

# Socialism from Below? Bolivia in an Age of Extractivism

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Bolivia received global attention for its anti-imperialist and anti-capitalist social movements in the twenty-first century. Best known perhaps were the Water Wars, against water privatization, in 2000 and the Gas Wars, demanding nationalization of the gas industry, in 2003. These rebellions entailed a radical rethinking of natural resource use and distribution.

Protestors were challenging the privatization mantra of the free-market “Washington Consensus” and demanding rights to assert popular sovereignty over natural resources like gas. Both helped propel the self-proclaimed socialist and Indigenous coca grower Evo Morales to the presidency in 2006, where he continues today. This was the emergent strategy of the Latin American left, to assert popular sovereignty in the streets and to gain power through the ballot box. With Morales’ victory, the movements pushed for the remaking of the state into one founded on the politics of movements, with the decadent and elitist political parties relegated to the dustbin. The movements proposed an ambitious agenda: radical agrarian reform, nationalization of key industries, deepening of Indigenous rights, and the dismantling of racism, patriarchy, and inequality, in short, decolonization. A new constitution would give birth to this new state, no longer a liberal republic of (un)representative electoralism, but a “plurinational state” founded on the organic reality of the grassroots—Indigenous peoples, workers, and small-farmers unions.

This was an ambitious agenda for an electoral project lacking hegemonic control over the military and confronting reactionary, de facto power holders in much of the country. Over a ten-year period, the government has accomplished some of its goals. There have been great successes on some fronts, for example land redistribution and a range of redistributive mechanisms such as jobs programs, cash transfer policies, and infrastructure investment. Bolivia has seen a notable reduction in extreme poverty (which dropped by half), tripling of the minimum wage, and the inclusion of Indigenous people and women into important government positions. The new constitution was adopted in 2009,<sup>1</sup> and at least symbolically, there is an ongoing dismantling of a white supremacist logic of rule that is at least 500 years old.

At the same time, many on the left in Bolivia and beyond have felt disappointed and defeated. The old-style political parties were not relegated to the dustbin, nor did the movements achieve their goal of becoming the organic representatives of the people. The dominant economic structure of the country—the export of raw materials, especially soy, gas, and minerals—has not changed much. While redistributive policies and the move to keep capital in the country have had notable and positive effects, Bolivia remains entangled in the interests of global capital. These forces continue to structure internal power relations and increasingly undermine progressive legislative actions. Today many radical intellectuals and movements who backed Morales and the *Movimiento al Socialismo* (Movement for Socialism, or MAS) are disillusioned by the many compromises of this administration. These include corruption scandals, a revival of militaristic nationalism, and Evo’s own machismo.

Some of this discontent was reflected in the referendum vote in February 2016. A “yes” vote would have allowed Morales to run for a fourth term in 2019. Yet the “no” vote won by 136,000 votes, or 2.6 percent. As many commentators have mentioned, perhaps this is simply voter fatigue, where many feel that MAS has been in power long enough. But it may also be the case that the traditional bases of support may be starting to question this government. Ultimately, the future of Bolivia remains uncertain. There are stirrings of a new attempt to allow for a re-election, and the right-wing opposition has neither an alternative plan nor an alternative candidate. The MAS may field its own successful candidate in Evo’s place. So, has the electoral path to socialism been exhausted? No. But its outcome has been troubling: the demobilization of movements and modest changes to a state system that is still constrained by structures of economic dependence. So what happened over the past ten years? And where does Bolivia go from here?

Critics of Morales have argued that extractivism, even with “social” redistribution, destroys nature, deepens authoritarian politics, and furthers dependence on global capitalist markets. Critics also charge that the apparent boom in the present masks the absence of a real economic vision for the future. In the name of the Pachamama, or Mother Earth, it follows, extractivism contributes to ecosystemic ruptures such as global warming. In contrast, those defending social extractivism argue that it is merely an instrument of economic transformation, necessary to address poverty in the present and lay the foundation for a new economy and society in the future. Compared to neoliberal regimes, it follows, Bolivia (and Ecuador) are socially and environmentally progressive, with the state using gas and mineral rents to promote economic diversification through industrialization, new local economies, and education for a post-extractive technology economy. Despite ongoing dependence on global capital, it is argued, this is the path toward twenty-first-century socialism.<sup>2</sup>

