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# Bolivia

# **Morales is Checked**

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Those on the left may often want to change the world without taking power, but Bolivia's socialists have taken a different path. Evo Morales, the first indigenous Indian president in the Americas, came to power with ambitious plans to change Bolivian society at the end of a turbulent period in its history (1999-2005).

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When elected on 18 December 2005 with 53.72 per cent of the vote, he promised to defend the rights of the indigenous Andean Indian population, denied since colonization, to end 20 years of neo-liberal politics and to implement the October agenda, whose most significant aspects are the nationalisation of the gas and oil industries and the re-founding of the state based on a new constitution.

Since it came to power, his party – the Movement towards Socialism (MAS) – has been cautious in its economic policies for fear of provoking instability orchestrated by the economic elite. Whereas some ministries replaced most of their staff after the election, there have been almost no changes at the Department of Finance. The government's overall approach to the economy has been pragmatic. It negotiated the end of the involvement of French company Lyonnaise des Eaux in La Paz's water system in January 2007. But despite the announcement of the nationalization of the petrochemical industry on May 1, 2006, it has guaranteed that Brazilian, Argentinian and Spanish multinationals can continue their activities. Instead of nationalizing, Morales has increased taxes on the multinationals and renegotiated their contracts. As a result, tax revenues from the gas and oil industries have gone from \$300m in 2005 to \$1.7bn in 2007.

Two years after coming to power, Morales finds himself in an impasse: his project for a new constitution faces fierce opposition and the rich oil and agro-industrial regions of the media luna [Santa Cruz, Tarija, Beni and Pando are the four eastern departments of the country and together resemble a half-moon] the economic heartland of the country, have declared their autonomy.

Most of MAS's social reforms have been blocked in the Senate, where, in contrast to the lower house, the right has a majority. In November 2006 farming reforms only went through because several members of the opposition voted with the government. Approval of the renta dignidad, an old age pension, was held up through all last year.

The Main Problem

MAS's principal problem stems from its political management style. Its political intentions are hard to read because it is not so much a political party as a federation of social organizations, with its roots in the peasant unions of cocaleros, the coca producers, mainly from the Chapare region, in the north of the Cochabamba department. Its assembly members have differing degrees of political clout depending on whether they come from peasant stock – long repressed and marginalized – or from urban intellectual circles. The demographic makeup of the party explains why parliamentarians with a rural background tend to adopt hardline positions and present their opponents with faits accomplis. This reinforces the impression, strong among the urban middle classes, that the government is only concerned with the indigenous Indian communities of the Altiplano (the high Andean plateaux in the west of the country).

MAS's political miscalculations are not simply a matter of breaking the formal rules of democracy; they reveal that at a deeper level the government feels it must drive through projects blocked by the opposition. This is paradoxical since MAS won the last two elections with an absolute majority. The right has made use of all legal (and some illegal)

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blocking tactics at its disposal.

The election of assembly members and a referendum on regional autonomy took place in July 2006, both at the government's instigation. At the national level, more than 56 per cent of Bolivians voted no to separatism, but the four eastern media luna departments voted in favor.

In the run-up to the referendum, MAS allowed the opposition to recover from past electoral defeat , by succumbing to pressure from social organizations to call for a no vote. These social organizations view regional autonomy as a plan dreamt up by the elites of the media luna. MAS clumsily let the opposition monopolize this issue even though its own manifesto had sought to promote the autonomy of indigenous peoples. At the same time, the assembly ratified an electoral system similar to the previous one, but which doesn't offer any great advances in popular representation. While MAS won an overall majority with 133 assembly members out of 255 in the assembly elections, it did not reach the two-thirds level necessary for the approval of the new constitution.

For several months after the election, a group of MAS moderates tried to reach agreement with the opposition. But the hardliners prevailed in November 2006 and attempted to change the rule requiring a two-thirds majority into a simple majority. The opposition seized on this as an opportunity to renew its attack on the government, accusing it of authoritarian tendencies reminiscent of Hugo Chávez in Venezuela. There are similarities between Morales and Chávez, who has sanctioned aid measures for Bolivia.

