Social Movements and Development in Bolivia

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Abstract

Providing us with a historicisation and contextualization of Bolivia’s development of an alternative development model to neoliberalism, this paper engages with the rise in prominence of the country’s social movements and the concurrent rise of Evo Morales’ MAS party to power during the period of 2000-2005. This approach, the author argues, reflects a neostructuralist take on development, governance and political economy. The relationship between the State and Bolivia’s social movements is established and analysed, with the centrality of the latter receiving special attention. Overall, this work provides both an important grounding and analysis in the forces that have shaped the Bolivian national agenda under the MAS.
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In December 2005, leftist former cocaine farmer, Evo Morales, and his party MAS (Movement Toward Socialism) won the presidential elections in Bolivia. His victory came after twenty years of neoliberal measures that increased poverty and fostered social unrest in the country. Throughout the 1990s and 2000s, social movements evolved as an important political actor in the country and their anti-neoliberal struggles led to the resignation of two presidents and a crack in the existing political system. Since Morales' victory, Bolivia has promoted an alternative development model that is moving away from the basic principles of neoliberalism. This paper investigates the nature of this model; it aims to explain the conditions that led to the emergence of the social movements and to comprehend the articulation between movements and development. It will look into the economic principles of this model and will examine the State's transformation under the country's new Constitution.

Neoliberalism and the Emergence of Social Movements

The first wave of neoliberal adjustments hit Bolivia in 1985 under the ‘New Economic Policy’ (NEP) adjustment program, which was promoted by the International Monetary Fund (IMF), the World Bank and Harvard educated economists such as Jeffrey Sachs (Webber, 2011:15). Foreign capital and transnational corporations infiltrated the country's economy in the following years as trade barriers were removed in order to make the country friendly to foreign investments. Changes included the privatization of natural resources, state-owned companies — including the mines, which were the most dynamic sector of the economy — and public services. Labor organizations were weakened and the social costs were immense for the poorest parts of the population, especially the indigenous peasants. Poverty rose more than twenty percent in the first ten years and large parts of the working class (ex miners, peasants, the unemployed) found occupation in the informal sector or in small-scale agricultural production (Webber, 2011:22).

The IMF and the World Bank focused on political stabilization and prioritized the institutionalization of Bolivian politics. The goal for successive governments throughout the 1980s, 1990s and early 2000s was to create an investment-friendly environment and the macroeconomic stability needed in order to attract foreign investments. This goal was shared by the majority of political parties. For almost two decades, parties across the political chart promoted privatizations of public assets, neoliberal structural adjustments and austerity measures. During pre-election campaigns, most of these parties advocated an electoral program that moved away from neoliberal policies; however, these policies were never implemented. Neoliberal measures were their true hidden agenda. In addition, no serious discourse ever took place between government parties and labor unions, civic groups or indigenous communities. As poverty and unemployment rose, popular discontent towards ‘all parties’ within the political system grew. The idea that ‘all parties’ were responsible for Bolivia’s underdevelopment was found mostly among the indigenous peasant population in rural areas and the workers and small-scale businessmen in urban areas (Salman, 2007).
According to Haard and Anderson (2009), neoliberalism created the political space for the emergence of dynamic social movements. As a second wave of structural reforms was put in effect in the mid-1990s, social unrest forced the government and the IMF to address rising poverty and peasant marginalization. Under these conditions, in 1994, President Lozada introduced the ‘Popular Participation’ program that designed the decentralization of the State, providing local communities with a say in the planning of resource management. On behalf of Lozada’s government, this was a ‘neoliberal’ local participation approach that aimed to create the conditions for individuals to ‘adjust’ to the free market spirit. But in effect, it was a big step forward for the empowerment of social movements as they obtained the political space to participate actively at the local level (Anderson and Haard, 2009:8). As traditional forms of representation, including the majority of the political parties, became less popular, participation in peasant and labour trade unions, indigenous organizations and local community committees increased. Already by the 1980s, peasant unions and local communities throughout the Andean region had realized that they needed mechanisms to obtain political power. The idea of “Sovereignty of the People” was becoming more and more popular (Vanden, 2007:24).

