emergence of a multiplicity of political positions in the media, which tested the oft-cited freedom of expression. Note that the attempt to shut down Popular Radio and Television (RTP) during Paz Estenssoro's last term had disastrous results and met with resounding popular rejection. This set the precedent that government cannot, nor should, limit media freedom.

In short, through the media, it became possible in Bolivia not only to restore democracy but to herald the advent of 'modernity', expressed in the ability to choose from many options, the democratization of media and access to it.

Let's take a look at the other side of the coin. The 'media-phobe' warns that once democracy is achieved, the media will lose the moral compass of social commitment, and, with the advent of commercial television, jump to defend the interests of business.

In the late 1980s, the media grew enormously in relation to previous years of the restoration of democracy. Numerous television stations launched in response to business and market opportunities, as expected. It was clear that there were also business media interests that allied themselves closely with those in power, in order to benefit from the relationship.

In this context, and as per many situations faced within the democratic process, the country saw an on-going struggle between media power and political power. This tussle, which almost completely ignored those outside the media's reach, also left many doubts about the quality and accuracy of the disseminated information.

Sartori (2003) said that, "democracy does not require a wise and educated public, but people adequately informed; people who have some idea of what is happening," and at this level the media played an important role in Bolivia by both reporting, and under-reporting. This resulted in a multiplicity of options, but often without the responsibility that should come with the understanding that information is a public commodity.

The media's engagement in the reporting process means it is also involved in the formation of public opinion, said Satori, and is the entity responsible for disseminating the views of the people on matters pertaining to the State, the public interest, the common good and collective social issues. The media must be committed to the citizens in a democracy but in this has not been entirely satisfactory.

During these years of democracy, it is clear that the country has become multicultural, judging by the quantity of media, and the freedom with which they work. However, the media operates under a set of limitations and shortcomings, both intentional and circumstantial, that undermine its performance and pollute its credibility.

High and Low Points in Journalism

In October 1982, when the country regained democracy, amid the hubbub few people were aware that the country was dying an historic death, not only economically and politically, but culturally. The era of globalization had begun.

Between 1984 and 1985, the first private television media outlets began to appear. The legal State television monopoly made little difference. Illimani Communications started up with Raul Garáfulic at its helm, plus Bolivian Telesystem under Carlos Cardona. Almost a year later, Victor Paz Estenssoro issued the famous 21060 Decree, which buried an era of state-directed economics, politics, and information. Thus began democratic liberalism and its media: the reign of McLuhan's global village.

Apparently this new reality was not fully understood or accepted by Paz Estenssoro's government. The attempt to close RTP, media excesses, and the resolution of the problem were, apparently, the pattern of what was to come.

Soon, new TV channels and radio stations started to spread. It was then that the free market came into play. The struggle for information was becoming more frenzied. Newspapers chased the news, and not only competed with each other, but also with the television news that beat them to the scoop. But where the competition really became a relentless struggle was on the small screen: where the news channels became real-life cannibals. They devoured the news, people, dignitaries, politicians, rulers, truths and lies. Nothing would stop them.

The first 'March for Territory and Dignity' in 1990 was a great event. Each medium wanted to show its audience their skill and seduce them with firsthand headline news. The mightiest covered the entire march.

Meanwhile, the media began to uncover the new political actors and Evo Morales appeared as a captivating news subject, especially given his irreverent attitude towards power. Then, suddenly, the trial of Supreme Court judges was in the news. That of Edgar Oblitas really became a media circus, as would later be repeated with others with narco-ties, as well. The Bolivian mass media did not care if the politicians used them, or if it was they who used the politicians. In the frenzy, just the scoop and creating sensational news capable of selling and capturing audiences was enough. During those years, the so-called 'media shark',

Raúl Garáfulic Gutiérrez, said that to be a successful media entrepreneur you had to have huge ambition in order to be 'first in the ratings'.