## **Obstacles or Challenges Within the MAS**

One of the MAS regime’s greatest challenges has been confronting Bolivia’s dependency on large-scale agro-industry (mostly soy) and extractive industries (particularly gas and minerals). These industries are the key source of export revenues, and, at least under the MAS, are now crucial for sustaining the redistributive agenda (limited as it is). Bolivia’s former ambassador to the UN, Pablo Solon, now part of the sympathetic yet critical opposition, writes that the “original idea of MAS was to nationalize hydrocarbons in order to redistribute the wealth and advance from extractivism of raw materials and diversify the economy.”<sup>3</sup> Yet a decade later, Bolivia is more dependent than ever on exports. Solon asks, “Why have we stalled?” Some would argue that this is Bolivia’s history (or destiny): An abundance of natural resources that are coveted by foreign markets leads to an almost inevitable push to monetize them. The least worst option, the MAS seems to say, is exerting state control over the distribution of rents, royalties, and taxes derived from them. Yet what is often overlooked is the ongoing embeddedness of foreign capital in local, regional, and national political decision-making. Can a socialist economy be constructed on an extractivist base? And how, and in what ways, does a model of extractivism shape and influence multiple scales of governance? A look at each of these sectors—the agrarian, the gas and energy, and the minerals—outlines the complex political challenges for rethinking socialism from below.

Eastern Bolivia, with its economic center in the city of Santa Cruz, is the stronghold of the agro-industrial sector and has also been the key site of opposition to the MAS project.<sup>4</sup> Local elites spawned a racist and separatist opposition movement even before Evo was elected. Their supporters—including, at times, the U.S. government, but more nearby, Brazilian rural elites with ties to Sao Paulo and international financial capital—continue to influence politics in the East. Morales began in 2007 with plans to implement a radical agrarian revolution in a region where 90 percent of the land is owned by 1 percent of the population.<sup>5</sup> Yet resistance from elites in the

lowlands prevented any large-scale recovery of “private” lands—though much of these were ill-gotten in the era of Bolivia’s dictators. For the moment, political-economic relations between foreign capital and regional agrarian power have pushed Morales to negotiate with agrarian elites. Linda Farthing calls this “private sector pragmatism.”<sup>6</sup> Against MAS’ proclamations in defense of Mother Earth, and against GMO capital, Brazilian soy producers have allied with regional elites of Santa Cruz to press MAS to remove all restrictions on genetically modified soy. By 2010, the MAS reached a kind of *détente* with the eastern business elite in order to quell the reactionary putsch of agrarian capital. Vice President Álvaro García Linera, former guerrilla fighter and Marxist theoretician, went so far as to affirm in 2014 that the MAS government would be neither a rival nor a competitor to the Santa Cruz business community, but rather an ally for economic growth. Thus, little by little, the agrarian revolution stalled. As Pablo Solon argued, “The process of change had not only been captured by the logic of power but the interests of the right-wing business sectors undermined it from within.”<sup>7</sup> Solon argues that those government leaders who were captured by the logic of power opted for a strategy of signing agreements with economic representatives of the opposition, “an economic carrot to go with the political stick.” The social, economic, and ecological consequences are troubling.

What has happened to agrarian social movements? One case is revealing. The Landless Peasant Movement (MST-Bolivia)—taking inspiration from the more well-known Brazilian Landless Movement—was a force to be reckoned with in the East in the late 1990s and early 2000s. As allies of the nascent MAS upsurge, they occupied *latifundio* (estate) lands in the East typically owned by enemies of the left. They squatted on haciendas, creating makeshift homes and communities until—with the MAS in power—the government seized and redistributed the land. The intent of the movement was to call for a wider and more radical agrarian reform while also challenging the agro-industrial and export-oriented model. This meant rescaling production to peasants—or at least, cooperative-scale agriculture—and building local, domestic markets. Prior to MAS’ rise to power, there were vibrant MST communities in the East experimenting with intercropping instead of fertilizers and pesticides, producing foods like peanuts and beans for domestic markets, and building a horizontal form of politics in contrast to the hierarchical union model. MST communities struggled with the question of collectivizing labor and redistributing surplus wealth back into the settlements. These communities represented a kind of hope for an alternative agricultural model but also for a distinct political and economic model that through “occupations” across the countryside could spread and reproduce itself. While MST did not imagine meeting the food needs of the entire population, these small-scale communes served as a form of political resistance and a practical way to meet subsistence level needs for campesino families. Much like what George Ciccariello-Maher describes in *Building the Commune*, about Venezuelan grass-roots experiments with socialism,<sup>8</sup> MST communes were “experiments” or political projects whereby workers seized the means of production from economic elites and began to govern and produce within these spaces, at best an escape from the crisis of capitalism. However, in the case of Bolivia, these more radical initiatives failed to build the kinds of autonomous agrarian initiatives that we might see in northeastern Brazil or Chiapas, Mexico. These ideas of horizontality and self-governance are still nourished in local memories, but with the agrarian *détente*, the movement has been debilitated. Pressures for land redistribution are now selectively addressed, while occupations have been deemed illegal by the Morales administration. Many of the rural proletariat migrated to peripheral neighborhoods on the outskirts of booming city centers like Santa Cruz and are now eking out a living in the informal economy. Hopes for alternative agro-ecology may still be part of a vision of “socialism from below,” but for the moment have been somewhat disarticulated.