The strengthening of social movements: 2000-2005

In the mid-1990s, social movements started to evolve as an important political actor in Bolivian politics. Between 2000 and 2005, Bolivia experienced what Jeffery Webber calls ‘The Revolutionary Epoch’ (Webber, 2011:48). This was a period of mass mobilization and collective struggles against neoliberal policies such as the privatizations of natural resources. This period was also characterized by a resurrection of indigenous mobilization against the white/mestizo (mixed) elite that had maintained economic and political control of the country since the Spanish colonial times.

The Water War in 2000 and the Gas Wars in 2003 illustrate the spirit of this tensed period. During the Water War in Cochabamba, the third biggest city in Bolivia, indigenous communities, traditional and peasant trade unions, political organizations and common citizens battled against the privatization of the local water company while demanding greater respect for indigenous usos y costumbres (customary uses) in water management (Barrett, Chavez and Rodriguez-Garavito, 2008:223). Grassroots democratic mechanisms helped protesters organize in a different manner than the way trade-unions or conventional political organizations operated. As different forms of political organizations came together they needed a single political body to organize them; the Coordinadora de Defensa del Agua y de la Vida (Coordinator for the Defense of Water and Life or just the Coordinator) was founded and it became the ultimate organizational body responsible for any decision-making for all organizations and unions that participated in the struggle (Barrett, Chavez and Rodriguez-Garavito, 2008:225). After months of violent mass mobilization, the government concurred with the ‘Coordinator’ and the water company came under municipal control.

The Gas Wars are described as the events that took place between 2003 and 2005 and led to the resignation of President Lozada and President Mesa and the election of Morales as president. In 2003, Lozada’s government proposed a law that would sell a part of the country’s natural gas to the United States by exporting it through Chile. The government’s plans caused social unrest across the country. Bolivians hoped that the country’s natural gas (Bolivia holds the second-largest gas reserves in Latin America after Venezuela) would be utilized for national development (Domingo, 2005:1729). Various groups and organizations that had little connection with each other in the
previous decades sided against the government. Indigenous peasants, workers, miners, and students blockaded roads in El Alto, La Paz, Chapare and the routes leading to Chile. Protesters called for an end to Lozada’s plans, the confiscation of foreign companies that controlled natural gas and the nationalization of all natural gas and oil resources. In October 2003, President Lozada was forced to resign. The new President, Carlos Mesa, promised to increase taxes in hydrocarbon industries (gas and oil) but due to massive, daily protests in La Paz and other parts of Bolivia he was also forced to resign in June 2005 (Bueno and Datta, 2011). Benjamin Dangl, author of the book The Price of Fire, elaborates:

gas had become a magic word in 2003-05, a symbol of all past resources lost and all possible wealth for the future. Like coca and water, gas was viewed as a natural resource for survival. Not only was it needed for heating and cooking, many wanted it to open doors to development (Dangl, 2007:123).

MAS, the State and Social movements

The tumultuous five year period between 2000 and 2005 was fostered by mass mobilization which created a crisis in the state structures and the existing political system. The circumstances created a window of opportunity for the social movements to become the most powerful political actor in the development discourse. Evo Morales and his party, MAS (Movement Toward Socialism), built electorally on the social movements’ struggles and gained victory at the December 2005 presidential elections (Salman, 2007). Morales and MAS have their roots in the department of Cochabamba where in the mid-1990s MAS emerged as the anti-neoliberal, anti-systemic party branch of the coca leaf farmers (cocaleros) movement that fought against the government’s plan to ban coca production. In its first steps the party took an activist stance and used anti-imperialist language to address the cocaleros who saw a US intervention behind the governmental prohibition of coca growing. MAS activism, according to its critics from the left, abandoned radical activism sometime in 2002 and made a turn into electoral politics (Barrett, Chavez and Rodriguez-Garavito, 2008:165). But in the eyes of their electorate, MAS’ turn was not considered a move of betrayal but a change in political tactic.