### The Rally of the Millions

The regional prefects, whose revolt first began over control of their budgets, also seized the chance to renew their claim for regional independence from the dictatorship of the central state. Anti-government protests culminated on December 12, 2006 with the cabildo del million, a rally of a million people in Santa Cruz, renamed the cabildo de los milliones (the rally of the millions) by Morales' supporters – a reference to the money put up by big entrepreneurs to ensure the demonstration's success.

Thereafter both sides became entrenched. First came clashes in January 2007 in Cochabamba between peasant union members and supporters of the local prefect, Manfred Reyes Villa, who had called for a second referendum on the autonomy of his region, which had previously voted no. Next came a dispute over which city should be the nation's capital. The opposition proposal to make Sucre the outright capital, replacing La Paz, won strong support from the outset from the civic committees in the eastern regions. Yet MAS excluded this issue from its debate on the constitution, and took comfort from a huge demonstration of support in La Paz and El Alto (the rapidly growing city which began as a suburb of La Paz).

The civic committees of Sucre then blocked debates in the assembly by methods which included violence. From November 23 to 25 violent clashes took place in Sucre between an alliance of students and municipal workers and the forces of law and order. The authorities were protecting Sucre's military school in which members of the government had taken refuge.

The opposition claimed the vote on the constitution taken on the night of November 24-25 was invalid. MAS and its allies had passed the draft constitution with 130 votes out of 255 (therefore not a two-thirds majority) at a session which the opposition had boycotted. The government found itself obliged to see through its constitutional project in order to hold on to its core vote.

By late 2007 the regions of the media luna were engaged in a decisive struggle. Defeat would spell the end of regional political autonomy, which is the core of their political program. The government's decision to change the

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distribution of the petroleum tax by financing the renta digindad, but also by allocating more money to the town halls and less to the regions, left the regional authorities no alternative but to challenge the government in order keep their funding.

Bolivia's eastern regions are the richest and most dynamic, thanks in part to their gas reserves. In this context, the battle over which city should be the capital was a rallying point for the opposition. What was really at stake was reining in a constitutional reform which would man greater recognition for indigenous peoples and a fairer distribution of the nation's wealth, especially its land. Power centers on the right The spokesmen of the right include some of the most prominent landowners in Bolivia's agro-industrial sector, such as Branko Marinkovic, who is president of the Pro Santa Cruz civic committee and also the head of a large national oil producer (a commodity whose price rose by more than 20 per cent in December 2007). Morales has accused these opposition leaders of waging economic war by encouraging inflation on primary consumer goods such as meat, produced by the big agro-industrial concerns in the east. They are hostile to the new constitution, which would limit the size of haciendas.

As these powerful figures on the right also own the large private media companies (such as Unitel, the nation's most popular television station), the violent clashes at the end of November 2007 sparked angry anti-government outbursts in the media. On the evening of the clashes in Sucre, the opposition declared the new constitution illegal. There was a similar reaction when, on December 9 in the mining town of Oruro, in another session boycotted by the opposition, the assembly approved by 165 votes the text of the constitution which the social organisations had been promised.

The political deadlock raises questions about the overall direction of the government's policies. Since it was founded in the 1990s, MAS has been characterized by its anti-capitalist stance and its advocacy of the exercise of national sovereignty by reclaiming natural resources (water, gas, mines) from the domination of foreign companies. Since its victory in the 2005 elections, it has made the decolonization of the state and society its main objective.

The government's rhetoric is designed to appeal to indigeno-campesino trade unionists, since it needs to maintain their grassroots support at a time of great change. Yet disaffection with the current situation among Bolivians who don't identify with any particular ethnic-cultural group is especially pronounced in a large part of eastern Bolivia. Here people doubt whether policies which they suspect of favouring the indigenous Indian communities of the Altiplano have any relevance to them.

Meanwhile the elites in the more economically successful regions have proposed a more inclusive principle: regional identity based on economic dynamism and modernization. This goes hand in hand with attempts to question the legitimacy of Morales' authority, by means which have at times provoked charges of racism. In a speech the mayor of Santa Cruz, Percy Fernández, said: "Soon you'll have to wear feathers if you want to get any respect in this country."