## **Energetic Revolution?**

Bolivians rallied to nationalize the gas industry in 2003, and President Evo Morales fulfilled the

demand in 2006. Though not technically “nationalized,” since foreign firms still operate most of the exploration and extraction processes, the move increased transfer of rents (superprofits), taxes, and royalties from natural gas to the government treasury. This has provided most of the financing for the redistributive efforts of the state. It has also fueled corruption and enriched regional governments that have a decidedly anti-socialist orientation. Bolivia’s government now speaks of the country as the “energetic hub” of South America. Gas exports go mainly to Brazil and Argentina. There are also plans to export electricity produced by gas, solar, and hydropower. For the moment, gas is king. The country appears poised to drill new gas (and oil) wells in protected areas and has already sparked protest in some Indigenous territories. Fracking may not be far behind. In the short term, gas rents have shored up the economy. Yet structurally and materially, fossil-fuel based growth will only deepen contradictions and exacerbate historic inequalities. The ecological left in Bolivia is pushing for a more radical vision such that extractivism truly becomes a bridge to collectively owned and controlled alternative energy projects. Though Brazil wants to dam rivers on the shared border (and another dam is planned in the Amazonian region north of La Paz), many commentators have suggested that if Bolivia were to invest one billion dollars, it could generate 500 megawatts of solar energy, which is about one-third of the present national demand.<sup>9</sup> Bolivia could support solar at multiple scales that would turn electricity consumers into energy producers. Electricity export—from solar—may also be a possibility.

The political effect of fossil-fuel extraction—capital intensive, labor scarce, and centrally managed—can only be dismantled by new energy infrastructures, whether in the United States or Bolivia. Yet a socialist praxis in energy—collectively controlled and decentralized renewable energy production and distribution—seems a distant dream for the moment. The state would have to subsidize local investments and encourage local control. This contradicts both the state’s own push for exerting sovereign control over resources as well as its priorities for monetizing energy production to contribute to state coffers. Existing patterns of regional energy production are firmly capitalist. The agro-industrial elite of the East, for example, maintains a grip over its regional electricity “cooperative.” Designed on the U.S. model of the rural electric co-op in the 1960s, the “cooperative” was captured by elites and remains a central bastion of economic and political power for the conservative elites of eastern Bolivia. Between the state urge to centralize control and this regional conservatism, more localized projects face an uphill struggle. This alternative energy from below would be more environmentally and socially sustainable than hydroelectric dams or the never-ending quest to drill for more gas and oil. The pressure to seek more fossil fuel, nonetheless, is strong. Bolivians have rightly come to enjoy more access to natural gas for cooking and home use, and there is broad support for drilling. And, the political forces exerted by Brazilian capital—which treats Bolivia as an energy provider for São Paulo industry—have an outsized influence given that the MAS government also depends on rents to stay afloat. It is, needless to say, a difficult political conundrum.

### **We Eat the Mines, and the Mines Eat Us**

Thus read the title of June Nash’s classic work on the Bolivian tin mines. Written in the 1970s, during a time of revolutionary ferment, the book describes the mutual reinforcement of Andean notions of underworld earth beings and Trotskyite ideologies of class struggle. Bolivia has long been a mining country and will continue to be for the foreseeable future. Is there a way that mining can once again be made more amenable to a socialist project from below? Certainly the mining unions in their heyday represented a radical form of socialism from below. However, after the privatizations of the mines in the 1980s and 1990s, the mining industry was divided into operations of multinational firms and smaller, residual efforts that involved the organization of cooperatives. These cooperatives were sometimes locally controlled, worker-managed operations. In other cases, cooperatives were

