Healing Bolivia

By Juan Gabriel Tokatlian

Since the mid-19th century, Latin America has suffered fewer inter-state wars and undergone less state creation than any other region of the world. The continent has been a relatively quiet periphery because its countries tend neither to fight each other nor to divide from within. Bolivia, however, may be poised to buck the latter trend.

A referendum on autonomy which was approved in May in Bolivia’s eastern province of Santa Cruz has generated fear about the region’s eventual secession. This relatively rich, opposition-controlled, ethnically mixed, and more conservative province, blessed with fertile lowlands and hydrocarbons, voted for autonomy by a wide margin. The most outspoken anti-government forces in Santa Cruz seem to be itching for partition. And recent referendums in the Amazonian provinces of Beni and Pando appeared to have exacerbated this sense of potential national fracturing.

A key ingredient of this simmering conflict is ethnicity, the salience of which became evident even before the election of President Evo Morales in 2005. The combination of highly mobilised and vocal indigenous groups (the Amerindians, mainly located in the western highlands of Bolivia, represent some 55 per cent of the population) and the declining influence of traditional elites at a time of socio-economic deterioration, has created a society in which there are more losers than winners. The referendum marked a critical conjuncture of Bolivia’s social, regional, and political divisions.

Yet, despite Bolivia’s arrival at this gloomy turning point, events can, paradoxically, turn out moderately well. The country stands before two distinct paths: uncontrolled and protracted civil violence, political crisis, and institutional collapse, or short-term tension, medium-term accommodation, and long-term stability.

But can Bolivia move away from becoming a quasi-failed state?

The inauguration of Morales, an indigenous leader, was a political earthquake, but it was also a sign of deepening democracy. Restructuring relations between the state and the private sector in the hydrocarbons’ sector has provided the central government with the resources and capacities needed to rebuild an extremely weak state.

Morales’ social and cultural policies have been geared toward not only recognition of the rights of Bolivia’s indigenous majority, but also bringing about a redistribution of power among racial groups. His initial radicalism was more symbolic and rhetorical than real, moderated by late 2007, and most of his foreign policy initiatives were eclectic rather than extremist.

If Morales had ever conceived a major revolutionary change in Bolivia, by early 2008 that project had dissipated, owing to the absence of a national consensus on the feasibility, intensity, and direction of such a transformation. The muddled results of a constituent assembly that Morales had convened to amend the constitution reflected this reality. In the meantime, the opposition, although strong and immoderate, is not yet secessionist.

Fortunately, the world economy is not exacerbating Bolivia’s domestic polarisation. High global commodity prices have helped all the country’s major economic sectors: mining business in the west, agro-industrial production and hydrocarbon projects in the east, and further oil and gas development in the south. Moreover, boom in global consumption of cocaine - owing to higher demand in Europe and Latin America, together with stable demand in the United States - has brought new income to some Bolivians.

But, while the relative power of Bolivia’s diverse regions is increasing, none can survive alone or veto the actions of highly mobilised zones of the country. Ethnic and social groups, activated by an intense, politicised agenda, may think in zero-sum terms, but they cannot advance their interests without positive-sum compromises.

Moreover, neighbouring countries such as Argentina and Brazil have shown a remarkable degree of
understanding for Bolivia’s domestic predicament. They have sought to avoid, wherever possible, economic or political disputes with Morales’ government, and have become more diligent about exerting a positive influence on Bolivian affairs. The recently established “Group of Friends” (Argentina, Brazil, and Colombia) is trying to promote confidence-building and conflict-prevention measures.

In addition, the US appears to be seeking to avoid open antagonism with Morales. With a reformist regime in La Paz, it is difficult not to expect tensions with the Bush administration. But, crucially, the US has refrained from intervention in Bolivian politics, because it understands that undermining the current government could lead to chaos.

Bolivia’s future is not inexorably bleak. There is a window of opportunity to rebuild its state and institutions in more viable forms. More democracy and material welfare probably can coexist with realistic local autonomy, whereas partition, it should be remembered, does not always breed political pluralism, social cohesion, and economic well-being. Bolivians must recognise that there is a real chance to avoid this risky course.

The writer is professor of international relations at Universidad de San Andres, Buenos Aires, Argentina. ©Project Syndicate, 2008. www.project-syndicate.org

17 June 2008