The articulation between the social movements and MAS was the key factor in their ascendance in governmental power. This articulation was also the basis for the creation of a new, anti-neoliberal development model. The dialectical relation between MAS and the social movements is based in another nexus: the relationship between social movements and the State. The left intelligentsia in the MAS party promotes the idea that the State has the capacity to intervene in society and can provide the social movements with the tools to achieve their fullest potential. The State is seen as the most powerful political prize, equipped with the tools to re-orientate its modes of intervention to lessen inequalities while deepening democracy via structural changes (Barrett, Chavez and Rodriguez-Garavito, 2008:5). But because the struggle to control the State is a political one, social movements need a political party as the vehicle to obtain political power. This party would serve social movements as their political vehicle.

MAS adopted that role. It was the only party capable of the task as it was seen as the only anti-systemic party that would not continue the disastrous neoliberal policies. Exactly because MAS was active in the social movements throughout the unstable years, the overwhelming majority of the peasants, workers in the formal and informal sector and a part of the urban middle-class (i.e. the majority of the participants in social movements) supported MAS with the hope that it would
reverse the neoliberal status quo (Webber, 2011:61).

Two factors have shaped the development model that has been adopted since 2005. Firstly, the economic policies that the MAS government advanced; and secondly, the efforts that have been made to transform the correlation of power between social movements, elites and the State. In order to comprehend Bolivia’s development model, it is first necessary to investigate the political economy promoted by MAS and the nature of the implemented economic policies. This will be followed by an analysis of the correlations of power in the writing of the new Constitution that reflects the balance of forces in the development discourse.

**Political Economy of MAS government**

Since its first days in power, the MAS government has advanced more State-involvement policies in the economy and greater public spending in welfare, education, health and infrastructure. In May 2006, Evo Morales realized his electoral promise to nationalize the country’s natural gas industries. The nationalizations resulted in (US)$1.57 billion in public revenues in 2007 from hydrocarbon industries, a dramatic increase compared to the $173 million revenues in 2002 (Seelke, 2008). In its first year as government, MAS also launched its agrarian reform program that provided 60 indigenous communities with land titles of 7.5 million acres and announced future programs of cheap access to credit, technical training and an additional 50 million acres of land distribution of state and privately-owned lands. In 2008, the government nationalized a number of mine companies that had been privatized during the neoliberal era and also promoted mine co-operatives (Ibid, 2008).

In June 2006, the government presented a five-year National Development Plan [2006-2010] (NDP) which according to a research paper by the UN department in Bolivia, seeks to change the development model that concentrated wealth in the hands of the few (UNODC, 2010:6). According to the National Development Plan, public investment for housing, infrastructure and small businesses was $6.9 billion annually while private investment was $6 billion (Seelke, 2008). The GDP was expected to grow by 7.6 percent in 2010 while 90,000 jobs would be created every year and poverty would reduce by 50 percent. Public revenues from hydrocarbon industries were earmarked for social protection programs including allowances for poor families, unemployed workers, landless peasants, and tax decreases for the poorest (UNODC, 2010:7).

The second national program that illustrates MAS’ vision for development is the five-year ‘National Alternative Development with Coca Plan’ (PNDIC). The general framework of this plan is to “develop the capacity for participative, communitarian and institutional self-management, including supportive private inversion, in order to eliminate the driving factors of poverty, social exclusion and environmental deterioration, for an alternative and sustainable development” (UNODC, 2010:8). This Alternative Development Plan aims at reducing poverty and unemployment while promoting sustainable uses of natural resources. It recognizes the positive attributes of the coca leaf and promotes its industrialization and commercialization for the production of goods such as coca tea.

Webber suggests that MAS’ political economy is nothing more than the promotion of a neostructural economic development model. Neostructuralism became mainstream in the academic and policy-making circles in the mid-1990s. It moves away from the neoliberal orthodoxies that had created
social unrest, political destabilization and increased poverty in many Latin American countries in
the 1980s and 1990s. Although it accepts the fundamental free-market principles, neostructuralism
favors more state intervention in the fields of economy and society. Neostructuralists believe that
although the market is the most powerful force that drives the economy, other key factors such as
infrastructure, education, finance, labour relations and social integration play an equally important
role in the wider process of development. The role of the State and its institutions is to intervene
in the economy when needed by increasing taxes, nationalizing industries and resources, and
implementing temporarily measures against the capital in order to maintain social cohesion and
protect the existing social structures (Webber, 2011:177).