In 1993, the capitalization and privatization of public companies began. Although Sánchez de Lozada's government was powerful, Garáfulic faced him down. The feud between the president and the media entrepreneur was no secret. Why did they face off? Perhaps because the Ex-president was intolerant of criticism or because, according to some, the entrepreneur wanted to buy ENTEL and other companies they wanted to privatize.

Four years later, Carlos Palenque, a popular television guru and owner of RTP, died of a heart attack. He was a man who knew how to seduce crowds with persuasive speeches that captured the demands, anxieties and needs of those who were marginalized. According to some political scientists, he was the person who in fact controlled the very poor El Alto city "time bomb". He challenged the President and had a strong shot at winning, but he could only reach the Andean regions of Bolivia, not the lowland.

Shortly before his death, his wife, Monica Medina, won the municipal elections in La Paz. This was a time when many men and women with media backgrounds dived into the sea of politics: Cristina Corrales, Rodolfo Galvez, Lupe Andrade, in the first wave. Later came Carlos Mesa, Maria Renee Duchén, and more recently, Iván Canelas and Ninoska Lazarte, among others.

Under Hugo Banzer's government, the media tested the limits of their ability and influence by clearly and directly confronting political power. The scandal that involved Walter Guiteras, then Minister of the Presidency, and Garáfulic, made it clear that political power held little sway against a media outlet.

Almost simultaneously came the crisis in Argentina of 2000, and the media had a lot to say on the subject. What responsibility did the media have in the fall of De la Rúa? The answer was controversial, but in any case, it clearly showed the irreverence of the media and the lack of authority and moral crisis of the democratic governments in Latin America at the time.

During those years, the Cochabamba 'Water War' also exploded. Apart from the various political implications of this event, it was certainly a warning from the people, who were tired of being ignored by the leaders they had chosen.

The 2002 elections demonstrated what political marketing could do to assure

a candidate's victory. That's how Sánchez de Lozada won: by foisting an unethical communications strategy on the populace.

As part of that contest, the media did what had been avoided so far, or at least they had tried to hide, during all the other campaign terms: they took sides. PAT sided with Sánchez de Lozada and Carlos Mesa while Red Uno supported Reyes Villa and Kuljis. Throughout Bolivia's history of contemporary journalism, such a situation had surfaced only when *La Razón*, led by Jorge Canelas, decided to openly support Ronald MacLean's candidacy for mayor of Laz Paz in the 1991 municipal elections. In response to that decision, several journalists resigned. There wasn't a similar response in the case of the 2002 elections.

In February 2003, a battle between police and soldiers fought at the Plaza Murillo was broadcast live by television channels. Seven months later they reported in detail the October crisis and the resignation of Sánchez de Lozada. Were the first attacks on media and journalists in this period in support of democracy? Doubts arose that these events were spontaneous, or, perhaps, a response to orders given by social organizations reluctant to accept critics against the government.

In June 2005, Carlos Mesa's government also collapsed. How did the media react? Perhaps this is the only time in the history of Bolivian journalism that a couple of TV channels were openly anti-democratic, almost subversive. Unitel and several other media outlets based in Santa Cruz celebrated the events, promoted violence and thus helped to divide the country.

From January 2006 the story was different. Bolivia saw the emergence of a new ruling elite that had struggled for power and resisted the influence of the media. Now the State media was redefining itself, trying timidly to ally itself with the public during Carlos Mesa's government. In response to a new scheme for the government to use the State channel news agency ABI, the radio station Red Patria Nueva and also the former Radio Illimani, teamed up with other stations and delivered transmission equipment to social organizations (the so-called native radio) to amplify their broadcasts.

This was also the period in which the PRISA Media Group in Bolivia was sold. Upon the death of Spanish media mogul Jesus Polanco, whose worth matched that of Raul Garáfulic, owner of Bolivia's most important media group, PRISA chose to get rid of their loss-making media outlets. First, PRISA sold *El Nuevo Día*

daily, based in Santa Cruz, and then, in a more difficult and discreet negotiation, sold the ATB television network and the newspaper *La Razón*, which had been the country's most influential paper up to that point (2008).