#### Consequences

The government's radical attitude to indigenous peoples has had two consequences. The first is that the unconditional affirmation of the legitimacy of their cause has given the impression that it takes precedence over the law: so if political forces oppose this cause, it is no longer necessary to abide by constitutional rules. The right has often been able to make political capital from the government's disregard for the rules. And when the right employs tactics which used to be the preserve of the left, such as road blocks and public rallies, those in power face an insurmountable problem: how can a government of the people use repressive force? All they can do is resort to denouncing their opponents as seditious factions in the service of the old oligarchies.

The civic committees easily sidestep this charge by presenting themselves as defenders of democracy, as evinced by their support for regional self-determination in the face of the authoritarianism of the state. Political observers who

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are usually quick to denounce the populism of the left have fought shy of applying that term to rightwing opposition to Morales' government. MAS supporters are unable to understand the growing support for regional identity since it originated with the old oligarchies. The second consequence of the radicalization of the government is the problem of inclusiveness: neither the urban middle classes nor the eastern regions, despite voting for MAS in increasing numbers since 2000, have benefited from the policy of wealth redistribution, whose dividends have gone mainly to the countryside. The government's social transformation project has alienated large sections of the mixed-race population in the east and in the cities by establishing a multi-coloured flag, the wiphala, which symbolizes the different indigenous populations as an emblem alongside the national flag.

The Bolivian left has revealed the limitations of redefining itself around the issue of ethnic identity, since it has given priority to ethnic diversity over tackling inequalities between classes and offering a remedy to the harmful effects of capitalism. It has also made it difficult for the government to broaden the base of its support. The (often opportunistic) mass conversion of leftwing intellectuals to this postcolonial cause, especially in the cities of La Paz and El Alto, which are the heart of power, also explains the force of the issue of the capital city. Returning the capital to Sucre from La Paz is a way of challenging the dominance of the Altiplano regions, the source of most of MAS's support. This gives the right a way of justifying its frequent claims of inverse racism (which are not without bad faith). It remains to be seen whether, in a country such as Bolivia, marked by such social inequality, and the ethnic discrimination and anti-Indian racism which still prop it up, a leftwing government can find another discourse and whether it is possible to avoid violent consequences of the resentments built up in the colonial past.

MAS's decision to force through the constitution in December 2007 risks provoking the rejection of its entire program, which includes historic advances towards the construction of a communitarian, multinational state, which is decentralized, autonomous and democratic, and which at last recognizes the rights of indigenous peoples. Beyond that, the constitution also legitimizes economic plurality (communitarian, state and private), the guarantee of fundamental rights (to education, basic services, work, health and an old age pension), the existence of several levels of autonomy (regions, provinces, cities and original indigenous territories), and the affirmation of sovereignty based on natural riches (whose industrialization will be favored alongside national investment and associated structures of small producers in town and country).

Recent events have shown that in the name of resisting a drift towards authoritarianism and the suspension of democracy, populist conservatism can make use of democratic rules (and undemocratic means) to block all attempts at change. The question is whether it is possible for Bolivia to drive through a peaceful revolution: the radical transformation of society by democratic means whose legitimacy derives from a popular mandate, and government which respects constitutional law. The democratic and cultural revolution advocated by Morales is today being taken forward by the classes in society which have historically been downtrodden. Despite their engagement in past and present struggles (against the dictatorships of the 1970s and 1980s and then the neo-liberal policies of 1990-2000), they have not yet mastered the parliamentary and democratic rules of the game from which they have until recently been totally excluded.

MAS faces a difficult dilemma: the more it reinforces the privileged place of the rural world, the more it risks alienating the urban population, which remains attracted by the anti-Indian rhetoric of the regional elites. Unless accompanied by more visible gestures to the middle classes, the desire to establish civic, economic and social rights for the poorest in society also risks stoking up social and ethnic tensions. In these circumstances the likelihood of violent clashes between right and left cannot be ruled out. The present struggles endanger one of the most significant benefits of the Bolivian democratic revolution – the granting of genuine political citizenship to Bolivians who are represented in the spheres of government and decision-making for the first time.

Translated by George Miller. Original at CounterPunch