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Bolivia

# Electoral polarization and crisis of the state

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**June 9th, 2005, saw the conclusion of the acute political crisis which put an early end to the government of Carlos Mesa (2003-2005). Mesa himself had succeeded Gonzalo Sanchez de Lozada, driven from power by a popular uprising, the bloody repression of which led to the deaths of 60 people in October 2003 [1].**

A parliamentary agreement then enabled the president of the Supreme Court of Justice, Eduardo Rodriguez Veltze, to become President of the Republic. This political agreement was the origin of the calling of early general elections for December 18th 2005 [2], and included the convoking of a Constituent Assembly and the holding of a referendum on departmental autonomy in July 2006.

[<https://internationalviewpoint.org/IMG/jpg/crisisbol.jpg>]

By this agreement, it was intended to put an end by electoral means to the "catastrophic equality" that has lasted for five years now between conservative and progressive forces, five years in the course of which neither the indigenous-popular leaders of the West (neo-nationalists) nor the leaders who come from the private sector of the East (neo-liberals) succeeded in imposing their project of society, each of them settling for putting in check the project of the opposing camp.

In the course of these years of political crisis and social convulsions, Bolivian political life has been marked by the emergence onto the national political stage of peasant and indigenous movements, as well as by the politicization of ethnicity as an element of self-expression of the popular sectors, particularly in the context of the weakening of traditional class identity, which, in the case of Bolivia, was rooted in the mines (to such an extent that some people spoke of a "miners' Marxism").

However, this "ethnic" construction of the people was associated with a - selective - re-appropriation of the old lines of cleavage that were characteristic of the revolutionary nationalism of the 1950s which, once the Revolutionary Nationalist Movement (MNR) went into crisis at the beginning of the 21st century, remained "available". Among these cleavages is the classical antagonism between the "nation" and the "anti-nation".

The Movement Towards Socialism (MAS) is the force that has best succeeded in taking advantage of the deep crisis of the traditional parties which have administered the neo-liberal model since 1985. It is a "New Left", distant from the traditional Left, both on the level of its discourse and from the point of view of its organisational structure, much more comparable to a "confederation of unions" than to a classical left party.

Today, its candidate for the presidency, Evo Morales, is riding high in the opinion polls, in a context of polarisation with the right-wing coalition, Democratic and Social Power (PODEMOS), led by ex-President Jorge "Tuto" Quiroga, who is stubbornly waging a "dirty war" of rare intensity against the Left, playing on the fear of "the country being isolated" in the event of a victory of Morales.

[<https://internationalviewpoint.org/IMG/jpg/evoplus.jpg>]

This polarisation is condemning Samuel Doria Medina, who is in the cement business, to third place, in spite of his repeated attempts to come across as the representative of a "rational centre", faced with a Left and a Right whose actions are portrayed as contrary to the interests of the country.

For its part, the MNR, still led by Sanchez de Lozada from Washington, has put its money on a virtually unknown son

of Japanese immigrants, Michiaki Nagatani, to try and at least reach the threshold of 5 per cent of the vote. An objective that is very far from the traditional results of this party, which controlled, for more than half a century, the political life of the country.

Despite the scale of the anti-neoliberal social mobilisations, the Right is weakened, but not beaten, which means that a left government must not expect to be navigating in calm waters. According to the same polls which make Evo the future president of Bolivia, the Right would control the Senate and almost all the prefectures [3], in a context where there are demands for autonomy in two strategic regions of the country: Santa Cruz de la Sierra (in the East) and Tarija (in the South), two departments where the principal reserves of gas and oil are concentrated.

Two "agendas" were imposed in the course of the crisis that began in 2003: the "October agenda", whose objectives are the nationalisation of hydrocarbons and the calling of a Constituent Assembly, and which is defended by the social movements, and the "January agenda", whose principal demand is the winning of regional autonomy, and which is carried by the civic committees [4] of Santa Cruz and Tarija.

## The nationalisation of gas

The product of social pressure - in a climate that is ever more nationalist - the new law on hydrocarbons was adopted in June 2005. This law increases the taxes that the oil companies have to pay [5], enables the state to get back the ownership of the hydrocarbons "on the surface" and promotes the "re-founding" of the national oil company (YPFB). A year before, in July 2004, Bolivians voted massively in a referendum in favour of more state regulation of the oil industry.

And during the crisis of May-June 2005, the social wave that was favourable to nationalisation spread to the whole country, thus canalising a series of accumulated frustrations, associated with the desire to put an end to the permanent pillage of the country's natural resources by the multinationals, who only left crumbs, and this in midst of an ocean of hardship and of chronic poverty.

The majority of Bolivians see the regaining of the income from oil as the "last chance" for the country to take off economically and to accede to a socially inclusive modernisation.

However, in spite of the "moderation" of the juridical norm that was finally adopted, and at a moment when the demands for nationalisation of the exploitation and management of oil were stronger and stronger, the oil companies, the international institutions and the multilateral credit organisms nevertheless opposed these new juridical dispositions, considered as "confiscatory".

The pressures that resulted - which included, for example, threats of judgements by arbitration tribunals, judgments that were made possible by investment protection agreements - have succeeded up to now in preventing the signature of any new contract between the Bolivian state and the multinational enterprises who profit from this new system of exploitation (however the law established a delay of 180 days for the conclusion of these new contracts).

## The demands concerning autonomy

To the demands for nationalisation have been added the demands for departmental autonomy, formulated essentially

by the elites of Santa Cruz, elites who nevertheless enjoy broad support among the population.

The inhabitants of Santa Cruz have already obtained the election of prefects by universal suffrage, at the same time as the general elections of December 18th [6], and also succeeded in rallying behind them the departments of Beni, Pando and Tarija.