In 2007, Carlos Mesa and his partners sold PAT to a Santa Cruz businessman of Lebanese origin. Abdullah Daher was unable to hold on to the channel; after five years of heavy investment and fruitless management he sold it.

Following a trend that has become the norm in some countries like Argentina, Ecuador and Venezuela, the State media's expansion strategy, or 'commitment' to the government's political project, was growing.

In January 2009, the newspaper *Cambio* appeared, specifically focusing on government information that complemented the vision of Bolivia TV, ABI and Red Patria Nueva.

Despite the difficulties in which the practice of journalism found itself through confrontations with political power, and as a result of the audience crisis throughout the world caused by the boom in new technologies and social networks, a new newspaper, *Página Siete,* was launched in April 2010. The paper is owned by a holding company with a principal member, Raúl Garáfulic (Jnr).

Although lagging considerably behind the rest of the world, digital media has begun to have a presence in our country. All the newspapers publish daily editions online, and some have specifically installed a digital portal which is updated several times a day. Also, seasoning the Bolivian media scene are social networking sites and, recently Twitter (posting), which has changed the history of politics in countries like the United States. In Bolivia, without being a massive force, Twitter has demonstrated its ability to mobilize and to generate debate – debate from which much of the traditional media has been absent, given its tense relationship with political power.

The 'Mother of all Battles'

The shift in media/politics or media/state relations is not only about the emergence, or strengthening, of State media to neutralize the influence of private outlets. It is also said to be in a permanent battle with the journalists' guild. In addition to several episodes of confrontation and aggression, the Morales government has been explicit in showing little sympathy to the press.

The enactment of laws against racism, as well as the electoral system, caused negative reactions from the media because some of their clauses were restrictive of the information freedom. Journalists took to the streets to express their opposition and outrage at the contents of both laws. It is expected that the moment the government tries to repeal the Press Law of 1929 (considered by journalists as a legacy that guarantees the freedom of expression) it will start what will be considered the ultimate battle for press freedom.

This also sets up ideal conditions for a tense and acrimonious relationship between the media and the State.

It is undeniable that the media, in its first 25 years of democracy, acted with disrespect; press outlets were rebellious, disruptive and overly commercial. Also they emerged and consolidated during a weak period of the State. So, to evaluate the media without judging it is necessary to understand, to grasp its essence, its rhythms, its strengths and its weaknesses. Angry and justified criticism aside, the media remained a key player in a democracy, not only enabling citizens their right to information, but also being the site of essential public debate, without which democracy is diluted.

This situation has changed in the last seven years, with a media system under pressure from Evo Morales government.

Raul Peñaranda's book "Remote Control" details this new situation. The text is the first in-depth study of how the left-wing government of President Evo Morales has carried out a silent campaign to gain the editorial support of several TV stations and newspapers through their purchase by business people friendly to the government[33]. "Remote Control" also accuses the government of harassing critical media outlets through advertising boycotts, labor inspections, and tax audits.

"I have never before seen such a well-built strategy by a government to take over the media," Rafael Loayza, director of the journalism program at Bolivian Catholic University in La Paz, said. Still, the effort is strikingly similar to the Venezuelan and Ecuadorian government's campaign to force the sale of independent news outlets in that country to businesses with ties to the administrations.

33 Otis, John, "Journalist investigates Bolivia's 'silent campaign' for editorial control", CPJ blog entry, September 2014

In Bolivia, "Remote Control" has been especially controversial because the Morales government has never acknowledged its role in the recent media transactions that include the sales of the television stations ATB, PAT and Full TV and La Razón daily. No paper trail proving these links has emerged. Instead, Peñaranda sometimes relied on second-hand accounts when piecing together the puzzle.[34]

Sources

Exeni, José Luis (2005), "MediaMorfosis: Comunicación política e in/gobernabilidad en democracia", Plural, La Paz, Bolivia.