merely fronts for multinational investors, since Bolivian law sought to ameliorate privatization by granting some legislative benefits to those who formed cooperative ventures. Rather than collectively managed production, these were more like units of labor control financed by foreign firms, with workers who enjoyed few protections or benefits. Even so, Evo's MAS government sought to make of the cooperatives a key ally and further advanced their legislative privileges for better and worse. Late in 2016, the government, confronted with falling mineral prices and aiming to rebuild a state mining industry (COMIBOL), moved to extend labor protections and organizing rights to the cooperative miners. This would expand the reach of the national miners union (and the state). It sought to assert more government control over a sector still largely dominated by foreign firms. Cooperatives, large and small, resisted. Tragically, in response to police repression, factions of the cooperative leadership spurred the lynch-mob killing of a government vice-minister sent to negotiate. The death, still subject of much speculation, nonetheless turned public opinion against the cooperatives, and the changes went through.

Tensions remain between those cooperatives who might pursue a more environmentally friendly and socially redistributive mode of mining that skirts the boundary between autonomy and state control, and efforts to rebuild the state mining industry in a more conventional manner. Is this possible? To date, the ecological impacts of nearly all forms of mining have been devastating. The pollution of rivers and waterways is the most concerning. As we have written elsewhere, the proposed venture into lithium may exacerbate these environmental tragedies. Ideally, it might be carried out in a more ecologically sensitive way and articulate with the move to renewable energies. Nonetheless, the long tradition of radical and autonomous thinking of Bolivian miners might still be seen as an important reservoir for emergent forms of socialism from below. Yet small-scale mining in cooperative forms—mining communes of a sort—do not benefit from economies of scale and can be more ecologically damaging than larger-scale efforts. If Bolivia is to be a mining country, as many seem to accept, it suggests the need for a concerted socialist politics articulating organized labor, the state, and hypervigilant environmental oversight. Contrary to the past, when the miners were expected to be the vanguard of revolutionary transition, the locus for grass-roots socialist renewal today is more likely to be found elsewhere.

### **The Indigenous Territorial Question**

Much attention has been given to the putative advances of Indigenous rights during the MAS government, which enshrined international Indigenous rights law into the new constitution. Yet in practice, Indigenous movements, heterogeneous as they are, have been largely frustrated. In 2010, for example, MAS announced its plans to build a massive highway through Indigenous lands and territories (the TIPNIS case). Morales failed to consult with lowland Indigenous peoples before signing the agreement, and this sparked two spectacular Indigenous marches from lowland Bolivia to the highlands. When Indigenous peoples marched in the first TIPNIS march in 2011, Morales sent the repressive arm of the state to quell resistance. Yet in other regions, government investments in schools, Indigenous language training institutes, and three new universities have been taken as signs of positive support. And, a law in support of Indigenous autonomy has indeed been passed. The law would grant Indigenous peoples some autonomy at the municipal scale. Notably though, the legislative hoops are many and some regions have opted to stick with the current model of electoralist engagement through the MAS party. One fledgling effort is in the far southeastern municipality—now an autonomous territory—of Charagua. Guaraní leaders there managed to get their statute for self-government through the procedural hurdles. Only time will tell if therein lie seeds of a new form of politics.

Yet older patterns of patronage and clientelism persist. Those who oppose the government face potential repression. Those who support may benefit from some state largesse. Indigenous organizations are thus riven with internal disputes—some ordinary, many provoked by government

meddling, a pattern that has been around since long before the MAS took power. The rising autonomy of movements, Indigenous and otherwise, was taken to be a fundamental part of the MAS resurgence and the new constitution. Yet many commentators have highlighted the state's penchant for centralizing power by absorbing the movements into the state through a logic of *caudillismo*, the top-down, hierarchical structure of governance and control. MAS has strategically demobilized radical movements by incorporating key leaders into positions of power within the government. One key example is what happened to the Landless Peasant Movement in the eastern region. Morales pulled leaders out of their bases and strategically placed them inside the state to become advisors on land policy. This happened with many other leftist social movements across the country. By 2016, social movements were a shadow of their former selves, with leaders working in the government, or in organizations controlled by the government, or demoralized.<sup>10</sup>

It is too simplistic to discard the state altogether. Nor is it the case, given the right-wing opposition's efforts to use social movements to attack the government, that a wholesale attack on the MAS is merited. The MAS relies on social movements, just as movements rely on the MAS. (And remember, Evo took 50 percent of the vote in the re-election referendum. He maintains significant popular support.) But it is important not to place blind faith in the MAS and lose track of the slow weakening of movements on the ground. Instead of the promotion of free-thinking activists, organic intellectuals, and movements whose critiques nurtured progressive evolution, critics were silenced, marginalized, or persecuted. The movements persist, but critics—especially from the feminist and anarchist left—should be supported. Bolivia's once radical movements have lost the independence, coherence, and mobilizing strength to force through more radical changes. So is this the age-old dilemma of social movements who surrender to becoming a part of the state? How and in what ways can they remain autonomous and pressure the state for more radical reforms?