The Civic Committee - which includes within it a strong business component, but which is nonetheless considered by the population as representative - gained legitimacy for its demands thanks to a massive general assembly organised in January 2005 (which mobilised more than 200,000 people), as well as by a petition carrying 300,000 signatures recognised by the National Electoral Court (CNE), whose aim was to demand the convocation of a referendum on autonomy by citizens' initiative.

Many people make the point that during the neo-liberal era, the elites of Santa Cruz controlled the strategic places in the state apparatus [7] (among others, the National Institute of Agrarian Reform), operating directly from La Paz to take advantage of public policies that were favourable to their interests, policies such as the abolition of debts.

Today, these same elites are afraid that the coming Constituent Assembly and a possible triumph of the MAS would lead to the scenario of the "revenge of the indigenous", which would put on the table a certain number of sensitive subjects such as land ownership (in a region where ownership of land is strongly concentrated in the hands of a handful of people). For this reason, the demand for autonomy can be understood as taking refuge on the "local level", so as to protect the region from the conflicts that are taking place at national level, and from the potential economic and social transformations that a triumph of the MAS on 18th December could lead to.

Since the 1960s, the economy of the region of Santa Cruz has seen its contribution to Bolivia's Gross Domestic Product (GDP) increase constantly and today, its economic activity seems more dynamic, more technically efficient, and more open to business and trade, than that of other regions of the country. This economy is characterised by a particularly important service sector and mining and agro-export activities (in the case of soja, for example).

The sociologist and MAS candidate for the vice-presidency, Alvaro Garcia Linera, notes that in recent decades, "the rising economic power has shifted from the West to the East, but the power of socio-economic mobilisation has been reinforced in the West, thus giving rise to a new geographical uncertainty in the country". And he concludes that "whereas in the West discursive constructions have emerged which have associated the economic crisis with neo-liberalism, in the East - where the hegemony of a business culture has continued - the difficulties have been associated with La Paz centralism and not with the economic model".

We should add to this that openly racist attitudes, such as the attempts of the Youth Union of Santa Cruz to prevent, wielding clubs, a peasant demonstration from entering the city in June 2005, have turned regional cleavages into cleavages that are also ethnic, in the absence of national leaderships that are capable of giving expression to the ethnic and social diversity that are, however, constitutive of this Andean-Amazonian nation.

## Towards a "Venezuelanisation" of Bolivia?

A few days away from the December 18th elections, it seems obvious that the fall of the neo-liberal ancien regime has allowed some key ideas, of a nationalist bent, to be expressed, but without however engendering a new national hegemony. The "counter-hegemonic" camp finds itself today accidentally associated with the MAS, but is having great difficulty in imagining a "post-liberal" scenario.

The post-electoral panorama - with a possible triumph of the Right in at least five of the nine departments - underlines the geographical limits of the present cycle of political renovation of the country. Quiroga was sharply criticised when presented his lists of candidates for the Assembly and the Senate, which were immediately seen as a "machine for recycling" the old, discredited traditional politicians. Despite that, the candidacy of the conservative ex-President - who is curiously using a red star as his logo - is condensing the "anti-Evo" and "anti-blockade" vote.

A vote that regroups not only the elites who are reticent to lose the power they have enjoyed since the foundation of the Republic, but also sectors from the middle, and even popular, classes, who are afraid of seeing an indigenous "illiterate" receive the tricolour scarf and the commander's baton which symbolise the power of the head of the Bolivian state. Others fear that the aid coming from international cooperation will be suppressed, whereas it has become a vital resource for the economic stability of the country, because of the rickety state that public finances are in today.

In relation to this conjuncture, the challenges that the MAS has to confront are considerable: first of all it has to win the elections, then to guarantee that the country can be governed. Several analysts underline the potential dangers that a government headed by the indigenous Left could encounter, in the event of a "Venezuelanisation" of Bolivia: a coming together of possible sabotage on the part of local elites from the private sector and operations of destabilisation organised by a United States diplomacy that distrusts Morales, who is in the habit of saying that Fidel Castro and Hugo Chavez are "the commanders of the liberation forces of the continent".

Demonstrating an exemplary lucidity, the leader of the MAS has remarked on this subject "that it is a question not only of succeeding in forming a government, but of taking power".

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[1] What has become known as the "gas war", against the exporting of this raw material via Chilean ports (during the Pacific War of 1879, Chile annexed the Bolivian seacoast) had a macabre balance sheet of 60 dead and around a hundred wounded.

[2] The confrontation between regions over the number of seats in parliament that corresponded to their population (in line with the 2001 census), led to the postponing of the elections from the initial date of December 4th to December 18th.

[3] The prefectures are the departmental governments.

[4] The Civic Committee includes the "living forces", which are the union organisations and the business groups, the latter having, in these two regions, a preponderant political weight. In Tarija and in Santa Cruz, the civic committees are considered by some of their members as the "moral government" and as legitimate in these regions.

[5] The new law instituted the Direct Tax on Hydrocarbons (IDH), which enables the state to recover 32 per cent of the profits produced by the exploitation of oil.

This 32 per cent is to be added to the 18 per cent of royalties which the Bolivian state received up till then, which means that it recovers a total of 50 per cent of overall profits.

[6] The prefects were previously appointed by the President of the Republic. Elected, they will have increased legitimacy...

[7] The director of the Centre of Juridical Research and Research in Social Sciences (CEJIS), Carlos Romero, explains that "since the 1960s and 1970s, Santa Cruz benefited from a substantial transfer of the mining surplus of Oruro and Potosi through the central government, via credits, the building of agricultural complexes, roads, etc." He also affirms that "rather than being marginalised, Santa Cruz has been privileged, with surpluses that have enabled it to integrate into the export market. That is why the arguments about 'Eurocentrism' should be relativised".