The basic principles of neostructuralism have undoubtedly affected the economic policies of
many Latin American countries that tried to implement anti-neoliberal policies: Lula's Brazil,
Kirchner's Argentina, Vasquez's Uruguay and even Chavez's Venezuela serve as examples. In the
search for a counter-neoliberal model, these countries have used some of the theoretical tools of
neostructuralism for the advancement of a development model that moves away from neoliberal
orthodoxies. However, we point out that neostructuralists give particular attention to the need
of a consensus between the social actors that shape an economy. That means that the State is
intended to create the conditions for mutual compromises between the important social actors
whose interests might be in conflict. The State, according to neostructuralists, needs to condense
the interests of all social actors and advance the general interest (Webber, 2011:187).

This paper suggests that this has not entirely been the case for Morales' Bolivia. Because of the
articulation between MAS and the social movements, Morales' administration has been eager to
satisfy the demands of a population that was thirsty for social justice. For one thing, the government
is not hostile to foreign capital and is trying, to some extent, to attract Foreign Direct Investments.
However, the MAS government has implemented policies that are directly in conflict with the
interests of the national elites and has destabilized the country's social cohesion. This was apparent
during the efforts to write the country's new Constitution when the right-wing opposition did
everything it could to cancel the Constitutional Assembly, resulting in a divided country. This is
also apparent in the current struggle for independence in the elite-controlled region in Santa Cruz.
This region is the wealthiest in the country as it is the home of the large agricultural businesses that
belong to the traditional national elites who strongly oppose MAS' policies and question Morales’
authority.

The Social Movement’s Struggles for State Transformation

The convention of a Constitutional Assembly was a persistent demand by the participants in
social movements from 2000-2005. On March 6, 2006, four months after MAS was elected to
power the MAS government responded to these demands and announced elections in June for
the convention of a Constitutional Assembly (Postero, 2010). The right-wing opposition delayed
the convention from August to December and protests in the elite-controlled region of Media
Luna erupted. Morales went on a hunger strike and called upon social movements to support him
and defend the Constitutional Assembly. After numerous clashes between the social movements
and MAS on one hand, and the right-wing opposition and their supporters on the other, a draft
Constitution was voted with a 2/3 majority in mid-2008. In 2009 the Constitution passed with a
60 percent majority in a national referendum (Bueno and Datta, 2011). The new Constitution was
the result of a compromise between the two sides but was still a great step forward in the effort to
transform the State from an indigenousness point of view.

The delegates of MAS, reflecting the interests of the social movements, especially that of the indigenous peasants who were the most powerful force of the movements, prioritized the indigenous concept of ‘living well’ in the new Constitution. This is a concept that has deep roots in the indigenous culture and is promoted in the new Constitution by the establishment of State policies that guarantee that all people should have access to the basic means to life (Chaplin, 2010:73). ‘Quality of life’ in the indigenous culture means covering material needs but also having the tools for personal development and empowerment. This position builds on the indigenous-peasant concept of living that promotes solidarity as a social value and forwards a harmonious relationship and respect towards nature (Chaplin, 2010:74).

The Preamble of the New Constitution illustrates the general spirit of the structural changes that the Constitution wants to facilitate:

The Bolivian public, which is plural in composition [...] From the depths of history, inspired by the struggles of the past: the anti-colonial indigenous uprisings, independence, the popular liberation struggles, the indigenous, social, and syndical marches, the water war and the October war, the struggles for land and territory, and in the memory of our martyrs, constructs a new State. A State based in respect and equality among all, with the principles of sovereignty, dignity, complementarily, solidarity, harmony, and equality in the distribution and redistribution of social product, where the search for a good life [vivir bien] predominates, with respect for the economic, social, juridical, and cultural plurality of the inhabitants of this land, living together collectively with access to water, work, education, health, and housing for all (Postero, 2010:72).

The new Constitution shows that the orientation of the country’s development model depends greatly on the position of the social movements. Social movements are participants in the development discourse as solid and powerful political actors. Their articulation with MAS as the political instrument that can give them access to governmental power and thus promote their interests, was apparent in the writing of the Constitution. The new Constitution creates structural ties between the State, MAS and the social movements. It puts forward indigenous rights and constitutes the Bolivian Republic as a ‘plurinational entity’ that represents the ethnic diversity of the country and establishes thirty-six indigenous languages as official languages. It grants autonomy to numerous indigenous communities, providing them with new land and the institutional tools for self-government while it increases and reserves seats in the Senate for these communities (Postero, 2010).