Peñaranda, Raúl (2014), "Control Remoto", author's edition, La Paz, Bolivia.

Sartori, Giovanni (2002), "Homo Videns. La sociedad teledirigida", Taurus, Buenos Aires, Argentina.

Sartori, Giovanni (2003), "Videopolítica: Medios, información y democracia de sondeo", Fondo de Cultura Económica, México City, México.

Culture and Arts

Martín Zelaya Sánchez[35]

What has changed, and how? If it has, is it the way of thinking and doing art in Bolivia since October 10, 1982 when democracy was consolidated? How much has national artistic creation been affected by the advent of the information age, the ubiquity of the Internet, the endless possibilities opened up by the development of technology?

When challenged to think about Bolivia's art and culture in the democratic era of the past 30 years, we are faced with a barrage of possibilities, areas and objectives so vast that to draw a brief and complete analytical account of the time is nearly impossible. We propose a chronological and thematic approach to the government's efforts as a framework, and will, in parallel, track the leading

34 Otis, John, op cit

35 Martín Zelaya is a journalist

figures in the most common areas of art production and consumption: literature, film, music and visual arts. The writer Cárdenas Cleverth notes, "The changes in the form of the state, the technology and the relaxing of censorship certainly transformed things…The issue is affected by the context in which to react, as for example during the dictatorship".

Could it be that 30 years is too short a time to reflect in perspective? Could it be that enough time has passed to conclude that the modern Bolivian democracy does not mean a particularly inspiring period as a theme, source or object for artistic creation, as perhaps were other key periods such as the Chaco War (in excellent books like *The Well* by Augusto Céspedes, or *Barrage of Fire* by Óscar Cerruto, or Bolero Calvary, and another handful of songs) or the dictatorships and the subsequent exiles?

Chronology

1982–1985

Luis Rico, the songwriter from Tupiza, recounts his story: "I returned from exile in November of 1982, bringing valuable anthropological, musicological, and ethnocultural management experiences from Mexico. I explained a plan to replicate them in Bolivia to the Vice President (Jaime Paz Zamora) and his response was, 'to do something you have to be a member of my political party'".

"I did not accept that so I went back to the old ways of rebellious music and my artistic journey since then has helped me to conclude that until 2003, an complicit and corrupt democracy was developed in Bolivia and nothing changed for the workers in the arts and culture." Although for a long time it was almost impossible to gauge its true effect, the transformation that Bolivia and Bolivians began experiencing on October 10, 1982, was momentous.

Beyond the extreme economic crisis, hyperinflation and the political instability which bordered on bizarre (with cash payments and collections loaded into bags, a President Hernán Siles, now on a hunger strike, who had once been kidnapped…), Bolivia's release from the dictatorial regime allowed for fully embracing the postmodernity that Europe, and the United States had already entered several years

ago, and the rest of Latin America had taken to gradually, as they were mostly victims of identical regimes.

This is to say, from listening to *La caraqueña* by Nilo Soruco in live guitar sessions or via clandestine cassettes, the Bolivian youth changed and began to watch TV video clips of Michael Jackson.

These were difficult years, a time of transition, in which Oswaldo Guayasamín in Ecuador, and Walter Solon Romero and Miguel Alandia Pantoja in Bolivia persevered with their murals and paintings, bringing attention to, tracking and exposing the fragility of the rule of law, and the constant danger of a fatal return to dictatorship.

It's time to share Edgar Arandia's testimony: "I was censored during the Banzer dictatorship because of a work in which the military were portrayed as wolves … I imagined the Myrmidons as dwarves with Nazi helmets, riding on rabid dogs. The drawing was the most effective weapon of expression, it was like a poem in your face; it was urgent; a crisis."

There is no comparison with what is happening now. So many artists, just trying to get attention, who publish scandalous little works, but without content, just to grab attention. It is the shortest way to the 'fifteen minutes of fame' that Andy Warhol foretold.

