

Bolivia's Conservative Autonomy Movement

By Kent Eaton



Photo by Getty Images.

Hundreds of thousands of *cruceños* demonstrate on behalf of autonomy for Santa Cruz, January 28, 2005.

Latin America in the past two decades has experienced a transition to more decentralized forms of government, a change whose significance may well come to rival the two other major transitions — toward democracy and the market — that the region has also experienced. The reasons for decentralization and the consequences of the common decision to decentralize vary quite dramatically across different countries in the hemisphere. In most of the more extensively studied cases, decentralization appealed to progressive political actors and democratic reformers, who sought to decentralize in the expectation that it would reduce the likelihood of any future reversions to authoritarian rule. In Brazil, for example, the leaders of the civil society movement that helped terminate military-led governments explicitly argued that to decentralize was to democratize and that to democratize was to decentralize.

The current movement to decentralize political and economic authority in Bolivia, however, displays a very different logic. Rather than progressives, it is conservative political groups and business elites who have championed the cause of decentralization and who have used their considerable economic resources in the service of a demand for regional autonomy. If Bolivia today is on the verge of a significant devolution of political and economic authority to regional governments, this is due largely to the efforts of economic elites who are deeply concerned about what they perceive as the weakening of respect for property rights in La Paz.

This conservative autonomy movement can be understood as a response to the fundamentally new forms of indigenous mobilization that took place in Bolivia in the 1990s, transforming the country's political system. At the municipal level, the much-celebrated 1994 Law of



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Popular Participation established numerous new access points into the political system for formerly excluded indigenous groups. New municipal spaces and municipal electoral victories facilitated the rise of Bolivia's two most important new indigenous leaders: current president Evo Morales of the Movimiento al Socialismo (MAS) and Felipe Quispe of the Movimiento Indígena Pachakuti (MIP). At the national level, indigenous groups acquired sufficient political power and mobilizational capacity by 2003 to play a leading role in the termination of two Bolivian presidencies: Gonzalo Sánchez de Losada and his successor Carlos Mesa.

When indigenous Bolivians mobilized to demand a more central role in Bolivian politics, they in turn challenged the special position that economic elites and pro-market political parties have long enjoyed in the government. Specifically, when indigenous political actors successfully inserted themselves into the only two levels of government that have any real significance in Bolivia — the national and municipal levels — economically powerful groups started to demand changes that would increase the significance of the intermediate

level of government (called “departments” or “regions” in Bolivia).

Explaining why economic elites adopted this strategy requires a basic understanding of some of the key features of subnational regionalism in Bolivia. In the 1950s and 1960s, the La Paz-based central government used revenues derived from the mineral wealth of Andean departments in the west and channeled these resources into development projects in the sparsely populated, lowland department of Santa Cruz in the east. Assisted by the U.S. Agency for International Development, the central government's “March to the East” resulted in large investments in Santa Cruz's infrastructure, including the critical highway and railway projects that helped produce a sustained regional economic boom beginning in the 1970s. Due to the phenomenal rise of Santa Cruz, now home to the country's most lucrative export activities and to its most powerful business associations, the department currently represents over 40 percent of Bolivia's export earnings and tax revenue. The rise of Santa Cruz, however, has also generated deep conflict between what many see as two different Bolivias: the poorer, more indigenous, less economically productive departments of the

A Bolivian miner plays with homemade dynamite as he takes part in a march demanding nationalization of the country's oil industry and rejecting the autonomy referendum proposed by Santa Cruz.

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mountainous west, and the richer, whiter and more economically vibrant departments in the lowlands that curve around the foothills of the Andes to the east.

Bolivians in the east and west disagree about many things, including how to divide up seats in the national legislature between subnational regions — an issue that nearly derailed the elections in December 2005 when departments in the west refused to reapportion seats based on the newest census figures (which would have given Santa Cruz at least four more seats in Congress). But in a more profound way, lowlanders (*cambas*) and highlanders (*collas*) even disagree on how to explain Santa Cruz' success. Residents of western departments remind Santa Cruz of the role that eastern mineral wealth played in its growth and demand that eastern departments now share the proceeds of their newly-discovered natural gas deposits with the west. For them, Santa Cruz is the “daughter” of the national government. Meanwhile, *cruceños* argue that it was the absence of the central state and its overweening bureaucracy, rather than any special treatment from La Paz, which enabled the department to grow faster than the national average.

