

Bolivia at the Crossroads

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The election of Evo Morales of the Movement Toward Socialism (MAS) as president of Bolivia in December is a defining event. For the first time a leader of the country's indigenous peoples became president (60% of Bolivians are of indigenous descent), while the parties that dominated Bolivian politics for decades were virtually swept away. The MNR, which led Bolivia's 1952 Revolution, got less than 7% of the vote, while the MIR and ADN, right-of-center parties that spent years in power, failed to win even a single parliamentary seat.

MASS HATRED FOR NEO-LIBERALISM

Morales' vote total—54%—reveals the extent of mass opposition to the “neo-liberal” agenda of subjecting Latin America to the dictates of the U.S. and multinational corporations. Bolivia was one of the first countries to be subjected to the privatization and “economic restructuring” that has defined the world economy for the past two decades, and Morales' election has sent a strong message that a new day may be dawning on the continent.

The U.S. quickly denounced Morales' victory, saying it was “concerned” about his support for coca leaf growers—a source of as much as a third of the cocaine that ends up in the U.S. Yet it is very doubtful that the U.S. is mainly worried about Morales because of drugs. Morales repeatedly stated before and after the election that the production and distribution of cocaine will remain illegal in Bolivia. What he opposes is the complete eradication of the growing of coca leaf, which has been chewed for medicinal purposes for centuries in Bolivia, on the grounds that doing so would drive many peasants to starvation.

In fact, the U.S. supported several Bolivian dictators in the 1970s and 1980s who were allies of the drug lords, such as Hugo Banzer and García Meza, because of their brutal repression of workers' and peasants' movements.

What really worries the Bush administration is that the struggles of workers, peasants, women and youth that led to Morales' victory will further complicate its effort to keep Latin American nations in line with its dictates.

OPPOSITION TO PRIVATIZATION, ELITE

Since 1999 Bolivia has witnessed the explosive growth of a mass movement opposed to privatization of public services, exploitation by multinationals, and the collusion of the nation's elite with U.S. policies. Mass uprisings in February and October 2003 demanded that profits gained by multinationals from Bolivia's natural gas reserves (Bolivia has the second largest reserves in Latin America) be used to redress the country's crushing poverty. Another uprising in May and June 2005 called for the complete nationalization of Bolivia's oil and gas reserves.

There is a long tradition in Bolivia of support for national control of exports. Bolivia was the first country in Latin America to nationalize its oil; it did so several years before Cardenas nationalized Mexico's oil in the 1930s. The privatization of the Bolivian oil industry in the 1990s produced huge profits for U.S.-based companies, but did nothing to end Bolivia's deep impoverishment.

Morales says he will reverse this legacy by revoking foreign firms' ownership of oil and gas wells and insist that they sign service contracts with his government. These plans to redistribute gas and oil revenue largely follow the approach of Venezuela's Hugo Chavez. Yet while the Bush administration strongly opposes such plans, they are not as radical as may appear at first sight.

In Venezuela, Chavez recently demanded that foreign oil companies become minority partners in the state-run oil industry. He also demanded an increase in the companies' royalty payments, from 1% to 30%, and in their taxes from, 34% to 50%. The oil companies, lush with profits from high oil prices, readily agreed.

QUESTIONS ABOUT VENEZUELA

Many have hailed Chavez's actions as a sign that "Venezuela is moving toward socialism," but some leftists in Venezuela have criticized the agreement for giving foreign oil companies the same kind of joint-venture arrangement they had long ago agreed to with Russia, Saudi Arabia, and North African states.

Morales may find it difficult to obtain even such a modest degree of control over oil and gas revenues. The largest importer of Bolivian gas is a Brazilian company, Petrobras. If Morales nationalizes Petrobras' holdings he is bound to antagonize Brazil.

It seems therefore unlikely that his election will lead to the emergence of a "counter-hegemonic U.S. bloc" consisting of Bolivia, Venezuela, Brazil, Uruguay, and Argentina.

Another problem is that 100,000 Bolivians are employed in foreign-owned clothing and jewelry firms in El Alto, a base of the mass movement. Their main customer is the U.S. market. If the U.S. decides to retaliate against efforts to nationalize the gas industry by pulling its investments out of El Alto, serious economic problems will result.

Morales is trying to tame such fears by stating, "Unfortunately, it will be my duty to respect these neo-liberal laws. Some changes we will be able to make by decree, others through the legislature, but immediately there aren't going to be great changes because there are 20 years of neo-liberal laws that can't be erased in one swipe." MAS's vice-president García Linera has stated that the aim of the new government is to develop "a national Andean capitalism."

While this lends support to the notion that Morales may try to follow Brazilian President Lula's accommodationist approach with global capital, it may not be easy for him to do so. Unlike Lula's Workers' Party, MAS is a coalition of competing ideas and interests rather than a disciplined, hierarchical party. It will therefore be much harder for Morales to stay in control if he wanders too far from the grassroots. A number of tendencies to the left of Morales, especially the miners' union, are already calling for a series of regional people's assemblies in March as a way to pressure the government from the Left.

Whatever results from such efforts, the rise of an Aymara Indian to the presidency is an historic event in itself. For generations the indigenous peoples of Bolivia have been subject to incessant abuse by ruling powers and have been treated as pawns by the political parties, including by many on the Left. Morales' victory could not have been possible without a decades-long indigenous consciousness movement that helped reshape national politics.

INDIGENOUS CONSCIOUSNESS

The danger that the movement now confronts is that the new leaders may try to use their hard-won credentials as indigenous activists to justify a policy of class accommodation with national capitalist interests.

U.S. Marxist-Humanists

Bolivia today is not the same as it was decades ago, when it had a powerful Marxist-led trade union movement. Prior to the 1980s discussions within the Bolivian Left centered on debates over the exploitation of labor, whereas today they tend to focus more on ownership and development of natural resources.

Yet today's struggles are raising a series of questions that demonstrate the continued viability of the mass struggles—questions like can nationalized industry truly free Bolivia from the world economy? What kind of developments are needed, nationally and internationally, to break the power of capital and underdevelopment?

We need to help ensure that the Bolivian people obtain the breathing and thinking space needed to work out these questions by insisting that the Bush administration not interfere with their choices and that we work to stay the hand of any U.S. retaliatory actions.

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