1985–1989

The filmmaker Marcos Loayza reflects, "In general, there were never State policies for culture. The Finance Ministers have always been the least appreciative and always cut the budget, as if they were blind, couldn't see. For example, Rome is one of the most visited cities in the world, and receives most foreign currency for its architecture, its sculptures, but not for the political speeches left behind by the emperors of the Roman Empire.

After gaining democracy things did not change much, although freedom and free will always allow society to flourish". Especially since the crucial 21060 Decree which radically changed the political-economic matrix of the country, Victor Paz Estenssoro last government must be understood as a watershed.

Artistically, after years of fear, Bolivians remembered to laugh. Peter Travesi

and Dennis Lacunza introduced the café-concert to the performing arts scene, via *Tralala* (a comedy show). It not only latched on to political satire (shortly before, this could lead to arrest or exile, if not torture or death) but was the precursor of variety theater, up until that time non-existent.

Moreover, this was a key period for protest songs from Luis Rico, Savia Nueva (the memorable, *The Miners Will Return…*) and other singers who realized that their social role was to accompany the people through difficult times of shortages and instability while we were entering the cut-throat world of neoliberalism.

During these years major works also emerged in different areas, proof that freedom loosened the wings of creativity. In 1987, author Wolfango Montes published *Jonah and the Pink Whale*, an innovative novel that portrayed the rise of the Santa Cruz metropolis, drug trafficking as a social phenomenon and the consolidation of the dominant new social and regional elites.

In 1989, Bolivian film director and screenwriter Jorge Sanjinés released *The Clandestine Nation*, a masterwork that ranged over the still-fresh memory of the dictatorships, but led inexorably into ongoing rural-urban migration, and the rootlessness that marked this transition from provincial Bolivia to the urban Bolivia of many cities.

This chapter closes with a key event for the entire planet: the fall of the Berlin Wall. It was an unmistakable symbol of the beginning of the globalization that sealed the intercultural fate of the world at the end of the 20th century.

1989–1993

Arandia says, "For many years democracy was weak, co-opted by the elites. And the cultural world was only a reproduction of Western values with no local contribution. That is, as John Acha, says, 'The great powers engulfed the third world countries.'"

Under the Presidency of Jaime Paz Zamora, an essential element of Bolivian-Andean culture was first rescued and vindicated before the world: the coca leaf and coca leaf chewing.

Thereafter, several new concepts and visions of a more inclusive society and culture began to take shape, with the help of reflection upon, in 1992, the commemoration of the 500th anniversary of the 'union of two worlds'. Once we had definitely passed the stage of *de facto* governments, art was finally detached from

constraints and restraints.

"Social and political commitment? Really," story-teller Manuel Vargas says, "these are terms already with a moldy smell. Or let's say simplistic. One cannot fail to compromise, but with oneself, with one's own works. And the political and social comes in addition, because we live in this world.

1993–1997

"We sense that freedom, technology, the political processes, national and international cultural contexts, the increasing migration must have influenced literature, the arts… in its themes and aesthetics," Cardenas said in June 2009, when he and other scholars began researching *Literature and democracy* (1983–2009).

"Probably finding new expression, according to these times – that is something that characterizes the emerging writers," he added.

The iconic 'hand of capitalization' –imposed by Gonzalo Sánchez de Lozada's administration, and the Popular Participation gave rise to decentralization (1994), individualism and existentialism, as well as embracing of contemporary international trends (the consumer society), and all of which changed the direction of the themes and motivations of the artistic creators.

The renewal in creativity manifested between 1995–1996 with the so-called national film boom and movies like *Question of Faith*, *Jonah and the Pink Whale* and *To Receive the Birdsong*. The first two films broke the unspoken and almost unbreakable rule: that films should reflect a commitment to the social and political resistance.

Another example is the organizing in 1996 of the first International Book Fair of La Paz; still today it remains the most important literary event in the country and is an excellent opportunity (previously non-existent) to showcase national titles and authors to the world.