The writing of the new Constitution was the social movements’ effort — championed by the poor indigenous peasants—to impose their interests and their positions on the national development discourse. The battle over the writing of the Constitution was a political struggle that took many forms from massive violent protests to high-political debates. In reference to the social movements, the struggles surrounding the writing of the Constitution reveal that social movements were not only an active participant in the national political discourse, they were the decisive one. Their persistent demands over the years for a Constitutional Assembly, their continuous struggles throughout the whole process of its writing and the pressure and force they ’injected’ in MAS, were the factors that rendered them victorious in this crucial political battle that aimed to transform the State. National elites and the parties that represented their interests in the Constitutional Assembly
suffered a political defeat that followed the 2005 presidential elections. This election was of great importance as it focused on the writing of a Constitution that redesigned the State and its means to achieve development.

**An Alternative Development Model**

MAS provided a great part of the Bolivian population with a vision for an alternative, anti-neoliberal development plan that prioritizes the interests of the poor, and not that of the elites that were, up to that point, ruling the country. Morales describes his long-term vision for Bolivia as ‘communitarian socialism’. He has named capitalism as the number one enemy of nature (Webber, 2011:156). In his speeches in various international fora he often describes how “capitalism is killing Pachamama (Mother Earth)” and that in the future ‘either capitalism dies or Mother Earth dies’. MAS’ political thought is embedded with the concept of indigenousness and the principles of the Marxist tradition.

Although socialism is the long-term goal for MAS, the development model that has been implemented since 2005 has in no way abolished capitalist forms of production. Garcia Linera, Morales’ Vice-President and a former journalist and intellectual, in an essay published in 2008, describes how the MAS government envisions a gradual building of socialism in stages (Webber, 2011:174). Linera suggests that the country has experienced a transition from a stage where the State is in crisis and the former elites are losing control of the political system to a stage where intense social conflicts have brought new social forces (i.e. the social movements) into power. Bolivia has now moved into a stage of “ascendant hegemonic construction”, entailing a process of social transformation and re-arrangements in the existing social order (Webber, 2011:174).

Bolivia’s current development model is original for two fundamental reasons: firstly, because it designs a development plan that is moving away from the neoliberal principles, but is not confined to the implementation of pro-poor policies as it aims to redefine the structural relations between the State, national elites (capital) and the working population (labour), in favor of the latter. A state-directed development process, influenced by neostructural theory, is considered essential in that procedure. Secondly, the development model is original because it seeks to transform the State by putting forward indigenous populations and their views on how development should be. This transformation is the social movement’s effort to battle the politico-economic hegemony of the elites. It is in an ongoing process of decolonization by Bolivia’s poor population, the population that has been active in the social movements for many years. The fact that the official name of the country has changed to ‘Plurinational State of Bolivia’ with thirty six official languages, underlines this transformation.

The important role of the social movements in this process is what makes this model purely unique. The State might be the political space where all interests are condensed (Poulantzas, 1978) but it is the social movements, and to a great extent the indigenous peasant part of these movements, that direct the orientation of the development process. President Morales and the MAS intelligentsia have the final word as the ultimate administrative power in this discourse, but their power is based on the support of the social movements. National elites of white/mestizo origin who had been ruling the country since the Spanish colonial era, still have economic control of the country. But in the political and the social arena, a great shift has taken place as social movements now determine the country’s national agenda.
Conclusion

Over the last decade, Bolivia has undergone a process of political and social transformation. The social movements that emerged due to a crisis in the traditional political system opened a new chapter in Bolivian politics; neoliberal development has been abandoned, replaced by a neostructuralist approach that includes more state involvement and nationalization of natural resources. In this context, the country’s Constitution has been re-written in order to reflect the social movement’s demands and views on development, especially the views of the marginalized indigenous peasant populations, which are the ethnographic majority of Bolivia. The transformation of State is the ultimate goal for the social movements and the governing MAS party. This process is shaped by the articulation between the MAS party and the social movements that constitute the most dynamic political subjects in the development national discourse.
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