### **Lessons of a Compromised Socialist Agenda**

In 1972, the brilliant Bolivian scholar and revolutionary thinker René Zavaleta fled to Chile from the Bánzer dictatorship. There he gave an interview to the U.S.-based NACLA (North American Congress on Latin America) journal.<sup>11</sup> He was asked what the role of the U.S. left might be in supporting the revolutionary struggle in Bolivia. Zavaleta responded that North Americans would do well to support the Bolivian proletarian classes, where the true revolutionary spirit of the country resided. At the time, Zavaleta had seen how the right's control of the military had defeated the mobilization of the masses in the street. He was concerned that the Bolivian left was flush with revolutionary spirit but had not captured the importance of having some model—armed, to be sure—to contest the right. Without reading too much into things, today the Bolivian left has moved somewhat closer to recrafting the armed power of the state. At least symbolically, the terms of “anti-imperialism” are increasingly absorbed into military doctrine. This is necessary but highly risky, given the military's own inertia toward patriarchal *caudillismo*. Yet, increasingly in regional isolation as neighboring governments are seized by the right, Bolivia faces an uphill struggle. This is a region where the United States has long used its own military and associated institutions to wage an ideological, cultural, economic, and financial war against progressive change. If Zavaleta were around today, he might advise North Americans to pay closer attention to the United States' deepening military empire in the region—much of it seemingly linked to key territorial resources like biofuels, water, and zones of transit. Against the wider, global militarization of politics, the left must find new ways to push back against that logic of colonial control. In the days of Trump, the particularities of Bolivia might be overshadowed by more immediate struggles. Yet certainly identifying and actively resisting the conjoined interests of the militarized fossil fuel industry here and certain aspects of U.S. foreign policy might be part of what North-to-South solidarity should look like today. Those pursuing solidarity might also deepen other lines of critique that have emerged in

recent years—anti-racist, anti-authoritarian, anti-patriarchal struggles being key among them. This does not suggest joining the rabid right and dismissing MAS out of hand, but rather maintaining a critical solidarity while also refocusing attention on our own challenges, now intensified and the risks ever greater, back home. We certainly have a long way to go before we begin to see a clear and coherent vision of socialism from below mapped onto a state-based agenda in Bolivia.

Bolivians, for their part, will carry on with a deeper historical project aimed at recovering sovereignty while rethinking underlying patterns of economic exploitation. As Solon argues, instead of “referendums for re-election of two persons, we should be moving to promote referendums on GMOs, nuclear energy, megadams, deforestation, public investment, and many other subjects that are crucial for the process of change.” We may say the same about the United States. But the time is ripe to act with renewed commitment if we are to have any hope for our future generations and the future of our planet.

## Footnotes

1. Linda Farthing, “An opportunity squandered: elites, social movements and the government of Evo Morales,” *Latin American Perspectives*, forthcoming.
2. Nicole Fabricant and Bret Gustafson, “Revolutionary Extractivism in Bolivia: Imagining Alternative World Orders from the Ground up.”
3. Pablo Solon, “Bolivia’s Process of Change Needs a Change in Course.”
4. Nicole Fabricant and Bret Gustafson, “Revolutionary Extraction? Mapping the political economy of gas, soy and mineral production in Evo Morales’s Bolivia.”
5. For more on landed inequality in the East, see Jean Friedsky, “Land Wars in Bolivia.”
6. Farthing.
7. Solon.
8. George Ciccariello-Maher, *Building the Commune: Radical Democracy in Venezuela* (Verso Press, 2016).
9. Solon.
10. Farthing.
11. Rene Zavaleta Mercado, “Bolivia Will Be a Socialist Country or It Will Never Be a Modern Country,” *NACLA’s Latin America and Empire Report* (Vol.8, no. 2, 1974), 10-11.