1997–2001

According to the novelist Ramón Rocha Monroy, "The youth who grew up under democracy explore new issues within the information society; the Internet and

the digital technologies … sharing a primarily acidic literature, disillusioned and common of a globalized humanity whose problems at times are the same here as in Korea, or Belarus.

"We found that in a democracy there are vital eternal issues: love, death, life, pleasure, eroticism, humor… the tenderness of everyday life…".

Along with the consolidation of Internet services in Bolivia, and mobile cell phones (and the resulting influences on the daily lives of the new generation) the planet witnessed a crucial, historic, event that for many theorists marked a change in eras; as had happened after the fall of the Roman Empire, and the Industrial Revolution: the terrorist attack of September 11, 2001.

At home, meanwhile, amid the debate provoked by the democratic election of the former dictator Hugo Banzer, new international artistic and cultural offerings were generated. An example is the cementing of the international reputation of Edmundo Paz Soldán, one of Bolivia's best known contemporary writers, and the face of a literary movement that rejects the long and sometimes pernicious tradition of social and political literature in Bolivia.

Another example is the creation of the International Theater Festival of La Paz (FITAZ) which was able to quickly position itself as a major theater in the region and enabled, for years later, the flowering of new Bolivian dramas, and the dream of professionalization of theater to become increasingly a reality.

2001–2005

For Manuel Vargas, "all the old days were better. Now, I feel a little out of place, more out of place than usual, because the fashions and the universalism and literary trade harass us more than before. I have to fulfill my role as an elder in defense of what I made my living of, and I will die happy and at ease."

Perhaps this nostalgic-iconic reflection is appropriate to describe this period. Bolivia was once again, in transition; this time there was a new way of understanding and conceiving democracy.

The 'Gas War', a social phenomenon that marked, politically speaking, the beginning of a new century in Bolivia does not even have a book, a movie or a song attributed to it (except the novel B*lack October*, by Adolfo Cáceres Romero.)

However, the new ways of interpreting such an event, and other symbols of rebellion, also gave rise to developments in other areas of aesthetic creation.

Shortly before, but within this context, Bolivia's visual arts finally arrived in the third millennium. The organization of the first International Art Room (SIART) showed that technology and the new trends are increasingly determinants: video installations, digital art, hybrid techniques, mixed performances, and so on.

And one must not forget to mention the launch of an International Cartoon Festival, 'Cartoons in the Altitude'. The first exhibition in 2002 marked not only the opening up of a once marginalized and even censored field, but also the democratization of new arenas, offering great opportunities for craft workers at various levels and as full members of an economically active population.

But among so many leaps forward, we also need to note acknowledgement of our heritage in 2001 and 2003, when UNESCO declared the historical 'Carnival of Oruro' and the Kallawaya world view, respectively, as Masterpieces of the Oral and Intangible Heritage of Humanity. This vital recognition was a vindication of Bolivia's native and ancestral cultural wealth.

2006–2012

Luis Rico admits, "From my particular point of view, as an anti-political member, party leftist, and somewhat anarchist, I think since 2006 we are living a participatory democracy in which the actors are in the streets, at the vigils, blocking the roads, marching and demanding their rights, while we are looking how to protect the breast that fed us for 500 years, the natural resources, Mother Earth."

Of note in this period are the concerts of Inti Illimani and Piero, the masterful speeches from Eduardo Galeano in the San Francisco Plaza on January 22, 2006 (the same day as President Morales's inauguration) and the boom, the past two years, of international concerts of world class musicians. Inaugurated in 2012 is the Eduardo Abaroa Plurinational Award that will annually recognize the best cultural and artistic productions in several fields and there is much more.

Both apologists and detractors of the 'process of change' have to admit that opportunities have multiplied: the political-economic situation heralded the arrival of world renowned intellectuals interested in our current affairs (Antonio Negri,

Michael Hardt, Ernesto Cardenal, Slavok Zizeck, Boaventura Souza). And more than ever, creativity has flourished in different genres: folklore, indigenous art, textiles have being shown in countless summits and international meetings.