Tensions between east and west noticeably worsened in the aftermath of Sánchez de Losada's disastrous second administration (July 2002–October 2003). In the October 2003 Gas War, when indigenous groups in the west besieged the president in La Paz, pro-market business and political leaders in the east responded by inviting the president to transfer the national capital to Santa Cruz. When this proposal failed and the following administration of Carlos Mesa began to negotiate directly with Evo Morales, the Santa Cruz leadership proceeded to organize a series of rallies, protests and signature-gathering campaigns to demand greater autonomy from the central government. Demands for regional autonomy certainly predate Morales' national emergence, but they have escalated sharply in response to the growing political turbulence in La Paz.

The move to make Santa Cruz more independent from the national government

has been led by a powerful civic committee called the Comité Pro-Santa Cruz (CPSC), which originated in the early 1950s as a site of opposition to the National Revolution that Bolivia was then experiencing. Led by the business elites who dominate its decision-making bodies, the CPSC has successfully pulled off a number of dramatic episodes in the last two years. Most important are the two days in June 2004 and January 2005 when hundreds of thousands of *cruceños* answered the call issued by the CPSC to demonstrate on behalf of autonomy for Santa Cruz. An estimated 350,000 people participated in the second of these events, the so-called Second Great Town Hall (Segundo Gran Cabildo Abierto). As the largest recorded public demonstration in Bolivian history, this second *cabildo* served as a powerful counter-mobilization in response to the indigenous mobilization that has so transformed the west. Subsequent to this second and larger rally, the Santa Cruz autonomy movement began to be known as the “Agenda of January” in contrast to the “Agenda of October (2003),” which refers to the movement that ousted Sánchez de Losada. In the period between the two *cabildo* meetings, the CPSC led a civic strike in November 2004 designed to force the national government to hold a referendum on autonomy that would be binding at the departmental level.

In a relatively compressed period of time, the CPSC has made substantial progress toward its goal of regional autonomy for Santa Cruz. In April 2005, pressure from Santa Cruz forced President Carlos Mesa to agree to hold Bolivia's first-ever elections for prefect, which were held in December 2005 along with the presidential and legislative elections. As a result, Rubén Costas, a wealthy landowner and former CPSC president, now governs the department as its first democratically-elected prefect. Furthermore, before resigning his office in June 2005, Mesa was also forced to agree to a nationwide referendum on departmental autonomy, which has now been scheduled for July 2006 on the same day that Bolivians will elect members of a new Constituent Assembly.



Photo by AP/Wide World.

The terms of regional autonomy will certainly be one of the most difficult and controversial issues under discussion in this new assembly.

Bolivia's experience can be used to think more generally about the conditions under which conservative autonomy movements might emerge in other Latin American countries. For a variety of reasons, the conditions for such a movement have been especially ripe in Bolivia, and may not be equally present elsewhere, even in countries where the mobilization of indigenous populations might resemble the Bolivian case. Three factors have been critical in enabling and encouraging the conservative autonomy movement in Bolivia. The first is the disconnection between the location of economic and political power in the country. Only Ecuador, with its ongoing struggle between dynamic, coastal Guayaquil and sluggish but politically powerful Quito, approximates the mismatching of economic and political power that we see in Bolivia today between Santa Cruz and La Paz. The prominence of anti-market rhetoric and behavior among indigenous leaders is a second factor that helps account for the

emergence of a conservative autonomy movement. In Bolivia, Evo Morales has effectively tapped into widespread opposition to one of the region's most doctrinaire experiences with economic liberalization. The third factor concerns the party system and the relative electoral strength of political parties that can be counted on to represent the interests of economic elites. In Bolivia, the three established parties that introduced and defended economic liberalization measures in the 1980s and 90s have been decimated in recent elections. That Morales' party won the December 2005 elections so convincingly — with 54 percent of the vote, or nearly 20 percentage points more than opinion polls had predicted — creates further cause for concern among the leaders of Bolivia's conservative autonomy movement.

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Cruceños sunbathe at Acqualand. The election of Evo Morales has led to rising calls for autonomy from business-minded, free-market-driven Santa Cruz.