And to top it all, digital democratization has given way to a wave, of ambiguous value, of audiovisual productions. These are so easy and cheap to produce that while many a good filmmaker now has great tools, a few mediocre to bad filmmakers should save their efforts and save the viewer valuable minutes!

Conclusion

These 30 years of democracy have coincided with the introduction of new technologies, and therefore, the expansion of new possibilities, channels, means and resources used by some individual creators. They are not yet available throughout the community, the country, the state, and the community.

Any isolated progress, no matter how great and promising, will not help to strengthen or create a solid mechanism to inspire similar initiatives.

We have to give credit to great achievements, such as the international recognition of writers, filmmakers, painters, songwriters … the growing tourist appreciation of our natural and cultural wealth, or the appreciation of the indigenous worldview. So, more than ever, in times like this in which taking immediate action is essential, I urge us to once and for all take measures to ensure there is a basis for the encouragement and advancement of Bolivian arts and culture.

Whether it comes from institutions or legislation, how do we expect more achievements in literature, or in cinema, without even a basic legal framework? How do we ensure the preservation and advancement of our rich historical and cultural heritage without appropriate laws?

The doors of culture, as we have seen, opened as never before during the past 30 years, but we are still missing the final and decisive push for Bolivian arts and culture to step forward with both feet into the twenty-first century.

Sources

Huyssen, Andreas (1989), “Guía del Postmodernismo”, in: “El DebateModernidad/Posmodernidad”, Puntosur, Buenos Aires, Argentina.

Zelaya, Martín (2007), "El paso de la literatura por la dictadura boliviana" article published in Fondo Negro literature section, La Prensa daily, La Paz, Bolivia.

Zelaya, Martín (2009), "Especialistas rastrean la influencia de la democracia en la literatura boliviana" article published in Fondo Negro literature section, La Prensa daily, La Paz, Bolivia.

About the editor

Raul Peñaranda (1966) is a Bolivian journalist and author. He is currently the editor of Aldea Global (Global Village), a weekly supplement about international affairs, distributed by the Página Siete newspaper.

The author of a 2014 book, "Remote Control: How Evo Morales' Government Created a Network of Para-Governmental Media and a Plan to Harass the Independent Press", has authored or co-authored other nine books on media and politics. Many of these are being used as textbooks in Bolivian universities.

Peñaranda was founding director of three newspapers: Nueva Economía (1993), La Época (2001) and Página Siete (2010), now one of the most important newspapers in Bolivia. He left the latter position in August 2013.

He received Harvard University's Nieman Fellowship in 2008. During his academic year at Harvard, he focused on issues related to development, democracy and political conflict.

Peñaranda has received the United Nations' Elizabeth Neuffer Medal (presented by General Secretary Ban Ki -moon); the Latin American Studies Association Media Award, in Chicago; the Universidad San Francisco de Asis' and the Association of Journalists of La Paz' Defense of Freedom of Expression Awards and the Franz Tamayo Intellectual Merit medal conferred in the presence of the President of the Republic.

Morales's rise to power meant a significant change for Bolivia, in that it ended almost two centuries of republican rule in which the participation of the indigenous people was limited and inconsistent. For a start, there had never been a Head of State who was (or would have declared him or herself) an indigenous person. The symbolic power of this has been enormous, and it has enriched Bolivia's democracy. There has also been a positive and encouraging change in the political elite that has helped to promote social mobility and the inclusion of big sectors of Bolivian society that had in the past generally been excluded from decision-making.

But also, under the presidency of Evo Morales, the Bolivian State continues to be unable to enforce the rule of law with full separation of powers, protect the freedom of the press, and ensure a free and independent judiciary. On the contrary, some of the undemocratic traits of the Bolivian State are now stronger, showing frightening signs of authoritarian and abusive behavior.

Raúl Peñaranda, editor and coordinator

Página SIETE
Diario nacional independiente
www.paginasiete.bo